UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 1-9977

Meritage Homes Corporation
(Exact Name of Registrant as Specified in its Charter)

Maryland	**86-0611231**
(State or Other Jurisdiction of Incorporation or Organization)	**(IRS Employer Identification No.)**

18655 North Claret Drive, Suite 400, Scottsdale, Arizona 85255
(Address of Principal Executive Offices, including Zip Code)

(480) 515-8100
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock $.01 par value	MTH	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated Filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.	☐
Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.	☒
If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.	☐
Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of common stock held by non-affiliates of the registrant as of June 30, 2025 was $4.7 billion based on the closing sales price per share as reported by the New York Stock Exchange on such date.

The number of shares outstanding of the registrant’s common stock on February 9, 2026 was 66,800,664.

DOCUMENTS INCORPORATED BY REFERENCE

Portions from the registrant’s Proxy Statement relating to the registrant's 2026 Annual Meeting of Stockholders have been incorporated by reference into Part III, Items 10, 11, 12, 13 and 14.

MERITAGE HOMES CORPORATION
FORM 10-K
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PART I

Item 1. Business

The Company

Meritage Homes Corporation ("Meritage Homes") is a leading designer and builder of single-family attached and detached homes. We primarily build in long-term high-growth markets of the United States and offer a variety of entry-level and first move-up homes. We have operations in three regions: West, Central and East, which are comprised of twelve states: Arizona, California, Colorado, Utah, Tennessee, Texas, Alabama, Florida, Georgia, Mississippi, North Carolina, and South Carolina. These three regions are our principal homebuilding reporting segments. We also operate a financial services segment, which offers title and escrow, mortgage, and insurance services to our homebuyers. Carefree Title Agency, Inc. ("Carefree Title"), our wholly-owned title company, provides title insurance and closing/settlement services to our homebuyers in certain states. Managing our own title operations allows us greater control over the entire escrow and closing cycles in addition to generating additional revenue. Meritage Homes Insurance Agency, Inc. (“Meritage Insurance”), our wholly-owned insurance broker, works in collaboration with insurance companies nationwide to offer homeowners insurance and other insurance products to our homebuyers. Our financial services operations also provide mortgage services to our homebuyers through an unconsolidated joint venture.

Our homebuilding activities are conducted under the name of Meritage Homes in each of our homebuilding markets. At December 31, 2025, we were actively selling homes in 336 communities, with base prices ranging from approximately $161,000 to $1,000,000. Our average sales price ("ASP") on home closings and orders was approximately $384,000 and $391,000, respectively, for the year ended December 31, 2025.

Available Information; Corporate Governance

We commenced our homebuilding operations in 1985 through our predecessor company, Monterey Homes. Meritage Homes Corporation was incorporated in the state of Maryland in 1988 under the name of Homeplex Mortgage Investments Corporation and merged with Monterey Homes in 1996, at which time our name was changed to Monterey Homes Corporation and later ultimately to Meritage Homes Corporation. Since that time, we have engaged in homebuilding and related activities. Meritage Homes Corporation operates as a holding company and has no independent assets or operations. Its homebuilding construction, development and sales activities are conducted through its subsidiaries.

Information about our Company and communities is provided on our Internet website at *www.meritagehomes.com*. The information contained on our website is not considered part of this Annual Report on Form 10-K ("Annual Report"). Our periodic and current reports, including any amendments, filed or furnished pursuant to section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the “Exchange Act”) are available, free of charge, on our website as soon as reasonably practicable after they are electronically filed with or furnished to the Securities and Exchange Commission (“SEC”).

Meritage Homes operates within a comprehensive plan of corporate governance for the purpose of defining responsibilities and setting high standards for ethical conduct. Our Board of Directors has established an audit committee, executive compensation committee, nominating, governance and sustainability committee, and asset management committee. The charters for each of these committees are available on our website, along with our Lead Independent Director Charter, Code of Ethics, Corporate Governance Principles and Practices, Conflict of Interest and Related Party Transaction Policy, Securities Trading Policy, Clawback Policy, Human Rights Policy, Vendor Code of Conduct, Political Activities and Contributions Policy, Sustainability Policy, Non-Employee Director Retirement Policy, and Responsible Marketing Policy (collectively, the "charters and Published Policies"). All of our employees, officers and directors, are required to comply with our policies and our Code of Ethics. Our charters and Published Policies are also available in print, free of charge, to any stockholder who requests any of them by calling us or by writing to us at our principal executive offices at the following address: Meritage Homes Corporation, 18655 N. Claret Drive, Suite 400, Scottsdale, Arizona 85255, Attention: Secretary. Our telephone number is (480) 515-8100.

Strategy

All facets of Meritage's operations are governed by the core values that define our culture and operational parameters, ensuring that our actions are aligned around our brand promise of delivering to each of our customers a LIFE.BUILT.BETTER.®

Our six core values include:

- Start With Heart
- Integrity Above All Else
- Develop to Empower
- Think Strategically
- Build Value, and
- Play to Win

These values combine our entrepreneurial spirit and organizational agility to strive for industry-leading results in all of our functional areas, including: land acquisition and development, finance, marketing, sales, purchasing, construction, customer care, and information technology. The main tenets of these core values are:

- Value, recognize and appreciate our employees, trade partners, customers and other stakeholders;
- Act with honesty, character and integrity by demonstrating openness and transparency with our internal and external customers;
- Provide the highest level of customer service by bringing passion and care to every interaction and make a difference by giving back to the communities we serve;
- Strive to have the best team available through investing in our people and fostering an environment that embraces growth and learning;
- Renew, rethink and innovate, continuously and purposefully, with the customer in mind, by supporting and encouraging new ideas and recognizing efforts that grow stakeholder value;
- Lead with action, be relentless in our pursuit of excellence and never settle; and
- Commit to build a culture of inclusion and belonging across our organization.

These core values are evident in our operational decisions, all of which contribute to the successes we have achieved in becoming the fifth largest homebuilder in America.

Our operational strategy focuses on building affordable, move-in ready homes that are designed to meet the growing demand for entry-level and first move-up product in high-growth geographies across the U.S., while utilizing sales channels historically focused on the residential resale market. Our communities are targeted to the entry-level and first-time move-up price point combining nicely-appointed affordable homes with simplified and streamlined construction and sales processes aimed to create a stress-free buying experience for our customers while also allowing our trade partners and suppliers to work more efficiently and cost effectively, allowing us to pass savings on to our customers. We have a 100% speculative ("spec") home building strategy, pre-starting all of our homes with preselected plans and features. Midway through 2024, we introduced a strategic shift of selling homes later in the construction process which enables us to compete more effectively with the resale home market by shortening the delivery time from sale to close, aligning more closely with typical resale home closing timelines. Our strategic shift focuses on three core tenets: (1) a 60-day closing ready guarantee beginning in 2025, (2) move-in ready homes, and (3) external realtor engagement. We believe that focusing on these three tenets reinforces our brand commitment and positions us competitively to capture a larger market share by opening up a category of buyers that previously might not have considered new home construction due to hesitancy over construction and closing delays and hidden move-in costs. We believe our move-in ready, 60-day closing ready guarantee helps alleviate these concerns. Further, by focusing on our relationship with the external realtor community, we expand our potential buyer pool and marketing funnel as we know that a large percentage of buyers place their trust in these agents when starting their search for a new home.

We continue to focus on building energy efficient, resilient homes and believe it is one of the core differentiators between the new and resale home market. Accordingly, at a minimum, every new home we construct, except in certain geographies, meets or exceeds the standards of ENERGY STAR® Version 3.1, which are higher than existing building codes. Although the

ENERGY STAR® certification program is anticipated to phase out by June 2026, based on current guidance from the U.S. Environmental Protection Agency ("EPA"), we will continue to monitor developments and adjust our approach as needed. These standard offerings provide our customers with homes that utilize, on average, half of the energy of a typical existing U.S. home of the same size. As a result of our commitment to interior air quality, we have repeatedly received the EPA's ENERGY STAR® and the Indoor airPLUS certifications. Our commitment to incorporate these energy and healthy living standards into all of our homes has resulted in our achievement of design, purchasing and production efficiencies that have allowed us to offer these as standard features to our home buyers for nominal additional cost while providing significant additional value to our customers. In addition, all of our homes come equipped with the M.Connected Home™ Automation Suite, bringing smart home technology together in one convenient app so homeowners can seamlessly monitor and control features like Wi-Fi enabled thermostats, garage doors and smart door locks.

Year after year, we strive to build energy-efficient homes through better construction processes and selection of materials and features inside the home. These efforts reduce the energy consumption and greenhouse gas emissions of our homes, which create energy savings and lower utility bills for our homeowners. Our homes earn better Home Energy Rating System ("HERS") scores from the third-party energy rater, Residential Energy Services Network, as compared to a comparable existing home. In recognition of our efforts, we have received various national and regional awards, including most recently:

- Newsweek's 2025 America's Greenest Companies;
- 2024 EPA's ENERGY STAR® Partner of the Year for Sustained Excellence for the eleventh year [(1)];
- 2021 - 2024 EPA's Indoor airPLUS Leader Award [(1)]; and
- 2013 - 2024 EPA's ENERGY STAR® Residential New Construction Market Leader Award [(1)];

[(1)] The EPA did not issue any awards during 2025.

Sustainability and Corporate Social Responsibility

We believe transparent corporate governance and sustainability are important for the long-term sustainability of the business. Our Sustainability Policy, Code of Ethics, Human Rights Policy, Vendor Code of Conduct, Political Activities and Contributions Policy, and Responsible Marketing Policy, collectively, are intended to define, promote and support sustainable practices throughout our operations. We take pride in being an organization driven by ethics and living by our core values and our promise to deliver a Life.Built.Better.® We promote the long-term interests of our stakeholders and customers and focus on the transparency and accountability of Meritage’s Board of Directors, executive management, employees and trade partners. In addition to being certified as a Great Place to Work® for a third year in a row in 2025, we also received various national and regional awards in recognition of our corporate stewardship, including:

- Forbes' 2025 list of Most Trusted Companies in America;
- U.S. News & World Report’s Best Companies to Work For in 2025-2026;
- 2025 Fortune Best Workplaces in Construction, Best Workplaces for Women, and Best Workplaces for Overall;
- One of Time Magazine's 2025 America's Best Mid-Sized Companies; and
- Various 2025 AvidCX™ Benchmark customer service awards across multiple divisions.

More information regarding these topics can be found on our website and within publicly filed reports, including our fifth annual Sustainability & Corporate Responsibility report (“S&CR Report”) issued in 2025, which includes our Task Force on Climate-Related Financial Disclosures ("TCFD") and our Equal Employment Opportunity data (“EEO-1”). This information is located within the Investor Relations area of our website. The S&CR Report and other information on our website are not incorporated by reference into this Annual Report.

Markets

We currently build and sell homes in the following markets:

Markets	Year Entered
Phoenix, AZ	1985
Dallas/Ft. Worth, TX	1987
Austin, TX	1994
Tucson, AZ	1995
Houston, TX	1997
East Bay/Central Valley, CA	1998
Sacramento, CA	1998
San Antonio, TX	2003
Inland Empire, CA	2004
Denver, CO	2004
Orlando, FL	2004
Raleigh, NC	2011
Tampa, FL	2011
Charlotte, NC	2012
Nashville, TN	2013
Atlanta, GA	2014
Greenville, SC	2014
South Florida	2016
Myrtle Beach, SC	2021
Salt Lake City, UT	2023
Jacksonville, FL	2023
Coastal Alabama	2024
Coastal Mississippi	2024
Florida Panhandle	2024
Huntsville, AL	2024

Recent Industry and Company Developments

The market for new homes in 2025 was marked by much softer demand than anticipated, as affordability challenges persisted and consumer confidence deteriorated. While demand for affordable, move-in ready homes from millennial, Gen Z and baby boomer generations continues, buyers are increasingly reliant on financing assistance to overcome market uncertainty and manage monthly payments. Our ability to offer financing incentives, including interest rate locks and buy-downs, remains a key differentiator, primarily compared to resale homes, where individual sellers are typically not able to provide such incentives. With our strategy to provide affordable, move-in ready homes that can close within 60 days, and a commitment to partner with third party brokers, who facilitate most residential real estate transactions in the U.S., we believe we are well positioned to capture existing demand and grow our market share when demand improves.

During 2025, we further shortened our construction cycle times to under 110 calendar days, below our historical normalized time of approximately 120 days. Our all-spec strategy minimizes variability and creates efficiencies through repeatability, which combined with increased capacity from declining market demand, were the drivers for this cycle time improvement. Cycle time improvement was also supported by a healthy channel of materials available in the supply chain. While material costs have eased, land costs remain elevated following years of historically high land acquisition and development costs. Our scale and purchasing power allow us to secure volume discounts from national vendors, helping offset some of these cost pressures.

We have been successful in executing on our strategy to address the demand for more affordable homes by acquiring and developing communities and designing homes that can be delivered at a lower cost, simplifying our product and construction processes, and having an all spec home sales program, all of which allow buyers to move in quicker and make the entire home buying experience faster, easier and less costly. We are confident in our strategy and continue to demonstrate our commitment to first-time and first move-up buyers through our focus on delivering affordable homes. Our portfolio of active communities is currently concentrated on first-time buyers, as these provide us the best opportunity to offer affordable homes. We also remain committed to our key financial goals such as higher home closing revenue, strong home closing gross margin, controlling selling, and general and administrative costs, and maintaining sufficient liquidity. Our products and simplification strategy have enabled us to deliver on these goals and we believe will continue to provide improved profitability while also preserving liquidity. Our near-term objectives in today's uncertain environment are balancing disciplined growth with stockholder returns and maintaining liquidity. During 2025, we maintained investment grade ratings from all three of our rating agencies in recognition of our disciplined approach to balance sheet management, while balancing growth and shareholder return. In response to the broader economic conditions, during the fourth quarter of 2025 we conducted an in-depth review of our land portfolio and elected to terminate certain positions to release capital to top-grade our land portfolio as better opportunities become available. We also took steps to reduce our go-forward overhead costs, with a strategic focus on both cost savings and technological efficiencies for certain back-office functions. As a result of these strategic reviews, we recognized charges on terminated land contracts of $39.4 million and severance costs totaling $8.4 million during the year ended December 31, 2025.

Home closing revenue of $5.8 billion for the year ended December 31, 2025, decreased 9.1% year over year as a result of 3.7% lower home closing volume and 5.6% lower ASP on closings. The decline in home closing volume was due to the softer demand previously discussed, while affordability concerns drove ASP on closings down as a larger number of buyers utilized financing incentives to assist with lower monthly payments. Home order volume of 14,650 was consistent year-over-year, as an 11.6% increase in average active communities was nearly offset by a 9.3% decrease in orders pace to 3.9 homes per month. Home order value of $5.7 billion decreased 3.8% due entirely to lower ASP resulting from increased utilization of financing incentives. The lower ASP on both closings and orders was also due in part to geographic mix shift. Home closing gross margin of 19.7% was 520 basis points lower than 24.9% in 2024, due to increased utilization of financing incentives, higher lot costs, charges incurred related to terminated land contracts and real estate-related impairments, severance costs, and reduced leverage of fixed costs on lower home closing revenue, all of which more than offset savings in direct costs. Excluding $39.4 million in terminated land contracts, $16.5 million of real estate-related impairments, and $4.3 million of severance costs, adjusted home closing gross margin was 20.8% for the year ended December 31, 2025, compared to adjusted home closing gross margin of 25.0% in 2024 when excluding $6.7 million in terminated land contracts. Net earnings and diluted EPS for the year ended December 31, 2025 of $453.0 million and $6.35 per share, decreased by 42.4% and 40.8%, respectively, compared to prior year.

We carefully manage our liquidity and balance sheet, particularly during times of limited economic visibility. Our earnings generate cash that allows us to reinvest in our business through acquiring and developing land, increasing the number of homes under construction, and returning shareholder value by repurchasing our common stock and paying dividends. During 2025, we repurchased 4,289,984 shares of our common stock, or 6.0% of the shares outstanding at the beginning of the year, for $295.0 million and paid dividends totaling $121.1 million. We ended the year with cash and cash equivalents totaling $775.2 million as compared to $651.6 million at December 31, 2024, while growing our inventory 4.5% to $6.0 billion. Our debt-to-capital ratio was 26.0% and our net debt-to-capital ratio was 16.9% at December 31, 2025, compared to 20.6% and 11.7%, respectively, at December 31, 2024. Net debt-to-capital is a non-GAAP measure. For information about the calculation of the net debt-to-capital ratio and the reasons why we believe it is a relevant financial measure, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources". On November 21, 2024, our Board declared a two-for-one stock split to stockholders of record at the close of business on December 31, 2024 that was effective on January 2, 2025. See Note 9 in the accompanying consolidated financial statements for additional information related to the stock split.

Land Acquisition and Development

Our current land pipeline goal is to maintain an approximate four-to-five year future sales order pace supply of lots, which we believe provides an appropriate planning horizon to address regulatory matters, perform land development and manage to our business plan for future closings. During the year ended December 31, 2025, we invested approximately $1.9 billion in land acquisition and development and secured approximately 5,500 net new lots, compared to 37,000 net new lots in 2024. We ended the year with 77,625 lots under control at December 31, 2025 versus 85,613 in 2024. Nearly all of the lots placed under control in 2025 are designated for entry-level communities. During 2025, we closed 15,026 homes, purchased approximately 15,000 lots for $867.3 million, spent $1.1 billion on land development, and started construction on 13,450 homes. At December 31, 2025 and 2024, respectively, approximately 72% and 62% of our controlled lots were owned.

We are currently purchasing undeveloped or partially developed land, as the opportunity to purchase substantially finished lots in desired locations is limited. Finished lots are those on which the development has been completed by a third party and are ready for immediate home construction. The entitlement and development of raw and undeveloped land requires a longer lead time before new communities are able to start new home construction. Typically, undeveloped and partially developed lots will have a lower all-in cost than finished lots as we are responsible for improvements on the land, rather than paying a mark-up on the entitlement value created by a third-party developer. When evaluating any land acquisition opportunity, our selection is based upon a variety of factors, including:

- financial feasibility of the proposed project, including projected profit margins, total capital commitment, return on capital invested, and the capital payback period;
- suitability of the land for our product offering of entry-level and first move-up homes;
- management's judgment as to the local real estate market and economic trends, and our experience in particular markets;
- environmental impact and sustainability considerations;
- existing concentration of lots owned and controlled by Meritage and other builders and developers in surrounding markets;
- development timeline, generally a three to five-year period from the purchase of the underlying property to the delivery of the last home;
- demographic data from the surrounding area based on extensive market studies, including surveys of both new and resale homebuyers;
- the ability to secure governmental approvals and entitlements, if required, and any associated risks;
- results of technical, environmental and legal due diligence;
- proximity to schools, local traffic and employment corridors, goods and services, and amenities;
- assessment of development risks, complexities and timelines; and
- availability and financial impact of seller-provided purchase options or structured financing agreements that allow us to defer lot purchases until needed for production, if applicable.

When purchasing undeveloped or partially developed land, we strive to defer the land acquisition until after entitlements have been obtained to eliminate or significantly minimize lot yield risk and so that development or construction may begin immediately, improving returns. The term "entitlements" refers to appropriate zoning, unit density and total lot yield, development agreements and preliminary, tentative and final maps or plats, depending on the jurisdiction within which the land is located. Entitlements generally give the developer the right to obtain building permits upon compliance with conditions that are ordinarily within the developer's control. Although entitlements are almost always obtained before land is purchased, we are typically still required to secure a variety of other governmental approvals and permits prior to and during development, and the process of obtaining such approvals and permits can be lengthy. In unique circumstances, we may consider the purchase of unentitled land when we can do so in a manner with limited risk and which is consistent with our business strategy. We generally purchase and develop parcels that will become communities that provide at least two or three years of sales per product line.

Once we secure undeveloped land, we generally supervise and control the entitlement and development of the land through contractual agreements with professional consultants and subcontractors. These activities may include site planning and engineering, as well as constructing road, sewer, water, utilities, drainage, landscaping improvements, recreation amenities and other improvements and refinements. We develop a design and marketing plan tailored to each community, which includes the determination of type, size, style and price range of homes. We may also determine the overall community design for each project we develop including street and community layout, individual lot size and layout, and common areas and amenities to be included within the community. The homes to be offered depend upon many factors, including the guidelines, if any, of the existing community, housing available in the area, the needs and desired housing product for a particular market based on consumer research, and pricing targets for the desired product offering in the surrounding area, though we almost exclusively use our standardized home design plans in our communities. We also build homes in master-planned communities.

The factors used to evaluate finished lot purchases are similar to those for land we intend to develop ourselves, although the development risks associated with the undeveloped land—financial, entitlement, environmental, legal and governmental—have largely been borne by others. As such, these finished lots may be more attractive to us, despite their higher price, as we typically can immediately bring the community to market and begin home construction as well as mitigate potential cost and time risks that can occur during the land entitlement and development process.

As a means of accessing parcels of land, both undeveloped and finished, with minimal cash outlay, we may use option contracts to secure land rights. Acquiring our land through option contracts, when available, allows us to leverage our balance sheet by controlling the timing and volume of lot and land purchases from third parties. These contracts provide us the right, but generally not the obligation, to buy lots at predetermined future intervals and are usually structured to approximate our projected home sales absorption rate at the time the contract is negotiated. Lot option contracts are generally non-recourse and typically require the payment of non-refundable deposits of 5% to 20% of the total land purchase price. The use of option contracts limits the market risks associated with land ownership by allowing us to re-negotiate option terms or terminate options in the event of market downturns but also include a financial return to the counterparty. In the event we elect to cancel an option contract, our losses are typically limited to the forfeiture of our option deposits and any associated capitalized pre-acquisition costs. The cost of obtaining land through such option contracts is generally higher than if we were to purchase land in bulk, although the financial leverage benefits they can provide can outweigh the financing costs associated with them. Our land purchases are financed through our working capital, including corporate borrowings.

At December 31, 2025, in addition to our 55,861 owned lots, we also had 21,764 lots under committed purchase or option contracts with a total purchase price of approximately $1.3 billion secured by $161.5 million in cash deposits. We purchase and develop land primarily to support our homebuilding operations, although we may sell land and lots to other developers and homebuilders from time to time where we have excess land positions or for other strategic reasons. Information related to lots and land under option contracts is presented in Note 3 in the accompanying consolidated financial statements.

All land and lot acquisitions are reviewed by our corporate land acquisition committee, which is comprised of certain members of our executive management team and key operational leaders. All land acquisitions exceeding a specified dollar amount must also be approved by our Executive Chairman, and are also reported to our Board of Directors' Asset Management Committee.

Construction Operations

We typically act as the general contractor for our projects and hire experienced subcontractors on a geographic basis to complete construction. We usually enter into agreements with subcontractors and materials suppliers after receiving competitive bids. In certain markets at high risk for land development cost increases, we may enter into fixed-fee bids. We also enter into longer-term and national or regional contracts with subcontractors and suppliers, where possible, to obtain more favorable terms, minimize construction costs and to control product consistency and availability. In addition to contractually requiring that our subcontractors comply with all laws and labor practices pertaining to their work, subcontractors must also adhere to our Code of Ethics and Vendor Code of Conduct, follow local building codes and permits, and meet performance, warranty and insurance requirements. See '*Customer Relations, Quality Control and Warranty Programs*' below for additional information about our subcontractor requirements. Our purchasing and construction managers coordinate and monitor the activities of subcontractors and suppliers, and monitor compliance with zoning, building and safety codes. At December 31, 2025, we employed approximately 878 full-time construction and warranty employees.

We specify that quality durable materials be used in the construction of our homes and we do not maintain significant inventories of construction materials, except for work in process materials for homes under construction. When possible, we negotiate price and volume discounts and rebates with manufacturers and suppliers on behalf of our subcontractors so we can take advantage of production volume. Our raw materials consist primarily of lumber, concrete, drywall, roofing materials and similar construction materials and are frequently purchased on a national or regional level. Such materials have historically been available from multiple suppliers and therefore we do not believe there is a supplier risk concentration. However, because such materials are substantially comprised of natural resource commodities, their cost and availability are subject to national and worldwide price fluctuations and inflation, each of which could be impacted by legislation or regulation relating to energy, climate change and tariffs. We typically do not enter into any derivative contracts to hedge against weather or materials price fluctuations as we do not believe they are particularly advantageous to our operations, although we do periodically lock in short and mid-term pricing with our vendors for certain key construction commodities. We continue to focus on controlling costs by expanding our trade base and strengthening critical relationships.

We generally build and sell homes in phases within our larger projects, which we believe creates efficiencies in land development, home construction operations and cash management. We also believe it improves customer satisfaction by reducing the number of vacant lots and construction activity surrounding completed and occupied homes. Our homes are typically completed within three to five months from the start of construction, depending upon the geographic location and the size and complexity of the home, although our current average construction cycle time is under 110 calendar days. Construction schedules may vary depending on the size of the home, availability of labor, materials and supplies, product type, location, municipal requirements and weather. Our homes are usually designed to promote efficient use of space and materials, and to minimize construction costs and time.

Marketing and Sales

We believe that we have an established reputation for building attractive, high quality energy-efficient, affordable homes, which helps generate demand for our product. We have robust communication and marketing plans that reach real estate agents and prospective buyers through a combination of online advertising, online listings, social media, email and articles. In mid-2024, we announced our strategic shift to focus on real estate agents as the primary customer and we created a variety of tools to help agents leverage a suite of digital offerings to provide a simple and streamlined sales and marketing experience, including:

- A new Meritage Homes website with easy navigation and focused on real estate agents;
- Lockbox access for models and completed homes;
- Dedicated Agent Portal where agents can find and save homes, view homes their clients are interested in, see loyalty program status and more;
- Virtual tours in all of our communities;
- Extensive online tools such as 3-D tours and dynamic floor plans to mimic the live experience of walking through a model home;
- Pre-qualifying buyers for mortgages through digital solutions on our website;
- Collecting earnest money payments remotely through third-party hosted money-transfer solutions;
- Warranty portal for our homeowners to submit and track warranty-related matters;
- Comprehensive online suite of financial services such as on-demand homeowners' insurance quotes; and
- Digital signing of sales contracts and drive-through and partial or fully virtual closings in states where such services are permitted.

In addition, our local marketing efforts are focused on online listings and generating leads through digital media campaigns, in-person and virtual events for real estate agents, and grass roots marketing efforts. Our marketing strategy is aimed at differentiating Meritage Homes by focusing on real estate agents as our primary customer, supported by our Agents Rock Rewards program, which provides opportunities for real estate agents to grow their business with Meritage Homes. Our move-in ready homes include a suite of appliances and whole home blinds, and our 60-day closing ready commitment guarantees the home will be closing ready in 60 days or less, or Meritage will reimburse the buyer up to $5,000 of expenses if the deadline is missed.

In addition to our robust digital marketing platform, we may also use furnished model homes as a marketing tool to demonstrate to prospective homebuyers the advantages of the designs and features of our homes. At December 31, 2025, we owned 349 completed model homes, had 22 models under construction and leased back two model homes previously sold to buyers. We strive to implement marketing strategies that will educate real estate agents and buyers on how our unique building techniques and the energy efficient and home automation features in our homes differentiate them from other homes.

Our strategy of providing simplification and transparency extends to our approach to interior design and finishes, which is particularly appealing to our first-time and first move-up buyer segments. Leveraging feedback from our homebuyers and based on our core values of innovating with the customer in mind, we offer pre-selected combinations of flooring, cabinetry, countertops and fixtures that are all professionally designed to meet our buyer's preferences, and our homebuyers benefit from bulk-purchase savings that we pass through from our national vendor partnerships.

Our homes generally are sold by our commissioned local sales associate employees and third-party real estate brokers. At December 31, 2025, we had approximately 534 full-time sales and marketing personnel. Our goal is to ensure that our sales force has extensive knowledge of our homes and their differentiated offerings, our sales strategies and mortgage options, in order to fully execute our marketing message. To achieve this goal, we train our sales associates and conduct regular meetings to update them on our product, sales techniques, competition in the area, financing availability, construction schedules, marketing and advertising plans, available product lines, pricing, and options offered, as well as the numerous benefits our energy efficient product provides. Our sales associates are licensed real estate agents where required by law.

Third-party real estate agents who sell our homes and are paid a sales commission, usually based on the price of the home. Our strategy focuses on the external broker relationship, and more than 90% of our closings were co-broke in 2025, which we believe is materially higher than the industry average.

To attract buyers, we may offer various sales incentives, including mortgage-related incentives such as interest rate locks or buy-downs, price concessions, and assistance with closing costs. The use, type and amount of incentives depends largely on economic and local market conditions.

Investments in Unconsolidated Entities — Joint Ventures

We may enter into joint ventures as a means of accessing larger parcels of land, expanding our market opportunities, managing our risk profile and leveraging our capital. We currently have three active land development ventures. In addition to the land development joint ventures, we also participate in one mortgage business joint venture ("MTH Mortgage"). The mortgage joint venture is engaged in mortgage activities and primarily provides services to our homebuyers.

Backlog

Our sales contracts require cash deposits and may be subject to certain contingencies such as the buyer's ability to qualify for financing. Homes covered by sales contracts but which are not yet closed are considered "backlog" and are representative of potential future home closing revenue. Started homes are excluded from backlog until a sales contract is signed and are referred to as unsold spec inventory. A contract contingent upon the sale of a customer's existing home or a mortgage pre-approval is not considered a sale and not included in backlog until the contingency is removed. We strive to achieve a 100% spec home building strategy for all of our homes. Our spec inventory per active community as of December 31, 2025 was 17.4 or 5,838 units as compared to 24.1 or 7,029 units as of December 31, 2024. At December 31, 2025, all of our 1,168 homes in backlog were under construction.

We do not recognize any revenue from a home sale until a finished home is delivered to the homebuyer, payment is collected and other criteria for sale and profit recognition are met. At December 31, 2025, of our total unsold spec homes in inventory, excluding completed model homes, 50% were under construction and 50% were completed. We believe that during 2026 we will deliver to customers substantially all homes in backlog at December 31, 2025 under existing contracts, or, in the case of cancellations, replacement sales contracts.

The number of units in backlog decreased 24.4% to 1,168 units at December 31, 2025 from 1,544 units at December 31, 2024 with a 30.0% decrease in the value of backlog to $440.6 million from $629.5 million. The decrease in backlog units is due to faster construction cycle times and higher backlog conversions as a result of our move-in ready strategy, as well as lower orders in the fourth quarter of 2025 due to market conditions.

Customer Financing

Most of our homebuyers require financing to purchase their home. While our homebuyers may obtain financing from any mortgage provider of their choice, we have a joint venture arrangement with an established mortgage broker that acts as a preferred mortgage broker to help facilitate the financing process as well as generate additional revenue for us through our interest in the joint venture (see Note 5 in the accompanying consolidated financial statements for additional information on joint venture financial results). We also have referral relationships with unaffiliated preferred mortgage lenders. We may pay a portion of the closing costs or obtain interest rate locks or buy-downs to assist homebuyers who obtain financing from our preferred lenders.

Customer Relations, Quality Control and Warranty Programs

We believe that positive customer relations and an adherence to stringent quality control standards are fundamental to our continued success, and that our commitment to buyer satisfaction and quality control has significantly contributed to our reputation as a high-quality builder.

In accordance with our company-wide standards, one or more Meritage project managers or superintendents generally monitors compliance with quality control standards for each community throughout the building phase of our homes. These employees perform the following tasks:

- oversee home construction;
- monitor subcontractor and supplier performance;
- manage scheduling and construction completion deadlines;
- conduct formal inspections as specific stages of construction are completed; and
- perform a final walkthrough inspection with homebuyers to identify any necessary repairs.

At the time a home is completed and delivered to a buyer, the continuing relationship is transitioned to a customer relations employee who manages our warranty and customer care efforts.

We generally provide a workmanship and materials warranty for the first year after the close of the home, a mechanical warranty for two years after the close of the home and a structural warranty that typically extends up to 10 years after the close of the home, based on state laws. We require our subcontractors to provide evidence of insurance before beginning work and to indemnify us from defects in their work and the materials they provide and therefore any claims relating to workmanship and materials are generally the subcontractors' responsibility. In certain markets and for certain attached product, our trades participate in a Meritage-controlled insurance program for our subcontractors underwritten on behalf of Meritage which, if accepted, is the insurance for damage resulting from construction defects in lieu of the standard insurance we require from subcontractors. Although our subcontractors are generally required to repair and replace any product or labor defects (and for those operating in markets with our Company-controlled insurance program, subcontractors who are enrolled in the insurance program are only required to pay a deductible), we are, during applicable warranty periods, ultimately responsible to the homeowner for making such repairs. Accordingly, with the assistance of an actuary, we have estimated and established reserves for future structural warranty costs based on the number of home closings and historical data trends for warranty work within our communities. Warranty reserves generally range between 0.1% to 0.5% of a home's sale price. Those projections are subject to variability due to the markets in which we build, industry trends and experience, claim settlement history, and insurance and legal interpretations and developments, among other factors and we are, therefore, constantly monitoring such reserves. Historically, these reserves, as adjusted, have been sufficient to cover net out-of-pocket warranty costs.

Competition and Market Factors

We compete for both homebuyers and desirable land in each of our markets. The competition for land is with other national, regional and local developers and homebuilders, while competition for the construction and sale of homes is with the developers and homebuilders, as well as existing resale homes, condominiums, town homes and rental housing. While we are one of the largest public homebuilders in the United States, some of our homebuilder competitors have greater financial resources and may have lower costs than we do. Competition among residential homebuilders of all sizes is based on a number of interrelated factors, including location, reputation, product type, amenities, design, innovation, quality, and price. We believe that we compare favorably to other homebuilders in the markets in which we operate. New home sales have traditionally represented less than 20% of overall home sales in the United States, and therefore a significant portion of our competition is with existing housing inventory and rental housing units. We believe we compete favorably with the existing home resale market by providing features that are not typically available in a resale home, such as:

- the warranty of a new home with a quick move-in timeline and turnkey experience;
- move-in ready homes including a full suite of appliances and whole-home blinds – all included in the price of the home;
- 60-day closing ready commitment. If the home is not ready to close in 60 days or less, Meritage will reimburse the buyer up to $5,000 of expenses related to the delay;
- energy-efficient features that meet or exceed ENERGY STAR® Version 3.1 standards and create a variety of benefits to our customers by providing healthier homes;
- inclusion of home automation through our M.Connected Home Automation Suite®; and
- digital offerings in all stages of the homebuying process.

Our product offerings and strategic locations are successfully competing with both existing homes inventory and surrounding new-home communities as evidenced by our relative orders volume and market share in most of our markets. We expect that the strengths noted above will continue to provide us with long-term competitive advantages.

We have an extensive market research department that assists us in each of our markets to better compete with other homebuilders and the inventory of re-sale homes in surrounding neighborhoods. Our strategic operations team conducts in-depth reviews in each of our markets, including a detailed analysis of existing inventory, pricing, buyer demographics and the identification of each location's key buyer metrics. This analysis and resulting analytical tools assist in decision-making regarding product designs, positioning, and pricing and underwriting standards for land purchases and land development. Additionally, our market research department supports the Company strategy by researching new market opportunities, product library development and evolving consumer trends and preferences.

Government Regulation and Environmental Matters

To the extent that we acquire undeveloped land, we prefer to close the acquisition of such land after all governmental approvals and permits have been obtained. Construction may begin almost immediately on such entitled land upon compliance with and receipt of specified permits, approvals and other conditions, which generally are within our control. The time needed to obtain such approvals and permits affects the carrying costs of unimproved property acquired for development and construction. The continued effectiveness of permits already granted is subject to factors such as changes in government policies, rules and regulations, and their interpretation and application. Government approval processes may cause delays, which primarily impact the timing of new community openings. There is no assurance that these and other restrictions will not adversely affect future operations as, among other things, sunset clauses may exist on some of our entitlements and they could lapse.

Local and state governments have broad discretion regarding the imposition of development fees for projects under their jurisdictions. These fees are normally established when maps or plats are recorded and building permits obtained. Governing agencies may also require concessions or may require the builder to construct certain improvements to public areas such as parks and streets. In addition, governing agencies may impose entitlement, development or construction moratoriums and therefore we could become subject to delays or may be precluded entirely from developing communities in the future as a result. However, because we acquire almost all of our land after entitlement, construction moratoriums typically do not affect us in the near term unless they arise from health, safety or welfare issues, such as insufficient water, electric or sewage facilities.

In addition, there is constantly a variety of new regulations being adopted and legislation being enacted, or considered for enactment, at the federal, state and local levels relating to energy, climate change, public health and the environment. As climate change concerns continue to grow, legislation and regulations of this nature may result in increased costs and longer approval and development timelines. Similarly, energy and environment-related initiatives affect a wide variety of companies throughout the United States and the world, and because our operations are heavily dependent on significant amounts of raw materials, such as lumber, steel, and concrete, such initiatives could have an indirect adverse impact on our operations and profitability to the extent the manufacturers and suppliers of our materials are burdened with these regulations. We believe that we are in compliance in all material respects with existing environmental regulations applicable to our business. Additionally, our compliance with such regulations has not had, nor is it expected to have, a material adverse effect on our consolidated financial position, results of operations or cash flows. However, changes in regulations, such as the climate-related disclosure legislation recently enacted by the State of California, could increase our costs to comply with such regulations, as discussed in “Item 1A. Risk Factors.”

We condition our obligation to acquire property on, among other things, an environmental review of the land. To date, we have not incurred material unanticipated liabilities relating to the removal or remediation of toxic wastes or other environmental conditions. However, there is no assurance that we will not incur material liabilities in the future relating to toxic waste removal or other environmental conditions affecting land currently or previously owned.

Some of our homebuyers elect to purchase their homes with mortgages that are insured or guaranteed by certain government entities. In order for our homebuyers to finance their home purchases with Federal Housing Administration ("FHA")-insured, Veterans Administration ("VA")-guaranteed or United States Department of Agriculture ("USDA")-guaranteed mortgages, we are required to build such homes in accordance with the regulatory requirements of those agencies.

Some states have statutory disclosure requirements governing the marketing and sale of new homes. These requirements vary widely from state to state.

Some states require us to be registered as a licensed contractor, a licensed real estate broker and in some markets our sales agents are required to be registered as licensed real estate agents.

Human Capital

Human capital is central to our success. At December 31, 2025, we had 1,860 full-time employees, including 374 in management and administration, 74 in our title and insurance companies, 534 in sales and marketing, and 878 in construction and warranty operations. We are committed to cultivating a diverse team, fostering an inclusive culture and creating a workplace environment where every individual is treated with respect, valued for their unique perspectives and experiences, and feels a true sense of belonging. Our robust talent recognition and succession planning model is designed to identify and develop employees and provide a roadmap for advancement so that they grow their careers while contributing to our organizational goals. Developing our people enhances each individual’s opportunity and the overall employee experience at Meritage. We aim to attract, motivate, and retain talent by offering competitive and comprehensive compensation and benefits that include health insurance with health savings accounts and company match, 401(k) retirement plan with a competitive company match, paid time off, paid parental benefits, women's health and fertility support benefits, mental well-being support and resources, employee assistance program, caregiving benefits, employee discounts, tuition reimbursement, and a wellness program, among many others. Of our entire employee population at December 31, 2025, 42% were female and 58% were minorities. We are proud of our diverse team and remain dedicated to the intentional work required to achieve inclusive excellence, including building strategic relationships and attracting diverse talent. Based upon employee feedback we have three voluntary, employee led groups to empower and promote belonging for all employees while creating community and connection. We are committed to continuous learning and improvement, challenging our leaders and employees to recognize and leverage our differences for the greater benefit of our teams and the organization. We promote an open-door policy where individuals are encouraged to voice concerns which are promptly addressed. We remain deeply invested in our inclusion and belonging efforts which we strongly believe amplifies our core values, enhances our culture, drives positive change throughout our organization, as well as strengthens our business, enhances our relationships with our customers, and promotes competitiveness in the homebuilding sector.

Our operations are carried out through both local and centralized management. Our corporate management team sets our strategy and leads decisions related to land acquisition, risk management, finance, cash management, capital allocation, information systems and people management. Local operations are made up of our division employees, led by division management with significant homebuilding experience and who possess a great depth of knowledge in their particular markets. Our employees are not unionized. During 2025 we were certified as a Great Place to Work® for the third year in a row and were named as Fortune's Best Workplaces for Construction and Women. We act solely as a general contractor, and all construction operations are coordinated by our area managers and field construction managers who schedule and monitor third-party independent subcontractors. We may use independent consultants and contractors for certain architectural, engineering, advertising, technology and legal services, and we strive to maintain good relationships with our subcontractors and independent consultants and contractors.

In late 2025, the Company approved and committed to a plan to reduce its workforce as part of a broader cost-reduction initiative, and fully executed its efforts in early 2026. In connection with this action, the Company recorded costs of $8.4 million in the accompanying consolidated financial statements for the year ended December 31, 2025, which primarily consists of employee severance and related benefits.

Seasonality

Historically, we have experienced seasonal variations in our quarterly operating results and capital requirements. We typically take orders for more homes in the first half of the year than in the second half, which has created additional working capital requirements in the first and second quarters to build our inventories to satisfy seasonally higher demand associated with our 60-day closing ready commitment homes. While we expect the seasonal orders pattern to continue over the long term, a higher backlog conversion rate and our all-spec strategy may shift the timing of home closings and capital requirements to build our inventories to earlier in the year. Additionally, seasonality may, from time to time, be affected by short-term volatility in the homebuilding industry and in the overall economy.

Information about our Executive Officers

The names, ages, positions and business experience of our executive officers as of the date of this report are listed below (all ages are as of December 31, 2025):

Name	Age	Position
Steven J. Hilton	64	Executive Chairman
Phillippe Lord	52	Chief Executive Officer, Executive Vice President
Hilla Sferruzza	50	Chief Financial Officer, Executive Vice President
Malissia Clinton	57	General Counsel, Executive Vice President and Secretary
Javier Feliciano	52	Chief People Officer, Executive Vice President
Austin Woffinden	50	Executive Vice President, Corporate Operations and Strategy

Steven J. Hilton co-founded Monterey Homes in 1985, which merged with Homeplex Mortgage Investments in December 1996 and later became known as Meritage Homes. Mr. Hilton served as Co-Chairman and Co-Chief Executive Officer from July 1997 to May 2006, served as Chairman and Chief Executive Officer from May 2006 to December 31, 2020, and became the Executive Chairman effective January 1, 2021.

Phillippe Lord was appointed Chief Executive Officer on January 1, 2021. Prior to his appointment as Chief Executive Officer, Mr. Lord was Chief Operating Officer, Executive Vice President from April 2015 to December 2020, Western Region President from 2012 through March 2015 and Vice President of Strategic Operations from 2008 through 2012.

Hilla Sferruzza was appointed Chief Financial Officer and Executive Vice President in April 2016. Prior to her appointment as Chief Financial Officer and Executive Vice President, Ms. Sferruzza was our Chief Accounting Officer and Corporate Controller from 2010 to 2016, and worked in other management roles at the Company since 2006.

Malissia Clinton joined Meritage in April 2022 as General Counsel, Executive Vice President and Secretary. Prior to joining Meritage, Ms. Clinton was employed by The Aerospace Corporation from July 2009 through April 2022, where she served as Senior Vice President, General Counsel and Secretary.

Javier Feliciano joined Meritage in November 2015 as Chief Human Resources Officer (now "Chief People Officer"), Executive Vice President.

Austin Woffinden became Executive Vice President, Corporate Operations and Strategy, effective January 1, 2026. Mr. Woffinden began his career at Meritage as a Vice President Regional Counsel in 2007 and held various operational leadership positions since, including Area President of Dallas Fort Worth and Nashville (2025) and Division President of Dallas Fort Worth (2018 - 2025).

Item 1A. Risk Factors

The risk factors discussed below are factors that we believe could significantly impact our business, if they occur. These factors could cause results to differ materially from our historical results or our future expectations.

Risks Related to the Homebuilding Industry and Economy

Increases in interest rates or decreases in mortgage availability may make purchasing a home more difficult or less desirable and may negatively impact the ability to sell new and existing homes.

In general, housing demand is adversely affected by increases in interest rates and a lack of availability of mortgage financing. Most of our buyers finance their home purchases through our mortgage joint venture or third party lenders providing mortgage financing. If mortgage interest rates increase and, consequently, the ability of prospective buyers to finance home purchases is adversely affected, our home sales and cash flow may be adversely affected and the impact may be material. Additionally, rapid increases in interest rates may negatively impact affordability of a home purchase for existing buyers in backlog if they have not yet locked in the interest rate for their loan. This could lead to an increase in the number of contract cancellations in our reported sales order numbers. These risks can also indirectly impact us to the extent our customers need to sell their existing homes to purchase a new home from us if the potential buyer of their home is unable to obtain mortgage financing. It may also impact the desire for existing homeowners to sell their homes as they may potentially be forfeiting a substantially lower interest rate on their existing home for a higher interest rate mortgage on a new home. While interest rates have stabilized, they are still elevated from previously historically low levels. We may have the ability to offset the impact of rising interest rates on affordability by purchasing interest rate locks; however, the cost of these rate locks is expensive and there is no guarantee that interest rate locks will be available for us to purchase at desirable terms, or if they are available, there is no guarantee that they will be desired as an alternative by potential customers.

A homebuyer's ability to obtain a mortgage loan is largely subject to prevailing interest rates, lenders' credit standards and appraisals, and the availability of government-supported programs, such as those from the FHA, the VA, Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"). If credit standards or appraisal guidelines are tightened, or mortgage loan programs are curtailed, potential buyers of our homes may not be able to obtain necessary mortgage financing. There can be no assurance that these programs will continue to be available or that they will be as accommodating as they currently are. Continued legislative and regulatory actions or more stringent underwriting standards could have a material adverse effect on our business if certain buyers are unable to obtain mortgage financing. A prolonged tightening of the financial markets could also negatively impact our business.

Our future operations may be adversely impacted by high inflation or deflation.

We, like other homebuilders, may be adversely affected during periods of high inflation, mainly from higher land, construction, labor and materials costs. Inflation could increase our cost of financing, materials and labor and could cause our financial results and profitability to decline. Traditionally, we have attempted to pass cost increases on to our customers through higher sales prices, although in recent years we have had to absorb higher land development and labor costs, which have negatively impacted our profitability.

Alternatively, a significant period of deflation could cause a decrease in overall spending and borrowing levels if it is driven by deteriorating economic conditions, including an increase in the rate of unemployment. Deflation could also cause the value of our inventories to decline or reduce the value of existing homes below the related mortgage loan balance, which could potentially increase the supply of existing homes due to foreclosures. These, or other factors that increase the risk of significant deflation, could have a negative impact on our business or financial results.

Shortages in the availability of subcontract labor may delay construction schedules and increase our costs.

We conduct our construction operations only as a general contractor. Virtually all construction and development work is performed by unaffiliated third-party subcontractors and consultants. As a consequence, we depend on the continued availability of and satisfactory performance by these subcontractors and consultants for the construction of our communities and homes and to provide related materials. The cost of labor may also be adversely affected by shortages of qualified trades people, changes in laws and regulations relating to union activity and changes in immigration laws and trends in labor migration. Throughout various homebuilding cycles, we have experienced shortages of skilled labor in certain markets, which led to increased labor costs and delayed construction schedules. Although we continually strive to be a partner of choice with our trades, we cannot be assured that in the future there will be a sufficient supply of, or satisfactory performance by, these unaffiliated third-party subcontractors and consultants, which could have a material adverse effect on our business.

Legislation related to tariffs could increase the cost to construct our homes.

The cost of certain building materials is influenced by changes in local and global commodity prices as well as government regulation, such as government-imposed tariffs on building supplies. Such cost increases limit our ability to control costs, potentially reducing margins on the homes we build if we are not able to successfully offset the increased costs through higher sales prices. Additionally, tariffs pose a risk to our supply chain availability if we are forced to use alternative materials or products.

High cancellation rates may negatively impact our business.

Our backlog reflects the number and value of homes for which we have entered into non-contingent sales contracts with customers but have not yet delivered those homes. In connection with the sale of a home, our policy is to generally collect a deposit from our customers, although typically this deposit reflects a small percentage of the total purchase price, and due to local regulations or other considerations, the deposit may, in certain circumstances, be fully or partially refundable prior to closing. While our 60-day closing ready guarantee shortens the time between order and closing, if the prices for our homes in a given community decline, our neighboring competitors reduce their sales prices (or increase their sales incentives), interest rates increase, the availability of mortgage financing tightens or there is a downturn in local, regional or national economies, homebuyers may elect to cancel their home purchase contracts with us. Although cancellations are currently at normal levels, significant cancellations in the future could have a material adverse effect on our business, which could result in lost revenue and the accumulation of unsold housing inventory.

Supply shortages and other risks could materially disrupt our operations and increase costs.

Our ability to timely construct our homes may be significantly impacted by circumstances beyond our control, such as work stoppages, shortages of qualified trades people or municipal employees, lack of utility infrastructure and services, our need to rely on local subcontractors, and shortages or delays in availability of building materials. Constraints on the availability of raw materials and finished goods or in the distribution channels of our construction inputs can delay delivery of our homes to customers and can increase our building costs or lead to sales orders cancellations. These delays impact the timing of our expected home closings and may also result in cost increases that we may not be able to pass to our current or future customers. Sustained increases in construction costs may, over time, erode our margins, and impact our total order and closing volumes. During the global pandemic, supply chain and labor constraints related to sustained demand caused our construction cycle times to lengthen, although in recent years the supply chain and labor capacity have been at normal levels.

If home prices decline, potential buyers may not be able to sell their existing homes, which may negatively impact our sales.

As a homebuilder, we are subject to market forces beyond our control. In general, housing demand is impacted by the affordability of housing. Many homebuyers need to sell their existing homes in order to purchase a new home from us, and a weakness in the home resale market could adversely affect that ability. Declines in home prices could have an adverse effect on our homebuilding business volumes and cash flows.

A reduction in our orders absorption levels may force us to incur and absorb additional community-level costs.

We incur certain overhead costs associated with our communities, such as marketing expenses, real estate taxes and homeowners' association assessments and costs associated with the upkeep and maintenance of our model homes and sales complexes. If our orders absorption pace decreases and the time required to close out our communities is extended, we would likely incur additional overhead costs, which would negatively impact our financial results. Additionally, we typically incur various land development improvement costs for a community prior to the commencement of home construction. Such costs include infrastructure, utilities, property taxes and other related expenses. A sustained reduction in home absorption rates increases the associated holding costs and extends our time and ability to recover such costs.

Our ability to acquire and develop raw or partially finished lots may be negatively impacted if we are unable to secure performance bonds.

In connection with land development work on our raw or partially developed land, we are often required to provide performance bonds, letters of credit or other assurances for the benefit of the respective municipalities or governmental authorities. These instruments provide assurance to the beneficiaries that the development will be completed, or that in case we do not perform, that funds from these instruments are available for the municipality or governmental agency to arrange for completion of such work. Although such instruments are currently readily accessible, in the future performance bonds or letters of credit may be difficult to obtain, or may become difficult to obtain on terms that are acceptable to us. If we are unable to secure such instruments, progress on affected projects may be delayed or halted or we may be required to expend additional cash or other forms of guarantees, which may adversely affect our financial position and ability to grow our operations.

The value of our real estate inventory may decline, leading to impairments and reduced profitability.

Downturns in the economy, or specifically in the homebuilding industry, require us to re-evaluate the value of our land holdings, which could result in significant impairment charges and decrease both the book value of our assets and stockholders' equity. During the last significant downturn that began in 2008, and in certain isolated circumstances afterward, we had to impair many of our real-estate assets to fair-value, incurring large impairment charges which negatively impacted our financial results and financial position. During the year ended December 31, 2025, we recognized relatively smaller impairment charges due to softening economic conditions.

If we are unable to successfully compete in the highly competitive housing industry, our financial results and growth may suffer.

The housing industry is highly competitive. We compete for sales in each of our markets with national, regional and local developers and homebuilders, resale of existing homes and condominiums, and available rental housing. Some of our competitors have greater financial resources and some may have lower costs than we do. Competition among homebuilders of all sizes is based on a number of interrelated factors, including location, reputation, product type, amenities, design, innovation, quality and price. Competition is expected to continue and may become more intense, and there may be new entrants in the markets in which we currently operate and in markets we may enter in the future. If we are unable to successfully compete, our financial results and growth could suffer.

We are subject to home warranty and construction defect claims arising in the ordinary course of business, which may lead to additional reserves or expenses.

Home warranty and construction defect claims are common in the homebuilding industry and can be costly. We sometimes encounter construction defect issues that may be alleged to be widespread within a single community or geographic area. See Note 1 - "Business and Summary of Significant Accounting Policies" and Note 16 - "Commitments and Contingencies" in the accompanying consolidated financial statements for additional information regarding warranty reserves and adjustments. In order to account for future potential warranty and construction defect obligations, we establish a warranty reserve in connection with every home closing. Additionally, we maintain general liability insurance and generally require our subcontractors to provide a warranty and indemnity to us and insurance coverage for liabilities arising from their work; however, we cannot be assured that our warranty reserves and insurance and those subcontractors warranties, insurance and indemnities will be adequate to cover all warranty and construction defect claims for which we may be held responsible. For example, we may be responsible for applicable self-insured retentions, and certain claims may not be covered by insurance or may exceed applicable coverage limits, which could be material to our financial results. In addition, the cost of insuring against construction defect and product liability claims is high, and the amount of coverage offered by insurance companies may not be sufficient to cover all costs. There can be no assurance that this coverage will not be further restricted and become more costly. If the limits or coverages of our current and former insurance programs and/or those of our subcontractors prove inadequate, or we and/or our subcontractors are unable to obtain adequate, or reasonably priced, insurance against these types of claims in the future, or the amounts currently provided for future warranty or insurance claims are inadequate, we may experience losses that could negatively impact our financial results.

A major safety incident relating to our operations could be costly in terms of potential liabilities and reputational damage.

Construction sites are inherently dangerous and pose certain inherent health and safety risks to construction workers, employees and other visitors. Due to health and safety regulatory requirements and the number of projects we work on, health and safety performance is important to the success of our development and construction activities. Any failure in health and safety performance may result in penalties for non-compliance with relevant regulatory requirements, and a failure that results in a significant health and safety incident is likely to be costly and could expose us to claims resulting from personal injury or death. Such a failure could also generate significant negative publicity and have a corresponding impact on our reputation, our relationships with relevant regulatory agencies or governmental authorities, and our ability to attract customers and employees, which in turn could have a material adverse effect on our business, financial condition and operating results.

We experience fluctuations and variability in our operating results, as a result, our historical performance may not be a meaningful indicator of future results.

We historically have experienced, and expect to continue to experience, variability in home sales and results of operations. As a result of such variability, our historical performance may not be a meaningful indicator of future results. Factors that contribute to this variability include:

- quarterly seasonal variations in our operating results and capital requirements;
- timing of community openings and closings;
- timing of home deliveries and land sales;
- the changing composition and mix of our asset portfolio;
- delays in construction schedules due to adverse weather, acts of God, reduced subcontractor availability and governmental requirements and restrictions;
- conditions of the real estate market in areas where we operate and of the general economy;
- governmental imposed restrictions, such as stay-at-home orders, and consumer reactions related to an epidemic or pandemic;
- the cyclical nature of the homebuilding industry; and
- costs and availability of materials and labor.

Our level of indebtedness may adversely affect our financial position and prevent us from fulfilling our debt obligations.

The homebuilding industry is capital intensive and requires significant up-front expenditures to secure land and pursue development and construction on such land. Accordingly, we incur substantial indebtedness to finance our homebuilding activities. At December 31, 2025, we had approximately $1.8 billion of indebtedness and $775.2 million of cash and cash equivalents. If we require working capital greater than that provided by our operations and current liquidity position, including the $834.5 million available to be drawn under our credit facility, we may be required to seek additional capital in the form of equity or debt financing from a variety of potential sources, including bank financing, public bonds or off-balance sheet resources. There can be no assurance we would be able to obtain such additional capital on terms acceptable to us, if at all. The level of our indebtedness could have important consequences to our stockholders, including the following:

- our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes could be impaired;
- we could be required to use a substantial portion of our cash flow from operations to pay interest and principal on our indebtedness, which would reduce the funds available to us for other purposes such as land and lot acquisition, development and construction activities;
- although we have a relatively low level of indebtedness and a relatively high balance of cash and cash equivalents, some of our competitors may have additional access to capital, which may put us at a competitive disadvantage and reduce our flexibility in planning for, or responding to, changing conditions in our industry, including increased competition; and
- we may be more vulnerable to economic downturns and adverse developments in our business than some of our competitors.

Furthermore, the holders of our 1.750% Convertible Senior Notes due 2028 (the "2028 Convertible Notes") have the right to convert their notes upon the occurrence of certain conversion conditions. Upon conversion, we will be required to make cash payments up to the aggregate principal amount of the 2028 Convertible Notes to be converted and cash, shares of common stock or a combination of cash and shares of common stock, at our election, in respect of the remainder, if any, of our conversion obligation in excess of the aggregate principal amount of the 2028 Convertible Notes being converted.

We expect to generate cash flow to pay our expenses and to pay the principal and interest on our indebtedness with cash flow from operations or from existing working capital. Our ability to meet our expenses thus depends, to a large extent, on our future performance, which will be affected by financial, business, economic and other factors. We will not be able to control many of these factors, such as economic conditions in the markets where we operate and pressure from competitors. If we do not have sufficient funds, we may be required to refinance all or part of our existing debt, sell assets, issue equity or borrow additional funds. We cannot guarantee that we will be able to do so on terms acceptable to us, if at all. In addition, the terms of existing or future debt agreements may restrict or limit us from pursuing any of these alternatives.

We are subject to counterparty risk with respect to the capped call transactions.

In connection with the issuance of the 2028 Convertible Notes, we entered into certain derivative transactions (the "capped call transactions") with the several capped call counterparties (together with their respective affiliates, the "option counterparties"). The capped call transactions are expected generally to reduce potential dilution to our common stock upon conversion of any 2028 Convertible Notes and to offset any cash payments made in excess of the principal amount of converted 2028 Convertible Notes.

Although the option counterparties are investment grade international financial institutions, we will be subject to the risk that any or all of them might default under the capped call transactions. Our exposure to the credit risk of the option counterparties is not secured by any collateral. Past global economic conditions have resulted in the actual or perceived failure or financial difficulties of many financial institutions. If an option counterparty becomes subject to insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at that time under the capped call transactions with such option counterparty. Our exposure will depend on many factors. For example, if a market condition existed where our stock increased above the premium but one or more option counterparties defaults under the capped call transactions, we may suffer more dilution than we currently anticipate with respect to our common stock. We can provide no assurance as to the financial stability or viability of the option counterparties.

Our ability to obtain third-party financing may be negatively affected by any downgrade of our credit rating from one or more rating agencies.

We consider the availability of third-party financing to be a key component of our long-term strategy to grow our business either through acquisitions or through internal expansion. As of December 31, 2025, our credit ratings were BBB-, Baa3, and BBB- by Standard and Poor’s Financial Services, Moody’s Investor Services and Fitch Ratings, respectively, our three rating agencies. Any downgrades from these ratings may impact our ability to obtain future additional financing, or to obtain such financing on terms that are favorable to us and therefore, may adversely impact our future operations.

The physical impacts of natural disasters or extreme weather events, which may be caused or exacerbated by climate change, could increase our costs and adversely affect our operations.

The climates in many of the states in which we have homebuilding operations, particularly California, Texas, Florida and other coastal areas, present increased risks of, and have recently experienced, adverse weather and natural disasters which may be caused by, or exacerbated by, climate change. We may not be able to insure against some of these risks, and damage or destruction to our homes under construction or our building lots and community improvements caused by adverse weather or natural disasters could result in uninsured or underinsured losses. We could also suffer significant construction delays or substantial fluctuations in the pricing or availability of building materials and labor due to such disasters. Any of these events could cause a delay in scheduled closings and a decrease in our revenue, cash flows and earnings. Additionally, such disasters may increase the cost of homeowner's insurance, which could negatively impact our sales and profitability if homeowners are unable to obtain cost-effective insurance.

Risks Related to Our Strategy

Our long-term success depends on the availability of lots and land that meet our land investment criteria.

The availability of lots and land that meet our underwriting standards depends on a number of factors outside of our control, including land availability in general, competition with other homebuilders and land buyers, credit market conditions, legal and government agency processes and regulations, inflation in land prices, zoning, availability of utilities and water, our ability and the costs to obtain building permits, the amount of impact fees, property tax rates and other regulatory requirements. If suitable lots or land becomes less available, or the cost of attractive land increases, it could reduce the number of homes that we may be able to build and sell and reduce our anticipated margins, each of which could adversely impact our financial results. The availability of suitable land assets could also affect the success of our strategic initiatives to increase our closings and maintain profitability.

If our current strategies are not successful, it could have negative consequences on our operations, financial position and cash flows.

We focus our community designs, product offerings and marketing on entry-level and first move-up homes based on our belief that these two product types will comprise the majority of the market demand in the near and medium term outlook. If there is a shift away from, or decrease in, the demand for our entry-level and first move-up home offerings, it could have negative consequences on our operations, financial position and cash flows if we are unable to shift our product offerings accordingly.

Reduced levels of sales or a deterioration in land values may cause us to re-evaluate the viability of existing land option contracts, resulting in a potential termination of these contracts which may lead to impairment charges.

During significant economic downturns, we may forfeit significant amounts of deposits and write off significant amounts of related pre-acquisition costs related to projects we no longer deem feasible if they are not projected to generate acceptable returns. At December 31, 2025, we had Deposits on real estate under option or contract of $174.2 million, of which $161.5 million related to committed projects. Although our participation in land options is limited at this time, a downturn in the homebuilding market may cause us to re-evaluate the feasibility of our optioned projects which may result in us forfeiting associated deposits, which would reduce our assets and stockholders' equity. For example, during 2025 we recognized charges on terminated land contracts of $39.4 million as we elected to terminate certain positions to release capital to top-grade our land portfolio as better opportunities become available.

Our lack of geographic diversification could adversely affect us if the homebuilding industry in our markets decline.

We have homebuilding operations in Arizona, California, Colorado, Utah, Tennessee, Texas, Alabama, Florida, Georgia, Mississippi, North Carolina and South Carolina. Although we have, in recent years, expanded our operations to new markets, our geographic diversification is still more limited than some of our competitors and could adversely impact us if the homebuilding business in our current markets should decline, since we may not have a balancing opportunity in other geographic regions.

Our disclosures related to sustainability matters expose us to risks that could adversely affect our reputation and performance.

Although we have not publicly announced any carbon targets, we voluntarily published our fifth annual S&CR Report in 2025 which followed certain reporting frameworks that we believe are of value to our investors and other stakeholders. If our S&CR practices do not meet evolving investor or other stakeholder expectations and standards, then our reputation, our ability to attract or retain employees, and our attractiveness as an investment or business partner could be negatively impacted. Further, our failure or perceived failure to pursue or fulfill our goals and objectives or to satisfy various reporting standards on a timely basis, or at all, could have similar negative impacts or expose us to government enforcement actions and private litigation. For example, California has recently adopted climate-related reporting and audit requirements that would require us to gather information from our third-party business partners over which we are unable to exert control or significant influence. If our third-party business partners are unwilling or unable to provide adequate information, we may be unable to fully comply with future mandatory reporting and audit requirements at the state or federal level.

Operational Risks

Information technology failures and data security breaches could harm our business.

We use information technology ("IT") and other digital resources to carry out important operational, financial and marketing activities as well as maintain our business records. Many of these resources are provided to us and/or maintained on our behalf by third-party service providers pursuant to agreements that specify certain security and service level standards. We and our service providers employ what we believe are appropriate security, disaster recovery and other preventative and corrective systems, processes and controls. Additionally, we maintain cybersecurity insurance and require our employees to complete ongoing information security training; however, our ability to conduct our business may be impaired if these information technology resources are compromised, degraded, damaged or fail, whether due to a virus or other harmful circumstance, intentional penetration or disruption of our information technology resources by a third party, natural disaster, hardware or software corruption or failure or error (including a failure of security controls incorporated into or applied to such hardware or software), telecommunications system failure, service provider error or failure, intentional or unintentional personnel actions (including the failure to follow our security protocols), or lost connectivity to our networked resources.

While we continuously assess and enhance our cybersecurity controls, we cannot assure you that cyber attacks will not occur in the future. Such events could have a significant and extended disruption to the functioning of our IT and other digital resources, damage our reputation and cause us to lose customers and sales, result in the unintended disclosure or the misappropriation of proprietary, personal and confidential information (including information about our homebuyers, employees and business partners), and require us to incur significant expense to address and remediate these kinds of issues. The release of confidential information may also lead to litigation or other proceedings against us by affected individuals and/or business partners and/or by regulators, and the outcome of such proceedings, which could include penalties or fines, could have a material and adverse effect on our results of operations and financial position and reputation. In addition, the costs of maintaining adequate protection against such threats, depending on their evolution, pervasiveness and frequency and/or government-mandated standards or obligations regarding protective efforts, are high and expected to continue to increase in the future and may be material to our results of operations and financial position.

Beyond our service providers, we depend on independent third parties to handle certain processes required to complete land purchases and home closings, including title insurers, escrow/settlement companies, independent mortgage lenders and other firms involved in real property transactions. In the latter half of 2023, several third-party companies in the real estate industry experienced cybersecurity incidents that substantially impaired their ability to provide their services. Although these incidents did not materially impact our operations, should these or other companies experience cybersecurity incidents or IT failures that disrupt or prevent their performance, our ability to operate may be significantly disrupted which could have a material impact on our results of operations or financial position.

See Item 1C - “Cybersecurity" in Part I of this Annual Report for additional information regarding our cybersecurity risk management, strategy and governance.

The loss of key personnel may negatively impact us.

Our success largely depends on the continuing services of certain key employees and our ability to attract and retain qualified personnel. We have employment agreements with certain key employees who we believe possess valuable industry knowledge, experience and leadership abilities that would be difficult in the short term to replicate. The loss of the services of such key employees could harm our operations and business plans.

Regulatory Risks

Expirations, amendments or changes to tax laws, incentives or credits currently available to us and our homebuyers may negatively impact our business.

The Tax Cuts and Jobs Act (the "Tax Act") signed into law in December 2017 limited deductions related to homeownership to a cap of $10,000 for the aggregate of state and local real property and income taxes or state and local sales taxes. Additionally, the Tax Act reduces the cap on mortgage interest deduction to $750,000 of debt for debt incurred after December 15, 2017. Although we primarily build more affordable homes with proportionally lower property taxes and interest, the limits on deductibility of mortgage interest and property taxes may increase the after-tax cost of owning a home for some individuals. Any increases in personal income tax rates and/or additional tax deduction limits relating to the cost of home ownership could adversely impact demand for homes, including homes we build, which could adversely affect the results of our operations.

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act, which includes several significant corporate tax changes. The legislation modifies or extends provisions originally enacted under the Tax Act, including, but not limited to, the repeal of the §45L energy-efficient home credit for homes acquired after June 30, 2026. The impact of more stringent building criteria for these tax credits is already reflected in our 2025 financial results with low participation rates, so we anticipate a limited impact on a go-forward basis.

We are subject to federal and state income taxes and recognize benefits from certain allowable deductions and available credits. Increases in statutory tax rates or the elimination or reduction of available deductions and credits could adversely affect our results of operations and the realization of our deferred tax assets.

Our income tax provision and other tax liabilities may be insufficient if taxing authorities initiate and are successful in asserting tax positions that are contrary to our position.

In the normal course of business, we are audited by various federal, state and local authorities regarding income tax matters. Significant judgment is required to determine our provision for income taxes and our liabilities for federal, state, local and other taxes. Although we believe our approach to determining the appropriate tax treatment is supportable and in accordance with tax laws and regulations and relevant accounting literature, it is possible that the final tax authority will take a tax position that is materially different than ours. As each audit is conducted, adjustments, if any, are recorded in our consolidated financial statements in the period determined. Such differences could have a material adverse effect on our income tax provision or benefit, or other tax reserves or assets, in the reporting period in which such determination is made and, consequently, on our results of operations, financial position and/or cash flows for such period. We have no federal or state income tax examinations being conducted at this time.

Failure to comply with laws and regulations by our employees or representatives may harm us.

We are required to comply with applicable laws and regulations that govern all aspects of our business including land acquisition, development, home construction, labor and employment, mortgage origination, insurance, title and escrow operations, sales, and warranty. It is possible that individuals acting on our behalf could intentionally or unintentionally violate some of these laws and regulations. Although we endeavor to comply with such laws and regulations and take immediate action if we become aware of such violations, we may incur fines, penalties or losses as a result of these actions and our reputation with governmental agencies and our customers may be damaged. Further, other acts of bad judgment may also result in negative publicity and/or financial consequences.

We are subject to extensive government regulations that could cause us to incur significant liabilities or restrict our business activities.

Regulatory requirements could cause us to incur significant liabilities and costs and could restrict our business activities. We are subject to local, state and federal statutes, codes, and rules regulating labor and employment matters, relationships with trade partners and their employees, certain land development matters, as well as building and site design and construction. We are subject to various fees and charges of government authorities designed to defray the cost of providing certain governmental services and improvements. We may be subject to additional costs and delays or may be precluded entirely from building projects because of "no-growth" or "slow-growth" initiatives, building permit ordinances, building moratoriums, or similar government regulations that could be imposed in the future due to health, safety, climate, welfare or environmental concerns. We must also obtain licenses, permits and approvals from government agencies to engage in certain activities, the granting or receipt of which are beyond our control and could cause delays in our homebuilding projects.

With concern from government agencies and the general public over the effects of climate change on the environment, we may be subject to additional regulatory responses to reduce greenhouse gas emissions and combat climate change that may increase our costs particularly as they relate to land development and home construction activities. For example, in California, all homes constructed are required to have solar panels, which we offer as standard feature for homes built in the state. Such compliance has not had a material impact on our operations; however, it could increase our operating and compliance costs in the future or require additional technology and capital investment. These and other similar environmental laws or permit restrictions may also result in production delays and may prohibit or severely restrict development in certain environmentally sensitive or geographic areas. Environmental regulations can also have an adverse impact on the use, availability and price of certain raw materials and natural resources. While we believe we are complying in all material respects with existing climate-related government standards and regulations applicable to our business, we also cannot predict our future exposure given the rapidly changing nature of environmental matters.

In the future, there may be new regulations adopted and legislation being enacted, or considered for enactment, at the federal, state, local and international levels relating to energy and climate change. This legislation relates to items such as carbon dioxide emissions control and building codes that impose energy efficiency standards. New building code requirements that impose stricter energy efficiency standards could significantly increase our cost to construct homes. As climate change discussions continue, legislation and regulations of this nature could become more costly to comply with. Similarly, energy-and climate-related initiatives affect a wide variety of companies throughout the United States and the world and because our operations are heavily dependent on significant amounts of raw materials, such as lumber, steel, and concrete, they could have an indirect adverse impact on our operations and profitability to the extent the manufacturers and suppliers of our materials are directly or indirectly burdened with expensive cap and trade and similar energy and climate-related regulations.

Our financial services operations are subject to extensive regulations that could cause us to incur significant liabilities or restrict our business activities.

Our wholly-owned title company, Carefree Title, provides title insurance and closing settlement services for our homebuyers. The title and settlement services provided by Carefree Title are subject to various regulations, including regulation by state banking and insurance authorities. These laws and regulations include many compliance requirements, including but not limited to licensing, consumer disclosures and real estate settlement procedures. As a result, our operations are subject to regular, extensive examinations by the applicable agencies. Additional future regulations or changing rule interpretations and examinations by regulatory agencies may result in more stringent compliance standards and could adversely affect the results of our operations.

Our mortgage joint venture is engaged in mortgage broker activities and provides services to our homebuyers. Potential changes to federal and state laws and regulations could have the effect of limiting our activities or how our mortgage joint venture conducts its operations and this could have an adverse effect on our results of operations. The mortgage industry remains under intense scrutiny and continues to face increasing regulation at the federal, state and local level. Although we do not originate mortgages, we may be directly or indirectly subject to certain of these regulations. In addition, if we are determined to have violated federal or state regulations, we could face the loss of our licenses or other required approvals or we could be subject to fines, penalties, civil actions or we could be required to suspend our activities, each of which could have an adverse effect on our reputation, results and operations.

General Risk Factors

Negative publicity could adversely affect our reputation and our business, financial results and stock price.

Unfavorable media related to our industry, company, brand, personnel, operations, business performance, or prospects may impact our stock price and the performance of our business, regardless of its accuracy or inaccuracy. The speed at which negative publicity is disseminated has increased dramatically through the use of electronic communication, including social media outlets, websites, blogs, and similar platforms. Our success in maintaining and expanding our brand image depends, in part, on our ability to adapt to this rapidly changing media environment. Adverse publicity or negative commentary from any media outlets could damage our reputation and reduce the demand for our homes, which would adversely affect our business.

Our business could be materially disrupted by an epidemic or pandemic, or fear of such an event, and the measures that federal, state and local governments and/or health authorities implement to address it.

Demand for our homes is dependent on a variety of macroeconomic factors, such as employment levels, interest rates, changes in stock market valuations, consumer confidence, housing demand, availability of building materials, availability of financing for home buyers, availability and prices of new homes compared to existing inventory, and demographic trends. These factors can be significantly adversely affected by a variety of factors beyond our control. Future disruptions and governmental actions combined with any associated economic and/or social instability or distress resulting from an epidemic or pandemic may have an adverse impact on our results of operations, financial condition and cash flows.

Any of the above risk factors could have a material adverse effect on any investment in our bonds and common stock. As a result, investors could lose some or all of their investment.

Special Note of Caution Regarding Forward-Looking Statements

In passing the Private Securities Litigation Reform Act of 1995 (“PSLRA”), Congress encouraged public companies to make “forward-looking statements” by creating a safe-harbor to protect companies from securities law liability in connection with forward-looking statements. We intend to qualify both our written and oral forward-looking statements for protection under the PSLRA.

The words “believe,” “expect,” “anticipate,” “forecast,” “plan,” “intend,” “may,” “will,” “should,” “could,” “estimate,” "target," and “project” and similar expressions identify forward-looking statements, which speak only as of the date the statement was made. All statements we make other than statements of historical fact are forward-looking statements within the meaning of that term in Section 27A of the Securities Act of 1933 (the "Securities Act"), and Section 21E of the Exchange Act. Forward-looking statements in this Annual Report include statements concerning our belief that we have ample liquidity; our cash management strategy and intentions; our goals, strategies and strategic initiatives including our all spec and move-in ready strategy and our focus on external real estate brokers as customers, and the anticipated benefits relating thereto; our intentions and the expected benefits and advantages of our product and land positioning strategies, including with respect to our focus on the first-time and first move-up buyer and housing demand for affordable homes; the benefits of our financing incentive programs; the benefits of and our intentions to use options to acquire land; our exposure to supplier concentration risk and other matters concerning our supply chain; our delivery of substantially all of our backlog existing as of year end; our positions and our expected outcome relating to litigation and regulatory proceedings in general; that we may repurchase, redeem or retire our debt and equity securities; our non-use of derivative financial instruments; expectations regarding our industry and our business into 2026 and beyond; the demand for and the pricing of our homes; our land and lot acquisition strategy, including that we will redeploy cash to acquire well-positioned finished lots and that we may participate in joint ventures or other opportunities; that we may expand into new markets; the availability of labor and materials for our operations; that we may seek additional debt or equity capital; our expectation that existing guarantees, letters of credit and performance and surety bonds will not be drawn on; the sufficiency of our insurance coverage and warranty reserves; the sufficiency of our capital resources to support our business strategy; the sufficiency of our land pipeline; the impact of new accounting standards and changes in accounting estimates; trends and expectations concerning future demand for homes, sales prices, sales orders, construction cycle times, cancellations, labor, construction and materials costs and availability, gross margins, profitability, liquidity, land costs, community counts and profitability and future home supply and inventories; our future cash needs and sources; the impact of seasonality; that we intend to pay dividends in the future; and our future compliance with debt covenants.

Important factors currently known to management that could cause actual results to differ materially from those in forward-looking statements, and that could negatively affect our business are discussed above in this report under the heading “Risk Factors.”

Forward-looking statements express expectations of future events. All forward-looking statements are inherently uncertain as they are based on various expectations and assumptions concerning future events and they are subject to numerous known and unknown risks and uncertainties that could cause actual events or results to differ materially from those projected. Due to these inherent uncertainties, the investment community is urged not to place undue reliance on forward-looking statements. In addition, we undertake no obligations to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to projections over time, except as required by law.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Risk Management and Strategy

Our ability to conduct our business may be impaired, or our customer and employee personal information may be vulnerable, if our IT resources are compromised, degraded, damaged or fail. Such events may include, but are not limited to: a virus or other harmful circumstance; intentional penetration or disruption of our information technology resources by a third party; natural disaster; hardware or software corruption or failure or telecommunications system failure; service provider error or failure; intentional or unintentional personnel actions (including the failure to follow our security protocols); or lost connectivity to our networked resources.

We prioritize cybersecurity and data privacy. Our IT department is responsible for coordinating the protection of our information systems and the data they maintain.

Cybersecurity is an integral part of the Company's Enterprise Risk Management ("ERM"). In order to manage technology risk and secure technology ecosystems, our information security framework is based on the National Institute of Standards and Technology ("NIST") principles, which we execute through our adherence to the Center for Internet Security ("CIS18") control framework. The CIS18 framework provides us the ability to align measurable controls to actions and benchmark against recognized standards. Building on this framework, we have implemented processes to assess, identify, and manage risks from cybersecurity threats across the following domains:

- *Identity & Access Controls:* we enforce Zero Trust through Conditional Access, multi-factor authentication, and apply least privilege principles through periodic entitlement reviews to ensure only authorized users and compliant devices can access company resources.
- *Network & Device Security:* we restrict network access to Company-owned or managed devices and apply network segmentation and application-aware firewalls to limit exposure and lateral movement.
- *Threat Detection & Monitoring:* we use real-time detection tools, centralized logging, correlated telemetry, and a security operations center with integrated threat intelligence to identify and mitigate malicious activity.
- *Email & Endpoint Security:* we maintain layered email defenses and enforce endpoint security baselines including real-time threat protection and behavioral detection to reduce phishing, malware, and ransomware risks.
- *Vulnerability Management & Testing:* we conduct continuous vulnerability scanning and annual independent evaluations, including penetration tests and assumed-breach exercises.
- *Data Protection, Privacy & Resilience:* we maintain a privacy policy that limits the collection and storage of personal information, apply encryption and other privacy controls, and safeguard systems and data through comprehensive, immutable, and regularly tested backups of identity platforms, critical systems, and operational data.
- *Incident Response & Escalation:* we maintain documented incident-response plans that are updated annually, conduct periodic cyber incident exercises, and follow defined escalation paths to senior leadership and the Board.
- *Training & Human Risk Management:* we provide mandatory cybersecurity education, conduct phishing simulation at least monthly, reinforce secure employee behaviors, and maintain channels for reporting suspicious activity.
- *Program Governance & Continuous Improvement:* we regularly update and enhance our cybersecurity program to address evolving threats, align with recognized frameworks, and maintain third-party cybersecurity insurance to mitigate potential financial impacts of cyber incidents.
- *Vendor Management:* we review technology vendors for appropriate access controls, data protection, incident response capabilities, and disaster recovery. We also perform independent testing and review the annual System and Organization Controls ("SOC") Type 1 and/or SOC II Type 2 reports for vendors that host company data.

To date, we have not identified any risks from known cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected or are reasonably likely to materially affect our business strategy, results of operations or financial condition. For a discussion of how risks from cybersecurity threats affect our business, see Part I, Item 1A - " Risk Factors – Operational Risks – Information technology failures and data security breaches could harm our business" in this Annual Report.

Governance

Cybersecurity and data privacy risks related to our information technology resources are a key component of our Board's risk oversight. The Audit Committee assists the Board in evaluating our cybersecurity and data privacy risks and overseeing our efforts to mitigate these risks. Our Audit Committee is also responsible for reviewing and analyzing significant financial and operational risks and how management is managing and mitigating such risks through its internal controls and financial risk management processes and is regularly engaged in discussions with management regarding business risks, operational risks, transactional risks, cybersecurity, enterprise-level and financial risks. Our Chief Information Officer ("CIO") provides a formal update to our Audit Committee at least twice per year, reviewing cybersecurity risks, trends, plans for future actions and measurements against recognized external cybersecurity frameworks and benchmarks and our Vice President of Internal Audit/Compliance conducts an annual ERM survey, which includes cybersecurity risk, and provides the findings to the Board.

Our cybersecurity program is led and managed by our CIO and driven by an experienced technology leadership team. Our CIO has more than 30 years of experience working in information technology including chief information officer roles in the financial services, banking, healthcare, and hospitality sectors. While in those roles, our CIO has led governance, risk, and compliance with technology programs and information security programs. Supporting the CIO is a dedicated cybersecurity team that designs and monitors cybersecurity control frameworks and data privacy procedures, as well as implements cybersecurity control systems and solutions.

Item 2. Properties

Our corporate office is in a leased building located in Scottsdale, Arizona with approximately 72,000 square feet and a September 30, 2035 lease expiration.

We lease an aggregate of approximately 365,000 square feet of office space in our markets for our operating divisions, corporate and executive offices.

Item 3. Legal Proceedings

We are involved in various routine legal and regulatory proceedings, including, but not limited to, warranty claims and litigation and arbitration proceedings alleging construction defects. In general, the proceedings are incidental to our business, and we believe most exposure is subject to and should be covered by warranty and indemnity obligations of our consultants and subcontractors. Additionally, some such claims are also covered by insurance. See Note 1 and Note 16 of the accompanying consolidated financial statements for additional information related to construction defect and warranty related reserves. With respect to the majority of pending litigation matters, our ultimate legal and financial responsibility, if any, cannot be estimated with certainty and, in most cases, any potential losses related to these matters are not considered probable. Historically, most disputes regarding warranty claims are resolved prior to litigation.

We believe there are no pending legal or warranty matters that could have a material adverse impact upon our consolidated financial condition, results of operations or cash flows that have not been sufficiently reserved.

Item 4. Mine Safety Disclosures

Not applicable.

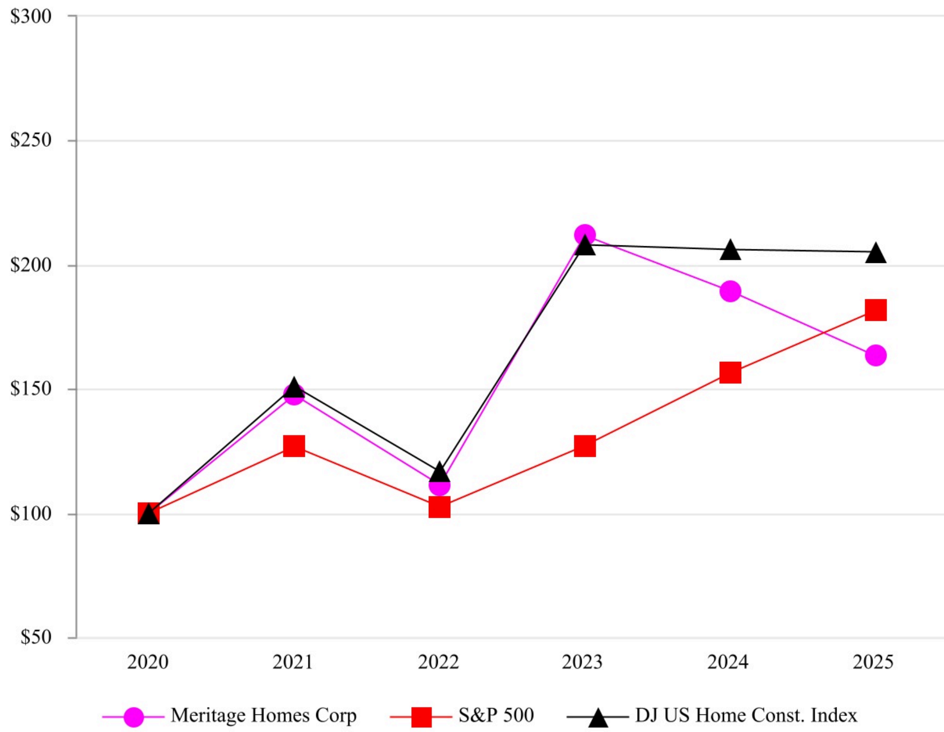
PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock is listed on the New York Stock Exchange under the symbol "MTH". On February 9, 2026 there were 117 owners of record of our common stock. A substantially greater number of owners of our common stock are beneficial holders, whose shares of record are held by banks, brokers, and other financial institutions.

The transfer agent for our common stock is Computershare, Inc., P.O. Box 43006, Providence, RI 02940-3006 *(www.computershare.com).*

The following graph compares the five-year total return of our common stock with the S&P 500 Index ("S&P") and the Dow Jones US Home Construction Index ("DJ US Home Const. Index"). The graph assumes $100 invested as of December 31, 2020 in Meritage Common Stock, the S&P and the DJ US Home Const. Index, and the re-investment of all dividends. The performance of our common stock depicted in the graphs is not indicative of future performance.



	2020	2021	2022	2023	2024	2025
Meritage Homes Corporation	100.00	147.38	111.33	211.64	189.35	163.05
S&P 500 Index	100.00	126.54	102.41	126.89	156.16	181.54
Dow Jones US Home Construction Index	100.00	150.85	116.52	207.86	205.91	205.21

The preceding Performance Graph and related information shall not be deemed to be “soliciting material” or to be “filed” with the SEC, nor shall such information be incorporated by reference into any filing under the Securities Act or the Exchange Act, each as amended, except to the extent that we specifically incorporate it by reference into such filing.

During the year ended December 31, 2025, the Board approved, and we paid, quarterly cash dividends of $0.43 per share, for a total of $1.72 per share. We intend to continue the payment of quarterly cash dividends and the amount will be reviewed and assessed in the first quarter of each year. The amount of future cash dividends will depend upon our financial condition, results of operations, capital requirements, statutory requirements, restrictions imposed by our credit facility, as well as other factors considered relevant by our Board of Directors. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources” for further discussion of these factors.

Issuer Purchases of Equity Securities

Our Board of Directors authorized a stock repurchase program in 2019, and has subsequently authorized additional expenditures under the program, summarized in the table below.

Date authorized	Date announced	Amount authorized
February 13, 2019	April 29, 2019	$ 100,000,000
November 13, 2020	January 27, 2021	$ 100,000,000
August 12, 2021	August 17, 2021	$ 100,000,000
May 19, 2022	May 25, 2022	$ 200,000,000
November 21, 2024	November 21, 2024	$ 250,000,000
August 21, 2025	August 21, 2025	$ 500,000,000

There is no stated expiration for this program. The repurchases of the Company's shares may be made in the open market, in privately negotiated transactions, or otherwise. The timing and amount of repurchases, if any, will be determined by the Company's management at its discretion and be based on a variety of factors such as the market price of the Company's common stock, corporate and contractual requirements, prevailing market and economic conditions and legal requirements. The share repurchase program may be modified, suspended or discontinued at any time.

We acquired 4,289,984 shares of our common stock at an aggregate purchase price of $295.0 million for the year ended December 31, 2025. As of December 31, 2025, there was approximately $514.1 million available under this program to repurchase shares. We purchased 2,238,534 shares under the program during the three months ended December 31, 2025.

Period	Total Number of Shares Purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar valu shares that may yet b purchased under the pl or programs
October 1, 2025 - October 31, 2025	295,550	$ 67.67	295,550	$ 644,079,2
November 1, 2025 - November 30, 2025	1,942,984	$ 66.91	1,942,984	$ 514,079,3
December 1, 2025 - December 31, 2025	—	$ —	—	$ 514,079,3
Total	2,238,534		2,238,534	

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Industry Conditions

The market for new homes in 2025 was marked by much softer demand than anticipated, as affordability challenges persisted and consumer confidence deteriorated. While demand for affordable, move-in ready homes from millennial, Gen Z and baby boomer generations continues, buyers are increasingly reliant on financing assistance to overcome market uncertainty and manage monthly payments. Our ability to offer financing incentives, including interest rate locks and buy-downs, remains a key differentiator, primarily compared to resale homes, where individual sellers are typically not able to provide such incentives. With our strategy to provide affordable, move-in ready homes that can close within 60 days, and a commitment to partner with third-party brokers, who facilitate most residential real estate transactions in the U.S., we believe we are well positioned to capture existing demand and grow our market share when demand improves.

During 2025, we further shortened our construction cycle times to under 110 calendar days, below our historical normalized time of approximately 120 days. Our all-spec strategy minimizes variability and creates efficiencies through repeatability, which combined with increased capacity from declining market demand, were the drivers for this cycle time improvement. Cycle time improvement was also supported by a healthy channel of materials available in the supply chain. While material costs have eased, land costs remain elevated following years of historically high land acquisition and development costs. Our scale and purchasing power allow us to secure volume discounts from national vendors, helping offset some of these cost pressures.

In response to the broader economic conditions, during the fourth quarter of 2025 we conducted an in-depth review of our land portfolio and elected to terminate certain positions to release capital to top-grade our land portfolio as better opportunities become available. We also took steps to reduce our go-forward overhead costs, with a strategic focus on both cost savings and technological efficiencies for certain back-office functions. As a result of these strategic reviews, we recognized charges on terminated land contracts of $39.4 million and severance costs totaling $8.4 million during the year ended December 31, 2025.

We believe that the execution of our all-spec strategy of move-in ready homes with a commitment to affordability will drive strong performance of our key financial goals such as strong home closing revenue and home closing gross margin, controlling selling, and general and administrative costs, and maintaining sufficient liquidity.

Summary Company Results

Despite a tougher economic backdrop, we ended 2025 with 15,026 closings, down 3.7% from 15,611 closings in 2024. Home order volume for the year ended December 31, 2025 of 14,650 units was consistent with prior year, as an 11.6% increase in average active community count was mostly offset by a 9.3% year-over-year decrease in orders pace. A cancellation rate of 11% in 2025 was higher than 9% in 2024, but still below our historical company average and we believe that this demonstrates the benefits of a shorter timeline between home order and home closing that is a product of our move-in ready homes with a 60-day closing ready commitment. Reduced construction cycle times and our all spec strategy led to record backlog conversions throughout the full year 2025, resulting in 24.4% fewer homes in backlog at December 31, 2025, with 1,168 units valued at $440.6 million compared to 1,544 units valued at $629.5 million at December 31, 2024.

Total home closing revenue of $5.8 billion for the year ended December 31, 2025 decreased 9.1% from $6.3 billion in 2024, due to 3.7% fewer home closings and a 5.6% reduction in ASP on closings. Home closing gross margin was 19.7% for the year ended December 31, 2025 compared to 24.9% in 2024. The year-over-year margin decline was due to increased utilization of financing incentives, higher lot costs, and reduced leverage of fixed costs on lower home closing revenue, all of which offset savings in direct costs and faster cycle times. Home closing gross margin was also impacted by $39.4 million in charges incurred related to terminated land contracts, $16.5 million of real estate-related impairments, and $4.3 million of severance costs. Excluding these costs, adjusted home closing gross margin was 20.8% for the year ended December 31, 2025, compared to adjusted home closing gross margin of 25.0% in 2024 which included $6.7 million in terminated land contracts. Financial services profit of $18.6 million increased from $14.4 million in the same period of 2024 due to fewer charges in the current period related to the expiration of interest rate forward commitments. Commissions and other sales costs of $404.4 million for the full year ended December 31, 2025 decreased $4.7 million from the prior year period due to lower home closing revenue, offset by higher maintenance and utility costs as a result of having more spec homes in inventory. General and administrative expenses of $211.8 million for the year ended December 31, 2025 decreased $19.1 million year over year, primarily due to lower performance-based compensation, which was partially offset by increased technology spend and severance costs. Other income, net of $44.1 million in 2025 was relatively flat with prior year. Earnings before income taxes of $584.6 million in 2025 decreased 41.7% from $1.0 billion in 2024. Our effective tax rate for the year ended December 31, 2025 was 22.5% as compared to 21.6% in 2024, leading to net income of $453.0 million and $786.2 million for the years ended December 31, 2025 and 2024, respectively.

Company Positioning

We believe that the investments in our communities designed for the first-time and first move-up homebuyer, our move-in ready homes with our recently introduced 60-day closing ready commitment, and our partnership with external realtors create a differentiated strategy that has aided us in our growth in the highly competitive new home market.

Our focus on growing our community count and market share includes the following strategic initiatives:

- Embracing external realtor relationships, as we view realtors as a strategic partner who assists with sourcing homebuyers, particularly first-time homebuyers who view the realtor as a trusted advisor;
- Offering our customers affordable, move-in ready homes with a 60-day closing ready commitment;
- Delivering affordable homes on a shorter timeline through simplification of production processes and maintaining levels of spec inventory that are aligned with our strategy;
- Continuously improving the overall home buying experience through simplification and innovation; and
- Increasing homeowner satisfaction by offering energy-efficient homes that are cleaner and healthier.

In addition to these strategic initiatives, we also remain committed to the following:

- Achieving or maintaining a top 5 market position in all of our markets, and maintaining our status as a top 5 national builder (based on homes closed in 2024);
- Targeting a strong, yet sustainable, orders pace through the use of consumer and market research to ensure that we build homes that offer our buyers their desired features and amenities;
- Maintaining and where possible, expanding, our home closing gross profit by growing closing volume, allowing us to better leverage our direct overhead;
- Carefully managing our liquidity and a strong balance sheet. We ended the year with a 26.0% debt-to-capital ratio and a 16.9% net debt-to-capital ratio, after issuing $500.0 million of senior notes;
- Balancing return of capital to our stockholders with internal growth goals, utilizing both share repurchases and dividend payments;
- Managing construction efficiencies and costs through national and regional vendor relationships with a focus on timely, quality construction and warranty management; and
- Promoting a positive environment for our employees through our commitment to inclusion, culture, and belonging, and providing market-competitive benefits in order to develop and motivate our employees, minimize turnover and maximize recruitment efforts.

Critical Accounting Estimates

We have established various accounting policies that govern the application of United States generally accepted accounting principles ("GAAP") in the preparation and presentation of our consolidated financial statements. Our significant accounting policies are described in Note 1 of the accompanying consolidated financial statements included in this Annual Report. Certain of these policies involve critical accounting estimates, which are significant judgments, assumptions and estimates by management in accordance with GAAP that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our financial condition or results of operations. We are subject to uncertainties such as the impact of future events, economic, environmental, political and regulatory factors and changes in our business environment; therefore, actual results could differ from these estimates. Accordingly, the accounting estimates used in the preparation of our financial statements may change as new events occur, as more experience is acquired, as additional information is obtained and as our operating environment changes. Changes in estimates are revised when circumstances warrant. Such changes in estimates and refinements in methodologies are reflected in our reported results of operations and, if material, the effects of changes in estimates are disclosed in the notes to our consolidated financial statements. The judgments, assumptions and estimates we use and believe to be critical to our business are based on historical experience, knowledge of the accounts, industry practices, and other factors, which we believe to be reasonable under the circumstances. Because of the nature of the judgments and assumptions we have made, actual results may differ from these judgments and estimates and could have a material impact on the carrying values of assets and liabilities and the results of our operations.

The critical accounting estimates that we deem to involve the most difficult, subjective or complex judgments are as follows:

Real Estate Valuation and Cost of Home Closings

Real estate inventory is stated at cost unless the community or land is determined to be impaired, at which point the inventory is written down to fair value as required by Accounting Standards Codification ("ASC") 360-10, *Property, Plant and Equipment.* Real estate inventory includes the costs of land acquisition, land development and home construction, capitalized interest, real estate taxes, and direct overhead costs incurred during development and home construction that benefit the entire community, less impairments, if any. Land and development costs are typically allocated and transferred to homes when home construction begins. Home construction costs are accumulated on a per-home basis, while commissions and other sales costs are expensed as incurred. Cost of home closings includes the specific construction costs of the home and all related allocated land acquisition, land development and other common costs (both incurred and estimated to be incurred) that are allocated based upon the total number of homes expected to be closed in each community or phase. Any changes to the estimated total development costs of a community or phase are allocated to the remaining homes in that community or phase. When a home closes, we may have incurred costs for materials and services that have not yet been paid. We accrue a liability to capture such obligations in connection with the home closing which is charged directly to Cost of home closings.

We capitalize qualifying interest to inventory during the development and construction periods. Capitalized interest is included in cost of closings when the related inventory is closed. Included within our Real estate inventory is land held for development, land held for sale, and mothball communities. Land held for development primarily represents land and development costs related to land where development activity is not currently underway but is expected to begin in the future. For these parcels, we have chosen not to currently develop certain land holdings as they typically represent a portion or phases of a larger land parcel that we plan to build out over several years. Mothball communities represent communities where we have elected to stop development of an existing actively selling community because we believe the economic performance of the community would be maximized by deferring development for a period of time to allow market conditions to improve. We do not capitalize interest for these inactive assets, and all ongoing costs of land ownership (i.e. property taxes, homeowner association dues, etc.) are expensed as incurred.

We rely on certain estimates to determine our construction and land development costs. Construction and land costs are comprised of direct and allocated costs, including estimated future costs. In determining these costs, we compile project budgets that are based on a variety of assumptions, including future construction schedules and costs to be incurred. Actual results can differ from budgeted amounts for various reasons, including construction delays, labor or material shortages, sales orders absorption rates that differ from our expectations, increases in costs that have not yet been contracted, changes in governmental requirements, or other unanticipated issues, encountered during construction and development and other factors beyond our control, including weather. To address uncertainty in these budgets, we assess, update and revise project budgets on a regular basis, utilizing the most current information available to estimate home construction and land development costs.

Typically, a community's life cycle ranges from three to five years, commencing with the acquisition of the land, continuing through the land development phase, if applicable, and concluding with the construction, sale and closing of the homes. Actual community lives will vary based on the size of the community, the sales orders absorption rates and whether the land purchased was raw, partially-developed or in finished status. Master-planned communities encompassing several phases and super-block land parcels may have significantly longer lives and projects involving smaller finished lot purchases may be significantly shorter.

All of our land inventory and related real estate assets are periodically reviewed for recoverability when certain criteria are met, but at least annually, as our inventory is considered "long-lived" in accordance with GAAP.

Existing communities. Community-level reviews on active communities are performed quarterly, with the community review bifurcated between started and unstarted lots, to determine if indicators of potential impairment exist. If indicators of potential impairment exist and the undiscounted cash flows expected to be generated by an asset are lower than its carrying amount, impairment charges are recorded to write down the asset to its estimated fair value. The impairment of a community is allocated across the remaining lots in the community and is recognized in Cost of home closings in the period in which the impairment is determined. The fair value of the community's assets is determined using either a market-based approach for projects to be sold or a discounted cash flow model for projects we intend to build out. If a market-based approach is used, we determine fair value based on recent comparable purchase and sale activity in the local market, adjusted for variances as determined by our knowledge of the region and general real estate expertise. If a discounted cash flow approach is used, we compute fair value using projections, estimates and observable and unobservable inputs such as (i) home selling prices in the community adjusted for current and expected sales discounts and incentives, (ii) costs related to the community — both land development and home construction — including costs spent to date and budgeted remaining costs to spend, (iii) projected sales absorption rates, reflecting any product mix change strategies implemented to stimulate the orders pace, (iv) expected cancellation rates, (v) alternative land uses including disposition of all or a portion of the land owned, if applicable, and (vi) discount rate, which is currently 10-14% and varies based on the perceived risk inherent in the community's other cash flow assumptions. These assumptions vary widely across different communities and geographies and are largely dependent on local market conditions. Community-level factors that may impact our key estimates include:

- Our current experience in the market;
- The presence and significance of local competitors, including their offered product type, comparable lot size, remaining lots and competitive actions such as incentive offerings;
- Economic and related demographic conditions for the surrounding community, such as major employers;
- Desirability of the particular community, including unique amenities or other favorable or unfavorable attributes; and
- Existing home inventory supplies for the surrounding community.

These local circumstances may significantly impact our assumptions and the resulting computation of fair value and are, therefore, closely evaluated by our division personnel in their preparation of the discounted cash flow models. The models are also evaluated by regional and corporate personnel for consistency and integration, as decisions that affect pricing or absorption at one community may have resulting consequences for neighboring communities.

Mothball communities. In certain cases, we may elect to stop development of an existing actively selling community (mothball) if we believe the economic performance of the community would be maximized by deferring development for a period of time to allow market conditions to improve. The decision may be based on financial and/or operational metrics. If we decide to mothball a community, we will impair it to its fair value, if applicable, as discussed above and then cease future development activity until such a time when management believes that market conditions have improved and economic performance will be maximized. Impairment charges, if any, are recognized in Cost of home closings in the period in which the impairment is determined. No costs are capitalized to communities that are designated as mothballed. When a community is initially placed into mothball status, it is management's belief that the community is affected by local market conditions that are expected to improve within the next 1-5 years. Mothball communities are reviewed at least annually to determine if they are at risk of future impairment. The financial and operational status and expectations of these communities are analyzed as well as any unique attributes that could be viewed as indicators for future impairments. Adjustments are made accordingly and incremental impairments, if any, are recorded at each re-evaluation.

Land held for sale or future development. Land held for sale or future development is reviewed at least annually to determine if it is at risk of future impairment. Our assessments on land held for sale or land held for future development typically involve third-party valuations, such as broker opinions, and recent comparable land sales in the area. Our assessments typically include highly subjective estimates for future performance, including the timing of development, the product to be offered, orders pace and selling prices of the product when the community is anticipated to open for sales, and the projected costs to develop and construct the community. We evaluate various factors to develop our forecasts, including the availability of and demand for homes and finished lots within the surrounding community, historical, current and future sales trends, and third-party data, if available. Based on these factors, we reach conclusions for future performance based on our judgment. If land held for sale or future development is deemed to be impaired, impairment changes are recognized in the period in which the impairment is determined. Impairments on land held for sale are recognized in Cost of land closings and impairments on land held for future development are recognized in Cost of home closings.

We have not made any material changes in our methodology or significant assumptions used to record and evaluate our Real estate inventory and Cost of home closings during the past three years.

Warranty Reserves

We use subcontractors for nearly all aspects of home construction. Although our subcontractors are generally required to repair and replace any product or labor defects and cover any resultant damages, we are, during applicable warranty periods, ultimately responsible to the homeowner for making such repairs. As such, warranty reserves are recorded to cover our exposure to costs for materials and labor not expected to be covered by our subcontractors or available insurance to the extent they relate to warranty-type claims subsequent to the delivery of a home to the homeowner. Reserves are reviewed on a regular basis and, with the assistance of an actuary for the structural warranty, we determine their sufficiency based on our and industry-wide historical data and trends. These reserves are subject to variability due to uncertainties regarding materials or construction defect claims, the markets in which we build, claim settlement history, insurance, legal interpretations and expected recoveries, among other factors.

At December 31, 2025, our warranty reserve was $26.7 million, reflecting an accrual of 0.1% to 0.5% of a home's sale price depending on our loss history in the geographic area in which the home was built. A 10% increase in our warranty reserve rate would have increased our accrual and corresponding cost of home closings by approximately $1.9 million in 2025. As a result of the routine review described previously, there were no adjustments to our reserve balance during the year ended December 31, 2025, and we decreased our reserve balance by $1.0 million related to specific case reserves during the year ended December 31, 2024. See Notes 1 and 16 in the accompanying consolidated financial statements for more information. While we believe that the warranty reserve is sufficient to cover our projected costs, there can be no assurances that historical data and trends will accurately predict our actual warranty costs. Furthermore, there can be no assurances that future economic, financial or legislative developments might not lead to a significant change in the reserve.

We have not made any material changes in our methodology or significant assumptions used to record and evaluate our warranty reserves during the past three years.

Fiscal 2025 Compared to Fiscal 2024

For discussion of our fiscal 2024 results compared to our fiscal 2023 results, refer to Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" under Part II of our Annual Report on Form 10-K for the year ended December 31, 2024.

Home Closing Revenue, Home Orders and Order Backlog - Segment Analysis

The composition of our closings, home orders and backlog is constantly changing and is based on a changing mix of communities with various price points between periods as new projects open and existing projects wind down and close out. Further, individual homes within a community can range significantly in price due to differing square footage, option selections, lot sizes and quality and location of lots (e.g. cul-de-sac, view lots, greenbelt lots). These variations result in a lack of meaningful comparability between our home orders, closings and backlog due to the changing mix between periods.

The tables on the following pages present operating and financial data that we consider most critical to managing our operations (dollars in thousands):

Home Closing Revenue	Years Ended December 31,		Year Over Year	
	2025	**2024**	**Chg $**	**Chg %**
Total				
Dollars	$ 5,763,597	$ 6,341,546	$ (577,949)	(9.1)%
Homes closed	15,026	15,611	(585)	(3.7)%
Average sales price	$ 383.6	$ 406.2	$ (22.6)	(5.6)%
West Region				
Dollars	$ 1,829,432	$ 2,223,876	$ (394,444)	(17.7)%
Homes closed	3,821	4,526	(705)	(15.6)%
Average sales price	$ 478.8	$ 491.4	$ (12.6)	(2.6)%
Central Region				
Dollars	$ 1,835,691	$ 2,015,621	$ (179,930)	(8.9)%
Homes closed	5,264	5,525	(261)	(4.7)%
Average sales price	$ 348.7	$ 364.8	$ (16.1)	(4.4)%
East Region				
Dollars	$ 2,098,474	$ 2,102,049	$ (3,575)	(0.2)%
Homes closed	5,941	5,560	381	6.9 %
Average sales price	$ 353.2	$ 378.1	$ (24.9)	(6.6)%

Home Orders (1)	Years Ended December 31,		Year Over Year	
	2025	**2024**	**Chg $**	**Chg %**
Total				
Dollars	$ 5,726,846	$ 5,950,708	$ (223,862)	(3.8)%
Homes ordered	14,650	14,606	44	0.3 %
Average sales price	$ 390.9	$ 407.4	$ (16.5)	(4.1)%
West Region				
Dollars	$ 1,753,922	$ 2,084,168	$ (330,246)	(15.8)%
Homes ordered	3,571	4,215	(644)	(15.3)%
Average sales price	$ 491.2	$ 494.5	$ (3.3)	(0.7)%
Central Region				
Dollars	$ 1,877,109	$ 1,893,202	$ (16,093)	(0.9)%
Homes ordered	5,240	5,165	75	1.5 %
Average sales price	$ 358.2	$ 366.5	$ (8.3)	(2.3)%
East Region				
Dollars	$ 2,095,815	$ 1,973,338	$ 122,477	6.2 %
Homes ordered	5,839	5,226	613	11.7 %
Average sales price	$ 358.9	$ 377.6	$ (18.7)	(5.0)%

(1) Home orders for any period represent the aggregate sales price of all homes ordered, net of cancellations. We do not include orders contingent upon the sale of a customer's existing home or a mortgage pre-approval as a sales contract until the contingency is removed.

Order Backlog (1)	At December 31,		Year Over Year	
	2025	2024	Chg $	Chg %
Total				
Dollars	$ 440,562	$ 629,549	$ (188,987)	(30.0)%
Homes in backlog	1,168	1,544	(376)	(24.4)%
Average sales price	$ 377.2	$ 407.7	$ (30.5)	(7.5)%
West Region				
Dollars	$ 91,937	$ 214,360	$ (122,423)	(57.1)%
Homes in backlog	185	435	(250)	(57.5)%
Average sales price	$ 497.0	$ 492.8	$ 4.2	0.9 %
Central Region				
Dollars	$ 165,002	$ 177,516	$ (12,514)	(7.0)%
Homes in backlog	457	481	(24)	(5.0)%
Average sales price	$ 361.1	$ 369.1	$ (8.0)	(2.2)%
East Region				
Dollars	$ 183,623	$ 237,673	$ (54,050)	(22.7)%
Homes in backlog	526	628	(102)	(16.2)%
Average sales price	$ 349.1	$ 378.5	$ (29.4)	(7.8)%

(1) Our backlog represents net home orders that have not closed.

Active Communities	Years Ended December 31,			
	2025		2024	
	Ending	Average	Ending	Average
Total	336	312.8	292	280.4
West Region	83	85.8	91	84.6
Central Region	112	93.2	90	91.2
East Region	141	133.8	111	104.6

Cancellation Rates (1)	Years Ended December 31,	
	2025	2024
Total	11 %	9 %
West Region	9 %	9 %
Central Region	11 %	10 %
East Region	11 %	9 %

(1) Cancellation rates are computed as the number of canceled units for the period divided by the gross sales units for the same period.

Companywide. We closed 15,026 homes with home closing revenue of $5.8 billion for the year ended December 31, 2025, compared to 15,611 units and home closing revenue of $6.3 billion in 2024. The lower home closing revenue was driven by 3.7% lower home closing volume and a 5.6% decrease in ASP on closings. The reduction in ASP is the result of higher utilization of financing incentives. Home order volume of 14,650 units was relatively flat year over year, as average active community count increased 11.6% but was offset by a lower orders pace of 3.9 homes per month, as compared to 4.3 homes per month in 2024. Home order value declined 3.8% to $5.7 billion for the year ended December 31, 2025, from $6.0 billion in the prior year, due to a 4.1% decrease in ASP on orders. The lower ASP on both closings and orders was also due in part to geographic mix shift, as the West Region with our highest ASPs comprised a smaller portion of our total closings and orders in 2025. The cancellation rate of 11% in 2025 increased from 9% in 2024, as the result of buyer hesitancy after initial sale from affordability concerns. Despite the year over year increase, the 2025 cancellation rate continues to be below historical normal levels. We ended the year with 1,168 homes in backlog valued at $440.6 million, compared to 1,544 homes in backlog valued at $629.5 million, decreases of 24.4% and 30.0%, respectively, compared to 2024. The number of homes in backlog declining year over year is the result of our higher backlog conversion rates throughout 2025, as well as lower orders in the fourth quarter of 2025 due to market conditions. As anticipated with our strategy of offering move-in ready homes, we are selling a higher percentage of spec homes later in the construction cycle, contributing to the higher backlog conversion rates in all of our regions.

West. The West Region generated $1.8 billion in home closing revenue for the year ended December 31, 2025, a 17.7% decrease from $2.2 billion in the prior year, due to a 15.6% lower home closing volume and a 2.6% decrease in ASP on closings. Geographic mix shift within the region and increased utilization and cost of financing incentives both contributed to the lower ASP on closings. Home order volume declined 15.3% to 3,571 units, resulting entirely from a 16.7% lower orders pace of 3.5 homes per month compared to 4.2 per month in the prior year, as the average active community count was relatively consistent year-over-year. Lower home order volume contributed nearly entirely to a 15.8% decrease in order value of $1.8 billion, as ASP on orders remained relatively flat year over year. The West Region's cancellation rate of 9% for the year ended December 31, 2025 was the lowest rate in the Company and consistent with prior year. Backlog of 185 homes valued at $91.9 million at December 31, 2025 was down 57.5% and 57.1%, respectively, from 435 homes valued at $214.4 million at December 31, 2024, resulting from the combined effect of fewer orders and higher backlog conversion rates in 2025 as compared to 2024.

Central. The Central Region closed 5,264 homes and generated home closing revenue of $1.8 billion for the year ended December 31, 2025, compared to 5,525 homes and $2.0 billion in 2024. The 8.9% lower home closing revenue was the result of the combined impact of 4.7% and 4.4% decreases in home closing volume and ASP on closings, respectively. The decline in ASP on closings is primarily due to greater utilization of financing incentives. The Central Region order volume of 5,240 homes increased 1.5% year over year, due entirely to a 2.2% increase in average active community count as orders pace was consistent year over year. Orders pace of 4.7 homes per month was the highest pace in the Company for both years. Home order value of $1.9 billion for the year ended December 31, 2025, was relatively flat year over year, as the increase in order volume was offset by a 2.3% decrease in ASP on orders. The Central Region cancellation rate of 11% in 2025 was up from 10% in 2024. The Central Region ended the year with 457 homes in backlog valued at $165.0 million, compared to 481 homes in backlog valued at $177.5 million at December 31, 2024.

East. The East Region had continued growth in 2025, closing 5,941 homes in the year ended December 31, 2025, a 6.9% improvement over 5,560 in 2024. Home closing revenue of $2.1 billion for the year ended December 31, 2025 was consistent with 2024, as the higher home closing volume was offset by a 6.6% decline in ASP on closings, reflecting increased utilization of financing incentives and a shift in geographic mix within the region. Order volume of 5,839 homes increased 11.7% from 5,226 homes, combined with a 5.0% decrease in ASP on orders, led to a 6.2% increase in home order value of $2.1 billion for the year ended December 31, 2025, compared to $2.0 billion in 2024. The East Region's order volume improvement was due entirely to a 27.9% increase in average active community count, as order pace of 3.6 homes per month in 2025 was lower than 4.2 homes per month in 2024. Both home closing and order volumes reflect our acquisitions and green field start-ups in our new markets in Alabama and Mississippi. The East Region cancellation rate of 11% for the year ended December 31, 2025 was up from 9% in the prior year, but still below historical averages for the Company. The East Region ended 2025 with 526 homes in backlog valued at $183.6 million, down 16.2% and 22.7%, respectively, from 628 homes in backlog valued at $237.7 million at December 31, 2024. The decrease in backlog units is the result of higher backlog conversion rates throughout 2025, which is an expected result of our 60-day closing ready commitment.

Land Closing Revenue and Gross Profit (in thousands)

	Years ended December 31,	
	2025	2024
Land closing revenue	$ 60,838	$ 22,326
Land closing gross profit	$ 1,812	$ 4,017

From time to time, we may sell certain lots or land parcels to other homebuilders, developers or investors if we feel the sale will provide a greater economic benefit to us than continuing home construction or where we are looking to diversify our land positions in a specific geography or divest of assets that no longer align with our strategy. Land sales occur at various intervals and varying degrees of profitability depending upon market opportunities and our land management strategy. Therefore, the revenue and gross profit from land closings will fluctuate from period to period.

Home Closing Gross Profit (dollars in thousands)

	Years ended December 31,			
	2025		2024	
	Dollars	Percent of Home Closing Revenue	Dollars	Percent of Home Closing Revenue
Home Closing Gross Profit (1)				
Total	$ 1,136,192	19.7 %	$ 1,579,843	24.9 %
Add: Real estate impairments	16,532		—	
Add: Write-off of terminated land contracts	39,382		6,702	
Add: Severance costs	4,297		—	
Adjusted Home Closing Gross Profit (2)	$ 1,196,403	20.8 %	$ 1,586,545	25.0 %
West	$ 368,119	20.1 %	$ 508,020	22.8 %
Add: Real estate impairments	742		—	
Add: Write-off of terminated land contracts	8,599		2,478	
Add: Severance costs	1,085		—	
Adjusted Home Closing Gross Profit (2)	$ 378,545	20.7 %	$ 510,498	23.0 %
Central	$ 383,906	20.9 %	$ 523,378	26.0 %
Add: Real estate impairments	5,697		—	
Add: Write-off of terminated land contracts	5,204		1,562	
Add: Severance costs	1,568		—	
Adjusted Home Closing Gross Profit (2)	$ 396,375	21.6 %	$ 524,940	26.0 %
East	$ 384,167	18.3 %	$ 548,445	26.1 %
Add: Real estate impairments	10,093		—	
Add: Write-off of terminated land contracts	25,579		2,662	
Add: Severance costs	1,644		—	
Adjusted Home Closing Gross Profit (2)	$ 421,483	20.1 %	$ 551,107	26.2 %

(1) Home closing gross profit represents home closing revenue less cost of home closings, including impairments, if any. Cost of home closings includes land and associated development costs, direct home construction costs, an allocation of common community costs (such as architectural, legal and zoning costs), interest, sales tax, impact fees, warranty, construction overhead and closing costs.

(2) Adjusted home closing gross profit is a non-GAAP measure and should be considered in addition to, rather than as a substitute for, the comparable GAAP financial measures. We believe this non-GAAP financial measure is relevant and useful to investors in understanding our operating results and may be helpful in comparing the Company with other companies in the homebuilding and other industries to the extent they provide similar information.

Companywide. Home closing gross margin of 19.7% for the year ended December 31, 2025 was down 520 basis points from 24.9% in the prior year due to increased utilization of financing incentives, higher lot costs, real estate-related impairments and charges related to terminated land contracts, and severance costs, all of which offset lower direct costs and savings generated from faster construction cycle times. Excluding terminated land contracts, real estate-related impairments, and severance costs, adjusted home closing gross margin was 20.8% for the year ended December 31, 2025, compared to adjusted home closing gross margin of 25.0% in 2024 when excluding $6.7 million in terminated land contracts. There were no impairments or severance costs during the year ended December 31, 2024.

West. For the year ended December 31, 2025, the West Region home closing gross margin was 20.1% a 270 basis point decline from 22.8% in the same period of 2024, due primarily to increased utilization and cost of financing incentives, along with higher lot costs that were offset by savings in direct costs and improvements in construction cycle times. Additionally, 2025 home closing gross margin negatively impacted by real estate impairments, charges related to terminated land contracts, and severance costs by 60 basis points and 20 basis points in 2025 and 2024, respectively. Excluding these charges, adjusted home closing gross margin in the West Region was 20.7% and 23.0% for the years ended December 31, 2025 and 2024, respectively.

Central. The Central Region home closing gross margin was 20.9% for the year ended December 31, 2025, the highest in the Company. The 510 basis point decrease from 26.0% in 2024 was due to an increase in utilization of financing incentives and elevated lot costs, offset by lower direct costs and faster construction cycle times. Non-recurring charges for impairments on real estate, terminated land contracts, and severance costs also contributed to the margin decline. Excluding these non-recurring charges, adjusted home closing gross margin for the Central Region was 21.6% and 26.0% for the years ending December 31, 2025 and 2024, respectively.

East. The East Region home closing gross margin of 18.3% for the year ended December 31, 2025 decreased 780 basis points from 26.1% in the prior year period. The decline in home closing gross margin reflects greater utilization and higher cost of financing incentives and elevated lot costs, which were offset in part by savings in directs costs and construction cycle time improvements. The East Region home closing gross margin in 2025 was negatively impacted by charges for terminated land contracts, real-estate impairments and severance costs. Excluding these items, adjusted home closing gross margin in the East Region was 20.1% in 2025, compared to adjusted home closing gross margin of 26.2% the year ended December 31, 2024.

Financial Services Profit (in thousands)

	Years Ended December 31,	
	2025	2024
Financial services profit	$ 18,618	$ 14,410

Financial services profit. Financial services profit represents the net profit of our financial services operations, including the operating profit generated by our wholly-owned title and insurance companies, Carefree Title and Meritage Insurance, respectively, as well as our portion of earnings from a mortgage joint venture. Financial services profit of $18.6 million for the year ended December 31, 2025 increased from $14.4 million in the prior year due to fewer charges related to expired and unused interest rate forward commitments in the current year as compared to the prior year period.

Selling, General and Administrative, and Other Income and Expenses (dollars in thousands)

	Years Ended December 31,	
	2025	2024
Commissions and Other Sales Costs	$ (404,405)	$ (409,069)
Percent of home closing revenue	7.0 %	6.5 %
General and Administrative Expenses	$ (211,762)	$ (230,856)
Percent of home closing revenue	3.7 %	3.6 %
Interest Expense	$ —	$ —
Other Income, Net	$ 44,145	$ 45,156
Loss on Early Extinguishment of Debt	$ —	$ (631)
Provision for Income Taxes	$ (131,587)	$ (216,684)

Commissions and Other Sales Costs. Commissions and other sales costs are comprised of internal and external commissions and related sales and marketing expenses such as advertising and sales office costs. For the year ended December 31, 2025, these costs decreased $4.7 million, to $404.4 million, but increased to 7.0% of home closing revenue, compared to 6.5% in the prior year. The lower dollar spend was due primarily to lower home closing volume and revenue, with an offsetting increase in spend for spec maintenance and utilities as a result of higher levels of spec inventory. As a percentage of home closing revenue, the 50 basis point increase is largely the result of higher external broker commission rates reflecting the tougher selling environment, coupled with a higher external broker participation rate, as well as higher costs for maintaining a larger number of completed homes. The increase in spec home inventory and associated overhead expenses is a result of our new 60-day closing ready commitment in order to have sufficient inventory available.

General and Administrative Expenses. General and administrative expenses represent corporate and divisional overhead expenses such as salaries and bonuses, occupancy, insurance and travel expenses. For the year ended December 31, 2025, general and administrative expenses of $211.8 million decreased $19.1 million from $230.9 million in the prior year, as a result of lower performance-based compensation expense, which was partially offset by increased spend on new technology, start-up expenses associated with our new divisions in Alabama and Mississippi, and severance costs. Despite lower home closing revenue, general and administrative expenses as a percentage of home closing revenue held relatively steady at 3.7% in 2025, compared to 3.6% in 2024.

Interest Expense. Interest expense is comprised of interest incurred, but not capitalized, on our senior and convertible senior notes, other borrowings and our $910.0 million amended and restated unsecured revolving credit facility (the "Credit Facility"). We had no interest expense for the years ended December 31, 2025 and 2024, as all interest incurred was capitalized to qualifying assets.

Other Income, Net. Other income, net primarily consists of (i) interest earned on our cash and cash equivalents, (ii) sub lease income, (iii) payments and awards related to legal settlements, and (iv) our portion of pre-tax income or loss from non-financial services joint ventures. Other income, net was $44.1 million and $45.2 million in 2025 and 2024, respectively.

Loss on Early Extinguishment of Debt. Loss on early extinguishment of debt of $0.6 million for the year ended December 31, 2024 is related to the $250.0 million full redemption of our remaining 6.00% Senior Notes due 2025 ("2025 Notes"). There were no similar charges for the year ended December 31, 2025. See Note 7 in the accompanying consolidated financial statements for more information related to the redemption of our 2025 Notes.

Income Taxes. The effective tax rate was 22.5% and 21.6% for 2025 and 2024, respectively. The higher rate in 2025 reflects fewer homes qualifying for energy tax credits under the Internal Revenue Code ("IRC") §45L energy-efficient homes federal tax credit, given the new higher construction thresholds required to earn these tax credits beginning in 2025, which was partially offset by acquired below-market transferrable clean fuel production tax credits in 2025.

Liquidity and Capital Resources

Overview

We have historically generated cash and funded our operations primarily from cash flows from operating activities. Additional sources of funds may include additional debt or equity financing and borrowing capacity under our Credit Facility. We exercise strict controls and believe we have a prudent strategy for Company-wide cash management, including those related to cash outlays for land acquisition and development and spec home construction. Our principal uses of cash include acquisition and development of land and lots, home construction, operating expenses, share repurchases and the payment of interest, routine liabilities, and dividends. We also opportunistically repurchase or redeem our senior notes.

Cash flows for each of our communities depend on their stage of the development cycle, and can differ substantially from reported earnings. Early stages of development or expansion require significant cash outlays for land acquisitions, zoning plat and other approvals, community and lot development, and construction of model homes, roads, utilities, landscape and other amenities. Because these costs are a component of our inventory and are not recognized in our income statement until a home closes, we incur significant cash outlays prior to recognition of earnings. As a means of accessing parcels of land, both undeveloped and finished, with minimal cash outlay, we may use option contracts and joint ventures to secure land rights. In the later stages of a community, cash inflows may significantly exceed earnings reported for financial statement purposes, as the cash outflow associated with home and land construction was previously incurred. Similarly, in times of community count growth, we incur significant outlays of cash through the land purchase, development and community opening stages whereas in in times of community count stability, these cash outlays are incurred in a more even-flow cadence with cash inflows from actively selling communities that are contributing closing volume and home closing revenue. Conversely, in a down turn environment, cash outlays for land and community count growth may be scaled back to preserve liquidity and we may curtail community count.

Short-term Liquidity and Capital Resources

Over the course of the next twelve months, we expect that our primary demand for funds will be for the construction of homes, as well as acquisition and development of both new and existing lots, operating expenses, including general and administrative expenses, interest payments, share repurchases and dividend payments. Although we don't anticipate any early redemptions in the near term, we may opportunistically repurchase or redeem a portion of our senior notes. We expect to meet these short-term liquidity requirements primarily through our cash and cash equivalents on hand and the net cash flows provided by our operations.

Between our cash and cash equivalents on hand combined with the availability of liquidity from our Credit Facility, we believe that we currently have sufficient liquidity. Nevertheless, in the future, we may seek additional capital to strengthen our liquidity position, enable us to acquire additional land inventory in anticipation of improving market conditions, and/or strengthen our long-term capital structure.

Long-term Liquidity and Capital Resources

Beyond the next twelve months, our principal demands for funds will be for the construction of homes, land acquisition and development activities needed to maintain our lot supply and active community count, payments of principal and interest on our senior and convertible senior notes as they become due or mature, share repurchases and dividend payments. We expect our existing and future generated cash will be adequate to fund our ongoing operating activities as well as provide capital for investment in future land purchases and related development activities. To the extent the sources of capital described above are insufficient to meet our long-term cash needs, we may also conduct additional public offerings of our securities, refinance or secure new debt or dispose of certain assets to fund our operating activities. There can be no assurances that we would be able to obtain such additional capital on terms acceptable to us, if at all, and such additional equity or debt financing could dilute the interests of our existing stockholders or increase our interest costs.

Material Cash Requirements

We are a party to many contractual obligations involving commitments to make payments to third parties. These obligations impact both short-term and long-term liquidity and capital resource needs. Certain contractual obligations are reflected on our consolidated balance sheets as of December 31, 2025, while others are considered future commitments for materials or services not yet provided. Our contractual obligations primarily consist of principal and interest payments on our senior and convertible senior notes, loans payable and other borrowings, including our Credit Facility, letters of credit and surety bonds and operating leases. We have no material debt maturities until 2027. We also have requirements for certain short-term lease commitments, funding working capital needs of our existing unconsolidated joint ventures, and other purchase obligations in the normal course of business. Other material cash requirements include land acquisition and development costs, home construction costs and operating expenses, including our selling, general and administrative expenses, as previously discussed. We plan to fund these commitments primarily with cash flows generated by operations, but may also utilize additional debt or equity financing and borrowing capacity under our Credit Facility. Our maximum exposure to loss on our purchase and option agreements is generally limited to non-refundable deposits and capitalized or committed pre-acquisition costs.

For information about our lease obligations, loans payable and other borrowings, including our Credit Facility, and senior and convertible senior notes, reference is made to Notes 4, 6, and 7 in the accompanying consolidated financial statements included in this Annual Report and are incorporated by reference herein.

Reference is made to Notes 1, 3, 5, and 16 in the accompanying consolidated financial statements included in this Annual Report and are incorporated by reference herein. These Notes discuss our off-balance sheet arrangements with respect to land acquisition contracts and option agreements, and land development joint ventures, including the nature and amounts of financial obligations relating to these items. In addition, these Notes discuss the nature and amounts of certain types of commitments that arise in connection with the ordinary course of our land development and homebuilding operations, including commitments of land development joint ventures for which we might be obligated, if any.

We do not engage in commodity trading or other similar activities. We had no derivative financial instruments that required derivative accounting under ASC 815-10, *Derivatives and Hedging*, at December 31, 2025 or 2024.

Operating Cash Flow Activities

During the year ended December 31, 2025, net cash provided by operations totaled $118.3 million, compared to net cash used in operations of $227.6 million during the year ended December 31, 2024. Generally, our operating cash flows fluctuate primarily based on changes in our net earnings, real estate inventory and, to a lesser extent, timing of payments of accounts payable and accrued liabilities.

Operating cash flow results in 2025 primarily reflect $453.0 million in Net earnings, and were offset by a $274.1 million increase in Real estate and a $92.4 million decrease in Accounts payable and Accrued liabilities. The decrease in Accounts payable and Accrued liabilities was due primarily to decreased accruals related to real estate development and construction activities, as well as lower performance based compensation accruals. Operating cash flow results in 2024 primarily reflect $786.2 million in Net earnings, and were offset by a $979.3 million increase in Real estate and an $81.4 million increase in Deposits on real estate under option or contract. The increases in Real estate and Deposits on real estate under option or contract were due to increased land acquisition and development activities as well as construction activities on a greater number of homes under construction.

Investing Cash Flow Activities

During the years ended December 31, 2025 and 2024, net cash used in investing activities totaled $57.7 million and $44.1 million, respectively. Cash used in investing activities in both periods was mainly attributable to Investments in unconsolidated entities and purchases of Property and equipment.

Financing Cash Flow Activities

During the years ended December 31, 2025 and 2024, net cash provided by financing activities totaled $63.0 million and $2.0 million, respectively. The net cash provided by financing activities in 2025 primarily reflects the net proceeds of $492.1 million from the issuance of our 5.650% Senior Notes due 2035, offset by $295.0 million of share repurchases and $121.1 million of dividends paid. The net cash provided by financing activities in 2024 primarily reflects the net proceeds of $557.9 million from the issuance of our 1.750% Convertible Senior Notes due 2028 (the "2028 Convertible Notes"), offset by the early redemption of our remaining 2025 Notes of $250.0 million aggregate principal and $61.8 million for the purchase of capped calls relating to the 2028 Convertible Notes, along with $125.9 million of share repurchases and $108.6 million of dividends paid. See Part II, Item 5 - "Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities" for more information about our authorized share repurchase program.

We believe that our leverage ratios provide useful information to the users of our financial statements regarding our financial position and cash and debt management. Debt-to-capital and net debt-to-capital are calculated as follows (dollars in thousands):

	At December 31, 2025	At December 31, 2024
Senior and convertible senior notes, net, loans payable and other borrowings	$ 1,829,054	$ 1,335,878
Stockholders' equity	5,195,643	5,141,573
Total capital	$ 7,024,697	$ 6,477,451
Debt-to-capital (1)	26.0 %	20.6 %
Senior and convertible senior notes, net, loans payable and other borrowings	$ 1,829,054	$ 1,335,878
Less: cash and cash equivalents	(775,157)	(651,555)
Net debt	$ 1,053,897	$ 684,323
Stockholders' equity	5,195,643	5,141,573
Total net capital	$ 6,249,540	$ 5,825,896
Net debt-to-capital (2)	16.9 %	11.7 %

(1) Debt-to-capital is computed as senior and convertible senior notes, net and loans payable and other borrowings divided by the aggregate of total senior and convertible senior notes, net, loans payable and other borrowings and stockholders' equity.

(2) Net debt-to-capital is considered a non-GAAP financial measure, and is computed as net debt divided by the aggregate of net debt and stockholders' equity. Net debt is comprised of total senior and convertible senior notes, net and loans payable and other borrowings, less cash and cash equivalents. The most directly comparable GAAP financial measure is the ratio of debt-to-capital. We believe the ratio of net debt-to-capital is a relevant financial measure for investors to understand the leverage employed in our operations and as an indicator of our ability to obtain financing.

Dividends

During the years ended December 31, 2025 and 2024, our Board approved and we paid, a recurring quarterly cash dividend on common stock of $0.43 and $0.375 per share, respectively. Quarterly dividends declared and paid cumulatively totaled $1.72 and $1.50 per share for the years ended December 31, 2025 and 2024, respectively. See Part II, Item 5 - "Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities".

Credit Facility Covenants

Borrowings under the Credit Facility are unsecured but availability is subject to, among other things, a borrowing base. The Credit Facility also contains certain financial covenants, including (a) a minimum tangible net worth requirement of $3.3 billion (which amount is subject to increase over time based on subsequent earnings and proceeds from equity offerings), and (b) a maximum leverage covenant that prohibits the leverage ratio (as defined therein) from exceeding 60%. We were in compliance with all Credit Facility covenants as of December 31, 2025. Our actual financial covenant calculations as of December 31, 2025 are reflected in the table below.

Financial Covenant (dollars in thousands):	Covenant Requirement	Actual
Minimum Tangible Net Worth	> $3,767,215	$5,145,698
Leverage Ratio	< 60%	15.1%
Investments other than defined permitted investments	< $1,568,709	$57,268

Recent Accounting Pronouncements

See Note 1 to our consolidated financial statements included in this report for discussion of recently issued accounting standards.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Our fixed rate debt is made up primarily of $1.8 billion in aggregate principal amount of our senior and convertible senior notes. All outstanding senior and convertible senior notes bear fixed rates of interest, and therefore, do not expose us to financial statement risk associated with changes in interest rates. The fair values of senior and convertible senior notes change primarily when interest rates change, and in the case of our convertible senior notes, when the market price of our stock fluctuates. Except in limited circumstances, we do not have an obligation to prepay our senior notes and, as a result, changes in fair value of our senior notes should not have a significant impact until we would be required to repay such debt if we choose to then also access the capital markets to issue new debt. Obligations to prepay our convertible senior notes may be required upon the occurrence of certain limited conversion conditions that are closely related to the fair value of the convertible senior notes, and therefore changes in the fair value of our convertible senior notes should not have a significant impact as conversion is more likely to occur under favorable stock price conditions. Our Credit Facility is subject to interest rate changes as the borrowing rates are based on the Secured Overnight Financing Rate ("SOFR") or Prime (see Note 6 to our consolidated financial statements included in this report).

We had $5.0 million of borrowings and repayments under the Credit Facility during the year ended December 31, 2025 and no borrowings or repayments under the Credit Facility during the years ended December 31, 2024 and 2023. We had no outstanding borrowings as of either December 31, 2025 or 2024. There were no material interest charges resulting from intraperiod borrowings during the years ended December 31, 2025, 2024, and 2023.

The following table presents our long-term debt obligations, principal cash flows by maturity, weighted average interest rates and estimated fair market value for the year ended December 31, 2025 (in millions):

	2026	2027	2028	2029	2030	Thereafter	Total	Fair Value at December 31, 2025
Senior and Convertible Senior Notes								
Fixed rate (a)	$ —	$ 300.0	$ 575.0	$ 450.0	$ —	$ 500.0	$ 1,825.0	$ 1,820.6
Weighted average interest rate	n/a	5.125 %	1.750 %	3.875 %	n/a	5.650 %	3.897 %	n/a
Loans Payable and Other Borrowings								
Fixed rate	$ 20.0	$ 4.3	$ —	$ —	$ —	$ —	$ 24.3	$ 24.3
Average interest rate	1.226 %	0.619 %	— %	— %	— %	— %	1.117 %	n/a

(a) Fair value of our fixed rate senior and convertible senior notes at December 31, 2025 is derived from quoted market prices by independent dealers.

Our operations are interest rate sensitive. As overall housing demand is adversely affected by increases in interest rates, a significant increase in mortgage interest rates may negatively affect the ability of homebuyers to secure adequate financing or cause potential homebuyers with existing mortgages to choose to stay in their lower interest rate homes. Higher interest rates and/or rapidly increasing interest rates could adversely affect our revenue, gross margins, earnings, and cancellations rates and would also increase our variable rate borrowing costs on our Credit Facility. We do not enter into, or intend to enter into, derivative interest rate swap financial instruments for trading or speculative purposes.

Item 8. Financial Statements and Supplementary Data

Our consolidated financial statements as of December 31, 2025 and 2024 and for each of the years in the three-year period ended December 31, 2025, together with related notes and the report of Deloitte & Touche LLP, independent registered public accounting firm (PCAOB ID: 34), are on the following pages.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Meritage Homes Corporation:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Meritage Homes Corporation and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated income statements, statements of stockholders' equity and statements of cash flows, for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 13, 2026, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of Real Estate — Refer to Notes 1 and 2 to the financial statements

Critical Audit Matter Description

The Company’s land inventory and real estate assets are periodically reviewed for recoverability when certain criteria are met, but at least annually. The Company’s impairment analysis is conducted if indicators of a change in conditions that could result in a decline in value of the Company’s land and real estate assets exist. Impairment charges are recorded to write down an asset to its estimated fair value if the undiscounted cash flows expected to be generated by the asset are lower than its carrying amount. The Company’s determination of fair value is based on projections and estimates. Changes in these expectations may lead to a change in the outcome of the Company’s impairment analysis, and actual results may also differ from management’s assumptions. If an asset is deemed to be impaired, the impairment recognized is measured as the amount by which the asset’s carrying amount exceeds its fair value.

The Company’s evaluation included whether indicators of a decline in value of the Company’s land and real estate assets exist and the determination of value to evaluate the recoverability of real estate assets used in the undiscounted cash flows. This evaluation requires management to make significant projections and estimates, which required a high degree of auditor judgment and an increased extent of audit effort.

How the Critical Audit Matter Was Addressed in the Audit

We tested the effectiveness of the Company's internal controls related to the Company's evaluation of the recoverability of real estate assets. We also evaluated the significant assumptions used in the Company's evaluation of the recoverability of real estate assets, by comparing the assumptions to actual recent home sales and closings in that community and the Company's other nearby communities, as well as external analyst and industry reports for the respective geography. For certain communities that did not have actual recent home closings, we compared to historical home sales and closings in nearby communities taking into consideration factors such as location, size, and type of community. We also compared assumptions to current advertised listings of the Company and comparable competitor communities. In addition, we met with management to understand how recent trends in home sales, closings and market conditions have been considered in the Company's evaluation of the recoverability of real estate assets.

/s/ DELOITTE & TOUCHE LLP

Tempe, Arizona
February 13, 2026

We have served as the Company's auditor since 2004.

MERITAGE HOMES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	At December 31,	
	2025	2024
	(In thousands, except share data)	
Assets		
Cash and cash equivalents	$ 775,157	$ 651,555
Other receivables	306,956	256,282
Real estate	5,987,120	5,728,775
Deposits on real estate under option or contract	174,170	192,405
Investments in unconsolidated entities	57,268	28,735
Property and equipment, net	46,647	47,285
Deferred tax assets, net	53,293	54,524
Prepaids, other assets and goodwill	221,676	203,093
Total assets	$ 7,622,287	$ 7,162,654
Liabilities		
Accounts payable	$ 200,679	$ 212,477
Accrued liabilities	387,698	452,213
Home sale deposits	9,213	20,513
Loans payable and other borrowings	24,328	29,343
Senior and convertible senior notes, net	1,804,726	1,306,535
Total liabilities	2,426,644	2,021,081
Stockholders' Equity		
Preferred stock, par value $0.01. Authorized 10,000,000 shares; none issued and outstanding at December 31, 2025 and 2024	—	—
Common stock, par value $0.01. Authorized 125,000,000 shares; 68,168,923 and 71,921,972 shares issued and outstanding at December 31, 2025 and 2024, respectively	682	360
Additional paid-in capital	—	143,036
Retained earnings	5,194,961	4,998,177
Total stockholders' equity	5,195,643	5,141,573
Total liabilities and stockholders' equity	$ 7,622,287	$ 7,162,654

See accompanying notes to consolidated financial statements

MERITAGE HOMES CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

	Years Ended December 31,		
	2025	2024	2023
	(In thousands, except per share data)		
Homebuilding:			
Home closing revenue	$ 5,763,597	$ 6,341,546	$ 6,056,784
Land closing revenue	60,838	22,326	56,229
Total closing revenue	5,824,435	6,363,872	6,113,013
Cost of home closings	(4,627,405)	(4,761,703)	(4,554,671)
Cost of land closings	(59,026)	(18,309)	(51,786)
Total cost of closings	(4,686,431)	(4,780,012)	(4,606,457)
Home closing gross profit	1,136,192	1,579,843	1,502,113
Land closing gross profit	1,812	4,017	4,443
Total closing gross profit	1,138,004	1,583,860	1,506,556
Financial Services:			
Revenue	33,202	31,163	25,250
Expense	(17,562)	(14,657)	(12,128)
Earnings/(loss) from financial services unconsolidated entities and other, net	2,978	(2,096)	(656)
Financial services profit	18,618	14,410	12,466
Commissions and other sales costs	(404,405)	(409,069)	(384,911)
General and administrative expenses	(211,762)	(230,856)	(231,722)
Interest expense	—	—	—
Other income, net	44,145	45,156	47,948
Loss on early extinguishment of debt	—	(631)	(907)
Earnings before income taxes	584,600	1,002,870	949,430
Provision for income taxes	(131,587)	(216,684)	(210,682)
Net earnings	$ 453,013	$ 786,186	$ 738,748
Earnings per common share:			
Basic	$ 6.40	$ 10.85	$ 10.09
Diluted	$ 6.35	$ 10.72	$ 9.96
Weighted average number of shares:			
Basic	70,819	72,476	73,238
Diluted	71,348	73,332	74,138

See accompanying notes to consolidated financial statements

MERITAGE HOMES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Years Ended December 31, 2025, 2024 and 2023				
	(In thousands)				
	Number of Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Total
Balance at January 1, 2023	73,142	$ 366	$ 327,878	$ 3,621,367	$ 3,949,611
Net earnings	—	—	—	738,748	738,748
Issuance of stock	582	3	(3)	—	—
Equity award compensation expense	—	—	22,511	—	22,511
Dividends declared (0.54 per share)	—	—	—	(39,534)	(39,534)
Share repurchases	(874)	(5)	(59,431)	—	(59,436)
Balance at December 31, 2023	72,850	364	290,955	4,320,581	4,611,900
Net earnings	—	—	—	786,186	786,186
Issuance of stock	536	3	(3)	—	—
Equity award compensation expense	—	—	25,809	—	25,809
Dividends declared ($1.50 per share)	—	—	—	(108,590)	(108,590)
Share repurchases	(1,464)	(7)	(126,658)	—	(126,665)
Capped call transactions, net of tax	—	—	(47,067)	—	(47,067)
Balance at December 31, 2024	71,922	360	143,036	4,998,177	5,141,573
Stock Split effective January 2, 2025 (See Note 9)	—	360	(360)	—	—
Net earnings	—	—	—	453,013	453,013
Issuance of stock	537	5	(5)	—	—
Equity award compensation expense	—	—	19,683	—	19,683
Dividends declared ($1.72 per share)	—	—	—	(121,072)	(121,072)
Share repurchases	(4,290)	(43)	(162,354)	(135,157)	(297,554)
Balance at December 31, 2025	68,169	$ 682	$ —	$ 5,194,961	$ 5,195,643

See accompanying notes to consolidated financial statements

MERITAGE HOMES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	2025	2024	2023
		(In thousands)	
Cash flows from operating activities:			
Net earnings	$ 453,013	$ 786,186	$ 738,748
Adjustments to reconcile net earnings to net cash provided by/(used in) operating activities:			
Depreciation and amortization	25,285	25,959	25,334
Real estate and land impairments	18,118	—	964
Write-off of terminated land deals	39,382	6,702	5,309
Stock-based compensation	19,683	25,809	22,511
Loss on early extinguishment of debt	—	631	907
Equity in earnings from unconsolidated entities	(3,973)	(9,225)	(6,371)
Distributions of earnings from unconsolidated entities	4,143	7,461	6,792
Other	1,332	7,758	(2,158)
Changes in assets and liabilities:			
Increase in real estate	(274,052)	(979,254)	(357,408)
Increase in deposits on real estate under option or contract	(5,708)	(81,354)	(36,140)
(Increase)/decrease in receivables, prepaids and other assets	(55,265)	39,776	(64,169)
(Decrease)/increase in accounts payable and accrued liabilities	(92,370)	(41,933)	22,609
Decrease in home sale deposits	(11,300)	(16,092)	(1,356)
Net cash provided by/(used in) operating activities	118,288	(227,576)	355,572
Cash flows from investing activities:			
Investments in unconsolidated entities	(32,728)	(18,545)	(5,991)
Distributions of capital from unconsolidated entities	500	2,867	137
Purchases of property and equipment	(25,722)	(28,658)	(38,192)
Proceeds from sales of property and equipment	251	262	423
Maturities/sales of investments and securities	1,750	750	750
Payments to purchase investments and securities	(1,750)	(750)	(750)
Net cash used in investing activities	(57,699)	(44,074)	(43,623)
Cash flows from financing activities:			
Repayment of loans payable and other borrowings	(13,005)	(8,933)	(2,798)
Repayment of senior notes	—	(250,695)	(150,884)
Proceeds from issuance of senior and convertible senior notes	497,195	575,000	—
Payment of debt issuance costs	(5,106)	(17,082)	—
Purchase of capped calls related to issuance of convertible senior notes	—	(61,790)	—
Dividends paid	(121,072)	(108,590)	(39,534)
Repurchase of shares	(294,999)	(125,932)	(59,067)
Net cash provided by/(used in) financing activities	63,013	1,978	(252,283)
Net increase/(decrease) in cash and cash equivalents	123,602	(269,672)	59,666
Cash and cash equivalents, beginning of year	651,555	921,227	861,561
Cash and cash equivalents, end of year	$ 775,157	$ 651,555	$ 921,227

See Supplemental Disclosure of Cash Flow Information in Note 13.
See accompanying notes to consolidated financial statements.

MERITAGE HOMES CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2025, 2024 and 2023

NOTE 1 — BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization. Meritage Homes Corporation ("Meritage Homes") is a leading designer and builder of single-family attached and detached homes. We primarily build in long-term high-growth markets of the United States and offer a variety of entry-level and first move-up homes. We have homebuilding operations in three regions: West, Central and East, which are comprised of twelve states: Arizona, California, Colorado, Utah, Tennessee, Texas, Alabama, Florida, Georgia, Mississippi, North Carolina, and South Carolina. These three regions are our principal homebuilding reporting segments. We also operate a financial services segment, which offers title and escrow, mortgage, and insurance services to our homebuyers. Carefree Title Agency, Inc. ("Carefree Title"), our wholly-owned title company, provides title insurance and closing/settlement services to our homebuyers in certain states. Managing our own title operations allows us greater control over the entire escrow and closing cycles in addition to generating additional revenue. Meritage Homes Insurance Agency, Inc. (“Meritage Insurance”), our wholly-owned insurance broker, works in collaboration with insurance companies nationwide to offer homeowners insurance and other insurance products to our homebuyers. Our financial services operation also provides mortgage services to our homebuyers through an unconsolidated joint venture.

We commenced our homebuilding operations in 1985 through our predecessor company, Monterey Homes. Meritage Homes Corporation was incorporated in the state of Maryland in 1988 under the name of Homeplex Mortgage Investments Corporation and merged with Monterey Homes in 1996, at which time our name was changed to Monterey Homes Corporation and later ultimately to Meritage Homes Corporation. Since that time, we have engaged in homebuilding and related activities. Meritage Homes Corporation operates as a holding company and has no independent assets or operations. Its homebuilding construction, development and sales activities are conducted through its subsidiaries. Its homebuilding activities are conducted under the name of Meritage Homes in each of our homebuilding markets. At December 31, 2025, we were actively selling homes in 336 communities, with base prices ranging from approximately $161,000 to $1,000,000.

Basis of Presentation. The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) and include the accounts of Meritage Homes Corporation and those of our consolidated subsidiaries, partnerships and other entities in which we have a controlling financial interest, and of variable interest entities (see Note 3) in which we are deemed the primary beneficiary (collectively, “us”, “we”, “our” and the “Company”). Certain reclassifications have been made to prior year footnotes and in the accompanying consolidated financial statements to conform to classifications used in the current year. Intercompany balances and transactions have been eliminated in consolidation.

Stock Split

Effective January 2, 2025, our common stock was split two-for-one (the "Stock Split"), with no adjustment to the number of authorized shares or the par value. See Note 9 for additional information related to the Stock Split.

Cash and Cash Equivalents. Liquid investments with an initial maturity of three months or less are classified as cash equivalents. Amounts in transit from title companies or closing agents for home closings of approximately $20.1 million and $29.0 million are included in Cash and cash equivalents at December 31, 2025 and 2024, respectively.

Real Estate. Real estate inventory is stated at cost unless the community or land is determined to be impaired, at which point the inventory is written down to fair value as required by Accounting Standards Codification (“ASC”) 360-10, *Property, Plant and Equipment* ("ASC 360-10"). Real estate inventory includes the costs of land acquisition, land development and home construction, capitalized interest, real estate taxes, and direct overhead costs incurred during development and home construction that benefit the entire community, less impairments, if any. Land and development costs are typically allocated and transferred to homes when home construction begins. Home construction costs are accumulated on a per-home basis, while commissions and other sales costs are expensed as incurred. Cost of home closings includes the specific construction costs of the home and all related allocated land acquisition, land development and other common costs (both incurred and estimated to be incurred) that are allocated based upon the total number of homes expected to be closed in each community or phase. Any changes to the estimated total development costs of a community or phase are allocated to the remaining homes in that community or phase. When a home closes, we may have incurred costs for materials and services that have not yet been paid.

We accrue a liability to capture such obligations in connection with the home closing which is charged directly to Cost of home closings.

We capitalize qualifying interest to inventory during the development and construction periods. Capitalized interest is included in cost of closings when the related inventory is closed. Included within our Real estate inventory is land held for development, land held for sale, and mothball communities. Land held for development primarily represents land and development costs related to land where development activity is not currently underway but is expected to begin in the future. For these parcels, we have chosen not to currently develop certain land holdings as they typically represent a portion or phases of a larger land parcel that we plan to build out over several years. Mothball communities represent communities where we have elected to stop development of an existing actively selling community because we believe the economic performance of the community would be maximized by deferring development for a period of time to allow market conditions to improve. We do not capitalize interest for these inactive assets, and all ongoing costs of land ownership (i.e. property taxes, homeowner association dues, etc.) are expensed as incurred. See Note 2 for additional information related to capitalized interest.

We rely on certain estimates to determine our construction and land development costs. Construction and land costs are comprised of direct and allocated costs, including estimated future costs. In determining these costs, we compile project budgets that are based on a variety of assumptions, including future construction schedules and costs to be incurred. Actual results can differ from budgeted amounts for various reasons, including construction delays, labor or material shortages, sales orders absorption rates that differ from our expectations, increases in costs that have not yet been contracted, changes in governmental requirements, or other unanticipated issues, encountered during construction and development and other factors beyond our control, including weather. To address uncertainty in these budgets, we assess, update and revise project budgets on a regular basis, utilizing the most current information available to estimate home construction and land development costs.

Typically, a community's life cycle ranges from three to five years, commencing with the acquisition of the land, continuing through the land development phase, if applicable, and concluding with the construction, sale and closing of the homes. Actual community lives will vary based on the size of the community, the sales orders absorption rates and whether the land purchased was raw, partially-developed or in finished status. Master-planned communities encompassing several phases and super-block land parcels may have significantly longer lives and projects involving smaller finished lot purchases may be significantly shorter.

All of our land inventory and related real estate assets are periodically reviewed for recoverability when certain criteria are met, but at least annually, as our inventory is considered “long-lived” in accordance with GAAP.

Existing communities. Community-level reviews on active communities are performed quarterly, with the community review bifurcated between started and unstarted lots, to determine if indicators of potential impairment exist. If indicators of potential impairment exist and the undiscounted cash flows expected to be generated by an asset are lower than its carrying amount, impairment charges are recorded to write down the asset to its estimated fair value. The impairment of a community is allocated across the remaining lots in the community and is recognized in Cost of home closings in the period in which the impairment is determined. The fair value of the community’s assets is determined using either a market-based approach for projects to be sold or a discounted cash flow model for projects we intend to build out. If a market-based approach is used, we determine fair value based on recent comparable purchase and sale activity in the local market, adjusted for variances as determined by our knowledge of the region and general real estate expertise. If a discounted cash flow approach is used, we compute fair value using projections, estimates and observable and unobservable inputs such as (i) home selling prices in the community adjusted for current and expected sales discounts and incentives, (ii) costs related to the community — both land development and home construction — including costs spent to date and budgeted remaining costs to spend, (iii) projected sales absorption rates, reflecting any product mix change strategies implemented to stimulate the orders pace, (iv) expected cancellation rates, (v) alternative land uses including disposition of all or a portion of the land owned, if applicable, and (vi) discount rate, which is currently 10-14% and varies based on the perceived risk inherent in the community’s other cash flow assumptions. These assumptions vary widely across different communities and geographies and are largely dependent on local market conditions. Community-level factors that may impact our key estimates include:

- Our current experience in the market;
- The presence and significance of local competitors, including their offered product type, comparable lot size, remaining lots and competitive actions such as incentive offerings;
- Economic and related demographic conditions for the surrounding community, such as major employers;
- Desirability of the particular community, including unique amenities or other favorable or unfavorable attributes; and
- Existing home inventory supplies for the surrounding community.

These local circumstances may significantly impact our assumptions and the resulting computation of fair value and are, therefore, closely evaluated by our division personnel in their preparation of the discounted cash flow models. The models are also evaluated by regional and corporate personnel for consistency and integration, as decisions that affect pricing or absorption at one community may have resulting consequences for neighboring communities.

Mothball communities. In certain cases, we may elect to stop development of an existing actively selling community (mothball) if we believe the economic performance of the community would be maximized by deferring development for a period of time to allow market conditions to improve. The decision may be based on financial and/or operational metrics. If we decide to mothball a community, we will impair it to its fair value, if applicable, as discussed above and then cease future development activity until such a time when management believes that market conditions have improved and economic performance will be maximized. Impairment charges, if any, are recognized in Cost of home closings in the period in which the impairment is determined. No costs are capitalized to communities that are designated as mothballed. When a community is initially placed into mothball status, it is management's belief that the community is affected by local market conditions that are expected to improve within the next 1-5 years. Mothball communities are reviewed at least annually to determine if they are at risk of future impairment. The financial and operational status and expectations of these communities are analyzed as well as any unique attributes that could be viewed as indicators for future impairments. Adjustments are made accordingly and incremental impairments, if any, are recorded at each re-evaluation.

Land held for sale or future development. Land held for sale or future development is reviewed at least annually to determine if it is at risk of future impairment. Our assessments on land held for sale or land held for future development typically involve third-party valuations, such as broker opinions, and recent comparable land sales in the area. Our assessments typically include highly subjective estimates for future performance, including the timing of development, the product to be offered, orders pace and selling prices of the product when the community is anticipated to open for sales, and the projected costs to develop and construct the community. We evaluate various factors to develop our forecasts, including the availability of and demand for homes and finished lots within the surrounding community, historical, current and future sales trends, and third-party data, if available. Based on these factors, we reach conclusions for future performance based on our judgment. If land held for sale or future development is deemed to be impaired, impairment changes are recognized in the period in which the impairment is determined. Impairments on land held for sale are recognized in Cost of land closings and impairments on land held for future development are recognized in Cost of home closings.

See Note 2 for additional information related to Real estate.

Deposits. Deposits paid related to land option and purchase contracts are recorded and classified as Deposits on real estate under option or contract until the related land is purchased. Deposits are reclassified as a component of Real estate at the time the deposit is used to offset the acquisition price of the land based on the terms of the underlying agreements. To the extent they are non-refundable, deposits are expensed to Cost of home closings if the land acquisition is terminated or no longer considered probable. Since our acquisition contracts typically do not require specific performance, we do not consider such contracts to be contractual obligations to purchase the land and our total exposure under such contracts is limited to the loss of any non-refundable deposits and any related capitalized costs. Our Deposits on real estate under option or contract were $174.2 million and $192.4 million as of December 31, 2025 and 2024, respectively. See Note 3 for additional information related to Deposits on real estate under option or contract.

Goodwill. In accordance with ASC 350, *Intangibles, Goodwill and Other* ("ASC 350"), we analyze goodwill on an annual basis (or whenever indication of impairment exists) through a qualitative assessment to determine whether it is necessary to perform a goodwill impairment test. ASC 350 states that an entity may first assess qualitative factors to determine whether it is necessary to perform a goodwill impairment test. Such qualitative factors include: (1) macroeconomic conditions, such as a deterioration in general economic conditions; (2) industry and market considerations such as deterioration in the environment in which the entity operates; (3) cost factors such as increases in raw materials, labor costs, etc.; and (4) overall financial performance such as negative or declining cash flows or a decline in actual or planned revenue or earnings. If the qualitative analysis determines that additional impairment testing is required, a two-step impairment test in accordance with ASC 350 would be initiated. We continually evaluate our qualitative inputs to assess whether events and circumstances have occurred that indicate the goodwill balance may not be recoverable. See Note 10 for additional information on our goodwill assets.

Property and Equipment, net. Property and equipment, net consists primarily of computer and office equipment, model home furnishings and capitalized sales office costs. Depreciation is generally calculated using the straight-line method over the estimated useful lives of the assets, which range from three to seven years. Depreciation expense was $21.7 million, $23.6 million, and $23.5 million for the years ended December 31, 2025, 2024 and 2023, respectively. Maintenance and repair costs are expensed as incurred. At December 31, 2025 and 2024, property and equipment, net consisted of the following (in thousands):

	At December 31,	
	2025	2024
Computer and office equipment	$ 64,271	$ 59,433
Model home furnishings and capitalized sales office costs	58,526	57,149
Gross property and equipment	122,797	116,582
Accumulated depreciation	(76,150)	(69,297)
Total	$ 46,647	$ 47,285

Deferred Costs. At December 31, 2025 and 2024, deferred costs representing debt issuance costs related to our amended and restated unsecured revolving credit facility (the "Credit Facility") of approximately $5.4 million and $5.5 million, respectively, net of accumulated amortization, are recorded on our consolidated balance sheets within Prepaids, other assets and goodwill. The costs are amortized to Interest expense using the straight line method which approximates the effective interest method. See Note 7 for additional information related to net debt issuance costs associated with our senior and convertible senior notes.

Investments in Unconsolidated Entities. We use the equity method of accounting for investments in unconsolidated entities over which we exercise significant influence but do not have a controlling interest. Under the equity method, our share of the unconsolidated entities' pre-tax earnings or loss is included in Other income, net, or Earnings/(loss) from financial services unconsolidated entities and other, net, in our consolidated income statements. We use the cost method of accounting for investments in unconsolidated entities over which we do not have significant influence, if any. We track cumulative earnings and distributions from each of our ventures. For cash flow classification, to the extent distributions do not exceed cumulative earnings, we designate such distributions as return on capital. Distributions in excess of cumulative earnings are treated as return of capital. We evaluate our investments in unconsolidated entities for impairment when events that trigger an evaluation of recoverability present themselves. See Note 5 for additional information related to investments in unconsolidated entities.

Accrued Liabilities. Accrued liabilities at December 31, 2025 and 2024 consisted of the following (in thousands):

	At December 31,	
	2025	2024
Accruals related to real estate development and construction activities	$ 144,122	$ 167,075
Payroll and other benefits	98,591	131,733
Accrued interest	14,619	6,290
Accrued taxes	14,205	24,478
Warranty reserves	26,677	32,693
Lease liabilities [(1)]	60,470	55,825
Other accruals	29,014	34,119
Total	$ 387,698	$ 452,213

(1) Refer to Note 4 for additional information related to our leases.

Revenue Recognition. In accordance with ASC 606*, Revenue from Contracts with Customers*, we apply the following steps in determining the timing and amount of revenue to recognize: (1) identify the contract with our customer; (2) identify the performance obligation(s) in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract, if applicable; and (5) recognize revenue when (or as) we satisfy the performance obligations. The performance obligations and subsequent revenue recognition for our three sources of revenue are outlined below:

- Revenue from home closings is recognized when closings have occurred, the risks and rewards of ownership are transferred to the buyer, and we have no continuing involvement with the property, which is generally upon the close of escrow. Revenue is reported net of any discounts and incentives.
- Revenue from land closings is recognized when a significant down payment is received, title passes and collectability of the receivable, if any, is reasonably assured, and we have no continuing involvement with the property, which is generally upon the close of escrow.
- Revenue from financial services is recognized when closings have occurred and all financial services have been rendered, which is generally upon the close of escrow.

Home sale contract assets consist of cash from home closings that are in transit from title companies, which are considered cash in transit and are classified as cash on our accompanying consolidated balance sheets. See "Cash and Cash Equivalents" in this Note 1 for further information. Contract liabilities include home sale deposit liabilities related to sold but unclosed homes, and are classified as Home sale deposits in our accompanying consolidated balance sheets. Substantially all of our home orders are scheduled to close and be recorded as Home closing revenue within one year from the date of receiving a customer deposit. Home closing and land closing revenue expected to be recognized in any future year related to remaining performance obligations (if any) and the associated contract liabilities expected to be recognized as revenue, excluding revenue pertaining to contracts that have an original expected duration of one year or less, are not material. Revenue from financial services includes estimated future insurance policy renewal commissions as our performance obligations are satisfied upon issuance of the initial policy with a third-party broker. The related contract assets for these estimated future renewal commissions are not material at December 31, 2025 and 2024. Our three sources of revenue are disaggregated by type in the accompanying consolidated income statements.

***Cost of Home Closings*.** Cost of home closings includes direct home construction costs, closing costs, land acquisition and development costs, development period interest and common costs, and impairments, if any. Direct construction costs are accumulated during the period of construction and charged to Cost of home closings under specific identification methods, as are closing costs. Land development, acquisition and common costs are allocated to each lot based on the number of lots remaining to close. Estimates of costs incurred or to be incurred but not paid are accrued and expensed at the time of closing.

Income Taxes. We account for income taxes using the asset and liability method, which requires that deferred tax assets and liabilities be recognized based on future tax consequences of temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply in the years in which the temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period when the changes are enacted.

We record deferred tax assets to the extent we believe these assets will more likely than not be realized. In making such determination, we consider all available objectively verifiable positive and negative evidence, including scheduled reversals of deferred tax liabilities, whether we are in a cumulative loss position, projected future taxable income, tax planning strategies and recent financial operations. If we determine that we will not be able to realize our deferred tax assets in the future, we will record a valuation allowance, which increases the provision for income taxes.

We recognize interest and penalties related to unrecognized tax benefits within Provision for income taxes in the accompanying consolidated income statements. Accrued interest and penalties are included within Accrued liabilities in the accompanying consolidated balance sheets. See Note 12 for additional information related to income taxes.

Advertising Costs. We expense advertising costs to Commissions and other sales costs as they are incurred. Advertising expense was approximately $17.5 million, $17.1 million and $15.1 million for the years ending December 31, 2025, 2024 and 2023, respectively.

Earnings Per Share. We compute basic earnings per share by dividing net earnings by the weighted average number of common shares outstanding during the period. Diluted earnings per share gives effect to the potential dilution that could occur if securities or contracts to issue common stock that are dilutive were exercised or converted into common stock or resulted in the issuance of common stock that then shared in our earnings. In accordance with ASC 260-10, *Earnings Per Share*, we calculate the dilutive effect of the 2028 Convertible Notes (as defined in Note 7) using the "if-converted" method. As discussed in Note 7, the Company will settle any convertible note conversions by paying cash up to the principal amount of notes and settle any additional value in cash, shares of common stock or a combination of cash and shares of common stock, at the Company’s election. As the Company will settle the principal amount of convertible notes in cash upon conversion, the convertible notes only have a dilutive impact when the average share price of the Company’s common stock exceeds the conversion price, in any applicable period. In periods of net losses, no dilution is computed. See Note 9 for additional information related to earnings per share.

Stock-Based Compensation. We account for stock-based compensation in accordance with ASC 718-10, *Compensation—Stock Compensation* ("ASC 718"). As allowed by ASC 718, we have elected to estimate forfeitures in calculating the expense related to stock-based compensation. Awards with either a graded or cliff vesting are expensed on a straight-line basis over the life of the award. Stock-based compensation expense is included in General and administrative expenses. See Note 11 for additional information on stock-based compensation.

401(k) Retirement Plan. We have a 401(k) plan for all full-time Meritage employees. We match portions of employees' voluntary contributions, and contributed to the plan approximately $7.3 million, $7.2 million and $6.5 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Off-Balance Sheet Arrangements - Joint Ventures. We participate in land development joint ventures as a means of accessing larger parcels of land, expanding our market opportunities, managing our risk profile, optimizing deal structure for the impacted parties and leveraging our capital. See Note 5 for additional discussion of our investments in unconsolidated entities.

Off-Balance Sheet Arrangements - Other. In the normal course of business, we may acquire lots from various development entities pursuant to purchase and option agreements. The purchase price generally approximates the market price at the date the contract is executed (with possible future escalators) and the acquisition of the land is typically staggered. See Note 3 for additional information on these off-balance sheet arrangements.

Surety Bonds and Letters of Credit. We provide surety bonds and letters of credit in support of our obligations relating to the development of our projects and other corporate purposes, in lieu of cash deposits. The amount of these obligations outstanding at any time varies depending on the stage and level of our development activities. Surety bonds are generally not wholly released until all development activities under the bond are complete. In the event a bond or letter of credit is drawn upon, we would be obligated to reimburse the issuer for any amounts advanced under the bond or letter of credit. We believe it is unlikely that any significant amounts of these bonds or letters of credit will be drawn upon.

The table below outlines our surety bond and letter of credit obligations (in thousands):

	At December 31,			
	2025		2024	
	Outstanding	Estimated work remaining to complete (unaudited)	Outstanding	Estimated work remaining to complete (unaudited)
Sureties:				
Sureties related to owned projects and lots under contract	965,349	585,768	1,056,529	712,415
Total Sureties	$ 965,349	$ 585,768	$ 1,056,529	$ 712,415
Letters of Credit ("LOCs"):				
LOCs for land development	70,547	N/A	105,371	N/A
LOCs for general corporate operations	5,000	N/A	5,000	N/A
Total LOCs	$ 75,547	N/A	$ 110,371	N/A

Warranty Reserves. We provide home purchasers with limited warranties against certain building defects and we have certain obligations related to those post-construction warranties for closed homes. The specific terms and conditions of these limited warranties vary by state, but overall the nature of the warranties include a complete workmanship and materials warranty for the first year after the close of the home, a major mechanical warranty for two years after the close of the home and a structural warranty that typically extends up to 10 years after the close of the home. With the assistance of an actuary, we have estimated these reserves for the structural warranty based on the number of homes still under warranty and historical data and trends for our geographies. We may use industry data with respect to similar product types and geographic areas in markets where our experience is incomplete to draw a meaningful conclusion. We regularly review our warranty reserves and adjust them, as necessary, to reflect changes in trends as information becomes available. Based on such reviews of warranty costs incurred, we did not record any adjustments in the year ended December 31, 2025.

A summary of changes in our warranty reserves follows (in thousands):

	Years Ended December 31,	
	2025	2024
Balance, beginning of year	$ 32,693	$ 37,360
Additions to reserve from new home deliveries	18,582	21,820
Warranty claims	(24,598)	(25,444)
Adjustments to pre-existing reserves	—	(1,043)
Balance, end of year	$ 26,677	$ 32,693

Warranty reserves are included in Accrued liabilities on the accompanying consolidated balance sheets, and additions and adjustments to the reserves are included in Cost of home closings within the accompanying consolidated income statements. These reserves are intended to cover costs associated with our contractual and statutory warranty obligations, which include, among other items, claims involving defective workmanship and materials. We believe that our total reserves, coupled with our contractual relationships and rights with our trades and the insurance we and our trades maintain, are sufficient to cover our general warranty obligations. However, unanticipated changes in regulatory, legislative, weather, environmental or other conditions could have an impact on our actual warranty costs, and future costs could differ significantly from our estimates.

Recent Accounting Pronouncements.

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* ("ASU 2023-07"), which aligns interim segment disclosure requirements with existing annual requirements and includes updates to segment reporting, most notably through enhanced disclosures about significant segment expenses and the Chief Operating Decision Maker ("CODM"). We adopted ASU 2023-07 for the annual period beginning January 1, 2024, and for interim periods beginning January 1, 2025. ASU 2023-07 is applied retrospectively to all prior periods presented in these financial statements.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"), which modifies the disclosure requirements primarily related to the effective tax rate reconciliation and income taxes paid by requiring consistent categories and greater disaggregation of information in the rate reconciliation and income taxes paid disaggregated by jurisdiction. We adopted ASU 2023-09 for the annual period beginning January 1, 2025, and for interim periods beginning January 1, 2026. ASU 2023-09 is applied retrospectively to all prior periods presented in these financial statements.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03"), which requires disclosure in the notes to the financial statements of specified information about certain costs and expenses. ASU 2024-03 is effective for our annual report covering the fiscal year beginning January 1, 2027, and for our interim reports beginning January 1, 2028. We are currently evaluating the impact adopting this guidance will have on our financial statement disclosures.

In November 2024, the FASB issued ASU No. 2024-04, *Debt—Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments* ("ASU 2024-04"), which clarifies the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as an induced conversion. We adopted ASU 2024-04 on January 1, 2025 on a prospective basis and will apply the amendments to any future settlements of convertible debt instruments, if applicable. The adoption of ASU 2024-04 did not have any impact on the accompanying consolidated financial statements.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* ("ASU 2025-06"), which modernizes the accounting for the costs of internal-use software by removing all references to software development project stages so that the guidance is neutral to different software development methods. ASU 2025-06 is effective for our annual and interim reports within the fiscal year beginning January 1, 2028, and may be applied on a retrospective, modified transition or prospective basis. We are currently evaluating the impact adopting this guidance will have on our consolidated financial statements.

In December 2025, the FASB issued ASU No. 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements* ("ASU 2025-11"), to clarify interim disclosure requirements and the applicability of Topic 270, *Interim Reporting*. ASU 2025-11 is effective for our interim reports covering the fiscal year beginning January 1, 2028, and may be applied on a retrospective or prospective basis. We are currently evaluating the impact adopting this guidance will have on our consolidated financial statements.

NOTE 2 — REAL ESTATE AND CAPITALIZED INTEREST

Real estate consists of the following (in thousands):

	At December 31, 2025	At December 31, 2024
Homes completed and under construction (1)	$ 2,069,548	$ 2,375,639
Finished home sites and home sites under development (2)	3,917,572	3,353,136
Total	$ 5,987,120	$ 5,728,775

(1) Includes the allocated land and land development costs associated with each lot for sold and unsold homes.
(2) Includes raw land, land held for development, land held for sale and communities in mothball status, less impairments, if any. Land held for development, land held for sale and communities in mothball status totaled $164.4 million and $62.7 million as of December 31, 2025 and 2024, respectively. We do not capitalize interest for these inactive assets, and all ongoing costs of land ownership (i.e. property taxes, homeowner association dues, etc.) are expensed as incurred.

Subject to sufficient qualifying assets, we capitalize our development period interest costs incurred to applicable qualifying assets in connection with our real estate development and construction activities. Capitalized interest is allocated to active Real estate when incurred and charged to Cost of closings when the related property is delivered. A summary of our capitalized interest is as follows (in thousands):

	Years Ended December 31, 2025	2024	2023
Capitalized interest, beginning of year	$ 53,678	$ 54,516	$ 60,169
Interest incurred	74,750	52,717	57,759
Interest expensed	—	—	—
Interest amortized to cost of home and land closings	(51,364)	(53,555)	(63,412)
Capitalized interest, end of year (1)	$ 77,064	$ 53,678	$ 54,516

(1) Approximately $40,000, $192,000 and $346,000 of the capitalized interest is related to our joint venture investments and is a component of Investments in unconsolidated entities in our consolidated balance sheets as of December 31, 2025, 2024 and 2023, respectively.

As discussed in Note 1, and in accordance with ASC 360-10, all of our land inventory and related real estate assets are periodically reviewed for recoverability when certain criteria are met, but at least annually, as our inventory is considered “long-lived” in accordance with GAAP. Based on these reviews, we recorded the following impairment charges during the years ended December 31, 2025, 2024 and 2023 (in thousands):

	Years Ended December 31,		
	2025	2024	2023
Real estate inventory impairments:			
West	$ 742	$ —	$ 964
Central	5,697	—	—
East	$ 10,093	$ —	$ —
Total	$ 16,532	$ —	$ 964
Impairments of land held for sale:			
West	—	$ —	$ —
Central	1,442	—	—
East	144	$ —	$ —
Total	$ 1,586	$ —	$ —
Total impairments:			
West	742	—	964
Central	7,139	—	—
East	10,237	—	—
Total	$ 18,118	$ —	$ 964

As discussed in Note 1, non-refundable deposits are expensed to Cost of home closings when a land acquisition is terminated or no longer considered probable. The following tables summarizes the write-offs of non-refundable deposits and associated pre-acquisition costs for terminated land contracts during the periods presented (in thousands):

	Years Ended December 31,		
	2025	2024	2023
Terminated option/purchase contracts and related pre-acquisition costs:			
West	$ 8,599	$ 2,478	$ 3,336
Central	5,204	1,562	451
East	$ 25,579	2,662	1,522
Total	$ 39,382	$ 6,702	$ 5,309

NOTE 3 — VARIABLE INTEREST ENTITIES AND CONSOLIDATED REAL ESTATE NOT OWNED

We enter into purchase and option agreements for land or lots as part of the normal course of business. These purchase and option agreements enable us to acquire properties at one or multiple future dates at pre-determined prices. We believe these acquisition structures allow us to better leverage our balance sheet and reduce our financial risk associated with land acquisitions.

Based on the provisions of the relevant accounting guidance, we have concluded that when we enter into an option or purchase agreement to acquire land or lots from an entity, a variable interest entity ("VIE"), may be created. In accordance with ASC 810, *Consolidation*, we evaluate all purchase and option agreements for land to determine whether they are a VIE, and if so, whether we are the primary beneficiary. Although we do not have legal title to the underlying land, if we are the primary beneficiary we are required to consolidate the VIE in our financial statements and reflect its assets and liabilities as Real estate not owned and Liabilities related to real estate not owned, respectively. The liabilities related to consolidated VIEs are generally excluded from our debt covenant calculations.

In order to determine if we are the primary beneficiary, we must first assess whether we have the ability to control the activities of the VIE that most significantly impact its economic performance. Such activities include, but are not limited to, the ability to determine the budget and scope of land development work, if any; the ability to control financing decisions for the VIE; the ability to acquire additional land into the VIE or dispose of land in the VIE not under contract with Meritage; and the ability to change or amend the existing option contract with the VIE. If we are not determined to control such activities, we are not considered the primary beneficiary of the VIE. If we do have the ability to control such activities, we will continue our analysis by determining if we are also expected to absorb a potentially significant amount of the VIE's losses or, if no party absorbs the majority of such losses, if we will benefit from a potentially significant amount of the VIE's expected gains.

In substantially all cases, creditors of the entities with which we have option agreements have no recourse against us and the maximum exposure to loss in our option agreements is limited to non-refundable option deposits and any capitalized pre-acquisition costs. Often, we are at risk for items over budget related to land development on property we have under option if we are the land developer. In these cases, we have typically contracted to complete development at a fixed cost on behalf of the land owner and any budget savings or shortfalls are borne by us. Some of our option deposits may be refundable to us if certain contractual conditions are not performed by the party selling the lots.

The table below presents a summary of our lots under option that are not recorded on the balance sheet at December 31, 2025 (dollars in thousands):

	Projected Number of Lots (unaudited)	Purchase Price (unaudited)	Option/ Earnest Money Deposits–Cash
Purchase and option contracts recorded on balance sheet as Real estate not owned	—	$ —	$ —
Option contracts — non-refundable deposits, committed (1)	9,559	947,636	98,996
Purchase contracts — non-refundable deposits, committed (1)	11,868	373,136	61,706
Purchase and option contracts —refundable deposits, committed	337	6,032	775
Total committed	21,764	1,326,804	161,477
Purchase and option contracts — refundable deposits, uncommitted (2)	14,565	797,182	12,693
Total lots under contract or option	36,329	$ 2,123,986	$ 174,170
Total purchase and option contracts not recorded on balance sheet (3)	36,329	$ 2,123,986	$ 174,170 (4)

(1) Deposits are non-refundable except if certain contractual conditions are not performed by the selling party.
(2) Deposits are refundable at our sole discretion. We have not completed our acquisition evaluation process and we have not internally committed to purchase these lots.
(3) Except for our specific performance contracts recorded on our balance sheet as Real estate not owned (if any), none of our purchase or option contracts require us to purchase lots.
(4) Amount is reflected in our consolidated balance sheets in Deposits on real estate under option or contract as of December 31, 2025.

Generally, our options to purchase lots remain effective so long as we purchase a pre-established minimum number of lots on a pre-determined schedule in accordance with each respective agreement. Although the pre-established number is typically structured to approximate our expected rate of home construction starts, during a weakened homebuilding market, we may purchase lots at an absorption level that exceeds our expected orders and home starts pace to meet the pre-established minimum number of lots or restructure our original contract to terms that more accurately reflect our revised orders pace expectations. During a strong homebuilding market, we may accelerate our pre-established minimum purchases if allowed by the contract.

NOTE 4 - LEASES

We lease certain office space and equipment for use in our operations. We assess each of these contracts to determine whether the arrangement contains a lease as defined by ASC 842, *Leases* ("ASC 842"). In order to meet the definition of a lease under ASC 842, the contractual arrangement must convey to us the right to control the use of an identifiable asset for a period of time in exchange for consideration. We recognize lease expense for these leases on a straight-line basis over the lease term and combine lease and non-lease components for all leases. Some of our leases contain renewal options and in accordance with ASC 842, our lease terms include those renewals only to the extent that they are reasonably certain to be exercised. The exercise of these lease renewal options is generally at our discretion. In accordance with ASC 842, the lease liability is equal to the present value of the remaining lease payments while the right-of-use ("ROU") asset is based on the lease liability, subject to adjustment, such as for lease incentives. Our leases do not provide a readily determinable implicit interest rate and therefore, we must estimate our incremental borrowing rate. In determining our incremental borrowing rate, we consider the lease period, market interest rates, current interest rates on our senior notes and the effects of collateralization.

Our lease population at December 31, 2025 is comprised of operating leases where we are the lessee and these leases are primarily for office space for our corporate and division offices, in addition to leases of certain equipment. As allowed by ASC 842, we do not record leases with lease terms of twelve months or less on the consolidated balance sheets.

Lease cost included in our consolidated income statements in General and administrative expenses is in the table below (in thousands). Our short-term lease costs and sublease income are de minimis.

	Years Ended December 31,			
	2025		2024	
Operating lease expense	$	10,567	$	9,8
Non-cash lease expense	$	6,413	$	6,(
Cash payments on lease liabilities	$	9,818	$	9,5
ROU assets obtained in exchange for new operating lease obligations	$	12,547	$	9,4

ROU assets are classified within Prepaids, other assets and goodwill on our consolidated balance sheets, while lease liabilities are classified within Accrued liabilities on our consolidated balance sheets. The following table contains additional information about our leases (dollars in thousands):

	At December 31,			
	2025		2024	
ROU assets	$	56,985	$	52,941
Lease liabilities	$	60,470	$	55,825
Weighted-average remaining lease term		7.3 years		8.2 years
Weighted-average discount rate (incremental borrowing rate)		3.53 %		3.57 %

Maturities of our operating lease liabilities as of December 31, 2025 are as follows (in thousands):

Year ended December 31,		
2026	$	10,518
2027		10,478
2028		9,905
2029		9,009
2030		7,230
Thereafter		21,466
Total payments		68,606
Less: imputed interest		(8,136)
Present value of lease liabilities	$	60,470

NOTE 5 - INVESTMENTS IN UNCONSOLIDATED ENTITIES

We may enter into joint ventures as a means of accessing larger parcels of land, expanding our market opportunities, managing our risk profile, optimizing deal structure for the impacted parties and leveraging our capital. Our joint venture partners generally are other homebuilders, land sellers or other real estate investors. We generally do not have a controlling interest in these ventures, which means our joint venture partners could cause the venture to take actions we disagree with, or fail to take actions we believe should be undertaken, including the sale of the underlying property to repay debt or recoup all or part of the partners' investments. Based on the structure of these joint ventures, they may or may not be consolidated into our results.

The primary activity of our land joint ventures is the development and sale of lots to joint venture partners and/or unrelated builders. Our mortgage joint venture is engaged in mortgage activities and primarily provides mortgage services to our homebuyers. As of December 31, 2025, we had three active equity-method land joint ventures and one mortgage joint venture.

Summarized condensed combined financial information related to unconsolidated joint ventures that are accounted for using the equity method was as follows (in thousands):

	At December 31, 2025	At December 31, 2024
Assets:		
Cash	$ 3,516	$ 4,434
Real estate	181,166	66,443
Other assets	6,748	7,286
Total assets	$ 191,430	$ 78,163
Liabilities and equity:		
Accounts payable and other liabilities	$ 8,448	$ 7,148
Equity of:		
Meritage (1)	57,268	27,735
Other	125,714	43,280
Total liabilities and equity	$ 191,430	$ 78,163

	Years Ended December 31, 2025	2024	2023
Revenue	$ 58,333	$ 60,460	$ 46,842
Costs and expenses	(41,000)	(41,559)	(37,666)
Net earnings of unconsolidated entities	$ 17,333	$ 18,901	$ 9,176
Meritage's share of pre-tax earnings (1) (2)	$ 3,973	$ 9,225	$ 6,371

(1) Balance represents Meritage's interest, as reflected in the financial records of the respective joint ventures. This balance may differ from the balance reported in our consolidated financial statements due to the following reconciling items: (i) timing differences for revenue and distributions recognition, (ii) step-up basis and corresponding amortization, (iii) capitalization of interest on qualified assets, (iv) income deferrals as discussed in Note (2) below and (v) the cessation of allocation of losses from joint ventures in which we have previously written down our investment balance to zero and where we have no commitment to fund additional losses.

(2) Our share of pre-tax earnings/(loss) from our mortgage joint venture is recorded in Earnings/(loss) from financial services unconsolidated entities and other, net on the accompanying consolidated income statements. Our share of pre-tax earnings/(loss) from all other joint ventures is recorded in Other income, net on the accompanying consolidated income statements and excludes joint venture profit related to lots we purchased from the joint ventures, if any. Such profit is deferred until homes are delivered by us and title passes to a homebuyer.

Our total investment in all of these joint ventures is $57.3 million as of December 31, 2025. We believe these ventures are in compliance with their respective debt agreements, if applicable, and such debt is non-recourse to us.

NOTE 6 — LOANS PAYABLE AND OTHER BORROWINGS

Loans payable and other borrowings consist of the following (in thousands):

	At December 31, 2025	At December 31, 2024
Other borrowings, secured real estate notes payable (1)	$ 24,328	$ 29,343
$910.0 million unsecured revolving credit facility	—	—
Total	$ 24,328	$ 29,343

(1) Reflects balance of non-recourse notes payable in connection with land purchases.

The Company entered into an amended and restated unsecured revolving credit facility agreement ("Credit Facility") in 2014 that has been amended from time to time. On July 9, 2025, we entered into the Eleventh Amendment to Amended and Restated Credit Agreement, which extends the maturity date from June 12, 2029 to July 9, 2030. The Credit Facility's aggregate commitment is $910.0 million with an accordion feature permitting the size of the facility to increase to a maximum of $1.4

billion, subject to certain conditions, including the availability of additional bank commitments. Borrowings under the Credit Facility bear interest at the Company's option, at either (1) term Secured Overnight Financing Rate ("SOFR") (based on 1, 3, or 6 month interest periods, as selected by the Company) plus a 10 basis point adjustment plus an applicable margin (ranging from 110 basis points to 175 basis points (the "applicable margin")) based on the Company's leverage ratio as determined in accordance with a pricing grid, (2) the higher of (i) the prime lending rate ("Prime"), (ii) an overnight bank rate plus 50 basis points and (iii) term SOFR (based on a 1 month interest period) plus a 10 basis point adjustment plus 1%, in each case plus a margin ranging from 10 basis points to 75 basis points based on the Company's leverage in accordance with a pricing grid, or (3) daily simple SOFR plus a 10 basis point adjustment plus the applicable margin. At December 31, 2025, the interest rate on outstanding borrowings under the Credit Facility would have been 4.89% per annum, calculated in accordance with option (1) noted above and using the 1 month term SOFR. We are obligated to pay a fee on the undrawn portion of the Credit Facility at a rate determined by a tiered fee matrix based on our leverage ratio.

The Credit Facility also contains certain financial covenants, including (a) a minimum tangible net worth requirement of $3.3 billion (which amount is subject to increase over time based on subsequent earnings and proceeds from equity offerings), and (b) a maximum leverage covenant that prohibits the leverage ratio (as defined therein) from exceeding 60%. We were in compliance with all Credit Facility covenants as of December 31, 2025.

We had no outstanding borrowings under the Credit Facility as of December 31, 2025 and 2024. During the year ended December 31, 2025, we had $5.0 million of borrowings and repayments under the Credit Facility. During the years ended December 31, 2024 and 2023, we had no borrowings or repayments under the Credit Facility. As of December 31, 2025 we had outstanding letters of credit issued under the Credit Facility totaling $75.5 million, leaving $834.5 million available under the Credit Facility to be drawn.

NOTE 7 — SENIOR AND CONVERTIBLE SENIOR NOTES, NET

Senior and convertible senior notes, net consist of the following (in thousands):

	At December 31, 2025	At December 31, 2024
5.125% senior notes due 2027 ("2027 Notes")	300,000	300,000
1.750% convertible senior notes due 2028 ("2028 Convertible Notes")	575,000	575,000
3.875% senior notes due 2029 ("2029 Notes")	450,000	450,000
5.650% senior notes due 2035 ("2035 Notes"). At December 31, 2025, there was $2,571 in net unamortized discount.	497,429	—
Net debt issuance costs	(17,703)	(18,465)
Total	$ 1,804,726	$ 1,306,535

The indentures for our 2027 Notes, 2029 Notes and 2035 Notes contain covenants that place limits on secured debt and sale and leaseback transactions. We were in compliance with all such covenants as of December 31, 2025.

Obligations to pay principal and interest on the senior and convertible senior notes are guaranteed by substantially all of our wholly-owned subsidiaries (each a “Guarantor” and, collectively, the “Guarantor Subsidiaries”), each of which is directly or indirectly 100% owned by Meritage Homes. Such guarantees are full and unconditional, and joint and several. In the event of a sale or other disposition of all of the assets of any Guarantor, by way of merger, consolidation or otherwise, or a sale or other disposition of all of the equity interests of any Guarantor then held by Meritage and its subsidiaries, then that Guarantor may be released and relieved of any obligations under its note guarantee. There are no significant restrictions on our ability or the ability of Meritage Homes or any Guarantor to obtain funds from their respective subsidiaries, as applicable, by dividend or loan. We do not provide separate financial statements of the Guarantor Subsidiaries because Meritage Homes (the parent company) has no independent assets or operations and the guarantees are full and unconditional and joint and several. Subsidiaries of Meritage Homes Corporation that are non-guarantor subsidiaries are, individually and in the aggregate, minor, and accordingly, the assets, liabilities and results of operations of Meritage Homes Corporation and the Guarantor Subsidiaries are not materially different than the corresponding amounts presented in the audited consolidated financial statements of Meritage Homes.

In June 2015, we completed an offering of $200.0 million aggregate principal amount of 6.00% Senior Notes due 2025 (the "Original 2025 Notes"). The Original 2025 Notes were issued at par. In March 2018, the Company completed an offering of $200.0 million aggregate principal amount of additional 2025 Notes (the "Additional Notes"). The Additional Notes were issued as an add-on to the Original 2025 Notes at a premium of 103% of the principal amount, resulting in a combined $400.0

million aggregate principal amount of 6.00% Senior Notes due 2025 (collectively, the "2025 Notes"). In September 2023, we partially redeemed $150.0 million of the 2025 Notes, incurring $0.9 million in early debt extinguishment charges during the year ended December 31, 2023, reflected as Loss on early extinguishment of debt in the accompanying consolidated income statements. In May 2024, we redeemed the remaining $250.0 million aggregate principal then outstanding of the 2025 Notes for which we incurred $0.6 million in early debt extinguishment charges during the year ended December 31, 2024, reflected as Loss on early extinguishment of debt in the accompanying consolidated income statements.

In June 2017, we completed an offering of $300.0 million aggregate principal amount of the 2027 Notes. The 2027 Notes were issued at par. Using the proceeds from the 2027 Notes offering, we retired all $126.5 million of our then outstanding convertible senior notes through a repurchase of $51.9 million in privately negotiated transactions and a redemption of the remaining $74.6 million through a combination of holder redemptions and an exercise of our call option at a redemption price equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest.

In April 2021, we completed an offering of $450.0 million aggregate principal amount of the 2029 Notes. We used a portion of the net proceeds from this offering to redeem all $300.0 million aggregate principal then outstanding of other senior notes.

In March 2025, we completed an offering of $500.0 million aggregate principal amount of the 2035 Notes. The 2035 Notes were issued at a discount of 99.439% of the principal amount and the net proceeds were used for general corporate purposes.

Convertible Notes

In May 2024, we issued $575.0 million aggregate principal amount of the 2028 Convertible Notes. The 2028 Convertible Notes were issued at par and will mature on May 15, 2028, unless converted earlier in accordance with their terms prior to such date. We used a portion of the net proceeds from the offering to pay the cost of entering into the Capped Calls, as defined and described below, and to redeem all $250.0 million aggregate principal then outstanding of our 2025 Notes, as previously discussed.

The 2028 Convertible Notes are convertible into shares of the Company’s common stock at an initial conversion rate of 8.6096 shares of common stock per $1,000 principal amount of the 2028 Convertible Notes, which is equivalent to an initial conversion price of approximately $116.15 per share and is subject to adjustment in certain circumstances. In addition, we must provide additional shares upon conversion if there is a "Make-Whole Fundamental Change". The Company is required to satisfy its conversion obligations by paying cash up to the principal amount of notes and settle any additional value in cash, shares of common stock or a combination of cash and shares of common stock, at the Company’s election. During the year ended December 31, 2025, the conversion price was adjusted to $115.78 per share, as a result of the increased dividends we declared and paid during 2025.

Prior to February 15, 2028, the holders of the 2028 Convertible Notes may convert their notes only under the following conditions: (1) the sale price of common stock reaches 130% of the applicable conversion price for a specified period during any fiscal quarter commencing after the fiscal quarter ending on September 30, 2024; (2) the trading price of the 2028 Convertible Notes falls below 98% of the product of the last reported sale price of common stock and the conversion rate for a specified period; or (3) upon the occurrence of specified corporate events. During the year ended December 31, 2025, the circumstances allowing holders of the 2028 Convertible Notes were not met. On or after February 15, 2028, until the close of business on the second scheduled trading day immediately preceding the maturity date of the Notes, holders may convert all or any portion of their Notes at any time, regardless of the foregoing circumstances.

The 2028 Convertible Notes are accounted for in accordance with ASC 470, *Debt*, and ASC 815, *Derivatives and Hedging* ("ASC 815"). The conversion options and the 2028 Convertible Notes are reflected as a single instrument in Senior and convertible senior notes, net on the accompanying consolidated balance sheets and the conversion options are not bifurcated as a derivative.

Capped Call Transactions

Concurrent with the offering of the 2028 Convertible Notes, we used a portion of the net proceeds to enter into privately negotiated capped call transactions (the "Capped Calls”) which require the Capped Calls counterparties (the "Counterparties") to provide shares of our common stock to converting debt holders up to a cap price. The Capped Calls each have an initial strike price of approximately $116.15 per share, subject to certain adjustments, which corresponds to the initial conversion price of the 2028 Convertible Notes. The Capped Calls have initial cap prices of $175.32 per share, subject to certain adjustments.

The Capped Calls will reduce our obligation to settle, in shares or in cash, conversions when our stock price is between the strike price and the cap price. During the year ended December 31, 2025, the strike price and cap price were adjusted to $115.78 per share and $174.77 per share, respectively, as a result of the increased dividends we declared and paid during 2025.

The Capped Calls are separate transactions entered into by the Company with each of the Counterparties, are not part of the terms of the 2028 Convertible Notes and do not change the note holders' rights under the 2028 Convertible Notes or the indenture governing the 2028 Convertible Notes. Holders of the 2028 Convertible Notes do not have any rights with respect to the Capped Calls.

As the Capped Calls are considered indexed to the Company's own stock, they are recorded in stockholders' equity as a reduction of Additional paid-in capital in the accompanying consolidated balance sheets, and are not accounted for as derivatives under ASC 815-10.

Scheduled principal maturities of our senior and convertible senior notes as of December 31, 2025 follow (in thousands):

Year Ended December 31,		
2026		—
2027		300,000
2028		575,000
2029		450,000
2030		—
Thereafter		500,000
Total	$	1,825,000

NOTE 8 — FAIR VALUE DISCLOSURES

ASC 820-10, *Fair Value Measurement* ("ASC 820"), defines fair value, establishes a framework for measuring fair value and addresses required disclosures about fair value measurements. This standard establishes a three-level hierarchy for fair value measurements based upon the significant inputs used to determine fair value. Observable inputs are those which are obtained from market participants external to the Company while unobservable inputs are generally developed internally, utilizing management's estimates, assumptions and specific knowledge of the assets/liabilities and related markets. The three levels are defined as follows:

- Level 1 — Valuation is based on quoted prices in active markets for identical assets and liabilities.
- Level 2 —Valuation is determined from quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar instruments in markets that are not active, or by model-based techniques in which all significant inputs are observable in the market.
- Level 3 — Valuation is derived from model-based techniques in which at least one significant input is unobservable and based on the Company's own estimates about the assumptions that market participants would use to value the asset or liability.

If the only observable inputs are from inactive markets or for transactions which the Company evaluates as "distressed", the use of Level 1 inputs should be modified by the Company to properly address these factors, or the reliance of such inputs may be limited, with a greater weight attributed to Level 3 inputs.

Financial Instruments: The fair value of our fixed-rate debt is derived from quoted market prices by independent dealers (Level 2 inputs as per the discussion above) and is as follows (in thousands):

	At December 31,			
	2025		2024	
	Aggregate Principal	Estimated Fair Value	Aggregate Principal	Estimated Fair Value
5.125% senior notes due 2027	$ 300,000	$ 301,890	$ 300,000	$ 300,330
1.750% convertible senior notes due 2028	$ 575,000	$ 566,548	$ 575,000	$ 563,259
3.875% senior notes due 2029	$ 450,000	$ 442,125	$ 450,000	$ 420,795
5.650% senior notes due 2035	$ 500,000	$ 510,050	$ —	$ —

Other financial assets and liabilities, including our Loans payable and other borrowings, are generally shorter term in nature and the longer term balances are not material to our consolidated balance sheets. Therefore, we consider the carrying amounts of our other financial assets and liabilities to approximate fair value.

Non-Financial Instruments: Our Real estate assets are Level 3 instruments that are required to be recorded at fair value only if events and circumstances indicate that the carrying value may not be recoverable. The fair value of inventories that were measured as of December 31, 2025 was $314.1 million. See Note 1 for information on the significant observable and unobservable inputs we utilized in our fair value measurements with respect to the real estate assets measured at fair value.

NOTE 9 — EARNINGS PER SHARE; STOCKHOLDERS' EQUITY

Basic and diluted earnings per common share were calculated as follows (in thousands, except per share amounts):

	Years Ended December 31,		
	2025	2024	2023
Basic weighted average number of shares outstanding	70,819	72,476	73,238
Effect of dilutive securities:			
Unvested restricted stock	529	856	900
Diluted average shares outstanding	71,348	73,332	74,138
Net earnings	$ 453,013	$ 786,186	$ 738,748
Basic earnings per share	$ 6.40	$ 10.85	$ 10.09
Diluted earnings per share	$ 6.35	$ 10.72	$ 9.96

Stock Split

On November 21, 2024, our Board of Directors declared a two-for-one stock split of Meritage's common stock in the form of a stock dividend. Each stockholder of record at the close of business on December 31, 2024 received one additional share of common stock for each share of common stock held, payable after the close of market on January 2, 2025. Trading began on a split-adjusted basis on January 3, 2025. There was no adjustment to the number of authorized shares or the par value.

Dividends

During the years ended December 31, 2025, 2024, and 2023 our Board of Directors approved, and we paid, a quarterly cash dividend on common stock of $0.43, $0.375, and $0.135 per share, respectively. Quarterly dividends declared and paid during the years ended December 31, 2025, 2024, and 2023 totaled $1.72, $1.50, and $0.54 per share, respectively.

Excise Tax on Stock Repurchases

The Inflation Reduction Act of 2022 (the "IRA"), which was enacted into law on August 16, 2022, imposed a nondeductible 1% excise tax on the net value of certain stock repurchases made after December 31, 2022. The applicable excise tax is reflected in Additional paid-in capital as part of the cost basis of the stock repurchased and a corresponding liability for the excise taxes payable is recorded in Accrued liabilities on the accompanying consolidated balance sheets.

NOTE 10 — ACQUISITIONS AND GOODWILL

Goodwill. In prior years, we have entered new markets through the acquisition of the homebuilding assets and operations of local/regional homebuilders in Georgia, South Carolina and Tennessee. As a result of these transactions, we recorded approximately $33.0 million of goodwill. Goodwill represents the excess purchase price of our acquisitions over the fair value of the net assets acquired. Our acquisitions were recorded in accordance with ASC 805, *Business Combination*s and ASC 820, using the acquisition method of accounting. The purchase price for acquisitions was allocated based on estimated fair value of the assets and liabilities at the date of the acquisition. The combined excess purchase price of our acquisitions over the fair value of the net assets is classified as goodwill and is included in our consolidated balance sheets in Prepaids, other assets and goodwill. In accordance with ASC 350, we assess the recoverability of goodwill annually, or more frequently, if impairment indicators are present.

A summary of the carrying amount of goodwill follows (in thousands):

	West	Central	East	Financial Services	Corporate	Total
Balance at January 1, 2024 (1)	$ —	$ 10,247	$ 22,715	$ —	$ —	$ 32,962
Additions	—	—	—	—	—	—
Balance at December 31, 2024	—	10,247	22,715	—	—	32,962
Additions	—	—	—	—	—	—
Balance at December 31, 2025	$ —	$ 10,247	$ 22,715	$ —	$ —	$ 32,962

(1) Effective January 1, 2025, the Tennessee homebuilding operating segment has been reclassified from the East reporting segment to the Central reporting segment. See Note 15 for additional information about the reclassification of the Tennessee homebuilding operating segment. Prior period balances have been retroactively adjusted to reflect this reclassification.

NOTE 11 — STOCK BASED AND DEFERRED COMPENSATION

We have a stock compensation plan, the Meritage Homes Corporation 2018 Stock Incentive Plan (the “2018 Plan"), that was approved by our Board of Directors and our stockholders and adopted in May 2018. In May 2023, the Board of Directors and stockholders approved an amendment to the 2018 Plan to increase the number of shares available for issuance by 1,600,000. The 2018 Plan is administered by our Board of Directors and allows for the grant of stock appreciation rights, restricted stock awards, restricted stock units, performance share awards and performance-based awards in addition to non-qualified and incentive stock options. All available shares from expired, terminated, or forfeited awards that remained under prior plans were merged into and became available for grant under the 2018 Plan. The 2018 Plan authorizes awards to officers, key employees, non-employee directors and consultants. The 2018 Plan authorizes 14,800,000 shares of stock to be awarded, of which 2,009,685 shares remain available for grant at December 31, 2025. We believe that such awards provide a means of long-term compensation to attract and retain qualified employees and better align the interests of our employees with those of our stockholders. Non-vested stock awards are usually granted with a five-year ratable vesting period for employees, a three-year cliff vesting for both restricted stock units and performance-based awards granted to senior executive officers and either a three-year cliff vesting or one-year vesting for non-employee directors, dependent on their start date.

Summary of Nonvested (Restricted) Shares and Units Activity:

We grant time-based and performance-based restricted shares or units. Except in limited cases, performance-based restricted shares and units are only granted to executive officers. All performance share awards only vest upon the attainment of certain financial and operational criteria as established and approved by our Board of Directors. The number of shares that may be issued to the award recipients may be greater or lesser than the target award amount depending on actual performance achieved as compared to the performance targets set forth in the awards.

	Nonvested Restricted Share Activity (time-based)	Weighted Average Grant Date Fair Value	Nonvested Restricted Share Activity (performance-based)	Weighted Average Grant Date Fair Value
Outstanding at January 1, 2023	1,318,204	$ 40.26	289,334	$ 35.67
Granted (1)	369,126	56.18	138,262	50.65
Vested (Earned/Released) (1)	(421,222)	34.73	(161,830)	36.59
Forfeited (2)	(125,044)	46.08	—	—
Outstanding as of December 31, 2023	1,141,064	46.82	265,766	50.33
Granted (3)	285,054	76.74	111,902	66.08
Vested (Earned/Released) (3)	(411,266)	42.27	(125,142)	41.90
Forfeited (2)	(10,446)	63.51	—	—
Outstanding at December 31, 2024	1,004,406	57.00	252,526	60.35
Granted (4)	321,213	73.59	105,442	73.35
Vested (Earned/Released) (4)	(427,748)	50.88	(109,187)	50.18
Forfeited (2)	(97,491)	66.18	(44,893)	48.23
Outstanding at December 31, 2025	800,380	$ 65.80	203,888	$ 70.60

(1) Performance-based shares granted and earned/released for the year ended December 31, 2023 includes 52,334 shares that were issued as a result of the performance achievement exceeding the performance targets related to grants to our executive officers for the year ended December 31, 2020. These shares vested in February 2023.
(2) Forfeitures on time-based nonvested shares are a result of terminations of employment, while forfeitures on performance-based nonvested shares are the result of failing to attain certain goals as outlined in our executive officers' compensation agreements or as a result of terminations of employment.
(3) Performance-based shares granted and earned/released for the year ended December 31, 2024 includes 31,956 shares that were issued as a result of the performance achievement exceeding the performance targets related to grants to our executive officers for the year ended December 31, 2021. These shares vested in March 2024.
(4) Performance-based shares granted and earned/released for the year ended December 31, 2025 includes 22,535 shares that were issued as a result of the performance achievement exceeding the performance targets related to grants to our executive officers for the year ended December 31, 2022. These shares vested in February 2025.

Compensation cost related to time-based restricted stock awards is measured as of the closing price on the date of grant and is expensed, less forfeitures, on a straight-line basis over the vesting period of the award. Compensation cost related to performance-based restricted stock unit awards is also measured as of the closing price on the date of grant but is expensed in accordance with ASC 718, which requires an assessment of probability of attainment of the performance target. As our performance targets are dependent on performance over a specified measurement period, once we determine that a performance target outcome is probable, the cumulative expense is recorded immediately with the remaining expense recorded on a straight-line basis through the end of the award vesting period. A portion of the performance-based restricted stock unit awards granted to our executive officers contain market conditions as defined by ASC 718. ASC 718 requires that compensation expense for stock awards with market conditions be expensed based on a derived grant date fair value and expensed over the service period. We engage a third party to perform a valuation analysis on the awards containing market conditions and our associated expense with those awards is based on the derived fair value from that analysis and is expensed straight-line over the service period of the awards. Below is a summary of stock-based compensation expense and stock award activity (dollars in thousands):

	Years Ended December 31,		
	2025	2024	2023
Stock-based compensation expense	$ 19,683	$ 25,809	$ 22,511

The following table includes additional information regarding our stock compensation plan (dollars in thousands):

	At December 31,	
	2025	2024
Unrecognized stock-based compensation cost (1)	$ 30,419	$ 30,666
Weighted average years expense recognition period	1.97	1.95
Total equity awards outstanding (1)	1,004,268	1,256,932

(1) Includes unvested restricted stock units and performance-based awards (assuming 100%/target payout).

We also offer a non-qualified deferred compensation plan ("deferred compensation plan") to highly compensated employees in order to allow them additional pre-tax income deferrals above and beyond the limits that qualified plans, such as 401(k) plans, impose on highly compensated employees. We do not currently offer a contribution match on the deferred compensation plan. All contributions to the plan to date have been funded by the employees and, therefore, we have no associated expense related to the deferred compensation plan for the years ended December 31, 2025, 2024 or 2023, other than minor administrative costs.

NOTE 12 — INCOME TAXES

Components of the income tax provision are as follows (in thousands):

	Years Ended December 31,		
	2025	2024	2023
Current taxes:			
Federal	$ 105,522	$ 166,028	$ 170,306
State	25,096	41,101	41,837
	130,618	207,129	212,143
Deferred taxes:			
Federal	1,481	6,013	(1,888)
State	(512)	3,542	427
	969	9,555	(1,461)
Total	$ 131,587	$ 216,684	$ 210,682

Income taxes for the years ended December 31, 2025, 2024 and 2023, differ from the expected amounts computed using the federal statutory income tax rate of 21% as a result of the following (in thousands):

	Years Ended December 31,					
	2025		2024		2023	
	Amount	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**
Expected taxes at current federal statutory income tax rate	$ 122,766	21.0 %	$ 210,603	21.0 %	$ 199,380	21.0 %
State and local income taxes, net of federal income tax benefit (1)	19,421	3.3 %	35,268	3.5 %	33,389	3.5 %
Tax credits	(10,161)	(1.7)%	(30,071)	(3.0)%	(25,219)	(2.7)%
Nontaxable or nondeductible items	87	— %	1,891	0.2 %	3,509	0.4 %
Other adjustment	(526)	(0.1)%	(1,007)	(0.1)%	(377)	— %
Income tax expense	$ 131,587	22.5 %	$ 216,684	21.6 %	$ 210,682	22.2 %

(1) The states that contribute to the majority (greater than 50%) of the tax effect in this category include California, Arizona and Florida for 2025; California, Arizona, and Georgia for 2024; and California, Arizona, and Florida for 2023.

The amounts of cash taxes paid are as follows (in thousands):

	Years Ended December 31,		
	2025	2024	2023
Federal	$ 127,650	163,000	167,700
State			
California	6,520	15,400	12,000
All other states	20,060	30,116	32,393
Total income taxes, net of amounts refunded	154,230	208,516	212,093

In 2025, there were no state jurisdictions with cash taxes paid that equaled or exceeded 5% of total income taxes paid. In 2024 and 2023, California was the only jurisdiction with cash taxes paid that equaled or exceeded 5% of total income taxes paid.

Deferred tax assets and liabilities are netted on our balance sheet by tax jurisdiction. Net overall deferred tax assets for all jurisdictions are grouped and included as a separate asset. Net overall deferred tax liabilities for all jurisdictions are grouped and included in Accrued liabilities. At December 31, 2025, we have a net deferred tax asset of $53.3 million. We also have other net deferred tax liabilities of $9.5 million. Deferred tax assets and liabilities are comprised of timing differences (in thousands) as follows:

	At December 31,	
	2025	2024
Deferred tax assets:		
Real estate	$ 27,441	$ 24,633
Warranty reserve	6,348	7,768
Wages payable	13,430	6,490
Equity-based compensation	5,858	7,575
Accrued expenses	202	94
Lease liabilities	14,392	13,264
Capped Calls cost	9,048	12,545
State operating loss carry forwards	81	—
Other	6,805	8,479
Total deferred tax assets	83,605	80,848
Deferred tax liabilities:		
Goodwill	5,049	4,181
Prepaids	1,845	1,367
ROU assets	13,891	13,071
Fixed assets	9,527	7,705
Total deferred tax liabilities	30,312	26,324
Deferred tax assets, net	53,293	54,524
Other deferred tax liabilities - state franchise taxes	9,534	9,795
Net deferred tax assets and liabilities	$ 43,759	$ 44,729

At December 31, 2025 and December 31, 2024, we have no unrecognized tax benefits. We believe our current income tax filing positions and deductions will be sustained on audit and do not anticipate any adjustments that will result in a material change. Our policy is to accrue interest and penalties on unrecognized tax benefits and include them in the provision for income taxes.

We determine our deferred tax assets and liabilities in accordance with ASC 740, *Income Taxes* ("ASC 740"). We evaluate our deferred tax assets, including the benefit from net operating losses ("NOLs"), by jurisdiction to determine if a valuation allowance is required. Companies must assess whether a valuation allowance should be established based on the consideration of all available evidence using a "more likely than not" standard with significant weight being given to evidence that can be objectively verified. This assessment considers, among other matters, the nature, frequency and severity of cumulative losses, forecasts of future profitability, the length of statutory carryforward periods, experiences with NOLs and experiences of utilizing tax credit carryforwards and tax planning alternatives. We have no federal NOLs or credit carryovers, and determined that no valuation allowance on our deferred tax assets is necessary at December 31, 2025.

On August 16, 2022, the IRA retroactively extended the energy tax credit to homes delivered from January 1, 2022 through December 31, 2032, modified the energy standards required to qualify for the tax credit and increased the per-home credit amount starting in 2023. In accordance with these regulations, we recorded a tax benefit of $5.6 million, $29.1 million, and $22.7 million during the years ended December 31, 2025, 2024 and 2023, respectively, based on our estimate for qualifying new energy efficient homes that we closed in those years. The decrease in the tax benefit recognized in 2025 compared to prior years was primarily due to more stringent ENERGY STAR® program requirements.

The IRA also created a 15% corporate alternative minimum tax on certain profits and creates a 1% excise tax on stock repurchases. These provisions do not have a material impact on our financial statements.

During the fourth quarter of 2025, we entered into a tax credit transfer agreement to purchase 2025 §45Z alternative clean fuel production credits and we recognized a tax benefit representing the purchase discount between the credit value and the total purchase price. We expect to claim the full §45Z credit on our 2025 federal income tax return.

Our future deferred tax asset realization depends on sufficient taxable income in the carryforward periods under existing tax laws. Federal NOL carryforwards may be used to offset future taxable income indefinitely. State NOL carryforwards may be used to offset future taxable income for a period ranging from 5 to 20 years, depending on the state jurisdiction. At December 31, 2025, we had no remaining unutilized federal NOL carryforward or federal tax credits, and had tax benefits of $0.1 million state NOL carryforwards that begin to expire in 2041.

At December 31, 2025, we have $12.8 million current income taxes receivable and no current income taxes payable. Income taxes receivable consists of current federal and state tax accruals, net of current energy tax credits, §45Z transferrable credit and estimated tax payments in excess of income tax liability accrued at December 31, 2025. We have accrued income taxes of $12.1 million recorded in Accrued liabilities on the accompanying consolidated balance sheets at December 31, 2025, which consist primarily of state franchise tax and federal excise tax on stock repurchases.

We conduct business and are subject to tax in the U.S. both federally and in several states. With few exceptions, we are no longer subject to U.S. federal, state, or local income tax examinations by taxing authorities for years prior to 2021. We do not have any Federal or state income tax examinations pending resolution at this time.

NOTE 13 — SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

The following table presents certain supplemental cash flow information (in thousands):

	Years Ended December 31,		
	2025	2024	2023
Cash paid during the year for:			
Interest, net of interest capitalized	$ (15,702)	$ (5,506)	$ (1,454)
Income taxes paid, net	$ 154,230	$ 208,516	$ 212,093
Non-cash operating activities:			
Real estate acquired through notes payable	$ 7,990	$ 24,750	$ 9,267
Non-cash investing and financing activities:			
Distributions of real estate from unconsolidated joint ventures, net	$ 3,090	$ 9,594	$ —

NOTE 14 — RELATED PARTY TRANSACTIONS

From time to time, in the normal course of business, we have transacted with related or affiliated companies and with certain of our officers and directors. We believe that the terms and fees negotiated for all transactions listed below are no less favorable than those that could be negotiated in arm's length transactions.

We charter aircraft services from companies that use the private plane of Steven J. Hilton, our Executive Chairman, although Mr. Hilton does not have an ownership interest in the charter companies. Payments made to these charter companies were approximately $448,000, $350,000 and $532,000 for the years ended December 31, 2025, 2024 and 2023, respectively.

NOTE 15 — OPERATING AND REPORTING SEGMENTS

We operate with two principal business segments: homebuilding and financial services. As defined in ASC 280-10, *Segment Reporting*, we have twelve homebuilding operating segments. The homebuilding segments are engaged in the business of acquiring and developing land, constructing homes, marketing and selling those homes and providing warranty and customer services. We aggregate our homebuilding operating segments into reporting segments based on similar long-term economic characteristics and geographical proximity. Our three reportable homebuilding segments are as follows:

West: Arizona, California, Colorado and Utah
Central: Texas and Tennessee
East: Alabama, Florida, Georgia, Mississippi, North Carolina, and South Carolina

We define our segments based on the way in which internally reported financial information is regularly provided and reviewed by the CODM to analyze financial performance, make decisions, and allocate resources. Our CODM is the chief executive officer. The CODM's evaluation of the homebuilding segment performance is based on segment home closing revenue, home closing gross profit and gross margin, total gross profit, commissions and other sales costs, general and administrative expenses incurred by or allocated to each segment, including impairments, and operating income. The CODM uses these performance metrics predominantly in the annual budget and forecasting process and considers budget-to-actual variances on a quarterly basis for these measures when making decisions about the allocation of operating and capital resources to each segment. The CODM also uses these data points to assess the performance of each segment by comparing the results of each segment with one another and in determining the compensation of certain employees. The CODM also reviews financial services profits and losses to evaluate the performance of the financial services segment and make decisions about allocation of resources and financial services related product offerings.

Effective January 1, 2025, we realigned our internal organizational structure and resources following continued growth and recent entry into new markets. As a result of the change in our organizational structure, the Tennessee homebuilding operating segment was reclassified from the East reporting segment to the Central reporting segment for the purpose of making operational and resource decisions and assessing financial performance. Prior period balances have been retroactively adjusted to reflect this reclassification.

Each reportable segment follows the same accounting policies described in Note 1, “Business and Summary of Significant Accounting Policies.” Operating results for each segment may not be indicative of the results for such segment had it been an independent, stand-alone entity for the periods presented.

The following tables provide financial information about our reportable segments and Corporate and other categories (in thousands):

	Year Ended December 31, 2025			
	West	Central	East	Total
Home closing revenue	$ 1,829,432	$ 1,835,691	$ 2,098,474	$ 5,763,597
Land closing revenue	7,962	22,656	30,220	60,838
Total closing revenue	1,837,394	1,858,347	2,128,694	5,824,435
Cost of home closings	1,461,313	1,451,785	1,714,307	4,627,405
Cost of land closings	7,534	23,945	27,547	59,026
Total cost of closings	1,468,847	1,475,730	1,741,854	4,686,431
Home closing gross profit	368,119	383,906	384,167	1,136,192
Land closing gross profit/(loss)	428	(1,289)	2,673	1,812
Total closing gross profit	368,547	382,617	386,840	1,138,004
Home closing gross margin	*20.1%*	*20.9%*	*18.3%*	*19.7%*
Commissions and other sales costs	110,408	140,114	153,883	404,405
General and administrative expenses	50,944	49,924	70,713	171,581
Homebuilding segment operating income	207,195	192,579	162,244	562,018
Financial services segment profit				18,618
Corporate and unallocated costs (1)				(40,181)
Interest expense				—
Other income, net				44,145
Net earnings before income taxes				$ 584,600

(1) Balance consists primarily of corporate costs and shared service functions such as finance and treasury that are not allocated to the homebuilding or financial services reporting segments.

	Year Ended December 31, 2024			
	West	Central	East	Total
Home closing revenue	$ 2,223,876	$ 2,015,621	$ 2,102,049	$ 6,341,546
Land closing revenue	—	6,017	16,309	$ 22,326
Total closing revenue	2,223,876	2,021,638	2,118,358	6,363,872
Cost of home closings	1,715,856	1,492,243	1,553,604	4,761,703
Cost of land closings	—	4,149	14,160	18,309
Total cost of closings	1,715,856	1,496,392	1,567,764	4,780,012
Home closing gross profit	508,020	523,378	548,445	1,579,843
Land closing gross profit/(loss)	—	1,868	2,149	4,017
Total closing gross profit	508,020	525,246	550,594	1,583,860
Home closing gross margin	*22.8%*	*26.0%*	*26.1%*	*24.9%*
Commissions and other sales costs	123,393	142,485	143,191	409,069
General and administrative expenses	52,837	50,309	61,047	164,193
Homebuilding segment operating income	331,790	332,452	346,356	1,010,598
Financial services segment profit				14,410
Corporate and unallocated costs (1)				(66,663)
Interest expense				—
Other income, net				45,156
Loss on early extinguishment of debt				(631)
Net earnings before income taxes				$ 1,002,870

(1) Balance consists primarily of corporate costs and shared service functions such as finance and treasury that are not allocated to the homebuilding or financial services reporting segments.

	Year Ended December 31, 2023			
	West	Central	East	Total
Home closing revenue	$ 2,107,095	$ 2,006,333	$ 1,943,356	$ 6,056,784
Land closing revenue	35,324	6,694	14,211	$ 56,229
Total closing revenue	2,142,419	2,013,027	1,957,567	$ 6,113,013
Cost of home closings	1,671,330	1,463,694	1,419,647	$ 4,554,671
Cost of land closings	31,963	5,363	14,460	$ 51,786
Total cost of closings	1,703,293	1,469,057	1,434,107	$ 4,606,457
Home closing gross profit	435,765	542,639	523,709	1,502,113
Land closing gross profit/(loss)	3,361	1,331	(249)	4,443
Total closing gross profit	439,126	543,970	523,460	1,506,556
Home closing gross margin	*20.7%*	*27.0%*	*26.9%*	*24.8%*
Commissions and other sales costs	115,020	143,985	125,906	384,911
General and administrative expenses	58,627	50,021	57,842	166,490
Homebuilding segment operating income	265,479	349,964	339,712	955,155
Financial services segment profit				12,466
Corporate and unallocated costs (1)				(65,232)
Interest expense				—
Other income, net				47,948
Loss on early extinguishment of debt				(907)
Net earnings before income taxes				$ 949,430

(1) Balance consists primarily of corporate costs and shared service functions such as finance and treasury that are not allocated to the homebuilding or financial services reporting segments.

	At December 31, 2025					
	West	Central	East	Financial Services	Corporate and Unallocated	Total
Deposits on real estate under option or contract	$ 26,155	$ 61,686	$ 86,329	$ —	$ —	$ 174,170
Real estate	1,782,502	1,685,355	2,519,263	—	—	5,987,120
Investments in unconsolidated entities	28,631	27,734	—	—	903	57,268
Other assets	37,118 (1)	309,583 (2)	78,724 (3)	2,342	975,962 (4)	1,403,729
Total assets	$ 1,874,406	$ 2,084,358	$ 2,684,316	$ 2,342	$ 976,865	$ 7,622,287

(1) Balance consists primarily of property and equipment, net, prepaid expenses and other assets, and development receivables.
(2) Balance consists primarily of development reimbursements from local municipalities, property and equipment, net, goodwill (See Note 10), and prepaid expenses and other assets.
(3) Balance consists primarily of prepaid expenses and other assets, goodwill (see Note 10), and property and equipment, net.
(4) Balance consists primarily of cash and cash equivalents, prepaid expenses and other assets, and deferred tax assets.

	At December 31, 2024					
	West	Central	East	Financial Services	Corporate and Unallocated	Total
Deposits on real estate under option or contract	$ 30,179	$ 32,200	$ 130,026	$ —	$ —	$ 192,405
Real estate	1,862,792	1,613,735	2,252,248	—	—	5,728,775
Investments in unconsolidated entities	9,062	18,816	—	—	857	28,735
Other assets	28,251 (1)	270,203 (2)	91,082 (3)	3,049	820,154 (4)	1,212,739
Total assets	$ 1,930,284	$ 1,934,954	$ 2,473,356	$ 3,049	$ 821,011	$ 7,162,654

(1) Balance consists primarily of property and equipment, net, prepaid expenses and other assets, and development receivables.
(2) Balance consists primarily of development reimbursements from local municipalities, property and equipment, net, goodwill (see Note 10), and prepaid expenses and other assets.
(3) Balance consists primarily of cash and cash equivalents, goodwill (see Note 10), and prepaid expenses and other assets.
(4) Balance consists primarily of cash and cash equivalents, deferred tax assets, net, and prepaid expenses and other assets.

NOTE 16 — COMMITMENTS AND CONTINGENCIES

We are involved in various routine legal and regulatory proceedings, including, without limitation, claims and litigation alleging construction defects. In general, the proceedings are incidental to our business, and most exposure is subject to and should be covered by warranty and indemnity obligations of our consultants and subcontractors. Additionally, some such claims are also covered by insurance. With respect to the majority of pending litigation matters, our ultimate legal and financial responsibility, if any, cannot be estimated with certainty and, in most cases, any potential material losses related to these matters are not considered probable. Historically, most disputes regarding warranty claims are resolved prior to litigation. We believe there are no pending legal or warranty matters as of December 31, 2025 that could have a material adverse impact upon our consolidated financial condition, results of operations or cash flows that have not been sufficiently reserved.

We have case specific reserves within our $26.7 million of total warranty reserves related to alleged stucco defects in certain homes we constructed predominantly between 2015 and 2019. Our review and management of these matters is ongoing and our estimate of and reserves for resolving them is based on internal data, historical experience, our judgment and various assumptions and estimates. Due to the degree of judgment and the potential for variability in our underlying assumptions and data, as we obtain additional information, we may revise our estimate and thus our related reserves. As of December 31, 2025, after considering potential recoveries from the consultants and contractors involved and their insurers and the potential recovery under our general liability insurance policies, we believe our reserves are sufficient to cover the above mentioned matters. See Note 1 for information related to our warranty obligations.

See Note 4 for information related to our leases.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None

Item 9A. Controls and Procedures

In order to ensure that the information we must disclose in our filings and submissions with the SEC is recorded, processed, summarized and reported on a timely basis, we have developed and implemented disclosure controls and procedures. Our management, with the participation of our chief executive officer ("CEO") and chief financial officer ("CFO"), has reviewed and evaluated the effectiveness of our disclosure controls and procedures, as defined in Securities Exchange Act Rules 13a-15(e) and 15d-15(e), as of December 31, 2025 (the "Evaluation Date"). Based on such evaluation, management has concluded that, as of the Evaluation Date, our disclosure controls and procedures were effective at a reasonable assurance level in ensuring that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosures.

There was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during our fiscal quarter ended December 31, 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected. Also, projections of any internal control effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with internal control policies or procedures may deteriorate. Under the supervision and with the participation of our management, including our CEO and CFO, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2025. The effectiveness of our internal control over financial reporting as of December 31, 2025 has been audited by Deloitte & Touche LLP, the independent registered public accounting firm that audited our financial statements included in this Annual Report, as stated in their attestation report, which is included herein.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Meritage Homes Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Meritage Homes Corporation and subsidiaries (the "Company") as of December 31, 2025, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025, of the Company and our report dated February 13, 2026, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP

Tempe, Arizona
February 13, 2026

Item 9B. Other Information

Insider Trading Arrangements

During the fiscal quarter ended December 31, 2025, no director or officer adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408 of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

None

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Except as set forth herein, information required in response to this item is incorporated by reference to the information contained in our 2026 Proxy Statement (which will be filed with the SEC no later than 120 days following the Company’s fiscal year end (the "2026 Proxy Statement")). The information required by Item 10 regarding our executive officers appears in Part I, Item 1 of this Annual Report as permitted by Form 10-K General Instruction G(3).

Item 11. Executive Compensation

Information required in response to this item is incorporated by reference to our 2026 Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information required in response to this item is incorporated by reference to our 2026 Proxy Statement.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information required in response to this item is incorporated by reference to our 2026 Proxy Statement.

Item 14. Principal Accountant Fees and Services

Information required in response to this item is incorporated by reference to our 2026 Proxy Statement.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) Financial Statements and Schedules

(i) Financial Statements:

The consolidated financial statements are included under Part II, Item 8 in this Annual Report.

(ii) Financial Statement Schedules:

Schedules have been omitted because of the absence of conditions under which they are required or because the required information is included in the consolidated financial statements or notes thereto.

(iii) The exhibits required by Item 601 of Regulation S-K are set forth in Item 15(b) of this Annual Report.

(b) Exhibits

Exhibit Number	Description	Page or Method of Filing
2.1	Agreement and Plan of Reorganization, dated as of September 13, 1996, by and among Homeplex, the Monterey Merging Companies and the Monterey Stockholders	Incorporated by reference to Appendix A of Form S-4 Registration Statement No. 333-15937
3.1	Restated Articles of Incorporation of Meritage Homes Corporation	Incorporated by reference to Exhibit 3 of Form 8-K dated June 20, 2002
3.1.1	Amendment to Articles of Incorporation of Meritage Homes Corporation	Incorporated by reference to Exhibit 3.1 of Form 10-Q for the quarter ended September 30, 1998
3.1.2	Amendment to Articles of Incorporation of Meritage Homes Corporation	Incorporated by reference to Exhibit 3.1 of Form 8-K dated September 15, 2004
3.1.3	Amendment to Articles of Incorporation of Meritage Homes Corporation	Incorporated by reference to Appendix A of the Definitive Proxy Statement filed on April 10, 2006 for the 2006 Annual Meeting of Stockholders
3.1.4	Amendment to Articles of Incorporation of Meritage Homes Corporation	Incorporated by reference to Appendix B of the Definitive Proxy Statement filed on April 1, 2008 for the 2008 Annual Meeting of Stockholders
3.1.5	Amendment to Articles of Incorporation of Meritage Homes Corporation	Incorporated by reference to Appendix A of the Definitive Proxy Statement filed on January 9, 2009
3.1.6	Amendment to Articles of Incorporation of Meritage Homes Corporation	Incorporated by reference to Exhibit 3.1.6 of Form 10-Q for the quarter ended June 30, 2025
3.2	Meritage Homes Corporation Amended and Restated Bylaws	Incorporated by reference to Exhibit 3.1 of Form 8-K dated May 22, 2025
4.1	Form of Specimen of Common Stock Certificate	Incorporated by reference to Exhibit 4.1 of Form 10-K for the year ended December 31, 2007
4.2	Description of securities of Meritage Homes Corporation registered under Section 12 of the Securities Exchange Act of 1934	Filed herewith
4.3	Indenture, dated June 6, 2017 (re 5.125% Senior Notes due 2027) and form of 5.125% Senior Note	Incorporated by reference to Exhibit 4.1 of Form 8-K dated June 6, 2017
4.3.1	First Supplemental Indenture (re 5.125% Senior Notes due 2027)	Incorporated by reference to Exhibit 4.4 of Form 10-Q for the quarter ended June 30, 2019
4.3.2	Second Supplemental Indenture (re 5.125% Senior Notes due 2027)	Incorporated by reference to Exhibit 4.5.2 of Form 10-K for the year ended December 31, 2020
4.3.3	Third Supplemental Indenture (re 5.125% Senior Notes due 2027)	Incorporated by reference to Exhibit 4.5.3 of Form 10-K for the year ended December 31, 2020
4.3.4	Fourth Supplemental Indenture (re 5.125% Senior Notes due 2027)	Incorporated by reference to Exhibit 10.3 of Form 10-Q for the quarter ended September 30, 2024
4.3.5	Fifth Supplemental Indenture (re 5.125% Senior Notes due 2027)	Incorporated by reference to Exhibit 4.3.5 of Form 10-K for the year ended December 31, 2024
4.3.6	Sixth Supplemental Indenture (re 5.125% Senior Notes due 2027)	Filed herewith
4.4	Indenture, dated April 15, 2021 (re 3.875% Senior Notes due 2029) and form of 3.875% Senior Note	Incorporated by reference to Exhibit 4.1 of Form 8-K dated April 15, 2021

Exhibit Number	Description	Page or Method of Filing
4.4.1	First Supplemental Indenture (re 3.875% Senior Notes due 2029)	Incorporated by reference to Exhibit 10.2 of Form 10-Q for the quarter ended September 30, 2024
4.4.2	Second Supplemental Indenture (re 3.875% Senior Notes due 2029)	Incorporated by reference to Exhibit 4.4.2 of Form 10-K for the year ended December 31, 2024
4.4.3	Third Supplemental Indenture (re 3.875% Senior Notes due 2029)	Filed herewith
4.5	Indenture, dated as of May 9, 2024 (re 1.750% Convertible Senior Notes due 2028) and form of 1.750% Convertible Senior Note	Incorporated by reference to Exhibit 4.1 of Form 8-K dated May 9, 2024
4.5.1	First Supplemental Indenture (re 1.750% Convertible Senior Notes due 2028)	Incorporated by reference to Exhibit 10.1 of Form 10-Q for the quarter ended September 30, 2024
4.5.2	Second Supplemental Indenture (re 1.750% Convertible Senior Notes due 2028)	Incorporated by reference to Exhibit 4.5.2 of Form 10-K for the year ended December 31, 2024
4.5.3	Third Supplemental Indenture (re 1.750% Convertible Senior Notes due 2028)	Filed herewith
4.6	Base Indenture, dated as of March 6, 2025, by among Meritage Homes Corporation, the Guarantors named therein and Regions Bank, as Trustee	Incorporated by reference to Exhibit 4.1 of Form 8-K dated March 6, 2025
4.6.1	First Supplemental Indenture, dated as of March 6, 2025 (re 5.650% Senior Notes due 2035) and Form of 5.650% Senior Notes	Incorporated by reference to Exhibit 4.2 of Form 8-K dated March 6, 2025
4.6.1	First Supplement to First Supplemental Indenture (re 5.650% Senior Notes)	Filed herewith
10.1	2018 Stock Incentive Plan *	Incorporated by reference to Appendix A of the Proxy Statement filed on March 26, 2018 for the 2018 Annual Meeting of Stockholders
10.1.1	Amendment to the Meritage Homes Corporation 2018 Stock Incentive Plan *	Incorporated by reference to Exhibit 10.1 of Form 8-K dated May 18, 2023
10.1.2	Representative Form of Performance Share Award Agreement *	Incorporated by reference to Exhibit 10.1.2 of Form 10-K for the year ended December 31, 2023
10.1.3	Representative Form of Restricted Stock Unit Agreement *	Incorporated by reference to Exhibit 10.1.3 of Form 10-K for the year ended December 31, 2023
10.2	Employment Agreement between the Company and Steven J. Hilton *	Incorporated by reference to Exhibit 10.1 of Form 8-K dated January 10, 2024
10.3	Employment Agreement between the Company and Philippe Lord *	Incorporated by reference to Exhibit 10.1 of Form 8-K dated January 22, 2021
10.4	Employment Agreement between the Company and Hilla Sferruzza *	Incorporated by reference to Exhibit 10.4 of Form 8-K dated January 22, 2021
10.5	Employment Agreement between the Company and Javier Feliciano *	Incorporated by reference to Exhibit 10.6 of Form 8-K dated January 22, 2021
10.6	Employment Agreement between the Company and Austin Woffinden *	Filed herewith
10.7	Employment Agreement between the Company and Malissia Clinton*	Incorporated by reference to Exhibit 10.1 of Form 10-Q for the quarter ended March 31, 2022

Exhibit Number	Description	Page or Method of Filing
10.8	Meritage Homes Corporation 2015 Nonqualified Deferred Compensation Plan *	Incorporated by reference to Exhibit 10.2 of Form 10-Q for the quarter ended June 30, 2021
10.9	Meritage Homes Corporation Executive Severance Plan *	Filed herewith
10.10	Representative Form of Non-Employee Director Equity Deferral Program *	Incorporated by reference to Exhibit 10.1 to Form 10-Q for the quarter ended June 30, 2025
10.10.1	Amended and Restated Credit Agreement, dated as of June 13, 2014	Incorporated by reference to Exhibit 10.1 of Form 8-K dated June 13, 2014
10.10.2	First Amendment to Amended and Restated Credit Agreement	Incorporated by reference to Exhibit 10.1 of Form 8-K dated July 9, 2015
10.10.3	Second Amendment to Amended and Restated Credit Agreement	Incorporation by reference to Exhibit 10.1 of Form 8-K dated June 29, 2016
10.10.4	Third Amendment to Amended and Restated Credit Agreement	Incorporated by reference to Exhibit 10.1 of Form 8-K dated May 31, 2017
10.10.5	Fourth Amendment to Amended and Restated Credit Agreement	Incorporated by reference to Exhibit 10.1 to Form 8-K dated June 29, 2018
10.10.6	Fifth Amendment to Amended and Restated Credit Agreement	Incorporated by reference to Exhibit 10.1 to Form 8-K dated June 27, 2019
10.10.7	Sixth Amendment to Amended and Restated Credit Agreement	Incorporated by reference to Exhibit 10.1 to Form 8-K dated December 23, 2020
10.10.8	Seventh Amendment to Amended and Restated Credit Agreement	Incorporated by reference to Exhibit 10.1 to Form 8-K dated December 17, 2021
10.10.9	Eighth Amendment to Amended and Restated Credit Agreement	Incorporated by reference to Exhibit 10.1 of Form 8-K dated June 5, 2023
10.10.10	Ninth Amendment to Amended and Restated Credit Agreement	Incorporated by reference to Exhibit 10.10.9 of Form 10-K for the year ended December 31, 2024
10.11	Tenth Amendment to Amended and Restated Credit Agreement	Incorporated by reference to Exhibit 10.1 of Form 8-K dated June 13, 2024
10.12	Eleventh Amendment to Amended and Restated Credit Agreement	Incorporated by reference to Exhibit 10.1 of Form 8-K dated July 9, 2025
10.13	Philippe Lord - Notice of Approved 2025 Compensation *	Incorporated by reference to Exhibit 10.1 of Form 8-K dated March 7, 2025
10.14	Hilla Sferruzza - Notice of Approved 2025 Compensation *	Incorporated by reference to Exhibit 10.2 of Form 8-K dated March 7, 2025
10.15	Malissia Clinton - Notice of Approved 2025 Compensation *	Incorporated by reference to Exhibit 10.4 of Form 8-K dated March 7, 2025
10.16	Javier Feliciano - Notice of Approved 2025 Compensation *	Incorporated by reference to Exhibit 10.5 of Form 8-K dated March 7, 2025
10.17	Form of Indemnification Agreement *	Incorporated by reference to Exhibit 10.1 to Form 10-Q for the quarter ended June 30, 2021
10.18	Form of Base Capped Call Confirmation	Incorporated by reference to Exhibit 10.1 of Form 8-K dated May 9, 2024
10.19	Form of Additional Capped Call Confirmation	Incorporated by reference to Exhibit 10.2 of Form 8-K dated May 9, 2024

Exhibit Number	Description	Page or Method of Filing
19	Securities Trading Policy	Incorporated by reference to Exhibit 19 of Form 10-K for the year ended December 31, 2024
21	List of Subsidiaries	Filed herewith
22	List of Guarantor Subsidiaries	Filed herewith
23	Consent of Deloitte & Touche LLP	Filed herewith
24	Powers of Attorney	See Signature Page
31.1	Rule 13a-14(a)/15d-14(a) Certification of Phillippe Lord, Chief Executive Officer	Filed herewith
31.2	Rule 13a-14(a)/15d-14(a) Certification of Hilla Sferruzza, Chief Financial Officer	Filed herewith
32.1	Section 1350 Certification of Chief Executive Officer and Chief Financial Officer	Furnished herewith
97	Clawback Policy	Incorporated by reference to Exhibit 97 of Form 10-K for the year ended December 31, 2023
101.0	The following financial statements from Meritage Homes Corporation's Annual Report on Form 10-K for the year ended December 31, 2025, filed on February 13, 2026, formatted in Inline XBRL (Extensible Business Reporting Language); (i) Consolidated Balance Sheets, (ii) Consolidated Income Statements, (iii) Consolidated Statements of Stockholders' Equity (iv) Consolidated Statements of Cash Flows and (v) the Notes to Consolidated Financial Statements.	
104.0	The cover page from the Company’s Annual Report on Form 10-K for the year ended December 31, 2025, formatted in Inline XBRL.	

* Indicates a management contract or compensatory plan.

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, this 13th day of February 2026.

MERITAGE HOMES CORPORATION,
a Maryland Corporation

By	/s/ PHILLIPPE LORD
	Phillippe Lord *Chief Executive Officer*
By	/s/ HILLA SFERRUZZA
	Hilla Sferruzza *Executive Vice President and Chief Financial Officer*
By	/s/ ALISON SASSER
	Alison Sasser *Senior Vice President and Chief Accounting Officer*

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Phillippe Lord and Hilla Sferruzza, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully and to all intents and purposes as he or she might or could do in person hereby ratifying and confirming all that said attorneys-in-fact and agents, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/ PHILLIPPE LORD Phillippe Lord	Chief Executive Officer, Director	February 13, 2026
/s/ HILLA SFERRUZZA Hilla Sferruzza	Executive Vice President, Chief Financial Officer (Principal Financial Officer)	February 13, 2026
/s/ ALISON SASSER Alison Sasser	Senior Vice President, Chief Accounting Officer (Principal Accounting Officer)	February 13, 2026
/s/ STEVEN J. HILTON Steven J. Hilton	Executive Chairman	February 13, 2026
/s/ PETER L. AX Peter L. Ax	Director	February 13, 2026
/s/ DANA C. BRADFORD Dana C. Bradford	Director	February 13, 2026
/s/ MICHAEL R. ODELL Michael R. Odell	Director	February 13, 2026
/s/ DEB HENRETTA Deb Henretta	Director	February 13, 2026
/s/ JOSEPH KEOUGH Joseph Keough	Director	February 13, 2026
/s/ P. KELLY MOONEY P. Kelly Mooney	Director	February 13, 2026
/s/ LOUIS E. CALDERA Louis E. Caldera	Director	February 13, 2026
/s/ DENNIS V. ARRIOLA Dennis V. Arriola	Director	February 13, 2026
/s/ ERIN LANTZ Erin Lantz	Director	February 13, 2026
/s/ GEISHA WILLIAMS Geisha Williams	Director	February 13, 2026

Exhibit 4.2

DESCRIPTION OF SECURITIES OF MERITAGE HOMES CORPORATION REGISTERED UNDER SECTION 12 OF THE EXCHANGE ACT

The following description of the material terms of the shares of Meritage Homes Corporation registered under the Section 12 of the Securities Exchange Act of 1934, as amended, is only a summary and is subject to, and qualified in its entirety by reference to, the more complete descriptions of such shares in the following documents: (a) Meritage Homes Corporation's charter, which we refer to as our charter, and (b) Meritage Homes Corporation's Amended and Restated Bylaws, which we refer to as our bylaws, copies of which are exhibits to our Annual Report on Form 10-K of which this Exhibit 4.2 is a part. Please note that references to "we," "our" and "us" refer only to Meritage Homes Corporation.

Common Stock

We are authorized to issue up to 125,000,000 shares of common stock, $0.01 par value per share.

Holders of shares of common stock are entitled to participate equally and ratably in dividends and in distributions available for the common stock on liquidation. Future cash dividends, if any, will depend upon our financial condition, results of operations, capital requirements, compliance with debt covenants of existing and future indebtedness and credit facilities, as well as other factors considered relevant by our board of directors. Each share is entitled to one vote for the election of directors and upon all other matters on which the common stockholders vote. Holders of common stock do not have preemptive rights and are not entitled to cumulative votes in the election of directors. Holders of shares of our common stock generally have no preference, conversion, exchange, sinking fund or appraisal rights.

Our common stock is listed under the symbol "MTH" on the New York Stock Exchange. The transfer agent and registrar for our common stock is Computershare, Inc.

Certain Provisions of Maryland Law

We are incorporated in Maryland and are subject to the provisions of the Maryland General Corporation Law (the "MGCL"), certain of which provisions are discussed below.

Business Combinations. Under the Maryland Business Combination Act, "business combinations" between a Maryland corporation and an interested stockholder or an affiliate of an interested stockholder are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder.

These business combinations include certain mergers, consolidations, share exchanges or asset transfers, loans, transfers or issuances or reclassifications of equity securities. An interested stockholder is defined as:

- any person who beneficially owns, directly or indirectly, 10% or more of the voting power of the corporation's shares; or
- an affiliate or associate of the corporation who, at any time within the two-year period prior to the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding voting stock of the corporation.

A person is not an interested stockholder under the MGCL if the board of directors approved in advance the transaction by which the stockholder otherwise would have become an interested stockholder.

After the five-year prohibition, any business combination between the Maryland corporation and an interested stockholder generally must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least:

- 80% of the votes entitled to be cast by the outstanding shares of voting stock of the corporation voting together as a single voting group; and
- two-thirds of the votes entitled to be cast by the holders of voting stock of the corporation other than shares held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by an affiliate or associate of the interested stockholder voting together as a single voting group.

These super-majority vote requirements do not apply to certain business combinations if the corporation's stockholders receive a minimum price, as defined under Maryland law, for their shares in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its shares and the corporation and interested stockholder meet certain other requirements.

The MGCL provides for various exemptions from its provisions, including business combinations that are exempted by resolution of the board of directors prior to the time that the interested stockholder becomes an interested stockholder.

The business combination statute could have the effect of delaying, deferring or preventing a transaction or a change in control that might involve a premium price for holders of our common stock or otherwise be in their best interest.

A Maryland corporation may opt out of the statute by provision in its charter or by resolution of its board of directors. No such charter provision or board resolution has been adopted by us.

Control Share Acquisitions. The Maryland Control Share Acquisition Act provides that "control shares" (defined as shares which, when aggregated with other shares controlled by the stockholder, entitle the stockholder to exercise one of three increasing ranges of voting power in electing directors) of a Maryland corporation acquired in a "control share acquisition" (defined as the direct or indirect acquisition of ownership or control of outstanding control shares) have no voting rights, except to the extent approved by our stockholders by the affirmative vote of at least two thirds of the votes entitled to be cast on the matter, excluding all interested shares. Our bylaws contain a provision exempting from the control share acquisition statute any and all acquisitions by any person of our shares of common stock. We cannot give any assurance that such provision will not be amended or eliminated at any time in the future.

Certain Provisions of our Charter and Bylaws

Our charter and bylaws include provisions that could make a change in control more difficult. These provisions are intended to preserve the continuity and stability of our board of directors and the policies formulated by our board of directors, as well as avoid unintended ownership changes and preserve the value of our tax benefits for future utilization. The following is a summary of the provisions or our charter and bylaws that we consider material, but does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of our charter and bylaws.

NOL Protective Amendment. In 2009, we amended Article VIII of our charter to preserve the long-term value of our accumulated net operating losses ("NOLs," and such mechanism to preserve our NOLs, the "NOL Protective Amendment"). The benefit of our NOLs would be significantly reduced if we were to experience an "ownership change" as defined in Section 382 ("Section 382") of the Internal Revenue Code of 1986, as amended. Under Section 382, calculating whether an "ownership change" has occurred is subject to inherent uncertainty. This uncertainty results from the complexity and ambiguity of the Section 382 provisions, as well as limitations on the knowledge that any publicly-traded company can have about the ownership of and transactions in its securities. In the event of an "ownership change," we would only be allowed to use a limited amount of NOLs to offset our taxable income subsequent to the "ownership change." The NOL Protective Amendment was adopted to combat that possible situation and ensure an ownership change does not occur.

Article VIII could be deemed to have an "anti-takeover" effect because, among other things, it restricts the ability of a person, entity or group to accumulate 4.9% or more of our common stock and the ability of persons, entities or groups now owning 4.9% or more of common stock from acquiring additional shares of common stock, without the approval of the board of directors or a duly authorized committee thereof. Accordingly, any direct or indirect transfer attempted in violation of the restrictions in the charter would be void as of the date of the purported transfer as to the purported transferee (or, in the case of an indirect transfer, the ownership of the direct owner of common stock would terminate simultaneously with the transfer), and the purported transferee (or in the case of any indirect transfer, the direct owner) would not be recognized as the owner of the shares owned in violation of the restrictions for any purpose, including for purposes of voting and receiving dividends or other distributions in respect of such common stock, or in the case of options, receiving common stock in respect of their exercise. The board of directors has the discretion to approve a transfer of common stock that would otherwise violate the transfer restrictions if it determines that such transfer is in our best interests.

Stockholder Special Meeting Procedures. Our bylaws provide that a special meeting may be called upon the request in writing delivered to the secretary by the stockholders holding at least 50% of all the votes entitled to be cast. In addition, our bylaws limit the matters that can be acted upon at a stockholders meeting to those included in the notice for such meeting or brought before the meeting by the board of directors or the chief executive officer ("CEO").

Advance Notice Procedures. Our bylaws establish an advance notice procedure for stockholders to make nominations of candidates for election as directors or to bring other business before an annual meeting. These stockholder notice procedures provide that nominations of individuals for election as directors and proposals of other business may only be made (a) by or at the direction of the board of directors; (b) pursuant to the notice of meeting; or (c) by a stockholder who was a stockholder at the time of giving notice, the record date for the meeting and the time of the annual meeting, and has given timely written notice to our secretary before the meeting at which directors are to be elected. To be timely, a stockholder's nomination or notice must be delivered to or mailed and received by our secretary at our principle executive offices not earlier than the 150th day nor later than 5:00 p.m., Eastern Time, on the 120th day prior to the first anniversary date of the proxy statement for the preceding year's annual meeting, provided that in the event the date of the annual meeting is advanced or delayed by more than 30 days from the first anniversary of the date of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the 150th day prior to the date of such annual meeting and not later than 5:00 p.m., Eastern Time, on the later of the 120th day prior to the date of such annual meeting or the tenth day following the date on which public announcement of the date of such meeting is first made.

In addition, under these stockholder notice procedures, a stockholder's notice to us proposing to nominate a person for election as a director or relating to the conduct of business other than the nomination of directors will be required to contain specified information and a stockholder must comply with all applicable laws in proposing business and in nominating directors. If the chairman of a meeting determines that an individual was not nominated, or other business was not brought before the meeting, in accordance with our stockholder notice procedure, the individual will not be eligible for election as a director, or the business will not be transacted at the meeting, as the case may be.

Extraordinary Actions. Under the MGCL, a Maryland corporation generally cannot dissolve, amend its charter, merge, sell all or substantially all of its assets, engage in statutory a share exchange, or convert into another form of business entity unless advised by the board of directors and approved by the affirmative vote of stockholders holding at least two-thirds of the shares entitled to vote on the matter unless a lesser percentage (but not less than a majority of all of the votes entitled to be cast on the matter) is set forth in the corporation's charter. Our charter provides for approval of such matters by the affirmative vote of a majority of all of the votes entitled to be cast thereon. Maryland law permits a corporation to transfer all or substantially all of its assets without the approval of the stockholders of the corporation to one or more persons if all of the equity interests of the person or persons are owned, directly or indirectly, by the corporation. Maryland law also does not require approval of the stockholders of a parent corporation to merge or sell all or substantially all of the assets of a subsidiary entity. Because operating assets may be held by a corporation's subsidiaries, as in our situation, this may mean that a subsidiary may be able to merge or to sell all or substantially all of its assets without a vote of the corporation's stockholders.

Subtitle 8. Subtitle 8 of Title 3 of the MGCL permits a Maryland corporation with a class of equity securities registered under the Exchange Act and at least three independent directors to elect to be subject, by provision in its charter or bylaws or a resolution of its board of directors and notwithstanding any contrary provision in the charter or bylaws, to any or all of five provisions:

- a classified board;
- a two-thirds vote requirement for removing a director;
- a requirement that the number of directors be fixed only by vote of the directors;
- a requirement that a vacancy on the board be filled only by the remaining directors and for the remainder of the full term of the class of directors in which the vacancy occurred; and
- a majority vote requirement for the calling by stockholders of a special meeting of stockholders.

Through provisions in our charter and bylaws unrelated to Subtitle 8, we already vest in the board the exclusive power to fix the number of directorships. Our board of directors has the power to elect in the future to be subject to one or more of the other provisions of Subtitle 8, without stockholder action.

Other provisions of the MGCL and our charter and bylaws may also have the effect of delaying or preventing a change of control, even where the stockholders may consider it to be favorable. These provisions could also prevent or hinder an attempt by stockholders to replace our current directors and include: (i) a classified board of directors (which is transitioning to an annual election of the entire board); (ii) a provision that directors may only be removed for cause; (iii) a limitation on the maximum number of directors; and (iv) the ability of the board of directors to designate and cause us to issue shares of our preferred stock.

SIXTH SUPPLEMENTAL INDENTURE, dated as of February 6, 2026 (the "Sixth Supplemental Indenture") between Meritage Homes Corporation, a corporation organized under the laws of the State of Maryland (the "Issuer"), the Guarantors named therein, Carefree Title Agency of Alabama, Inc., a corporation organized under the laws of the State of Alabama (the "Additional Guarantor"), and Regions Bank, as successor to Wells Fargo Bank, National Association, as trustee (the "Trustee") under the Indenture (as defined below). Capitalized terms used and not defined herein shall have the same meanings given in the Indenture unless otherwise indicated.

WHEREAS, the Issuer, the Guarantors thereto and the Trustee are parties to that certain Indenture dated as of June 6, 2017 (the "Indenture") pursuant to which the Company issued its 5.125% Senior Notes due 2027 (the "Notes") and the Guarantors guaranteed the obligations of the Issuer under the Indenture and the Notes;

WHEREAS, pursuant to Section 4.08 of the Indenture, if the Issuer acquires or creates any additional subsidiary which is a Restricted Subsidiary, each such subsidiary shall execute and deliver a supplemental indenture pursuant to which such subsidiary shall unconditionally guaranty the Issuer's obligations under the Notes;

WHEREAS, the Issuer, the Guarantors thereto, Meritage Homes Insurance Agency, Inc., and the Trustee are parties to that certain First Supplemental Indenture dated as of May 31, 2019, pursuant to which Meritage Homes Insurance Agency, Inc. was added as a Guarantor;

WHEREAS, the Issuer, the Guarantors thereto, Meritage Homes of Utah, Inc., and the Trustee are parties to that certain Second Supplemental Indenture dated as of October 2, 2020, pursuant to which Meritage Homes of Utah, Inc. was added as a Guarantor;

WHEREAS, the Issuer, the Guarantors thereto, Meritage Services Company, Inc., and the Trustee are parties to that certain Third Supplemental Indenture dated as of December 2, 2020, pursuant to which Meritage Services Company, Inc. was added as a Guarantor;

WHEREAS, the Issuer, the Guarantors thereto, Meritage Homes Alabama, Inc., and the Trustee are parties to that certain Fourth Supplemental Indenture dated as of August 7, 2024, pursuant to which Meritage Homes Alabama, Inc. was added as a Guarantor;

WHEREAS, the Issuer, the Guarantors thereto, Meritage Homes Mississippi, Inc., and the Trustee are parties to that certain Fifth Supplemental Indenture dated as of December 5, 2024, pursuant to which Meritage Homes Mississippi, Inc. was added as a Guarantor;

WHEREAS, the Additional Guarantor is a Restricted Subsidiary of the Issuer;

WHEREAS, the Issuer and the Trustee desire to have the Additional Guarantor enter into this Sixth Supplemental Indenture and agree to guaranty the obligations of the Issuer under the Indenture and the Notes and the Additional Guarantor desires to enter into this Sixth Supplemental Indenture and to guaranty the obligations of the Issuer under the Indenture and the Notes as of such date;

WHEREAS, by entering into this Sixth Supplemental Indenture, the Issuer and the Trustee have consented to amend the Indenture in accordance with the terms and conditions herein;

WHEREAS, each Guarantor hereby acknowledges and consents to amend the Indenture in accordance with the terms and conditions herein; and

WHEREAS, all acts and things prescribed by the charter documents of the Additional Guarantor (as now in effect) necessary to make this Sixth Supplemental Indenture a valid instrument legally binding on the Additional Guarantor for the purposes herein expressed, in accordance with its terms, have been duly done and performed.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Issuer, the Guarantors, the Additional Guarantor and the Trustee hereby agree for the benefit of each other and the equal and ratable benefit of the Holders of the Notes as follows:

1. Additional Guarantor as Guarantor. As of the date hereof and pursuant to this Sixth Supplemental Indenture, the Additional Guarantor shall become a Guarantor under the definition of Guarantor in the Indenture in accordance with the terms and conditions of the Indenture and shall assume all rights and obligations of a Guarantor thereunder.

2. Construction. For all purposes of this Sixth Supplemental Indenture, except as otherwise herein expressly provided or unless the context otherwise requires: (i) the defined terms and expressions used herein shall have the same meanings as corresponding terms and expressions used in the Indenture; and (ii) the words “herein,” “hereof,” “hereby” and other words of similar import used in this Sixth Supplemental Indenture refer to this Sixth Supplemental Indenture as a whole and not to any particular Section hereof.

3. Trustee Acceptance. The Trustee accepts the amendment of the Indenture effected by this Sixth Supplemental Indenture, as hereby amended, but only upon the terms and conditions set forth in the Indenture, as hereby amended, including the terms and provisions defining and limiting the liabilities and responsibilities of the Trustee in the performance of its duties and obligations under the Indenture, as hereby amended. Without limiting the generality of the foregoing, the Trustee has no responsibility for the correctness of the recitals of fact herein contained which shall be taken as the statements of each of the Issuer and the Additional Guarantor, respectively, and makes no representations as to the validity or enforceability against either the Issuer or the Additional Guarantor.

4. Indenture Ratified. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect.

5. Holders Bound. This Sixth Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder of the Notes heretofore or hereafter authenticated and delivered shall be bound hereby.

6. Successors and Assigns. This Sixth Supplemental Indenture shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

7. Counterparts. This Sixth Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of such counterparts shall together constitute one and the same instrument.

8. Governing Law. This Sixth Supplemental Indenture shall be governed by and construed in accordance with the internal laws of the State of New York without giving effect to principles of conflicts of laws.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the Issuer, the Guarantors, the Additional Guarantor and the Trustee have caused this Sixth Supplemental Indenture to be duly executed as of the date first above written.

ISSUER:

MERITAGE HOMES CORPORATION

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

By: /s/ Malissia Clinton__
Name: Malissia Clinton
Title: Executive Vice President, General Counsel and Secretary

ADDITIONAL GUARANTOR:

CAREFREE TITLE AGENCY OF ALABAMA, INC.

By: /s/ Hilla Sferruzza__
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

TRUSTEE:

REGIONS BANK, as successor to Wells Fargo Bank, National Association, as trustee

By: /s/ Craig A. Kaye__
Name: Craig A. Kaye
Title: Vice President

GUARANTORS:

MERITAGE PASEO CROSSING, LLC

By: Meritage Homes of Arizona, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE PASEO CONSTRUCTION, LLC

By: Meritage Homes Construction, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF ARIZONA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES CONSTRUCTION, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF TEXAS HOLDING, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF CALIFORNIA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF TEXAS JOINT VENTURE HOLDING COMPANY, LLC

By: Meritage Homes of Texas, LLC
Its: Sole Member

By: Meritage Homes of Texas Holding, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOLDINGS, L.L.C.

By: Meritage Homes of Texas Holding, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF NEVADA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH-CAVALIER, LLC

By: Meritage Homes Construction, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH GOLF, LLC

By: Meritage Homes Construction, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF COLORADO, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF FLORIDA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

CALIFORNIA URBAN HOMES, LLC

By: Meritage Homes of California, Inc.
Its: Sole Member and Manager

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF TEXAS, LLC

By: Meritage Homes of Texas Holding, Inc.
Its: Sole Member

By: ____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OPERATING COMPANY, LLC

By: Meritage Holdings, L.L.C.
Its: Manager

By: Meritage Homes of Texas Holding, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

WW PROJECT SELLER, LLC

By: Meritage Paseo Crossing, LLC
Its: Sole Member

By: Meritage Homes of Arizona, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

9.

MERITAGE HOMES OF THE CAROLINAS, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

CAREFREE TITLE AGENCY, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

M&M FORT MYERS HOLDINGS, LLC

By: Meritage Paseo Crossing, LLC
Its: Sole Member and Manager

By: Meritage Homes of Arizona, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF FLORIDA REALTY LLC

By: Meritage Homes of Florida, Inc.
Its: Manager and Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF TENNESSEE, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF SOUTH CAROLINA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH REALTY LLC

By: Meritage Paseo Crossing, LLC
Its: Sole Member and Manager

By: Meritage Homes of Arizona, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF GEORGIA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH GA REALTY LLC

By: Meritage Homes of Georgia, Inc.
Its: Manager and Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH SC REALTY LLC

By: Meritage Homes of South Carolina, Inc.
Its: Manager and Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH FINANCIAL HOLDINGS, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MLC HOLDINGS, INC., dba MLC LAND HOLDINGS, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF GEORGIA REALTY, LLC

By: Meritage Homes of Georgia, Inc.
Its: Manager and Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES INSURANCE AGENCY, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF UTAH, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE SERVICES COMPANY, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF ALABAMA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF MISSISSIPPI, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

[End of Signature Pages to Sixth Supplemental Indenture]

Exhibit 4.4.3

THIRD SUPPLEMENTAL INDENTURE, dated as of February 6, 2026 (the "Third Supplemental Indenture") between Meritage Homes Corporation, a corporation organized under the laws of the State of Maryland (the "Issuer"), the Guarantors named therein, Carefree Title Agency of Alabama, Inc., a corporation organized under the laws of the State of Alabama (the "Additional Guarantor"), and Regions Bank, as trustee (the "Trustee") under the Indenture (as defined below). Capitalized terms used and not defined herein shall have the same meanings given in the Indenture unless otherwise indicated.

WHEREAS, the Issuer, the Guarantors thereto and the Trustee are parties to that certain Indenture dated as of April 15, 2021 (the "Indenture") pursuant to which the Company issued its 3.875% Senior Notes due 2029 (the "Notes") and the Guarantors guaranteed the obligations of the Issuer under the Indenture and the Notes;

WHEREAS, pursuant to Section 4.08 of the Indenture, if the Issuer acquires or creates any additional subsidiary which is a Restricted Subsidiary, each such subsidiary shall execute and deliver a supplemental indenture pursuant to which such subsidiary shall unconditionally guaranty the Issuer's obligations under the Notes;

WHEREAS, the Issuer, the Guarantors thereto, Meritage Homes Alabama, Inc., and the Trustee are parties to that certain First Supplemental Indenture dated as of August 7, 2024, pursuant to which Meritage Homes Alabama, Inc. was added as a Guarantor;

WHEREAS, the Issuer, the Guarantors thereto, Meritage Homes Mississippi, Inc., and the Trustee are parties to that certain Second Supplemental Indenture dated as of December 5, 2024, pursuant to which Meritage Homes Mississippi, Inc. was added as a Guarantor;

WHEREAS, the Additional Guarantor is a Restricted Subsidiary of the Issuer;

WHEREAS, the Issuer and the Trustee desire to have the Additional Guarantor enter into this Third Supplemental Indenture and agree to guaranty the obligations of the Issuer under the Indenture and the Notes and the Additional Guarantor desires to enter into this Third Supplemental Indenture and to guaranty the obligations of the Issuer under the Indenture and the Notes as of such date;

WHEREAS, by entering into this Third Supplemental Indenture, the Issuer and the Trustee have consented to amend the Indenture in accordance with the terms and conditions herein;

WHEREAS, each Guarantor hereby acknowledges and consents to amend the Indenture in accordance with the terms and conditions herein; and

WHEREAS, all acts and things prescribed by the charter documents of the Additional Guarantor (as now in effect) necessary to make this Third Supplemental Indenture a valid instrument legally binding on the Additional Guarantor for the purposes herein expressed, in accordance with its terms, have been duly done and performed.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Issuer, the Guarantors, the Additional Guarantor and the Trustee hereby agree for the benefit of each other and the equal and ratable benefit of the Holders of the Notes as follows:

1. Additional Guarantor as Guarantor. As of the date hereof and pursuant to this Third Supplemental Indenture, the Additional Guarantor shall become a Guarantor under the definition of Guarantor in the Indenture in accordance with the terms and conditions of the Indenture and shall assume all rights and obligations of a Guarantor thereunder.

2. Construction. For all purposes of this Third Supplemental Indenture, except as otherwise herein expressly provided or unless the context otherwise requires: (i) the defined terms and expressions used herein shall have the same meanings as corresponding terms and expressions used in the Indenture; and (ii) the words "herein," "hereof," "hereby" and other words of similar import used in this Third Supplemental Indenture refer to this Third Supplemental Indenture as a whole and not to any particular Section hereof.

3. Trustee Acceptance. The Trustee accepts the amendment of the Indenture effected by this Third Supplemental Indenture, as hereby amended, but only upon the terms and conditions set forth in the Indenture, as hereby amended, including the terms and provisions defining and limiting the liabilities and responsibilities of the Trustee in the performance of its duties and obligations under the Indenture, as hereby amended. Without limiting the generality of the foregoing, the Trustee has no responsibility for the correctness of the recitals of fact herein contained which shall be taken as the statements of each of the Issuer and the Additional Guarantor, respectively, and makes no representations as to the validity or enforceability against either the Issuer or the Additional Guarantor.

4. Indenture Ratified. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect.

5. Holders Bound. This Third Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder of the Notes heretofore or hereafter authenticated and delivered shall be bound hereby.

6. Successors and Assigns. This Third Supplemental Indenture shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

7. Counterparts. This Third Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of such counterparts shall together constitute one and the same instrument.

8. Governing Law. This Third Supplemental Indenture shall be governed by and construed in accordance with the internal laws of the State of New York without giving effect to principles of conflicts of laws.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the Issuer, the Guarantors, the Additional Guarantor and the Trustee have caused this Third Supplemental Indenture to be duly executed as of the date first above written.

ISSUER:

MERITAGE HOMES CORPORATION

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

By: /s/ Malissia Clinton____
Name: Malissia Clinton
Title: Executive Vice President, General Counsel and Secretary

ADDITIONAL GUARANTOR:

CAREFREE TITLE AGENCY OF ALABAMA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

TRUSTEE:

REGIONS BANK, as Trustee

By: /s/ Craig A. Kaye____
Name: Craig A. Kaye
Title: Vice President

GUARANTORS:

MERITAGE PASEO CROSSING, LLC

By: Meritage Homes of Arizona, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE PASEO CONSTRUCTION, LLC

By: Meritage Homes Construction, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF ARIZONA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES CONSTRUCTION, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF TEXAS HOLDING, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF CALIFORNIA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF TEXAS JOINT VENTURE HOLDING COMPANY, LLC

By: Meritage Homes of Texas, LLC
Its: Sole Member

By: Meritage Homes of Texas Holding, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOLDINGS, L.L.C.

By: Meritage Homes of Texas Holding, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF NEVADA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH-CAVALIER, LLC

By: Meritage Homes Construction, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH GOLF, LLC

By: Meritage Homes Construction, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF COLORADO, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF FLORIDA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

CALIFORNIA URBAN HOMES, LLC

By: Meritage Homes of California, Inc.
Its: Sole Member and Manager

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF TEXAS, LLC

By: Meritage Homes of Texas Holding, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OPERATING COMPANY, LLC

By: Meritage Holdings, L.L.C.
Its: Manager

By: Meritage Homes of Texas Holding, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

WW PROJECT SELLER, LLC

By: Meritage Paseo Crossing, LLC
Its: Sole Member

By: Meritage Homes of Arizona, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

9.

MERITAGE HOMES OF THE CAROLINAS, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

CAREFREE TITLE AGENCY, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

M&M FORT MYERS HOLDINGS, LLC

By: Meritage Paseo Crossing, LLC
Its: Sole Member and Manager

By: Meritage Homes of Arizona, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF FLORIDA REALTY LLC

By: Meritage Homes of Florida, Inc.
Its: Manager and Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF TENNESSEE, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF SOUTH CAROLINA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH REALTY LLC

By: Meritage Paseo Crossing, LLC
Its: Sole Member and Manager

By: Meritage Homes of Arizona, Inc.
Its: Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF GEORGIA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH GA REALTY LLC

By: Meritage Homes of Georgia, Inc.
Its: Manager and Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH SC REALTY LLC

By: Meritage Homes of South Carolina, Inc.
Its: Manager and Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MTH FINANCIAL HOLDINGS, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MLC HOLDINGS, INC., dba MLC LAND HOLDINGS, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF GEORGIA REALTY, LLC

By: Meritage Homes of Georgia, Inc.
Its: Manager and Sole Member

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES INSURANCE AGENCY, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF UTAH, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE SERVICES COMPANY, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF ALABAMA, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES OF MISSISSIPPI, INC.

By: /s/ Hilla Sferruzza____
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

[End of Signature Pages to Third Supplemental Indenture]

Exhibit 4.5.3

THIRD SUPPLEMENTAL INDENTURE

Third Supplemental Indenture, dated as of February 6, 2026 (this "Supplemental Indenture"), among CAREFREE TITLE AGENCY OF ALABAMA, INC., an Alabama corporation (the "Additional Subsidiary Guarantor"), a subsidiary of MERITAGE HOMES CORPORATION, a Maryland corporation (or its permitted successor) (the "Company"), the Company, the other Subsidiary Guarantors (as defined in the Indenture referred to herein) and REGIONS BANK, an Alabama banking corporation, as trustee under the Indenture referred to below (the "Trustee").

W I T N E S S E T H

WHEREAS, the Company has heretofore executed and delivered to the Trustee an indenture, dated as of May 9, 2024 (the "Indenture"), providing for the issuance of 1.75% Convertible Senior Notes due 2028 (the "Notes");

WHEREAS, the Indenture provides that under certain circumstances the Additional Subsidiary Guarantor shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Additional Subsidiary Guarantor shall unconditionally guarantee all of the Company's obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "Guarantee"); and

WHEREAS, pursuant to Section 10.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Company, the Additional Subsidiary Guarantor and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. *Capitalized Terms*. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. *Agreement to Guarantee*. The Additional Subsidiary Guarantor hereby becomes a party to the Indenture as a Subsidiary Guarantor and as such shall have all of the rights and be subject to all of the obligations and agreements of a Subsidiary Guarantor under the Indenture. The Additional Subsidiary Guarantor hereby agrees, on a joint and several basis with all the existing Subsidiary Guarantors, to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including but not limited to Article 13 thereof.

3. *Ratification of Indenture – Supplemental Indentures Part of Indenture*. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder of Notes heretofore or hereafter authenticated and delivered shall be bound hereby.

4. *No Recourse Against Others*. No recourse for the payment of the principal of or accrued and unpaid interest on any Note, nor for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Company in the Indenture, in this Supplemental Indenture or in any Note, nor because of the creation of any indebtedness represented thereby, shall be had against any incorporator, stockholder, employee, agent, Officer or director or Subsidiary, as such, past, present or future, of the Company or any Additional Subsidiary Guarantor or of any successor corporation, either directly or through the Company, any Additional Subsidiary Guarantor or any successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise. The waiver and release are part of the consideration for issuance of the Notes.

5. *GOVERNING LAW*. THIS SUPPLEMENTAL INDENTURE, AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS SUPPLEMENTAL INDENTURE, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK

6. *Severability Clause*. In case any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.

7. *Counterparts*. This Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile, PDF or other electronic transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture and signature pages for all purposes. Signatures of the parties hereto transmitted by facsimile, PDF or other electronic transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the other parties hereto shall be deemed to be their original signatures for all purposes.

8. *Effect of Headings*. The Section headings herein are for convenience only and shall not affect the construction hereof.

9. *The Trustee*. In entering into this Supplemental Indenture, the Trustee shall be entitled to the benefit of every provision of the Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee, whether or not elsewhere herein so provided. The Trustee makes no representations as to the validity, execution or sufficiency of this Supplemental Indenture other than as to the validity of its execution and delivery by the Trustee. The Trustee assumes no responsibility for the correctness of the recitals contained herein, which are made solely by the Additional Subsidiary Guarantor and the Company.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: February 6, 2026

CAREFREE TITLE AGENCY OF ALABAMA, INC.

By: /s/ Hilla Sferruzza

Name: Hilla Sferruzza

Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES CORPORATION

By: /s/ Hilla Sferruzza

Name: Hilla Sferruzza

Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

REGIONS BANK, as Trustee

By: /s/ Craig A. Kaye

Name: Craig A. Kaye

Title: Vice President

[Signature Page to Third Supplemental Indenture]

SUPPLEMENTAL INDENTURE DELIVERED BY NEW GUARANTOR

This First Supplement to the First Supplemental Indenture (this "**Supplement**"), dated as of February 6, 2026, is entered into by and between Carefree Title Agency of Alabama, Inc., an Alabama corporation (the "**New Guarantor**"), and Regions Bank, an Alabama state bank, as trustee (the "**Trustee**").

W I T N E S E T H

WHEREAS, Meritage Homes Corporation, a Maryland corporation (the "**Issuer**") has executed and delivered to the Trustee that certain First Supplemental Indenture, dated as of March 6, 2025 (as may be amended and supplemented from time to time, the "**First Supplemental Indenture**") to the Indenture, dated as of March 6, 2025 (the "**Base Indenture**" and, as supplemented by the First Supplemental Indenture, the "**Indenture**"), providing for the issuance of the 5.650% Senior Notes due 2035 (the "**Senior Notes**"); and

WHEREAS, Section 4.03 of the First Supplemental Indenture provides that under certain circumstances the New Guarantor shall execute and deliver to the Trustee a supplemental indenture pursuant to which the New Guarantor shall fully and unconditionally guarantee all of the Issuer's obligations under the Senior Notes and the First Supplemental Indenture on the terms and conditions set forth herein and under the First Supplemental Indenture (the "**Guarantee**"); and

WHEREAS, pursuant to the terms of the Indenture, the Trustee is authorized to execute and deliver this Supplement.

NOW THEREFORE, in consideration of the premises and the guarantee of the Senior Notes established by this Supplement, the New Guarantor and the Trustee mutually covenant and agree, for the equal and proportionate benefit of all such Holders, as follows:

1. *Capitalized Terms*. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. *Agreement to Guarantee*. The New Guarantor hereby becomes a party to the Indenture as a Guarantor and as such shall have all of the rights and be subject to all of the obligations and agreements of a Guarantor under the Indenture. The New Guarantor hereby agrees, on a joint and several basis with all the existing Guarantors, to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including but not limited to Article VIII of the First Supplemental Indenture.

3. *Ratification of Indenture – Supplement Part of Indenture*. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplement shall form a part of the Indenture for all purposes, and every Holder of Senior Notes heretofore or hereafter authenticated and delivered shall be bound hereby.

4. *No Recourse Against Others*. No recourse for the payment of the principal of or accrued and unpaid interest on any Senior Note, nor for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Issuer in the Indenture, in this Supplement or in any Senior Note, nor because of the creation of any indebtedness represented thereby, shall be had against any incorporator, stockholder, employee, agent, Officer or director or Subsidiary, as such, past, present or future, of the Issuer or any New Guarantor or of any successor corporation, either directly or through the Issuer, any New Guarantor or any successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise. The waiver and release are part of the consideration for issuance of the Senior Notes.

5. *GOVERNING LAW*. THIS SUPPLEMENT, AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS SUPPLEMENT, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK

6. *Severability Clause*. In case any provision in this Supplement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.

7. *Counterparts*. This Supplement may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument. The exchange of copies of this Supplement and of signature pages by facsimile, PDF or other electronic transmission shall constitute effective execution and delivery of this Supplement as to the parties hereto and may be used in lieu of the original Supplement and signature pages for all purposes. Signatures of the parties hereto transmitted by facsimile, PDF or other electronic transmission shall constitute effective execution and delivery of this Supplement as to the other parties hereto shall be deemed to be their original signatures for all purposes.

8. *Effect of Headings*. The Section headings herein are for convenience only and shall not affect the construction hereof.

9. *The Trustee*. In entering into this Supplement, the Trustee shall be entitled to the benefit of every provision of the Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee, whether or not elsewhere herein so provided. The Trustee makes no representations as to the validity, execution or sufficiency of this Supplement other than as to the validity of its execution and delivery by the Trustee. The Trustee assumes no responsibility for the correctness of the recitals contained herein, which are made solely by the New Guarantor and the Issuer.

IN WITNESS WHEREOF, the parties hereto have caused this Supplement to be duly executed and attested, all as of the date first above written.

Dated: February 6, 2026

CAREFREE TITLE AGENCY OF ALABAMA, INC.

By:_ /s/ Hilla Sferruzza______________
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

MERITAGE HOMES CORPORATION

By:_ /s/ Hilla Sferruzza_______________
Name: Hilla Sferruzza
Title: Executive Vice President, Chief Financial Officer and Assistant Secretary

REGIONS BANK, as Trustee

By: /s/ Craig A. Kaye________________
Name: Craig A. Kaye
Title: Vice President

Employment Agreement

This **EMPLOYMENT AGREEMENT** (the "Agreement") is entered into and is made effective as of January 1, 2026 (the "Effective Date"), by and between Meritage Homes Corporation, a corporation organized under the laws of the State of Maryland (the "Company"), and Austin Woffinden ("Executive") (the Company and Executive are sometimes collectively referred to herein as the "Parties" and individually as a "Party"), all with reference to the following:

WHEREAS, prior to the Effective Date, the Executive has been employed by the Company as its Area President; and

WHEREAS, starting on the Effective Date, the Company desires to employ Executive, and Executive is willing and able to accept such employment, as the Company's Executive Vice President – Corporate Operations & Strategy, upon the terms and conditions contained in this Agreement.

NOW THEREFORE, in consideration of the promises and the mutual covenants in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Defined Terms. Capitalized terms not otherwise defined shall have the meanings set forth in Exhibit A.

2. Term. Subject to earlier termination in accordance with Section 6 of this Agreement, Executive shall be employed by the Company under this Agreement for a term commencing on the Effective Date and ending on December 31, 2026 (the "Initial Term"), and, upon the expiration of the Initial Term, for successive one-year periods thereafter (each, a "Renewal Term"), unless (i) written notice of non-renewal is given no less than sixty (60) days prior to the expiration of the applicable term by either Party hereto; or (ii) Executive's employment is terminated earlier pursuant to Section 6 of this Agreement. References to the "Term" shall be deemed to include the Initial Term or any Renewal Term, as applicable.

3. Position and Duties.

(a) Position. During the Term, Executive shall serve as the Company's Executive Vice President – Corporate Operations & Strategy. Executive shall report directly to the Company's Chief Executive Officer (the "CEO"). If the Company fills a Chief Operating Officer (the "COO") position and/or a President position, Executive thereafter may continue to report directly to the CEO, or may report to the Company's COO or President, at the CEO's complete discretion. In such capacity, Executive shall have the duties, functions, responsibilities, and authority customarily appertaining to that position and shall have such other duties, functions, responsibilities, and authority consistent with such position as are from time to time delegated to him by the CEO, COO or President, as applicable.

(b) Duties. Executive shall have supervision, control over, and responsibility for the day-to-day business and affairs of the Company and shall have such other powers and duties as may from time to time be prescribed by the CEO, COO or President, as applicable, provided that such supervision, control over, responsibilities and duties are consistent with

Executive's position or other positions that he may hold from time to time. Executive shall devote substantially all of his business time and attention to the performance of Executive's duties hereunder and to the Company's affairs and shall not engage in any other business, profession or occupation for compensation or otherwise that would conflict or interfere with the rendition of such services, either directly or indirectly; provided, that nothing herein shall preclude Executive from (i) serving on the board of directors of a single for-profit company that does not, in the sole judgment of the Company's Board of Directors (the "Board"), compete with the Company; (ii) serving on civic or charitable boards or committees and/or (iii) managing personal investments, so long as all such activities described in clauses (i) through (iii) above do not unreasonably interfere with the Executive's performance of his duties to the Company as provided in this Agreement and, in the case of the activities described in clauses (i) and (ii), are disclosed to the Board.

(c) Principal Place of Employment. Executive's initial principal place of employment during the Term shall be 18655 North Claret Drive, Suite 400, Scottsdale, Arizona 85255, or as shall be designated by the CEO, subject to the terms and conditions of this Agreement. The Parties acknowledge that Executive may be required to travel in connection with the performance of his duties hereunder.

(d) Corporate Policies. During the Term, Executive shall be subject to all of the Company's corporate governance, ethics, and executive compensation and other policies as in effect from time to time.

(e) Compensation, Benefits, Other Items Applicable to Executive. During the Term, Executive shall be entitled to the compensation and benefits described in Sections 4 and 5 of this Agreement. Other items applicable to Executive during the Term are as set forth in Exhibit B.

4. Compensation.

(a) Base Salary. During the Term, Executive shall receive an annual base salary (the "Base Salary") of five hundred and fifty thousand dollars ($550,000), payable in regular installments in accordance with the Company's usual payroll practices. Executive's Base Salary is subject to annual review and may, in the Compensation Committee's discretion, be increased or decreased under the Company's standard compensation policies for executive-level employees. As so adjusted, the term "Base Salary" shall refer to the adjusted amount.

(b) Annual Incentive Bonus. During the Term, Executive shall be entitled to annual incentive compensation (the "Bonus") subject to the achievement of certain performance goals established by the Committee and to other terms and conditions as set forth on Exhibit C.

(c) Equity Awards.

(i) Annual Awards. For each calendar year during the Term, Executive shall be eligible to receive a Performance Share Award and/or a Restricted Stock Unit Award under the Meritage Homes Corporation 2018 Stock Incentive Plan, or any successor thereto (the "Stock Incentive Plan"), subject to the achievement of certain performance goals as may be established by the Compensation Committee pursuant to the Stock Incentive Plan and other terms and conditions, as set forth in Exhibit D and Exhibit E (each, an "Annual Award"). The Annual Awards shall be made on terms and conditions that are consistent with those on which awards are made to other executive officers of the Company, except as the Compensation Committee may otherwise specify in its sole discretion. Except as otherwise provided herein, each Annual Award will be subject to the terms of the Stock Incentive Plan and the individual award agreement pursuant to which it is made.

(ii) Previous Annual Awards. Notwithstanding the provisions of the previous paragraph (i) to the contrary, Annual Awards granted to the Executive prior to the Effective Date shall continue to be governed by the terms and conditions of the Previous Agreement.

5. Employee and Fringe Benefits; Expense Reimbursements.

(a) Employee Benefits. During the Term, Executive and his eligible dependents (if any) shall be able to participate in employee benefit plans and perquisite and fringe benefit programs on a basis no less favorable than the basis on which such benefits and perquisites are provided by the Company from time to time to other executive officers.

(b) ERISA Severance Plan Benefits. Executive shall be eligible to participate in the Company's Severance Plan; benefits available under that Severance Plan are contingent on Executive's continued eligibility for that plan as well as actions required to be taken by Executive in order to be considered a "Participant" in that Severance Plan. Company acknowledges and agrees that, as of the Effective Date, Executive has taken all actions to be considered a "Participant" in the Severance Plan and, accordingly, will remain a "Participant" during the Term. Any amounts or benefits payable under the Severance Plan shall be governed by the terms and conditions of that plan, and shall not be governed by this Agreement.

(c) Paid Time Off. Executive shall be entitled to paid vacation each year in accordance with the Company's then-current vacation policy for other executive-level employees. The rules relating to other absences from regular duties for holidays, sick or disability leave, leave of absence without pay, or for other reasons, shall be the same as those provided to the Company's other executive officers.

(d) Expense Reimbursement. Executive shall be entitled to receive prompt reimbursement for all travel and business expenses reasonably incurred and accounted for by Executive (in accordance with the policies and procedures established from time to time by the Company for Executive or as otherwise provided for in the Company's approved travel budget) in performing services hereunder. Any reimbursement that Executive is entitled to receive shall (i) be paid as soon as practicable and in any event no later than the last day of Executive's tax year following the tax year in which the expense was incurred, (ii) not be affected by any other expenses that are eligible for reimbursement in any tax year and (ii) not be subject to liquidation or exchange for another benefit.

6. Termination of Employment. Except for the provisions intended to survive for other periods of time as specified in Section 15(n) below, this Agreement and Executive's employment shall terminate (i) at any time upon mutual written agreement of the Parties; (ii) by the Company, immediately and without prior notice, for Cause as provided in Section 6(a); (iii) by Executive for Good Reason as provided in Section 6(b); (iv) immediately upon Executive's death or Disability as provided in Section 6(c); or (v) by the Company without Cause as provided in Section 6(b); or (vi) by Executive voluntarily with advance written notice as provided in Section 6(a). The date on which Executive's employment ends under this Section 6 shall be referred to herein as his "Termination Date."

(a) Termination for Cause; Voluntary Termination. At any time during the Term, (i) the Company may immediately terminate Executive's employment for Cause, and (ii) Executive may terminate his employment "voluntarily" (that is, other than by death, Disability or for Good Reason); provided, that Executive will be required to give the Board at least sixty (60) days' advance written notice of any such termination; provided, however, that the Board may waive all or any part of the foregoing notice requirement in its sole discretion, in which case Executive's voluntary termination will be effective upon the date specified by the Board. Upon the termination of Executive's employment by the Company for Cause or by Executive's voluntary termination, Executive shall receive the Accrued Obligations. All other benefits, if any, due to Executive following Executive's termination of employment pursuant to this Section 6(a) shall be determined in accordance with the plans, policies and practices of the Company as then in effect, including but not necessarily limited to the Severance Plan. Executive shall not earn or accrue any additional compensation or other benefits under this Agreement following the Termination Date. Notwithstanding anything in this Section 6 to the contrary, in the event Executive is terminated for Cause, the Company will provide notice to the Executive outlining the reason(s) underlying the termination within one business day of such termination; for the avoidance of doubt, the foregoing notice provision is not a condition precedent to a termination for Cause.

(b) Termination for Good Reason by Executive or Without Cause by the Company. At any time, (i) Executive may terminate his employment for Good Reason; and (ii) the Company may terminate Executive's employment hereunder without Cause, in either case pursuant to this Section 6(b). Upon the termination of Executive's employment pursuant to this Section 6(b), Executive shall receive the Accrued Obligations. In addition, subject to Executive's compliance with the requirements set forth in the Severance Plan and continued compliance with the provisions of Sections 7 through 11 of this Agreement and Executive's execution, delivery and non-revocation of an effective release of claims against the Company and certain related persons and entities in substantially the form attached hereto as Exhibit F (the "Release"), which Release shall be delivered to Executive within five (5) business days following the Termination Date and which must be executed (and not revoked) by Executive within the time specified in the Release (the "Release Period"), Executive shall be entitled to the severance benefits as provided in the Severance Plan pursuant to the terms and conditions of that plan. However, if upon Executive's termination of employment under this Section 6(b) the Executive satisfies the service requirement under the Severance Plan to be considered eligible for "Retirement" under that Severance Plan, then the Executive shall be permitted to make an election in Section 3.1(g) of the Severance Plan to receive severance benefits due to Retirement under Section 3.4 of the Severance Plan in lieu of the severance benefits otherwise payable under Section 3.1 of the Severance Plan; the timing of this election is as set forth in Section 3.1(g) of the Severance Plan.

(c) Termination Due to Death or Disability.

(i) Death. Executive's employment with the Company shall terminate upon Executive's death. Upon the termination of the Term and Executive's employment as a result of this Section 6(c)(i), Executive's estate shall receive the Accrued Obligations within fifteen (15) days following the Termination Date. Additionally, Executive's estate will receive a lump-sum payment (less applicable withholding taxes) equal to the Executive's Target Bonus (as defined in Exhibit C hereto) in the year of termination of employment due to death. Such lump-sum amount shall be payable within sixty (60) days following Executive's death. All other payments or benefits, if any, due to Executive's estate following Executive's termination due to death shall be determined in accordance with the plans, policies and practices of the Company as then in effect; provided, that Executive's estate shall not be entitled to any severance payments or benefits under any other agreement or any severance plan, policy or program of the Company (excluding any group health benefit plans). Executive's estate shall not earn or accrue any additional compensation or other benefits under this Agreement following the Termination Date.

(ii) Disability. The Company may terminate Executive's employment if he becomes unable to perform the essential functions of his position as a result of his Disability. Upon any termination of the Term and Executive's employment pursuant to this Section 6(c)(ii), Executive shall receive the Accrued Obligations. Additionally, Executive will receive a lump-sum payment (less applicable withholding taxes) equal to the Executive's Target Bonus in the year of termination of employment due to Disability. Such lump-sum amount shall be payable upon the later of: (x) sixty (60) days following termination of employment due to Disability, or (y) such later date required by Section 15(g)(i). Executive shall not earn or accrue any additional or other benefits under this Agreement following the Termination Date.

(iii) Equity Compensation Provisions. In the event Executive's employment is terminated due to death or Disability, notwithstanding any other provision in any applicable equity compensation plan (including but not necessarily limited to the Stock Incentive Plan), the Severance Plan, and/or individual award agreement, the following provisions shall apply with respect to grants of equity compensation upon such death or termination due to Disability:

(1) Accelerated Vesting of Equity Awards.

(A) One hundred percent (100%) of the Executive's then-outstanding and unvested stock options that are subject to time-based vesting will become vested in full;

(B) any and all service conditions imposed on the Executive's then-outstanding and unvested performance shares will be waived as of the Executive's Termination Date; provided, however, that if an outstanding performance share is to be determined based on the achievement of performance criteria, then the performance share will be determined based on the actual performance and attainment of the performance criteria over the relevant performance period(s) and paid or delivered following the end of the relevant performance period(s) in accordance with the provisions of any applicable equity compensation plan and/or individual award agreement, but not later than March 15 of the calendar year following the calendar year following the end of the applicable performance period for each such award;

(C) any and all service conditions imposed on the Executive's then-outstanding and unvested time-based restricted stock grant (or restricted stock unit grant) will be waived as of the Executive's Termination Date; provided, however, that if an amount payable under an outstanding restricted stock grant (or restricted stock unit grant) is to be determined based on the achievement of performance criteria, then the restricted stock grant (or restricted stock unit grant) will be determined based on the actual performance and attainment of the performance criteria over the relevant performance period(s) and paid or delivered following the end of the relevant performance period(s) in accordance with the provisions of any applicable equity compensation plan and/or individual award agreement, but not later than March 15 of the calendar year following the calendar year following the end of the applicable performance period for each such award;

(D) any and all service conditions imposed on the Executive's then-outstanding and unvested performance Restricted Stock Units will be waived as of the Executive's Termination Date; provided, however, that if settlement of any such outstanding Restricted Stock Units is to be determined based on the achievement of performance criteria, then settlement of such performance Restricted Stock Unit will be determined based on the actual performance and attainment of applicable performance criteria over the relevant performance period(s) and paid or delivered following the end of the relevant performance period(s) in accordance with the provisions of any applicable equity compensation plan and/or individual award agreement, but not later than March 15 of the calendar year following the calendar year following the end of the applicable performance period for each such Restricted Stock Unit award.

(2) Extended Post-Termination Exercise Period. The Executive's outstanding and vested stock options as of the Executive's Termination Date will remain exercisable until the twelve (12) month anniversary of the Termination Date; provided, however, that the post-termination exercise period for any individual stock option will not extend beyond the earlier of its original maximum term or the tenth (10th) anniversary of the original date of grant.

(d) Notice of Termination. Any purported termination of Executive's employment by the Company or by Executive shall be communicated by written notice of termination to the other Party in accordance with this Section 6. Such notice shall indicate the specific termination provision in this Agreement relied upon and shall, to the extent applicable, set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated.

7. Non-Competition, Confidentiality and Non-Solicitation.

(a) Acknowledgements. Executive acknowledges:

(i) Company has provided and shall continue to provide Executive with its goodwill (a legitimate business interest of the Company) and Confidential Information so that Executive can perform his duties. Because Company would suffer irreparable harm if Executive misused its goodwill or disclosed Confidential Information, it is reasonable to protect the Company against misuse and disclosure of such information by Executive.

(ii) Because Executive will have continued access to and receive Confidential Information and will establish, maintain and increase Company's goodwill with its customers, employees and others, and because the services provided by Executive for Company are a significant factor in the creation of valuable, special and unique assets that are expected to provide Company with a competitive advantage, Company would suffer irreparable harm if Executive competed unfairly with Company (as described more fully below). Accordingly, it is reasonable to protect Company against potential unfair competition by Executive.

(iii) The promises in this Section are reasonably necessary for the protection of the Company and are reasonably limited with respect to the activities they prohibit, their duration, their geographical scope and their effect on Executive and the public. Executive acknowledges and agrees that the Company's provision of Confidential Information and grant of the initial Annual Award described in Section 4(c)(i) above shall each serve as adequate and independent consideration for the covenants set forth in this Section 7.

(b) Agreements Not to Compete or Solicit Employees or Customers. As a condition of employment and to protect Company's Confidential Information and competitive position, Executive promises and agrees that during his employment and for a period of twelve (12) months following his separation from the Company for any reason, Executive (whether as an employee, officer, director, partner, proprietor, investor, associate, consultant, advisor or otherwise) will not, directly or indirectly, either for his own benefit or the benefit of any other person or entity:

(i) Engage, invest in, or establish, in any capacity, whether as an employee, employer, contractor, consultant, agent, principal, partner, member, stockholder, investor, corporate officer, director, or in any other individual or representative capacity any business that is a Restricted Business. Notwithstanding the foregoing to the contrary, Executive may take a passive ownership interest in the publicly traded securities of a Restricted Business, but only to the extent specifically permitted by applicable Company policies, as may from time to time be amended. Executive further promises that during Executive's employment and for a period of twelve (12) months following Executive's termination of employment with Company, Executive will not give advice or lend credit, money or Executive's reputation to any person or entity engaged in or establishing a Restricted Business.

(ii) Solicit, recruit, induce, entice, encourage, hire, directly recruit, or in any way cause any officer or manager who is or was an employee of Company within the twelve (12) months prior to Executive's separation of employment, or after, to terminate his/her employment with Company. This restriction is limited to those employees with whom Executive worked, had business contact, or about whom Executive gained non-public or Confidential Information while employed with the Company.

(iii) Solicit, contact, or communicate with any person or company for the purpose of engaging in a business that is the same or similar to the Company's business at the time Executive's employment ends, who was a customer of the Company during the twelve (12) months preceding Executive's separation and whom Executive contacted, solicited, serviced, or sold services to as an Executive of the Company (either directly or indirectly as a supervisor) at any time during the twelve (12) months preceding the date of Executive's separation. Executive also agrees not to induce any customer, supplier or other person with whom the Company engaged in business, or to the knowledge of Executive planned or proposed to engage in business, during the twelve (12) months preceding the date of Executive's separation, to terminate any commercial relationship with the Company.

(iv) The effective time period of the restrictions set forth in this Section 7 shall be tolled during any period of time a legal proceeding brought by the Company against Executive to enforce this Agreement is pending or during any period of time in which the Executive is in violation of this Agreement.

8. Non-Disclosure of Intellectual Property, Trade Secrets, and Confidential Information.

(a) Executive agrees that, unless otherwise required by law, Executive will forever keep secret all Confidential Information of the Company, and Executive will not use it for Executive's own private benefit, or directly or indirectly for the benefit of others, and Executive will not disclose Confidential Information to any other person, directly or indirectly.

(b) If Executive is legally compelled (by subpoena, interrogatory, request for documents, investigative demand or similar process) to disclose Confidential Information, Executive shall give Company prompt, prior written notice so Company can seek an appropriate remedy or waive compliance. Executive shall furnish only that portion of the Confidential Information required on advice of legal counsel, and shall exercise Executive's best efforts to obtain an order or assurance that any Confidential Information disclosed will be treated by others in a confidential manner.

(c) The foregoing provisions notwithstanding, Company employees, contractors, and consultants may disclose trade secrets in confidence, either directly or indirectly, to a Federal, State, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, Company employees, contractors, and consultants who file retaliation lawsuits for reporting a suspected violation of law may disclose related trade secrets to their attorney and use them in related court proceedings, as long as the individual files documents containing the trade secret under seal and does not otherwise disclose the trade secret except pursuant to court order.

9. Non-Disparagement.

(a) Executive agrees that he will not make or cause to be made any oral or written statements that are derogatory, defamatory, or disparaging concerning the Company, its policies or programs, or its past or present officers, directors, employees, agents, or business associates, including but not limited to its past or present suppliers or vendors, or take any actions that are harmful to the business affairs of the Company or its employees. Executive also agrees that he will not make or cause to be made any oral or written statements regarding the Company's Confidential Information (as defined above) to any third party, including, but not limited to, the general public (for example, via postings or publications on the internet), the media, financial analysts, auditors, institutional investors, consultants, suppliers, vendors, or business associates, or agents and/or representatives of any of the foregoing, unless the statement is (i) expressly authorized by the Company in writing, or (ii) required by law. This provision is a material and substantial term of this Agreement.

(b) Company agrees that it will not make any public statement that is derogatory, defamatory, or disparaging concerning Executive, and will instruct the members of the Board and the Company's executives to refrain from making any derogatory, defamatory, or disparaging public statements concerning Executive. For the avoidance of doubt, under this Agreement, references to the Company's "executives" or "executive officers" are to the Company's named executive officers as disclosed by the Company pursuant to Item 402 of Regulation S-K.

10. Severability. If any provision, subsection, or sentence of this Agreement shall be held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision, subsection, or sentence had not been contained herein.

11. Compliance With Confidentiality, Non-Compete, or Non-Disclosure Obligations. Executive represents and warrants that he is in compliance with any confidentiality, non-compete, or non-disclosures obligations or agreements previously entered into with the Company and that any such obligations or agreements shall remain in effect from and after the Effective Date. In the event of any conflict between any such pre-existing confidentiality, non-compete, or non-disclosures obligations or agreements and the terms of this Agreement, the terms of this Agreement shall control.

12. Specific Performance. Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of Sections 7, 8, or 9(a) (each a "Covenant" and together the "Covenants") would be inadequate and the Company would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact, Executive agrees that, in the event of a breach of any of the Covenants, in addition to any remedies at law, the Company, without posting any bond, shall be entitled to cease making any payments or providing any benefit otherwise required by this Agreement and, in the case of either a breach or a threatened breach of any of the Covenants, and without waiving its right to arbitration as provided in Section 15(f), seek equitable relief before a court of competent jurisdiction, in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy that may then be available. Company acknowledges and agrees that the Executive's remedies at law for a breach or threatened breach of Section 9(b) would be inadequate and Executive would suffer irreparable damages as a result of such breach or threatened breach. Accordingly, Company agrees that Executive shall be entitled to, without waiving his right to arbitration as provided in Section 15(f) and in addition to any legal remedies available, seek equitable relief before a court of competent jurisdiction, in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy that may then be available without posting bond or proving actual damages.

13. Conflicts of Interest. Executive agrees that for the duration of this Agreement, he will not engage, either directly or indirectly, in any activity (a "Conflict of Interest") which might adversely affect Company or its affiliates, including ownership of a material interest in any supplier, contractor, distributor, subcontractor, customer or other entity with which Company does business or accepting any payment, service, loan, gift, trip, entertainment, or other favor from a supplier, contractor, distributor, subcontractor, customer or other entity with

which Company does business, and that Executive will promptly inform the Chair of the Audit Committee as to each offer received by Executive to engage in any such activity. Executive further agrees to disclose to Chair of the Audit Committee any other facts of which Executive becomes aware which might involve or give rise to a Conflict of Interest or potential Conflict of Interest.

14. Intellectual Property; Assignment of Inventions.

(a) Assignment and License of Rights. Executive assigns to Company all of Executive's rights in Intellectual Property that Executive makes or conceives during Executive's employment, whether as a sole or joint inventor, whether made during or outside working hours, and whether made on Company premises or elsewhere. Executive grants to Company an unlimited, unrestricted, worldwide, royalty-free, fully paid right to access, use, modify, add to, and distribute any Intellectual Property that Executive developed and reduced to a practical form prior to Executive's employment with Company, its affiliates or subsidiaries, and that Executive includes in any Intellectual Property assigned to Company. Executive understands and acknowledges that "Intellectual Property" means, for purposes of this Agreement, any information of a technical and/or business nature, such as ideas, discoveries, inventions, trade secrets, know-how, and writings and other works of authorship which relate in any manner to the actual or anticipated business or research and development of Company, its affiliates or subsidiaries.

(b) Assist Documentation. Upon request at any time and at the expense of Company or its nominee and for no additional personal remuneration, Executive agrees to execute and sign any document that Company considers necessary to secure for or maintain for the benefit of Company adequate patent and other property rights in the United States and all foreign countries with respect to any Intellectual Property. Executive also agrees to assist Company as required and at Company expense to obtain and enforce these rights.

(c) Disclosure. During the Term, Executive agrees to promptly disclose to Company any Intellectual Property when conceived or made by Executive, whether in whole or in part, and to make and maintain adequate and current records of it. If Executive's employment ends for any reason, Executive agrees to promptly turn over to Company all models, prototypes, drawings, records, documents, and the like in Executive's possession or under Executive's control, whether prepared by Executive or others, relating to Intellectual Property, and any other work done for Company. Executive acknowledges that these items are the sole property of Company.

15. Miscellaneous.

(a) Executive's Representations. Executive hereby represents and warrants to the Company that (i) Executive has read this Agreement in its entirety, fully understands the terms of this Agreement, has had the opportunity to consult with counsel prior to executing this Agreement and is signing the Agreement voluntarily and with full knowledge of its significance; (ii) the execution, delivery and performance of this Agreement by Executive does not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he is bound; (iii) Executive is not a party to or bound by an employment agreement, non-compete agreement or confidentiality agreement with any other person or entity that would interfere with the performance of his duties hereunder; and (iv) Executive shall not use any confidential information or trade secrets of any person or party other than the Company in connection with the performance of his duties hereunder, except with valid written consent of such other person or party. **Executive has carefully read and considered all provisions of these Agreements**

and acknowledges that this is an important legal document that sets forth restrictions on Executive's conduct as a condition of employment with the Company.

(b) Waiver. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in a writing signed by Executive and an officer of the Company (other than Executive) duly authorized by the Board to execute such amendment, waiver or discharge. No waiver by either Party of any breach of the other Party of, or compliance with, any condition or provision of this Agreement shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

(c) Successors and Assigns.

(i) This Agreement is personal to Executive and shall not be assignable by Executive but shall inure to the benefit of and be enforceable by Executive's heirs and legal representatives.

(ii) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and, other than as set forth in Section 15(d)(iii) below, shall not be assignable by the Company without the prior written consent of Executive (which shall not be unreasonably withheld).

(iii) The Agreement shall be assignable by the Company to any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company; provided, that the Company shall require such successor to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as defined in this Agreement and any successor to its business and/or assets which assumes and agrees to perform this Agreement by operation of law or otherwise.

(d) Notice. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally, if delivered by overnight courier service, or if mailed by registered mail, return receipt requested, postage prepaid, addressed to the respective addresses or sent via facsimile to the respective facsimile numbers, as the case may be, as set forth below, or to such other address as either Party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt; provided, however, that (i) notices sent by personal delivery or overnight courier shall be deemed given when delivered; (ii) notices sent by facsimile transmission shall be deemed given upon the sender's receipt of confirmation of complete transmission; and (iii) notices sent by registered mail shall be deemed given two (2) days after the date of deposit in the mail.

If to Executive, to such address as shall most currently appear on the records of the Company.

If to the Company, to:

Meritage Homes Corporation
18655 North Claret Drive, Suite 400
Scottsdale, Arizona 85255

Attention: Chief Executive Officer and Chief People Officer

(e) GOVERNING LAW; CONSENT TO JURISDICTION; JURY TRIAL WAIVER. THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ARIZONA, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICTING PROVISION OR RULE (WHETHER OF THE STATE OF MARYLAND OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF ARIZONA TO BE APPLIED. IN FURTHERANCE OF THE FOREGOING, THE LAW OF THE STATE OF ARIZONA (EXCEPT TO THE EXTENT SUPERSEDED BY THE LAWS OF THE UNITED STATES) WILL CONTROL THE INTERPRETATION AND CONSTRUCTION OF THIS AGREEMENT. ANY ACTION TO ENFORCE THIS AGREEMENT MUST BE BROUGHT IN, AND THE PARTIES HEREBY CONSENT TO JURISDICTION IN MARICOPA COUNTY, ARIZONA. EACH PARTY HEREBY WAIVES THE RIGHTS TO CLAIM THAT ANY SUCH COURT OR ARBITRATION PROCEEDING IS AN INCONVENIENT FORUM FOR THE RESOLUTION OF ANY SUCH ACTION. EACH PARTY TO THIS AGREEMENT WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM.

(f) Resolution of Disputes. Any dispute, controversy, or claim, whether contractual or non-contractual, between the Parties hereto arising directly or indirectly out of or connected with this Agreement, relating to the breach or alleged breach of any representation, warranty, agreement, or covenant under this Agreement, unless mutually settled by the Parties hereto, shall be resolved by binding arbitration in accordance with the Employment Arbitration Rules of the American Arbitration Association (the “AAA”). The Parties agree that before the proceeding to arbitration that they will mediate their disputes before the AAA by a mediator approved by the AAA. Any arbitration shall be conducted by arbitrators approved by the AAA and mutually acceptable to Company and Executive. All such disputes, controversies or claims shall be conducted by a single arbitrator, unless the dispute involves more than $50,000 in the aggregate in which case the arbitration shall be conducted by a panel of three arbitrators. If the Parties hereto are unable to agree on the mediator or the arbitrator(s), then the AAA shall select the arbitrator(s). The resolution of the dispute by the arbitrator(s) shall be final, binding, nonappealable, and fully enforceable by a court of competent jurisdiction under the Federal Arbitration Act. The arbitrator(s) shall award damages to the prevailing Party. The arbitration award shall be in writing and shall include a statement of the reasons for the award. The arbitration shall be held in the Phoenix/Scottsdale metropolitan area. The Company shall pay all AAA, mediation, and arbitrator’s fees and costs. The arbitrator(s) shall award reasonable attorneys’ fees and costs to the prevailing Party. Notwithstanding anything in the foregoing to the contrary, disputes concerning any cash or benefits payable under the Severance Plan shall be subject to the dispute resolution provisions of that plan, and not this Agreement.

(g) Compliance with Section 409A. The intent of the Parties is that payments and benefits under this Agreement comply with, or be exempt from, Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted in accordance therewith. In no event whatsoever shall the Company be liable for any interest and additional tax that may be imposed on Executive by Section 409A or any damages for failing to comply with Section 409A.

(i) Notwithstanding anything herein to the contrary, (x) if at the time of Executive’s termination of employment with the Company Executive is a “specified employee” as defined in Section 409A, and the deferral of the commencement of any payments or benefits otherwise payable hereunder as a result of such termination of employment that are considered a “deferral of compensation” within the meaning of

Section 409A is necessary in order to prevent any interest and additional tax under Section 409A (and/or the acceleration of the timing of taxation of the deferred compensation), then the Company will defer the commencement of the portion of such payment of any such payments or benefits hereunder (without any reduction in such payments or benefits ultimately paid or provided to Executive) to the extent necessary to comply with Section 409A until the first business day to occur following the date that is six (6) months following Executive's termination of employment with the Company (or the earliest date otherwise permitted under Section 409A); and (y) if any other payments of money or other benefits due to Executive hereunder could cause the Executive to incur any interest and additional tax under Section 409A (and/or the acceleration of the timing of taxation of the deferred compensation), such payments or other benefits shall be deferred if deferral will make such payment or other benefits compliant under Section 409A, or otherwise such payment or other benefits shall be restructured, to the extent possible, in a manner, mutually agreed upon between the Executive and the Board, that does not cause any such interest and additional tax under Section 409A (and/or the acceleration of the timing of taxation of the deferred compensation) and preserves, to the maximum extent possible, the economic value of the payments and benefits under this Agreement.

(ii) In the event that payments under this Agreement are deferred pursuant to this Section 15(g) in order to prevent any accelerated tax or additional tax under Section 409A, then such payments shall be paid at the time specified under this Section 15(g) in a lump sum, together with interest at the applicable federal rate under Section 7872(f)(2)(A) of the Code in effect on the Termination Date. All remaining payments due under this Agreement will be paid in accordance with the normal dates specified in this Agreement.

(iii) Notwithstanding anything to the contrary herein, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "resignation," "termination," "termination of employment" or like terms shall mean separation from service.

(iv) Each payment made under this Agreement shall be considered separate payments and not one of a series of payments for purposes of Section 409A.

(v) Notwithstanding anything to the contrary herein, except to the extent any expense, reimbursement or in-kind benefit provided pursuant to this Agreement does not constitute a "deferral of compensation" within the meaning of Section 409A, (A) the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive during any calendar year will not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive in any other calendar year; (B) the reimbursements for expenses for which Executive is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred; and (C) the right to payment or reimbursement or in-kind benefits hereunder may not be liquidated or exchanged for any other benefit.

(h) Severability of Invalid or Unenforceable Provisions. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

(i) Advice of Counsel and Construction. Each Party acknowledges that such Party had the opportunity to be represented by counsel in the negotiation and execution of this Agreement. Accordingly, the rule of construction of contract language against the drafting Party is hereby waived by each Party.

(j) Entire Agreement. The Stock Incentive Plan and the Severance Plan are hereby incorporated by reference into this Agreement. This Agreement, all Exhibits attached hereto, the Stock Incentive Plan and the Severance Plan constitute the entire agreement between the Parties as of the Effective Date and supersedes all previous agreements and understandings between the Parties with respect to the subject matter hereof.

(k) Withholding Taxes. The Company shall be entitled to withhold from any payment due to Executive hereunder any amounts required to be withheld by applicable tax laws or regulations.

(l) Section Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

(m) Cooperation. During the Term and at any time thereafter, Executive agrees to cooperate, at Company's expense, (i) with the Company in the defense of any legal matter involving any matter that arose during Executive's employment with the Company; and (ii) with all government authorities on matters pertaining to any investigation, litigation or administrative proceeding pertaining to the Company. The Company will reimburse Executive for any reasonable travel and out of pocket expenses incurred by Executive in providing such cooperation.

(n) Survival. Sections 6 through 12, inclusive, and Sections 14 and 15(b)-(p), inclusive, shall survive and continue in full force in accordance with their terms notwithstanding any termination of the Term or of Executive's employment with the Company.

(o) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

(p) Recoupment/Clawback. Notwithstanding any other provisions in this Agreement to the contrary, any incentive-based compensation, or any other compensation, paid to Executive pursuant to this Agreement or any other agreement or arrangement with the Company or any of its affiliates, which may be subject to recovery under any law, government regulation, company policy or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation, company policy or stock exchange listing requirement to the extent reasonably required by any such law, government regulation, company policy or stock exchange listing requirement, as determined by the Board in its sole and absolute discretion. For purposes of this Section 15(p), a "company policy" means any written company policy adopted by the Company that is made available to the Company's executive officers through electronic or any other means.

THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

[Remainder of page intentionally left blank – signatures appear on the following page]

The Parties have executed this Agreement as of the date first above written.

Company

Meritage Homes Corporation

By: /s/ Phillippe Lord______

Name: Phillippe Lord

Title: Chief Executive Officer

Executive

/s/ Austin Woffinden______

Austin Woffinden

EXHIBIT A

DEFINED TERMS

1. "Accrued Obligations" shall mean, at any point in time and except as expressly provided herein, any amounts to which the Executive is entitled to payment but have not yet been paid to Executive including, but not limited to, each of the following (but only to the extent such amounts are vested, earned or accrued at the time of payment): Base Salary, earned but unpaid incentive compensation amounts described in Sections 4(b) and 4(c) above, and any other payments, retention bonuses, entitlements or benefits vested, earned or accrued but unpaid under applicable benefit and compensation plans, programs and other arrangements with the Company and/or any of its subsidiaries, including payment of Accrued Obligations as such term is defined in the Severance Plan.

2. "Affiliate" of a Person shall mean any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person.

3. "Board" shall mean the Company's board of directors.

4. "Cause" shall mean the occurrence of one or more of the following: (i) Executive's malfeasance, willful, or gross misconduct, or willful dishonesty that materially harms the Company or its stockholders; (ii) Executive's conviction of a felony that is materially detrimental to the Company or its stockholders; (iii) Executive's conviction of, or entry of a plea *nolo contendere* to a felony that materially damages the Company's financial condition or reputation or to a crime involving fraud; (iv) Executive's material violation of the Company's Code of Ethics, including breach of duty of loyalty in connection with the Company's business; (v) Executive's willful failure to perform duties under this Agreement, after notice by the Board and an opportunity to cure; (vi) Executive's failure to reasonably cooperate with, or Executive's impedance or interference with, an investigation authorized by the Board; (vii) Executive's failure to follow a legal and proper Board directive, after notice by the Board and a 30 (thirty) day opportunity to cure; or (viii) Executive's willful misconduct or gross negligence pursuant to the Sarbanes-Oxley Act, if and to the extent such conduct triggers a restatement of the Company's financial results.

5. "Code" shall mean the Internal Revenue Code of 1986, as amended.

6. "Compensation Committee" shall mean the compensation committee of the Board.

7. "Confidential Information" shall mean any and all confidential, non-public, and/or proprietary knowledge, data or information of the Company, its affiliates, parents and subsidiaries, whether now existing or developed during Executive's employment. By way of illustration but not limitation, "Confidential Information" includes (a) trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques and any other proprietary technology and all proprietary rights therein (hereinafter collectively referred to as "Inventions"); (b) information regarding research, development, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, margins, discounts, credit terms, pricing and billing policies, quoting procedures, methods of obtaining business, forecasts, future plans and potential strategies, financial projections and business strategies, operational plans, financing and capital-raising plans, activities and agreements, internal services and operational manuals, methods of

conducting Company business, suppliers and supplier information, and purchasing; (c) information regarding customers and potential customers of the Company, including customer lists, names, representatives, their needs or desires with respect to the types of products or services offered by the Company, proposals, bids, contracts and their contents and parties, the type and quantity of products and services provided or sought to be provided to customers and potential customers of the Company and other non-public information relating to customers and potential customers; (d) information regarding any of the Company's business partners and their services, including names; representatives, proposals, bids, contracts and their contents and parties, the type and quantity of products and services received by the Company, and other non-public information relating to business partners; (e) information regarding personnel, employee lists, compensation, and employee skills; and (f) any other non-public information which a competitor of the Company could use to the competitive disadvantage of the Company. Notwithstanding the foregoing, Executive is free to use information which is generally known in the trade or industry through no breach of this agreement or other wrongful act or omission by Executive, and Executive is free to discuss the terms and conditions of Executive's employment with others and to use his own skill, knowledge, know-how and expertise to the extent permitted by law.

8. "Disability" means Executive has been unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months. Whether Executive is Disabled shall be determined by a qualified medical provider selected by the Company. Alternatively, Executive will be deemed Disabled if determined to be totally disabled by the Social Security Administration. Termination of employment resulting from Disability may only be effected after at least thirty (30) days' written notice by the Company to Executive of Company's intention to terminate Executive's employment due to Disability. In the event that Executive resumes the performance of substantially all of his or his duties hereunder before his or his termination becomes effective, the notice of intent to terminate based on Disability will automatically be deemed to have been revoked. In conjunction with determining Disability for purposes of this Agreement, Executive hereby (i) consents to any such examinations, to be performed by a qualified medical provider selected by the Company and approved by the Executive (which approval shall not be unreasonably withheld), which are relevant to a determination of whether Executive has incurred a Disability; and (ii) agrees to furnish to the qualified medical provider selected by the Company such medical information as may be reasonably requested.

9. "Good Reason" shall have the meaning prescribed to such term under Section 1.16 of the Severance Plan. Notwithstanding the foregoing to the contrary, neither (i) any shifting of duties, authority, responsibilities, or reporting responsibilities, between the positions of (a) Executive Vice President - Corporate Operations & Strategy and (b) Executive Vice President – Field Operations, as made by the CEO in his or her sole discretion nor (ii) any change in the Executive's reporting responsibilities made by the CEO as between the CEO, COO or President, as contemplated in Section 3(a), shall be considered a Good Reason condition as set forth under Section 1.16 of the Severance Plan. For the avoidance of doubt, this paragraph shall be treated as an amendment to Section 1.16 of the Severance Plan pursuant to Article 6 of the Severance Plan.

10. "Restricted Business" shall mean (i) any business conducted by the Company or its affiliates during the Term that relates to or concerns (directly or indirectly) any Confidential Information provided to Executive or learned by Executive as a result of Executive's duties or assignments for the Company, and/or (ii) any business competitive with the business conducted by the Company or its affiliates during the Term that relates to or concerns (directly or

indirectly) any Confidential Information provided to Executive or learned by Executive as a result of Executive's duties or assignments for Company. The geographic scope of the restriction contained in Section 7 is limited to those locations where, (1) during the twelve (12) month period preceding the Termination Date, the Company operates or has provided products or services to customers or (2) as of the Termination Date, has initiated plans to, and is reasonably anticipated to, operate or provide products or services to customers within the twelve (12) month period following the Termination Date.

11. "Severance Plan" shall mean that certain Meritage Homes Corporation Executive Severance Plan, as may be amended from time to time.

12. "Section 409A" shall mean Code section 409A together with all regulations and regulatory guidance promulgated thereunder, as amended from time to time.

EXHIBIT B

ADDITIONAL COMPENSATION, BENEFITS AND OTHER PROVISIONS

A. Directors and Officers Liability Insurance; Indemnification. In the event of termination of Executive's employment, (i) Executive shall remain covered under the directors and officers liability insurance maintained by the Company in commercially reasonable amounts (as determined by the Board) to the same extent as executives of the Company; and (ii) Executive shall remain eligible for indemnification by the Company to the extent provided for in the Company by-laws in effect from time to time, provided that such indemnification shall not be less favorable than the indemnification provided for in the Company's by-laws in effect as of January 1, 2026.

B. Supplemental Term Life and Disability Insurance. The Company shall provide Executive with term life insurance in the amount of three million dollars ($3,000,000), or, at the Company's option, reimbursement of premiums paid by Executive for an individual term life policy acquired by Executive, up to a maximum premium reimbursement of ten thousand dollars ($10,000) per calendar year. The Company will also provide Executive with supplemental disability insurance with monthly benefits of $20,000 in the event of Executive's total disability (or reimburse Executive premiums paid for by Executive for an individual disability policy acquired by Executive). "Disability" for purposes of this paragraph will have the definition as set forth in the Executive's disability policy; provided that, in lieu of such disability benefit, the Executive may elect to receive any combination of disability and/or long term care benefit(s) so long as the Company's cost of such other benefit(s) does not exceed the Company's cost of a disability benefit providing for monthly benefits of $20,000. Executive shall be responsible for all taxes related to the foregoing life insurance and disability insurance premiums; the Company will withhold taxes applicable to such payments. Any reimbursements under this paragraph shall be subject to the requirements set forth in Section 5(d) of the Agreement.

C. Automobile Allowance. Company shall provide Executive with an annual automobile allowance of twelve thousand dollars ($12,000) payable at the rate of one thousand dollars ($1,000) per month. This allowance shall be included in Executive's taxable income.

D. Financial Relocation Assistance. To assist with the relocation of the Executive and the Executive's family to the Phoenix/Scottsdale metro area, provided the Executive completes the relocation on or before November 30, 2026, the Company shall provide financial relocation assistance to the Executive ("Relocation Assistance") as follows:

1. A relocation bonus of seventy-five thousand dollars ($75,000) shall be paid to Executive in a single lump sum (reduced for applicable tax withholding as required by law) within the first two regular payroll dates following the Effective Date.

2. Additionally, during 2026 the Company will provide Executive with up to seventy-five thousand dollars ($75,000) to relocate furnishings and household goods from Executive's current primary residence in Texas to the Phoenix/Scottsdale metro area. Executive may utilize the Company's preferred relocation provider, or at Executive's discretion, Executive may use a relocation provider of Executive's choice. If Executive chooses his own relocation provider, Executive will be reimbursed for relocation expenses actually incurred by Executive, up to $75,000; this reimbursement will be payable to Executive no earlier than January 1, 2026 and no later than December 31, 2026. Whether through the Company's preferred relocation provider or through reimbursement of expenses incurred, the maximum amount available under this subparagraph 2 will not exceed $75,000 and no such relocation allowance or relocation expense reimbursement will be payable to Executive prior to January 1, 2026 (for the avoidance of doubt, the relocation allowance or reimbursement actually provided to Executive will be taxable to Executive in 2026 and amounts actually paid to Executive will be reduced for applicable tax withholding as required by law). To the extent a relocation expense reimbursement is paid directly to Executive under this Section, applicable withholding shall be taken on each such expense reimbursement payment. To the extent executive utilizes the Company's preferred relocation provider, resulting in a relocation allowance being imputed into Executive's taxable income, applicable withholding shall be taken from Executive's regular wages in 2026 as necessary.

3. Additionally, if either (1) Executive does not complete his relocation by November 30, 2026, Executive is required to repay, and hereby agrees to repay not later than December 31, 2026, one hundred percent (100%) of all Relocation Assistance previously provided to him or (2) Executive's employment with the Company is terminated prior to December 31, 2027, for any reason other than (a) Executive's death, (b) Executive's Disability, (c) Executive's involuntary termination by the Company without Cause, or (d) termination by Executive for Good Reason, Executive is required to repay, and hereby agrees to repay within ten (10) business days of Executive's Termination Date, Relocation Assistance previously paid to Executive under subparagraphs 1 and 2, above, as follows:

i. Where Executive's Termination Date occurs prior to December 31, 2026, Executive's repayment obligation is equal to one hundred percent (100%) of all Relocation Assistance previously provided to him.

ii. Where Executive's Termination Date occurs after December 31, 2026, but prior to December 31, 2027, Executive's repayment obligation is the prorated portion of the Relocation Assistance previously provided to him, based on calendar months of employment with the Company divided by twenty-four (24). For example, if termination occurs during the month of February 2027 (i.e., the Executive's 14th month of employment as measured from the Effective Date), Executive's repayment obligation would be the previously paid Relocation Assistance multiplied by 41.67% (= 10 / 24).

E. Attorneys' Fees. The Company shall reimburse reasonable attorneys' fees incurred by Executive for drafting and reviewing this Agreement and all related documents within sixty (60) days after it is signed by the Parties, up to an amount not to exceed five thousand dollars ($5,000). To be eligible for reimbursement, all requests for, and payment of, reimbursement under this paragraph E must occur within the timeframe set forth in Section 5(d) of the Agreement.

EXHIBIT C

BONUS

A. Bonus Opportunity. For each Performance Period, as defined in paragraph B below, Executive shall be entitled to A Bonus based on his Target Bonus, as set forth in paragraph C below, subject to the achievement of certain performance goals.

B. Performance Period. For purposes of this Exhibit C, the Performance Period shall generally be the 12 month period beginning on January 1 of each calendar year during the Initial Term and any Renewal Term.

C. Target Bonus and Bonus. Executive's Target Bonus shall be nine hundred sixty-two thousand and five hundred dollars ($962,500) for the Performance Period beginning January 1, 2026. For future Performance Periods during Executive's employment under this Agreement, the Executive's Target Bonus will remain at $962,500, or such greater amount as may be provided in a written notice to the Executive from the Committee. Executive's Bonus that is payable for any Performance Period, if any, shall be an amount ranging from 0% to 250% of the Target Bonus (or such upper percentage limit as otherwise established in writing by the Committee), contingent upon the achievement of one or more performance goals established by the Committee for such Performance Period, as set forth in paragraph D.

D. Performance Goals. No later than 90 days after the commencement of each Performance Period, the Committee shall, in its sole discretion, establish in writing one or more pre-established, objective performance goals for such Performance Period. Such performance goal(s) shall state, in terms of an objective formula or standard, the amount of the Target Bonus payable to Executive upon achievement of each such performance goal (or any specified threshold, intermediate, target, maximum or other level with respect thereto).

E. Pro Rata Bonus. A pro rata Bonus, where applicable, shall be an amount equal to (1) the Bonus otherwise determined by the Committee based upon actual performance for the Performance Period in accordance with the foregoing provisions of this Exhibit C, multiplied by (2) a fraction, the numerator of which is the number of days that Executive is employed by the Company during the Performance Period, and the denominator of which is the total number of days in the Performance Period.

F. Payment. Except as otherwise provided in the Agreement, any Bonus payable under this Exhibit C (including any pro rata Bonus determined under paragraph E) shall be paid in cash to Executive at the time(s) determined by the Committee in its reasonable discretion, provided that the Bonus shall be paid in its entirety no later than March 15 of the calendar year following the calendar year to which the payment relates.

EXHIBIT D

PERFORMANCE SHARE AWARD

A. Performance Share Opportunity. For each Performance Period, as defined in paragraph B below, Executive shall be granted a Performance Share Award (“PSA”) under the Stock Incentive Plan giving Executive the right to receive shares of common stock of the Company (“Shares”), based on a target specified in paragraph C below and subject to the achievement of certain performance goals. The vesting provisions of each PSA awarded hereunder shall be as provided in the actual award issued to the Executive evidencing the terms of the PSA.

B. Performance Period. For purposes of this Exhibit D, the Performance Period shall be the three (3) year period beginning on January 1 of each calendar year during the Initial Term and any Renewal Term.

C. Shares. A target number of Shares with a fair market value on the date of grant, based on the closing price of the Company’s stock on such date, of a minimum of four hundred eighty-one thousand and two hundred and fifty dollars ($481,250) shall be established for the PSA for each Performance Period beginning on and after January 1, 2026, or such greater amount as may be provided in a written notice to the Executive from the Committee. The PSA that is payable for any Performance Period, if any, shall be an amount ranging from 0% to 200% of such target number of Shares, contingent upon the achievement of one or more performance goals established by the Committee for such Performance Period, as set forth in paragraph D. Notwithstanding the foregoing, the maximum number of shares deliverable pursuant to any PSA shall not exceed the maximum number of shares that could be granted during a calendar year under the Stock Incentive Plan.

D. Performance Goals. No later than 90 days after the commencement of each Performance Period, the Committee shall, in its sole discretion, establish in writing one or more pre-established, objective performance goals for such Performance Period. Such performance goal(s) shall state, in terms of an objective formula or standard, the amount of the target number of Shares determined under paragraph C for such Performance Period payable to Executive upon achievement of each such performance goal (or any specified threshold, intermediate, target, maximum or other level with respect thereto).

E. Stock Incentive Plan. This Exhibit D, subject to any action taken by the Committee pursuant thereto, shall be subject to the terms and conditions of the Stock Incentive Plan. If there is any conflict between the provisions of the Agreement or this Exhibit D and the Stock Incentive Plan or any award agreement, the Agreement or this Exhibit D (as applicable) shall control.

F. Vesting and Payment. Vesting of each PSA shall set forth in the award agreement underlying the PSA. Except as otherwise provided in the Agreement, any PSAs payable under this Exhibit D shall be settled by delivery of whole Shares to Executive at the time(s) determined by the Committee in its reasonable discretion, provided that such Shares shall be delivered (and such cash, if any, shall be paid) no later than March 15 of the calendar year following the Performance Period to which the payment relates.

G. Performance-Based Restricted Stock Units. The Company may grant Executive performance based restricted stock units in lieu of the PSAs; provided, however, that such restricted stock units shall be on the same terms and conditions as the PSAs and the provisions herein and in the Agreement with respect to PSAs shall apply to the performance based restricted stock units.

(q)

EXHIBIT E

RESTRICTED STOCK UNIT AWARD

A. Restricted Stock Unit. For each Performance Period beginning on and after January 1, 2026, as defined in paragraph B below, and subject to the approval of the Committee, Executive shall be granted a Restricted Stock Unit Award ("RSU") under the Stock Incentive Plan giving Executive the right to receive shares of common stock of the Company ("Shares") with a fair market value on the date of grant, based on the closing price of the Company's stock on such date, of four hundred eighty-one thousand and two hundred and fifty dollars ($481,250), or such greater amount as may be provided in a written notice to the Executive from the Committee. Notwithstanding the foregoing, the maximum number of Shares deliverable pursuant to any RSU shall not exceed the maximum number of Shares that could be granted during a calendar year under the Stock Incentive Plan, reduced by the maximum number of shares deliverable pursuant to a PSA granted under Exhibit D during the same calendar year. The vesting provisions of each RSU awarded hereunder shall be as provided in the actual award issued to the Executive evidencing the terms of the RSU

B. Vesting Period. For purposes of this Exhibit E, the Vesting Period for an RSU award shall be the three (3) year period beginning on the date an RSU award is granted.

C. Performance Period. For purposes of this Exhibit E, the Performance Period shall be the three (3) year period beginning on January 1 of each calendar year during the Initial Term and any Renewal Term.

D. Performance Goals. No later than ninety (90) days after the commencement of each Performance Period, the Committee may, in its sole discretion, establish in writing one or more preestablished, objective performance goals for such Performance Period. Such performance goal(s) shall state, in terms of an objective formula or standard, the amount of the target number of Shares determined for such Performance Period payable to Executive upon achievement of each such performance goal (or any specified threshold, intermediate, target, maximum or other level with respect thereto).

E. Stock Incentive Plan. This Exhibit E shall be subject to the terms and conditions of, the Stock Incentive Plan. If there is any conflict between the provisions of the Agreement or this Exhibit E and the Stock Incentive Plan or any RSU award agreement, the Agreement or this Exhibit E (as applicable) shall control.

F. Vesting and Payment. Vesting of each RSU shall set forth in the award agreement underlying the RSU. Except as otherwise provided in the Agreement, any RSUs which become fully vested and nonforfeitable under paragraph C of this Exhibit E shall be settled by delivery of whole Shares to Executive within 60 (sixty) days after the date those Shares become vested. Notwithstanding anything in this Exhibit E to the contrary, if the 60 day payment distribution period spans two calendar years, the payment to which Executive is entitled under this paragraph E shall be made in the second calendar year.

EXHIBIT F

FORM OF RELEASE OF CLAIMS

This Release of Claims ("Agreement") is made and entered into by Austin Woffinden ("Employee") on the date set forth below.

WHEREAS, Employee and Meritage Homes Corporation, Inc. (the "Company") entered into an Employment Agreement dated January 1, 2026 ("Employment Agreement"); and

WHEREAS, Employee is a participant in that certain Meritage Homes Corporation Executive Severance Plan (the "Severance Plan"); and

WHEREAS, pursuant to the terms of the Employment Agreement and the Severance Plan, Employee agreed to execute and deliver Company a written waiver and general release agreement as a condition precedent to his right to receive certain amounts under the Employment Agreement and/or Severance Plan;

NOW, THEREFORE, in consideration of the promises and payments set forth in the Employment Agreement and the Severance Plan, Employee agrees as follows:

1. **Meaning of "Released Parties":** The term Released Parties, as used throughout this Agreement, includes the Company and all of its past, present, and future shareholders, parents, subsidiaries, and affiliates, joint venturers, and other current or former related entities thereof, and all of the past, present, and future officers, directors, employees, agents, insurers, legal counsel, and successors and assigns of said entities.

2. **Employee's Release of Claims:** Subject to Paragraph 4 of this Agreement, Employee, on behalf of himself, his spouse (if any), representatives, agents, heirs, trusts and assigns, hereby unconditionally and irrevocably releases Released Parties to the maximum extent permitted by law, from any and all claims, debts, obligations, demands, judgments, or causes of action of any kind whatsoever, whether known or unknown that Employee has or may have had prior to the Effective Date of this Agreement (as defined in Paragraph 3(f) below) for any action or omission by Released Parties and/or due to any matter whatsoever relating to Employee's employment or cessation of employment with the Company. Without limiting in any way the foregoing general release, this release specifically includes the following:

a. All claims and causes of action arising under the following laws, as amended: Section 1981 of the Civil Rights Act of 1866; Title VII of the Civil Rights Act; the Americans with Disabilities Act; the Federal Family and Medical Leave Act; the Worker Adjustment and Retraining Notification Act; the National Labor Relations Act; the Labor Management Relations Act; the Fair Credit Reporting Act; the Employee Retirement Income Security Act of 1974; the Genetic Information Nondiscrimination Act of 2008; the Health Insurance Portability and Accountability Act; the Occupational and Safety Health Act; the Equal Pay Act; Executive Orders 11246 and 11141; the Consolidated Omnibus Budget Reconciliation Act of 1986; the

Rehabilitation Act of 1973; the Electronic Communications Privacy Act of 1986 (including the Stored Communications Act); the Arizona Wage Statute, A.R.S. § 23-350, *et seq*., the Arizona Civil Rights Act, the Arizona Employment Protection Act, and the Arizona Constitution; and

b. All claims and causes of action arising under any other federal, state or local law, regulation or ordinance, including for employment discrimination on any basis, hostile working environment, retaliation, wrongful discharge, retaliatory discharge, constructive discharge, unsafe working conditions, breach of express or implied contract, breach of collective bargaining agreement, breach of implied covenant of good faith and fair dealing, fraud, detrimental reliance, promissory estoppel, defamation, negligence, negligent or intentional misrepresentation, invasion of privacy, interference with economic gain or contractual relations, and intentional and negligent infliction of emotional distress or "outrage"; and

c. All claims and causes of action by the Employee that Released Parties have acted unlawfully or improperly in any manner whatsoever.

3. **Age Discrimination in Employment Act; Older Workers Benefit Protection Act of 1990:** In addition to the general release in Paragraph 2 of this Agreement, the Employee is waiving and releasing any and all claims against Released Parties under the Age Discrimination and Employment Act ("ADEA") that arose at any time during the Employee's employment with the Company, up to and including his last day of employment. This Agreement is subject to the terms of the Older Workers Benefit Protection Act of 1990 ("OWBPA"). The OWBPA provides that an individual cannot waive a right or claim under the ADEA unless the waiver is knowing and voluntary. Pursuant to the terms of the OWBPA, the Employee acknowledges and agrees that the Employee has been provided a copy of this Agreement, has signed this Agreement voluntarily, and with full knowledge of its consequences. In addition, the Employee hereby acknowledges and agrees as follows:

a. This Agreement has been written in a manner that is calculated to be understood, and is understood, by the Employee;

b. The release provisions of this Agreement apply to any rights the Employee may have under the ADEA up to the date of this Agreement;

c. The release provisions of this Agreement do not apply to any rights or claims the Employee may have under the ADEA that arise after the date he signs this Agreement;

d. The Employee has been advised that he should consult with an attorney prior to signing this Agreement;

e. The Employee has been provided a period of twenty-one (21) calendar days (the "Review Period") from his last day of employment with the Company to consider this Agreement. The Employee may, but is not required to, accept and sign this Agreement before the expiration of the Review Period, but no earlier than his last day of employment with the

Company. If the Employee signs this Agreement before the expiration of the Review Period, the Employee agrees that he is knowingly and expressly waiving the time-period;

f. For a period of seven (7) calendar days following his signing of this Agreement, the Employee may revoke this Agreement by providing written notice of any such revocation to Chief People Officer, on or before the seventh day after the Employee signs the Agreement. This Agreement shall become "effective" on the eighth calendar day after the Employee signs it if it has not been revoked during the seven (7) day revocation period (the "Effective Date");

g. Pursuant to the Severance Plan, payment of any severance benefits under the Severance Plan is conditioned on the execution of this Agreement within the Review Period and the running of the revocation period described in 3(f) ("Revocation Period"); and

h. The Employee may not sign this Agreement until after his last day of employment with the Company and the Agreement shall not be effective if the Employee executes the Agreement prior to such date.

4. **Protected Rights:** The Employee understands that nothing contained in this Agreement shall be construed to prohibit him from filing a charge with or participating in an investigation or proceeding conducted by the Equal Employment Opportunity Commission, the National Labor Relations Board, or any state or federal agency. The Employee understands that he has waived and released any and all claims for money damages and equitable relief that the Employee may recover from Released Parties pursuant to the filing or prosecution of any administrative charge against Released Parties, or any resulting civil proceeding or lawsuit brought on his behalf for the recovery of such relief, and which arises out of the matters that are and may be released or waived by this Agreement. The Employee also understands, however, that this Agreement does not limit his ability to communicate with any government agencies or otherwise participate in any investigation or proceeding that may be conducted by any government agency, including providing documents or other information, without notice to the Company. This Agreement also does not limit the Employee's right to receive an award for information provided to any government agencies.

5. **Pension Plan:** This Agreement shall not affect any vested rights the Employee has under an ERISA pension benefit plan(s).

6. **Medicare:** The Employee affirms, covenants, and warrants he is not a Medicare beneficiary and is not currently receiving, has not received in the past, will not have received at the time of payment pursuant to this Agreement, is not entitled to, is not eligible for, and has not applied for or sought Social Security Disability or Medicare benefits. In the event any statement in the preceding sentence is incorrect (for example, but not limited to, if the Employee is a Medicare beneficiary, etc.), the following sentences (i.e., the remaining sentences of this paragraph) apply. The Employee affirms, covenants, and warrants he has made no claim for illness or injury against, nor is he aware of any facts supporting any claim against, the Released Parties under which Released Parties could be liable for medical expenses incurred by the Employee before or after the execution of this agreement. Furthermore, the Employee is aware

of no medical expenses which Medicare has paid and for which Released Parties are or could be liable now or in the future. The Employee agrees and affirms that, to the best of his knowledge, no liens of any governmental entities, including those for Medicare conditional payments, exist. The Employee will indemnify, defend, and hold Released Parties harmless from Medicare claims, liens, damages, conditional payments, and rights to payment, if any, including attorneys' fees, and the Employee further agrees to waive any and all future private causes of action for damages pursuant to 42 U.S.C. § 1395y(b)(3)(A) et seq.

7. **Attorneys' Fees and Costs:** In any proceeding or action to enforce this Agreement or to recover damages arising out of its breach, the prevailing Party shall be awarded its reasonable attorneys' fees and costs.

8. **Governing Law and Venue:** This Agreement will be interpreted and construed in accordance with the laws of the State of Arizona, insofar as federal law does not control, and venue as to any dispute regarding this Agreement, or interpretation thereof, shall be in Maricopa County, Arizona.

9. **Modification of Agreement:** This Agreement shall not be modified, amended, or terminated unless such modification, amendment, or termination is executed in writing by the Employee, and an authorized representative of the Company.

10. **The Employee's Representations:** The Employee warrants that the Employee is over the age of eighteen (18) and competent to sign this Agreement; that in signing this Agreement the Employee is not relying on any statement or representation by the Company that is not contained in this Agreement, but is relying upon the Employee's judgment and/or that of the Employee's legal counsel and/or tax advisor; that the Agreement was signed knowingly and voluntarily without duress or coercion in any form; and that the Employee fully understands the same is a FULL and FINAL SETTLEMENT of any and all claims against Released Parties which have been or could have been asserted or on account or arising out of the Employee's employment relationship with the Company or the actions of any of Released Parties. The Employee further represents and certifies that the Employee has been given a fair opportunity to review the terms of this Agreement and has determined that it is in the Employee's best interest to enter into this Agreement.

11. **Drafting and Construction:** This Agreement may not be construed in favor of or against either the Employee or the Company (each, a "Party") on the grounds that said Party was less or more involved in the drafting process.

ACCEPTED AND AGREED:

______________________________ ______________________________

Austin Woffinden Date

Exhibit 10.9

MERITAGE HOMES CORPORATION

EXECUTIVE SEVERANCE PLAN

(January 1, 2026 Restatement)

Effective January 1, 2026

MERITAGE HOMES CORPORATION
EXECUTIVE SEVERANCE PLAN
(January 1, 2026 Restatement)

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MERITAGE HOMES CORPORATION
EXECUTIVE SEVERANCE PLAN
(January 1, 2026 Restatement)

PREAMBLE

Meritage Homes Corporation (the “Company”) previously established and adopted this Meritage Homes Corporation Executive Severance Plan (the “Plan”), effective as of January 1, 2017 (the “Effective Date”), to further the economic interests of the Company by providing severance benefits to selected Executives. The Plan as originally adopted effective January 1, 2017, has since been amended and restated, with the most-recent restatement adopted effective January 1, 2021, and the most-recent amendment thereto adopted effective April 18, 2022. The Company hereby further amends and restates this Plan effective as of January 1, 2026 (the “Restated Effective Date”), as provided herein; this Plan restatement amends and completely supersedes the previous restatement adopted effective January 1, 2021, as amended effective April 18, 2022.

The Compensation Committee “Compensation Committee”) of the Company’s Board of Directors (the “Board”) recognizes that, as is the case with many publicly held corporations, the possibility of a Change in Control exists and that such possibility, and the resultant uncertainty as to an Executive’s responsibilities, compensation, or continued employment, may result in the departure or distraction of the Executive, which may be detrimental to the financial performance of the Company.

The Compensation Committee believes that it is in the best interests of the Company and its stockholders to (i) assure that the Company will have the continued dedication and objectivity of selected Executives, notwithstanding the possibility, threat, or occurrence of a Change in Control, and (ii) provide selected Executives with an incentive to continue their employment prior to a Change in Control and to motivate them to maximize the value of the Company upon a Change in Control for the benefit of its stockholders.

The Compensation Committee also believes that it is important to the interest of the Company and its stockholders to provide selected Executives with certain severance benefits upon their termination of employment under certain non-Change in Control circumstances.

The Plan is a “top-hat” plan within the meaning of Sections 201(2), 301(a)(3), and 401(a)(1) of ERISA. As such, this Plan is subject to limited ERISA reporting and disclosure requirements, and is exempt from most other ERISA requirements. Distributions required or contemplated by this Plan or actions required to be taken under this Plan shall not be construed as creating a trust of any kind or a fiduciary relationship between the Company and any Executive, Participant, employee, or any other person.

ARTICLE 1
REFERENCES AND DEFINITIONS

Whenever used herein and capitalized, the following terms have the respective meanings indicated unless the context clearly requires otherwise.

1.1 **“Accrued Obligations”** means all of a Participant’s accrued but unpaid vacation, expense reimbursements, wages, and other benefits due to the Participant under any Company-provided plans, policies, or arrangements as of the Participant’s termination date.

1.2 **“Base Salary”** means a Participant’s total annual base rate of pay as in effect immediately prior to the Participant’s termination of employment or, in the event of a termination during the Change in Control Period, if greater, at the level in effect immediately prior to the Change in Control. Base Salary shall not be reduced for any salary reduction contributions: (a) to cash or deferred arrangements under Code Section 401(k), (b) to a cafeteria plan under Code Section 125, or (c) to a nonqualified deferred compensation plan. Base Salary shall not take into account any bonuses, commissions, reimbursed expenses, employer credits or contributions to a nonqualified deferred compensation plan (other than salary reduction contributions as described above), or any additional cash compensation or compensation payable in a form other than cash.

1.3 **“Board”** means the board of directors of Meritage Homes Corporation.

1.4 **“Cause”** means:

(a) a Participant’s malfeasance, willful, or gross misconduct, or willful dishonesty that materially harms the Company or its stockholders;

(b) a Participant’s conviction of a felony that is materially detrimental to the Company or its stockholders;

(c) a Participant’s conviction of, or entry of a plea *nolo contendere* to a felony that materially damages the Company’s financial condition or reputation or to a crime involving fraud;

(d) a Participant’s material violation of the Company’s Code of Ethics, including breach of duty of loyalty in connection with the Company’s business;

(e) a Participant’s willful failure to perform duties under the Participant’s Employment Agreement (if one exists) after notice by the Board and an opportunity to cure;

(f) a Participant’s failure to reasonably cooperate with, or a Participant’s impedance or interference with, an investigation authorized by the Board;

(g) a Participant’s failure to follow a legal and proper Board directive, after notice by the Board and a 30 (thirty) day opportunity to cure; or

(h) a Participant’s willful misconduct or gross negligence pursuant to the Sarbanes-Oxley Act, if and to the extent such conduct triggers a restatement of the Company’s financial results.

The determination as to whether a Participant is being terminated for Cause will be made in good faith by the Committee and will be final and binding on all interested parties. The foregoing definition does not in any way limit the Company's ability to terminate a Participant's employment relationship at any time.

1.5 **"Change in Control**" means the occurrence of any of the following events:

(a) The acquisition of beneficial ownership, directly or indirectly, of securities having 35% or more of the combined voting power of the Company's then outstanding securities by any "Unrelated Person" or "Unrelated Persons" acting in concert with one another. For "Change of Control" purposes, the term "Person" shall mean and include any individual, partnership, joint venture, association, trust, corporation, or other entity (including a "group" as referred to in Section 13(d)(3) of the Securities Exchange Act of 1934 (the "Act")). For "Change of Control" purposes, the term "Unrelated Person" shall mean and include any Person other than the Company, or an employee benefit plan of the Company, or any officer, director, or 10% or more shareholder of the Company as of the date of this Agreement;

(b) A sale, transfer, or other disposition through a single transaction or a series of transactions of all or substantially all of the assets of the Company to an Unrelated Person or Unrelated Persons acting in concert with one another;

(c) Any consolidation or merger of the Company with or into an Unrelated Person, unless immediately after the consolidation or merger the holders of the Company's common stock immediately prior to the consolidation or merger are the Beneficial Owners of securities of the surviving corporation representing at least 50% of the combined voting power of the surviving corporation's then outstanding securities; or

(d) A change during any period of two (2) consecutive years of a majority of the members of the Company's Board of Directors for any reason, unless the election, or the nomination for election by the Company's shareholders, of each director was approved by the vote of a majority of the directors then still in office who were directors at the beginning of the period.

1.6 **"Change in Control Period**" means the period beginning ninety (90) days prior to, and ending twenty-four (24) months following, a Change in Control.

1.7 **"Code"** means the Internal Revenue Code of 1986, as now in effect or as hereafter amended. All citations to sections of the Code and related Treasury Regulations are to such sections as they may from time to time be amended or renumbered.

1.8 **"Committee"** means the Compensation Committee of the Board.

1.9 **"Company"** means Meritage Homes Corporation, and will be interpreted to include any subsidiary, parent or affiliate, if applicable, or any successor company thereafter.

1.10 **“Disability”** has the meaning prescribed to such terms under the Participant’s Employment Agreement, if one exists, and if none exists, means that a Participant is receiving income replacement benefits for a period of not less than six (6) months under an accident or health plan established by the Company for its employees, by reason of any medically determinable physical or mental impairment which actually hinders Participant’s ability to perform his or her job responsibilities, and which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months.

1.11 **“Effective Date”** means the original effective date of the Plan, which was January 1, 2017.

1.12 **“Employment Agreement”** means a written agreement, if any, between the Company and the Executive governing the terms and conditions of Executive’s employment with the Company.

1.13 **“Equity Awards”** means a Participant’s outstanding stock options, stock appreciation rights, restricted stock units, performance shares, performance stock units and any other Company equity compensation awards.

1.14 **“ERISA”** means the Employee Retirement Income Security Act of 1974, as now in effect or as hereafter amended. All citations to sections of ERISA are to such sections as they may from time to time be amended or renumbered.

1.15 **“Executive”** means an individual who is employed by the Company in one of the following positions: (i) Chief Executive Officer (“CEO”), (ii) Executive Vice President (“EVP”), and Executive Chairman (“EC”).

1.16 **“Good Reason”** means a Participant’s voluntary termination, within thirty (30) days following the expiration of the Company cure period (discussed below) on account of the occurrence of one or more of the following, without the Participant’s consent:

(a) the Company assigns Participant duties that are materially inconsistent with, or constitute a material reduction of powers or functions associated with, Participant’s position, duties, or responsibilities with the Company as in effect immediately prior to such assignment;

(b) a material, adverse change in Participant’s titles, authority, or reporting responsibilities as in effect immediately prior to such change;

(c) a material adverse change in the conditions of Participant’s employment as in effect immediately prior to such change;

(d) the Company requires the Participant to relocate employment to an employment location that is more than fifty (50) miles from the Participant’s employment location as in effect immediately prior to such change;

(e) except in cases where the Compensation Committee reduces the base salaries for all or substantially all of the Company’s Executives on account of what the Compensation Committee, in its sole and complete discretion, determines to be a significant downturn in the Company's financial performance that necessitates such action, a reduction by the Company of the Participant's annual Base Salary in excess of fifteen percent (15%) of the annual Base Salary as in effect immediately prior to such reduction;

(f) the Compensation Committee exercises its discretion to grant Annual Awards to the Participant for a calendar year on terms and conditions that are not consistent with those on which awards are made to other Executives and, as a result, there is a material reduction in amounts payable to the Participant under those Annual Awards when compared to the awards granted to other Executives for that calendar year;

(g) a breach by the Company of its obligations under this Plan or under any Employment Agreement governing the Participant's employment with the Company; or

(h) the failure of the Company to obtain assumption of this Plan by any successor; or

(i) the failure of the Company to obtain assumption of any Employment Agreement governing the Participant's employment with the Company.

For Good Reason purposes, the term "Annual Awards" has the meaning prescribed to such term under the Participant's employment agreement (if one exists).

Notwithstanding the foregoing, an event described in this Section shall not constitute Good Reason unless it is communicated by the Executive to the Company in writing within ninety (90) days of the initial existence of such event and is not corrected by the Company in a manner which is reasonably satisfactory to such Participant within thirty (30) days of the Company's receipt of such written notice. If the purported Good Reason condition is not cured within the 30-day period described in the preceding sentence, Participant may submit a written notice of termination to the Chair of the Board specifying a termination date that is no more than sixty (60) days following the final day of the Company's cure period. Participant will be deemed to have accepted the condition(s), or the Company's correction of such condition(s), that may have given rise to the existence of Good Reason if she fails to provide such written notice or fails to terminate her employment within the 60-day period described in the preceding sentence.

1.17 **"Participant"** means any Executive who commenced participation in the Plan as provided in Article 2.

1.18 **"Plan"** means the Meritage Homes Corporation Executive Severance Plan, as contained herein and as it may be amended from time-to-time hereafter.

1.19 **"Restated Effective Date"** means the effective date of this amended and restated plan, which is January 1, 2026.

1.20 **"Retirement**" means a Participant's voluntary termination with the Company without Good Reason, after the Participant's completion of at least fifteen (15) cumulative years of service as an Executive and/ or a member of the Board, or as provided in Section 3.1(g), an election by a Participant who involuntarily terminates employment without Cause who has the requisite 15 years of service to receive a benefit under Section 3.4 instead of Section 3.1.

ARTICLE 2
ELIGIBILITY AND PARTICIPATION

2.1 Eligibility. An Executive shall be eligible to become a Participant in the Plan if the Executive:

(a) is a member of the Company's "select group of management or highly compensated employees," as defined in ERISA Sections 201(2), 301(a)(3), and 401(a)(1);

(b) is designated in writing by the Committee as eligible to participate in the Plan; and

(c) except where the Executive's employment is subject to an Employment Agreement that includes non-compete, non-solicitation and confidentiality provisions ("Restrictive Covenants"), the Executive is required to execute a Non-Compete, Non-Solicitation and Confidentiality Agreement pursuant to Section 2.5 below (to the extent the Participant has not already executed one previously).

2.2 Participation. An Executive who is eligible to become a Participant under Section 2.1 shall become a Participant as of the later of (a) the date designated by the Committee, or, if applicable, (b) the date the Executive executes a Non-Compete, Non-Solicitation and Confidentiality Agreement pursuant to Section 2.5 below.

2.3 Duration of Participation. A Participant shall cease to be a Participant on the date the Participant is no longer eligible for or entitled to a benefit under this Plan.

2.4 Reemployment. If a Participant who has incurred a termination of employment again becomes an Executive, the Executive may again become a Participant in accordance with Section 2.1 at the sole discretion of the Committee, but such reemployment shall not change, suspend, delay, or otherwise affect payment of any benefit otherwise payable to the Participant under the terms of the Plan.

2.5 Non-Compete, Non-Solicitation and Confidentiality Agreement. Eligibility to participate in this Plan and the receipt of any severance payments or benefits (other than the Accrued Obligations) pursuant to this Plan is subject to and conditioned on either (i) the Restrictive Covenants included within the Participant's Employment Agreement or (ii) where no such Restrictive Covenants exist, Executive executing the Non-Compete, Non-Solicitation and Confidentiality Agreement in substantially the form attached hereto as Exhibit B.

ARTICLE 3
PLAN BENEFITS

3.1 Termination without Cause or for Good Reason, Unrelated to a Change in Control. If the Company terminates a Participant's employment with the Company without Cause (excluding death or Disability) or if a Participant resigns from such employment for Good Reason, and, in each case, such termination occurs outside of the Change in Control Period, then subject to Article 4, and further subject to Section 3.1(g), each Participant other than the Executive Chairman, will receive the following:

(a) Accrued Obligations. The Company will pay the Participant all Accrued Obligations as soon as administratively feasible after termination.

(b) Severance Payment. The Participant will receive a lump-sum payment (less applicable withholding taxes) equal to the applicable percentage multiplier set forth in the Schedule of Benefits as attached hereto as Exhibit A based on the Participant's leadership level at the time of termination of employment times (A) the Participant's Base Salary plus (B) the Participant's target bonus in the year of termination of employment. Such lump-sum amount shall be payable upon the later of: (i) sixty (60) days following termination of employment, or (ii) such later date required by Section 4.3.

(c) Bonus Payment. In addition to the severance payment described above, the Participant will receive a lump sum payment equal to Participant's pro-rata bonus based upon actual performance for the performance period in which termination occurs, determined in accordance the applicable written bonus program, and paid at such time as bonuses are paid to other executives, but not later than March 15 of the calendar year following the end of the performance period. This amount shall be calculated pro rata based on the portion of the performance period during which the Participant was an active employee of the Company.

(d) Continuation Coverage. The Company shall pay Participant a single lump sum payment in an amount equal to 100% of the monthly COBRA premium payable for the coverage in effect on the date of Participant's termination date and, if applicable, the Participant's dependents under the Company's group health plan, multiplied by twenty-four (24.)

(e) Forfeiture of Unvested Equity Awards. Other than as provided in Section 3.1(g), all outstanding unvested Equity Awards will be immediately forfeited upon the Participant's termination of employment.

(f) Post-Termination Exercise Period. Upon the Participant's termination of employment, the Participant's outstanding and vested stock options as of the Participant's termination of employment date will remain exercisable as provided in the applicable equity awards.

(g) Exception due to Retirement Eligibility. Notwithstanding anything in this Section 3.1 to the contrary, if a Participant whose employment is being terminated by the Company without Cause satisfies the service requirements for Retirement as set forth in Section 1.20, then the Participant may elect to receive the Plan benefits under Section 3.4 instead of this Section 3.1. This election must be made by the Participant in writing either prior to or within ten (10) business days following the Participant's termination date; the election, once made, cannot be changed. A Participant making this election shall, for Plan purposes, be deemed to have voluntarily resigned for Retirement. For the avoidance of doubt, the availability to make a Retirement election under this Section 3.1(g) shall apply to all Retirement-eligible Participants whose employment is being terminated by the Company without Cause, including without limitation the Executive Chairman, even though the Executive Chairman is not otherwise eligible for benefits or payments under this Section 3.1.

3.2 Termination without Cause or for Good Reason, in Connection with a Change in Control. If the Company terminates a Participant's employment with the Company without Cause (excluding death or Disability) or if a Participant resigns from such employment for Good Reason, and, in each case, such termination occurs during the Change in Control Period, then subject to Article 4, the Participant will receive the following:

(a) Accrued Obligations. The Company will pay the Participant the Accrued Obligations as soon as administratively feasible after termination.

(b) Severance Payment. The Participant will receive a lump-sum payment (less applicable withholding taxes) equal to the applicable percentage multiplier set forth in the Schedule of Benefits as attached hereto as Exhibit A based on the Participant's leadership level at the time of termination of employment times (A) the Participant's Base Salary plus (B) the Participant's target bonus in the year of termination of employment. Such lump-sum amount shall be payable upon the later of: (i) sixty (60) days following termination of employment, or (ii) such later date required by Section 4.3.

(c) Bonus Payment. In addition to the severance payment described above, the Participant will receive a lump-sum payment equal to one hundred percent (100%) of his or her target bonus as in effect for the fiscal year in which his or her termination of employment occurs calculated pro rata based on the portion of the performance period during which the Participant was an active employee of the Company. Such lump-sum amount shall be payable upon the later of: (i) sixty (60) days following termination of employment, or (ii) such later date required by Section 4.3.

(d) Continuation Coverage. The Company shall pay Participant a single lump sum payment in an amount equal to 100% of the monthly COBRA premium payable for the coverage in effect on the date of Participant's termination date and, if applicable, the Participant's dependents under the Company's group health plan, multiplied by twenty-four (24).

(e) Accelerated Vesting of Equity Awards. Notwithstanding any other provision in any applicable equity compensation plan and/or individual award agreement:

(i) the Participant's then-outstanding and unvested time-based vesting stock options will become vested as of his or her termination of employment date, and the Participant's outstanding and vested stock options as of the Participant's termination of employment date will remain exercisable for the remainder or the original maximum term, but not later than the tenth (10^{th}) anniversary of the original date of grant;

(ii) one hundred percent (100%) of the Participant's then-outstanding and unvested performance shares will become vested in full; provided, however, that if an outstanding performance share is to vest and/or the amount of the award to vest is to be determined based on the achievement of performance criteria, then the performance share will vest as to one hundred percent

(100%) of the amount of the performance share assuming the performance criteria had been achieved at target levels for the relevant performance period(s);

(iii) any and all service conditions imposed on the Participant's then-outstanding and unvested time-based restricted stock grants (or time-based restricted stock unit grants) will become vested in full on his or her termination date; such time-based restricted stock grants (or time-based restricted stock unit grants) will become unrestricted immediately following the end of the applicable performance period(s) for such grants based upon actual performance achieved during the applicable performance period(s). Amounts payable with respect to such time-based restricted stock grants (or time-based restricted stock unit grants), if any, will be paid or delivered following the end of the relevant performance period(s) in accordance with the provisions of any applicable equity compensation plan and/or individual award agreement, but not later than March 15 of the calendar year following the calendar year following the end of the applicable performance period for each such grant; and

(iv) any and all service conditions imposed on the Participant's then-outstanding and unvested performance restricted stock grants (or restricted stock units) will be waived as of his or her termination date; provided, however, that if an outstanding performance restricted stock grant (or restricted stock unit grant) is to vest and/or the amount of the award to vest is to be determined based on the achievement of performance criteria, then the performance restricted stock grant (or restricted stock unit grant) will vest as to one hundred percent (100%) of the amount of the performance restricted stock grant (or restricted stock unit grant) assuming the performance criteria had been achieved at target levels for the relevant performance period(s).

(f) No Duplication of Benefits. For the avoidance of doubt, if (i) the Participant incurred a termination prior to a Change in Control that qualifies the Participant for severance payments under Section 3.1, and (ii) a Change in Control occurs within the twelve (12)-month period following the Participant's termination of employment that qualifies the Participant for the superior benefits under this Section 3.2, then the Participant shall be entitled to the benefits calculated under this Section 3.2, less amounts already paid under Section 3.1.

3.3 Voluntary Resignation (other than for Retirement or Good Reason); Termination for Cause. If a Participant's employment with the Company terminates (i) voluntarily by the Participant (other than for Retirement or Good Reason), or (ii) for Cause by the Company, then the Participant will irrevocably forfeit the benefits under this Plan and will not be entitled to receive the severance or other benefits hereunder other than the Accrued Obligations. Notwithstanding any other provision in any applicable equity compensation plan and/or individual award agreement, the following provisions shall apply with respect to grants of equity compensation upon such resignation or termination for Cause:

(a) Forfeiture of Equity Awards. All outstanding and unvested Equity Awards will be immediately forfeited upon the Participant's voluntary resignation or termination of employment for Cause.

(b) Post-Termination Exercise Period. Upon the Participant's resignation, the Participant's outstanding and vested stock options as of the Participant's termination of employment date will remain exercisable as provided in the applicable equity awards. Upon the Participant's termination for Cause, the Participant's outstanding and vested stock options shall not be exercisable as of the Participant's termination of employment date.

3.4 Voluntary Resignation for Retirement. To qualify for Plan benefits due to voluntary resignation for Retirement, the Participant must satisfy the service requirements set forth in Section 1.20 and either (i) provide at least sixty (60) days advance written notice of Participant's intention to voluntarily resign employment due to Retirement or (ii) be deemed to have voluntarily resigned employment due to Retirement pursuant to Section 3.1(g). If a Participant's employment with the Company terminates due to Retirement, then subject to Article 4, the Participant will receive the following:

(a) Accrued Obligations. The Company will pay the Participant all Accrued Obligations as soon as administratively feasible after termination.

(b) Bonus Payment. The Participant shall receive a pro-rata bonus based upon actual performance for the performance period in which termination occurs, determined in accordance the applicable written bonus program, and paid at such time as bonuses are paid to other executives, but not later than March 15 of the calendar year following the end of the performance period

(c) Accelerated Vesting of Equity Awards. Notwithstanding any other provision in any applicable equity compensation plan and/or individual award agreement:

(i) the Participant's then-outstanding and unvested time-based vesting stock options will become vested as of his or her termination of employment date, and the Participant's outstanding and vested stock options as of the Participant's termination of employment date will remain exercisable for the remainder or the original maximum term, but not later than the tenth (10^{th}) anniversary of the original date of grant;

(ii) any and all service conditions imposed on the Participant's then-outstanding and unvested performance shares will be waived as of his or her termination date; such performance share awards will become unrestricted immediately following the end of the applicable performance period(s) for such awards based upon actual performance achieved during the applicable performance period(s). Amounts payable with respect to such performance share awards, if any, will be paid or delivered following the end of the relevant performance period(s) in accordance with the provisions of any applicable equity compensation plan and/or individual award agreement, but not later than March 15 of the calendar year following the calendar year following the end of the applicable performance period for each such award; and

(iii) any and all service conditions imposed on the Participant's then-outstanding and unvested time-based restricted stock grants (or time-based restricted stock unit grants) will become vested as of his or her termination date; such time-based restricted stock grants (or time-based restricted stock unit grants) will become unrestricted immediately following the end of the applicable performance period(s) for such grants based upon actual performance achieved during the applicable performance period(s). Amounts payable with respect to such time-based restricted stock grants (or time-based restricted stock unit grants), if any, will be paid or delivered following the end of the relevant performance period(s) in accordance with the provisions of any applicable equity compensation plan and/or individual award agreement, but not later than March 15 of the calendar year following the calendar year following the end of the applicable performance period for each such grant; and

(iv) any and all service conditions imposed on the Participant's then-outstanding and unvested performance restricted stock grants (or restricted stock unit grants) will be waived as of his or her termination date; such performance restricted stock grants (or restricted stock unit grants) will become unrestricted immediately following the end of the applicable performance period(s) for such awards based upon actual performance achieved during the applicable performance period(s). Amounts payable with respect to such performance restricted stock grants (or restricted stock unit grants), if any, will be paid or delivered following the end of the relevant performance period(s) in accordance with the provisions of any applicable equity compensation plan and/or individual award agreement, but not later than March 15 of the calendar year following the calendar year following the end of the applicable performance period for each such grant.

3.5 Disability; Death. No benefits or other Amounts are payable under this Plan to or with respect to a Participant if the Company terminates the Participant's employment as a result of the Participant's Disability, or the Participant's employment terminates due to the Participant's death. For the avoidance of doubt, nothing in this Section 3.5 affects amounts that may be payable to a Participant pursuant to an Employment Agreement in the event Participant's employment terminates due to death or Disability.

3.6 Exclusive Remedy. In the event of a termination of a Participant's employment as set forth in this Article 3, the provisions of Article 3 are intended to be and are exclusive and in lieu of any other rights to severance pay or remedies to which the Participant is entitled, whether at law, tort or contract, in equity, or under the Plan (other than the payment of the Accrued Obligations) as well as the payment of other items to which the Participant is or may be entitled under Participant's Employment Agreement (to the extent one exists)).

ARTICLE 4
CONDITIONS AND LIMITATIONS ON BENEFITS

4.1 Release of Claims Agreement. The receipt of any severance payments or benefits (other than the Accrued Obligations) pursuant to the Plan is subject to the Participant signing and not revoking a separation agreement and release of claims in substantially the form attached hereto as Exhibit C (the “Release”), which must become effective and irrevocable no later than the sixtieth (60^{th}) day following the Participant’s termination of employment (the “Release Deadline”). If the Release does not become effective and irrevocable by the Release Deadline, the Participant will forfeit any right to severance payments and any other benefits under the Plan. In no event will severance payments or benefits be paid or provided until the Release actually becomes effective and irrevocable.

4.2 **Adherence to Non-Compete, Non-Solicitation and Confidentiality Agreement.** The Participant’s receipt of any severance payments or other benefits (other than the Accrued Obligations) pursuant to this Plan is subject to the Participant either (i) adhering to the Restrictive Covenant provisions of the Participant’s Employment Agreement or (ii) where no such Restrictive Covenants exist, executing and adhering to the provisions of the Non-Compete, Non-Solicitation and Confidentiality Agreement (the “Non-Compete Agreement”) in substantially the form attached hereto as Exhibit B. A Participant will forfeit any entitlement to the severance payments or other benefits (other than the Accrued Obligations) pursuant to this Plan upon the Participant’s breach of (a) the Restrictive Covenants of the Participant’s Employment Agreement or (b) the Non-Compete Agreement, whichever applies. To the extent permitted by law, if the Company determines that a Participant has breached the Restrictive Covenants or the Non-Compete Agreement, as applicable, the Company will immediately cease any further payments and benefits under the Plan, and it will have the right to seek repayment of any such payments or benefits that have already been provided, without prejudice to any other remedies that may be available to the Company.

4.3 Code Section 409A.

(a) Notwithstanding anything to the contrary in the Plan, no severance pay or benefits to be paid or provided to a Participant, if any, pursuant to the Plan that, when considered together with any other severance payments or separation benefits, are considered deferred compensation under Code Section 409A, and the final regulations and any guidance promulgated thereunder (together, the “Deferred Payments”) will be paid or otherwise provided until the Participant incurs a “separation from service” within the meaning of Code Section 409A. Similarly, no severance payable to the Participant, if any, pursuant to the Plan that otherwise would be exempt from Code Section 409A will be payable until the Participant incurs a “separation from service” within the meaning of Code Section 409A.

(b) It is intended that, to the maximum extent permitted under Code Section 409A, none of the severance payments under the Plan will constitute Deferred Payments but rather will be exempt from Code Section 409A as a payment that would fall within the “short-term deferral period” as described in Section 4.3(d) below or resulting from an involuntary separation from service as described in Section 4.3(e) below. However, any severance payments or benefits under the Plan that would be considered Deferred Payments will be paid on, or, in the case of installments, will not commence until, the sixtieth (60^{th}) day following the Participant’s separation from service, or, if later, such time as required by Section 4.3(c). Except as required by Section 4.3(c), any installment payments that would have been made to the Participant during the sixty (60) day period immediately following the Participant’s separation from service but for the preceding sentence will be paid to the Participant on the sixtieth (60^{th}) day following the Participant's separation from service and the remaining payments will be made as provided in the Plan.

(c) Notwithstanding anything to the contrary in the Plan, if the Participant is a "specified employee" within the meaning of Code Section 409A at the time of the Participant's termination (other than due to death), then the Deferred Payments, if any, that are payable within the first six (6) months following the Participant's separation from service, will become payable on the first payroll date that occurs on or after the date six (6) months and one (1) day following the date of the Participant's separation from service. All subsequent Deferred Payments, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit. Notwithstanding anything herein to the contrary, if the Participant dies following his or her separation from service, but before the six (6) month anniversary of the separation from service, then any payments delayed in accordance with this subsection will be payable in a lump sum as soon as administratively practicable after the date of the Participant's death and all other Deferred Payments will be payable in accordance with the payment schedule applicable to each payment or benefit. Each payment and benefit payable under the Plan is intended to constitute a separate payment under Section 1.409A-2(b)(2) of the Treasury Regulations.

(d) Any amount paid under the Plan that satisfies the requirements of the "short-term deferral" rule set forth in Section 1.409A-1(b)(4) of the Treasury Regulations will not constitute Deferred Payments for purposes of Section 4.3(a) above.

(e) Any amount paid under the Plan that qualifies as a payment made as a result of an involuntary separation from service pursuant to Section 1.409A-1(b)(9)(iii) of the Treasury Regulations that does not exceed the Code Section 409A Limit (as defined below) will not constitute Deferred Payments for purposes of Section 4.3(a) above. Code Section 409A Limit means two (2) times the lesser of: (i) a Participant's annualized compensation based upon the annual rate of pay paid to the Participant during the Participant's taxable year preceding the Participant's taxable year of his or her separation from service, and with such adjustments as are set forth in Treasury Regulation 1.409A-1(b)(9)(iii)(A)(1) and any Internal Revenue Service guidance issued with respect thereto; or (ii) the maximum amount that may be taken into account under a qualified plan pursuant to Code Section 401(a)(17) for the year in which the Participant's separation from service occurs.

(f) The foregoing provisions are intended to comply with the requirements of Code Section 409A so that none of the severance payments and benefits to be provided hereunder will be subject to the additional tax imposed under Code Section 409A, and any ambiguities herein will be interpreted to so comply.

4.4 Limitation on Payments. In the event that the severance and other benefits provided for under the Plan or otherwise payable to a Participant (i) constitute "parachute payments" within the meaning of Code Section 280G, and (ii) but for this Section 4.4, would be subject to the excise tax imposed by Code Section 4999, then the Participant's benefits under Article 3 will be either

(a) delivered in full, or

(b) delivered as to such lesser extent which would result in no portion of such benefits being subject to excise tax under Code Section 4999,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Code Section 4999, results in the receipt by the Participant on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under Code Section 4999. If a reduction in severance and other benefits constituting "parachute payments" is necessary so that benefits are delivered to a lesser extent, reduction will occur in the following order: (A) reduction of cash payments; (B) cancellation of awards granted "contingent on a change in ownership or control" (within the meaning of Code Section 280G), (C) cancellation of accelerated vesting of equity awards; (D) reduction of employee benefits. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of the Participant's equity awards.

Any determination required under this Section 4.4 will be made in writing by the Company's independent public accountants immediately prior to a Change in Control (the "Firm"), whose determination will be conclusive and binding upon all interested parties. For purposes of making the calculations required by this Section 4.4, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Code Sections 280G and 4999. The Company and the Participant will furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section. The Company will bear all costs the Firm may incur in connection with any calculations contemplated by this Section 4.4.

ARTICLE 5
ADMINISTRATION OF THE PLAN

5.1 Powers and Duties of the Committee. The Committee shall have general responsibility for the administration of the Plan, including, but not limited to, complying with reporting and disclosure requirements, if any, and establishing and maintaining Plan records. The Committee may delegate to any Executive or other employee of the Company all or a portion of its authority to perform any act hereunder, including, without limitation, those matters involving the exercise of discretion, provided that such delegation shall be subject to revocation at any time at the discretion of the Committee. In the exercise of the Committee's sole and absolute discretion, the Committee shall interpret the Plan's provisions and determine the eligibility of individuals for benefits. The Committee shall have the maximum discretion permitted under law to interpret the Plan, and all decisions of the Committee shall be final and binding on all interested parties, subject to Section 5.3 below.

No individual serving as a Committee member or at the request of the Committee shall be entitled to act on or decide any matter relating solely to him or her or any of his or her rights or benefits under the Plan. In the event an individual is unable to act on any matter by reason of the foregoing restriction, the remaining Committee members shall act on such matter. The Committee shall not receive any special compensation for serving in the capacity of Committee but shall be reimbursed for any reasonable expenses incurred in connection herewith. Except as otherwise required by ERISA, no bond or other security shall be required of the Committee in any jurisdiction.

5.2 **Agents.** The Committee may engage such legal counsel, certified public accountants and other advisers and service providers, who may be advisers or service providers for the Company or an affiliate, and make use of such agents and clerical or other personnel, as it shall require or may deem advisable for purposes of the Plan. The Committee may rely upon the written opinion of any legal counsel or accountants engaged by the Committee, and may delegate to any such agent its authority to perform any act hereunder, including, without limitation, those matters involving the exercise of discretion, provided that such delegation shall be subject to revocation at any time at the discretion of the Committee.

5.3 **Claims for Benefits.** Any person claiming a benefit ("Claimant") under the Plan shall present the request in writing to the Committee.

(a) Initial Claim Review. If the claim is wholly or partially denied, the Committee will, within a reasonable period of time, and within ninety (90) days of the receipt of such claim, or if the claim is a claim on account of Disability, within forty-five (45) days of the receipt of such claim, provide the Claimant with written notice of the denial setting forth in a manner calculated to be understood by the Claimant:

(i) The specific reason or reasons for which the claim was denied;

(ii) Specific reference to pertinent provisions of the Plan, rules, procedures or protocols upon which the Committee relied to deny the claim;

(iii) A description of any additional material or information that the Claimant may file to perfect the claim and an explanation of why this material or information is necessary;

(iv) An explanation of the Plan's claims review procedure and the time limits applicable to such procedure and a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse determination upon review; and

(v) In the case of an adverse determination of a claim on account of Disability, the information to the Claimant shall include, to the extent necessary, the information set forth in Department of Labor Regulation Section 2560.503-1(g)(1)(v).

If special circumstances require the extension of the forty-five (45) day or ninety (90) day period described above, the Claimant will be notified before the end of the initial period of the circumstances requiring the extension and the date by which the Committee expects to reach a decision. Any extension for deciding a claim will not be for more than an additional ninety (90) day period, or if the claim is on account of Disability, for not more than two additional thirty (30) day periods.

(b) Review of Claim. If a claim for benefits is denied, in whole or in part, the Claimant may request to have the claim reviewed. The Claimant will have one hundred eighty (180) days in which to request a review of a claim regarding Disability, and will have sixty (60) days in which to request a review of all other claims. The request must be in writing and delivered to the Board, and the Board or its designee shall review the appeal ("appeal official"). If no such review is requested, the initial decision of the Committee will be considered final and binding.

The appeal official's decision on review shall be sent to the Claimant in writing and shall include specific reasons for the decision, written in a manner calculated to be understood by the Claimant, as well as specific references to the pertinent Plan provisions, rules, procedures or protocols upon which the appeal official relied to deny the appeal. The appeal official shall consider all information submitted by the Claimant, regardless of whether the information was part of the original claim. The decision shall also include a statement of the Claimant's right to bring an action under Section 502(a) of ERISA.

The appeal official's decision on review shall be made not later than sixty (60) days (forty-five (45) days in the case of a claim on account of Disability) after its receipt of the request for review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered as soon as possible, but not later than one hundred and twenty (120) days (ninety (90) days in the case of a claim on account of Disability) after receipt of the request for review. This notice to the Claimant shall indicate the special circumstances requiring the extension and the date by which the appeal official expects to render a decision and will be provided to the Claimant prior to the expiration of the initial forty-five (45) day or sixty (60) day period.

Notwithstanding the foregoing, in the case of a claim on account of Disability:

(i) The review of the denied claim shall be conducted by a party who is neither the individual who made the benefit determination nor a subordinate of such person; and

(ii) No deference shall be given to the initial benefit determination. For issues involving medical judgment, the reviewing party must consult with an independent health care professional who may not be the health care professional who decided the initial claim.

(c) Legal Proceedings Regarding Claims. Claimants must follow the claims procedures included in this Section before taking action in any other forum regarding a claim. Any suit or legal action initiated by a Claimant must be brought by the Claimant no later than one (1) year following a final decision on the claim under these claims procedures. The one (1) year statute of limitations on suits for benefits shall apply in any forum where a Claimant initiates such suit or legal action. If a civil action is not filed within this period, the Claimant's claim will be deemed permanently waived and abandoned, and the Claimant will be precluded from reasserting it.

5.4 Hold Harmless. To the maximum extent permitted by law, the members of the Committee and the Board shall not be personally liable by reason of any contract or other instrument executed by such members or on such members' behalf in their capacity as the administrator of the Plan nor for any mistake of judgment made in good faith, and the Company shall indemnify and hold harmless, directly from its own assets (including the proceeds of any insurance policy the premiums of which are paid from the Company's own assets), the Committee and each other officer, employee, or director of the Company or an affiliate to whom any duty or power relating to the administration or interpretation of the Plan is delegated against any cost or expense (including counsel fees) or liability (including any sum paid in settlement of a claim with the approval of the Company) arising out of any act or omission to act in connection with the Plan unless arising out of such person's own fraud, willful misconduct or bad faith.

5.5 Service of Process. The Committee or such other person designated by the Committee shall be the agent for service of process under the Plan.

ARTICLE 6
AMENDMENT OR TERMINATION OF THE PLAN

6.1 Right to Amend or Terminate the Plan

(a) Prior to a Change in Control, the Committee reserves the right at any time to amend or terminate the Plan, in whole or in part, and for any reason and without the consent of any Participant or other person. Following a Change in Control, the Plan may be amended or terminated only with the prior written consent of all Participants.

(b) In no event shall an amendment or termination modify, reduce, or otherwise affect the Company's obligations under the Plan made before the amendment or termination, as such obligations are defined under the provisions of the Plan existing immediately before such amendment or termination.

6.2 Notice of Plan Amendment or Termination. Notice of any amendment or termination of the Plan shall be given by the Committee to each Participant and any other person entitled to a benefit hereunder.

6.3 Payment upon Plan Termination. If the Plan is terminated, the Company may distribute all vested, accrued benefits under the Plan in a single lump sum payment after the date the Plan is terminated if and to the extent permitted under Code Section 409A and the related Treasury Regulations and other guidance issued thereunder. Accordingly, the Company may accelerate Deferred Payments hereunder in accordance with one of the following:

(a) the termination of the Plan within twelve (12) months of a corporate dissolution taxed under Code Section 331 or with the approval of a bankruptcy court pursuant to 11 U.S.C. 503(b)(1)(A), as provided in Treasury Regulation Section 1.409A-3(j)(4)(ix)(A); or

(b) the termination of the Plan, provided that the termination does not occur proximate to a downturn in the financial health of the Company, if all arrangements that would be aggregated with the Plan under Treasury Regulation Section 1.409A-1(c) are terminated, and no payments other than payments that would be payable under the terms of the Plan if the termination had not occurred are made within twelve (12) months of the Plan termination, and all payments are made within twenty-four (24) months of the Plan termination, and no new arrangement that would be aggregated with the Plan under Treasury Regulation Section 1.409A-1(c) is adopted within three (3) years following the Plan termination, as provided in Treasury Regulation Section 1.409A-3(j)(4)(ix)(C); or

(c) such other events and conditions as the IRS may prescribe in generally applicable published regulatory or other guidance under Code Section 409A.

ARTICLE 7
GENERAL PROVISIONS AND LIMITATIONS

7.1 No Right to Continued Employment. Nothing contained in the Plan shall give any person the right to be retained in the employment of the Company or affect the right of the Company to dismiss any employee. The adoption and maintenance of the Plan shall not constitute a contract between the Company and an Executive or consideration for, or an inducement to or condition of, the employment of any Executive.

7.2 Payment on Behalf of Payee. If the Committee shall find that any person to whom any amount is payable under the Plan is unable to care for such person's affairs because of illness or accident, or is a minor, or had died, then any payment due such person or such person's estate (unless a prior claim therefor has been made by a duly appointed legal representative) may, if the Committee so elects, be paid to such person's spouse, a child, a relative, an institute maintaining or having custody of such person, or any other person deemed by the Committee to be a proper recipient on behalf of such person otherwise entitled to payment hereunder. Any such payment shall be a complete discharge of the liability of the Plan and the Company therefor.

7.3 Nonalienation. No interest, expectancy, benefit, payment, claim, or right of any Participant under the Plan shall be (a) subject in any manner to any claims of any creditor of the Participant or any other person; (b) subject to the debts, contracts, liabilities or torts of the Participant or any other person; or (c) subject to alienation by anticipation, sale, transfer, assignment, bankruptcy, pledge, attachment, charge or encumbrance of any kind. If any person shall attempt to take any action contrary to this Section, such action shall be null and void and of no effect, and the Committee and the Company shall disregard such action and shall not in any manner be bound thereby and shall suffer no liability on account of its disregard thereof. If a Participant or any successor in interest hereunder shall become bankrupt or attempt to anticipate, alienate, sell, assign, pledge, encumber, or charge any right hereunder, then such right or benefit shall, in the discretion of the Committee, cease and terminate, and in such event the Committee may hold or apply the same or any part thereof for the benefit of the Participant or the spouse, children, or other dependents of the Participant, or any of them, in such manner and in such amounts and proportions as the Committee may deem proper.

7.4 Missing Payee. If the Committee cannot ascertain the whereabouts of any person to whom a payment is due under the Plan (including the Participant, the Participant's estate or any beneficiary of the Participant), and if, after five (5) years from the date such payment is due, a notice of such payment due is mailed to the last known address of such person, as shown on the records of the Committee or the Company, and within three (3) months after such mailing such person has not made written claim therefor, the Committee may direct that such payment and all remaining payments otherwise due to such person be canceled on the records of the Plan and the amount thereof forfeited, and upon such cancellation, the Company shall have no further liability therefor, except that, in the event such person later notifies the Committee of such person's whereabouts and requests the payment or payments due to such person under the Plan, the amounts otherwise due but unpaid as of the date payment would have been made shall be paid to such person without interest or earnings accruals due to late payment.

7.5 Required Information. Each Participant shall file with the Committee such pertinent information concerning himself or herself, or such other person as the Committee may specify, and no Participant or any successor in interest shall have any rights or be entitled to any benefits under the Plan unless such information is filed by or with respect to the Participant.

7.6 Binding Effect. Obligations incurred by the Company pursuant to this Plan shall be binding upon and inure to the benefit of the Company, its successors and assigns, and the Participant and any successor in interest of the Participant.

7.7 Merger or Consolidation. In the event of a merger or consolidation by the Company with another entity, or the acquisition of substantially all of the assets or outstanding ownership interests of the Company by another entity, the obligations and responsibilities of the Company under this Plan shall be assumed by any such successor or acquiring entity, and all of the rights, privileges, and benefits of the Participants hereunder shall continue.

7.8 No Funding Created. All payments provided under the Plan shall be paid from the general assets of the Company and no separate fund shall be established to secure payment. Notwithstanding the foregoing, the Company may establish a grantor trust to assist it in funding Plan obligations; provided, however, that such trust shall at all times remain located within the United States. Any payments made to a Participant or other person from any such trust shall relieve the Company from any further obligations under the Plan only to the extent of such payment. Nothing herein shall constitute the creation of a trust or other fiduciary relationship between the Company and any other person.

7.9 Notices.

(a) General. Notices and all other communications contemplated by the Plan will be in writing and will be deemed to have been duly given when sent electronically or personally delivered, when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid, or when delivered by a private courier service such as UPS, DHL or Federal Express that has tracking capability. In the case of a Participant, notices will be sent to the e-mail address or addressed to the Participant at the home address, in either case which the Participant most recently communicated to the Company in writing. In the case of the Company, electronic notices will be sent to the e-mail address of the Chief Executive Officer or the General Counsel and mailed notices will be addressed to its corporate headquarters, and all notices will be directed to the attention of its Chief Executive Officer or General Counsel.

(b) Notice of Termination. Any termination by the Company for Cause or by the Participant for Good Reason will be communicated by a notice of termination to the other party hereto given in accordance with Section 7.9(a). Such notice will indicate the specific termination provision under the Plan relied upon, will set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and will specify the termination date.

7.10 No Duty to Mitigate. A Participant will not be required to mitigate the amount of any payment contemplated by the Plan, nor will any such payment be reduced by any earnings that the Participant may receive from any other source.

7.11 Severability. If any provision of this Plan shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions hereof; instead, each provision shall be fully severable, and the Plan shall be construed and enforced as if said illegal or invalid provision had never been included herein.

7.12 Entire Plan; Construction. This document and any written amendments hereto (including any resolutions of the Company, the Committee or the Board) contain all the terms and provisions of the Plan and shall constitute the entire Plan, any other alleged terms or provisions being of no effect. Unless otherwise indicated, all references to Articles, Sections, and subsections shall be to the Plan as set forth in this document. The Article titles and the captions preceding Sections and subsections have been inserted solely as a matter of convenience and in no way define or limit the scope or intent of any provision. When the context so requires, the masculine pronoun shall be deemed to include the feminine and neuter and the singular to include the plural, and vice versa in each instance, unless the context clearly indicates otherwise.

7.13 Governing Law. This Plan shall be governed by and construed under the laws of the State of Arizona, without regard to conflicts of law provisions, to the extent not preempted by ERISA or other applicable federal law.

7.14 Tax Withholding; No Company Representation. All payments made pursuant to this Plan will be subject to withholding of applicable income, employment and other taxes. The Company does not represent or guarantee that any particular federal, state or local income, payroll or other tax treatment will result from this Plan or the benefits provided hereunder. Each Participant, for himself or herself and his or her successors in interest, assumes full responsibility for all of his or her portion of federal, state and local taxes arising from the payments provided hereunder and by accepting benefits hereunder agrees to indemnify and hold the Committee, the Company and the Board harmless from any and all tax consequences, including interest and/or penalties, related to taxes owed and payable by the Participant or any successor in interest.

* * *

Approved by the Compensation Committee on the 19th day of November 2025, to be effective as of the Restated Effective Date.

EXHIBIT A

SCHEDULE OF BENEFITS

As of January 1, 2026

Leadership Level	3.1(b)(A) Base Salary Severance Payment Multiplier	3.1(b)(B) Target Bonus Payment Multiplier	3.2(b)(A) CIC Base Salary Severance Payment Multiplier	3.2(b)(B) CIC Target Bonus Payment Multiplier
CEO	200%	200%	300%	300%
EVP*	125%	125%	200%	200%
Exec. Chair	0%	0%	300%	300%

Executive Vice President Position Composition as of January 1, 2026

As of January 1, 2026, the following positions are classified by the Company as Executive Vice Presidents: Chief Financial Officer (CFO), Chief Operating Officer (COO), Chief People Officer (CPO), EVP – General Counsel, EVP – Corporate Operations & Strategy, and EVP – Field Operations. If subsequent to January 1, 2026, the Company adds additional EVP positions, those positions will be automatically covered under this Plan at the EVP level, without requiring amendments to the Plan (or this Exhibit A).

*** Minimum amounts payable under 3.1 (for CFO and CPO only):** Notwithstanding anything in the Plan or in the above Schedule to the contrary, the minimum amount payable to the CFO and CPO under Sections 3.1(b) and (c) will be $2,000,000 for the CFO, and $1,137,500 for the CPO (i.e., the amount payable to the CFO under 3.1(b) plus 3.1(c) is subject to a $2,000,000 minimum, and the amount payable to the CPO under 3.1(b) plus 3.1(c) is subject to a $1,137,500 minimum).

EXHIBIT B

NON-COMPETE, NON-SOLICITATION AND CONFIDENTIALITY AGREEMENT

Agreements Not to Compete or Solicit Employees or Customers.

As a condition of employment and to protect Company's Confidential Information and competitive position, Executive promises and agrees that during his employment and for a period of twelve (12) months, excluding the Executive Chairman whose period is twenty-four (24) months following his separation from the Company for any reason, Executive (whether as an employee, officer, director, partner, proprietor, investor, associate, consultant, advisor or otherwise) will not, directly or indirectly, either for his own benefit or the benefit of any other person or entity:

Engage, invest in, or establish, in any capacity as either as an employee, employer, contractor, consultant, agent, principal, partner, member, stockholder, investor, corporate officer, director, or in any other individual or representative capacity any business that is a Restricted Business. Notwithstanding the foregoing to the contrary, Executive may take a passive ownership interest in the publicly traded securities of a Restricted Business, but only to the extent specifically permitted by applicable Company policies, as may from time to time be amended. Executive further promises that during Executive's employment and for a period of twelve (12) months excluding the Executive Chairman whose period is twenty-four (24) months following Executive's termination of employment with Company, Executive will not give advice or lend credit, money or Executive's reputation to any person or entity engaged in or establishing the Restricted Business.

Solicit, recruit, induce, entice, encourage, hire, directly recruit, or in any way cause any officer or manager who is or was an employee of Company within the twelve (12) months prior to Executive's separation of employment, or after, to terminate his employment with Company. This restriction is limited to those employees with whom Executive worked, had business contact, or about whom Executive gained non-public or Confidential Information while employed with the Company.

Solicit, contact, or communicate with any person or company for the purpose of engaging in a business that is the same or similar to the Company's business at the time Executive's employment ends, who was a customer of the Company during the twelve (12) months preceding Executive's separation and whom Executive contacted, solicited, serviced, or sold services to as an Executive of the Company (either directly or indirectly as a supervisor) at any time during the twelve (12) months preceding the date of Executive's separation. Executive also agrees not to induce any customer, supplier or other person with whom the Company engaged in business, or to the knowledge of Executive planned or proposed to engage in business, during the twelve (12) months preceding the date of Executive's separation, to terminate any commercial relationship with the Company.

The effective time period of the restrictions set forth in this Agreement shall be tolled during any period of time a legal proceeding brought by the Company against Executive to enforce this Agreement is pending or during any period of time in which the Executive is in violation of this Agreement.

Non-Disclosure of Intellectual Property, Trade Secrets, and Confidential Information.

Executive agrees that, unless otherwise required by law, Executive will forever keep secret all Confidential Information of the Company, and Executive will not use it for Executive's own private benefit, or directly or indirectly for the benefit of others, and Executive will not disclose Confidential Information to any other person, directly or indirectly.

If Executive is legally compelled (by subpoena, interrogatory, request for documents, investigative demand or similar process) to disclose Confidential Information, Executive shall give Company prompt, prior written notice so Company can seek an appropriate remedy or waive compliance. Executive shall furnish only that portion of the Confidential Information required on advice of legal counsel, and shall exercise Executive's best efforts to obtain an order or assurance that any Confidential Information disclosed will be treated by others in a confidential manner.

The foregoing provisions notwithstanding, Company employees, contractors, and consultants may disclose trade secrets in confidence, either directly or indirectly, to a Federal, State, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, Company employees, contractors, and consultants who file retaliation lawsuits for reporting a suspected violation of law may disclose related trade secrets to their attorney and use them in related court proceedings, as long as the individual files documents containing the trade secret under seal and does not otherwise disclose the trade Secret except pursuant to court order.

EXHIBIT C

FORM OF RELEASE OF CLAIMS

This Release of Claims (“Agreement”) is made and entered into by ______________ (“Employee”) on the date set forth below.

WHEREAS, Employee and Meritage Homes Corporation, Inc. (the “Company”) entered into an Employment Agreement dated ____________ (“Employment Agreement”); and

WHEREAS, Employee is a participant in that certain Meritage Homes Corporation Executive Severance Plan (the “Severance Plan”); and

WHEREAS, pursuant to the terms of the Employment Agreement and the Severance Plan, Employee agreed to execute and deliver Company a written waiver and general release agreement as a condition precedent to his right to receive certain amounts under the Employment Agreement and/or Severance Plan;

NOW, THEREFORE, in consideration of the promises and payments set forth in the Employment Agreement and the Severance Plan, Employee agrees as follows:

1. **Meaning of “Released Parties”:** The term Released Parties, as used throughout this Agreement, includes the Company and all of its past, present, and future shareholders, parents, subsidiaries, and affiliates, joint venturers, and other current or former related entities thereof, and all of the past, present, and future officers, directors, employees, agents, insurers, legal counsel, and successors and assigns of said entities.

2. **Employee’s Release of Claims:** Subject to Paragraph 4 of this Agreement, Employee, on behalf of himself, his spouse (if any), representatives, agents, heirs, trusts and assigns, hereby unconditionally and irrevocably releases Released Parties to the maximum extent permitted by law, from any and all claims, debts, obligations, demands, judgments, or causes of action of any kind whatsoever, whether known or unknown that Employee has or may have had prior to the Effective Date of this Agreement (as defined in Paragraph 3(f) below) for any action or omission by Released Parties and/or due to any matter whatsoever relating to Employee’s employment or cessation of employment with the Company. Without limiting in any way the foregoing general release, this release specifically includes the following:

a. All claims and causes of action arising under the following laws, as amended: Section 1981 of the Civil Rights Act of 1866; Title VII of the Civil Rights Act; the Americans with Disabilities Act; the Federal Family and Medical Leave Act; the Worker Adjustment and Retraining Notification Act; the National Labor Relations Act; the Labor Management Relations Act; the Fair Credit Reporting Act; the Employee Retirement Income Security Act of 1974; the Genetic Information Nondiscrimination Act of 2008; the Health Insurance Portability and Accountability Act; the Occupational and Safety Health Act; the Equal Pay Act; Executive Orders 11246 and 11141; the Consolidated Omnibus Budget Reconciliation Act of 1986; the Rehabilitation Act of 1973; the Electronic Communications Privacy Act of 1986 (including the Stored Communications Act); the Arizona Wage Statute, A.R.S. § 23-350, *et seq*., the Arizona Civil Rights Act, the Arizona Employment Protection Act, and the Arizona Constitution; and

b. All claims and causes of action arising under any other federal, state or local law, regulation or ordinance, including for employment discrimination on any basis, hostile working environment, retaliation, wrongful discharge, retaliatory discharge, constructive discharge, unsafe working conditions, breach of express or implied contract, breach of collective bargaining agreement, breach of implied covenant of good faith and fair dealing, fraud, detrimental reliance, promissory estoppel, defamation, negligence, negligent or intentional misrepresentation, invasion of privacy, interference with economic gain or contractual relations, and intentional and negligent infliction of emotional distress or "outrage"; and

c. All claims and causes of action by the Employee that Released Parties have acted unlawfully or improperly in any manner whatsoever.

3. **Age Discrimination in Employment Act; Older Workers Benefit Protection Act of 1990:** In addition to the general release in Paragraph 2 of this Agreement, the Employee is waiving and releasing any and all claims against Released Parties under the Age Discrimination and Employment Act ("ADEA") that arose at any time during the Employee's employment with the Company, up to and including his last day of employment. This Agreement is subject to the terms of the Older Workers Benefit Protection Act of 1990 ("OWBPA"). The OWBPA provides that an individual cannot waive a right or claim under the ADEA unless the waiver is knowing and voluntary. Pursuant to the terms of the OWBPA, the Employee acknowledges and agrees that the Employee has been provided a copy of this Agreement, has signed this Agreement voluntarily, and with full knowledge of its consequences. In addition, the Employee hereby acknowledges and agrees as follows:

a. This Agreement has been written in a manner that is calculated to be understood, and is understood, by the Employee;

b. The release provisions of this Agreement apply to any rights the Employee may have under the ADEA up to the date of this Agreement;

c. The release provisions of this Agreement do not apply to any rights or claims the Employee may have under the ADEA that arise after the date he signs this Agreement;

d. The Employee has been advised that he should consult with an attorney prior to signing this Agreement;

e. The Employee has been provided a period of twenty-one (21) calendar days (the "Review Period") from his last day of employment with the Company to consider this Agreement. The Employee may, but is not required to, accept and sign this Agreement before the expiration of the Review Period, but no earlier than his last day of employment with the Company. If the Employee signs this Agreement before the expiration of the Review Period, the Employee agrees that he is knowingly and expressly waiving the time-period;

f. For a period of seven (7) calendar days following his signing of this Agreement, the Employee may revoke this Agreement by providing written notice of any such revocation to [___________________], on or before the seventh day after the Employee signs the Agreement.

This Agreement shall become “effective” on the eighth calendar day after the Employee signs it if it has not been revoked during the seven (7) day revocation period (the “Effective Date”);

g. Pursuant to the Severance Plan, payment of any severance benefits under the Severance Plan is conditioned on the execution of this Agreement within the Review Period and the running of the revocation period described in 3(f) (“Revocation Period”); and

h. The Employee may not sign this Agreement until after his last day of employment with the Company and the Agreement shall not be effective if the Employee executes the Agreement prior to such date.

4. **Protected Rights:** The Employee understands that nothing contained in this Agreement shall be construed to prohibit him from filing a charge with or participating in an investigation or proceeding conducted by the Equal Employment Opportunity Commission, the National Labor Relations Board, or any state or federal agency. The Employee understands that he has waived and released any and all claims for money damages and equitable relief that the Employee may recover from Released Parties pursuant to the filing or prosecution of any administrative charge against Released Parties, or any resulting civil proceeding or lawsuit brought on his behalf for the recovery of such relief, and which arises out of the matters that are and may be released or waived by this Agreement. The Employee also understands, however, that this Agreement does not limit his ability to communicate with any government agencies or otherwise participate in any investigation or proceeding that may be conducted by any government agency, including providing documents or other information, without notice to the Company. This Agreement also does not limit The Employee’s right to receive an award for information provided to any government agencies.

5. **Pension Plan:** This Agreement shall not affect any vested rights the Employee has under an ERISA pension benefit plan(s).

6. **Medicare:** The Employee affirms, covenants, and warrants he is not a Medicare beneficiary and is not currently receiving, has not received in the past, will not have received at the time of payment pursuant to this Agreement, is not entitled to, is not eligible for, and has not applied for or sought Social Security Disability or Medicare benefits. In the event any statement in the preceding sentence is incorrect (for example, but not limited to, if the Employee is a Medicare beneficiary, etc.), the following sentences (i.e., the remaining sentences of this paragraph) apply. The Employee affirms, covenants, and warrants he has made no claim for illness or injury against, nor is he aware of any facts supporting any claim against, the Released Parties under which Released Parties could be liable for medical expenses incurred by the Employee before or after the execution of this agreement. Furthermore, the Employee is aware of no medical expenses which Medicare has paid and for which Released Parties are or could be liable now or in the future. The Employee agrees and affirms that, to the best of his knowledge, no liens of any governmental entities, including those for Medicare conditional payments, exist. The Employee will indemnify, defend, and hold Released Parties harmless from Medicare claims, liens, damages, conditional payments, and rights to payment, if any, including attorneys' fees, and the Employee further agrees to waive any and all future private causes of action for damages pursuant to 42 U.S.C. § 1395y(b)(3)(A) et seq.

7. **Attorneys' Fees and Costs:** In any proceeding or action to enforce this Agreement or to recover damages arising out of its breach, the prevailing Party shall be awarded its reasonable attorneys' fees and costs.

8. **Governing Law and Venue:** This Agreement will be interpreted and construed in accordance with the laws of the State of Arizona, insofar as federal law does not control, and venue as to any dispute regarding this Agreement, or interpretation thereof, shall be in _______________, Arizona.

9. **Modification of Agreement:** This Agreement shall not be modified, amended, or terminated unless such modification, amendment, or termination is executed in writing by the Employee, and an authorized representative of the Company.

10. **The Employee's Representations:** The Employee warrants that the Employee is over the age of eighteen (18) and competent to sign this Agreement; that in signing this Agreement the Employee is not relying on any statement or representation by the Company that is not contained in this Agreement, but is relying upon the Employee's judgment and/or that of the Employee's legal counsel and/or tax advisor; that the Agreement was signed knowingly and voluntarily without duress or coercion in any form; and that the Employee fully understands the same is a FULL and FINAL SETTLEMENT of any and all claims against Released Parties which have been or could have been asserted or on account or arising out of the Employee's employment relationship with the Company or the actions of any of Released Parties. The Employee further represents and certifies that the Employee has been given a fair opportunity to review the terms of this Agreement and has determined that it is in the Employee's best interest to enter into this Agreement.

11. **Drafting and Construction:** This Agreement may not be construed in favor of or against either the Employee or the Company (each, a "Party") on the grounds that said Party was less or more involved in the drafting process.

ACCEPTED AND AGREED:

_________________________________ _______________________________

[Employee Name] Date

MERITAGE HOMES CORPORATION
LIST OF SUBSIDIARIES

State of Organization	Legal Entity
Alabama	Carefree Title Agency of Alabama, Inc.
Arizona	Meritage Homes of Alabama, Inc.
Arizona	Meritage Homes of Arizona, Inc.
Arizona	Meritage Paseo Crossing, LLC
Arizona	Meritage Homes Construction, Inc.
Arizona	Meritage Paseo Construction, LLC
Arizona	Meritage Homes of Colorado, Inc.
Arizona	Meritage Homes of Nevada, Inc.
Arizona	MTH-Cavalier, LLC
Arizona	MTH Golf, LLC
Arizona	Meritage Homes Operating Company, LLC
Arizona	Meritage Homes of Texas, LLC
Arizona	Meritage Homes of Texas Holding, Inc.
Arizona	WW Project Seller, LLC
Arizona	Meritage Homes of the Carolinas, Inc.
Arizona	Meritage Homes of Tennessee, Inc.
Arizona	MLC Holdings, Inc.
Arizona	Meritage Homes of Georgia, Inc.
Arizona	Meritage Homes of Georgia Realty, LLC
Arizona	MTH GA Realty, LLC
Arizona	Meritage Homes of South Carolina, Inc.
Arizona	MTH SC Realty LLC
Arizona	Buckeye Land, L.L.C.
Arizona	Arcadia Ranch, L.L.C.
Arizona	Sundance Buckeye, LLC
Arizona	MTH Realty LLC
Arizona	MTH Financial Holdings, Inc.
Arizona	Meritage Homes Insurance Agency, Inc.
Arizona	Meritage Services Company, Inc.
Arizona	Meritage Homes of Utah, Inc.
Arizona	Meritage Homes of Mississippi, Inc.
California	Meritage Homes of California, Inc.
California	California Urban Homes, LLC
Delaware	M&M Fort Myers Holdings, LLC
Florida	Meritage Homes of Florida, Inc.
Florida	Meritage Homes of Florida Realty LLC
Texas	Meritage Holdings, L.L.C.
Texas	Meritage Homes of Texas Joint Venture Holding Company, LLC
Texas	Carefree Title Agency, Inc.

MERITAGE HOMES CORPORATION
LIST OF GUARANTOR SUBSIDIARIES
As of December 31, 2025

The following subsidiaries of Meritage Homes Corporation (the "Company") were, as of December 31, 2025, guarantors of the Company's 5.125% unsecured senior notes due 2027, 1.750% convertible senior notes due 2028, 3.875% unsecured senior notes due 2029, and 5.650% senior notes due 2035.

State of Organization	Legal Entity
Alabama	Carefree Title Agency of Alabama, Inc.
Arizona	Meritage Homes of Alabama, Inc.
Arizona	Meritage Homes of Arizona, Inc.
Arizona	Meritage Paseo Crossing, LLC
Arizona	Meritage Homes Construction, Inc.
Arizona	Meritage Paseo Construction, LLC
Arizona	Meritage Homes of Colorado, Inc.
Arizona	Meritage Homes of Nevada, Inc.
Arizona	MTH-Cavalier, LLC
Arizona	MTH Golf, LLC
Arizona	Meritage Homes Operating Company, LLC
Arizona	Meritage Homes of Texas, LLC
Arizona	Meritage Homes of Texas Holding, Inc.
Arizona	WW Project Seller, LLC
Arizona	Meritage Homes of the Carolinas, Inc.
Arizona	Meritage Homes of Tennessee, Inc.
Arizona	MLC Holdings, Inc.
Arizona	Meritage Homes of Georgia, Inc.
Arizona	Meritage Homes of Georgia Realty, LLC
Arizona	MTH GA Realty, LLC
Arizona	Meritage Homes of South Carolina, Inc.
Arizona	MTH SC Realty LLC
Arizona	MTH Realty LLC
Arizona	MTH Financial Holdings, Inc.
Arizona	Meritage Homes Insurance Agency, Inc.
Arizona	Meritage Services Company, Inc.
Arizona	Meritage Homes of Utah, Inc.
Arizona	Meritage Homes of Mississippi, Inc.
California	Meritage Homes of California, Inc.
California	California Urban Homes, LLC
Delaware	M&M Fort Myers Holdings, LLC
Florida	Meritage Homes of Florida, Inc.
Florida	Meritage Homes of Florida Realty LLC
Texas	Meritage Holdings, L.L.C.
Texas	Meritage Homes of Texas Joint Venture Holding Company, LLC
Texas	Carefree Title Agency, Inc.

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-58793 and 333-279002 on Form S-3 and Registration Statement Nos. 333-272676, 333-225087 and 333-190425 on Form S-8 of our reports dated February 13, 2026, relating to the financial statements of Meritage Homes Corporation, and the effectiveness of Meritage Homes Corporation's internal control over financial reporting, appearing in this Annual Report on Form 10-K of Meritage Homes Corporation for the year ended December 31, 2025.

/s/ DELOITTE & TOUCHE LLP

Tempe, Arizona

February 13, 2026

EXHIBIT 31.1

RULE 13a-14(a)/15d-14(a) CERTIFICATION

I, Phillipe Lord, certify that:

1. I have reviewed this Annual Report on Form 10-K of Meritage Homes Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2026

/s/ Phillippe Lord

Phillippe Lord
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

RULE 13a-14(a)/15d-14(a) CERTIFICATION

I, Hilla Sferruzza, certify that:

1. I have reviewed this Annual Report on Form 10-K of Meritage Homes Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 13, 2026

/s/ Hilla Sferruzza

Hilla Sferruzza
Executive Vice President and Chief Financial Officer (Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Meritage Homes Corporation (the “Company”) for the period ending December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), we, the undersigned, certify, to the best of our knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

MERITAGE HOMES CORPORATION,
a Maryland Corporation

By: /s/ Phillippe Lord

Phillippe Lord
Chief Executive Officer
(Principal Executive Officer)

February 13, 2026

By: /s/ Hilla Sferruzza

Hilla Sferruzza
Executive Vice President and Chief Financial Officer (Principal Financial Officer)

February 13, 2026