

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported) February 9, 2005

MERITAGE HOMES CORPORATION

(Exact Name of Registrant as Specified in Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

1-9977
(Commission File
Number)

86-0611231
(IRS Employer
Identification No.)

8501 E. Princess Drive, Suite 290, Scottsdale, Arizona
(Address of Principal Executive Offices)

85255
(Zip Code)

(480) 609-3330
(Registrant's telephone number, including area code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions *see* General Instruction A.2. below:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On February 9, 2005 we entered into a definitive agreement to purchase the homebuilding assets of Fort Myers/Naples based Colonial Homes. The acquisition is expected to close in the next week and is subject to satisfaction of certain conditions. The cash purchase price to be paid for the acquisition is approximately \$64 million plus accrued liabilities of approximately \$9 million for the assets acquired at closing. In addition, Meritage has the right to acquire approximately 1,800 lots over a four-year period pursuant to an option agreement entered into between Meritage and Colonial. Colonial closed 355 homes in 2004 at an average selling price of approximately \$347,000, resulting in home closing revenue of approximately \$123 million. Attached at Exhibit 99.1 is a copy of our press release announcing the Colonial acquisition.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

99.1 Press Release dated February 9, 2005

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 hereunto duly authorized.

Dated: February 9, 2005

MERITAGE HOMES CORPORATION

/s/ Larry W. Seay
By: Larry W. Seay
Chief Financial Officer, Vice President
and Secretary



press release

A DYNAMIC GROWTH COMPANY IN THE HOME BUILDING SECTOR

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**Meritage Homes Corporation to Acquire
Colonial Homes of Fort Myers/Naples Florida
- Meritage also Considering Bond Refinancing -**

Dallas and Scottsdale, Arizona (February 9, 2005) — Meritage Homes Corporation (NYSE: MTH) today announced that it has entered into a definitive agreement to purchase the homebuilding assets of Colonial Homes of Fort Myers/Naples Florida ("Colonial"), a privately held builder of single-family homes and condominiums. The acquisition is expected to close within the next week and is subject to the satisfaction of certain conditions. Colonial closed 355 homes in 2004 at an average selling price of approximately \$347,000, resulting in home closing revenue of \$123 million.

"We consider Colonial Homes to be an ideal acquisition candidate," said John R. Landon, Meritage Co-Chairman and CEO. "Colonial has a solid land position, controlling about 1,800 lots, and an excellent product line. The Colonial culture is compatible with ours, and we are confident that the Colonial management team is capable of growing this division rapidly. This acquisition is an important part of the Meritage growth strategy that includes selective acquisitions, greenfield start-up operations and expansion in existing markets. After completing our 17th consecutive record year and announcing our start-up operation in Orlando, this is a great way to begin the year. We expect this transaction to be accretive to 2005 earnings and anticipate closing approximately 400 homes in this division in 2005," concluded Mr. Landon.

Tony Persichilli, Division President of Colonial, will remain with the Company as President of the Fort Myers/Naples division. "Tony has a wealth of homebuilding and land development experience in the Florida housing market and we are very pleased that he will continue to manage these operations for Meritage," added Mr. Landon. "We look forward to the growth opportunities that he and his team will bring to the Company."

"I am very excited to be a part of the Meritage team and look forward to helping grow this division with such a well respected and quality homebuilder," said Tony Persichilli. "Meritage has a proven track record as a leader in our industry and I am eager to be part of its future success."

Colonial Homes was advised by Michael P. Kahn & Associates.

Meritage Considering Bond Refinancing

The Company is considering refinancing all or a portion of its outstanding \$280 million 9¾% notes. If completed, this refinancing would result in a significant one-time charge to earnings, but would also result in significant ongoing interest savings.

About Meritage Homes Corporation

Meritage Homes Corporation is one of the nation's largest single-family homebuilders, and is traded on the NYSE, symbol: MTH. The Company is included in the S&P SmallCap 600 Index and appears on *Forbes'* "Platinum 400" list as number one in terms of five-year annualized total return. *Fortune* magazine recently named Meritage to its "Fortune 1000" list of America's largest corporations and included the Company as a "top pick from 50 great investors" in its Investor's Guide 2004. Additionally, Meritage is ranked as one of *Fortune's* Fastest Growing Companies in America, its fourth appearance on this list in six years. In its 18-year history the Company has built approximately 35,000 homes, ranging from entry-level to semi-custom luxury. Meritage operates in fast-growing states of the Southern and Western U.S., including six of the top ten single-family housing markets in the country. For more information about the Company, please visit the Meritage website located at www.meritagehomes.com.

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This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include statements concerning our anticipation that we can grow this division rapidly, that this transaction will close in the next week, that it will be accretive to 2005 earnings, our anticipated number of closings in Fort Myers/Naples Florida in 2005 and that we may refinance our notes. Such statements are based upon the current beliefs and expectations of our management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements.

With respect to the Colonial Homes acquisition, these uncertainties include: that the Colonial Homes acquisition will not close; the risks that the Colonial Homes business will not be integrated successfully; that market and financing synergies anticipated from the acquisition may not be fully realized or may take longer to realize than expected; that unanticipated expenses and liabilities may be incurred; and that the combined companies will lose key employees or suppliers.

With respect to the potential refinancing of our outstanding bonds, these uncertainties include: that interest rates may increase and make such a refinancing unattractive, that the costs and charges associated with such a refinancing may be more than expected and that such a refinancing may not be consummated.

Meritage's business is subject to a number of risks and uncertainties including: the strength and competitive pricing of the single-family housing market; demand for and acceptance of our homes; changes in the availability and pricing of real estate in the markets in which we operate; our ability to continue to acquire additional land or options to acquire additional land on acceptable terms, particularly in our greenfield start-up markets; general economic slow downs; consumer confidence, which can be impacted by economic and other factors such as terrorism, war, or threats thereof and changes in stock markets; the impact of construction defect and home warranty claims; the cost and availability of insurance, including the unavailability of insurance for the presence of mold; interest rates and changes in the availability and pricing of residential mortgages; our lack of geographic diversification; our level of indebtedness and our ability to raise additional capital when and if needed; our ability to take certain actions because of restrictions contained in the indentures for our senior notes and the agreement for our senior unsecured credit facility; legislative or other initiatives that seek to restrain growth in new housing construction or similar measures; the success of our program to integrate existing operations with any new operations or those of past or future acquisitions; our success in locating and negotiating favorably with possible acquisition candidates; our ability to achieve certain pre-tax margins; our dependence on key personnel and the availability of satisfactory subcontractors; the impact of inflation; our potential exposure to natural disasters; the impact of new

accounting principles; and other factors identified in documents filed by us with the Securities and Exchange Commission, including those set forth in our Form 10-K for the year ended December 31, 2003 under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations — Factors That May Affect Our Future Results and Financial Condition" and in Exhibit 99.1 of Meritage's Form 10-Q for the quarter ended September 30, 2004. As a result of these and other factors, the Company's stock and note prices may fluctuate dramatically.

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