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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2026

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: 001-09977

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

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

18655 North Claret Drive, Suite 400, Scottsdale, Arizona 85255

(Address of Principal Executive Offices) (Zip Code)

(480) 515-8100

(Registrant's telephone number, including area code)

N/A

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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

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 a checkmark whether the registrant has submitted electronically every Interactive Date 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	ý	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 a checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Common shares outstanding as of October 26, 2026: 64,423,225

MERITAGE HOMES CORPORATION
FORM 10-Q FOR THE QUARTER ENDED SEPTEMBER 30, 2026
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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

MERITAGE HOMES CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and par value amounts)

	September 30, 2026	December 31, 2025
Assets		
Cash and cash equivalents	$ 677,498	$ 775,157
Other receivables	345,535	306,956
Real estate	6,014,511	5,987,120
Deposits on real estate under option or contract	170,777	174,170
Investments in unconsolidated entities	64,225	57,268
Property and equipment, net	45,057	46,647
Deferred tax assets, net	44,427	53,293
Prepaids, other assets and goodwill	227,614	221,676
Total assets	$ 7,589,644	$ 7,622,287
Liabilities		
Accounts payable	$ 209,249	$ 200,679
Accrued and other liabilities	476,658	387,698
Home sale deposits	7,627	9,213
Loans payable and other borrowings	42,351	24,328
Senior and convertible senior notes, net	1,809,401	1,804,726
Total liabilities	2,545,286	2,426,644
Stockholders' Equity		
Preferred stock, par value $0.01. Authorized 10,000,000 shares; none issued and outstanding at September 30, 2026 and December 31, 2025	—	—
Common stock, par value $0.01. Authorized 125,000,000 shares; 64,423,225 and 68,168,923 shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively	644	682
Additional paid-in capital	—	—
Retained earnings	5,043,714	5,194,961
Total stockholders' equity	5,044,358	5,195,643
Total liabilities and stockholders' equity	$ 7,589,644	$ 7,622,287

See accompanying notes to unaudited consolidated financial statements

MERITAGE HOMES CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED INCOME STATEMENTS
(in thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Homebuilding:				
Home closing revenue	$ 1,162,352	$ 1,399,335	$ 3,658,085	$ 4,357,148
Land closing revenue	6,081	16,068	28,162	39,766
Total closing revenue	1,168,433	1,415,403	3,686,247	4,396,914
Cost of home closings	(959,746)	(1,132,378)	(3,008,068)	(3,453,213)
Cost of land closings	(5,957)	(15,876)	(27,783)	(37,128)
Total cost of closings	(965,703)	(1,148,254)	(3,035,851)	(3,490,341)
Home closing gross profit	202,606	266,957	650,017	903,935
Land closing gross profit	124	192	379	2,638
Total closing gross profit	202,730	267,149	650,396	906,573
Financial Services:				
Revenue	7,497	8,460	21,566	24,967
Expense	(3,982)	(4,311)	(11,746)	(13,159)
Earnings from financial services unconsolidated entities and other, net	1,244	331	3,759	1,846
Financial services profit	4,759	4,480	13,579	13,654
Commissions and other sales costs	(82,441)	(99,722)	(253,718)	(303,272)
General and administrative expenses	(45,170)	(51,787)	(148,952)	(163,967)
Interest expense	(1,352)	—	(4,126)	—
Other income, net	6,289	8,128	20,724	28,479
Earnings before income taxes	84,815	128,248	277,903	481,467
Provision for income taxes	(17,031)	(28,951)	(64,180)	(112,485)
Net earnings	$ 67,784	$ 99,297	$ 213,723	$ 368,982
Earnings per common share:				
Basic	$ 1.05	$ 1.40	$ 3.24	$ 5.17
Diluted	$ 1.04	$ 1.39	$ 3.22	$ 5.13
Weighted average number of shares:				
Basic	64,698	70,680	65,941	71,346
Diluted	65,127	71,188	66,312	71,879

See accompanying notes to unaudited consolidated financial statements

MERITAGE HOMES CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net earnings	$ 213,723	$ 368,982
Adjustments to reconcile net earnings to net cash provided by/(used in) operating activities:		
Depreciation and amortization	16,973	18,603
Real estate and land impairments	12,648	9,292
Write-off of terminated land deals	1,006	11,437
Stock-based compensation	16,788	14,780
Equity in earnings from unconsolidated entities	(2,941)	(3,133)
Distributions of earnings from unconsolidated entities	3,325	3,732
Other	8,972	7,415
Changes in assets and liabilities:		
Decrease/(increase) in real estate	58,676	(413,224)
Increase in deposits on real estate under option or contract	(1,431)	(9,010)
Increase in other receivables, prepaids and other assets	(42,770)	(77,840)
Decrease in accounts payable and accrued and other liabilities	(23,860)	(45,326)
Decrease in home sale deposits	(1,586)	(11,093)
Net cash provided by/(used in) operating activities	259,523	(125,385)
Cash flows from investing activities:		
Investments in unconsolidated entities	(21,270)	(21,080)
Distributions of capital from unconsolidated entities	350	—
Purchases of property and equipment	(13,917)	(20,145)
Proceeds from sales of property and equipment	234	184
Maturities/sales of investments and securities	—	1,750
Payments to purchase investments and securities	—	(1,750)
Net cash used in investing activities	(34,603)	(41,041)
Cash flows from financing activities:		
Repayment of loans payable and other borrowings	(3,302)	(11,522)
Proceeds from issuance of senior notes	—	497,195
Payment of debt issuance costs	—	(5,106)
Proceeds from liabilities related to consolidated real estate not owned	59,947	—
Dividends paid	(94,224)	(91,759)
Repurchase of shares	(285,000)	(145,000)
Net cash (used in)/provided by financing activities	(322,579)	243,808
Net (decrease)/increase in cash and cash equivalents	(97,659)	77,382
Cash and cash equivalents, beginning of period	775,157	651,555
Cash and cash equivalents, end of period	$ 677,498	$ 728,937

See Supplemental Disclosure of Cash Flow Information in Note 13.

See accompanying notes to unaudited consolidated financial statements

NOTE 1 — ORGANIZATION AND BASIS OF PRESENTATION

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. 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 unconsolidated joint ventures.

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. Meritage Homes' 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 September 30, 2026, we were actively selling homes in 348 communities, with base prices ranging from approximately $230,000 to $1,025,000.

Basis of Presentation. The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. These financial statements should be read in conjunction with the audited consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2025 ("Annual Report"). The unaudited consolidated financial statements include the accounts of Meritage Homes 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 unaudited consolidated financial statements to conform to classifications used in the current year. Intercompany balances and transactions have been eliminated in consolidation. In the opinion of management, the accompanying unaudited consolidated financial statements include all normal and recurring adjustments that are considered necessary for the fair presentation of our results for the interim periods presented. Results for interim periods are not necessarily indicative of results to be expected for the full fiscal year.

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.

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 $35.0 million and $20.1 million are included in Cash and cash equivalents at September 30, 2026 and December 31, 2025, 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 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 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, and are 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 longer-termed 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. No ongoing costs of land ownership or interest 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. Mothballed 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. For land held for future development, 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 $170.8 million and $174.2 million as of September 30, 2026 and December 31, 2025, 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 9 for additional information on our goodwill assets.

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. Leases that meet the criteria of ASC 842 are recorded on our balance sheets as right-of-use ("ROU") assets and lease liabilities. ROU assets are classified within Prepaids, other assets and goodwill on the accompanying unaudited consolidated balance sheets, while lease liabilities are classified within Accrued and other liabilities on the accompanying unaudited consolidated balance sheets.

The table below outlines our ROU assets and lease liabilities (in thousands):

	As of	
	September 30, 2026	December 31, 2025
ROU assets	$ 53,630	$ 56,985
Lease liabilities	57,671	60,470

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 4 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):

	As of			
	September 30, 2026		December 31, 2025	
	Outstanding	Estimated work remaining to complete	Outstanding	Estimated work remaining to complete
Sureties:				
Sureties related to owned projects and lots under contract	$ 993,322	$ 611,356	$ 965,349	$ 585,768
Total Sureties	$ 993,322	$ 611,356	$ 965,349	$ 585,768
Letters of Credit ("LOCs"):				
LOCs for land development	78,266	N/A	70,547	N/A
LOCs for general corporate operations	5,000	N/A	5,000	N/A
Total LOCs	$ 83,266	N/A	$ 75,547	N/A

Accrued and Other Liabilities. Accrued and other liabilities at September 30, 2026 and December 31, 2025 consisted of the following (in thousands):

	As of	
	September 30, 2026	December 31, 2025
Accruals related to real estate development and construction activities	$ 146,278	$ 144,122
Payroll and other benefits	81,099	98,591
Accrued interest	18,478	14,619
Accrued taxes	14,465	14,205
Warranty reserves	23,283	26,677
Lease liabilities	57,671	60,470
Liabilities related to consolidated real estate not owned	115,215	—
Other accruals	20,169	29,014
Total	$ 476,658	$ 387,698

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 three or nine months ended September 30, 2026 or 2025. Included in the warranty reserve balances at September 30, 2026 and December 31, 2025 are case-specific warranty reserves, as discussed in Note 15.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Balance, beginning of period	$ 25,562	$ 35,556	$ 26,677	$ 32,693
Additions to reserve from new home deliveries	3,514	4,406	10,892	14,152
Warranty claims, net of recoveries	(5,793)	(7,590)	(14,286)	(14,473)
Adjustments to pre-existing reserves	—	—	—	—
Balance, end of period	$ 23,283	$ 32,372	$ 23,283	$ 32,372

Warranty reserves are included in Accrued and other liabilities on the accompanying unaudited consolidated balance sheets, and additions and adjustments to the reserves are included in Cost of home closings within the accompanying unaudited 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.

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. Our three sources of revenue are disaggregated by type in the accompanying unaudited consolidated income statements. 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 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 September 30, 2026 and December 31, 2025.

Recent Accounting Pronouncements.

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("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. Upon adoption, the impact of ASU 2024-03 will be limited to additional disclosures in certain notes to the consolidated financial statements.

NOTE 2 — REAL ESTATE AND CAPITALIZED INTEREST

Real estate consists of the following (in thousands):

	As of	
	September 30, 2026	December 31, 2025
Homes completed and under construction [1]	$ 2,045,060	$ 2,069,548
Finished home sites and home sites under development [2]	3,842,767	3,917,572
Consolidated real estate not owned [3]	126,684	—
Total	$ 6,014,511	$ 5,987,120

(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 $267.3 million and $164.4 million as of September 30, 2026 and December 31, 2025, 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.

(3) Represents purchase contracts where we have a specific performance obligation. See Note 3 for additional information on consolidated real estate not owned.

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):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Capitalized interest, beginning of period	$ 86,737	$ 63,814	$ 77,064	$ 53,678
Interest incurred	20,218	20,050	60,337	54,759
Interest expensed	(1,352)	—	(4,126)	—
Interest amortized to cost of home and land closings	(13,434)	(12,663)	(41,106)	(37,236)
Capitalized interest, end of period	$ 92,169	$ 71,201	$ 92,169	$ 71,201

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 three and nine months ended September 30, 2026 and 2025 (in thousands).

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Real estate inventory impairments:				
West	$ 1,735	$ 543	$ 1,735	$ 543
Central	3,973	1,243	7,437	1,243
East	$ 931	6,907	$ 3,476	6,907
Total	$ 6,639	$ 8,693	$ 12,648	$ 8,693
Impairments of land held for sale:				
West	$ —	$ —	$ —	$ —
Central	—	—	—	—
East	$ —	599	$ —	599
Total	$ —	$ 599	$ —	$ 599
Total impairments:				
West	$ 1,735	543	$ 1,735	543
Central	3,973	1,243	7,437	1,243
East	$ 931	7,506	$ 3,476	7,506
Total	$ 6,639	$ 9,292	$ 12,648	$ 9,292

As discussed in Note 1, non-refundable deposits are expensed to Cost of 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):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Terminated option/purchase contracts and related pre-acquisition costs:				
West	$ 30	$ 2,544	$ 256	$ 3,667
Central	7	104	499	663
East	(680) (1)	3,151	$ 251	7,107
Total	$ (643)	$ 5,799	$ 1,006	$ 11,437

(1) Includes recoveries of previously written-off deposits.

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. In accordance with ASC 810, *Consolidation*, we evaluate all purchase and option agreements for land to determine whether they are a variable interest entity ("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 and Accrued and other liabilities, respectively. See Notes 2 and 1 for a detail of these asset and liability balances, respectively, if any.

The table below presents a summary of our lots under option at September 30, 2026 (dollars in thousands):

	Projected Number of Lots	Purchase Price	Option/ Earnest Money Deposits–Cash	
Purchase and option contracts — committed	18,619	$ 1,620,889	$ 131,776	
Purchase and option contracts — uncommitted (1)	18,025	1,207,659	39,001	
Total purchase and option contracts (2)	36,644	2,828,548	170,777	(3)
Purchase contracts recorded on balance sheet as Real estate (2)	3,960	$ 126,684	$ —	(4)

(1) We have not completed our acquisition evaluation process and we have not internally committed to purchase these lots.
(2) None of our purchase or option contracts require us to purchase lots, except for our specific performance contracts. The purchase price for specific performance contracts are recorded as consolidated real estate not owned on the accompanying unaudited consolidated balance sheets in Real estate. See Note 2 for details of the Real estate balance.
(3) Amount is reflected on the accompanying unaudited consolidated balance sheets in Deposits on real estate under option or contract as of September 30, 2026.
(4) Deposits for specific performance contracts are recorded on the accompanying unaudited consolidated balance sheets as consolidated real estate not owned in Real estate.

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 - 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 also participate in mortgage business joint ventures. 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 ventures are engaged in mortgage activities and primarily provides mortgage services to our homebuyers. As of September 30, 2026, we had four active equity-method land joint ventures and two active equity-method mortgage joint ventures.

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

	As of	
	September 30, 2026	December 31, 2025
Assets:		
Cash	$ 3,345	$ 3,516
Real estate	224,294	181,166
Other assets	4,929	6,748
Total assets	$ 232,568	$ 191,430
Liabilities and equity:		
Accounts payable and other liabilities	$ 8,782	$ 8,448
Equity of:		
Meritage [1]	63,817	57,268
Other	159,969	125,714
Total liabilities and equity	$ 232,568	$ 191,430

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue	$ 19,044	$ 23,002	$ 55,984	$ 47,555
Costs and expenses	(15,529)	(10,005)	(45,725)	(31,491)
Net earnings of unconsolidated entities	$ 3,515	$ 12,997	$ 10,259	$ 16,064
Meritage's share of pre-tax earnings [1] [2]	$ 854	$ 969	$ 2,941	$ 3,133

(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 the accompanying unaudited 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 from our mortgage joint ventures is recorded in Earnings from financial services unconsolidated entities and other, net on the accompanying unaudited consolidated income statements. Our share of pre-tax earnings from all other joint ventures is recorded in Other income, net on the accompanying unaudited 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.

NOTE 5 — LOANS PAYABLE AND OTHER BORROWINGS

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

	As of	
	September 30, 2026	December 31, 2025
Other borrowings, secured real estate notes payable [1]	$ 42,351	$ 24,328
$980.0 million unsecured revolving credit facility	—	—
Total	$ 42,351	$ 24,328

(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 June 24, 2026, we entered into the Twelfth Amendment to Amended and Restated Credit Agreement, which increases the facility size, amends the accordion feature to permit the facility size to be increased, subject to certain conditions, extends the maturity date from July 9, 2030 to June 24, 2031, and revises the adjusted

Secured Overnight Financing Rate ("SOFR") rate. The Credit Facility's aggregate commitment is $980.0 million with an accordion feature permitting the size of the facility to increase to a maximum of $1.5 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 SOFR (based on 1, 3, or 6 month interest periods, as selected by the Company) 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 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 the applicable margin. At September 30, 2026, the interest rate on outstanding borrowings under the Credit Facility would have been 5.013% 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 $3.5 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 September 30, 2026.

We had no outstanding borrowings under the Credit Facility as of September 30, 2026 and December 31, 2025. There were no borrowings or repayments under the Credit Facility during the three and nine months ended September 30, 2026. There were no borrowings or repayments under the Credit Facility during the three months ended September 30, 2025 and $5.0 million of borrowings and repayments under the Credit Facility during the nine months ended September 30, 2025. As of September 30, 2026, we had outstanding letters of credit issued under the Credit Facility totaling $83.3 million, leaving $896.7 million available under the Credit Facility to be drawn.

NOTE 6 — SENIOR AND CONVERTIBLE SENIOR NOTES, NET

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

	As of	
	September 30, 2026	**December 31, 2025**
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 September 30, 2026, there was $2,361 in net unamortized discount.	497,639	497,429
Net debt issuance costs	(13,238)	(17,703)
Total	$ 1,809,401	$ 1,804,726

There have been no material changes to the terms of the 2028 Convertible Notes and the related capped call transactions since those described in Note 7 - Senior and Convertible Senior Notes, Net in the consolidated financial statements included in our Annual Report. During the three and nine months ended September 30, 2026, the circumstances allowing holders of the 2028 Convertible Notes to convert were not met.

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 September 30, 2026.

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 Homes and its subsidiaries, then that Guarantor may be released and relieved of any obligations under its note guarantee. There are no significant restrictions on 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 and the Guarantor Subsidiaries are not materially different than the corresponding amounts presented in the unaudited consolidated financial statements of Meritage Homes.

NOTE 7 — 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):

	As of			
	September 30, 2026		December 31, 2025	
	Aggregate Principal	Estimated Fair Value	Aggregate Principal	Estimated Fair Value
5.125% 2027 Notes	$ 300,000	$ 299,250	$ 300,000	$ 301,890
1.750% 2028 Convertible Notes	$ 575,000	$ 550,034	$ 575,000	$ 566,548
3.875% 2029 Notes	$ 450,000	$ 430,335	$ 450,000	$ 442,125
5.650% 2035 Notes	$ 500,000	$ 474,350	$ 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 real estate inventories whose carrying values were adjusted to fair value as of September 30, 2026 was $111.7 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, and Note 2 for a summary of the impairment charges on Real estate to bring the assets to their estimated fair value.

NOTE 8 — EARNINGS PER SHARE

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Basic weighted average number of shares outstanding	64,698	70,680	65,941	71,346
Effect of dilutive securities:				
Unvested restricted stock units	429	508	371	533
Diluted average shares outstanding	65,127	71,188	66,312	71,879
Net earnings	$ 67,784	$ 99,297	$ 213,723	$ 368,982
Basic earnings per share	$ 1.05	$ 1.40	$ 3.24	$ 5.17
Diluted earnings per share	$ 1.04	$ 1.39	$ 3.22	$ 5.13

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 using the "if-converted" method. As discussed in Note 7 - Senior and Convertible Senior Notes, Net in the consolidated financial statements included in our Annual Report, 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.

Anti-dilutive shares were immaterial in the three and nine months ended September 30, 2026 and 2025.

NOTE 9 — 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 Combinations*, 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 on the accompanying unaudited 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 December 31, 2025	$ —	$ 10,247	$ 22,715	$ —	$ —	$ 32,962
Additions	—	—	—	—	—	—
Balance at September 30, 2026	$ —	$ 10,247	$ 22,715	$ —	$ —	$ 32,962

NOTE 10 — STOCKHOLDERS' EQUITY

A summary of changes in stockholders' equity is presented below (in thousands):

	Nine Months Ended September 30, 2026				
	(In thousands)				
	Number of Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Total
Balance at December 31, 2025	68,169	$ 682	$ —	$ 5,194,961	$ 5,195,643
Net earnings	—	—	—	55,309	55,309
Stock-based compensation expense	—	—	5,860	—	5,860
Issuance of stock	349	3	(3)	—	—
Dividends declared	—	—	—	(32,017)	(32,017)
Share repurchases	(1,816)	(18)	(5,857)	(125,151)	(131,026)
Balance at March 31, 2026	66,702	$ 667	$ —	$ 5,093,102	$ 5,093,769
Net earnings	—	—	—	90,630	90,630
Stock-based compensation expense	—	—	5,822	—	5,822
Dividends declared	—	—	—	(31,284)	(31,284)
Share repurchases	(1,528)	(15)	(5,822)	(95,163)	(101,000)
Balance at June 30, 2026	65,174	$ 652	$ —	$ 5,057,285	$ 5,057,937
Net earnings	—	—	—	67,784	67,784
Stock-based compensation expense	—	—	5,106	—	5,106
Issuance of stock	6	—	—	—	—
Dividends declared	—	—	—	(30,923)	(30,923)
Share repurchases	(757)	$ (8)	$ (5,106)	$ (50,432)	$ (55,546)
Balance at September 30, 2026	64,423	$ 644	$ —	$ 5,043,714	$ 5,044,358

	Nine Months Ended September 30, 2025				
	(In thousands)				
	Number of Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Total
Balance at December 31, 2024	71,922	$ 360	$ 143,036	$ 4,998,177	$ 5,141,573
Stock Split on January 2, 2025	—	360	(360)	—	—
Net earnings	—	—	—	122,806	122,806
Stock-based compensation expense	—	—	6,325	—	6,325
Issuance of stock	514	5	(5)	—	—
Dividends declared	—	—	—	(30,887)	(30,887)
Share repurchases	(605)	(7)	(45,066)	—	(45,073)
Balance at March 31, 2025	71,831	$ 718	$ 103,930	$ 5,090,096	$ 5,194,744
Net earnings	—	—	—	146,879	146,879
Stock-based compensation expense	—	—	3,597	—	3,597
Dividends declared	—	—	—	(30,597)	(30,597)
Share repurchases	(674)	(6)	(45,443)	—	(45,449)
Balance at June 30, 2025	71,157	$ 712	$ 62,084	$ 5,206,378	$ 5,269,174
Net earnings	—	—	—	99,297	99,297
Stock-based compensation expense	—	—	4,858	—	4,858
Issuance of stock	22	—	—	—	—
Dividends declared	—	—	—	(30,275)	(30,275)
Share repurchases	(772)	$ (8)	$ (55,526)	$ —	$ (55,534)
Balance at September 30, 2025	70,407	$ 704	$ 11,416	$ 5,275,400	$ 5,287,520

During the three months ended September 30, 2026 and 2025, our Board of Directors approved, and we paid, a quarterly cash dividend on common stock of $0.48 and $0.43 per share, respectively. Quarterly dividends declared and paid during the nine months ended September 30, 2026 and 2025, totaled $1.44 and $1.29 per share, respectively. During the three and nine months ended September 30, 2026 and 2025, we reflected the applicable excise tax on share repurchases in Additional paid-in capital as part of the cost basis of the stock repurchased and recorded a corresponding liability in Accrued and other liabilities on the accompanying unaudited consolidated balance sheets.

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 1,674,205 shares remain available for grant at September 30, 2026. 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 executive officers and either a three-year cliff vesting or one-year vesting for non-employee directors, dependent on their appointment date.

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 718-10-25-20, *Compensation – Stock Compensation* ("ASC 718"), which requires an assessment of probability of attainment of the performance target(s). 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):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Stock-based compensation expense	$ 5,106	$ 4,858	$ 16,788	$ 14,780
Non-vested shares granted	1,347	1,000	288,735	321,213
Performance-based non-vested shares granted	—	—	94,683	82,907
Performance-based shares issued in excess of target shares granted [1]	—	1,979	21,892	22,535
Restricted stock awards vested (includes performance-based awards)	6,260	20,600	333,698	513,650

(1) Performance-based shares that vested and were issued as a result of performance achievement exceeding the originally established targeted number of shares related to respective performance metrics related to prior fiscal year performance periods.

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

	As of	
	September 30, 2026	December 31, 2025
Unrecognized stock-based compensation cost	$ 35,449	$ 30,419
Weighted average years expense recognition period	1.98	1.97
Total equity awards outstanding [1]	984,158	1,004,268

(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 three and nine months ended September 30, 2026 or 2025, other than minor administrative costs.

NOTE 12 — INCOME TAXES

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Federal	$ 15,206	$ 25,115	$ 53,451	$ 94,244
State	1,825	3,836	10,729	18,241
Total	$ 17,031	$ 28,951	$ 64,180	$ 112,485

The effective tax rate for the three and nine months ended September 30, 2026 was 20.1% and 23.1%, respectively, and for the three and nine months ended September 30, 2025 was 22.6% and 23.4%, respectively. The rate for the three months ended September 30, 2026 reflected the benefit of acquired below-market transferable clean fuel production tax credits.

At September 30, 2026 and December 31, 2025, we have no unrecognized tax benefits. We believe our current income tax filing positions and deductions will be sustained on audit and we 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*. We evaluate our deferred tax assets, including the benefit from net operating losses ("NOLs"), by jurisdiction to determine if a valuation allowance is required. This evaluation considers, among other matters, the nature, frequency and severity of cumulative losses, forecasts of future profitability, the length of statutory carryforward periods, experiences with operating losses and experiences of utilizing tax credit carry forwards and tax planning alternatives. We have no federal NOLs or credit carryovers at September 30, 2026, and determined that no valuation allowance on our deferred tax assets was necessary at September 30, 2026.

At September 30, 2026, we had no income taxes payable and $16.6 million income taxes receivable. The income taxes receivable at September 30, 2026 primarily consists of federal and state estimated tax payments and energy tax credits in excess of income tax liability. We have accrued taxes of $12.3 million recorded in Accrued and other liabilities on the accompanying unaudited consolidated balance sheets at September 30, 2026 that consists primarily of state franchise tax and federal excise tax.

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 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):

	Nine Months Ended September 30,	
	2026	2025
Cash paid during the year for:		
Interest, net of interest capitalized	$ (5,368)	$ (17,546)
Income taxes paid, net	$ 58,962	$ 131,475
Non-cash operating activities:		
Real estate not owned increase	$ 61,525	$ —
Real estate acquired through notes payable	$ 21,325	$ 7,990
ROU assets obtained in exchange for new operating lease obligations	$ 3,604	$ 12,172
Non-cash investing and financing activities:		
Distributions of real estate from unconsolidated joint ventures, net	$ 12,516	$ 3,090

NOTE 14 — 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: Tennessee and Texas

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 Chief Operating Decision Maker ("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 closing 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.

Each reportable segment follows the same accounting policies described in Note 1, "Organization and Basis of Presentation." 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):

	Three Months Ended September 30, 2026			
	West	Central	East	Total
Home closing revenue	$ 341,836	$ 383,964	$ 436,552	$ 1,162,352
Land closing revenue	—	2,461	3,620	6,081
Total closing revenue	341,836	386,425	440,172	1,168,433
Cost of home closings	280,425	316,193	363,128	959,746
Cost of land closings	—	2,421	3,536	5,957
Total cost of closings	280,425	318,614	366,664	965,703
Home closing gross profit	61,411	67,771	73,424	202,606
Land closing gross profit	—	40	84	124
Total closing gross profit	61,411	67,811	73,508	202,730
Home closing gross margin	*18.0%*	*17.7%*	*16.8%*	*17.4%*
Commissions and other sales costs	20,970	29,651	31,820	82,441
General and administrative expenses	10,451	11,320	15,987	37,758
Homebuilding segment operating income	29,990	26,840	25,701	82,531
Financial services segment profit				4,759
Corporate and unallocated costs (1)				(7,412)
Interest expense				(1,352)
Other income, net				6,289
Earnings before income taxes				$ 84,815

(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.

	Three Months Ended September 30, 2025			
	West	Central	East	Total
Home closing revenue	$ 420,658	$ 443,086	$ 535,591	$ 1,399,335
Land closing revenue	—	1,841	14,227	16,068
Total closing revenue	420,658	444,927	549,818	1,415,403
Cost of home closings	338,211	348,270	445,897	1,132,378
Cost of land closings	—	2,411	13,465	15,876
Total cost of closings	338,211	350,681	459,362	1,148,254
Home closing gross profit	82,447	94,816	89,694	266,957
Land closing gross profit/(loss)	—	(570)	762	192
Total closing gross profit	82,447	94,246	90,456	267,149
Home closing gross margin	*19.6%*	*21.4%*	*16.7%*	*19.1%*
Commissions and other sales costs	26,387	34,189	39,146	99,722
General and administrative expenses	13,314	11,854	16,536	41,704
Homebuilding segment operating income	42,746	48,203	34,774	125,723
Financial services segment profit				4,480
Corporate and unallocated costs (1)				(10,083)
Interest expense				—
Other income, net				8,128
Earnings before income taxes				$ 128,248

(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.

	Nine Months Ended September 30, 2026			
	West	Central	East	Total
Home closing revenue	$ 1,078,774	$ 1,206,990	$ 1,372,321	$ 3,658,085
Land closing revenue	4,598	10,699	12,865	28,162
Total closing revenue	1,083,372	1,217,689	1,385,186	3,686,247
Cost of home closings	877,523	985,269	1,145,276	3,008,068
Cost of land closings	4,256	10,570	12,957	27,783
Total cost of closings	881,779	995,839	1,158,233	3,035,851
Home closing gross profit	201,251	221,721	227,045	650,017
Land closing gross profit/(loss)	342	129	(92)	379
Total closing gross profit	201,593	221,850	226,953	650,396
Home closing gross margin	*18.7%*	*18.4%*	*16.5%*	*17.8%*
Commissions and other sales costs	66,195	90,158	97,365	253,718
General and administrative expenses	32,419	34,323	48,556	115,298
Homebuilding segment operating income	102,979	97,369	81,032	281,380
Financial services segment profit				13,579
Corporate and unallocated costs (1)				(33,654)
Interest expense				(4,126)
Other income, net				20,724
Earnings before income taxes				$ 277,903

(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.

	Nine Months Ended September 30, 2025			
	West	Central	East	Total
Home closing revenue	$ 1,449,499	$ 1,336,048	$ 1,571,601	$ 4,357,148
Land closing revenue	691	9,740	29,335	39,766
Total closing revenue	1,450,190	1,345,788	1,600,936	4,396,914
Cost of home closings	1,147,619	1,043,916	1,261,678	3,453,213
Cost of land closings	142	10,439	26,547	37,128
Total cost of closings	1,147,761	1,054,355	1,288,225	3,490,341
Home closing gross profit	301,880	292,132	309,923	903,935
Land closing gross profit/(loss)	549	(699)	2,788	2,638
Total closing gross profit	302,429	291,433	312,711	906,573
Home closing gross margin	*20.8%*	*21.9%*	*19.7%*	*20.7%*
Commissions and other sales costs	85,973	102,500	114,799	303,272
General and administrative expenses	39,951	37,236	53,817	131,004
Homebuilding segment operating income	176,505	151,697	144,095	472,297
Financial services segment profit				13,654
Corporate and unallocated costs (1)				(32,963)
Interest expense				—
Other income, net				28,479
Earnings before income taxes				$ 481,467

(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 September 30, 2026					
	West	Central	East	Financial Services	Corporate and Unallocated	Total
Deposits on real estate under option or contract	$ 23,174	$ 57,968	$ 89,635	$ —	$ —	$ 170,777
Real estate	1,774,495	1,632,102	2,607,914	—	—	6,014,511
Investments in unconsolidated entities	36,586	27,007	—	—	632	64,225
Other assets	39,948 (1)	344,890 (2)	76,613 (3)	2,019	876,661 (4)	1,340,131
Total assets	$ 1,874,203	$ 2,061,967	$ 2,774,162	$ 2,019	$ 877,293	$ 7,589,644

(1) Balance consists primarily of development receivables, property and equipment, net, and prepaid expenses and other assets.
(2) Balance consists primarily of development reimbursements from local municipalities, prepaid expenses and other assets, and cash and cash equivalents.
(3) Balance consists primarily of goodwill (see Note 9), prepaid expenses and other assets, and property and equipment, net.
(4) Balance consists primarily of cash and cash equivalents, prepaids and other assets, and deferred tax assets.

	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 9), and prepaid expenses and other assets.
(3) Balance consists primarily of prepaid expenses and other assets, goodwill (see Note 9), and property and equipment, net.
(4) Balance consists primarily of cash and cash equivalents, prepaids and other assets, and deferred tax assets.

NOTE 15 — 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 September 30, 2026 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 $23.3 million of total warranty reserves related to alleged stucco defects in certain homes we closed predominantly between 2019 and 2022. 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 September 30, 2026, 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.

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, and Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"). Forward-looking statements in this Quarterly Report may include statements concerning our belief that we have sufficient liquidity; our goals, strategies and strategic initiatives including our use of interest rate buy-downs and other financing incentives, our all spec and move-in ready strategy, our partnership with external realtors, 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 home buyer and housing demand for affordable homes; our strategy to preserve margins rather than pursue orders pace; the benefits of and our intentions to use options to acquire land; our intentions to pay quarterly dividends; the sustainability of our tax positions; that we may repurchase our debt and equity securities; our non-use of derivative financial instruments; expectations regarding our industry and our business for the remainder of 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 similar opportunities) and the benefits relating thereto; 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 legal and warranty reserves; the outcome of pending litigation and regulatory proceedings; the sources and sufficiency of our capital resources to support our business strategy; the impact of new accounting standards and changes in accounting estimates; trends and expectations concerning future demand for homes, home construction cycle times, sales prices, sales incentives, sales orders, cancellations, construction and materials costs and availability, general and administrative costs, mortgage interest rates, gross margins, land costs, inflation, and community counts; our future cash needs and sources; and the impact of seasonality.

Important factors that could cause actual results to differ materially from those in forward-looking statements, and that could negatively affect our business include, but are not limited to, the following: increases in interest rates or decreases in mortgage availability, and the cost and use of rate locks and buy-downs; the cost of materials used to develop communities and construct homes; shortages in the availability and cost of subcontract labor; legislation related to tariffs; cancellation rates; supply chain and labor constraints; the ability of our potential buyers to sell their existing homes; the adverse effect of slow absorption rates; our ability to acquire and develop lots may be negatively impacted if we are unable to obtain performance and surety bonds; impairments of our real estate inventory; competition; home warranty and construction defect claims; failures in health and safety performance; fluctuations in quarterly operating results; our level of indebtedness; our exposure to counterparty risk with respect to our capped calls; our ability to obtain financing if our credit ratings are downgraded; our exposure to and impacts from natural disasters or severe weather conditions; the availability and cost of finished lots and undeveloped land; the success of our strategy to offer and market entry-level and first move-up homes; a change to the feasibility of projects under option or contract that could result in the write-down or write-off of earnest money or option deposits; our limited geographic diversification; sustainability matters and disclosure; our exposure to information technology failures and security breaches and the impact thereof; the loss of key personnel; changes in tax laws that adversely impact us or our homebuyers; our inability to prevail on contested tax positions; failure of our employees and representatives to comply with laws and regulations; our compliance with government regulations; liabilities or restrictions resulting from regulations applicable to our financial services operations; negative publicity that affects our reputation; potential disruptions to our business by an epidemic or pandemic, and measures that federal, state and local governments and/or health authorities implement to address it; and other factors identified in documents filed by the Company with the Securities and Exchange Commission ("SEC"), including those set forth in our Form 10-K for the year ended December 31, 2025 and this Quarterly Report on Form 10-Q under the caption "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 disclaim and undertake no obligation 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 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview and Outlook

The homebuilding sector continued to experience an increasingly challenging demand environment in the third quarter of 2026, due to rising interest rates and persistent geopolitical and macroeconomic uncertainty. While U.S demographics continue to support housing demand from the millennial, Gen Z and baby boomer generations experiencing life events that typically precede a housing change, these buyers are increasingly concerned about market uncertainty and personal financial security, which is reducing their urgency to commit to a near-term purchase. Our ability to offer financing incentives, including interest rate locks and buy-downs to improve monthly payment affordability, remains a key differentiator when compared to resale homes, as individual sellers are typically not able to provide such incentives. We believe that the current environment will remain challenging and will require higher incentive utilization and we will look to optimize every asset and prioritize liquidity until market conditions stabilize.

We believe we have several opportunities to minimize the impact of the increasing incentive environment. Our construction cycle times remained under 110 calendar days, below our historical normalized time of approximately 120 days, delivering carrying cost savings. Our all-spec strategy also minimizes variability and creates efficiencies through repeatability. Although land costs remain elevated following years of historically high land acquisition and development costs, our larger scale and purchasing power allow us to secure volume discounts from national vendors for our construction materials as the market has re-aligned its capacity needs, helping offset some of this pressure.

We believe that the execution of our all-spec strategy of affordable, move-in ready homes appropriately focuses on our key financial goals of home closing revenue and home closing gross margin preservation, controlling selling, and general and administrative costs, and maintaining sufficient liquidity.

Summary Company Results

Home closing volume of 3,187 homes in the three months ended September 30, 2026 was down 13.5% from 3,685 homes in the same prior year period. Lower closing volume combined with a 4.0% decrease in average sales price ("ASP") on closings resulted in $1.2 billion in home closing revenue, a 16.9% decrease from $1.4 billion in the three months ended September 30, 2025. The reduced ASP on home closings is primarily due to increased use and cost of financing incentives in third quarter of 2026, as well as geographic mix. Home closing gross profit was $202.6 million in the three months ended September 30, 2026 compared to $267.0 million in the comparable prior year period. Home closing gross margin in the three months ended September 30, 2026 was 17.4%, down 170 basis points compared to 19.1% in the prior year period. The decrease in home closing gross profit and margin was attributable to higher incentives and lot costs and lost leverage on lower home closing revenue, all of which were only partially offset by savings in direct costs, lower performance-based compensation expense and fewer impairment and deal termination charges in the third quarter of 2026. Financial services profit of $4.8 million in the three months ended September 30, 2026 was relatively flat compared to $4.5 million in the prior year period. Commissions and other sales costs of $82.4 million in the three months ended September 30, 2026 decreased $17.3 million due primarily to lower home closing revenue. General and administrative expenses of $45.2 million in the three months ended September 30, 2026 decreased $6.6 million from the same period of 2025, largely due to savings in performance-based compensation expense and intentional reductions in discretionary expenses. Earnings before income taxes for the three months ended September 30, 2026 of $84.8 million decreased $43.4 million year over year from $128.2 million in the same period of 2025. The effective income tax rate of 20.1% for the three months ended September 30, 2026 reflected acquired below-market transferable tax credits which led to the decrease from 22.6% in the comparable period of 2025. The decrease in year-over-year volume and profitability resulted in net earnings of $67.8 million in the three months ended September 30, 2026 versus $99.3 million in the three months ended September 30, 2025.

For the nine months ended September 30, 2026, home closing volume and ASP on closings decreased 12.4% and 4.2%, respectively, for a combined decrease in home closing revenue of 16.0%. Home closing gross margin of 17.8% declined 290 basis points year over year, for a $253.9 million decrease in home closing gross profit for the same reasons noted above. Year to date, commissions and other sales costs decreased $49.6 million from the comparable 2025 period due to the lower home closing revenue. General and administrative expenses for the nine months ended September 30, 2026 decreased $15.0 million year over due to lower performance-based compensation expense and intentional reduction in discretionary spending. Lower

home closing revenue, gross margin and profitability, and an effective tax rate of 23.1% led to net income of $213.7 million for the nine months ended September 30, 2026, compared to $369.0 million for the comparable 2025 period.

Home orders of 3,083 for the three months ended September 30, 2026 declined 15.2% from 3,636 home orders in the prior year quarter due to a 21.1% decrease in orders pace to 3.0 net homes per month, offset by a 6.5% increase in average active communities. Home order value for the three months ended September 30, 2026 of $1.2 billion decreased 16.7% year-over-year, due to lower order volume and a 1.7% decrease in ASP on orders caused by the same factors discussed previously. Our cancellation rate of 13% in the three months ended September 30, 2026 increased from 11% in the comparable 2025 period, reflecting the tougher selling environment.

For the nine months ended September 30, 2026, home orders and home order value decreased 9.7% and 12.5%, respectively, over the prior year and the cancellation rate of 12% rose from 10% in the comparable prior year period. We ended the third quarter of 2026 with 1,611 homes in backlog valued at $637.2 million, decreases of 5.2% and 4.9%, respectively, from September 30, 2025. The decrease in backlog units is due to lower order volume and high backlog conversion rates.

We ended the third quarter of 2026 with 348 active communities, up from 334 at September 30, 2025 and 336 at December 31, 2025. We purchased approximately 6,500 lots for $410.9 million, spent $601.4 million on land development, net of reimbursements, and started construction on 9,895 homes during the nine months ended September 30, 2026.

Company Positioning

We believe that our long-term focus on growth, our move-in ready homes with a 60-day closing ready commitment, and our partnership with external realtors create a differentiated strategy that has aided us in the highly competitive new home market.

Our strategy 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, aligned with their expectations for traditional resale housing timelines;
- Delivering affordable homes 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;
- Offering energy-efficient homes that are cleaner and healthier than resale homes; and
- In the longer term, increase our mix of first-move up offerings, meeting market demand and increasing product diversification.

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

- Carefully managing our liquidity and maintaining a strong balance sheet. We ended the third quarter of 2026 with a 26.9% debt-to-capital ratio and an 18.9% net debt-to-capital ratio;
- Achieving or maintaining a top market position in all of our markets, and maintaining our status as a top national builder (based on homes closed in 2025);
- Balancing return of capital to our stockholders with internal growth goals, utilizing both dividend payments and share repurchases;
- Managing construction efficiencies and costs through national and regional vendor relationships with a focus on timely, quality construction and warranty management;
- Maintaining our home closing gross profit and managing costs by growing closing volume when and where possible, allowing us to better leverage our direct overhead;

- 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; 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

The critical accounting estimates that we deem to involve the most difficult, subjective or complex judgments include real estate valuation and cost of home closings and warranty reserves. There have been no significant changes to our critical accounting estimates during the nine months ended September 30, 2026 compared to those disclosed in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, included in our 2025 Annual Report.

Home Closing Revenue, Home Orders and Order Backlog

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 affect the 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	Three Months Ended September 30,		Quarter over Quarter	
	2026	2025	Change $	Change %
Total				
Dollars	$ 1,162,352	$ 1,399,335	$ (236,983)	(16.9)%
Homes closed	3,187	3,685	(498)	(13.5)%
Average sales price	$ 364.7	$ 379.7	$ (15.0)	(4.0)%
West Region				
Dollars	$ 341,836	$ 420,658	$ (78,822)	(18.7)%
Homes closed	710	883	(173)	(19.6)%
Average sales price	$ 481.5	$ 476.4	$ 5.1	1.1 %
Central Region				
Dollars	$ 383,964	$ 443,086	$ (59,122)	(13.3)%
Homes closed	1,170	1,260	(90)	(7.1)%
Average sales price	$ 328.2	$ 351.7	$ (23.5)	(6.7)%
East Region				
Dollars	$ 436,552	$ 535,591	$ (99,039)	(18.5)%
Homes closed	1,307	1,542	(235)	(15.2)%
Average sales price	$ 334.0	$ 347.3	$ (13.3)	(3.8)%

	Nine Months Ended September 30,		Quarter over Quarter	
	2026	2025	Change $	Change %
Total				
Dollars	$ 3,658,085	$ 4,357,148	$ (699,063)	(16.0)%
Homes closed	9,879	11,271	(1,392)	(12.4)%
Average sales price	$ 370.3	$ 386.6	$ (16.3)	(4.2)%
West Region				
Dollars	$ 1,078,774	$ 1,449,499	$ (370,725)	(25.6)%
Homes closed	2,221	3,046	(825)	(27.1)%
Average sales price	$ 485.7	$ 475.9	$ 9.8	2.1 %
Central Region				
Dollars	$ 1,206,990	$ 1,336,048	$ (129,058)	(9.7)%
Homes closed	3,586	3,821	(235)	(6.2)%
Average sales price	$ 336.6	$ 349.7	$ (13.1)	(3.7)%
East Region				
Dollars	$ 1,372,321	$ 1,571,601	$ (199,280)	(12.7)%
Homes closed	4,072	4,404	(332)	(7.5)%
Average sales price	$ 337.0	$ 356.9	$ (19.9)	(5.6)%

Home Orders (1)	Three Months Ended September 30,		Quarter over Quarter	
	2026	2025	Change $	Change %
Total				
Dollars	$ 1,179,266	$ 1,415,089	$ (235,823)	(16.7)%
Homes ordered	3,083	3,636	(553)	(15.2)%
Average sales price	$ 382.5	$ 389.2	$ (6.7)	(1.7)%
West Region				
Dollars	$ 352,026	$ 426,509	$ (74,483)	(17.5)%
Homes ordered	706	867	(161)	(18.6)%
Average sales price	$ 498.6	$ 491.9	$ 6.7	1.4 %
Central Region				
Dollars	$ 396,999	$ 468,690	$ (71,691)	(15.3)%
Homes ordered	1,132	1,289	(157)	(12.2)%
Average sales price	$ 350.7	$ 363.6	$ (12.9)	(3.5)%
East Region				
Dollars	$ 430,241	$ 519,890	$ (89,649)	(17.2)%
Homes ordered	1,245	1,480	(235)	(15.9)%
Average sales price	$ 345.6	$ 351.3	$ (5.7)	(1.6)%

	Nine Months Ended September 30,		Quarter over Quarter	
	2026	2025	Change $	Change %
Total				
Dollars	$ 3,956,044	$ 4,520,704	$ (564,660)	(12.5)%
Homes ordered	10,322	11,426	(1,104)	(9.7)%
Average sales price	$ 383.3	$ 395.7	$ (12.4)	(3.1)%
West Region				
Dollars	$ 1,187,516	$ 1,450,859	$ (263,343)	(18.2)%
Homes ordered	2,366	2,961	(595)	(20.1)%
Average sales price	$ 501.9	$ 490.0	$ 11.9	2.4 %
Central Region				
Dollars	$ 1,294,180	$ 1,433,125	$ (138,945)	(9.7)%
Homes ordered	3,707	3,952	(245)	(6.2)%
Average sales price	$ 349.1	$ 362.6	$ (13.5)	(3.7)%
East Region				
Dollars	$ 1,474,348	$ 1,636,720	$ (162,372)	(9.9)%
Homes ordered	4,249	4,513	(264)	(5.8)%
Average sales price	$ 347.0	$ 362.7	$ (15.7)	(4.3)%

(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 September 30,		Quarter over Quarter	
	2026	2025	Change $	Change %
Total				
Dollars	$ 637,167	$ 670,007	$ (32,840)	(4.9)%
Homes in backlog	1,611	1,699	(88)	(5.2)%
Average sales price	$ 395.5	$ 394.4	$ 1.1	0.3 %
West Region				
Dollars	$ 170,668	$ 176,493	$ (5,825)	(3.3)%
Homes in backlog	330	350	(20)	(5.7)%
Average sales price	$ 517.2	$ 504.3	$ 12.9	2.6 %
Central Region				
Dollars	$ 217,191	$ 232,018	$ (14,827)	(6.4)%
Homes in backlog	578	612	(34)	(5.6)%
Average sales price	$ 375.8	$ 379.1	$ (3.3)	(0.9)%
East Region				
Dollars	$ 249,308	$ 261,496	$ (12,188)	(4.7)%
Homes in backlog	703	737	(34)	(4.6)%
Average sales price	$ 354.6	$ 354.8	$ (0.2)	(0.1)%

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

Active Communities and Cancellation Rates

Active Communities

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026		2025		2026		2025	
	Ending	Average	Ending	Average	Ending	Average	Ending	Average
Total	**348**	**344.0**	**334**	**323.0**	**348**	**343.0**	**334**	**307.5**
West Region	92	90.5	85	85.0	92	88.2	85	86.7
Central Region	104	101.5	97	91.0	104	105.6	97	88.6
East Region	152	152.0	152	147.0	152	149.2	152	132.2

Cancellation Rates [2]

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Total	**13 %**	**11 %**	**12 %**	**10 %**
West Region	12 %	9 %	9 %	8 %
Central Region	13 %	10 %	13 %	10 %
East Region	13 %	12 %	13 %	10 %

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

Operating Results

Companywide. In the three months ended September 30, 2026, we closed 3,187 homes, 13.5% lower than 3,685 closings in the three months ended September 30, 2025. The decrease in home closing volume combined with a 4.0% lower ASP on closings resulted in home closing revenue of $1.2 billion for the three months ended September 30, 2026, 16.9% lower than the same period in 2025. Home order volume in the three months ended September 30, 2026 of 3,083 homes declined 15.2% from 3,636 homes in the three months ended September 30, 2025, due to a 21.1% decrease in orders pace to 3.0 net homes per month in the three months ended September 30, 2026 which was partially offset by a 6.5% increase in average active communities. Our orders pace and demand have been adversely impacted by deteriorating housing affordability and weak consumer confidence that has been exacerbated by economic and geo-political events, and we are intentionally focused on preserving margins rather than pursuing a higher orders pace. Home order value of $1.2 billion for the three months ended September 30, 2026 declined 16.7% from $1.4 billion in the prior year period, due to the lower home order volume combined with 1.7% lower ASP on orders. The decline in ASP on both closings and orders was caused by an increase in utilization and cost of financing incentives and shift in geographic mix. Order cancellations of 13% for the three months ended September 30, 2026 were up from 11% in the comparable 2025 period, reflective of the challenging selling environment.

For the nine months ended September 30, 2026, home closing volume of 9,879 closings was 12.4% lower than the prior year period, and ASP on closings decreased 4.2%, generating home closing revenue of $3.7 billion, a 16.0% decline from $4.4 billion in the prior year period. Home order volume of 10,322 for the nine months ended September 30, 2026 was down 9.7% over the prior year period, which combined with a 3.1% lower ASP on orders led to a 12.5% decrease in home order value of $4.0 billion. The decline in ASP on both closings and orders was caused by an increase in utilization and cost of financing incentives and a shift in geographic mix. We ended the third quarter of 2026 with 348 actively selling communities, up from 334 at September 30, 2025. The third quarter of 2026 ended with 1,611 homes in backlog valued at $637.2 million, compared to 1,699 units valued at $670.0 million at September 30, 2025. The year over year decrease in backlog homes is due to lower order volume and high backlog conversion rates.

West. The West Region generated $341.8 million in home closing revenue in the three months ended September 30, 2026, an 18.7% decrease compared to $420.7 million in the prior year period. The lower revenue was due almost entirely to 19.6% lower closing volume of 710 homes in the three months ended September 30, 2026, compared to 883 homes in the prior year, as ASP on closings was relatively flat year over year. Home orders for the three months ended September 30, 2026 of 706 were down 18.6% from 867 in the prior year period, due largely to the 23.5% decrease in orders pace, which was partially offset by a 6.5% increase in average active communities. The orders pace of 2.6 homes per month in the three months ended September 30, 2026 is reflective of a tougher selling environment in most of the West Region's markets, and compares to 3.4 homes per month in the same period of the prior year. Home order value of $352.0 million for the three months ended September 30, 2026 decreased 17.5% due entirely to the lower order volume, as ASP on orders was relatively flat year over year. The West Region had the lowest cancellation rate in the Company, at 12% for the three months ended September 30, 2026, up from 9% in the prior year period.

For the nine months ended September 30, 2026, home closing revenue of $1.1 billion decreased 25.6% due to a 27.1% decrease in home closing volume offset in part by a 2.1% higher ASP on closings. Home order volume in the West Region of 2,366 decreased 20.1% due to a 21.1% decrease in orders pace to 3.0 net homes per month, as the number of average actively selling communities was fairly consistent year over year. Home order value of $1.2 billion was down 18.2% as the lower volume was partially offset by a 2.4% increase in ASP. The higher ASP for both closings and orders was due to geographic mix within the region. The year-to-date cancellation rate of 9% was up slightly from 8% in the prior year period. The West Region ended the third quarter of 2026 with 330 homes in backlog valued at $170.7 million, compared to 350 units valued at $176.5 million at September 30, 2025. The 5.7% decrease in backlog units is the result of entering the third quarter of 2026 with fewer homes in backlog combined with fewer orders in the third quarter of 2026.

Central. The Central Region closed 1,170 homes in the three months ended September 30, 2026, down 7.1% from 1,260 in the prior year period. Home closing revenue of $384.0 million in the three months ended September 30, 2026 was 13.3% lower than $443.1 million in the prior year period due to the combined impact of lower home closing volume and a 6.7% decrease in ASP on closings. The decline in ASP on closings is due to increased utilization and cost of financing incentives and geographic mix within the region. In addition, closing ASP in the third quarter of 2026 was negatively impacted by closings with institutional build-for-rent partners in a few select markets where we took a discounted price to guarantee an exit and quick return of capital because near-term improvement was unlikely. Home order volume decreased 12.2% to 1,132 homes in the three months ended September 30, 2026 due to a 21.3% decline in orders pace to 3.7 net homes per month, partially offset by an 11.5% increase in average active community count. The decrease in orders volume combined with a 3.5% lower ASP on orders led to home order value of $397.0 million in the three months ended September 30, 2026, 15.3% lower than the prior

year period. The Central Region cancellation rate of 13% in the three months ended September 30, 2026 was up from 10% in the prior year period.

The Central Region generated home closing revenue of $1.2 billion for the nine months ended September 30, 2026, 9.7% lower than the prior year due to a 6.2% decline in closing volume of 3,586 homes and a 3.7% decrease in ASP on closings. Year-to-date ASP on closings decreased due to geographic mix within the region and higher usage and cost of financing incentives. Home order volume for the nine months ended September 30, 2026 of 3,707 homes decreased 6.2%, due to a 22.0% decrease in orders pace of 3.9 net homes per month, offset by a 19.2% increase in average active communities. Home order value was $1.3 billion for the nine months ended September 30, 2026, down 9.7% from $1.4 billion, in the prior year period, due to the lower order volume and a 3.7% reduction in ASP on orders. The year-to-date cancellation rate of 13% was up from 10% in the prior year period. The Central Region ended the third quarter of 2026 with 578 units in backlog, down 5.6% from prior year due to the lower order volume in the third quarter of 2026, which was offset by a lower backlog conversion rate of 190% in the third quarter of 2026, compared to 216% in the same prior year period. The lower backlog units combined with a relatively flat ASP led to backlog value of $217.2 million as of September 30, 2025, down 6.4% from the prior year period.

East. During the three months ended September 30, 2026, the East Region closed 1,307 homes, generating $436.6 million in home closing revenue, down 15.2% and 18.5%, respectively from 1,542 closings and $535.6 million in the comparable prior year period. ASP on home closings for the three months ended September 30, 2026 was 3.8% lower than the prior year period due to geographic mix within the region and increased usage and cost of financing incentives. Home order volume of 1,245 homes for the three months ended September 30, 2026 declined 15.9%, due to a lower orders pace of 2.7 net homes per month, as compared to 3.4 net homes per month in the prior year period, which was partially offset by a 3.4% higher average active community count. Home order value of $430.2 million in the three months ended September 30, 2026 decreased 17.2% from $519.9 million in the prior year period due to the lower home order volume and a 1.6% decrease in ASP on orders year over year, as noted previously. The East Region cancellation rate of 13% in the three months ended September 30, 2026 was up slightly from 12% in the same prior year period.

For the nine months ended September 30, 2026, the East Region had home closing volume of 4,072 homes for $1.4 billion in home closing revenue. The 7.5% lower order volume combined with a 5.6% decrease in ASP on closings resulted in a 12.7% decrease in home closing revenue compared to the 2025 period. The lower ASP on closings is due to increased usage and cost of financing incentives. Home order volume of 4,249 homes for the nine months ended September 30, 2026 decreased 5.8% from the prior year, due to a 15.8% lower orders pace of 3.2 net homes per month, which was partially offset by a 12.9% increase in average active communities. The higher average active community count reflects continued growth in our newer markets in Alabama and Mississippi. The lower order volume combined with 4.3% decrease in ASP on orders led to a 9.9% decrease in home order value of $1.5 billion. ASP on both closings and orders declined due to increased utilization and cost of financing incentives. The East Region's year-to-date cancellation rate of 13% increased from 10% in the prior year period. The East Region ended the third quarter of 2026 with 703 homes in backlog valued at $249.3 million, down 4.6% and 4.7%, respectively, due to having lower orders in the third quarter of 2026 and a high backlog conversion rate.

Land Closing Revenue and Gross Profit (in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Land closing revenue	$ 6,081	$ 16,068	$ 28,162	$ 39,766
Land closing gross profit	$ 124	$ 192	$ 379	$ 2,638

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. Therefore, the timing of land closings is not typically consistent between periods.

Other Operating Information (dollars in thousands)

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026		2025		2026		2025	
	Dollars	Percent of Home Closing Revenue	Dollars	Percent of Home Closing Revenue	Dollars	Percent of Home Closing Revenue	Dollars	Percent of Home Closing Revenue
Home Closing Gross Profit [1]								
Total	$ 202,606	17.4 %	$ 266,957	19.1 %	$ 650,017	17.8 %	$ 903,935	20.7 %
Add: Real estate-related impairments	6,639		8,693		12,648		8,693	
Add: Write-off of terminated land deals [3]	(643)		5,799		1,006		11,437	
Adjusted Home Closing Gross Profit [2]	$ 208,602	17.9 %	$ 281,449	20.1 %	$ 663,671	18.1 %	$ 924,065	21.2 %
West	$ 61,411	18.0 %	$ 82,447	19.6 %	$ 201,251	18.7 %	$ 301,880	20.8 %
Add: Real estate-related impairments	1,735		543		1,735		543	
Add: Write-off of terminated land deals	30		2,544		256		3,667	
Adjusted Home Closing Gross Profit [2]	$ 63,176	18.5 %	$ 85,534	20.3 %	$ 203,242	18.8 %	$ 306,090	21.1 %
Central	$ 67,771	17.7 %	$ 94,816	21.4 %	$ 221,721	18.4 %	$ 292,132	21.9 %
Add: Real estate-related impairments	3,973		1,243		7,437		1,243	
Add: Write-off of terminated land deals	7		104		499		663	
Adjusted Home Closing Gross Profit [2]	$ 71,751	18.7 %	$ 96,163	21.7 %	$ 229,657	19.0 %	$ 294,038	22.0 %
East	$ 73,424	16.8 %	$ 89,694	16.7 %	$ 227,045	16.5 %	$ 309,923	19.7 %
Add: Real estate-related impairments	931		6,907		3,476		6,907	
Add: Write-off of terminated land deals [3]	(680)		3,151		251		7,107	
Adjusted Home Closing Gross Profit [2]	$ 73,675	16.9 %	$ 99,752	18.6 %	$ 230,772	16.8 %	$ 323,937	20.6 %

(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.

(3) In the third quarter of 2026, we recovered deposits on certain terminated deals that were previously written-off, resulting in a net recovery versus charge.

Companywide. Home closing gross profit for the three months ended September 30, 2026 was $202.6 million, with a home closing gross margin of 17.4% down 170 basis points from 19.1% in the three months ended September 30, 2025. For the nine months ended September 30, 2026, home closing gross profit was $650.0 million, or 17.8% gross margin, down 290 basis points from 20.7% in the nine months ended September 30, 2025. The margin decline for both the three and nine months ended September 30, 2026 was due to the combined impact of higher incentives, reduced leverage of fixed costs on lower home closing revenue and higher lot costs, all of which were partially offset by savings in direct costs and lower performance-based compensation expense. Excluding real estate-related impairments and charges related to terminated land contracts, adjusted home closing gross margin was 17.9% and 20.1% for the three months ended September 30, 2026 and 2025, respectively, and was 18.1% and 21.2% for the nine months ended September 30, 2026 and 2025, respectively.

West. The West Region had home closing gross margin of 18.0% for the three months ended September 30, 2026, down 160 basis points from 19.6% in the three months ended September 30, 2025. For the nine months ended September 30, 2026,

the West Region home closing gross margin of 18.7% declined 210 basis points from 20.8% in the same prior year period. The decline in home closing gross margin for both the three and nine month periods ended September 30, 2026 was due to higher incentives and lot costs and lost leverage on lower home closing revenue, which were partially offset by savings in direct costs and lower performance-based compensation expense. Excluding impairment charges and land deal terminations, adjusted home closing gross margin was 18.5% and 20.3% for the three months ended September 30, 2026 and 2025, respectively, and was 18.8% and 21.1% for the nine months ended September 30, 2026 and 2025, respectively.

Central. The Central Region home closing gross margin of 17.7% for the three months ended September 30, 2026 decreased 370 basis points from 21.4% in the prior year period due to higher incentives and reduced leverage on lower home closing revenue, partially offset by lower performance-based compensation expense and savings in direct costs. Real estate-related impairments negatively impacted home closing gross margin by 100 basis points for the three months ended September 30, 2026. Excluding these charges, adjusted home closing gross margin was 18.7% and 21.7% for the three months ended September 30, 2026 and 2025, respectively. For the nine months ended September 30, 2026, the Central Region home closing gross margin of 18.4% declined 350 basis points from 21.9%, due to less leverage on lower home closing revenue and higher lot costs, offset by savings in direct costs and performance-based compensation expense. Excluding real estate-related impairments and contract termination charges for the nine months ended September 30, 2026 and 2025, adjusted home closing gross margin was 19.0% and 22.0%, respectively.

East. The East Region home closing gross margin of 16.8% for the three months ended September 30, 2026 was relatively flat with 16.7% in the same prior year period, due to increased incentives and lost leverage on lower home closing revenue in the third quarter of 2026 as compared to the prior period. Also impacting home closing gross margin were impairments of $0.9 million in third quarter of 2026 compared to $6.9 million in the third quarter of 2025. For the nine months ended September 30, 2026, the East Region home closing gross margin of 16.5% decreased 320 basis points from 19.7% in the same period of 2025, due to lost leverage on lower home closing revenue and higher lot costs, which more than offset the savings in direct costs and lower performance-based compensation expense. Excluding real estate-related impairments and write-off of terminated land deals, adjusted home closing gross margin was 16.9% and 18.6% for the three months ended September 30, 2026 and 2025, respectively. For the nine months ended September 30, 2026 and 2025, adjusted home closing gross margin excluding impairments and terminated land deals was 16.8% and 20.6%, respectively.

Financial Services Profit (in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Financial services profit	$ 4,759	$ 4,480	$ 13,579	$ 13,654

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 our mortgage joint ventures. Results from financial services are closely tied to the number of home closings in each of our markets where we have financial services operations. Despite lower home closing volume, financial services profit for the three and nine months ended September 30, 2026 was relatively flat compared to the same prior year periods due to fewer charges in the current year related to expired interest rate forward commitments.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Commissions and other sales costs	$ (82,441)	$ (99,722)	$ (253,718)	$ (303,272)
Percent of Home closing revenue	7.1 %	7.1 %	6.9 %	7.0 %
General and administrative expenses	$ (45,170)	$ (51,787)	$ (148,952)	$ (163,967)
Percent of Home closing revenue	3.9 %	3.7 %	4.1 %	3.8 %
Interest expense	$ (1,352)	$ —	$ (4,126)	$ —
Other income, net	$ 6,289	$ 8,128	$ 20,724	$ 28,479
Provision for income taxes	$ (17,031)	$ (28,951)	$ (64,180)	$ (112,485)

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 and completed spec home inventory costs. For the three months ended September 30, 2026, these costs decreased $17.3 million, to $82.4 million, and for the nine months ended September 30, 2026, these costs decreased $49.6 million, to $253.7 million. The decreased spend for both

periods is due to lower commissions paid on lower home closing revenue and lower maintenance and utility costs associated with having less spec homes in inventory. As a percentage of home closing revenue, commissions and other sales costs were relatively consistent across all periods.

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 three months ended September 30, 2026, general and administrative expenses of $45.2 million decreased $6.6 million, and for the nine months ended September 30, 2026, decreased $15.0 million to $149.0 million. The lower spend for both the three and nine months ended September 30, 2026 is due to lower performance-based compensation expense and intentional reductions in discretionary spend, partially offset by increased spend on technology. General and administrative expenses as a percentage of home closing revenue were 3.9% and 4.1% for the three and nine months ended September 30, 2026, respectively, up from 3.7% and 3.8% in the same prior year periods, due to reduced leverage of fixed costs on lower home closing revenue.

Interest Expense. Interest expense is comprised of interest incurred, but not capitalized, on our senior and convertible senior notes and loans payable and other borrowings, including our Credit Facility. We recognized interest expense of $1.4 million and $4.1 million for the three and nine months ended September 30, 2026, respectively. There was no interest expense in the same periods of 2025 as all interest incurred was capitalized to qualifying assets.

Other Income, Net. Other income, net, primarily consists of (i) sublease income, (ii) interest earned on our cash and cash equivalents, (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 $6.3 million and $8.1 million for the three months ended September 30, 2026 and 2025, respectively, and decreased primarily due to less interest income earned on lower cash balances. Other income, net was $20.7 million and $28.5 million for the nine months ended September 30, 2026 and 2025, respectively, and decreased due to less interest income earned on lower cash balances as well as a favorable legal settlement recognized in the prior year period.

Income Taxes. Our effective tax rate was 20.1% and 22.6% for the three months ended September 30, 2026 and 2025, respectively, and was 23.1% and 23.4% for the nine months ended September 30, 2026 and 2025, respectively. The rate for the three months ended September 30, 2026 reflected acquired below-market transferable clean fuel production tax credits.

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 may also opportunistically repurchase 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 real estate inventory and are not recognized in our income statement until a home closes, we incur significant cash outlays prior to recognition of earnings. 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. We strive to align our capital allocation and cash outlays with current market conditions. 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.

At September 30, 2026, we had $677.5 million of cash and cash equivalents and $896.7 million available under the Credit Facility, thereby providing approximately $1.6 billion of total available capacity.

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 and dividend payments and share repurchases. Although we don't anticipate any early redemptions in the near term, we may opportunistically retire 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, dividend payments and share repurchases. 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 unaudited consolidated balance sheets as of September 30, 2026, 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 senior notes or convertible senior notes maturing 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. Except for specific performance land purchase contracts, 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 loans payable and other borrowings, including our Credit Facility and senior and convertible senior notes, reference is made to Notes 5 and 6 in the notes to unaudited consolidated financial statements included in this report and are incorporated by reference herein. For information about our lease obligations, reference is made to Note 4 - Leases in the consolidated financial statements included in our Annual Report.

Reference is made to Notes 1, 3, 4, and 15 in the notes to unaudited consolidated financial statements included in this 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 September 30, 2026 or December 31, 2025.

Operating Cash Flow Activities

During the nine months ended September 30, 2026, net cash provided by operating activities totaled $259.5 million, and for the nine months ended September 30, 2025, net cash used in operating activities totaled $125.4 million. Net cash provided by operating activities for the nine months ended September 30, 2026 consisted largely of cash generated from net earnings of $213.7 million and a $58.7 million decrease in real estate. Net cash used in operating activities for the nine months ended September 30, 2025 consisted primarily of a $413.2 million increase in real estate, offset in part by cash generated from net earnings of $369.0 million.

Investing Cash Flow Activities

During the nine months ended September 30, 2026 and 2025, net cash used in investing activities totaled $34.6 million and $41.0 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 nine months ended September 30, 2026, net cash used in financing activities totaled $322.6 million, consisting of $285.0 million of share repurchases and $94.2 million of dividends paid, offset in part by $59.9 million in proceeds from liabilities related to consolidated real estate not owned. During the nine months ended September 30, 2025, net cash provided by financing activities of $243.8 million primarily reflects the net proceeds of $492.1 million from the issuance of our 5.650% Senior Notes due 2035, offset in part by $145.0 million of share repurchases and $91.8 million of dividends paid. See 'Part II, Item 2 - Unregistered Sales of Equity Securities and Use of Proceeds' 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):

	As of	
	September 30, 2026	**December 31, 2025**
Senior and convertible senior notes, net and loans payable and other borrowings	$ 1,851,752	$ 1,829,054
Stockholders' equity	5,044,358	5,195,643
Total capital	$ 6,896,110	$ 7,024,697
Debt-to-capital [(1)]	26.9 %	26.0 %
Senior and convertible senior notes, net, and loans payable and other borrowings	$ 1,851,752	$ 1,829,054
Less: cash and cash equivalents	(677,498)	(775,157)
Net debt	$ 1,174,254	$ 1,053,897
Stockholders' equity	5,044,358	5,195,643
Total net capital	$ 6,218,612	$ 6,249,540
Net debt-to-capital [(2)]	18.9 %	16.9 %

(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 and 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 three months ended September 30, 2026 and 2025, our Board of Directors approved, and we paid, a quarterly cash dividend on common stock of $0.48 and $0.43 per share, respectively. Quarterly dividends paid during the nine months ended September 30, 2026 and 2025, totaled $1.44 and $1.29 per share, respectively.

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 $3.5 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 September 30, 2026. Our actual financial covenant calculations as of September 30, 2026 are reflected in the table below.

Financial Covenant (dollars in thousands):	Covenant Requirement	Actual
Minimum Tangible Net Worth	> $3,610,498	$4,995,489
Leverage Ratio	< 60%	17.1%
Investments other than defined permitted investments	< $1,523,647	$64,225

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. 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.

Recent Accounting Pronouncements

See Note 1 to our unaudited consolidated financial statements included in this report for discussion of recent accounting pronouncements.

Item 3. 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 and access the capital markets to issue new debt. Obligations to settle our convertible senior notes by conversion 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 term SOFR or Prime (see Note 5 to our unaudited consolidated financial statements included in this report).

Item 4. 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 Exchange Act Rules 13a-15(e) and 15d-15(e), as of September 30, 2026 (the “Evaluation Date”). Based on such evaluation, our 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 that is required to be disclosed by us in the reports 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 disclosure.

During the fiscal quarter covered by this Form 10-Q, there has not been any change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

See Note 15 to our unaudited consolidated financial statements included in this report for a discussion of our legal proceedings.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, Item IA "Risk Factors" in our Annual Report, which could materially affect our business, financial condition or future results. The risks described in our Annual Report are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may eventually prove to materially adversely affect our business, financial condition and/or operating results. There have been no material changes in our risk factors as previously disclosed in our Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

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. As of September 30, 2026 there was $229.1 million available under this program to repurchase shares. We repurchased 757,128 shares under the program during the three months ended September 30, 2026.

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 value of shares that may yet be purchased under the plans or programs
July 1, 2026 - July 31, 2026	214,402	$ 70.91	214,402	$ 268,875,757
August 1, 2026 - August 31, 2026	542,726	$ 73.33	542,726	$ 229,079,482
September 1, 2026 - September 30, 2026	—	$ —	—	$ 229,079,482
Total	757,128		757,128	

Item 5. Other Information

Insider Trading Arrangements

During the fiscal quarter ended September 30, 2026, 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 6. Exhibits

Exhibit Number	Description	Page or Method of Filing
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 August 20, 2026
22	List of Guarantor Subsidiaries	Incorporated by reference to Exhibit 22 of Form 10-K for the year ended December 31, 2025
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
101.0	The following information from the Meritage Homes Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2026 were formatted in Inline XBRL (Extensible Business Reporting Language): (i) Unaudited Consolidated Balance Sheets, (ii) Unaudited Consolidated Income Statements, (iii) Unaudited Consolidated Statements of Cash Flows, and (iv) Notes to Unaudited Consolidated Financial Statements.	
104.0	The cover page from the Company’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, formatted in Inline XBRL and contained in Exhibit 101.	

SIGNATURES

Pursuant to the requirements 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.

MERITAGE HOMES CORPORATION,
a Maryland corporation

By: /s/ HILLA SFERRUZZA

Hilla Sferruzza
Executive Vice President and Chief Financial Officer
(Duly Authorized Officer and Principal Financial Officer)

Date: October 30, 2026

INDEX OF EXHIBITS

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104.0	The cover page from the Company’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, formatted in Inline XBRL and contained in Exhibit 101.

EXHIBIT 31.1

RULE 13a-14(a)/15d-14(a) CERTIFICATION

I, Phillippe Lord, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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: October 30, 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 Quarterly Report on Form 10-Q 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: October 30, 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 Quarterly Report on Form 10-Q of Meritage Homes Corporation (the "Company") for the period ending September 30, 2026, 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)

October 30, 2026

By: /s/ Hilla Sferruzza

Hilla Sferruzza
Executive Vice President and Chief Financial Officer (Principal Financial Officer)

October 30, 2026