Table of Contents

**As filed with Securities and Exchange Commission on May 20, 2010**

**Registration Statement No. 333-**

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

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# FORM S-4
# REGISTRATION STATEMENT
***UNDER***
***THE SECURITIES ACT OF 1933***

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# MERITAGE HOMES CORPORATION

**Co-registrants are listed on the following page**
**(Exact name of registrant as specified in its charter)**

| **Maryland** | **1531** | **86-0611231** |
|---|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(Primary Standard Industrial Classification Code Number)** | **(IRS Employer Identification Number)** |

**17851 North 85th Street, Suite 300**
**Scottsdale, Arizona 85255**
**(480) 515-8100**
**(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)**

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**Larry W. Seay**
**Executive Vice President and Chief Financial Officer**
**17851 North 85th Street, Suite 300**
**Scottsdale, Arizona 85255**
**(480) 515-8100**
**(Name, address, including zip code, and telephone number, including area code, of agent for service)**

***Copies to:***

**Jeffrey E. Beck**
**Snell & Wilmer L.L.P.**
**One Arizona Center**
**400 East Van Buren**
**Phoenix, Arizona 85004**
**(602) 382-6000**

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**Approximate date of commencement of proposed sale to the public:** As soon as practicable after this registration statement becomes effective and all other conditions to the exchange offer set forth in the registration rights agreement described in the enclosed prospectus have been satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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

Large accelerated filer ☐
Accelerated filer ☑
Non-accelerated filer ☐
(Do not check if a smaller reporting company)
Smaller reporting company ☐

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ☐
Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ☐

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**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to Section 8(a), may determine.**

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## CALCULATION OF REGISTRATION FEE

| Title of securities to be registered | Amount to be registered | Proposed maximum offering price per share | Proposed maximum aggregate offering price (1) | Amount of registration fee |
|---|---|---|---|---|
| 7.15% Senior Notes due 2020 | $200,000,000 | 100% | $200,000,000 | $14,260 |
| Guarantees of 7.15% Senior Notes due 2020 | $200,000,000 | (2) | (2) | (2) |

(1) The registration fee was calculated pursuant to Rule 457(f) under the Securities Act of 1933, as amended (the "Securities Act"). For purposes of this calculation, the offering price per note was assumed to be the stated principal amount of each original note that may be received by the registrant in the exchange transaction in which the notes will be offered.

(2) The guarantees are the full and unconditional guarantee of Meritage Homes Corporation's payment obligations under its 7.15% Senior Notes due 2020 by its direct and indirect wholly-owned subsidiaries listed as co-registrants on the following pages. No separate consideration will be received for the guarantees. In accordance with Rule 457(n) under the Securities Act, no separate fee is required for the registration of guarantees.

Table of Contents

**Table of Co-Registrants(1)**

The following direct and indirect wholly-owned subsidiaries of Meritage Homes Corporation will fully and unconditionally guarantee Meritage Homes Corporation's payment obligations under its 7.15% Senior Notes due 2020 and are co-registrants under this registration statement.

| Name of Each Co-Registrant as Specified in Its Charter | State or Other Jurisdiction of Incorporation or Organization | IRS Employer Identification No. |
|---|---|---|
| Meritage Paseo Crossing, LLC | Arizona | 86-1006497 |
| Meritage Paseo Construction, LLC | Arizona | 86-0863537 |
| Meritage Homes of Arizona, Inc. | Arizona | 86-1028848 |
| Meritage Homes Construction, Inc. | Arizona | 86-1028847 |
| Meritage Homes of California, Inc. | California | 86-0917765 |
| Meritage Homes of Nevada, Inc. | Arizona | 43-1976353 |
| Meritage Holdings, L.L.C. | Texas | 42-1732552 |
| Meritage Homes of Texas Holding, Inc. | Arizona | 86-0875147 |
| Meritage Homes of Texas Joint Venture Holding Company, LLC | Texas | 75-2771799 |
| Meritage Homes of Texas, LLC | Arizona | 65-1308131 |
| Meritage Homes Operating Company, LLC | Arizona | 65-1308133 |
| MTH-Cavalier, LLC | Arizona | 86-0863537 |
| MTH Golf, LLC | Arizona | 56-2379206 |
| Meritage Homes of Colorado, Inc. | Arizona | 20-1091787 |
| Meritage Homes of Florida, Inc. | Florida | 59-1107583 |
| California Urban Builders, Inc. | California | 52-2457170 |
| California Urban Homes, LLC | California | 20-2707345 |
| WW Project Seller, LLC | Arizona | 86-1006497 |

(1) The address, including zip code, and telephone number, including area code, of each co-registrant is 17851 North 85th Street, Suite 300, Scottsdale, Arizona 85255, (480) 515-8100.

[Table of Contents](#)

**The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED MAY 20, 2010**

**PROSPECTUS**

**OFFER TO EXCHANGE**
**$200,000,000 of 7.15% Senior Notes due 2020**
**that have been registered under the Securities Act of 1933**
**and guaranteed fully and unconditionally by all of our existing subsidiaries**
**(other than our Unrestricted Subsidiaries)**
**for any and all of our outstanding**
**$200,000,000 of 7.15% Senior Notes due 2020**
**that have not been registered under the Securities Act of 1933**

**THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2010, UNLESS EXTENDED.**

We are offering to exchange up to $200 million aggregate principal amount of our registered 7.15% Senior Notes due 2020 (the "exchange notes"), for the identical aggregate principal amount of our outstanding unregistered 7.15% Senior Notes due 2020, which were issued on April 13, 2010 (the "outstanding notes"). The aggregate principal amount of the outstanding notes, and therefore, the aggregate principal amount of exchange notes which would be issued if all the outstanding notes were exchanged, is $200 million. The exchange offer will expire at 5:00 p.m., New York City time, on , 2010 unless we extend the offer. We will exchange the exchange notes for all outstanding notes that are validly tendered and not withdrawn prior to the expiration of the exchange offer. You may withdraw tenders of outstanding notes at any time prior to the expiration of the exchange offer. The terms of the exchange notes to be issued will be identical in all material respects to those of the outstanding notes, except that the exchange notes do not have any transfer restrictions, registration rights or rights to additional interest. We will not receive any cash proceeds from the exchange offer.

The notes are our unsecured senior obligations. The notes rank equally with all of our other unsecured senior indebtedness.

Prior to the exchange offer, there has been no public market for the exchange notes. We do not currently intend to list the exchange notes on a securities exchange or seek approval for quotation of the exchange notes on an automated quotation system. Therefore, it is unlikely that an active trading market for the exchange notes will develop.

The exchange agent for the exchange offer is HSBC Bank USA, National Association.

**See "Risk Factors" beginning on page 10, for a discussion of certain factors that should be considered in evaluating the exchange offer.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

The date of this prospectus is , 2010.

## TABLE OF CONTENTS


| | Page |
|---|---|
| Prospectus Summary | 1 |
| Risk Factors | 10 |
| Use of Proceeds | 14 |
| Capitalization | 14 |
| Description of the Exchange Notes | 15 |
| The Exchange Offer | 33 |
| Certain United States Federal Income Tax Considerations | 40 |
| Plan of Distribution | 45 |
| Legal Matters | 46 |
| Experts | 46 |
| Available Information | 46 |
| Incorporation of Certain Information by Reference | 47 |
| Subsidiary Guarantors and Financial Statements | 48 |


## ADDITIONAL INFORMATION

This prospectus incorporates important business and financial information about us that is not included in or delivered with the document. This information is available without charge to security holders upon written or oral request. You may request a copy of this information, at no cost, by calling us or by writing to us at our principal executive offices in Arizona at the following address:

Meritage Homes Corporation
17851 North 85th Street, Suite 300
Scottsdale, Arizona 85255
Attention: Investor Relations
Telephone: (480) 515-8100

**In order to obtain timely delivery, you must make your request no later than five business days before the expiration of the exchange offer.** The exchange offer will expire on , 2010, unless extended.

Our obligations under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), to file periodic reports and other information with the SEC may be suspended, under certain circumstances, if our common stock and exchange notes are each held by fewer than 300 holders of record at the beginning of any fiscal year and are not listed on a national securities exchange. We have agreed that, whether or not we are required to do so by the rules and regulations of the Securities and Exchange Commission (the "SEC"), for so long as any of the exchange notes remain outstanding we will furnish to the holders of the exchange notes, and if required by the Exchange Act, file with the SEC, all annual, quarterly and current reports that we are or would be required to file with the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act. In addition, we have agreed that, as long as any of the outstanding notes remain outstanding, we will make the information required by Rule 144A(d)(4) under the Securities Act of 1933, as amended (the "Securities Act"), available to any prospective purchaser of outstanding notes or beneficial owner of outstanding notes in connection with a sale of them.

**No person has been authorized to give any information or to make any representations, other than those contained in this prospectus. If given or made, that information or those representations may not be relied upon as having been authorized by us. This prospectus does not constitute an offer to or solicitation of any person in any jurisdiction in which such an offer or solicitation would be unlawful.**

Table of Contents

## PROSPECTUS SUMMARY

*The following summary highlights selected information contained elsewhere in this prospectus and may not contain all of the information that is important to you. For a more complete understanding of this exchange offer, we encourage you to read this entire document (including the documents incorporated herein by reference) and the documents to which we have referred you. Unless otherwise indicated in this prospectus, the terms "Meritage," the "Company," "we," "our" and "us" refer to Meritage Homes Corporation and its subsidiaries and predecessors as a combined entity.*

### MERITAGE HOMES CORPORATION

We are a leading designer and builder of single-family attached and detached homes based on the number of home closings. We operate in the historically high-growth southern and western United States. We offer a variety of homes that are designed to appeal to a wide range of homebuyers, including first-time, move-up, luxury and active adult buyers, although our current emphasis is on the first-time and first-time move-up segment as we believe they represent the largest demographic of buyers.

Our homebuilding and marketing activities are conducted primarily under the Meritage Homes brand, except in Arizona, where we also operate under the name Monterey Homes and in Texas, where we operate under the names Monterey Homes and Legacy Homes. At March 31, 2010, we were actively selling homes in 149 communities, with base prices ranging from approximately $99,900 to $917,990.

We currently build and sell homes in six states in the following markets:

**Markets**

Phoenix/Scottsdale, AZ
Tucson, AZ
Dallas/Ft. Worth, TX
Houston, TX
Austin, TX
San Antonio, TX
San Francisco (East Bay/Central Valley), CA
Sacramento, CA
Los Angeles (Inland Empire), CA
Orlando, FL
Las Vegas, NV
Denver, CO

All facets of Meritage Homes' operations are governed by the principles of our strategic model, *Meritage Forward. Meritage Forward* defines our culture and operational parameters, to ensure that all actions are aligned around the achievement of our goals. It combines our entrepreneurial spirit and organizational agility to drive industry-leading results in all of our functional areas, including: management, land acquisition and development, finance, marketing, sales, purchasing, construction and customer care. We recently launched several new initiatives reflecting the *Meritage Forward* principles. Our Simply Smart Series™ is a collection of homes that market a low monthly payment and are specifically designed for the renter and first-time buyer demographic. These homes benchmark favorably in our submarkets where low prices are the key determinant for sales activity. The Simply Smart Series™ offers a solid range of standard features while allowing buyers to customize their purchase with options and upgrades that are important to them.

Table of Contents

To address the influx of available existing home inventory, we have initiated our "*Your Home. Your Way. 99 Days Guaranteed*" promise in many of our communities. This program affords our buyers all the benefits of new home construction, including customization and a warranty, and delivery in 99 days or less from the date the buyer signs the sales contract to the close of their new home. This allows us to effectively compete with the typical closing cycles for resale homes. The expedited timeline is consistent with our streamlined processes.

We also recently announced that every home we construct beginning in 2010 will meet ENERGY STAR® standards. The "green" construction not only aligns with our corporate goal of being a responsible steward of the environment, but also provides our buyers with additional value including: (i) generating higher home appraisal values (ii) allowing them to qualify for "green" mortgages (iii) reducing their energy and water use expenses and (iv) creating a more "green" living environment. We believe our Green Strategy effectively differentiates our product in the marketplace. By building ENERGY STAR® homes, we will be exceeding the current government standards for environmental construction thresholds. Incorporating these energy standards into all of our homes has resulted in our achievement of design, purchasing and production efficiencies that allow us to offer these features to our home buyers for either nominal or no additional cost as compared to homes without such features.

## CORPORATE INFORMATION

We are a Maryland corporation. Our principal offices are at 17851 North 85th Street, Suite 300, Scottsdale, Arizona. Our telephone number at these offices is (480) 515-8100. Our website address is www.meritagehomes.com. The information on our website is not part of this prospectus.

## RECENT DEVELOPMENTS

Our results for the year ended December 31, 2009 reflected the continued instability in the homebuilding and credit markets, as well as the general recession that impacted the U.S. economy during 2009. Total home closing revenue was $962.8 million for the year ended December 31, 2009, a decrease of 36.0% from 2008. During the three-month period ended March 31, 2010, home closing revenue was $200.6 million, a decrease of 13.2% from the same period in 2009. Net sales increased year-over-year during the first quarter of 2010, however, with 1,064 home orders in the first three months of 2010 compared to 987 home orders during the same period in 2009. The value of our backlog increased 23.6%, to $355.4 million, during the first quarter of 2010.

The following table presents selected financial and operating data of Meritage Homes Corporation and subsidiaries as of and for each of the last three years ended December 31, 2009 and as of and for the three-month periods ended March 31, 2010 and 2009 (dollars in thousands):

| | Year Ended December 31, | | | Three Months Ended March 31, | |
|---|---|---|---|---|---|
| | 2009 | 2008 | 2007 | 2010 | 2009 |
| **Operating Data:** | | | | | |
| Homes closed (units) | 4,039 | 5,627 | 7,687 | 808 | 932 |
| Home closing revenue | $ 962,797 | $ 1,505,117 | $ 2,334,141 | $ 200,582 | $ 230,978 |
| Homes ordered (units) | 3,853 | 4,620 | 6,290 | 1,064 | 987 |
| Sales order value | $ 912,301 | $ 1,173,163 | $ 1,804,065 | $ 268,468 | $ 232,123 |
| Backlog at end of period (homes) | 1,095 | 1,281 | 2,288 | 1,351 | 1,336 |
| Backlog at end of period | $ 287,535 | $ 338,031 | $ 669,985 | $ 355,419 | $ 339,176 |

## SELECTED FINANCIAL DATA

The following table presents selected historical consolidated financial and operating data of Meritage Homes Corporation and subsidiaries as of and for each of the last five years ended December 31, 2009, and as of and for the three-month period ended March 31, 2010. The financial data has been derived from our audited consolidated financial statements and related notes for the periods presented. This table should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes included in Meritage's Annual Report on Form 10-K for the year ended December 31, 2009, which is incorporated by reference herein. These historical results may not be indicative of future results.

The data in the table includes the operations of Colonial Homes and Greater Homes since their dates of acquisition, February 2005 and September 2005, respectively.

| | Historical Consolidated Financial Data (Dollars in thousands, except per share amounts) | | | | | |
|---|---|---|---|---|---|---|
| | Three Months Ended March 31, 2010 | Year Ended December 31, 2009 | 2008 | 2007 | 2006 | 2005 |
| **Statement of Operations Data:** | | | | | | |
| Total closing revenue | $ 201,804 | $ 970,313 | $ 1,523,068 | $ 2,343,594 | $ 3,461,320 | $ 3,001,102 |
| Total cost of closings | $ (163,006) | $ (840,046) | $(1,322,544) | $(1,990,190) | $(2,670,422) | $(2,294,112) |
| Impairments | $ (542) | $ (126,216) | $ (237,439) | $ (340,358) | $ (78,268) | — |
| Gross profit/(loss) | $ 38,256 | $ 4,051 | $ (36,915) | $ 13,046 | $ 712,630 | $ 706,990 |
| Commissions and other sales costs | $ (17,222) | $ (78,683) | $ (136,860) | $ (196,464) | $ (216,341) | $ (160,114) |
| General and administrative expenses | $ (14,693) | $ (63,148) | $ (68,231) | $ (106,161) | $ (164,477) | $ (124,979) |
| Goodwill and intangible asset impairments | — | — | $ (1,133) | $ (130,490) | — | — |
| Earnings/(loss) from unconsolidated entities, net (1) | $ 803 | $ 4,013 | $ (17,038) | $ (40,229) | $ 20,364 | $ 18,337 |
| Interest expense | $ (8,295) | $ (36,531) | $ (23,653) | $ (6,745) | — | — |
| Other income, net | $ 3,932 | $ 6,109 | $ 7,864 | $ 10,561 | $ 11,833 | $ 7,468 |
| Gain/(loss) on extinguishment of debt | $ — | $ 9,390 | — | — | — | $ (31,477) |
| Earnings/(loss) before income taxes | $ 2,781 | $ (154,799) | $ (275,966) | $ (456,482) | $ 364,009 | $ 416,225 |
| (Provision)/benefit for income taxes | $ (121) | $ 88,343 | $ (15,969) | $ 167,631 | $ (138,655) | $ (160,560) |
| Net earnings/(loss) | $ 2,660 | $ (66,456) | $ (291,935) | $ (288,851) | $ 225,354 | $ 255,665 |
| Earnings/(loss) per common share: | | | | | | |
| Basic | $ 0.08 | $ (2.12) | $ (9.95) | $ (11.01) | $ 8.52 | $ 9.48 |
| Diluted | $ 0.08 | $ (2.12) | $ (9.95) | $ (11.01) | $ 8.32 | $ 8.88 |
| **Balance Sheet Data (at period end):** | | | | | | |
| Real estate | $ 724,722 | $ 675,037 | $ 859,305 | $ 1,267,879 | $ 1,530,602 | $ 1,390,803 |
| Total assets | $ 1,240,638 | $1,242,667 | $ 1,326,249 | $ 1,748,381 | $ 2,170,525 | $ 1,971,357 |
| Seniorand senior subordinated notes, loans payable and other borrowings | $ 605,051 | $ 605,009 | $ 628,968 | $ 729,875 | $ 733,276 | $ 592,124 |
| Total liabilities | $ 749,961 | $ 757,242 | $ 799,043 | $ 1,018,217 | $ 1,163,693 | $ 1,120,352 |
| Stockholders' equity | $ 490,677 | $ 485,425 | $ 527,206 | $ 730,164 | $ 1,006,832 | $ 851,005 |
| **Cash Flow Data:** | | | | | | |
| Cash provided by/(used in): | | | | | | |
| Operating activities | $ 43,937 | $ 184,074 | $ 199,829 | $ (20,613) | $ (21,964) | $ 72,243 |
| Investing activities | $ (51,923) | $ (145,419) | $ (23,263) | $ (9,677) | $ (57,720) | $ (247,427) |
| Financing activities | $ 1,335 | $ 4,753 | $ 1,680 | $ 1,257 | $ 70,582 | $ 193,120 |

(1) Loss from unconsolidated entities in 2009, 2008 and 2007 includes $2.8 million, $26.0 million and $57.9 million, respectively, of joint venture investment impairments.

## RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges for the three-month period ended March 31, 2010 and for each of the years ended December 31, 2009, 2008, 2007, 2006 and 2005.

| | Three Months Ended March 31, 2010 | Year Ended December 31, | | | | |
|---|---|---|---|---|---|---|
| | | 2009 | 2008 | 2007 | 2006 | 2005 |
| Ratio of Earnings to Fixed Charges (1) | 1.4x | (2) | (2) | (2) | 7.2x | 9.7x |
| Pro Forma Ratio of Earnings to Fixed Charges | 1.4x | (2) | | | | |

(1) As there was no outstanding preferred stock during the periods covered in the table above, the ratio of earnings to fixed charges and earnings to combined fixed charges and preferred stock dividends are the same calculation.

(2) Earnings were insufficient to cover fixed charges by $134.9 million, $237.3 million and $408.7 million for the years ended December 31, 2009, 2008 and 2007, respectively. Proforma earnings for 2009 were insufficient to cover fixed charges by $134.9 million.

For additional information, see our Annual Report on Form 10-K for the fiscal year ended December 31, 2009 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, which are incorporated into this prospectus by reference.

## ISSUANCE OF THE OUTSTANDING NOTES

We sold the outstanding $200 million aggregate principal amount of Senior Notes due 2020 to Citigroup Global Markets Inc. and J.P. Morgan Securities Inc., as initial purchasers, on April 13, 2010 pursuant to a purchase agreement dated April 6, 2010, between the initial purchasers and us. The initial purchasers subsequently resold the outstanding notes in reliance on Rule 144A and Regulation S under the Securities Act. We and the initial purchasers also entered into a registration rights agreement pursuant to which we agreed to offer to exchange the outstanding notes for exchange notes registered under the Securities Act and also granted holders of the outstanding notes rights under some circumstances to have resales of outstanding notes registered under the Securities Act. The exchange offer is intended to satisfy certain of our obligations under the registration rights agreement. See “The Exchange Offer — Purposes and Effects.”

The outstanding notes were issued under an indenture dated as of April 13, 2010, between Meritage Homes Corporation, its subsidiary guarantors and HSBC Bank USA, National Association, as trustee. The exchange notes are also being issued under this indenture and will be entitled to the benefits of this indenture. The form and terms of the exchange notes will be identical in all material respects with the form and terms of the outstanding notes, except that (1) the exchange notes will have been registered under the Securities Act and, therefore, will not bear legends describing restrictions on transfer, and (2) holders of exchange notes will not be, and upon the completion of the exchange offer, holders of outstanding notes will no longer be, entitled to certain rights under the registration rights agreement intended for the holders of unregistered securities. The exchange offer will be deemed completed upon the delivery by us to the exchange agent under the indenture of exchange notes in the same aggregate principal amount as the aggregate principal amount of outstanding notes that are validly tendered and not withdrawn by holders of outstanding notes in response to the exchange offer. See “The Exchange Offer — Termination of Certain Rights” and “— Procedures for Tendering” and “Description of the Exchange Notes.”

We used the net proceeds from this offering, together with cash on hand, to repurchase or redeem $130.0 million of our 7% Senior Notes due 2014 and $65.0 million of our 6.25% Senior Notes due 2015. We will receive no proceeds from completion of the exchange offer.

### The Exchange Offer

| | |
|---|---|
| The Exchange Offer | We are offering to exchange $200 million aggregate principal amount of our 7.15% senior registered notes due 2020 for the identical aggregate principal amount of our outstanding unregistered 7.15% Senior Notes due 2020. At the date of this prospectus, $200 million principal amount of outstanding notes are outstanding. See "The Exchange Offer — Terms of the Exchange Offer." |
| Expiration of the Exchange Offer | 5:00 p.m., New York City time, on , 2010, unless the exchange offer is extended (the day on which the exchange offer expires being the expiration date). See "The Exchange Offer — Expiration Date; Extension; Termination; Amendments." |
| Conditions of the Exchange Offer | The exchange offer is not conditioned upon any minimum principal amount of outstanding notes being tendered for exchange. However, the exchange offer is subject to certain customary conditions, which we may waive. See "The Exchange Offer — Conditions of the Exchange Offer." |
| Accrued Interest on the Outstanding Notes | The exchange notes will bear interest at the rate of 7.15% per annum from and including their date of issuance. When the first interest payment is made with regard to the exchange notes, we will also pay interest on the outstanding notes which are exchanged, from the date they were issued or the most recent interest date on which interest had been paid (if applicable) to, but not including, the day the exchange notes are issued. Interest on the outstanding notes which are exchanged will cease to accrue on the day prior to the day on which the exchange notes are issued. The interest rate on the outstanding notes may increase under certain circumstances if we are not in compliance with our obligations under the registration rights agreement. See "Description of the Exchange Notes." |
| Procedures for Tendering the Outstanding Notes | In order to exchange your outstanding notes for exchange notes, you must validly tender and not withdraw them at or before 5:00 p.m. New York City time on the expiration date. You must follow the procedures established by The Depository Trust Company ("DTC") for tendering the outstanding notes. These automated tender offer program ("ATOP") procedures require that the exchange agent receive, prior to the expiration of the exchange offer, a computer-generated message known as an "agent's message" that is transmitted through ATOP, and that DTC confirm that:<br>• DTC has received your instructions to exchange your outstanding notes; and<br>• you agree to be bound by the terms of the letter of transmittal.<br>You may tender your outstanding notes for exchange notes in whole or in part in minimum denominations of $2,000 and integral multiples |

| | |
|---|---|
| | of $1,000 in excess of $2,000. By agreeing to the terms of the letter of transmittal, a holder will represent to us that, among other things, the person acquiring the outstanding notes will be doing so in the ordinary course of the person's business, whether or not the person is the holder, that neither the holder nor any other person is engaged in, or intends to engage in, or has an arrangement or understanding with any person to participate in, the distribution of the exchange notes and that neither the holder nor any such other person is an "affiliate," as defined under Rule 405 of the Securities Act, of ours. Each broker or dealer that receives exchange notes for its own account in exchange for outstanding notes which were acquired by the broker or dealer as a result of market-making activities or other trade activities, must acknowledge that it will deliver a prospectus in connection with any resale of the exchange notes. See "The Exchange Offer — Procedures for Tendering." |
| Guaranteed Delivery Procedures | If you wish to tender your outstanding notes and the procedures for book-entry transfer cannot be completed by the expiration of the exchange offer, you may tender your outstanding notes according to the guaranteed delivery procedures described in "The Exchange Offer — Guaranteed Delivery Procedures." |
| Acceptance of the Outstanding Notes and Delivery of the Exchange Notes | Upon satisfaction or waiver of all conditions to the exchange offer, we will accept any and all outstanding notes that are properly tendered in response to the exchange offer prior to 5:00 p.m., New York City time, on the expiration date. The exchange notes issued pursuant to the exchange offer will be delivered promptly after expiration of the exchange offer. See "The Exchange Offer — Procedures for Tendering." |
| Withdrawal Rights | Tenders of outstanding notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date. See "The Exchange Offer — Withdrawal of Tenders." |
| The Exchange Agent | HSBC Bank USA, National Association is the exchange agent. The address and telephone number of the exchange agent are set forth in "The Exchange Offer — Exchange Agent." |
| Fees and Expenses | We will bear all expenses incident to our consummation of the exchange offer and compliance with the registration rights agreement. We will also pay any transfer taxes which are applicable to the exchange offer (but not transfer taxes due to transfers of outstanding notes or exchange notes by the holder). See "The Exchange Offer — Fees and Expenses." |
| Resales of the Exchange Notes | Based on interpretations by the staff of the SEC set forth in no-action letters issued to persons unrelated to us, we believe exchange notes issued pursuant to the exchange offer in exchange for outstanding notes may be offered for resale, resold and otherwise transferred by |

| | |
|---|---|
| | the holder (other than (1) a broker-dealer who purchased the outstanding notes directly from us for resale pursuant to Rule 144A under the Securities Act or another exemption under the Securities Act or (2) a person that is an affiliate of ours, as that term is defined in Rule 405 under the Securities Act), without registration or the need to deliver a prospectus under the Securities Act, provided that the holder is acquiring the exchange notes in the ordinary course of business and is not participating, and has no arrangement or understanding with any person to participate, in a distribution of the exchange notes. Each broker-dealer that receives exchange notes for its own account in exchange for outstanding notes which outstanding notes were acquired by the broker as a result of market-making or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of the exchange notes. See "The Exchange Offer — Purposes and Effects." |
| Federal Income Tax Consequences | The exchange offer will not be treated as a taxable event for United States federal income tax purposes. See "Certain United States Federal Income Tax Considerations." |

## THE EXCHANGE NOTES

The exchange notes will evidence the same debt as the outstanding notes and will be entitled to the benefits of the indenture under which both the outstanding notes were, and the exchange notes will be, issued. The following summary is not intended to be complete. For a more detailed description of the notes, see "Description of the Exchange Notes."

| | |
|---|---|
| Issuer | Meritage Homes Corporation |
| Securities Offered | $200 million aggregate principal amount of 7.15% Senior Notes due 2020 that have been registered under the Securities Act. The form and terms of the exchange notes are identical in all material respects to the form and terms of the outstanding notes for which they may be exchanged pursuant to the exchange offer, except for certain transfer restrictions and registration rights relating to the outstanding notes and except for certain provisions providing for an increase in the interest rate on the outstanding notes under circumstances relating to the exchange offer. Unless the context otherwise requires, the outstanding notes and the exchange notes are sometimes referred to in this prospectus as the "notes." |
| Maturity Date | April 15, 2020 |
| Interest | The exchange notes will bear interest at 7.15% per year (calculated using a 360-day year composed of twelve 30-day months). Interest on the exchange notes will be payable semi-annually in arrears on each April 15 and October 15, commencing on October 15, 2010.<br><br>In connection with the issuance of the outstanding notes on April 13, 2010, we and the guarantors agreed to:<br><br>• file a registration statement to enable holders of the notes to exchange the notes for registered notes within 120 days of the original issue date of the outstanding notes;<br><br>• use our reasonable best efforts to cause the registration statement to become effective under the Securities Act within 150 days following the original issue date of the outstanding notes; and<br><br>• use our reasonable best efforts to complete the exchange offer within 210 days after the original issue date of the outstanding notes.<br><br>If we do not comply with these obligations (a "registration default"), we will be required to pay liquidated damages to the holders of the outstanding notes in the form of higher interest rates. Upon the occurrence of a registration default, the interest rate borne by the outstanding notes will be increased by 0.25% per annum and will continue to increase by 0.25% each 90 day period that the liquidated damages continue to accrue, up to a maximum of 1.00% per annum. After we cure the registration default, the accrual of liquidated damages will stop and the interest rate will revert to the original rate. |

| | |
|---|---|
| Optional Redemption | We may redeem any or all of the exchange notes at any time at a redemption price equal to the greater of (1) 100% of the principal amount of the exchange notes being redeemed or (2) the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed, discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the comparable treasury rate plus 50 basis points, plus, in either case, accrued and unpaid interest on the notes to the redemption date. |
| Change of Control | If we experience a change of control and a rating decline, we will be required to make an offer to repurchase all outstanding notes at a price in cash equal to 101% of the principal amount of the notes, plus any accrued and unpaid interest to, but not including, the repurchase date. |
| Ranking and Guarantees | The exchange notes are our senior, unsecured and unsubordinated obligations and rank equally with all of our other senior unsecured and unsubordinated indebtedness from time to time outstanding. All of our currently wholly owned subsidiaries will guarantee the exchange notes.<br><br>The exchange notes rank equally with all of our and our guarantors' existing and future senior unsecured debt.<br><br>The exchange notes rank senior to all of our and our guarantors' debt that is expressly subordinated to the notes, but are effectively subordinated to all of our and our guarantors' senior secured indebtedness to the extent of the value of the assets securing that indebtedness. |
| Restrictive Covenants | The Indenture governing the exchange notes contains covenants limiting our and some of our subsidiaries' ability to create liens securing indebtedness or enter into sale and leaseback transactions. These covenants are subject to important exceptions and qualifications. |
| Absence of a Public Market | The exchange notes will be a new issue of securities and there is currently no established market for them. Accordingly, there can be no assurance as to the development or liquidity of any market for the notes or, if issued, the exchange notes. |
| Use of Proceeds | We used the net proceeds from this offering, together with cash on hand, to repurchase or redeem $130.0 million of our 7% Senior Notes due 2014 and $65.0 million of our 6.25% Senior Notes due 2015. We will receive no proceeds from completion of the exchange offer. See "Use of Proceeds." |
| Trustee | HSBC Bank USA, National Association |
| Risk Factors | **You should consider carefully the information set forth in the section of this prospectus entitled "Risk Factors" beginning on page 10 and all the other information provided to you in this prospectus in deciding whether to invest in the exchange notes.** |

## RISK FACTORS

*In this section, we describe risks relating to the exchange notes. Investors considering investing in the exchange notes should read the description of risks relating to our business included in Item 1A of our Annual Report on Form 10-K for our fiscal year ended December 31, 2009 and in our subsequent filings with the SEC. If any of those risks develop into actual events, the exchange notes or our business, financial condition, results of operations, cash flows, strategies or properties could be materially adversely affected.*

**Our level of indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations on the notes.**

As of April 30, 2010, we had $693.1 million of indebtedness. In addition, subject to restrictions in the indenture governing the notes offered hereby and the indentures for our existing senior and senior subordinated notes, we may incur additional indebtedness. The high level of our indebtedness could have important consequences to you, including the following:

- our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes may be impaired;
- we must use a substantial portion of our cash flow from operations to pay interest and principal on the notes and other indebtedness, which will reduce the funds available to us for other purposes such as capital expenditures;
- our level of indebtedness may put us at a competitive disadvantage and reduce our flexibility in planning for, or responding to, changing conditions in our industry, including increased competition; and
- we are more vulnerable to economic downturns and adverse developments in our business.

We expect to obtain the money to pay our expenses and to pay the interest on the notes and the principal payments and interest on our other debt from cash flow from our operations. After giving effect to the repurchases completed in May 2010, our current annual debt service requirements for our remaining existing senior and senior subordinated notes will be approximately $42 million.

We cannot be certain that our cash flow will be sufficient to allow us to pay principal and interest on our debt, including the exchange notes, and meet our other obligations. If we do not have sufficient funds, we may be required to refinance all or part of our existing debt, including the exchange notes, sell assets or borrow more money. We cannot guarantee that we will be able to do so on terms acceptable to us, if at all. In addition, the terms of existing or future debt agreements may restrict us from pursuing any of these alternatives.

**The indentures governing our existing senior and senior subordinated notes impose significant operating and financial restrictions, which may prevent us from capitalizing on business opportunities and taking some corporate actions.**

The indentures governing our existing senior and senior subordinated notes impose significant operating and financial restrictions on us. These restrictions limit the ability of us and our subsidiaries, among other things, to:

- incur additional indebtedness or liens;
- pay dividends or make other distributions;
- repurchase our stock;
- make investments;
- sell assets;
- enter into agreements restricting our subsidiaries' ability to pay dividends;
- enter into transactions with affiliates; and
- consolidate, merge or sell all or substantially all of our assets.

We cannot assure you that these covenants will not adversely affect our ability to finance our future operations or capital needs or to pursue available business opportunities. A breach of any of these covenants or our inability to maintain the required financial ratios could result in a default in respect of the related indebtedness. If a default occurs, the relevant lenders could elect to declare the indebtedness, together with accrued interest and other fees, to be immediately due and payable.

**Upon a Change of Control Triggering Event, we may not have the ability to raise the funds necessary to finance the change of control offer required by the Indenture governing the notes, which would violate the terms of the exchange notes.**

Upon a Change of Control Triggering Event, we will be required to make an offer to repurchase all outstanding notes at a price in cash equal to 101% of the principal amount of the exchange notes, plus any accrued and unpaid interest to, but not including, the repurchase date. To the extent that we are required to offer to repurchase the notes upon the occurrence of a Change of Control Triggering Event, we may not have sufficient funds to repurchase the notes in cash at such time. In addition, our ability to repurchase the notes for cash may be limited by law or the terms of other agreements relating to our indebtedness outstanding at the time. The failure to make such repurchase would result in a default under the Indenture governing the notes. See "Description of the Exchange Notes — Change of Control."

**There is uncertainty about the meaning of the phrase "all or substantially all" under applicable laws in connection with determining whether a change of control has occurred.**

One of the events that triggers our obligation to repurchase the exchange notes upon a Change in Control Triggering Event is the sale of all of substantially all of our assets. The phrase "all or substantially all" as used in the indenture varies according to the facts and circumstances of the subject transaction, has no clearly established meaning under the law that governs the indenture and is subject to judicial interpretation. In certain circumstances, there may be a degree of uncertainty in ascertaining whether a particular transaction would involve a disposition of "all or substantially all" of our assets, and therefore, it may be unclear as to whether a change of control has occurred and whether you have the right to require us to repurchase the notes.

**The terms of the indenture governing the exchange notes provide only limited protection against significant corporate events that could affect adversely your investment in the exchange notes.**

While the indenture governing the exchange notes contain terms intended to provide protection to holders upon the occurrence of certain events involving significant corporate transactions and our creditworthiness, these terms are limited and may not be sufficient to protect your investment in the exchange notes. As described under "Description of the Exchange Notes — Certain Covenants — Change of Control," upon the occurrence of a change of control triggering event, holders are entitled to require us to repurchase their exchange notes at 101% of their principal amount. However, the definition of the term "change of control triggering event" is limited and does not cover a variety of transactions (such as acquisitions by us or recapitalizations) that could negatively affect the value of your exchange notes. If we were to enter into a significant corporate transaction that negatively affects the value of the exchange notes, but would not constitute a change of control triggering event, you would not have any rights to require us to repurchase the exchange notes prior to their maturity, which also would adversely affect your investment.

**Fraudulent conveyance considerations.**

Under fraudulent conveyance laws, the guarantees by our subsidiaries might be subordinated to existing or future indebtedness incurred by those subsidiaries, or might not be enforceable, if a court or a creditors representative, such as a bankruptcy trustee, concluded that those subsidiaries:

- received less than fair consideration for the guarantees;
- were rendered insolvent as a result of issuing the guarantees;

- were engaged in a business or transaction for which our subsidiaries' remaining assets constituted unreasonably small capital;
- intended to incur, or believed that we or they would incur, debts beyond our or their ability to pay as those debts matured; or
- intended to hinder, delay or defraud our or their creditors.

The measure of insolvency varies depending upon the law of the relevant jurisdiction. Generally, however, a company is considered insolvent if its debts are greater than the fair value of its property, or if the fair saleable value of its assets is less than the amount that would be needed to pay its probable liabilities as its existing debts matured and became absolute.

Each subsidiary guarantee will contain a provision intended to limit the guarantor's liability to the maximum amount that it could incur without causing the incurrence of obligations under its subsidiary guarantee to be a fraudulent conveyance. This provision may not be effective to protect the subsidiary guarantees from being voided under fraudulent conveyance law. In a recent Florida bankruptcy case, this kind of provision was found to be ineffective to protect the guarantees.

**The guarantees provided by us and our subsidiaries are subject to certain defenses that may limit your right to receive payment from the guarantors with regard to the exchange notes.**

Although the guarantees provide the holders of the exchange notes with a direct claim against the assets of the guarantors, enforcement of the guarantees against any guarantor would be subject to certain "suretyship" defenses available to guarantors generally. Enforcement could also be subject to other defenses available to the guarantors in certain circumstances. To the extent that the guarantees are not enforceable, you would not be able to assert a claim successfully against such guarantors.

**Because the notes are structurally subordinated to the obligations of our subsidiaries that are not guarantors, you may not be fully repaid if we become insolvent.**

Substantially all of our operating assets are held by our subsidiaries. Holders of any indebtedness of any of our future subsidiaries that are not guarantors and other creditors of any of those subsidiaries, including trade creditors, have and will have access to the assets of those subsidiaries that are prior to those of the noteholders. As a result, the exchange notes are structurally subordinated to the debts, and other obligations of those non-guarantor subsidiaries.

**There is no public market for the exchange notes, so you may be unable to sell the exchange notes.**

The notes are new securities for which there is currently no public trading market. Consequently, the exchange notes may be relatively illiquid, and you may be unable to sell your exchange notes. We do not intend to list the exchange notes on any securities exchange or to include the exchange notes in any automated quotation system.

**There may be adverse consequences to holders of outstanding notes that do not tender their outstanding notes pursuant to the exchange offer.**

If you fail to properly exchange your outstanding notes for exchange notes, you will continue to hold outstanding notes subject to transfer restrictions, and the liquidity of the trading market for any untendered outstanding notes may be substantially limited.

We will only issue exchange notes in exchange for outstanding notes that you timely and properly tender. You should allow sufficient time to ensure timely delivery of the outstanding notes, and you should carefully

follow the instructions on how to tender your outstanding notes set forth under the "The Exchange Offer — Procedures for Tendering" and in the letter of transmittal that accompanies this prospectus. Neither we nor the exchange agent are required to notify you of any defects or irregularities relating to your tender of notes.

The holders of outstanding notes that do not exchange them pursuant to this exchange offer will continue to be subject to restrictions on the transfer of the outstanding notes because the issuance of the outstanding notes was not registered under the Securities Act or registered or qualified under any state securities laws. We do not currently anticipate that, except in certain limited circumstances, we will register the outstanding notes under the Securities Act. To the extent that we exchange outstanding notes as a result of this exchange offer, the ability to trade untendered outstanding notes may be adversely affected.

## USE OF PROCEEDS

We used the net proceeds from this offering, together with cash on hand, to repurchase or redeem $130.0 million of our 7% Senior Notes due 2014 and $65.0 million of our 6.25% Senior Notes due 2015. We will receive no proceeds from completion of the exchange offer.

## CAPITALIZATION

The table below shows our capitalization as it existed at March 31, 2010, and as adjusted to give effect to the issuance of $200 million aggregate principal amount of the outstanding notes and the use of the proceeds to repurchase or redeem all of our 7% Senior Notes due 2014 and to repurchase a portion of our 6.25% Senior Notes due 2015.

| | As of March 31, 2010 | |
|---|---|---|
| | Actual | As Adjusted |
| | (Dollars in thousands, except per share amounts) | |
| **Debt:** | | |
| 7% Senior Notes due 2014 (1) | $ 130,036 | $ — |
| 6.25% Senior Notes due 2015 (2) | 349,140 | 284,300 |
| 7.731% Senior Subordinated Notes due 2017 | 125,875 | 125,875 |
| 7.15% Senior Notes due 2020 offered on April 13, 2010 (3) | — | 195,134 |
| Total debt | 605,051 | 605,309 |
| **Stockholders' equity:** | | |
| Preferred stock par value $0.01, none issued and outstanding | — | — |
| Common stock, par value $0.01 | 400 | 400 |
| Additional paid-in capital | 463,992 | 463,992 |
| Retained earnings | 215,058 | 211,818 |
| Treasury stock, at cost, 7,891,250 shares | (188,773) | (188,773) |
| Total stockholders' equity | 490,677 | 487,437 |
| Total capitalization | $ 1,095,728 | $ 1,092,746 |

(1) Net of unamortized premium of $36.
(2) Net of unamortized discount of $860 and $700, respectively.
(3) Net of unamortized discount of $4,866.

## DESCRIPTION OF THE EXCHANGE NOTES

As used below in this "Description of the Exchange Notes" section, the "Issuer" means Meritage Homes Corporation, a Maryland corporation, and its successors, but not any of its subsidiaries. The Issuer will issue the exchange notes described herein (which we sometimes refer to as the "Notes" or the "notes") under an indenture, dated as of April 13, 2010, among the Issuer, the Guarantors and HSBC Bank USA, National Association, as trustee. The terms of the notes include those set forth in the indenture and those made part of the indenture by reference to the Trust Indenture Act.

The following is a summary of the material terms and provisions of the notes. As used in this "Description of the Exchange Notes," the terms "Notes" and "notes" mean the series of the Issuer's senior debt securities issued under the indenture designated as its 7.15% Senior Notes due 2020, in each case except as otherwise expressly provided or as the context otherwise requires. The following summary does not purport to be a complete description of the notes and is subject to the detailed provisions of the indenture. You can find definitions of certain terms used in this description under the heading "— Certain Definitions."

### Principal, Maturity and Interest

The notes will mature on April 15, 2020. The notes will bear interest at the rate shown on the cover page of this prospectus, payable on April 15 and October 15 of each year, commencing on October 15, 2010, to Holders of record at the close of business on April 1 or October 1, as the case may be, immediately preceding the relevant interest payment date. Interest on the notes will be computed on the basis of a 360-day year of twelve 30-day months.

The notes will be issued in registered form, without coupons, and in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The Issuer may issue an unlimited amount of notes having identical terms and conditions to the notes being issued in this offering ("Additional Notes"). Any Additional Notes will be part of the same issue as the notes being issued in this offering and will vote on all matters as one class with the notes being issued in this offering, including, without limitation, waivers, amendments, redemptions and offers to purchase. For purposes of the "Description of the Exchange Notes," references to the notes include Additional Notes, if any.

### Methods of Receiving Payments on the Notes

If a holder has given wire transfer instructions to the Issuer at least ten business days prior to the applicable payment date, the Issuer will make all payments on such holder's notes in accordance with those instructions. Otherwise, payments on the notes will be made at the office or agency of the paying agent and registrar for the notes within the City and State of New York unless the Issuer elects to make interest payments by check mailed to the holders at their addresses set forth in the register of holders.

### Ranking

The notes will be general unsecured obligations of the Issuer. The notes will rank senior in right of payment to all future obligations of the Issuer that are, by their terms, expressly subordinated in right of payment to the notes and *pari passu* in right of payment with all existing and future unsecured obligations of the Issuer that are not so subordinated. Each note guarantee will be a general unsecured obligation of the Guarantor thereof and will rank senior in right of payment to all future obligations of such Guarantor that are, by their terms, expressly subordinated in right of payment to such note guarantee and *pari passu* in right of payment with all existing and future unsecured obligations of such Guarantor that are not so subordinated.

The notes and each note guarantee will be effectively subordinated to secured Indebtedness of the Issuer and the applicable Guarantor to the extent of the value of the assets securing such Indebtedness. Although the

indenture contains limitations on the amount of additional Secured Indebtedness that the Issuer and the Subsidiaries may incur, under certain circumstances, the amount of this Indebtedness could be substantial. See "— Certain Covenants — Limitations on Secured Indebtedness."

**Note Guarantees**

The Issuer's obligations under the notes and the indenture will be jointly and severally guaranteed by each Guarantor.

As of the date of this prospectus, all of our Subsidiaries except for our Unrestricted Subsidiaries will be Guarantors. However, our future Financing Services Subsidiaries will not be required to guarantee the notes. See "— Certain Covenants — Additional Note Guarantees." In the event of a bankruptcy, liquidation or reorganization of any of these non-guarantor Subsidiaries, these non-guarantor Subsidiaries will pay the holders of their debts and their trade creditors before they will be able to distribute any of their assets to us.

The obligations of each Guarantor under its note guarantee will be limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guarantor and after giving effect to any collections from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its note guarantee or pursuant to its contribution obligations under the indenture, result in the obligations of such Guarantor under its note guarantee not constituting a fraudulent conveyance or fraudulent transfer under federal or state law. However, this provision may not be effective to protect the subsidiary guarantees from being voided under fraudulent conveyance law. In a recent Florida bankruptcy case, this kind of provision was found to be ineffective to protect the guarantees. Each Guarantor that makes a payment for distribution under its note guarantee is entitled to a contribution from each other Guarantor in a *pro rata* amount based on adjusted net assets of each Guarantor.

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 the Issuer and the Subsidiaries, then that Guarantor will be released and relieved of any obligations under its note guarantee.

**Optional Redemption**

We may, at our option, redeem the notes in whole at any time or in part from time to time, on at least 30 but not more than 60 days' prior notice, at a redemption price equal to the greater of:

- 100% of the principal amount of the notes being redeemed, or
- the sum of the present values of the Remaining Scheduled Payments on the notes being redeemed, discounted to the date of redemption, on a semiannual basis, at the Treasury Rate plus 50 basis points (0.50%).

We will also pay accrued interest on the notes being redeemed to the date of redemption. In determining the redemption price and accrued interest, interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

"Comparable Treasury Issue" means the United States Treasury security selected by the Reference Treasury Dealer as having a maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the notes.

"Comparable Treasury Price" means, with respect to any redemption date, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if fewer than four such Reference Treasury Dealer Quotations are provided to the trustee, the average of all such quotations.

“Reference Treasury Dealer” means Citigroup Global Markets Inc. and its successors; *provided*, *however*, that, if the foregoing ceases to be a primary U.S. Government securities dealer in the United States (a “Primary Treasury Dealer”), we will substitute another Primary Treasury Dealer.

“Reference Treasury Dealer Quotation” means, with respect to the Reference Treasury Dealer and any redemption date, the average, as determined by the trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the trustee by the Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

“Remaining Scheduled Payments” means, with respect to any note, the remaining scheduled payments of the principal (or of the portion) thereof to be redeemed and interest thereon that would be due after the related redemption date but for such redemption; *provided*, *however*, that, if such redemption date is not an interest payment date with respect to such note, the amount of the next succeeding scheduled interest payment thereon will be reduced by the amount of interest accrued thereon to such redemption date.

“Treasury Rate” means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

The Issuer may acquire notes by means other than a redemption, whether pursuant to an issuer tender offer, open market purchase or otherwise, so long as the acquisition does not otherwise violate the terms of the indenture.

**Selection and Notice of Redemption**

In the event that less than all of the notes are to be redeemed at any time pursuant to an optional redemption, selection of the notes for redemption will be made by the trustee in compliance with the requirements of the principal national securities exchange, if any, on which the notes are listed or, if the notes are not then listed on a national security exchange, on a *pro rata* basis, by lot or by such method as the trustee shall deem fair and appropriate; *provided*, *however*, that no notes of a principal amount of $2,000 or less shall be redeemed in part.

Notice of redemption will be mailed by first-class mail at least 30 but not more than 60 days before the date of redemption to each holder of notes to be redeemed at its registered address. If any note is to be redeemed in part only, the notice of redemption that relates to that note will state the portion of the principal amount of the note to be redeemed. A new note in a principal amount equal to the unredeemed portion of the note will be issued in the name of the holder of the note upon cancellation of the original note. On and after the date of redemption, interest will cease to accrue on notes or portions thereof called for redemption so long as the Issuer has deposited with the paying agent for the notes funds in satisfaction of the redemption price (including accrued and unpaid interest on the notes to be redeemed) pursuant to the indenture.

**Change of Control**

Upon the occurrence of a Change of Control Triggering Event, each holder will have the right to require that the Issuer purchase that holder’s notes for a cash price (the “Change of Control Purchase Price”) equal to 101% of the principal amount of the notes to be purchased, plus accrued and unpaid interest thereon, if any, to the date of purchase.

Within 30 days following a Change of Control Triggering Event, the Issuer will mail, or caused to be mailed, to the holders a notice:

(1) describing the transaction or transactions that constitute the Change of Control;

(2) offering to purchase, pursuant to the procedures required by the indenture and described in the notice, on a date specified in the notice (which shall be a business day not earlier than 30 days nor later than 60 days from the date the notice is mailed) and for the Change of Control Purchase Price, all notes properly tendered by such holder pursuant to such change of control offer; and

(3) describing the procedures that holders must follow to accept the change of control offer. The change of control offer is required to remain open for at least 20 business days or for such longer period as is required by law.

The Issuer will publicly announce the results of the change of control offer on or as soon as practicable after the date of purchase.

If a change of control offer is made, there can be no assurance that the Issuer will have available funds sufficient to pay for all or any of the notes that might be delivered by holders seeking to accept the change of control offer. In addition, we cannot assure you that in the event of a Change of Control Triggering Event the Issuer will be able to obtain the consents necessary to consummate a change of control offer from the lenders under agreements governing outstanding Indebtedness which may prohibit the offer.

The provisions described above that require us to make a change of control offer following a Change of Control Triggering Event will be applicable regardless of whether any other provisions of the indenture are applicable. Except as described above with respect to a Change of Control Triggering Event, the indenture does not contain provisions that permit the holders of the notes to require that the Issuer purchase or redeem the notes in the event of a takeover, recapitalization or similar transaction.

The Issuer's obligation to make a change of control offer will be satisfied if a third party makes the change of control offer in the manner and at the times and otherwise in compliance with the requirements applicable to a change of control offer made by the Issuer and purchases all notes properly tendered and not withdrawn under the change of control offer.

A "Change of Control" includes certain sales of all or substantially all of the assets of the Issuer and the Subsidiaries. The phrase "all or substantially all" as used in the indenture (including as set forth under "— Certain Covenants — Limitations on Mergers, Consolidations, Etc." below) varies according to the facts and circumstances of the subject transaction, has no clearly established meaning under New York law (which governs the indenture) and is subject to judicial interpretation. Accordingly, in certain circumstances there may be a degree of uncertainty in ascertaining whether a particular transaction would involve a disposition of "all or substantially all" of the assets of the Issuer, and therefore it may be unclear as to whether a Change of Control has occurred and whether the holders have the right to require the Issuer to purchase notes.

The Issuer will comply with applicable tender offer rules, including the requirements of Rule 14e-l under the Exchange Act and any other applicable laws and regulations in connection with the purchase of notes pursuant to a change of control offer. To the extent that the provisions of any securities laws or regulations conflict with the "Change of Control" provisions of the indenture, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the "Change of Control" provisions of the indenture by virtue of this compliance.

**Certain Covenants**

In connection with the notes, we have not agreed to any financial covenants or any restrictions on the payment of dividends or the issuance or repurchase of our securities. We have agreed to no covenants or other provisions to protect holders of the notes in the event of a highly leveraged transaction, other than with respect to certain change in control transactions. See "— Change of Control."

***Restrictions on Secured Debt***

The indenture provides that the Issuer will not, and will not cause or permit a Restricted Subsidiary to, create, incur, assume or guarantee any Secured Debt unless the notes will be secured equally and ratably with (or prior to) such Secured Debt, with certain exceptions. This restriction does not prohibit the creation, incurrence, assumption or guarantee of Secured Debt which is secured by:

(1) Liens on model homes, homes held for sale, homes that are under contract for sale, contracts for the sale of homes, land (improved or unimproved), manufacturing plants, warehouses or office buildings and fixtures and equipment located thereat, or thereon;

(2) Liens on assets of a Person existing at the time such Person is acquired or merged with or into or consolidated with the Issuer or any such Restricted Subsidiary (and not created in anticipation or contemplation thereof);

(3) Liens arising from conditional sales agreements or title retention agreements with respect to property acquired by the Issuer or a Restricted Subsidiary; and

(4) Liens securing Indebtedness of a Restricted Subsidiary owed to the Issuer or to a Wholly Owned Restricted Subsidiary of the Issuer.

Additionally, such permitted Secured Debt includes any amendment, restatement, supplement, renewal, replacement, extension or refunding in whole or in part, of Secured Debt permitted at the time of the original incurrence thereof.

In addition, the Issuer and its Restricted Subsidiaries may create, incur, assume or guarantee Secured Debt, without equally or ratably securing the notes, if immediately thereafter the sum of (1) the aggregate principal amount of all Secured Debt outstanding (excluding (i) Secured Debt permitted under clauses (1) through (4) above and (ii) any Secured Debt in relation to which the notes have been equally and ratably secured) and (2) all Attributable Debt in respect of Sale and Leaseback Transactions (excluding Attributable Debt in respect of Sale and Leaseback Transactions satisfying the conditions set forth in clauses (1), (2) and (3) under "— Restrictions on Sale and Leaseback Transactions") as of the date of determination would not exceed 20% of Consolidated Net Tangible Assets.

The provisions described above with respect to limitations on Secured Debt are not applicable to Non-Recourse Land Financing by virtue of the definition of Secured Debt, and will not restrict or limit our or our Restricted Subsidiaries' ability to create, incur, assume or guarantee any unsecured Indebtedness, or of any subsidiary which is not a Restricted Subsidiary to create, incur, assume or guarantee any secured or unsecured Indebtedness.

***Restrictions on Sale and Leaseback Transactions***

The indenture provides that the Issuer will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction, unless:

(1) notice is promptly given to the trustee of the Sale and Leaseback Transaction;

(2) fair value is received by the Issuer or the relevant Restricted Subsidiary for the property sold (as determined in good faith pursuant to a resolution of the Board of Directors of the Issuer delivered to the trustee); and

(3) the Issuer or such Restricted Subsidiary, within 365 days after the completion of the Sale and Leaseback Transaction, applies an amount equal to the net proceeds therefrom either:

- to the redemption, repayment or retirement of debt securities of any series under the indenture (including the cancellation by the trustee of any debt securities of any series delivered by the Issuer to the trustee) or Senior Indebtedness of the Issuer, or
- to the purchase by the Issuer or any Restricted Subsidiary of the Issuer of property substantially similar to the property sold or transferred.

In addition, the Issuer and its Restricted Subsidiaries may enter into a Sale and Leaseback Transaction if immediately thereafter the sum of (1) the aggregate principal amount of all Secured Debt outstanding (excluding Secured Debt permitted under clauses (1) through (4) described in "— Restrictions on Secured Debt," above or Secured Debt in relation to which the notes have been equally and ratably secured) and (2) all Attributable Debt in respect of Sale and Leaseback Transactions (excluding Attributable Debt in respect of Sale and Leaseback Transactions satisfying the conditions set forth in clauses (1), (2) and (3) above) as of the date of determination would not exceed 20% of Consolidated Net Tangible Assets.

***Limitations on Mergers, Consolidations, Etc.***

The Issuer will not, directly or indirectly, in a single transaction or a series of related transactions, (a) consolidate or merge with or into (other than a merger that satisfies the requirements of clause (1) below with a Wholly Owned Restricted Subsidiary solely for the purpose of changing the Issuer's jurisdiction of incorporation to another State of the United States), or sell, lease, transfer, convey or otherwise dispose of or assign all or substantially all of the assets of the Issuer or the Issuer and its Restricted Subsidiaries (taken as a whole) or (b) adopt a plan of liquidation unless, in either case:

(1) either:

(a) the Issuer will be the surviving or continuing Person; or

(b) the Person formed by or surviving such consolidation or merger or to which such sale, lease, conveyance or other disposition shall be made (or, in the case of a plan of liquidation, any Person to which assets are transferred) (collectively, the "Successor") is a corporation or limited liability company organized and existing under the laws of any State of the United States of America or the District of Columbia, and the Successor expressly assumes, by supplemental indenture in form and substance satisfactory to the trustee, all of the obligations of the Issuer under the notes, the indenture and the Registration Rights Agreement; *provided* that at any time the Successor is a limited liability company, there shall be a co-issuer of the notes that is a corporation; and

(2) immediately after giving effect to such transaction and the assumption of the obligations as set forth in clause (1)(b) above and the incurrence of any Indebtedness to be incurred in connection therewith, no Default shall have occurred and be continuing.

Except as provided under the caption "— Note Guarantees," no Guarantor may consolidate with or merge with or into another Person, whether or not affiliated with such Guarantor, unless:

(1) either:

(a) such Guarantor will be the surviving or continuing Person; or

(b) the Person formed by or surviving any such consolidation or merger assumes, by supplemental indenture in form and substance satisfactory to the trustee, all of the obligations of such Guarantor under the note guarantee of such Guarantor, the indenture and the Registration Rights Agreement; and

(2) immediately after giving effect to such transaction, no Default shall have occurred and be continuing.

For purposes of the foregoing, the transfer (by lease, assignment, sale or otherwise, in a single transaction or series of transactions) of all or substantially all of the assets of one or more Restricted Subsidiaries, the Equity Interests of which constitute all or substantially all of the assets of the Issuer, will be deemed to be the transfer of all or substantially all of the assets of the Issuer.

Upon any consolidation, combination or merger of the Issuer or a Guarantor, or any transfer of all or substantially all of the assets of the Issuer in accordance with the foregoing, in which the Issuer or such Guarantor is not the continuing obligor under the notes or its note guarantee, the surviving entity formed by such

consolidation or into which the Issuer or such Guarantor is merged or to which the conveyance, lease or transfer is made will succeed to, and be substituted for, and may exercise every right and power of, the Issuer or such Guarantor under the indenture, the notes and the note guarantees with the same effect as if such surviving entity had been named therein as the Issuer or such Guarantor and, except in the case of a conveyance, transfer or lease, the Issuer or such Guarantor, as the case may be, will be released from the obligation to pay the principal of and interest on the notes or in respect of its note guarantee, as the case may be, and all of the Issuer's or such Guarantor's other obligations and covenants under the notes, the indenture and its note guarantee, if applicable.

Notwithstanding the foregoing, any Restricted Subsidiary may merge into the Issuer or another Restricted Subsidiary.

***Additional Note Guarantees***

If, after the Issue Date, the Issuer or any Restricted Subsidiary shall acquire or create another Restricted Subsidiary, then the Issuer shall cause such Subsidiary to:

(1) execute and deliver to the trustee (a) a supplemental indenture in form and substance satisfactory to the trustee pursuant to which such Restricted Subsidiary shall unconditionally guarantee all of the Issuer's obligations under the notes and the indenture and (b) a notation of guarantee in respect of its note guarantee; and

(2) deliver to the trustee one or more opinions of counsel that such supplemental indenture

(a) has been duly authorized, executed and delivered by such Restricted Subsidiary and

(b) constitutes a valid and legally binding obligation of such Restricted Subsidiary in accordance with its terms.

***Reports***

Whether or not required by the SEC, so long as any notes are outstanding, the Issuer will furnish to the holders of notes, within the time periods specified in the SEC's rules and regulations (including any grace periods or extensions permitted by the SEC):

(1) all quarterly and annual financial information that would be required to be contained in a filing with the SEC on Forms 10-Q and 10-K if the Issuer were required to file these Forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report on the annual financial statements by the Issuer's independent registered public accounting firm; and

(2) all current reports that would be required to be filed with the SEC on Form 8-K if the Issuer were required to file these reports.

In addition, whether or not required by the SEC, the Issuer will file a copy of all of the information and reports referred to in clauses (1) and (2) above with the SEC for public availability within the time periods specified in the SEC's rules and regulations (unless the SEC will not accept the filing) and make the information available to securities analysts and prospective investors upon request. The Issuer and the Guarantors have agreed that, for so long as any notes remain outstanding, the Issuer will furnish to the holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

**Events of Default**

Each of the following is an "Event of Default":

(1) failure by the Issuer to pay interest on any of the notes when it becomes due and payable and the continuance of any such failure for 30 days;

(2) failure by the Issuer to pay the principal on any of the notes when it becomes due and payable, whether at stated maturity, upon redemption, upon purchase, upon acceleration or otherwise;

(3) failure by the Issuer to comply with any of its agreements or covenants described above under "— Certain Covenants — Limitations on Mergers, Consolidations, Etc.";

(4) failure by the Issuer to comply with any other agreement or covenant in the indenture and continuance of this failure for 30 days after notice of the failure has been given to the Issuer by the trustee or by the holders of at least 25% of the aggregate principal amount of the notes then outstanding;

(5) default under any mortgage, indenture or other instrument or agreement under which there may be issued or by which there may be secured or evidenced Indebtedness (other than Non-Recourse Land Financing) of the Issuer or any Restricted Subsidiary, whether such Indebtedness now exists or is incurred after the Issue Date, which default:

(a) is caused by a failure to pay when due principal on such Indebtedness within the applicable express grace period,

(b) results in the acceleration of such Indebtedness prior to its express final maturity or

(c) results in the commencement of judicial proceedings to foreclose upon, or to exercise remedies under applicable law or applicable security documents to take ownership of, the assets securing such Indebtedness, and

in each case, the principal amount of such Indebtedness, together with any other Indebtedness with respect to which an event described in clause (a), (b) or (c) has occurred and is continuing, aggregates $10.0 million or more;

(6) one or more judgments or orders that exceed $10.0 million in the aggregate (net of amounts covered by insurance or bonded) for the payment of money have been entered by a court or courts of competent jurisdiction against the Issuer or any Restricted Subsidiary and such judgment or judgments have not been satisfied, stayed, annulled or rescinded within 60 days of being entered;

(7) the Issuer or any Significant Subsidiary pursuant to or within the meaning of any bankruptcy law:

(a) commences a voluntary case,

(b) consents to the entry of an order for relief against it in an involuntary case,

(c) consents to the appointment of a custodian of it or for all or substantially all of its assets, or

(d) makes a general assignment for the benefit of its creditors;

(8) a court of competent jurisdiction enters an order or decree under any bankruptcy law that:

(a) is for relief against the Issuer or any Significant Subsidiary as debtor in an involuntary case,

(b) appoints a custodian of the Issuer or any Significant Subsidiary or a custodian for all or substantially all of the assets of the Issuer or any Significant Subsidiary, or

(c) orders the liquidation of the Issuer or any Significant Subsidiary,

and the order or decree remains unstayed and in effect for 60 days; or

(9) any note guarantee of any Significant Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such note guarantee and the indenture) or is declared null and void and unenforceable or found to be invalid or any Guarantor denies its liability under its note guarantee (other than by reason of release of a Guarantor from its note guarantee in accordance with the terms of the indenture and the note guarantee).

If an Event of Default (other than an Event of Default specified in clause (7) or (8) above with respect to the Issuer), shall have occurred and be continuing under the indenture, the trustee, by written notice to the Issuer, or the holders of at least 25% in aggregate principal amount of the notes then outstanding by written notice to the Issuer and the trustee, may declare all amounts owing under the notes to be due and payable immediately. Upon such declaration of acceleration, the aggregate principal of and accrued and unpaid interest on the outstanding notes shall immediately become due and payable; *provided*, *however*, that after such acceleration, but before a judgment or decree based on acceleration, the holders of a majority in aggregate principal amount of such outstanding notes may, under certain circumstances, rescind and annul such acceleration if all Events of Default, other than the nonpayment of accelerated principal and interest, have been cured or waived as provided in the indenture. If an Event of Default specified in clause (7) or (8) with respect to the Issuer occurs, all outstanding notes shall become due and payable without any further action or notice.

The trustee shall, within 30 days after the occurrence of any Default with respect to the notes, give the holders notice of all uncured Defaults thereunder known to it; *provided*, *however*, that, except in the case of an Event of Default in payment with respect to the notes or a Default in complying with "— Certain Covenants — Limitations on Mergers, Consolidations, Etc.," the trustee shall be protected in withholding such notice if and so long as a committee of its trust officers in good faith determines that the withholding of such notice is in the interest of the holders.

No holder will have any right to institute any proceeding with respect to the indenture or for any remedy thereunder, unless the trustee:

(1) has failed to act for a period of 60 days after receiving written notice of a continuing Event of Default by such holder and a request to act by holders of at least 25% in aggregate principal amount of notes outstanding;

(2) has been offered indemnity satisfactory to it in its reasonable judgment; and

(3) has not received from the holders of a majority in aggregate principal amount of the outstanding notes a direction inconsistent with such request.

However, such limitations do not apply to a suit instituted by a holder of any Note for enforcement of payment of the principal of or interest on such note on or after the due date therefor (after giving effect to the grace period specified in clause (1) of the first paragraph of this "— Events of Default" section).

The Issuer is required to deliver to the trustee annually a statement regarding compliance with the indenture and, upon any officer of the Issuer becoming aware of any Default, a statement specifying such Default and what action the Issuer is taking or proposes to take with respect thereto.

**Legal Defeasance and Covenant Defeasance**

The Issuer may, at its option and at any time, elect to have its obligations and the obligations of the Guarantors discharged with respect to the outstanding notes. Legal defeasance means that the Issuer and the Guarantors shall be deemed to have paid and discharged the entire indebtedness represented by the notes and the note guarantees, and the Indenture shall cease to be of further effect as to all outstanding notes and note guarantees, except as to

(1) rights of holders to receive payments in respect of the principal of and interest on the notes when such payments are due from the trust funds referred to below,

(2) the Issuer's obligations with respect to the notes concerning issuing temporary notes, registration of notes, mutilated, destroyed, lost or stolen notes, and the maintenance of an office or agency for payment and money for security payments held in trust,

(3) the rights, powers, trust, duties, and immunities of the trustee, and the Issuer's obligation in connection therewith, and

(4) the legal defeasance provisions of the indenture.

In addition, the Issuer may, at its option and at any time, elect to have its obligations and the obligations of the Guarantors released with respect to most of the covenants under the indenture, except as described otherwise in the indenture, and thereafter any omission to comply with such obligations shall not constitute a Default. In the event covenant defeasance occurs, certain Events of Default (not including non-payment and, solely for a period of 91 days following the deposit referred to in clause (1) of the next paragraph, bankruptcy, receivership, rehabilitation and insolvency events) will no longer apply. Covenant defeasance will not be effective until such bankruptcy, receivership, rehabilitation and insolvency events no longer apply. The Issuer may exercise its legal defeasance option regardless of whether it previously exercised covenant defeasance.

In order to exercise either legal defeasance or covenant defeasance:

(1) the Issuer must irrevocably deposit with the trustee, in trust, for the benefit of the holders, U.S. legal tender, U.S. Government obligations or a combination thereof, in such amounts as will be sufficient (without reinvestment) in the opinion of a nationally recognized firm of independent public accountants selected by the Issuer, to pay the principal of and interest on the notes on the stated date for payment or on the redemption date of the principal or installment of principal of or interest on the notes, and the trustee must have a valid, perfected, exclusive security interest in such trust,

(2) in the case of legal defeasance, the Issuer shall have delivered to the trustee an opinion of counsel in the United States reasonably acceptable to the trustee confirming that:

(a) the Issuer has received from, or there has been published by the Internal Revenue Service, a ruling, or

(b) since the date of the indenture, there has been a change in the applicable U.S. federal income tax law,

in either case to the effect that, and based thereon this opinion of counsel shall confirm that, the holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the legal defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such legal defeasance had not occurred,

(3) in the case of covenant defeasance, the Issuer shall have delivered to the trustee an opinion of counsel in the United States reasonably acceptable to the trustee confirming that the holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such covenant defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the covenant defeasance had not occurred,

(4) no Default shall have occurred and be continuing on the date of such deposit (other than a Default resulting from the borrowing of funds to be applied to such deposit and the grant of any Lien securing such borrowing),

(5) the legal defeasance or covenant defeasance shall not result in a breach or violation of, or constitute a default under the Indenture or any other material agreement or instrument to which the Issuer or any of its Subsidiaries is a party or by which the Issuer or any of its Subsidiaries is bound,

(6) the Issuer shall have delivered to the trustee an officers' certificate stating that the deposit was not made by it with the intent of preferring the holders over any other of its creditors or with the intent of defeating, hindering, delaying or defrauding any other of its creditors or others, and

(7) the Issuer shall have delivered to the trustee an officers' certificate and an opinion of counsel, each stating that the conditions provided for in, in the case of the officers' certificate, clauses (1) through (6) and, in the case of the opinion of counsel, clauses (1) (with respect to the validity and perfection of the security interest), (2) and/or (3) and (5) of this paragraph have been complied with.

If the funds deposited with the trustee to effect covenant defeasance are insufficient to pay the principal of and interest on the notes when due, then our obligations and the obligations of Guarantors under the indenture will be revived and no such defeasance will be deemed to have occurred.

**Satisfaction and Discharge**

The Indenture will be discharged and will cease to be of further effect (except as to rights of registration of transfer or exchange of notes which shall survive until all notes have been canceled) as to all outstanding notes when either

(1) all the notes that have been authenticated and delivered (except lost, stolen or destroyed notes which have been replaced or paid and notes for whose payment money has been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from this trust) have been delivered to the trustee for cancellation, or

(2) (a) all notes not delivered to the trustee for cancellation otherwise have become due and payable or have been called for redemption pursuant to the provisions described under "— Optional Redemption," and the Issuer has irrevocably deposited or caused to be deposited with the trustee trust funds in trust in an amount of money sufficient to pay and discharge the entire Indebtedness (including all principal and accrued interest) on the notes not theretofore delivered to the trustee for cancellation,

(b) the Issuer has paid all sums payable by it under the indenture,

(c) the Issuer has delivered irrevocable instructions to the trustee to apply the deposited money toward the payment of the notes at maturity or on the date of redemption, as the case may be, and

(d) the trustee, for the benefit of the holders, has a valid, perfected, exclusive security interest in this trust.

In addition, the Issuer must deliver an officers' certificate and an opinion of counsel (as to legal matters) stating that all conditions precedent to satisfaction and discharge have been complied with.

**Transfer and Exchange**

A holder will be able to register the transfer of or exchange notes only in accordance with the provisions of the indenture. The registrar may require a holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the indenture. Without the prior consent of the Issuer, the registrar is not required (1) to register the transfer of or exchange any Note selected for redemption, (2) to register the transfer of or exchange any note for a period of 15 days before a selection of notes to be redeemed or (3) to register the transfer or exchange of a note between a record date and the next succeeding interest payment date.

The notes will be issued in registered form and the registered holder will be treated as the owner of such note for all purposes.

**Amendment, Supplement and Waiver**

Subject to certain exceptions, the indenture or the notes may be amended with the consent (which may include consents obtained in connection with a tender offer or exchange offer for notes) of the holders of at least a majority in principal amount of the notes then outstanding, and any existing Default under, or compliance with any provision of, the Indenture may be waived (other than any continuing Default in the payment of the principal or interest on the notes) with the consent (which may include consents obtained in connection with a tender offer or exchange offer for notes) of the holders of a majority in principal amount of the notes then outstanding; *provided* that:

(a) no such amendment may, without the consent of the holders of two-thirds in aggregate principal amount of notes then outstanding, amend the obligation of the Issuer under the heading "— Change of Control" or the related definitions that could adversely affect the rights of any holder; and

(b) without the consent of each holder affected, the Issuer and the trustee may not:

(1) change the maturity of any note;

(2) reduce the amount, extend the due date or otherwise affect the terms of any scheduled payment of interest on or principal of the notes;

(3) reduce any premium payable upon optional redemption of the notes, change the date on which any notes are subject to redemption or otherwise alter the provisions with respect to the redemption of the notes;

(4) make any note payable in money or currency other than that stated in the notes;

(5) modify or change any provision of the indenture or the related definitions to affect the ranking of the notes or any note guarantee in a manner that adversely affects the holders;

(6) reduce the percentage of holders necessary to consent to an amendment or waiver to the indenture or the notes;

(7) impair the rights of holders to receive payments of principal of or interest on the notes;

(8) release any Guarantor from any of its obligations under its note guarantee or the indenture, except as permitted by the indenture; or

(9) make any change in these amendment and waiver provisions.

Notwithstanding the foregoing, the Issuer and the trustee may amend the indenture, the note guarantees or the notes without the consent of any holder, to cure any ambiguity, defect or inconsistency, to provide for uncertificated notes in addition to or in place of certificated notes, to provide for the assumption of the Issuer's obligations to the holders in the case of a merger or acquisition, to release any Guarantor from any of its obligations under its note guarantee or the indenture (to the extent permitted by the indenture), to make any change that does not materially adversely affect the rights of any holder or, in the case of the indenture, to maintain the qualification of the indenture under the Trust Indenture Act.

**No Personal Liability of Directors, Officers, Employees and Stockholders**

No director, officer, employee, incorporator or stockholder of the Issuer will have any liability for any obligations of the Issuer under the notes or the indenture or of any Guarantor under its note guarantee or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes and the note guarantees.

**Concerning the Trustee**

HSBC Bank USA, National Association is the trustee under the indenture and has been appointed by the Issuer as registrar and paying agent with regard to the notes. The indenture contains certain limitations on the rights of the trustee, should it become a creditor of the Issuer, to obtain payment of claims in certain cases, or to realize on certain assets received in respect of any such claim as security or otherwise. The trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest (as defined in the indenture), it must eliminate such conflict or resign.

The holders of a majority in principal amount of the then outstanding notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the trustee, subject to certain exceptions. The indenture provides that, in case an Event of Default occurs and is not cured, the trustee will be required, in the exercise of its power, to use the degree of care of a prudent person in similar circumstances in the conduct of his or her own affairs. Subject to such provisions, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder, unless such holder shall have offered to the trustee security and indemnity satisfactory to the trustee.

**Governing Law**

The indenture, the notes and the note guarantees will be governed by, and construed in accordance with, the laws of the State of New York.

**Certain Definitions**

Set forth below is a summary of certain of the defined terms used in the indenture. Reference is made to the indenture for the full definition of all such terms.

"Attributable Indebtedness", when used with respect to any Sale and Leaseback Transaction, means, as at the time of determination, the present value (discounted at a rate equivalent to the Issuer's then-current weighted average cost of funds for borrowed money as at the time of determination, compounded on a semi-annual basis) of the total obligations of the lessee for rental payments during the remaining term of any Capitalized Lease included in any such Sale and Leaseback Transaction.

"Bankruptcy Event" means the commencement of any case under the Bankruptcy Code (Title 11 of the United States Code) or the commencement of any other bankruptcy, reorganization, receivership, or similar proceeding under any federal, state or foreign law or by or against any Person for whom the Issuer or a Restricted Subsidiary has executed a Springing Guarantee for the benefit of such Person; *provided*, *however*, that the filing of an involuntary case against such Person shall only be a Bankruptcy Event if: (i) such involuntary case is filed in whole or in part by the Issuer or a Restricted Subsidiary, any member in such Person which is an affiliate of the Issuer or a Restricted Subsidiary, or any other affiliate of the Issuer or a Restricted Subsidiary, or (ii) the Issuer or a Restricted Subsidiary, any member in such Person which is an affiliate of the Issuer or a Restricted Subsidiary, or any other affiliate of the Issuer or a Restricted Subsidiary shall in any way induce or participate in the filing, whether directly or indirectly, of an involuntary bankruptcy case against such Person or any other Person, and such involuntary case or proceeding is not dismissed with prejudice within 120 days of the filing thereof.

"Capitalized Lease" means a lease required to be capitalized for financial reporting purposes in accordance with GAAP.

"Capitalized Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under a Capitalized Lease, and the amount of such obligation shall be the capitalized amount thereof determined in accordance with GAAP.

"Change of Control" means the occurrence of any of the following events:

(1) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than one or more Permitted Holders, is or becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this clause that person or group shall be deemed to have "beneficial ownership" of all securities that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of voting stock representing more than 50% of the voting power of the total outstanding voting stock of the Issuer;

(2) during any period of two consecutive years, individuals who at the beginning of such period constituted the board of directors (together with any new directors whose election to such board of directors or whose nomination for election by the stockholders of the Issuer was approved by a vote of the majority of the directors of the Issuer then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the board of directors of the Issuer;

(3) (a) all or substantially all of the assets of the Issuer and the Restricted Subsidiaries are sold or otherwise transferred to any person other than a Wholly Owned Restricted Subsidiary or one or more Permitted Holders or (b) the Issuer consolidates or merges with or into another person other than a Permitted Holder or any person other than a Permitted Holder consolidates or merges with or into the Issuer, in either case under this clause (3), in one transaction or a series of related transactions in which immediately after the consummation thereof persons owning voting stock representing in the aggregate 100% of the total voting power of the voting stock of the Issuer immediately prior to such consummation do not own voting stock representing a majority of the total voting power of the voting stock of the Issuer or the surviving or transferee person; or

(4) the Issuer shall adopt a plan of liquidation or dissolution or any such plan shall be approved by the stockholders of the Issuer.

"Change of Control Triggering Event" means the occurrence of both a Change of Control and a Rating Decline.

"Consolidated Net Tangible Assets" means, as of any date, the total amount of assets which would be included on a combined balance sheet of the Restricted Subsidiaries (not including the Issuer) together with the total amount of assets that would be included on the Issuer's balance sheet, not including its subsidiaries, under GAAP (less applicable reserves and other properly deductible items) after deducting therefrom:

(1) all short-term liabilities, except for liabilities payable by their terms more than one year from the date of determination (or renewable or extendible at the option of the obligor for a period ending more than one year after such date);

(2) investments in Subsidiaries that are not Restricted Subsidiaries; and

(3) all goodwill, trade names, trademarks, patents, unamortized debt discount, unamortized expense incurred in the issuance of debt and other intangible assets.

"Default" means (1) any Event of Default or (2) any event, act or condition that, after notice or the passage of time or both, would be an Event of Default.

"Equity Interests" of any Person means (1) any and all shares or other equity interests (including common stock, preferred stock, limited liability company interests and partnership interests) in such Person and (2) all rights to purchase, warrants or options (whether or not currently exercisable), participations or other equivalents of or interests in (however designated) such shares or other interests in such Person.

"Financial Services Subsidiary" means a Subsidiary engaged exclusively in mortgage banking (including mortgage origination, loan servicing, mortgage brokerage and title and escrow businesses), master servicing and related activities, including, without limitation, a Subsidiary which facilitates the financing of mortgage loans and mortgage-backed securities and the securitization of mortgage-backed bonds and other activities ancillary thereto.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, as in effect on the Measurement Date.

"Guarantors" means each Restricted Subsidiary of the Issuer on the Issue Date, and each other Person that is required to become a Guarantor by the terms of the indenture after the Issue Date, in each case, until such Person is released from its note guarantee.

"Hedging Obligations" of any Person means the obligations of such Person pursuant to (1) any interest rate swap agreement, interest rate collar agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in interest rates, (2) agreements or arrangements designed to protect such Person against fluctuations in foreign currency exchange rates in the conduct of its operations, or (3) any forward contract, commodity swap agreement, commodity option agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in commodity prices, in each case entered into in the ordinary course of business for bona fide hedging purposes and not for the purpose of speculation.

"Indebtedness" means

(1) any liability of any person:

(A) for borrowed money, or

(B) evidenced by a bond, note, debenture or similar instrument (including a purchase money obligation) given in connection with the acquisition of any businesses, properties or assets of any kind (other than a trade payable or a current liability arising in the ordinary course of business), or

(C) for the payment of money relating to a Capitalized Lease Obligation, or

(D) for all Redeemable Capital Stock valued at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends

(2) any liability of others described in the preceding clause (1) that such person has guaranteed or that is otherwise its legal liability; provided, however, that a Springing Guarantee shall not be deemed to be Indebtedness under this clause (2) until the earliest to occur of (a) the demand by a lender for payment under such Springing Guarantee, (b) the occurrence or failure to occur of any event, act or circumstance that, with or without the giving of notice and/or passage of time, entitles a lender to make a demand for payment thereunder or (c) a Bankruptcy Event;

(3) all Indebtedness referred to in (but not excluded from) clauses (1) and (2) above of other persons and all dividends of other persons, the payment of which is secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in property (including, without limitation, accounts and contract rights) owned by such person, even though such person has not assumed or become liable for the payment of such Indebtedness; and

(4) any amendment, supplement, modification, deferral, renewal, extension or refunding or any liability of the types referred to in clauses (1), (2) and (3) above.

"Issue Date" means April 13, 2010.

"Lien" means, with respect to any asset, any mortgage, deed of trust, lien (statutory or other), pledge, lease, easement, restriction, covenant, charge, security interest or other encumbrance of any kind or nature in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, and any lease in the nature thereof, any option or other agreement to sell, and any filing of, or agreement to give, any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction (other than cautionary filings in respect of operating leases).

"Moody's" means Moody's Investors Service, Inc., and its successors.

"Non-Recourse Land Financing" means any Indebtedness of the Issuer or any Restricted Subsidiary for which the holder of such Indebtedness has no recourse, directly or indirectly, to the Issuer or such Restricted Subsidiary for the principal of, premium, if any, and interest on such Indebtedness, and for which the Issuer or such Restricted Subsidiary is not, directly or indirectly, obligated or otherwise liable for the principal of, premium, if any, and interest on such Indebtedness, except pursuant to mortgages, deeds of trust or other Liens or other recourse obligations or liabilities in respect of specific land or other real property interests of the Issuer or

such Restricted Subsidiary; *provided* that recourse obligations or liabilities of the Issuer or such Restricted Subsidiary solely for indemnities, covenants (including, without limitation, performance, completion or similar covenants), or breach of any warranty, representation or covenant in respect of any Indebtedness, including liability by reason of any agreement by the Issuer or any Restricted Subsidiary to provide additional capital or maintain the financial condition of or otherwise support the credit of the Person incurring the Indebtedness, will not prevent Indebtedness from being classified as Non-Recourse Land Financing.

"Permitted Holders" means Steven J. Hilton, his wife and children, any corporation, limited liability company or partnership in which he has voting control and is the direct and beneficial owner of a majority of the Equity Interests and any trust for the benefit of him or his wife or children.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision hereof or any other entity.

"Rating Agency" means each of (a) S&P and (b) Moody's.

"Rating Category" means:

(1) with respect to S&P, any of the following categories: BB, B, CCC, CC, C and D (or equivalent successor categories); and

(2) with respect to Moody's, any of the following categories: Ba, B, Caa, Ca, C and D (or equivalent successor categories).

In determining whether the rating of the notes has decreased by one or more gradations, gradations within Rating Categories (+ and - for S&P; or 1, 2 and 3 for Moody's) will be taken into account (*e.g*., with respect to S&P a decline in rating from BB+ to BB, as well as from BB- to B+, will constitute a decrease of one gradation).

"Rating Date" means the date which is 90 days prior to the earlier of (1) a Change of Control and (2) public notice of the occurrence of a Change of Control or of the intention by the Issuer to effect a Change of Control.

"Rating Decline" means the decrease (as compared with the Rating Date) by one or more gradations within Rating Categories as well as between Rating Categories of the rating of the notes by a Rating Agency on, or within 120 days after, the earlier of the date of public notice of the occurrence of a Change of Control or of the intention by the Issuer to effect a Change of Control (which period will be extended for so long as the rating of the notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies).

"Redeemable Capital Stock" means any capital stock of the Issuer or any Subsidiary that, either by its terms, by the terms of any security into which it is convertible or exchangeable or otherwise, (1) is or upon the happening of an event or passage of time would be required to be redeemed on or prior to the final stated maturity of the notes or (2) is redeemable at the option of the holder thereof at any time prior to such final stated maturity or (3) is convertible into or exchangeable for debt securities at any time prior to such final stated maturity.

"Registration Rights Agreement" means the registration rights agreement dated as of the Issue Date among the Issuer, the Guarantors and the Initial Purchasers.

"Restricted Subsidiary" means any Subsidiary of the Issuer, which is not: (i) a Financial Services Subsidiary or (ii) an Unrestricted Subsidiary.

"S&P" means Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc., and its successors.

"Sale and Leaseback Transaction" means a sale or transfer made by the Issuer or a Restricted Subsidiary (except a sale or transfer made to the Issuer or another Restricted Subsidiary) of any property which is either

(1) a manufacturing facility, office building or warehouse whose book value equals or exceeds 1% of Consolidated Net Tangible Assets as of the date of determination or (2) another property (not including a model home) which exceeds 5% of Consolidated Net Tangible Assets as of the date of determination, if such sale or transfer is made with the agreement, commitment or intention of leasing such property to the Issuer or a Restricted Subsidiary.

"Secured Debt" means any Indebtedness which is secured by (1) a Lien on any property of the Issuer or the property of any Restricted Subsidiary or (2) a Lien on shares of stock owned directly or indirectly by the Issuer or a Restricted Subsidiary in a corporation or on equity interests owned by the Issuer or a Restricted Subsidiary in a partnership or other entity not organized as a corporation or in the Issuer's rights or the rights of a Restricted Subsidiary in respect of Indebtedness of a corporation, partnership or other entity in which the Issuer or a Restricted Subsidiary has an equity interest; *provided* that "Secured Debt" shall not include Non-Recourse Land Financing that consists exclusively of "land under development," "land held for future development" or "improved lots and parcels," as such categories of assets are determined in accordance with GAAP. The securing in the foregoing manner of any such Indebtedness which immediately prior thereto was not Secured Debt shall be deemed to be the creation of Secured Debt at the time security is given.

"Senior Indebtedness" means the principal of (and premium, if any, on) and interest on (including interest accruing after the occurrence of an Event of Default or after the filing of a petition initiating any proceeding pursuant to any bankruptcy law whether or not such interest is an allowable claim in any such proceeding) and other amounts due on or in connection with any Indebtedness of the Issuer, whether outstanding on the date hereof or hereafter created, incurred or assumed, unless, in the case of any particular Indebtedness, the instrument creating or evidencing the same or pursuant to which the same is outstanding expressly provides that such Indebtedness shall not be senior in right of payment to the debt securities. Notwithstanding the foregoing, "Senior Indebtedness" shall not include (1) Indebtedness of the Issuer that is expressly subordinated in right of payment to any Senior Indebtedness of the Issuer, (2) Indebtedness of the Issuer that by operation of law is subordinate to any general unsecured obligations of the Issuer, (3) Indebtedness of the Issuer to any Subsidiary, (4) Indebtedness of the Issuer incurred in violation of the restrictions described under "Restrictions on Secured Debt" and "Restrictions on Sale and Leaseback Transactions," (5) to the extent it might constitute Indebtedness, any liability for federal, state or local taxes or other taxes, owed or owing by the Issuer, and (6) to the extent it might constitute Indebtedness, trade account payables owed or owing by the Issuer or any of its Subsidiaries.

"Significant Subsidiary" means (1) any Restricted Subsidiary that would be a "significant subsidiary" as defined in Regulation S-X promulgated pursuant to the Securities Act of 1933 as such regulation is in effect on the Issue Date and (2) any Restricted Subsidiary that, when aggregated with all other Restricted Subsidiaries that are not otherwise Significant Subsidiaries and as to which any event described in clause (7) or (8) under "Events of Default" has occurred and is continuing, would constitute a Significant Subsidiary under clause (1) of this definition.

"Springing Guarantee" means a guarantee by a Person which by its express terms does not become effective until the occurrence of a Bankruptcy Event.

"Subsidiary" means, with respect to any Person:

(1) any corporation, limited liability company, association or other business entity of which more than 50% of the total voting power of the Equity Interests entitled (without regard to the occurrence of any contingency) to vote in the election of the board of directors or comparable governing body thereof are at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are such Person or one or more Subsidiaries of such Person (or any combination thereof).

Unless otherwise specified, “Subsidiary” refers to a Subsidiary of the Issuer.

“Unrestricted Subsidiary” means a Subsidiary designated by the Issuer (evidenced by resolutions of the Board of Directors of the Issuer, delivered to the Trustee certifying compliance with this definition) as a Subsidiary resulting from any investment (including any guarantee of Indebtedness) made by the Issuer or any Restricted Subsidiary of the Issuer in joint ventures engaged in homebuilding, land acquisition or land development businesses and businesses that are reasonably related thereto or reasonable extensions thereof with unaffiliated third parties *provided* that the aggregate amount of investments in all Unrestricted Subsidiaries shall not exceed $10 million (with the amount of each investment being calculated based upon the amount of investments made on or after the date such joint venture becomes a Subsidiary); *provided, further that* if the Issuer subsequently designates a Subsidiary, which previously had been designated an Unrestricted Subsidiary, to be a Restricted Subsidiary (evidenced by resolutions of the Board of Directors of the Issuer, delivered to the Trustee certifying compliance with this definition) and causes such Subsidiary to comply with provisions set forth under the covenant “Additional Note Guarantees”, then the amount of any investments in such Unrestricted Subsidiary made on or after the date such joint venture became a Subsidiary shall be credited against the $10 million basket set forth in the definition (up to a maximum amount of $10 million).

“Wholly Owned Restricted Subsidiary” means a Restricted Subsidiary of which 100% of the Equity Interests (except for directors’ qualifying shares or certain minority interests owned by other Persons solely due to local law requirements that there be more than one stockholder, but which interest is not in excess of what is required for such purpose) are owned directly by the Issuer or through one or more Wholly Owned Restricted Subsidiaries.

## THE EXCHANGE OFFER

### Purposes and Effects

We issued the outstanding notes on April 13, 2010 to the initial purchasers, who resold the outstanding notes to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) and certain non-U.S. persons in accordance with Regulation S of the Securities Act. In connection with the sale of the outstanding notes, we and the initial purchasers entered into the registration rights agreement pursuant to which we agreed to file with the SEC a registration statement with respect to an offer to exchange the outstanding notes with the exchange notes within 120 days after the outstanding notes were issued. In addition, we agreed to use our reasonable best efforts to cause the registration statement to become effective under the Securities Act within 150 days after the outstanding notes were issued and to issue the exchange notes pursuant to the exchange offer. A copy of the registration rights agreement has been filed as an exhibit to the registration statement of which this prospectus is a part.

The exchange offer is being made pursuant to the registration rights agreement. Holders of outstanding notes who do not tender their outstanding notes or whose outstanding notes are tendered but not accepted would have to rely on exemptions from registration requirements under the securities laws, including the Securities Act, if they wish to sell their outstanding notes.

Based on interpretations by the staff of the SEC set forth in no-action letters issued to persons unrelated to us, we believe the exchange notes issued pursuant to the exchange offer in exchange for outstanding notes may be offered for sale, sold and otherwise transferred by any holder (other than a person that is an "affiliate" of ours within the meaning of Rule 405 under the Securities Act and except as set forth in the next paragraph) without registration or the delivery of a prospectus under the Securities Act, provided the holder acquires the exchange notes in the ordinary course of the holder's business and the holder is not participating and does not intend to participate, and has no arrangement or understanding with any person to participate, in the distribution of the exchange notes.

If a person were to participate in the exchange offer for the purpose of distributing securities in a manner not permitted by the SEC's interpretation, (1) the position of the staff of the SEC enunciated in the no-action letters would not be applicable to the person and (2) the person would be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with a sale of the exchange notes with any such resale transaction effected by it covered by an effective registration statement containing the selling securityholder information required by Item 507 or 508 of the SEC's Regulation S-K.

Each broker-dealer that receives exchange notes for its own account in exchange for outstanding notes which the broker-dealer acquired as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any sale of those exchange notes.

The exchange offer is not being made to, nor will we accept surrenders for exchange from, holders of exchange notes with addresses in any jurisdiction in which the exchange offer or the issuance of exchange notes pursuant to it would violate applicable securities or blue sky laws. Prior to the exchange offer, however, we will register or qualify, or cooperate with the holders of the outstanding notes and their respective counsel in connection with the registration or qualification of, the exchange notes for offer and sale under the securities or blue sky laws of such jurisdictions as are necessary to permit consummation of the exchange offer and do anything else which is necessary or advisable to enable the offer and issuance of the exchange notes in those jurisdictions.

### Terms of the Exchange Offer

Upon the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal, we will issue exchange notes in exchange for all outstanding notes which are validly tendered prior to

5:00 p.m., New York City time, on the expiration date (as defined below) and not withdrawn. The principal amount of the exchange notes issued in the exchange will be the same as the principal amount of the outstanding notes for which they are exchanged. Holders may tender some or all of their outstanding notes in response to the exchange offer.

However, outstanding notes may be tendered only in denominations of $2,000 and integral multiples of $1,000 in excess thereof. See "Description of the Exchange Notes."

The form and terms of the exchange notes will be the same in all material respects as the form and terms of the outstanding notes, except that (1) the exchange notes will be registered under the Securities Act and hence will not bear legends regarding restrictions on transfer and (2) because the exchange notes will be registered, holders of exchange notes will not be, and upon the consummation of the exchange offer, except under limited circumstances, holders of outstanding notes will no longer be, entitled to rights under the registration rights agreement intended for holders of unregistered securities.

Outstanding notes which are not tendered for exchange or are tendered but not accepted in the exchange offer will remain outstanding and be entitled to the benefits of the indenture, but will not be entitled to any registration rights under the registration rights agreement.

We will be deemed to accept all the outstanding notes which are validly tendered and not withdrawn when we give oral or written notice to that effect to the exchange agent. The exchange agent will act as agent for the tendering holders for the purpose of receiving exchange notes from us.

If any tendered outstanding notes are not accepted for exchange because of an invalid tender or otherwise, those outstanding notes will be returned, without expense, to the tendering holder promptly after the expiration date.

Holders who tender outstanding notes in response to the exchange offer will not be required to pay brokerage commissions or fees or, except as described in the instructions in the letter of transmittal, transfer taxes. We will pay all charges and expenses, other than certain taxes described below, in connection with the exchange offer. See "— Fees and Expenses."

**Expiration Date; Extension; Termination; Amendments**

The exchange offer will expire at 5:00 p.m., New York City time, on , 2010, the "expiration date" unless we extend it by notice to the exchange agent. The expiration date will be at least 20 business days after commencement of the exchange offer in accordance with Rule 14e-1(a) under the Exchange Act. We reserve the right to extend the exchange offer at our discretion. If we extend the exchange offer, the term "expiration date" will mean the time and date on which the exchange offer as extended will expire. We will notify the exchange agent of any extension by oral or written notice and will make a public announcement of any extension, not later than 9:00 a.m., New York City time, on the business day after the previously scheduled expiration date. We may terminate the exchange offer by written notice to the exchange agent if any of the conditions described below under "— Conditions of the Exchange Offer" is not satisfied. If the exchange offer is amended in a manner that we determine to constitute a material change, we will promptly disclose the amendment in a prospectus supplement that will be distributed to the registered holders.

**Interest on Exchange Notes**

The exchange notes will bear interest at 7.15% per year from and including April 13, 2010. Interest on the exchange notes will be payable twice a year, on April 15 and October 15, beginning October 15, 2010. In order to avoid duplicative payment of interest, all interest accrued on outstanding notes that are accepted for exchange before October 15, 2010 will be superseded by the interest that is deemed to have accrued on the exchange notes from April 13, 2010 through the date of exchange.

**Termination of Certain Rights**

The registration rights agreement provides that, with certain exceptions, if: (1) the exchange offer registration statement has not been filed with the SEC on or prior to the 120th calendar day following the date of original issue of the outstanding notes; (2) the exchange offer registration statement has not been declared effective on or prior to the 150th calendar day following the date of original issue of the outstanding notes, or (3) the exchange offer is not consummated on or prior to the 210th day following the date of original issue of the outstanding notes (each event referred to in clauses (1) through (3) above being a "registration default"), the interest rate borne by the outstanding notes will be increased by 0.25% per annum upon the occurrence of a registration default. This rate will continue to increase by 0.25% each 90 day period that the liquidated damages (as defined below) continue to accrue under any such circumstance. However, the maximum total increase in the interest rate will in no event exceed one percent (1.0%) per year. We refer to this increase in the interest rate on the notes as "liquidated damages." Such interest is payable in addition to any other interest payable from time to time with respect to the outstanding notes and the exchange notes in cash on each interest payment date to the holders of record for such interest payment date. After the cure of registration defaults, the accrual of liquidated damages will stop and the interest rate will revert to the original rate.

Holders of exchange notes will not be and, upon consummation of the exchange offer, holders of outstanding notes will no longer be, entitled to rights under the registration rights agreement intended for holders of outstanding notes which are restricted as to transferability, except as otherwise provided in the registration rights agreement. The exchange offer will be deemed consummated when we deliver to the exchange agent exchange notes in the same aggregate principal amount as that of the outstanding notes which are validly tendered and not withdrawn.

In the event that:

- any changes in law or the applicable interpretations of the SEC do not permit us to effect the exchange offer;
- the exchange offer is not consummated within 210 days after the original issue date of the outstanding notes;
- any holder notifies us that it is prohibited by law or applicable interpretations of the SEC from participating in the exchange offer;
- in the case of any holder that participates in the exchange offer, such holder does not receive freely transferable notes on the date of the exchange (other than due solely to the status of such holder as an affiliate of the Issuer);
- the initial purchasers of the outstanding notes so request with respect to notes that have, or are reasonably likely to be determined to have, the status of unsold allotments in an initial distribution; or
- or any holder of notes that is not entitled to participate in the exchange offer so requests

then, the Issuer and the Guarantors shall as promptly as practicable, but in no event later than 45 days after the occurrence of any of the above shelf registration statement triggering events, file with the SEC a shelf registration statement covering resales of the outstanding notes by holders who satisfy certain conditions relating to the provision of information in connection with the shelf registration statement.

**Procedures for Tendering**

All of the outstanding notes were issued in book-entry form, and all of the outstanding notes are currently represented by global certificates held for the account of DTC. We have confirmed with DTC that the outstanding notes may be tendered using ATOP. The exchange agent will establish an account with DTC for purposes of the exchange offer promptly after the commencement of the exchange offer, and DTC participants

may electronically transmit their acceptance of the exchange offer by causing DTC to transfer their outstanding notes to the exchange agent via ATOP. In connection with the transfer, DTC will send an "agent's message" to the exchange agent as well as a book-entry confirmation of the transfer of the tendered outstanding notes into the exchange agent's account at DTC. The agent's message will state that DTC has received instructions from the participant to tender outstanding notes and that the participant agrees to be bound by the terms of the letter of transmittal. By using the ATOP procedures described above, you will not be required to deliver a letter of transmittal to the exchange agent. You will, however, be bound by the letter of transmittal's terms just as if you had signed it. The agent's message must be received by the exchange agent at or prior to the expiration of the exchange offer; compliance with ATOP or other applicable DTC procedures does not itself constitute delivery to the exchange agent.

A tender of outstanding notes by a holder will constitute an agreement by the holder to transfer the outstanding notes to us in exchange for exchange notes on the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

If you are the beneficial owner of outstanding notes that are registered in the name of a broker-dealer, commercial bank, trust company, or other nominee and you wish to tender, you should contact the registered holder promptly and instruct such holder on your behalf.

All questions as to the validity, form, eligibility (including time of receipt) and acceptance and withdrawal of tendered outstanding notes will be determined by us in our sole discretion, and that determination will be final and binding. We reserve the right to reject any outstanding notes which are not properly tendered or the acceptance of which we believe might be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to particular outstanding notes, without being required to waive the same defects, irregularities or conditions as to other outstanding notes. Our interpretation of the terms and conditions of the exchange offer (including the instructions in the letter of transmittal) will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of outstanding notes must be cured by the expiration date, or by such later time as we may determine. Although we intend to request the exchange agent to notify holders of defects or irregularities with respect to tenders of outstanding notes, neither we, the exchange agent nor any other person will incur any liability for failure to give such notification. Tenders of outstanding notes will not be deemed to have been made until all defects and irregularities have been cured or waived. Any outstanding notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date.

We have the right (subject to limitations contained in the indenture) (1) to purchase or make offers for any outstanding notes that remain outstanding after the expiration date and (2) to the extent permitted by applicable law, to purchase outstanding notes in privately negotiated transactions or otherwise. The terms of any such purchases or offers could differ from the terms of the exchange offer.

By tendering, a holder will be representing to us, among other things, that: (1) it or the person who will acquire the exchange notes being issued as a result of the exchange offer (whether or not that is the holder) will be acquiring them in the ordinary course of that person's business, (2) neither the holder nor any such other person has an arrangement or understanding with any person to participate in a distribution of the exchange notes, (3) it is not a broker-dealer that owns outstanding notes acquired directly from us or an affiliate of ours, (4) it is not an "affiliate" of the company (as defined in Rule 405 under the Securities Act) or any of the guarantors, and (5) it is not acting on behalf of any other person who could not truthfully make the representation described in this paragraph. In addition, if the holder is a broker-dealer that will receive exchange notes for its own account in exchange for outstanding notes that were acquired as result of market-making activities or other trading activities, the holder will, by tendering, acknowledge that it will comply with the prospectus delivery requirements of the Securities Act in connection with any resale of those exchange notes.

**Conditions of the Exchange Offer**

Notwithstanding any other term of the exchange offer, we will not be required to accept for exchange, or exchange securities for, any outstanding notes, if:

(a) any action or proceeding is instituted or threatened in any court or by or before any governmental agency which might materially impair our or the guarantors' ability to proceed with the exchange offer or any material adverse development has occurred in any existing action or proceeding with respect to us or any of the guarantors that would impair our or their ability to proceed;

(b) the exchange offer would violate any law or interpretation by the staff of the SEC; or

(c) any governmental approval has not been obtained, which approval we deem necessary for the consummation of the exchange offer.

If any of the conditions are not satisfied, we may (1) refuse to accept any outstanding notes and return all tendered outstanding notes to the tendering holders, (2) extend the exchange offer and retain all outstanding notes tendered prior to the expiration of the exchange offer, subject, however, to the rights of holders to withdraw such outstanding notes (see "— Withdrawal of Tenders"), (3) waive such unsatisfied conditions with respect to the exchange offer and accept all properly tendered outstanding notes which have not been withdrawn, (4) terminate the exchange offer, or (5) amend the exchange offer.

**Guaranteed Delivery Procedures**

Holders who wish to tender their outstanding notes but cannot complete the procedure for book-entry transfer prior to the expiration of the exchange offer may effect a tender if:

(a) The tender is made through an eligible institution;

(b) Prior to the expiration date, the exchange agent receives from the eligible institution a properly completed and duly executed notice of guaranteed delivery (by facsimile transmission, mail or hand) setting forth the name and address of the eligible holder and the principal amount of outstanding notes tendered, stating that the tender is being made by that notice of guaranteed delivery, and guaranteeing that, within three New York Stock Exchange trading days after the expiration date, confirmation of a book-entry transfer into the exchange agent's account at DTC and an agent's message will be delivered to the exchange agent; and

(c) Confirmation of a book-entry transfer into the exchange agent's account at DTC and an agent's message is received by the exchange agent within three New York Stock Exchange trading days after the expiration date.

Upon the request to the exchange agent, a form of notice of guaranteed delivery will be sent to holders who wish to use the guaranteed delivery procedures described above.

**Withdrawal of Tenders**

Except as otherwise described below, tenders of outstanding notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date. For a withdrawal to be effective, you must comply with the appropriate procedures of the ATOP system. Any notice of withdrawal must (1) specify the name of the person who deposited the outstanding notes to be withdrawn, (2) identify the outstanding notes to be withdrawn (including the principal amounts of the outstanding notes), (3) specify the name in which the withdrawn outstanding notes are to be registered, if different from that of the depositor, and (4) otherwise comply with the requirements of DTC and ATOP. All questions as to the validity, form and eligibility (including time of receipt) of withdrawal notices will be determined by us in our sole discretion, and that determination will be final and binding on all parties. Any outstanding notes which are withdrawn will be deemed not to have been validly

tendered for purposes of the exchange offer, and no exchange notes will be issued with respect to those outstanding notes unless they are validly re-tendered. Any outstanding notes which have been tendered but which are not accepted for exchange or which are withdrawn will be returned to the holder without cost to the holder promptly after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn outstanding notes may be re-tendered at any time prior to the expiration date in accordance with the procedures described above under "— Procedures for Tendering."

**Fees and Expenses**

We will bear the expenses of soliciting tenders pursuant to the exchange offer. The principal solicitation of tenders is being made by mail. However, solicitations also may be made by telecopy, telephone or in person by officers and regular employees of ours and our affiliates.

We have not retained any dealer-manager in connection with the exchange offer and will not make any payments to brokers, dealers or others for soliciting acceptances of the exchange offer. We will, however, pay the exchange agent reasonable and customary fees for its services and reimburse it for its reasonable out-of-pocket expenses in connection with the exchange offer. We may also reimburse brokerage houses and other custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses they incur in forwarding copies of this prospectus, letters of transmittal and related documents to the beneficial owners of the outstanding notes and in handling or forwarding tenders for exchange. We will pay the other expenses incurred in connection with the exchange offer, including fees and expenses of the trustee, accounting and legal fees and printing costs.

We will pay all transfer taxes, if any, applicable to the exchange of outstanding notes for exchange notes pursuant to the exchange offer. If, however, exchange notes or outstanding notes for principal amounts which are not tendered or accepted for exchange are to be delivered to, or are to be issued in the name of, a person other than the registered holder of the outstanding notes tendered, or if tendered outstanding notes are registered in the name of a person other than the person who agrees to be bound by the letter of transmittal, or if a transfer tax is imposed for any other reason, other than the exchange of outstanding notes for exchange notes pursuant to the exchange offer, the tendering holder must pay the transfer taxes (whether imposed on the registered holder or any other person). Unless satisfactory evidence of payment of transfer taxes or exemption from the need to pay them is submitted with the letter of transmittal, the amount of the transfer taxes will be billed directly to the tendering holder. We may refuse to issue exchange notes in exchange for outstanding notes, or to return outstanding notes which are not exchanged, until we receive evidence satisfactory to us that any transfer taxes payable by the holder have been paid.

**Consequences of Failure to Exchange Outstanding Notes**

If a holder does not exchange outstanding notes for exchange notes in response to the exchange offer, the outstanding notes will continue to be subject to the restrictions on transfer described in the legend on the certificate evidencing the outstanding notes, and will not have the benefit of any agreement by us to register outstanding notes under the Securities Act. In general, notes may not be offered or sold, unless the sale is registered under the Securities Act, or unless the offer and sale are exempt from, or not subject to, the Securities Act or any applicable state securities laws.

Participation in the exchange offer is voluntary and holders should carefully consider whether to accept the exchange offer and tender their outstanding notes. Holders of outstanding notes are urged to consult their financial and tax advisors in making their own decisions on what action to take.

**Accounting Treatment**

The exchange notes will be recorded in our accounting records at the same carrying value as the outstanding notes on the date of the exchange. Accordingly, we will not recognize any gain or loss for accounting purposes as a result of the exchange offer. We will amortize the expenses of the exchange offer over the term of the exchange notes.

Table of Contents

**Exchange Agent**

HSBC Bank USA, National Association has been appointed as exchange agent for the exchange offer. All correspondence in connection with the exchange offer should be addressed to the exchange agent, as follows:

| *By Facsimile:* | *By Registered or Certified Mail; Overnight Courier or Hand Delivery:* |
| --- | --- |
| HSBC Bank USA, National Association<br>Facsimile: (718) 488-4488<br>(For Eligible Institutions Only)<br>Attention: Corporate Trust Operations<br>Confirm by telephone: (800) 662-9844 | HSBC Bank USA, National Association<br>2 Hanson Place<br>14th Floor<br>Brooklyn, New York 10217<br>Attention: Corporate Trust Operations |

Requests for additional copies of this prospectus or the letter of transmittal or accompanying documents should be directed to the exchange agent.

## CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

***Important Notice:***

*Treasury Department Circular 230 Disclosure: To ensure compliance with requirements imposed by the Internal Revenue Service ("IRS"), we inform you that (i) any U.S. tax advice contained herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code, (ii) any such tax advice is written in connection with the promotion or marketing of the matters addressed herein, and (iii) you should seek advice based on your particular circumstances from an independent tax advisor.*

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The following summary describes certain United States federal income tax consequences to you associated with (1) the exchange offer and (2) the ownership and disposition of exchange notes. This summary is based on the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), legislative history, administrative pronouncements and practices of the IRS, judicial decisions and final, temporary and proposed Treasury regulations. Future changes, legislation, Treasury regulations, administrative interpretations and practices and court decisions may adversely affect, perhaps retroactively, the tax consequences contained in this discussion. We have not sought any ruling from the IRS, nor have we sought an opinion from counsel with respect to the statements made and the conclusions reached in the following summary. There can be no assurance that the IRS will agree with these statements and conclusions, nor is there any assurance that such statements and conclusions will be sustained by a court if challenged by the IRS.

This summary assumes, except where otherwise specifically noted, that the notes are held as capital assets within the meaning of section 1221 of the Internal Revenue Code. This summary does not address all the tax consequences that may be relevant to you in light of your particular circumstances. State, local and non-U.S. income tax laws may differ substantially from the corresponding United States federal income tax laws, and this discussion does not purport to describe any aspect of the tax laws of any state, local or non-U.S. jurisdiction. Additionally, this summary also does not address any aspects of United States federal estate or gift tax laws. Further, this summary does not address the tax consequences relevant to persons who receive special treatment under the United States federal income tax laws including, without limitation:

- financial institutions, banks, and thrifts;
- insurance companies;
- tax-exempt organizations;
- regulated investment companies and real estate investment trusts;
- U.S. expatriates;
- dealers in securities or currencies;
- persons holding notes as a hedge against currency risks or as a position in a straddle;
- persons subject to alternative minimum tax; and
- U.S. holders (as defined below) whose functional currency is not the United States dollar.

United States federal income tax treatment with respect to a note held by an entity that is classified as a partnership for United States federal income tax purposes will depend on the activities of the entity and the status of the members or partners of the entity. Members or partners of an entity classified as a partnership for United States federal income tax purposes should consult their own tax advisor regarding the United States federal income tax consequences to them associated with the exchange offer as well as the ownership and disposition by such entity of the exchange notes.

**PROSPECTIVE PURCHASERS OF NOTES SHOULD CONSULT THEIR OWN TAX ADVISORS BASED ON THEIR PARTICULAR CIRCUMSTANCES WITH RESPECT TO THE UNITED STATES FEDERAL, STATE, LOCAL, NON-U.S. AND OTHER TAX CONSEQUENCES TO THEM OF THE EXCHANGE OFFER AS WELL AS THE OWNERSHIP AND DISPOSITION OF EXCHANGE NOTES.**

**HOLDERS OF EXCHANGE NOTES SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE UNITED STATES FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATION AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCAL OR FOREIGN TAXING JURSIDICTION OR UNDER ANY APPLICABLE TAX TREATY.**

As used in this section, the term "U.S. holder" means the beneficial owner of an exchange note that is, for United States federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation, including an entity treated as a corporation created or organized in or under the laws of the United States or any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust whose administration is subject to the primary supervision of a United States court and which has one or more United States persons who have the authority to control all substantial decisions of such trust, or that has made a valid election to be treated as a United States person.

As used in this section, the term "non-U.S. holder" means the beneficial owner of a note that is, for United States federal income tax purposes, an individual, corporation, estate or trust and is not a U.S. holder.

### Exchange Offer

An exchange of outstanding notes for exchange notes pursuant to the exchange offer will not constitute a significant modification of the terms of the notes and therefore will not constitute a taxable exchange or other taxable event for United States federal income tax purposes. Accordingly, there will be no United States federal income tax consequences to holders who exchange their outstanding notes for exchange notes in connection with the exchange offer and any such holder will have the same adjusted tax basis and holding period in the exchange notes as such holder had in the outstanding notes immediately before the exchange.

### Certain Contingent Payments

In certain circumstances, we may be obligated to pay amounts in excess of the stated interest or principal on the exchange notes. The obligation to make such payments may implicate the provisions of Treasury regulations relating to "contingent payment debt instruments." Under applicable Treasury regulations, the possibility that such an amount will be paid will not affect the amount, timing or character of income recognized by a holder with respect to the notes if, as of the date the notes were issued, there is only a remote chance that such an amount will be paid, the amount is incidental, or certain other exceptions apply. We intend to take the position that the contingencies associated with the exchange notes should not cause the exchange notes to be subject to the contingent payment debt instrument rules. Our determination is binding on a holder unless such holder discloses its contrary position in the manner required by applicable Treasury regulations. Our determination is not, however, binding on the IRS, and if the IRS were to successfully challenge this determination, a holder might be required to accrue interest income at a higher rate than the stated interest rate on the exchange notes, and to treat as ordinary income any gain realized on the taxable disposition of an exchange note. The remainder of this discussion assumes that the exchange notes will not be treated as contingent payment debt instruments. Investors should consult their own tax advisor about this issue.

**New Legislation Regarding Withholding Tax**

Congress recently enacted the Hiring Incentives to Restore Employment Act of 2010 (the "HIRE Act"), which may subject "withholdable payments" (including payments of interest and gross proceeds of sales of securities) to foreign entities (including foreign entities acting as intermediaries for investors) to a 30% U.S. federal withholding tax unless such foreign entities provide extensive information to the IRS regarding all U.S. persons who have accounts in (or, in some instances, who own debt or equity interests in) such foreign entities. This new withholding tax generally would be imposed on payments to a noncompliant foreign entity even if payments directly to the underlying beneficial owner would not have been subject to any withholding tax. The foregoing provisions of the HIRE Act generally will not apply to payments made prior to 2014, and generally will not apply to any payments (including payments made in 2014 and thereafter) in respect of any indebtedness outstanding on March 18, 2012. This grandfathering rule should exempt the exchange notes from the foregoing withholding tax. However, because it cannot be predicted in precisely what manner these provisions of the HIRE Act will be implemented by the Treasury Department, you should consult with your own tax advisors regarding this new legislation and any potential application thereof. The remainder of this discussion assumes that the foregoing provisions of the HIRE Act will not apply to the exchange notes.

**U.S. Holders — Ownership and Disposition of Notes**

***Taxation of Interest***

A U.S. holder generally will include in gross income payments of stated interest received or accrued on an exchange note in accordance with the U.S. holder's usual method of accounting for U.S. federal income tax purposes as ordinary interest income from sources within the United States.

***Sale or Exchange of Exchange Notes***

A U.S. holder generally will recognize gain or loss upon the sale or exchange (including a retirement or redemption) of an exchange note equal to the difference between the amount realized upon such sale or exchange and the U.S. holder's adjusted tax basis in the exchange note. A U.S. holder's adjusted tax basis of an exchange note is generally equal to the cost it paid for such exchange note. Generally, except to the extent of accrued but unpaid interest (which will be taxed as ordinary interest income to the extent not previously so taxed), any gain or loss recognized upon a sale or exchange of an exchange note by a U.S. Holder will be capital gain or loss. The capital gain or loss will be long-term capital gain or loss if the United States Holder's holding period for the exchange notes is more than one year at the time of the sale or exchange. For non-corporate U.S. holders, long-term capital gains may be subject to reduced rates of taxation. The deductibility of capital losses is subject to certain limitations.

***Backup Withholding and Information Reporting***

We will, where required, report to the U.S. holders of notes and the IRS the amount of any interest paid on the exchange notes as well as proceeds from the disposition (including retirement or redemption) of exchange notes in each calendar year and the amounts of tax withheld, if any, from those payments. A U.S. holder of an exchange note may be subject to backup withholding tax with respect to payments made on the exchange notes as well as proceeds from the disposition of exchange notes unless the holder:

- is a corporation or comes within other exempt categories and, when required, demonstrates this fact; or
- provides a taxpayer identification number, certifies that is not subject to backup withholding, and otherwise complies with applicable requirements of the backup withholding rules.

Amounts paid as backup withholding do not constitute an additional tax and will be credited against the U.S. holder's United States federal income tax liabilities, so long as the required information is timely provided to the IRS. A U.S. holder of notes who does not provide the payor with his or her correct taxpayer identification number may be subject to penalties imposed by the IRS.

***New Legislation Regarding Medicare Tax on Unearned Income***

Newly enacted legislation will require certain U.S. holders who are individuals, estates or trusts to pay a new 3.8% Medicare tax on, among other things, interest on and capital gains from the sale or other disposition of assets such as the exchange notes for taxable years beginning after December 31, 2012. U.S. holders should consult their tax advisors regarding the effect, if any, of this legislation on their ownership and disposition of the exchange notes.

**Non-U.S. Holders — Ownership and Disposition of Notes**

***Taxation of Interest***

Interest received or accrued on the exchange notes by a non-U.S. holder will not be subject to United States federal income taxes or withholding tax if such interest is not effectively connected with the conduct of a trade or business within the United States by such non-U.S. holder and such non-U.S. holder:

- does not actually or constructively own 10% or more of the total combined voting power of our outstanding stock;
- is not controlled foreign corporation related to us;
- is not a bank receiving interest described in section 881(c)(3)(A) of the Internal Revenue Code; and
- appropriately certifies as to its foreign status.

A non-U.S. holder can generally meet this certification requirement by providing a properly executed Form W-8BEN or appropriate substitute form to us or our paying agent.

If a non-U.S. holder does not qualify for an exemption from withholding under these rules, then interest income will be subject to withholding tax at the rate of 30% at the time such amount is paid, unless the holder provides us with either (i) a properly executed IRS Form W-8BEN (or successor form), claiming an exemption from or reduction in withholding under the benefit of an applicable tax treaty, or (ii) a properly executed IRS Form W-8ECI (or successor form) stating that interest paid on the exchange note is not subject to withholding tax because it is effectively connected with such holder’s United States trade or business. If a non-U.S. holder is engaged in a trade or business in the United States and interest on an exchange note is effectively connected with the conduct of that trade or business, such holder will be subject to United States federal income tax on a net income basis generally in the same manner as if it were a U.S. holder unless an applicable income tax treaty provides otherwise. In addition, if such non-U.S. holder is a foreign corporation, it generally will be subject to a 30% (or a lower applicable treaty rate) branch profits tax on its effectively connected earnings and profits attributable to such interest payment.

***Sales or Exchanges of Exchange Notes***

A non-U.S. holder generally will not be subject to United States federal income tax on any amount which constitutes capital gain upon sale or exchange (including retirement or redemption) of an exchange note, unless either of the following is true:

- The holder’s gain on the exchange notes is effectively connected with a United States trade or business; or
- The holder is present in the United States for 183 or more days in the taxable year within which sale or exchange takes place and certain other requirements are met.

Any gain recognized by a non-U.S. holder described in the first bullet point above would be subject to United States federal income tax on a net basis as if it were a U.S. holder unless an applicable income tax treaty provides otherwise. In addition, if such non-U.S. holder is a foreign corporation, it generally will be subject to a

30% (or a lower applicable treaty rate) branch profits tax on its effectively connected earnings and profits attributable to such gain. An individual non-U.S. holder described in the second bullet point will be subject to a flat 30% tax on the gain derived from that sale or exchange, which gain may be offset by U.S. source capital losses of such non-U.S. holder, if any.

***Backup Withholding and Information Reporting***

Under current law, backup withholding or information reporting will generally be required with respect to interest on notes paid to non-U.S. holders if the beneficial owner of the note provides a statement described above in “Non-U.S. holders — Taxation of Interest” or the non-U.S. holder is an exempt recipient and, in each case, the payor does not have actual knowledge that the beneficial owner is a United States person.

Information reporting requirements and, depending on the circumstances, backup withholding tax will apply to any payment of the proceeds of the sale (including a retirement or redemption) of an exchange note effected within the United States or conducted through certain U.S. related financial intermediaries, unless the beneficial owner certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that the beneficial owner is a U.S. person as defined in the Internal Revenue Code), or the beneficial owner otherwise establishes its right to an exemption.

If you are a non-U.S. holder of exchange notes, you should consult your tax advisor regarding the application of information reporting and backup withholding in your particular situation, the availability of an exemption therefrom, and the procedure for obtaining the exemption, if available. Any amounts withheld from payments to you under the backup withholding rules do not constitute an additional tax and will be allowed as a refund or a credit against your United States federal income tax liability, provided that the required information is timely furnished to the IRS.

## PLAN OF DISTRIBUTION

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. The prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with sales of exchange notes received in exchange for outstanding notes which were acquired as a result of market-making activities or other trading activities. We have agreed that, starting on the expiration date and ending on the close of business on the date that is 180 days after the expiration date, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale.

We will not receive any proceeds from any sale of exchange notes by broker-dealers. Exchange notes received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the exchange notes or a combination of those methods of resale, at prices which may or may not be based upon market prices prevailing at the time of the sale. Any such sale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from the selling broker-dealer and/or the purchasers of the exchange notes. Any broker-dealer that sells exchange notes that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such exchange notes may be deemed to be an “underwriter” within the meaning of the Securities Act and any profit from sale of the exchange notes and any commissions or concessions received by any such persons may be deemed to be underwriting compensation. The letter of transmittal states that a broker-dealer will not, by delivering a prospectus, be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

We have agreed to pay all expenses incident to the exchange offer other than commissions or concessions of any brokers or dealers and will indemnify the holders of the outstanding notes and the exchange notes (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

## LEGAL MATTERS

The validity of the exchange notes and the related guarantees has been passed upon for Meritage by Snell & Wilmer L.L.P., Phoenix, Arizona.

## EXPERTS

The consolidated financial statements incorporated in this Prospectus by reference from the Meritage Homes Corporation's Annual Report on Form 10-K for the year ended December 31, 2009 and the effectiveness of Meritage Homes Corporation's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

## AVAILABLE INFORMATION

Meritage and the Guarantors have filed with the Securities and Exchange Commission a registration statement on Form S-4 (together with all amendments and exhibits thereto, the "registration statement") under the Securities Act for the registration of the exchange notes offered hereby. As permitted by the rules and regulations of the Commission, this prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules thereto. For further information with respect to Meritage, the Guarantors and the exchange notes offered hereby, reference is made to the registration statement and to the exhibits and schedules filed therewith. Statements contained in this prospectus concerning the contents of any contract or other document are not necessarily complete. With respect to each such contract or other document filed with the Commission as an exhibit to the registration statement, reference is made to the exhibit for a more complete description of the matter involved.

We are subject to the informational requirements of the Exchange Act, and file reports, proxy statements and other information with the SEC. These reports, proxy statements and other information may be read and copied at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet site that contains reports, proxy and information statements and other information regarding registrants like us that file electronically with the SEC (at http://www.sec.gov). Meritage's common stock is listed on the New York Stock Exchange under the symbol "MTH". Reports, proxy statements and other information relating to Meritage can be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005. You may also find the reports, proxy statements and other information we file with the SEC on our website at www.meritagehomes.com.

## INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

We are incorporating by reference certain information that we have filed under the informational requirements of the Securities Exchange Act of 1934. The information contained in the documents we are incorporating by reference is considered part of this prospectus. We are incorporating by reference the following documents, which we have already filed or furnished with the SEC:

| Filing | Date Filed |
|---|---|
| Annual Report on Form 10-K for the year ended December 31, 2009 | March 5, 2010 |
| Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2010 | May 6, 2010 |
| Current Report on Form 8-K | January 20, 2010 |
| Current Report on Form 8-K | January 27, 2010 |
| Current Report on Form 8-K | February 1, 2010 |
| Current Report on Form 8-K | April 6, 2010 |
| Current Report on Form 8-K | April 6, 2010 |
| Current Report on Form 8-K | April 7, 2010 |
| Current Report on Form 8-K | April 14, 2010 |
| Current Report on Form 8-K | April 21, 2010 |
| Current Report on Form 8-K | April 28, 2010 |
| Current Report on Form 8-K | May 4, 2010 |

All documents filed by Meritage under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, after the date of this prospectus until the exchange offer is completed are incorporated into this prospectus by reference and will constitute part of this prospectus from the date they are filed.

**Any statement contained in this prospectus or in a document incorporated or deemed to be incorporated by reference in this prospectus shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other document subsequently filed with the SEC which is or is deemed to be incorporated by reference in this prospectus modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.**

If information in any of these incorporated documents conflicts with information in this prospectus you should rely on the most recent information. If information in an incorporated document conflicts with information in another incorporated document, you should rely on the information in the most recent incorporated document.

You may request from us a copy of any document we incorporate by reference at no cost, excluding all exhibits to such incorporated documents unless we have specifically incorporated by reference such exhibits either in this prospectus or in the incorporated document, by making such a request in writing or by telephone to the following address:

Meritage Homes Corporation
17851 North 85th Street, Suite 300
Scottsdale, Arizona 85255
Attention: Investor Relations
(480) 515-8100

Except as provided above, no other information (including information on our website) is incorporated by reference into this prospectus.

**SUBSIDIARY GUARANTORS AND FINANCIAL STATEMENTS**

Each subsidiary guarantor is exempt from Exchange Act reporting pursuant to Rule 12h-5 under the Exchange Act, as:

- Meritage Homes Corporation has no independent assets or operations;
- the guarantees of the subsidiary guarantors are full and unconditional and joint and several; and
- any subsidiaries of Meritage Homes Corporation other than the subsidiary guarantors are, individually and in the aggregate, minor.

There are no significant restrictions on the ability of Meritage Homes Corporation or any subsidiary guarantor to obtain funds from its subsidiaries by dividend or loan.

Table of Contents

# $200,000,000

# 7.15% Senior Notes due 2020

**PROSPECTUS**

**, 2010**

**Each broker-dealer that receives exchange notes for its own account in the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of those exchange notes. The letter of transmittal states that, by so acknowledging and delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.**

**This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding notes where the outstanding notes were acquired by the broker-dealer as a result of market-making activities or other trading activities.**

**We have agreed that, for a period of 180 days after the consummation of this exchange offer, we will make this prospectus available to any broker-dealer for use in connection with the resale of exchange notes. See "Plan of Distribution."**

## PART II

## INFORMATION NOT REQUIRED IN PROSPECTUS

**Item 20.** ***Indemnification of Directors and Officers***

***Meritage Homes Corporation***

Under the provisions of the Maryland General Corporation Law, a corporation's articles may, with certain exceptions, include any provision expanding or limiting the liability of its directors and officers to the corporation or its stockholders for money damages, but may not include any provision that restricts or limits the liability of its directors or officers to the corporation or its stockholders to the extent that (i) it is proved that the person actually received an improper benefit or profit in money, property, or services for the amount of the benefit or profit in money, property, or services actually received; or (ii) a judgment or other final adjudication adverse to the person is entered in a proceeding based on a finding in the proceeding that the person's action, or failure to act, was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding. Meritage's charter contains a provision limiting the personal liability of officers and directors to Meritage and its stockholders to the fullest extent permitted under Maryland law.

In addition, the provisions of the Maryland General Corporation Law permit a corporation to indemnify its present and former directors and officers, among others, against liability incurred, unless it is established that (i) the act or omission of the director or officer was material to the matter giving rise to the proceeding and was committed in bad faith or was the result of active and deliberate dishonesty, or (ii) the director or officer actually received an improper personal benefit in money, property, or services, or (iii) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. Meritage's charter provides that it will indemnify its directors, officers and others so designated by the board of directors to the full extent permitted under Maryland law.

***Subsidiary Guarantors***

*Arizona Corporate Guarantors*

Arizona Revised Statutes ("ARS") § 10-851 allows a corporation, in certain circumstances, to indemnify its directors against costs and expenses (including attorneys' fees) reasonably incurred in connection with threatened, pending or completed civil, criminal, administrative or investigative actions, suits or proceedings, in which such persons were or are parties, or are threatened to be made parties, by reason of the fact that they were or are directors of the corporation, if such persons acted in good faith and either (i) in a manner they reasonably believed to be in the best interests of the corporation (if acting in a official capacity), or (ii) in a manner they reasonably believed was at least not opposed to the corporation's best interests (in all other cases). A corporation may indemnify its directors with respect to any criminal action or proceeding if, in addition to the above conditions being met, the individual had no reasonable cause to believe his or her conduct was unlawful. Directors may not be indemnified under ARS § 10-851 in connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation or in connection with any other proceeding charging improper financial benefit to the director in which the director was adjudged liable on the basis that financial benefit was improperly received by the director. In addition, under ARS § 10-202, a corporation's articles of incorporation may indemnify a director for conduct for which broader indemnification has been made permissible or mandatory under other ARS provisions.

ARS § 10-202 provides that the articles of incorporation may set forth a provision eliminating or limiting the liability of a director to the corporation or its shareholders for money damages, and permitting or making obligatory indemnification of a director, for liability for any action taken or any failure to take any action as a director, except liability for any of the following: (a) the amount of a financial benefit received by a director to which the director is not entitled; (b) an intentional infliction of harm on the corporation or the shareholders; (c) unlawful distributions; and (d) an intentional violation of criminal law.

ARS § 10-852 provides for mandatory indemnification in certain situations such that, unless limited by its articles of incorporation, a corporation shall indemnify a director who was the prevailing party, on the merits or otherwise, in the defense of any proceeding to which the director was a party because the director is or was a director of the corporation against reasonable expenses incurred by the director in connection with the proceeding.

ARS § 10-856 provides that a corporation may indemnify its officers against costs and expenses (including attorneys' fees) reasonably incurred in connection with threatened, pending or completed civil, criminal, administrative or investigative actions, suits or proceedings, in which such persons were or are parties, or are threatened to be made parties because the individual is or was an officer of the corporation to the same extent as a director. If the individual is an officer but not a director (or is both but is made a party to the proceeding solely because of an act or omission as an officer), a corporation may indemnify and advance expenses to the further extent as may be provided by the articles of incorporation, the bylaws, a resolution of the board of directors, or contract except for (i) liability in connection with a proceeding by or in the right of the corporation other than for reasonable expenses incurred in connection with the proceeding, or (ii) liability arising out of conduct that constitutes (a) receipt by the officer of a financial benefit to which the officer is not entitled, (b) an intentional infliction of harm on the corporation or the shareholders, or (c) an intentional violation of criminal law. An officer of a corporation who is not a director is entitled to mandatory indemnification as a prevailing party under ARS § 10-852.

ARS § 10-850 defines a director as including an individual who is or was a director of a corporation or an individual while a director of a corporation is or was serving at the corporation's request as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture or other entity.

The articles of incorporation of Meritage Homes of Arizona, Inc., Meritage Homes Construction, Inc., Meritage Homes of Texas Holding, Inc., Meritage Homes of Nevada, Inc., and Meritage Homes of Colorado, Inc., each of which is an Arizona corporation, provide that the liability of a director or former director to the corporation or its stockholders shall be eliminated to the fullest extent permitted by Arizona law. In addition, the articles of incorporation of each of these corporations provide that the corporation shall indemnify any and all of its existing and former directors and officers to the fullest extent permitted by Arizona law.

*Arizona Limited Liability Company Guarantors*

ARS § 29-610(13) provides that Arizona limited liability companies may indemnify a member, manager, employee, officer or agent, or any other person. The operating agreements of Meritage Homes of Texas, LLC, Meritage Homes Operating Company, LLC, MTH-Cavalier, LLC and MTH Golf, LLC all provide that such companies and their successors shall indemnify, defend and hold harmless their members and such members' affiliates, to the extent of the relevant company's assets, for, from and against any liability, damage, cost, expense, loss, claim or judgment incurred by the indemnitee arising out of any claim based upon acts performed or omitted to be performed by the indemnitee in connection with the business of the company, including (without limitation) attorneys' fees and costs incurred by the indemnitee in settlement or defense of such claims. Notwithstanding the foregoing, no indemnitee shall be indemnified, defended or held harmless for claims based upon acts or omissions in breach of the relevant operating agreement or which constitute fraud, gross negligence or willful misconduct. As permitted under Arizona law, Meritage Paseo Construction, LLC, Meritage Paseo Crossing, LLC and WW Project Seller, LLC do not have operating agreements.

*California Corporate Guarantors*

Section 317 of the California General Corporation Law (the "CGCL") allows a corporation, in certain circumstances, to indemnify its directors and officers against certain expenses (including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with threatened, pending or completed civil, criminal, administrative or investigative actions, suits or proceedings (other than an

action by or in the right of the corporation), in which such persons were or are parties, or are threatened to be made parties, by reason of the fact that they were or are directors or officers of the corporation, if such persons acted in good faith and in a manner they reasonably believed to be in the best interests of the corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe their conduct was unlawful. In addition, a corporation is, in certain circumstances, permitted to indemnify its directors and officers against certain expenses incurred in connection with the defense or settlement of a threatened, pending or completed action by or in the right of the corporation, and against amounts paid in settlement of any such action, if such persons acted in good faith and in a manner they believed to be in the best interests of the corporation and its shareholders, provided that the specified court approval is obtained.

Section 204(a)(10) of the CGCL allows a corporation to include a provision in its articles of incorporation eliminating or limiting the personal liability of a director for monetary damages in an action brought by or in the right of the corporation for breach of the director's duty to the corporation, except for the liability of a director resulting from (i) acts or omissions involving intentional misconduct or a knowing and culpable violation of law, (ii) any transaction from which a director derived an improper personal benefit, (iii) acts or omissions that a director believes to be contrary to the best interests of the corporation or its shareholders or that involve the absence of good faith, (iv) acts or omissions showing a reckless disregard for the director's duty to the corporation or its shareholders, (v) acts or omissions constituting an unexcused pattern of inattention to the director's duty, (v) liability under California law relating to transactions between corporations and directors or corporations having interrelated directors, or (vi) the making of an illegal distribution or loan to shareholders.

The articles of incorporation of Meritage Homes of California, Inc. and California Urban Builders, Inc., each of which is a California corporation, provide that the liability of directors for monetary damages shall be eliminated to the fullest extent permissible under California law and that the corporation is authorized to provide indemnification of its officers and directors through bylaw provisions, agreements with officers and directors, vote of shareholders or disinterested directors or otherwise, in excess of the indemnification otherwise permitted by Section 317 of the CGCL, subject only to the applicable limits set forth in Section 204 of the CGCL. The bylaws of Meritage Homes of California, Inc. and California Urban Builders, Inc. provide that the corporation shall indemnify each of its directors and officers to the maximum extent and in the manner permitted by the CGCL.

*Florida Corporate Guarantor*

Section 607.0850 of the Florida Business Corporation Act (the "FBCA") allows a corporation to indemnify any person who was or is a party to any proceeding (other than an action by, or in the right of, the corporation), by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation or is or was service serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against liability incurred in connection with such proceeding, including any appeal thereof, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Such section further allows a corporation to indemnify any person, who was or is a party to any proceeding by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee, or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses and amounts paid in settlement not exceeding, in the judgment of the board of directors, the estimated expense of litigating the proceeding to conclusion, actually and reasonably incurred in connection with the defense or settlement of such proceeding, including any appeal thereof. Such indemnification shall be authorized if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, except that no indemnification shall be made under this subsection in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable unless, and only to the extent that, the court in which such proceeding was brought, or any other court of competent jurisdiction, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is

fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. The FBCA also permits corporations to advance expenses in certain circumstances, and to maintain liability insurance coverage for their directors and officers.

The bylaws of Meritage Homes of Florida, Inc. provide that the corporation shall indemnify each of its directors and officers to the maximum extent and in the manner permitted by the FBCA (including through the automatic incorporation of any future amendments to the relevant provisions of the FBCA).

**Item 21.** ***Exhibits and Financial Statement Schedules***

(a) *Exhibits:*

| Exhibit Number | Description | Page or Method of Filing |
|---|---|---|
| 2.1 | Agreement and plan of Reorganization, dated as of September 13, 1996, by and among Homeplex, the Monterey Merging Companies and the Monterey Stockholders | Incorporated by reference to Appendix A of Form S-4 Registration Statement No. 333-15937. |
| 3.1 | Restated Articles of Incorporation of Meritage Homes Corporation | Incorporated by reference to Exhibit 3 of Form 8-K dated June 20, 2002. |
| 3.1.1 | Amendment to Articles of Incorporation of Meritage Homes Corporation | Incorporated by reference to Exhibit 3.1 of Form 8-K dated September 15, 2004. |
| 3.1.2 | Amendment to Articles of Incorporation of Meritage Homes Corporation | Incorporated by reference to Appendix A of the Proxy Statement for the 2006 Annual Meeting of Stockholders. |
| 3.1.3 | Amendment to Articles of Incorporation of Meritage Homes Corporation | Incorporated by reference to Appendix B of the Proxy Statement for the 2008 Annual Meeting of Stockholders. |
| 3.1.4 | Amendment to Articles of Incorporation of Meritage Homes Corporation | Incorporated by reference to Appendix A of the Definitive Proxy Statement filed with the Securities and Exchange Commission on January 9, 2009. |
| 3.2 | Amended and Restated Bylaws of Meritage Homes Corporation | Incorporated by reference to Exhibit 3.1 of Form 8-K dated August 21, 2007. |
| 3.2.1 | Amendment to Amended and Restated Bylaws of Meritage Homes Corporation | Incorporated by reference to Exhibit 3.1 of Form 8-K filed on December 24, 2008. |
| 3.3 | Articles of Organization of Meritage Paseo Crossing, LLC | Incorporated by reference to Exhibit 3.6 of Form S-4 Registration Statement No. 333-64538. |
| 3.4 | Articles of Incorporation of Meritage Homes Construction, Inc. (formerly known as Hancock-MTH Builders, Inc.) | Incorporated by reference to Exhibit 3.19 of Form S-4 Registration Statement No. 333-64538. |
| 3.4.1 | Articles of Amendment and Merger of Meritage Homes Construction, Inc. (formerly known as Hancock-MTH Builders, Inc.) | Filed herewith. |
| 3.5 | Bylaws of Meritage Homes Construction, Inc. (formerly known as Hancock-MTH Builders, Inc.) | Incorporated by reference to Exhibit 3.20 of Form S-4 Registration Statement No. 333-64538. |
| 3.6 | Articles of Organization of Meritage Paseo Construction, LLC (formerly known as Chandler 110, LLC) | Incorporated by reference to Exhibit 3.9 of Form S-4 Registration Statement No. 333-64538. |

| Exhibit Number | Description | Page or Method of Filing |
|---|---|---|
| 3.6.1 | Amendment to Articles of Organization of Meritage Paseo Construction, LLC (formerly known as Chandler 110, LLC) | Incorporated by reference to Exhibit 3.9.1 of Form S-4 Registration Statement No. 333-64538. |
| 3.7 | Articles of Incorporation of Meritage Homes of California, Inc. (formerly known as Meritage Homes of Northern California, Inc.) | Incorporated by reference to Exhibit 3.17 of Form S-4 Registration Statement No. 333-64538. |
| 3.7.1 | Certificate of Amendment of Articles of Incorporation for Meritage Homes of California, Inc. (formerly known as Meritage Homes of Northern California, Inc.) | Incorporated by reference to Exhibit 3.17.1 of Form S-4 Registration Statement No. 333-115610. |
| 3.8 | Bylaws of Meritage Homes of California, Inc. (formerly known as Meritage Homes of Northern California, Inc.) | Incorporated by reference to Exhibit 3.18 of Form S-4 Registration Statement No. 333-64538. |
| 3.9 | Articles of Incorporation of Meritage Homes of Arizona, Inc. (formerly known as Hancock-MTH Communities, Inc.) | Incorporated by reference to Exhibit 3.21 of Form S-4 Registration Statement No. 333-64538. |
| 3.9.1 | Articles of Amendment and Merger of Meritage Homes of Arizona, Inc. (formerly known as Hancock-MTH Communities, Inc.) | Filed herewith. |
| 3.10 | Bylaws of Meritage Homes of Arizona, Inc. (formerly known as Hancock-MTH Communities, Inc.) | Incorporated by reference to Exhibit 3.22 of Form S-4 Registration Statement No. 333-64538. |
| 3.11 | Articles of Incorporation of Meritage Homes of Nevada, Inc. (formerly known as MTH-Homes Nevada, Inc.) | Incorporated by reference to Exhibit 3.30 of Form S-4 Registration Statement No. 333-105043. |
| 3.11.1 | Articles of Amendment of Meritage Homes of Nevada, Inc. (formerly known as MTH-Homes Nevada, Inc.) | Filed herewith. |
| 3.12 | Bylaws of Meritage Homes of Nevada, Inc. (formerly known as MTH-Homes Nevada, Inc.) | Incorporated by reference to Exhibit 3.31 of Form S-4 Registration Statement No. 333-105043. |
| 3.13 | Articles of Organization of Meritage Holdings, L.L.C. | Incorporated by reference to Exhibit 3.32 of Form S-4 Registration Statement No. 333-105043. |
| 3.14 | Regulations of Meritage Holdings, L.L.C. | Incorporated by reference to Exhibit 3.33 of Form S-4 Registration Statement No. 333-105043. |
| 3.15 | Articles of Organization of MTH-Cavalier, LLC | Incorporated by reference to Exhibit 3.38 of Form S-4 Registration Statement No. 333-105043. |
| 3.16 | Operating Agreement of MTH-Cavalier, LLC | Incorporated by reference to Exhibit 3.39 of Form S-4 Registration Statement No. 333-105043. |
| 3.17 | Articles of Organization of MTH Golf, LLC (formerly known as Mission Royale Golf Course, LLC) | Incorporated by reference to Exhibit 3.40 of Form S-4 Registration Statement No. 333-109933. |
| 3.17.1 | Amended and Restated Articles of Organization for MTH Golf, LLC (formerly known as Mission Royale Golf Course, LLC) | Incorporated by reference to Exhibit 3.40.1 of Form S-4 Registration Statement No. 333-109933. |
| 3.18 | Operating Agreement of MTH Golf, LLC | Filed herewith. |

| Exhibit Number | Description | Page or Method of Filing |
|---|---|---|
| 3.19 | Articles of Incorporation of Meritage Homes of Colorado, Inc. | Incorporated by reference to Exhibit 3.43 of Form S-4 Registration Statement No. 333-115610. |
| 3.20 | Bylaws of Meritage Homes of Colorado, Inc. | Incorporated by reference to Exhibit 3.44 of Form S-4 Registration Statement No. 333-115610. |
| 3.21 | Articles of Incorporation of Meritage Homes of Florida, Inc. (formerly known as The Greater Construction Corp.) | Filed herewith. |
| 3.22 | Bylaws of Meritage Homes of Florida, Inc. (formerly known as The Greater Construction Corp.) | Filed herewith. |
| 3.23 | Articles of Incorporation of California Urban Builders, Inc. | Incorporated by reference to Exhibit 3.42 of Form S-4 Registration Statement No. 333-123661. |
| 3.24 | Bylaws of California Urban Builders, Inc. | Incorporated by reference to Exhibit 3.43 of Form S-4 Registration Statement No. 333-123661. |
| 3.25 | Articles of Organization of California Urban Homes, LLC | Incorporated by reference to Exhibit 3.44 of Form S-4 Registration Statement No. 333-123661. |
| 3.26 | Limited Liability Company Operating Agreement of California Urban Homes, LLC | Incorporated by reference to Exhibit 3.45 of Form S-4 Registration Statement No. 333-123661. |
| 3.26.1 | First Amendment to the Limited Liability Company Operating Agreement of California Urban Builders, LLC | Incorporated by reference to Exhibit 3.45.1 of Form S-4 Registration Statement No. 333-123661. |
| 3.27 | Articles of Incorporation of Meritage Homes of Texas Holding, Inc. (formerly known as MTH-Texas LP, Inc.) | Incorporated by reference to Exhibit 3.14 of Form S-4 Registration Statement No. 333-64538. |
| 3.27.1 | Articles of Merger and Amendment of Meritage Homes of Texas Holding, Inc. (formerly known as MTH-Texas LP, Inc.) | Filed herewith. |
| 3.28 | Bylaws of Meritage Homes of Texas Holding, Inc. (formerly known as MTH-Texas LP, Inc.) | Incorporated by reference to Exhibit 3.15 of Form S-4 Registration Statement No. 333-64538. |
| 3.29 | Articles of Organization of Meritage Homes of Texas Joint Venture Holding Company, LLC (formerly known as Hulen Park Venture, LLC) | Incorporated by reference to Exhibit 3.34 of Form S-4 Registration Statement No. 333-105043. |
| 3.29.1 | Articles of Amendment of Meritage Homes of Texas Joint Venture Holding Company, LLC (formerly known as Hulen Park Venture, LLC) | Filed herewith. |
| 3.30 | Regulations of Meritage Homes of Texas Joint Venture Holding Company, LLC (formerly known as Hulen Park Venture, LLC) | Incorporated by reference to Exhibit 3.35 of Form S-4 Registration Statement No. 333-105043. |
| 3.30.1 | Operating Agreement of Meritage Homes of Texas Joint Venture Holding Company, LLC (formerly known as Hulen Park Venture, LLC) | Filed herewith. |
| 3.31 | Articles of Organization of Meritage Homes of Texas, LLC | Filed herewith. |
| 3.32 | Operating Agreement of Meritage Homes of Texas, LLC | Filed herewith. |

Table of Contents

| Exhibit Number | Description | Page or Method of Filing |
|---|---|---|
| 3.33 | Articles of Organization of Meritage Homes Operating Company, LLC | Filed herewith. |
| 3.34 | Operating Agreement of Meritage Homes Operating Company, LLC | Filed herewith. |
| 3.35 | Articles of Organization of WW Project Seller, LLC | Filed herewith. |
| 4.1 | Form of Specimen of Common Stock Certificate | Incorporated by reference to Exhibit 4.1 of Form 10-K for the year ended December 31, 2007. |
| 4.2 | Indenture, dated April 21, 2004 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.1 of Form 10-Q for the quarterly period ended March 31, 2004. |
| 4.2.1 | First Supplemental Indenture, dated May 14, 2004 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.3.1 of Form S-4 Registration Statement No. 333-115610. |
| 4.2.2 | Second Supplemental Indenture, dated December 20, 2004 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.3.2 of Form 10-K for the year ended December 31, 2004. |
| 4.2.3 | Third Supplemental Indenture, dated April 18, 2005 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.3.3 of Form S-4 Registration Statement No. 333-123661. |
| 4.2.4 | Fourth Supplemental Indenture, dated September 22, 2005 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.1 of Form 10-Q for the quarterly period ended September 30, 2005. |
| 4.2.5 | Fifth Supplemental Indenture, dated July 10, 2007 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.2.5 of Form 10-K for the year ended December 31, 2008. |
| 4.2.6 | Sixth Supplemental Indenture, dated March 6, 2009 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.3 of Form 10-Q for the quarter ended March 31, 2009. |
| 4.3 | Indenture dated March 10, 2005 (re 6.25% Senior Notes due 2015) and Form of 6.25% Senior Notes due 2015 | Incorporated by reference to Exhibit 4.4 of Form 10-K for the year ended December 31, 2004. |
| 4.3.1 | First Supplemental Indenture, dated April 18, 2005 (re 6.25% Senior Notes due 2015) | Incorporated by reference to Exhibit 4.1.1 of Form S-4 Registration Statement No. 333-123661. |
| 4.3.2 | Second Supplemental Indenture, dated September 22, 2005 (re 6.25% Senior Notes due 2015) | Incorporated by reference to Exhibit 4.2 of Form 10-Q for the quarterly period ended September 30, 2005. |
| 4.3.3 | Third Supplemental Indenture, dated July 10, 2007 (re 6.25% Senior Notes due 2015) | Incorporated by reference to Exhibit 4.3.3 of Form 10-K for the year ended December 31, 2008. |
| 4.3.4 | Instrument of Resignation, Appointment and Acceptance, dated as of May 27, 2008 (re 7% Senior Notes due 2014 and 6.25% Senior Notes due 2015) | Incorporated by reference to Exhibit 4.1 of Form 8-K filed on May 28, 2008. |
| 4.3.5 | Fourth Supplemental Indenture, dated March 6, 2009 (re 6.25% Senior Notes due 2015) | Incorporated by reference to Exhibit 4.2 of Form 10-Q for the quarter ended March 31, 2009. |
| 4.4 | Indenture, dated February 23, 2007 (re 7.731% Senior Subordinated Notes due 2017) | Incorporated by reference to Exhibit 4.1 of Form 8-K dated February 23, 2007. |

| Exhibit Number | Description | Page or Method of Filing |
|---|---|---|
| 4.4.1 | First Supplemental Indenture, dated July 10, 2007 (re 7.731% Senior Subordinated Notes due 2017) | Incorporated by reference to Exhibit 4.4.1 of Form 10-K for the year ended December 31, 2008. |
| 4.4.2 | Instrument of Resignation, Appointment and Acceptance, dated as of May 27, 2008 (re 7.731% Senior Subordinated Notes due 2017) | Incorporated by reference to Exhibit 4.2 of Form 8-K filed on May 28, 2008. |
| 4.4.3 | Second Supplemental Indenture, dated March 6, 2009 (re 7.731% Senior Subordinated Notes due 2017) | Incorporated by reference to Exhibit 4.1 of Form 10-Q for the quarter ended March 31, 2009. |
| 4.5 | Indenture, dated April 13, 2010 (re 7.15% Senior Notes due 2020) | Incorporated by reference to Exhibit 4.1 of Form 8-K filed on April 14, 2010. |
| 4.6 | Registration Rights Agreement, dated April 13, 2010 (re 7.15% Senior Notes due 2020) | Incorporated by reference to Exhibit 10.1 of Form 8-K filed on April 14, 2010. |
| 5.1 | Opinion of Snell & Wilmer L.L.P. regarding the legality of the securities being registered | Filed herewith. |
| 10.1 | 2006 Annual Incentive Plan* | Incorporated by reference to Appendix C of the Proxy Statement for the 2006 Annual Meeting of Stockholders. |
| 10.2 | Amended 1997 Meritage Stock Option Plan* | Incorporated by reference to Exhibit 10.3 of Form 10-K for the year ended December 31, 2004. |
| 10.3 | Meritage Homes Corporation 2006 Stock Incentive Plan* | Incorporated by reference to Exhibit 4.6 of Form S-8 Registration Statement No. 333-151261. |
| 10.3.1 | Amendment to Meritage Homes Corporation 2006 Stock Incentive Plan* | Incorporated by reference to Exhibit 10.1 of Form 10-Q for the quarter ended September 30, 2006. |
| 10.3.2 | Representative Form of Restricted Stock Agreement (2006 Plan)* | Incorporated by reference to Exhibit 4.2 of Form S-8 Registration Statement No. 333-134637. |
| 10.3.3 | Representative Form of Non-Qualified Stock Option Agreement (2006 Plan)* | Incorporated by reference to Exhibit 4.3 of Form S-8 Registration Statement No. 333-134637. |
| 10.3.4 | Representative Form of Incentive Stock Option Agreement (2006 Plan)* | Incorporated by reference to Exhibit 4.4 of Form S-8 Registration Statement No. 333-134637. |
| 10.3.5 | Representative Form of Stock Appreciation Rights Agreement (2006 Plan)* | Incorporated by reference to Exhibit 4.5 of Form S-8 Registration Statement No. 333-134637. |
| 10.4 | Settlement Agreement between the Company and John R. Landon, dated June 12, 2006 | Incorporated by reference to Exhibit 10.2 of Form 8-K dated June 12, 2006. |
| 10.4.1 | Cooperation Agreement between the Company and John R. Landon, dated June 12, 2006 | Incorporated by reference to Exhibit 10.3 of Form 8-K dated June 12, 2006. |
| 10.4.2 | Settlement Agreement between Meritage Homes Corporation and John R. Landon | Incorporated by reference to Exhibit 10.1 of Form 8-K filed on April 14, 2008. |
| 10.5 | Third Amended and Restated Employment Agreement between the Company and Steven J. Hilton* | Incorporated by reference to Exhibit 10.1 of Form 8-K filed on January 20, 2010. |
| 10.5.1 | Third Amended and Restated Change of Control Agreement between the Company and Steven J. Hilton* | Incorporated by reference to Exhibit 10.5 of Form 8-K filed on January 20, 2010. |

| Exhibit Number | Description | Page or Method of Filing |
|---|---|---|
| 10.6 | Third Amended and Restated Employment Agreement between the Company and Larry W. Seay* | Incorporated by reference to Exhibit 10.2 of Form 8-K filed on January 20, 2010. |
| 10.6.1 | Third Amended and Restated Change of Control Agreement between the Company and Larry W. Seay* | Incorporated by reference to Exhibit 10.6 of Form 8-K filed on January 20, 2010. |
| 10.7 | Amended and Restated Employment Agreement between the Company and Steven Davis* | Incorporated by reference to Exhibit 10.4 of Form 8-K filed on January 20, 2010. |
| 10.7.1 | Amended and Restated Change of Control Agreement between the Company and Steven Davis* | Incorporated by reference to Exhibit 10.8 of Form 8-K filed on January 20, 2010. |
| 10.8 | Amended and Restated Employment Agreement between the Company and C. Timothy White* | Incorporated by reference to Exhibit 10.3 of Form 8-K filed on January 20, 2010. |
| 10.8.1 | Amended and Restated Change of Control Agreement between the Company and C. Timothy White* | Incorporated by reference to Exhibit 10.7 of Form 8-K filed on January 20, 2010. |
| 12.1 | Computation of Ratio of Earnings to Fixed Charges | Filed herewith. |
| 21.1 | List of Subsidiaries | Filed herewith. |
| 23.1 | Consent of Deloitte & Touche LLP | Filed herewith. |
| 23.2 | Consent of Snell & Wilmer L.L.P. | Included in Exhibit 5.1. |
| 24.1 | Powers of Attorney | Included in Signature Pages. |
| 25.1 | Statement of Eligibility under the Trust Indenture Act of 1939 on Form T-1 of HSBC Bank USA, National Association | Filed herewith. |
| 99.1 | Form of Letter of Transmittal | Filed herewith. |
| 99.2 | Form of Notice of Guaranteed Delivery | Filed herewith. |
| 99.3 | Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees | Filed herewith. |
| 99.4 | Form of Letter to Clients for Use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees | Filed herewith. |
| 99.5 | Form of Instructions from Beneficial Owner to DTC Participant | Filed herewith. |

(b) *Financial Statement Schedules:*

Schedules have been omitted because of the absence of conditions under which they are required or because the required material information is included in the Consolidated Financial Statements or Notes to the Consolidated Financial Statements included in the reports incorporated by reference herein.

**Item 22.** ***Undertakings***

The undersigned registrants hereby undertake:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in this registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in the registration statement;

*provided*, *however*, that:

(A) Paragraphs (1)(i) and (1)(ii) do not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in this registration statement; and

(B) Paragraphs (1)(i), (1)(ii) and (1)(iii) do not apply if the registration statement is on Form S-3 or Form F-3 and the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(5) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(6) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in this registration statement when it became effective.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been informed that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

Table of Contents

## SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Scottsdale, State of Arizona, on May 19, 2010.

MERITAGE HOMES CORPORATION

By: /S/ STEVEN J. HILTON
**Steven J. Hilton**
***Chairman and Chief Executive Officer***

The following direct and indirect subsidiaries of the registrant will guarantee the debt securities and are co-registrants under this registration statement.

**Name of Co-Registrant:**

Meritage Paseo Crossing, LLC (1)
Meritage Paseo Construction, LLC (2)
Meritage Homes of Arizona, Inc.
Meritage Homes Construction, Inc.
Meritage Homes of California, Inc.
Meritage Homes of Nevada, Inc.
Meritage Holdings, L.L.C. (3)
Meritage Homes of Texas Holding, Inc.
Meritage Homes of Texas Joint Venture Holding Company, LLC (4)
Meritage Homes of Texas, LLC (3)
Meritage Homes Operating Company, LLC (5)
MTH-Cavalier, LLC (2)
MTH Golf, LLC (2)
Meritage Homes of Colorado, Inc.
Meritage Homes of Florida, Inc.
California Urban Builders, Inc.
California Urban Homes, LLC (6)
WW Project Seller, LLC (7)

as CO-REGISTRANTS

By: /S/ STEVEN J. HILTON
**Steven J. Hilton**
***Principal Executive Officer and Director of each Co-Registrant that is a corporation and Principal Executive Officer and Director of the corporate sole member of each Co-Registrant that is a limited liability company, respectively.***

(1) Executed by Meritage Homes of Arizona, Inc., as sole member
(2) Executed by Meritage Homes Construction, Inc., as sole member
(3) Executed by Meritage Homes of Texas Holding, Inc., as sole member
(4) Executed by Meritage Homes of Texas Holding, Inc., which is the sole member of Meritage Homes of Texas, LLC, which is the sole member of this co-registrant
(5) Executed by Meritage Homes of Texas Holding, Inc., as 99% member and the sole member of Meritage Holdings, L.L.C., which owns the remaining 1% of this co-registrant
(6) Executed by Meritage Homes of California, as sole member
(7) Executed by Meritage Homes of Arizona, which is the sole member of Meritage Paseo Crossing, LLC, which is the sole member of this co-registrant

Table of Contents

**POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Steven J. Hilton and Larry W. Seay, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, and to file the same, with all exhibits thereto, and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, and fully and to all intents and purposes as he might or could do in person hereby ratifying and confirming all that said attorney-in-fact and agents, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

ON BEHALF OF MERITAGE HOMES CORPORATION:

| | Signature | Title | Date |
|---|---|---|---|
| By: | /S/ STEVEN J. HILTON<br>**Steven J. Hilton** | Chairman, Chief Executive Officer and Director (Principal Executive Officer) | May 19, 2010 |
| By: | /S/ LARRY W. SEAY<br>**Larry W. Seay** | Executive Vice President and Chief Financial Officer (Principal Financial Officer) | May 19, 2010 |
| By: | /S/ HILLA SFERRUZZA<br>**Hilla Sferruzza** | Vice President, Chief Accounting Officer, Corporate Controller and Assistant Secretary (Principal Accounting Officer) | May 19, 2010 |
| By: | /S/ PETER L. AX<br>**Peter L. Ax** | Director | May 19, 2010 |
| By: | /S/ RAYMOND OPPEL<br>**Raymond Oppel** | Director | May 19, 2010 |
| By: | /S/ ROBERT G. SARVER<br>**Robert G. Sarver** | Director | May 19, 2010 |
| By: | /S/ RICHARD T. BURKE, SR.<br>**Richard T. Burke, Sr.** | Director | May 19, 2010 |
| By: | /S/ GERALD W. HADDOCK<br>**Gerald W. Haddock** | Director | May 19, 2010 |
| By: | /S/ DANA BRADFORD<br>**Dana Bradford** | Director | May 19, 2010 |

ON BEHALF OF THE FOLLOWING INCORPORATED CO-REGISTRANTS:

**Name of Co-Registrant:**
Monterey Homes Construction, Inc.
Meritage Homes of Arizona, Inc.
Meritage Homes of California, Inc.
Meritage Homes of Nevada, Inc.
Meritage Homes of Colorado, Inc.
California Urban Builders, Inc.
Meritage Homes of Texas Holding, Inc.

| | Signature | Title | Date |
|---|---|---|---|
| By: | /S/ STEVEN J. HILTON<br>**Steven J. Hilton** | Chairman, Chief Executive Officer and Director (Principal Executive Officer) | May 19, 2010 |
| By: | /S/ LARRY W. SEAY<br>**Larry W. Seay** | Executive Vice President, Chief Financial Officer and Director (Principal Financial Officer) | May 19, 2010 |
| By: | /S/ HILLA SFERRUZZA<br>**Hilla Sferruzza** | Vice President—Chief Accounting Officer, Corporate Controller and Assistant Secretary (Principal Accounting Officer) | May 19, 2010 |

**POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS, that C. Timothy White, whose signature appears below, constitutes and appoints Steven J. Hilton and Larry W. Seay, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement, and to file the same, with all exhibits thereto, and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, and fully and to all intents and purposes as he might or could do in person hereby ratifying and confirming all that said attorney-in-fact and agents, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

ON BEHALF OF THE FOLLOWING INCORPORATED CO-REGISTRANT:

**Name of Co-Registrant:**
Meritage Homes of Florida, Inc.

| | Signature | Title | Date |
|---|---|---|---|
| By: | /S/ STEVEN J. HILTON<br>**Steven J. Hilton** | Chairman, Chief Executive Officer and Director (Principal Executive Officer) | May 19, 2010 |
| By: | /S/ LARRY W. SEAY<br>**Larry W. Seay** | Executive Vice President, Chief Financial Officer and Director (Principal Financial Officer) | May 19, 2010 |
| By: | /S/ HILLA SFERRUZZA<br>**Hilla Sferruzza** | Vice President Chief Accounting Officer, Corporate Controller and Assistant Secretary (Principal Accounting Officer) | May 19, 2010 |
| By: | /S/ C. TIMOTHY WHITE<br>**C. Timothy White** | Director | May 19, 2010 |

Table of Contents

ON BEHALF OF THE FOLLOWING LIMITED LIABILITY COMPANY CO-REGISTRANTS:

| **Name of Co-Registrant:** | **Member(s) of Co-Registrant:** |
|---|---|
| Meritage Paseo Crossing, LLC | Meritage Homes of Arizona, Inc. |
| Meritage Paseo Construction, LLC | Meritage Homes Construction, Inc. |
| Meritage Holdings, L.L.C. | Meritage Homes of Texas Holding, Inc. |
| MTH-Cavalier, LLC | Meritage Homes Construction, Inc. |
| MTH Golf, LLC | Meritage Homes Construction, Inc. |
| California Urban Homes, LLC | Meritage Homes of California, Inc. |
| WW Project Seller, LLC | Meritage Homes Construction, Inc. (as sole member of Meritage Paseo Crossing, L.L.C., the sole member of the Co-Registrant) |
| Meritage Homes of Texas Joint Venture Holding Company, LLC | Meritage Homes of Texas Holding, Inc. (as sole member of Meritage Homes of Texas, LLC, the sole member of the Co-Registrant) |
| Meritage Homes of Texas, LLC | Meritage Homes of Texas Holding, Inc. |
| Meritage Homes Operating Company, LLC | Meritage Homes of Texas Holding, Inc. (as 99% member of the Co-Registrant and sole member of Meritage Holdings, L.L.C., the 1% member of the Co-Registrant) |

| | Signature | Title | Date |
|---|---|---|---|
| By: | /S/ STEVEN J. HILTON<br>**Steven J. Hilton** | Chairman, Chief Executive Officer and Director (Principal Executive Officer) of:<br>Meritage Homes of Arizona, Inc.<br>Meritage Homes Construction, Inc.<br>Meritage Homes of Texas Holding, Inc.<br>Meritage Homes of California, Inc. | May 19, 2010 |
| By: | /S/ LARRY W. SEAY<br>**Larry W. Seay** | Executive Vice President, Chief Financial Officer and Director (Principal Financial Officer) of:<br>Meritage Homes of Arizona, Inc.<br>Meritage Homes Construction, Inc.<br>Meritage Homes of Texas Holding, Inc.<br>Meritage Homes of California, Inc. | May 19, 2010 |
| By: | /S/ HILLA SFERRUZZA<br>**Hilla Sferruzza** | Vice President Chief Accounting Officer, Corporate Controller and Assistant Secretary (Principal Accounting Officer) of:<br>Meritage Homes of Arizona, Inc.<br>Meritage Homes Construction, Inc.<br>Meritage Homes of Texas Holding, Inc.<br>Meritage Homes of California, Inc. | May 19, 2010 |

**INDEX OF EXHIBITS**

| Exhibit Number | Description | Page or Method of Filing |
|---|---|---|
| 2.1 | Agreement and plan of Reorganization, dated as of September 13, 1996, by and among Homeplex, the Monterey Merging Companies and the Monterey Stockholders | Incorporated by reference to Appendix A of Form S-4 Registration Statement No. 333-15937. |
| 3.1 | Restated Articles of Incorporation of Meritage Homes Corporation | Incorporated by reference to Exhibit 3 of Form 8-K dated June 20, 2002. |
| 3.1.1 | Amendment to Articles of Incorporation of Meritage Homes Corporation | Incorporated by reference to Exhibit 3.1 of Form 8-K dated September 15, 2004. |
| 3.1.2 | Amendment to Articles of Incorporation of Meritage Homes Corporation | Incorporated by reference to Appendix A of the Proxy Statement for the 2006 Annual Meeting of Stockholders. |
| 3.1.3 | Amendment to Articles of Incorporation of Meritage Homes Corporation | Incorporated by reference to Appendix B of the Proxy Statement for the 2008 Annual Meeting of Stockholders. |
| 3.1.4 | Amendment to Articles of Incorporation of Meritage Homes Corporation | Incorporated by reference to Appendix A of the Definitive Proxy Statement filed with the Securities and Exchange Commission on January 9, 2009. |
| 3.2 | Amended and Restated Bylaws of Meritage Homes Corporation | Incorporated by reference to Exhibit 3.1 of Form 8-K dated August 21, 2007. |
| 3.2.1 | Amendment to Amended and Restated Bylaws of Meritage Homes Corporation | Incorporated by reference to Exhibit 3.1 of Form 8-K filed on December 24, 2008. |
| 3.3 | Articles of Organization of Meritage Paseo Crossing, LLC | Incorporated by reference to Exhibit 3.6 of Form S-4 Registration Statement No. 333-64538. |
| 3.4 | Articles of Incorporation of Meritage Homes Construction, Inc. (formerly known as Hancock-MTH Builders, Inc.) | Incorporated by reference to Exhibit 3.19 of Form S-4 Registration Statement No. 333-64538. |
| 3.4.1 | Articles of Amendment and Merger of Meritage Homes Construction, Inc. (formerly known as Hancock-MTH Builders, Inc.) | Filed herewith. |
| 3.5 | Bylaws of Meritage Homes Construction, Inc. (formerly known as Hancock-MTH Builders, Inc.) | Incorporated by reference to Exhibit 3.20 of Form S-4 Registration Statement No. 333-64538. |
| 3.6 | Articles of Organization of Meritage Paseo Construction, LLC (formerly known as Chandler 110, LLC) | Incorporated by reference to Exhibit 3.9 of Form S-4 Registration Statement No. 333-64538. |
| 3.6.1 | Amendment to Articles of Organization of Meritage Paseo Construction, LLC (formerly known as Chandler 110, LLC) | Incorporated by reference to Exhibit 3.9.1 of Form S-4 Registration Statement No. 333-64538. |
| 3.7 | Articles of Incorporation of Meritage Homes of California, Inc. (formerly known as Meritage Homes of Northern California, Inc.) | Incorporated by reference to Exhibit 3.17 of Form S-4 Registration Statement No. 333-64538. |
| 3.7.1 | Certificate of Amendment of Articles of Incorporation for Meritage Homes of California, Inc. (formerly known as Meritage Homes of Northern California, Inc.) | Incorporated by reference to Exhibit 3.17.1 of Form S-4 Registration Statement No. 333-115610. |

| Exhibit Number | Description | Page or Method of Filing |
|---|---|---|
| 3.8 | Bylaws of Meritage Homes of California, Inc. (formerly known as Meritage Homes of Northern California, Inc.) | Incorporated by reference to Exhibit 3.18 of Form S-4 Registration Statement No. 333-64538. |
| 3.9 | Articles of Incorporation of Meritage Homes of Arizona, Inc. (formerly known as Hancock-MTH Communities, Inc.) | Incorporated by reference to Exhibit 3.21 of Form S-4 Registration Statement No. 333-64538. |
| 3.9.1 | Articles of Amendment and Merger of Meritage Homes of Arizona, Inc. (formerly known as Hancock-MTH Communities, Inc.) | Filed herewith. |
| 3.10 | Bylaws of Meritage Homes of Arizona, Inc. (formerly known as Hancock-MTH Communities, Inc.) | Incorporated by reference to Exhibit 3.22 of Form S-4 Registration Statement No. 333-64538. |
| 3.11 | Articles of Incorporation of Meritage Homes of Nevada, Inc. (formerly known as MTH-Homes Nevada, Inc.) | Incorporated by reference to Exhibit 3.30 of Form S-4 Registration Statement No. 333-105043. |
| 3.11.1 | Articles of Amendment of Meritage Homes of Nevada, Inc. (formerly known as MTH-Homes Nevada, Inc.) | Filed herewith. |
| 3.12 | Bylaws of Meritage Homes of Nevada, Inc. (formerly known as MTH-Homes Nevada, Inc.) | Incorporated by reference to Exhibit 3.31 of Form S-4 Registration Statement No. 333-105043. |
| 3.13 | Articles of Organization of Meritage Holdings, L.L.C. | Incorporated by reference to Exhibit 3.32 of Form S-4 Registration Statement No. 333-105043. |
| 3.14 | Regulations of Meritage Holdings, L.L.C. | Incorporated by reference to Exhibit 3.33 of Form S-4 Registration Statement No. 333-105043. |
| 3.15 | Articles of Organization of MTH-Cavalier, LLC | Incorporated by reference to Exhibit 3.38 of Form S-4 Registration Statement No. 333-105043. |
| 3.16 | Operating Agreement of MTH-Cavalier, LLC | Incorporated by reference to Exhibit 3.39 of Form S-4 Registration Statement No. 333-105043. |
| 3.17 | Articles of Organization of MTH Golf, LLC (formerly known as Mission Royale Golf Course, LLC) | Incorporated by reference to Exhibit 3.40 of Form S-4 Registration Statement No. 333-109933. |
| 3.17.1 | Amended and Restated Articles of Organization for MTH Golf, LLC (formerly known as Mission Royale Golf Course, LLC) | Incorporated by reference to Exhibit 3.40.1 of Form S-4 Registration Statement No. 333-109933. |
| 3.18 | Operating Agreement of MTH Golf, LLC | Filed herewith. |
| 3.19 | Articles of Incorporation of Meritage Homes of Colorado, Inc. | Incorporated by reference to Exhibit 3.43 of Form S-4 Registration Statement No. 333-115610. |
| 3.20 | Bylaws of Meritage Homes of Colorado, Inc. | Incorporated by reference to Exhibit 3.44 of Form S-4 Registration Statement No. 333-115610. |

| Exhibit Number | Description | Page or Method of Filing |
|---|---|---|
| 3.21 | Articles of Incorporation of Meritage Homes of Florida, Inc. (formerly known as The Greater Construction Corp.) | Filed herewith. |
| 3.22 | Bylaws of Meritage Homes of Florida, Inc. (formerly known as The Greater Construction Corp.) | Filed herewith. |
| 3.23 | Articles of Incorporation of California Urban Builders, Inc. | Incorporated by reference to Exhibit 3.42 of Form S-4 Registration Statement No. 333-123661. |
| 3.24 | Bylaws of California Urban Builders, Inc. | Incorporated by reference to Exhibit 3.43 of Form S-4 Registration Statement No. 333-123661. |
| 3.25 | Articles of Organization of California Urban Homes, LLC | Incorporated by reference to Exhibit 3.44 of Form S-4 Registration Statement No. 333-123661. |
| 3.26 | Limited Liability Company Operating Agreement of California Urban Homes, LLC | Incorporated by reference to Exhibit 3.45 of Form S-4 Registration Statement No. 333-123661. |
| 3.26.1 | First Amendment to the Limited Liability Company Operating Agreement of California Urban Builders, LLC | Incorporated by reference to Exhibit 3.45.1 of Form S-4 Registration Statement No. 333-123661. |
| 3.27 | Articles of Incorporation of Meritage Homes of Texas Holding, Inc. (formerly known as MTH-Texas LP, Inc.) | Incorporated by reference to Exhibit 3.14 of Form S-4 Registration Statement No. 333-64538. |
| 3.27.1 | Articles of Merger and Amendment of Meritage Homes of Texas Holding, Inc. (formerly known as MTH-Texas LP, Inc.) | Filed herewith. |
| 3.28 | Bylaws of Meritage Homes of Texas Holding, Inc. (formerly known as MTH-Texas LP, Inc.) | Incorporated by reference to Exhibit 3.15 of Form S-4 Registration Statement No. 333-64538. |
| 3.29 | Articles of Organization of Meritage Homes of Texas Joint Venture Holding Company, LLC (formerly known as Hulen Park Venture, LLC) | Incorporated by reference to Exhibit 3.34 of Form S-4 Registration Statement No. 333-105043. |
| 3.29.1 | Articles of Amendment of Meritage Homes of Texas Joint Venture Holding Company, LLC (formerly known as Hulen Park Venture, LLC) | Filed herewith. |
| 3.30 | Regulations of Meritage Homes of Texas Joint Venture Holding Company, LLC (formerly known as Hulen Park Venture, LLC) | Incorporated by reference to Exhibit 3.35 of Form S-4 Registration Statement No. 333-105043. |
| 3.30.1 | Operating Agreement of Meritage Homes of Texas Joint Venture Holding Company, LLC (formerly known as Hulen Park Venture, LLC) | Filed herewith. |
| 3.31 | Articles of Organization of Meritage Homes of Texas, LLC | Filed herewith. |
| 3.32 | Operating Agreement of Meritage Homes of Texas, LLC | Filed herewith. |
| 3.33 | Articles of Organization of Meritage Homes Operating Company, LLC | Filed herewith. |

| Exhibit Number | Description | Page or Method of Filing |
| --- | --- | --- |
| 3.34 | Operating Agreement of Meritage Homes Operating Company, LLC | Filed herewith. |
| 3.35 | Articles of Organization of WW Project Seller, LLC | Filed herewith. |
| 4.1 | Form of Specimen of Common Stock Certificate | Incorporated by reference to Exhibit 4.1 of Form 10-K for the year ended December 31, 2007. |
| 4.2 | Indenture, dated April 21, 2004 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.1 of Form 10-Q for the quarterly period ended March 31, 2004. |
| 4.2.1 | First Supplemental Indenture, dated May 14, 2004 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.3.1 of Form S-4 Registration Statement No. 333-115610. |
| 4.2.2 | Second Supplemental Indenture, dated December 20, 2004 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.3.2 of Form 10-K for the year ended December 31, 2004. |
| 4.2.3 | Third Supplemental Indenture, dated April 18, 2005 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.3.3 of Form S-4 Registration Statement No. 333-123661. |
| 4.2.4 | Fourth Supplemental Indenture, dated September 22, 2005 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.1 of Form 10-Q for the quarterly period ended September 30, 2005. |
| 4.2.5 | Fifth Supplemental Indenture, dated July 10, 2007 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.2.5 of Form 10-K for the year ended December 31, 2008. |
| 4.2.6 | Sixth Supplemental Indenture, dated March 6, 2009 (re 7% Senior Notes due 2014) | Incorporated by reference to Exhibit 4.3 of Form 10-Q for the quarter ended March 31, 2009. |
| 4.3 | Indenture dated March 10, 2005 (re 6.25% Senior Notes due 2015) and Form of 6.25% Senior Notes due 2015 | Incorporated by reference to Exhibit 4.4 of Form 10-K for the year ended December 31, 2004. |
| 4.3.1 | First Supplemental Indenture, dated April 18, 2005 (re 6.25% Senior Notes due 2015) | Incorporated by reference to Exhibit 4.1.1 of Form S-4 Registration Statement No. 333-123661. |
| 4.3.2 | Second Supplemental Indenture, dated September 22, 2005 (re 6.25% Senior Notes due 2015) | Incorporated by reference to Exhibit 4.2 of Form 10-Q for the quarterly period ended September 30, 2005. |
| 4.3.3 | Third Supplemental Indenture, dated July 10, 2007 (re 6.25% Senior Notes due 2015) | Incorporated by reference to Exhibit 4.3.3 of Form 10-K for the year ended December 31, 2008. |
| 4.3.4 | Instrument of Resignation, Appointment and Acceptance, dated as of May 27, 2008 (re 7% Senior Notes due 2014 and 6.25% Senior Notes due 2015) | Incorporated by reference to Exhibit 4.1 of Form 8-K filed on May 28, 2008. |
| 4.3.5 | Fourth Supplemental Indenture, dated March 6, 2009 (re 6.25% Senior Notes due 2015) | Incorporated by reference to Exhibit 4.2 of Form 10-Q for the quarter ended March 31, 2009. |

Table of Contents

| Exhibit Number | Description | Page or Method of Filing |
|---|---|---|
| 4.4 | Indenture, dated February 23, 2007 (re 7.731% Senior Subordinated Notes due 2017) | Incorporated by reference to Exhibit 4.1 of Form 8-K dated February 23, 2007. |
| 4.4.1 | First Supplemental Indenture, dated July 10, 2007 (re 7.731% Senior Subordinated Notes due 2017) | Incorporated by reference to Exhibit 4.4.1 of Form 10-K for the year ended December 31, 2008. |
| 4.4.2 | Instrument of Resignation, Appointment and Acceptance, dated as of May 27, 2008 (re 7.731% Senior Subordinated Notes due 2017) | Incorporated by reference to Exhibit 4.2 of Form 8-K filed on May 28, 2008. |
| 4.4.3 | Second Supplemental Indenture, dated March 6, 2009 (re 7.731% Senior Subordinated Notes due 2017) | Incorporated by reference to Exhibit 4.1 of Form 10-Q for the quarter ended March 31, 2009. |
| 4.5 | Indenture, dated April 13, 2010 (re 7.15% Senior Notes due 2020) | Incorporated by reference to Exhibit 4.1 of Form 8-K filed on April 14, 2010. |
| 4.6 | Registration Rights Agreement, dated April 13, 2010 (re 7.15% Senior Notes due 2020) | Incorporated by reference to Exhibit 10.1 of Form 8-K filed on April 14, 2010. |
| 5.1 | Opinion of Snell & Wilmer L.L.P. regarding the legality of the securities being registered | Filed herewith. |
| 10.1 | 2006 Annual Incentive Plan* | Incorporated by reference to Appendix C of the Proxy Statement for the 2006 Annual Meeting of Stockholders. |
| 10.2 | Amended 1997 Meritage Stock Option Plan* | Incorporated by reference to Exhibit 10.3 of Form 10-K for the year ended December 31, 2004. |
| 10.3 | Meritage Homes Corporation 2006 Stock Incentive Plan* | Incorporated by reference to Exhibit 4.6 of Form S-8 Registration Statement No. 333-151261. |
| 10.3.1 | Amendment to Meritage Homes Corporation 2006 Stock Incentive Plan* | Incorporated by reference to Exhibit 10.1 of Form 10-Q for the quarter ended September 30, 2006. |
| 10.3.2 | Representative Form of Restricted Stock Agreement (2006 Plan)* | Incorporated by reference to Exhibit 4.2 of Form S-8 Registration Statement No. 333-134637. |
| 10.3.3 | Representative Form of Non-Qualified Stock Option Agreement (2006 Plan)* | Incorporated by reference to Exhibit 4.3 of Form S-8 Registration Statement No. 333-134637. |
| 10.3.4 | Representative Form of Incentive Stock Option Agreement (2006 Plan)* | Incorporated by reference to Exhibit 4.4 of Form S-8 Registration Statement No. 333-134637. |
| 10.3.5 | Representative Form of Stock Appreciation Rights Agreement (2006 Plan)* | Incorporated by reference to Exhibit 4.5 of Form S-8 Registration Statement No. 333-134637. |
| 10.4 | Settlement Agreement between the Company and John R. Landon, dated June 12, 2006 | Incorporated by reference to Exhibit 10.2 of Form 8-K dated June 12, 2006. |
| 10.4.1 | Cooperation Agreement between the Company and John R. Landon, dated June 12, 2006 | Incorporated by reference to Exhibit 10.3 of Form 8-K dated June 12, 2006. |
| 10.4.2 | Settlement Agreement between Meritage Homes Corporation and John R. Landon | Incorporated by reference to Exhibit 10.1 of Form 8-K filed on April 14, 2008. |

| Exhibit Number | Description | Page or Method of Filing |
|---|---|---|
| 10.5 | Third Amended and Restated Employment Agreement between the Company and Steven J. Hilton* | Incorporated by reference to Exhibit 10.1 of Form 8-K filed on January 20, 2010. |
| 10.5.1 | Third Amended and Restated Change of Control Agreement between the Company and Steven J. Hilton* | Incorporated by reference to Exhibit 10.5 of Form 8-K filed on January 20, 2010. |
| 10.6 | Third Amended and Restated Employment Agreement between the Company and Larry W. Seay* | Incorporated by reference to Exhibit 10.2 of Form 8-K filed on January 20, 2010. |
| 10.6.1 | Third Amended and Restated Change of Control Agreement between the Company and Larry W. Seay* | Incorporated by reference to Exhibit 10.6 of Form 8-K filed on January 20, 2010. |
| 10.7 | Amended and Restated Employment Agreement between the Company and Steven Davis* | Incorporated by reference to Exhibit 10.4 of Form 8-K filed on January 20, 2010. |
| 10.7.1 | Amended and Restated Change of Control Agreement between the Company and Steven Davis* | Incorporated by reference to Exhibit 10.8 of Form 8-K filed on January 20, 2010. |
| 10.8 | Amended and Restated Employment Agreement between the Company and C. Timothy White* | Incorporated by reference to Exhibit 10.3 of Form 8-K filed on January 20, 2010. |
| 10.8.1 | Amended and Restated Change of Control Agreement between the Company and C. Timothy White* | Incorporated by reference to Exhibit 10.7 of Form 8-K filed on January 20, 2010. |
| 12.1 | Computation of Ratio of Earnings to Fixed Charges | Filed herewith. |
| 21.1 | List of Subsidiaries | Filed herewith. |
| 23.1 | Consent of Deloitte & Touche LLP | Filed herewith. |
| 23.2 | Consent of Snell & Wilmer L.L.P. | Included in Exhibit 5.1. |
| 24.1 | Powers of Attorney | Included in Signature Pages. |
| 25.1 | Statement of Eligibility under the Trust Indenture Act of 1939 on Form T-1 of HSBC Bank USA, National Association | Filed herewith. |
| 99.1 | Form of Letter of Transmittal | Filed herewith. |
| 99.2 | Form of Notice of Guaranteed Delivery | Filed herewith. |
| 99.3 | Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees | Filed herewith. |
| 99.4 | Form of Letter to Clients for Use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees | Filed herewith. |
| 99.5 | Form of Instructions from Beneficial Owner to DTC Participant | Filed herewith. |

* Indicates a management contract or compensation plan.

EXHIBIT 3.4.1

# ARTICLES OF AMENDMENT AND MERGER

# MERGING MERITAGE HOMES CONSTRUCTION, INC.

# WITH AND INTO HANCOCK-MTH BUILDERS, INC.

# AND

# CHANGING SURVIVOR NAME TO MERITAGE HOMES CONSTRUCTION, INC.

**Dated June 18, 2004**

**Effective July 1, 2004**

Pursuant to Section 10-1105 of the Arizona Business Corporation Act, Meritage Homes Construction, Inc., an Arizona corporation ("Meritage Homes Construction") and Hancock-MTH Builders, Inc., an Arizona corporation ("Hancock-MTH"), hereby adopt the following Articles of Merger to merge Meritage Homes Construction with and into Hancock-MTH, with Hancock-MTH being the corporation surviving the merger (the "Merger"):

**FIRST:** The Plan of Merger is being simultaneously filed with the Arizona Corporation Commission.

**SECOND:** The names of the corporations that are the parties to this merger are Meritage Homes Construction, Inc., an Arizona corporation, and Hancock-MTH Builders, Inc., an Arizona corporation.

**THIRD:** The known place of business of Hancock-MTH, the surviving corporation, is 8501 E. Princess Drive, Suite #290, Scottsdale. Arizona 85255.

**FOURTH:** The name and address of the statutory agent of Hancock-MTH, the surviving corporation, are Lorence M. Zimtbaum, 8501 E. Princess Dr., Suite 290, Scottsdale, Arizona 85255.

**FIFTH:** The designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan of Merger, are as follows:

| Name of Corporation | Designation of Class or Series | Number of Shares Outstanding | Shares Entitled to Vote |
|---|---|---|---|
| Meritage Homes Construction | Common | 1,000 | 1,000 |
| Hancock-MTH | Common | 1,000 | 1,000 |

**SIXTH:** The total number of votes cast for and against the Plan of Merger by the holders of the common stock (the only class of stock of the respective corporations issued, outstanding and entitled to vote) is sufficient for approval by all voting groups and is as follows:

| Name of Corporation | Shares Voted For | Shares Voted Against |
|---|---|---|
| Meritage Homes Construction | 1,000 | 0 |
| Hancock-MTH | 1,000 | 0 |

**SEVENTH:** Article 1 of the Articles of Incorporation of Hancock-MTH is hereby amended and restated to read as follows:

"1. The name of the corporation is Meritage Homes Construction, Inc."

**EIGHTH:** Article 3 of the Articles of Incorporation of Hancock-MTH is hereby amended and restated to read as follows:

"The aggregate number of shares that the corporation shall have authority to issue is two thousand (2,000) common shares, all of which shares shall be a single class."

IN WITNESS WHEREOF, the undersigned have hereunto set their hand this 18th day of June, 2004.

MERITAGE HOMES CONSTRUCTION, INC.,
an Arizona corporation

By: /s/ Ron French
Name: Ron French
Title: President

HANCOCK-MTH BUILDERS, INC.,
an Arizona corporation

By: /s/ Ron French
Name: Ron French
Title: President

STATE OF ARIZONA

ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT

of

MERITAGE HOMES CONSTRUCTION, INC., an Arizona corporation,

To: Arizona Corporation Commission
Incorporating Division
1210 West Washington
Phoenix, Arizona 85007

Please be advised that Lorence M. Zimtbaum, Esq., 8501 E. Princess Drive, Suite 290, Scottsdale, AZ 85255, a resident of the Slate of Arizona, hereby accepts and acknowledges appointment as statutory agent for service of process upon Meritage Homes Construction, Inc., an Arizona corporation, formerly known as Hancock-MTH Builders, Inc., an Arizona corporation, and consents to act in that capacity until removal or resignation.

EFFECTIVE the 1st day of July, 2004.

/s/ Lorence M. Zimtbaum
Lorence M. Zimtbaum

**PLAN OF MERGER**
**MERGING MERITAGE HOMES CONSTRUCTION, INC.**
**WITH AND INTO HANCOCK-MTH BUILDERS, INC.**
**AND**
**CHANGING SURVIVOR NAME TO MERITAGE HOMES CONSTRUCTION, INC.**

This Plan of Merger has been prepared in accordance with Section 10-1101 of the Arizona Business Corporation Act.

1. Surviving Corporation. Meritage Homes Construction, Inc., an Arizona corporation ("Meritage Homes Construction"), shall be merged (the "Merger") with and into Hancock-MTH Builders, Inc., an Arizona corporation ("Hancock-MTH"). Hancock-MTH shall be the corporation surviving the Merger.

2. Rights and Obligations. The Merger shall be effective as of the close of business on July 1, 2004 (the "Effective Date"), and as of the Effective Date, Hancock-MTH shall possess and be subject to all the rights, privileges, powers, franchises, property (real, personal and mixed), restrictions, disabilities, duties and debts of Meritage Homes Construction and Hancock-MTH.

3. Officers. The officers of Hancock-MTH after the Effective Date are listed on Exhibit A attached hereto, and each of them shall hold office until their respective successor is elected and qualified, or until their earlier resignation or removal.

4. Directors. **Steven J. Hilton** and **John R. Landon** shall be the directors of Hancock-MTH as of and after the Effective Date, and each of them shall hold office until their respective successor is elected and qualified, or until their earlier resignation or removal.

5. Bylaws. The Bylaws of Hancock-MTH that are in effect immediately prior to the Effective Date shall be the Bylaws of Hancock-MTH as of and after the Effective Date.

6. Articles of Incorporation. The Articles of Incorporation of Hancock-MTH that are in effect immediately prior to the Effective Date shall be the Articles of Incorporation of Hancock-MTH as of and after the Effective Date, except that the name of the surviving corporation shall he Meritage Homes Construction, Inc.

7. Exchange of Shares. As of the Effective Date, all shares of Meritage Homes Construction common stock issued and outstanding immediately prior to the Effective Date shall be converted into the right to receive from Hancock-MTH issued and outstanding shares of Hancock-MTH common stock (the "Merger Consideration") at a rate of one share of Hancock-MTH common stock for each issued and outstanding share of Meritage Homes Construction common stock; provided, however, no fractional shares of Hancock-MTH common stock shall be issued and therefore all fractional shares of Hancock-MTH common stock alter the conversion shall be rounded to the nearest whole share. No further action of the shareholders of Meritage Homes Construction is required to effect the conversion. As of the Effective Date, all shares of Meritage Homes Construction common stock shall no longer be outstanding and shall automatically be canceled and retired and shall cease to exist, and each holder of a certificate representing any such shares of Meritage Homes Construction common stock shall cease to have any rights with respect thereto, except the right to receive the Merger Consideration, without interest.

8. Change of Name. The name of the surviving corporation, Hancock-MTH Builders, Inc., is changed to Meritage Homes Construction, Inc.

This Plan of Merger which shall become effective July 1, 2004 was adopted and approved by the Board of Directors of Meritage Homes Construction by Unanimous Written Consent in Lieu of a Special Meeting of the Board of Directors of Meritage Homes Construction, dated as of June 18, 2004, and by the Board of Directors of Hancock-MTH by Unanimous Written Consent in Lieu of a Special Meeting of the Board of Directors of Hancock-MTH, dated as of June 18, 2004.

MERITAGE HOMES CONSTRUCTION, INC.,
an Arizona corporation

By: /s/ Ron French
Name: Ron French
Title: President

HANCOCK-MTH BUILDERS, INC.,
an Arizona corporation

By: /s/ Ron French
Name: Ron French
Title: President

Exhibit A

| | |
|---|---|
| John R. Landon | Co-Chief Executive Officer and Co-Chairman |
| Steven J. Hilton | Co-Chief Executive Officer and Co-Chairman |
| Jim Arneson | Chief Operating Officer |
| Ron French | President |
| Roger A. Zetah | Vice President – Arizona Region CFO, Assistant Secretary |
| Larry W. Seay | Vice President – Secretary |
| Rick Morgan | Vice President – Treasurer, Assistant Secretary |
| Vicki Biggs | Vice President – Controller, Assistant Secretary |
| Lorence Zimtbaum | Vice President – Regional Corporate Counsel - Arizona Divisions |
| Robert Laak | Vice President – Director of Landbanking & Joint Ventures |
| Kenneth Quartermain | Vice President of Development |
| Jeff Grobstein | Division President – Arizona Active Adult |
| David Flagg | Vice President – Active Adult – Phoenix Divisions |

**ARTICLES OF AMENDMENT AND MERGER**

**MERGING MONTEREY HOMES CONSTRUCTION, INC.**

**WITH AND INTO MERITAGE HOMES CONSTRUCTION, INC.**

**Effective July 1, 2005**

Pursuant to Section 10-1105 of the Arizona Business Corporation Act, Meritage Homes Construction, Inc., an Arizona corporation ("Meritage Homes"), and Monterey Homes Construction, Inc., an Arizona corporation ("Monterey"), hereby adopt the following Articles of Merger to merge Monterey with and into Meritage Homes, with Meritage Homes being the corporation surviving the merger (the "Merger"):

**FIRST:** The Plan of Merger is being simultaneously filed with the Arizona Corporation Commission.

**SECOND:** The names of the corporations that are the parties to this merger are Meritage Homes Construction, Inc., an Arizona corporation, and Monterey Homes Construction, Inc., an Arizona corporation.

**THIRD:** The known place of business of Meritage Homes, the surviving corporation, is 8501 E. Princess Drive, Suite 200, Scottsdale, Arizona 85255.

**FOURTH:** The designation, number of outstanding shares, and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan of Merger, are as follows:

| Name of Corporation | Designation of Class or Series | Number of Shares Outstanding | Shares Entitled to Vote |
| --- | --- | --- | --- |
| Meritage Homes | Common | 2,000 | 2,000 |
| Monterey | Common | 1,000 | 1,000 |

**FIFTH:** The total number of votes cast for and against the Plan of Merger by the holders of the common stock (the only class of stock of the respective corporations issued, outstanding and entitled to vote) is sufficient for approval by all voting groups and is as follows:

| Name of Corporation | Shares Voted For | Shares Voted Against |
| --- | --- | --- |
| Meritage Homes | 2,000 | 0 |
| Monterey | 1,000 | 0 |

**SIXTH:** Article 1 of the Articles of incorporation of Meritage Homes is hereby restated to read as follows:

"1. The name of the corporation is Meritage Homes Construction, Inc."

**SEVENTH:** Article 3 of The Articles of Incorporation of Meritage Homes is hereby amended and restated to read as follows:

"The aggregate number of shares that the corporation shall have authority to issue is one thousand (1,000) common shares, all of which shall be a single class."

IN WITNESS WHEREOF, the undersigned have hereunto set their hand this 30th day of June, 2005.

MERITAGE HOMES CONSTRUCTION, INC.,
an Arizona corporation

By: /s/ Larry W. Seay
Name: Larry W. Seay
Title: VP – Secretary

MONTEREY HOMES CONSTRUCTION, INC.,
an Arizona corporation

By: /s/ Larry W. Seay
Name: Larry W. Seay
Title: VP – Secretary

**EXHIBIT 3.9.1**

**ARTICLES OF AMENDMENT AND MERGER**

**MERGING MERITAGE HOMES OF ARIZONA, INC.**

**WITH AND INTO HANCOCK-MTH COMMUNITIES, INC.**

**AND**

**CHANGING SURVIVOR NAME TO MERITAGE HOMES OF ARIZONA, INC.**

**Dated June 18, 2004**

**Effective July 1, 2004**

Pursuant to Section 10-1105 of the Arizona Business Corporation Act, Meritage Homes of Arizona, Inc., an Arizona corporation ("Meritage Homes of Arizona") and Hancock-MTH Communities, Inc., an Arizona corporation ("Hancock-MTH"), hereby adopt the following Articles of Merger to merge Meritage Homes of Arizona with and into Hancock-MTH, with Hancock-MTH being the corporation surviving the merger (the "Merger"):

**FIRST:** The Plan of Merger is being simultaneously filed with the Arizona Corporation Commission.

**SECOND:** The names of the corporations that are the parties to this merger are Meritage Homes of Arizona, Inc., an Arizona corporation, and Hancock-MTH Communities, Inc., an Arizona corporation.

**THIRD:** The known place of business of Hancock-MTH, the surviving corporation, is 8501 E. Princess Drive, Suite #290, Scottsdale, Arizona 85255.

**FOURTH:** The name and address of the statutory agent of Hancock-MTH, the surviving corporation, are Lorence M. Zimtbaum, 8501 E. Princess Drive, Suite 290, Scottsdale, Arizona 85255.

**FIFTH:** The designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan of Merger, are as follows:

| Name of Corporation | Designation of Class or Series | Number of Shares Outstanding | Shares Entitled to Vote |
|---|---|---|---|
| Meritage Homes of Arizona | Common | 1,000 | 1,000 |
| Hancock-MTH | Common | 1,000 | 1,000 |

**SIXTH:** The total number of votes cast for and against the Plan of Merger by the holders of the common stock (the only class of stock of the respective corporations issued, outstanding and entitled to vote) is sufficient for approval by all voting groups and is as follows:

| Name of Corporation | Shares Voted For | Shares Voted Against |
|---|---|---|
| Meritage Homes of Arizona | 1,000 | 0 |
| Hancock-MTH | 1,000 | 0 |

**SEVENTH:** Article 1 of the Articles of Incorporation of Hancock-MTH is hereby amended and restated to read as follows:

“1. The name of the corporation is Meritage Homes of Arizona, Inc.”

**EIGHTH:** Article 3 of the Articles of Incorporation of Hancock-MTH is hereby amended and restated to read as follows:

“The aggregate number of shares that the corporation shall have authority to issue is two thousand (2,000) common shares, all of which shares shall be a single class.”

IN WITNESS WHEREOF, the undersigned have hereunto set their hand this 18th day of June, 2004.

MERITAGE HOMES OF ARIZONA, INC.,
an Arizona corporation

By: /s/ Ron French
Name: Ron French
Title: President

HANCOCK-MTH COMMUNITIES, INC.,
an Arizona corporation

By: /s/ Ron French
Name: Ron French
Title: President

STATE OF ARIZONA

ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT

of

MERITAGE HOMES OF ARIZONA, INC., an Arizona corporation,

To: Arizona Corporation Commission
Incorporating Division
1210 West Washington
Phoenix, Arizona 85007

Please be advised that Lorence M. Zimtbaum, Esq., 8501 E. Princess Drive, Suite 290, Scottsdale, AZ 85255, a resident of the State of Arizona, hereby accepts and acknowledges appointment as statutory agent for service of process upon Meritage Homes of Arizona, Inc., an Arizona corporation, formerly known as Hancock-MTH Communities, Inc., an Arizona corporation, and consents to act in that capacity until removal or resignation.

EFFECTIVE the 1st day of July, 2004.

/s/ Lorence M. Zimtbaum
Lorence M. Zimtbaum

**PLAN OF MERGER**
**MERGING MERITAGE HOMES OF ARIZONA, INC.**
**WITH AND INTO HANCOCK-MTH COMMUNITIES, INC,**
**AND**
**CHANGING SURVIVOR NAME TO MERITAGE HOMES OF ARIZONA, INC.**

This Plan of Merger has been prepared in accordance with Section 10-1101 of the Arizona Business Corporation Act.

1. Surviving Corporation. Meritage Homes of Arizona, Inc., an Arizona corporation ("Meritage Homes of Arizona"), shall be merged (the "Merger") with and into Hancock-MTH Communities, Inc., an Arizona corporation ("Hancock-MTH"). Hancock-MTH shall be the corporation surviving the Merger.

2. Rights and Obligations. The Merger shall be effective as of the close of business on July 1, 2004 (the "Effective Date"), and as of the Effective Date, Hancock-MTH shall possess and be subject to all the rights, privileges, powers, franchises, property (real, personal and mixed), restrictions, disabilities, duties and debts of Meritage Homes of Arizona and Hancock-MTH.

3. Officers. The officers of Hancock-MTH after the Effective Date are listed on Exhibit A attached hereto, and each of them shall hold office until their respective successor is elected and qualified, or until their earlier resignation or removal.

4. Directors. **Steven J. Hilton** and **John R. Landon** shall be the directors of Hancock-MTH as of and after the Effective Date, and each of them shall hold office until their respective successor is elected and qualified, or until their earlier resignation or removal.

5. Bylaws. The Bylaws of Hancock-MTH that are in effect immediately prior to the Effective Date shall be the Bylaws of Hancock-MTH as of and after the Effective Date.

6. Articles of Incorporation. The Articles of Incorporation of Hancock-MTH that are in effect immediately prior to the Effective Date shall be the Articles of Incorporation of Hancock-MTH as of and after the Effective Date, except that the name of the surviving corporation shall be Meritage Homes of Arizona, Inc.

7. Exchange of Shares. As of the Effective Date, all shares of Meritage Homes of Arizona common stock issued and outstanding immediately prior to the Effective Date shall be converted into the right to receive from Hancock-MTH issued and outstanding shares of Hancock-MTH common stock (the "Merger Consideration") at a rate of one share of Hancock-MTH common stock for each issued and outstanding share of Meritage Homes of Arizona common stock; provided, however, no fractional shares of Hancock-MTH common stock shall be issued and therefore all fractional shares of Hancock-MTH common stock after the conversion shall be rounded to the nearest whole share. No further action of the shareholders of Meritage Homes of Arizona is required to effect the conversion. As of the Effective Date, all shares of Meritage Homes of Arizona common stock shall no longer be outstanding and shall automatically be canceled and retired and shall cease to exist, and each holder of a certificate representing any such shares of Meritage Homes of Arizona common stock shall cease to have any rights with respect thereto, except the right to receive the Merger Consideration, without interest.

This Plan of Merger which shall become effective July 1, 2004 was adopted and approved by the Board of Directors of Meritage Homes of Arizona by Unanimous Written Consent in Lieu of a Special Meeting of the Board of Directors of Meritage Homes of Arizona, dated as of June 18, 2004, and by the Board of Directors of Hancock-MTH by Unanimous Written Consent in Lieu of a Special Meeting of the Board of Directors of Hancock-MTH, dated as of June 18, 2004.

MERITAGE HOMES OF ARIZONA, INC.,
an Arizona corporation

By: /s/ Ron French
Name: Ron French
Title: President

HANCOCK-MTH COMMUNITIES, INC.,
an Arizona corporation

By: /s/ Ron French
Name: Ron French
Title: President

Exhibit A

| | |
|---|---|
| John R. Landon | Co-Chief Executive Officer and Co-Chairman |
| Steven J. Hilton | Co-Chief Executive Officer and Co-Chairman |
| Jim Arneson | Chief Operating Officer |
| Ron French | President |
| Roger A. Zetah | Vice President – Arizona Region CFO, Assistant Secretary |
| Larry W. Seay | Vice President – Secretary |
| Rick Morgan | Vice President – Treasurer, Assistant Secretary |
| Vicki Biggs | Vice President – Controller, Assistant Secretary |
| Lorence Zimtbaum | Vice President – Regional Corporate Counsel – Arizona Divisions |
| Robert Laak | Vice President – Director of Landbanking & Joint Ventures |
| Scott Keeffe | Vice President – Marketing |

**ARTICLES OF AMENDMENT AND MERGER**

**MERGING MONTEREY HOMES ARIZONA, INC.**

**WITH AND INTO MERITAGE HOMES OF ARIZONA, INC.**

**Effective July 1, 2005**

Pursuant to Section 10-1105 of the Arizona Business Corporation Act, Meritage Homes of Arizona, Inc., an Arizona corporation ("Meritage Homes"), and Monterey Homes Arizona, Inc., an Arizona corporation ("Monterey"), hereby adopt the following Articles of Merger to merge Monterey with and into Meritage Homes, with Meritage Homes being the corporation surviving the merger (the "Merger"):

**FIRST:** The Plan of Merger is being simultaneously filed with the Arizona Corporation Commission.

**SECOND:** The names of the corporations that are the parties to this merger are Meritage Homes of Arizona, Inc., an Arizona corporation, and Monterey Homes Arizona, Inc., an Arizona corporation.

**THIRD:** The known place of business of Meritage Homes, the surviving corporation, is 8501 E. Princess Drive, Suite 200, Scottsdale, Arizona 85255.

**FOURTH:** The designation, number of outstanding shares, and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan of Merger, are as follows:

| Name of Corporation | Designation of Class or Series | Number of Shares Outstanding | Shares Entitled to Vote |
|---|---|---|---|
| Meritage Homes | Common | 2,000 | 2,000 |
| Monterey | Common | 1,000 | 1,000 |

**FIFTH:** The total number of votes cast for and against the Plan of Merger by the holders of the common stock (the only class of stock of the respective corporations issued, outstanding and entitled to vote) is sufficient for approval by all voting groups and is as follows:

| Name of Corporation | Shares Voted for | Shares Voted Against |
|---|---|---|
| Meritage Homes of Arizona, Inc. | 2,000 | 0 |
| Monterey Homes Arizona, Inc. | 1,000 | 0 |

**SIXTH:** Article 1 of the Articles of incorporation of Meritage Homes is hereby restated to read as follows:

"1. The name of the corporation is Meritage Homes of Arizona, Inc."

**SEVENTH:** Article 3 of the Articles of Incorporation of Meritage Homes is hereby amended and restated to read as follows:

"The aggregate number of shares that the corporation shall have authority to issue is one thousand (1,000) common shares, all of which shall be a single class."

IN WITNESS WHEREOF, the undersigned have hereunto set their hand this 30th day of June, 2005.

MERITAGE HOMES OF ARIZONA, INC.,
an Arizona corporation

By: /s/ Larry W. Seay
Name: Larry W. Seay
Title: VP - Secretary

MONTEREY HOMES ARIZONA, INC.,
an Arizona corporation

By: /s/ Larry W. Seay
Name: Larry W. Seay
Title: VP - Secretary

**EXHIBIT 3.11.1**

**MTH-HOMES NEVADA, INC.**
**ARTICLES OF AMENDMENT**

**Effective January 31, 2006**

Pursuant to Section 10-1006 of the Arizona Business Corporation Act, MTH-Homes Nevada, Inc., an Arizona corporation (the "Corporation") hereby adopts the following Articles of Amendment to its Articles of Incorporation:

**FIRST:** Article FIRST of the Articles of Incorporation of the Corporation is hereby amended in its entirety to read as follows:

"FIRST: The name of the corporation is MERITAGE HOMES OF NEVADA, INC."

**SECOND:** These Articles of Amendment were adopted on January 27, 2006 and are effective January 31, 2006.

**THIRD:** There is one voting group entitled to vote on the amendment. The designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the amendment is 1,000 shares of common stock.

**FOURTH:** The total number of votes cast for and against the amendment by the holders of the common stock (the only class of stock of the Corporation issued, outstanding and entitled to vote) was 1,000 shares "for," and 0 shares "against," which is sufficient for approval by all voting groups.

IN WITNESS WHEREOF, the undersigned have hereunto set their hand this 27th day of January 2006.

MTH-HOMES NEVADA, INC.

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President–General Counsel

By: /s/ Larry W. Seay
Name: Larry W. Seay
Title: Executive Vice President–Assistant Secretary

**EXHIBIT 3.18**

# OPERATING AGREEMENT

# OF

# *MTH GOLF, LLC*

**THIS OPERATING AGREEMENT** (the “Agreement”) is made and entered into as of the __ day of ______, 2003, by and between HANCOCK-MTH BUILDERS, INC., as the sole Member (the “Member”), and MTH GOLF, LLC (the “Company”).

1. **Formation**. The Member has formed an Arizona limited liability company under the name “MTH GOLF, LLC pursuant to the Arizona Limited Liability Company Act (the “Act”), effective upon the filing of the Articles of Organization (the “Articles”) for the Company.

2. **Principal Office and Place of Business**. The principal office and place of business (the “Principal Office”) of the Company shall be 8501 East Princess Drive, #200, Scottsdale, AZ 85255 or such other place as the Member from time to time shall determine.

3. **Agent for Service of Process**. The agent for service of process for the Company shall be C. Timothy White, Esq., c/o Greenberg Traurig, LLP, 2375 E. Camelback Road, Suite 700, Phoenix, AZ 85016 or such other person as the Member shall appoint from time to time.

4. **Purpose**. The Company shall have the power to pursue any and all activities necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of such purposes as are determined from time to time by the Member that are permissible under the Act.

5. **Term**. The term of the Company shall commence on the filing date of the Articles and shall continue until dissolved.

6. **Capital Contributions**. The Member may make capital contributions to the Company in such amounts and at such times as the Member shall determine in the Member’s sole discretion.

7. **Distributions of Available Cash Flow**. Distributions of available cash flow shall be made in such amounts and at such times as the Member shall determine in the Member’s sole discretion.

8. **Management**. The Member shall have full, exclusive and complete power to manage and control the business and affairs of the Company and shall have all of the rights and powers provided to a member of a member-managed limited liability company by law, including the power and authority to execute instruments and documents, to mortgage or dispose of any real property held in the name of the Company, and to take any other actions on behalf of the Company, whether or not such actions are for carrying on the business of the Company in its usual way.

9. **Banking Resolution**. The Member shall open all banking accounts as the Member deems necessary and enter into any deposit agreements as are required by the financial institution at which such accounts are opened. The Member and such other persons or entities designated in writing by the Member shall have signing authority with respect to such bank accounts. Funds deposited into such accounts shall be used only for the business of the Company.

10. **Indemnification of the Member**. The Company and its successors shall indemnify, defend and hold harmless the Member and any and all of the Member's Affiliates (each, an "Indemnitee"), to the extent of the Company's assets, for, from and against any liability, damage, cost, expense, loss, claim or judgment incurred by the Indemnitee arising out of any claim based upon acts performed or omitted to be performed by the Indemnitee in connection with the business of the Company, including without limitation, attorneys' fees and costs incurred by the Indemnitee in settlement or defense of such claims. Notwithstanding the foregoing, no Indemnitee shall be so indemnified, defended or held harmless for claims based upon acts or omissions in breach of this Agreement or which constitute fraud, gross negligence, or willful misconduct. Amounts incurred by an Indemnitee in connection with any action or suit arising out of or in connection with Company affairs shall be reimbursed by the Company. "Affiliate" means a person or entity who, with respect to the Member: (a) directly or indirectly controls, is controlled by or is under common control with the Member; (b) owns or controls 10 percent or more of the outstanding voting securities of the Member; (c) is an officer, director, shareholder, partner or member of the Member; or (d) if the Member is an officer, director, shareholder, partner or member of any entity, the entity for which the Member acts in any such capacity.

11. **Liability**. No Indemnitee shall be personally liable, responsible, accountable in damages or otherwise to the Company for any act or omission performed or omitted by such Indemnitee in connection with the Company or its business. The Member's liability for the debts and obligations of the Company shall be limited as set forth in the Act and other applicable law.

12. **Reimbursable Expenses**. The Company will reimburse the Member for all actual out-of-pocket third-party expenses incurred in connection with the carrying out of the duties set forth in this Agreement.

13. **Records**. The Member shall keep or cause to be kept at the Principal Office of the Company the following: (a) a written record of the full name and business, residence or mailing address of the Member; (b) a copy of the initial Articles of Organization and all amendments thereto; (c) copies of all written operating agreements and all amendments to such agreements, including any prior written operating agreements no longer in effect; (d) copies of any written and signed promises by the Member to make capital contributions to the Company; (e) copies of the Company's federal, state and local income tax returns and reports, if any, for the three most recent years; (f) copies of any prepared financial statements of the Company for the three most recent years; and (g) minutes of every meeting as well as any written consents or actions taken without a meeting.

14. **Dissolution**. The Company shall be dissolved upon the election of the Member. A withdrawal event with respect to the Member shall not dissolve the Company, unless any assignees of the Member's interest do not elect to continue the Company and admit a member within 90 days of such withdrawal event.

15. **Filing Upon Dissolution**. As soon as possible following the dissolution of the Company, the Member shall execute and file all notices and other documents required under the Act and any other applicable law.

16. **Liquidation**. Upon dissolution of the Company, it shall be wound up and liquidated as rapidly as business circumstances permit, the Member shall act as the liquidating trustee, and the assets of the Company shall be liquidated and the proceeds thereof shall be paid (to the extent permitted by applicable law) in the following order: (a) first, to creditors, including the Member if the Member is a creditor, in the order and priority required by applicable law; (b) second, to a reserve for contingent liabilities to be distributed at the time and in the manner as the liquidating trustee determines in its sole discretion; and (c) third, to the Member.

17. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona, without regard to its conflicts of laws principles.

18. **Severability**. If any provision of this Agreement shall be conclusively determined by a court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Agreement shall not be affected thereby.

19. **Binding Effect**. Except as otherwise provided herein, this Agreement shall inure to benefit of and be binding upon the Member and its respective successors and assigns.

20. **Titles and Captions**. All article, section and paragraph titles and captions contained in this Agreement are for convenience only and are not a part of the context hereof.

21. **Pronouns and Plurals**. All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the appropriate person may require.

22. **No Third Party Rights**. This Agreement is intended to create enforceable rights between the parties hereto only, and, except as expressly provided herein, creates no rights in, or obligations to, any other persons.

23. **Amendments**. This Agreement may not be amended except by a written document executed by the Member and the Company.

**IN WITNESS WHEREOF**, the parties have executed this Agreement effective as of the day and year first above written.

**MEMBER:**

***Hancock-MTH Builders, Inc.,***
***an Arizona limited liability company***

By: /s/ Larry W. Seay
Larry Seay
Its: Vice President

**COMPANY:**

***MTH Golf, LLC***

**By: Hancock-MTH Builders, Inc.,**
**an Arizona limited liability company, sole member**

By: /s/ Larry W. Seay
Larry Seay
Its: Vice President

**EXHIBIT 3.21**

# ARTICLES OF INCORPORATION

# THE GREATER CONSTRUCTION CORP.

The undersigned Subscribers to these Articles of Incorporation, each a natural person, competent to contract, hereby associate themselves together to form a corporation under the laws of the State of Florida.

## I. NAME

The name of the proposed corporation shall be:

THE GREATER CONSTRUCTION CORP.

## II. PURPOSE

The purpose of the business to be transacted by this corporation is:

To invest in real estate and to manufacture, purchase, or otherwise acquire, and to own, mortgage, pledge, sell, assign, transfer or otherwise dispose of, and to invest in, trade in, deal in, and with, goods, wares, merchandise, real and personal property, and services of every class, kind and description, except that it is not to conduct a banking, safe deposit, trust, insurance, surety, express, railroad, canal, telegraph, telephone or cemetery company, a building and loan association, mutual fire insurance association, exposition, state fair, cooperative association, or fraternal benefit society.

## III. CAPITAL STOCK

The maximum number of shares of capital stock that this corporation is authorized to have outstanding at any one time is: Five Hundred (500) shares of common stock having a par value of Ten Dollars ($10) per share.

## IV. INITIAL CAPITAL

The amount of capital with which this corporation will begin business is Five Hundred Dollars ($500).

## V. TERM OF EXISTENCE

The corporation shall have perpetual existence.

## VI. ADDRESS

The initial address of the principal office of this corporation in the State of Florida, is 1518 Lake Daniel Drive, Orlando, Florida. The Board of Directors may from time to time move the principal office to any other address in Florida.

VII. DIRECTORS

The number of directors by which the business shall be conducted shall at no time be less than three nor more than five. The number of directors may be increased or diminished from time to time, by By-Laws adopted by the stockholders, but shall never be less than three.

VIII. INITIAL DIRECTORS

The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified are:

| | |
|---|---|
| Lester Zimmerman | 1518 Lake Daniel Drive, Orlando, Florida |
| Pearl R. Lazar | 3924 Lake Sarah Drive, Orlando, Florida |
| Jack Lazar | 3924 Lake Sarah Drive, Orlando, Florida |

IX. SUBSCRIBERS

The names and addresses of the subscribers to these Articles of Incorporation are:

| | |
|---|---|
| James F. Hadley | 322 East Central Blvd., Orlando, Florida |
| Mercena Edwards | 322 East Central Blvd., Orlando, Florida |
| Patricia McCann | 322 East Central Blvd., Orlando, Florida |

X. AMENDMENT

These Articles of Incorporation may be amended in the manner provided by law.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 18th day of June, 1965.

/s/ James F. Hadley
James F. Hadley

/s/ Mercena Edwards
Mercena Edwards

/s/ Patricia McCann
Patricia McCann

STATE OF FLORIDA
COUNTY OF ORANGE

On this day James F. Hadley, Mercena Edwards, and Patricia McCann, known to me as the individuals described in and who executed the foregoing Articles of Incorporation, personally appeared before me and they acknowledged that they subscribed the said instrument for the uses and purposes set forth herein.

WITNESS my hand and official seal in the County and State named above this 18th day of June, 1965.

/s/ Notary Public
Notary Public

PLAN AND AGREEMENT OF MERGER

THIS AGREEMENT, Made this 30th day of July, 1969, between THE GREATER CONSTRUCTION CORP., MEADOWS DEVELOPMENT CORP., SUMMERSET NORTH, INC. and LISA LAND COMPANY (all incorporated under the laws of the State of Florida) and the Directors of said corporations, in accordance with Sections 608.20 and 608.21, et seq., Title XXXIV, Florida Statutes;

WHEREAS, all of said corporations are organized and duly existing under the laws of the State of Florida and are duly authorized and empowered to enter into a merger subject to approval by shareholders of the corporate parties to this agreement of merger;

WHEREAS, the parties hereto intend that this merger shall result in THE GREATER CONSTRUCTION CORP., a corporation of the State of Florida, being the only one surviving corporation;

NOW THEREFORE, in consideration of the mutual promises herein contained, it is hereby agreed:

1. MEADOWS DEVELOPMENT CORP., SUMMERSET NORTH, INC. and LISA LAND COMPANY (herein termed “Constituent Corporations”) shall be merged into THE GREATER CONSTRUCTION CORP. (hereinafter termed “Surviving Corporation”), which shall continue unaffected and unimpaired by the merger.

2. Upon said merger becoming effective, the shares of stock of MEADOWS DEVELOPMENT CORP., SUMMERSET NORTH, INC. and LISA LAND COMPANY, all of which are owned by the stockholders of THE GREATER CONSTRUCTION CORP. in the same percentage as said stockholders own and hold the stock of THE GREATER CONSTRUCTION CORP., and the certificates representing same, shall be deemed to be canceled and thereafter shall be of no force and effect.

3. The effective date of said merger shall be August 1, 1969.

4. The existing Articles of Incorporation of the Surviving Corporation shall continue in full force and effect.

5. The minimum capital with which this Corporation will begin business is Five Hundred Dollars ($500.00).

6. The existing By-Laws of the Surviving Corporation shall continue in full force and effect until altered, amended or repealed as therein provided.

7. The names and addresses of the first Board of Directors of the Surviving Corporation, who shall hold office until the election and qualification of their successors, are as follows:

| | |
|---|---|
| Lester N. Mandell | 3812 Lake Sarah Drive, Orlando, Florida |
| Lester Zimmerman | 1418 Lake Daniel Drive, Orlando, Florida |
| Jack Lazar | 3924 Lake Sarah Drive, Orlando, Florida |

8. The names and addresses of the first officers of the Surviving Corporation, who shall hold office until the election and qualification of their successors, are as follows:

| | | |
|---|---|---|
| President | Lester N. Mandell | 3812 Lake Sarah Drive, Orlando, Florida |
| Vice-President | Jack Lazar | 3924 Lake Sarah Drive, Orlando, Florida |
| Secretary-Treasurer | Lester Zimmerman | 1418 Lake Daniel Drive, Orlando, Florida |

9. This Agreement shall be submitted to the respective stockholders of the several corporate parties to this Agreement as provided by law, and upon the adoption thereof by the votes of the stockholders of each such corporation representing at least a majority of the total number of shares of capital stock of each of such corporations, such facts shall be duly certified by the respective secretaries or assistant secretaries of the several corporations, and this Agreement shall be signed, acknowledged, filed and recorded, all in accordance with Section 608.20 and 608.21 et seq., XXXIV Florida statutes, and this Agreement shall take effect and be deemed and taken to be the Agreement and act of merger of the several corporations.

10. Upon the consummation of the merger herein provided for, all the rights, privileges, powers and franchises of the Constituent Corporations, both of a public and private nature, and all other property and assets, real, personal and mixed, of the Constituent Corporation, and all debts on whatever account and each and every other interest and all manner of things in action of or belonging to the Constituent Corporations shall be vested in the Surviving Corporation as effectually as they were vested in the Constituent Corporations without further act or deed, and the title to any and all real estate vested in the Constituent Corporations, whether by deed or otherwise, shall not revert or be in any way impaired by reason of the merger herein provided for, but shall be vested in the Surviving Corporation, provided that all rights of creditors and all liens upon the property of said merging Constituent Corporations shall be preserved unimpaired, and said merging Constituent Corporations may be deemed to continue in existence in order to preserve the same and all debts, liabilities, restrictions and duties of said merging Constituent Corporations shall forthwith attach to the Surviving Corporation and may be enforced against it to the same extent as if said debts, liabilities, restrictions and duties had been incurred or contracted by the Surviving Corporation.

11. If at any time the Surviving Corporation shall deem or be advised that any further assignment or assurances in law or things are necessary or desirable to vest or to perfect or confirm, of record or otherwise, in the Surviving Corporation the title to any property of Constituent Corporations acquired or to be acquired by reason of or as a result of the merger provided for by this Agreement, Constituent Corporations and its proper officers and directors shall and will execute and deliver any and all such proper deeds, assignments and assurances in law and do all things necessary or proper so to vest, perfect or confirm title to such property in the Surviving Corporation and otherwise to carry out the purposes of this Agreement.

12. Upon approval and adoption of this Plan and Agreement of Merger by the stockholders of the several corporate parties hereto, it shall be considered as a Plan of Reorganization within the meaning of Section 368 and related provisions of the United States Internal Revenue Code.

IN WITNESS WHEREOF, the Corporations above named have caused this Agreement to be signed in their respective corporate names by their authorized officers and their corporate

seals to be hereunto affixed and attested by their respective secretaries, and the undersigned Directors of said corporations, having been directed so to do by the stockholders of said corporations, have hereunto set their hands and seals as of the day and year first above written.

THE GREATER CONSTRUCTION CORP.

/s/ Lester Mandell
Director

/s/ Jack Lazar
Director

/s/ Lester Zimmerman
Director

SUMMERSET NORTH, INC.

/s/ Lester Mandell
Director

/s/ Jack Lazar
Director

/s/ Lester Zimmerman
Director

MEADOWS DEVELOPMENT CORP.

/s/ Lester Mandell
Director

/s/ Jack Lazar
Director

/s/ Lester Zimmerman
Director

LISA LAND COMPANY

/s/ Lester Mandell
Director

/s/ Jack Lazar
Director

/s/ Lester Zimmerman
Director

STATE OF FLORIDA
COUNTY OF ORANGE

BEFORE ME, a notary public in and for said County and State, on this 30th day of July, 1969, personally appeared LESTER N. MANDELL, LESTER ZIMMERMAN and JACK LAZAR, well known by me to be the persons who subscribed their names as Directors of the following corporations: THE GREATER CONSTRUCTION CORP., SUMMERSET NORTH, INC., MEADOWS DEVELOPMENT CORP. and LISA LAND COMPANY; and acknowledged to me that they executed the same as their free and voluntary acts and deeds as Directors of those corporations for the uses and purposes set forth in said Agreement.

/s/ Notary Public
Notary Public

My Commission Expires:

STATE OF FLORIDA
COUNTY OF ORANGE

July 30, 1969

I, LESTER N. MANDELL, Secretary of THE GREATER CONSTRUCTION CORP., a Florida corporation, hereby certify that the foregoing Agreement of Merger was on the 30th day of July, 1969, submitted to the Stockholders of said corporation at a meeting called for the purpose of considering the same, waivers of notice of hearing having been given as required by law, and that all of the shares of outstanding stock of said corporation voted to approve such merger.

/s/ Lester N. Mandell
Secretary of THE GREATER CONSTRUCTION CORP.

STATE OF FLORIDA
COUNTY OF ORANGE

July 30, 1969

I, LESTER ZIMMERMAN, Secretary of SUMMERSET NORTH, INC., a Florida corporation, hereby certify that the foregoing Agreement of Merger was on the 30th day of July, 1969, submitted to the Stockholders of said corporation at a meeting called for the purpose of considering the same, waivers of notice of hearing having been given as required by law, and that all of the shares of outstanding stock of said corporation voted to approve such merger.

/s/ Lester Zimmerman
Secretary of SUMMERSET NORTH, INC.

STATE OF FLORIDA
COUNTY OF ORANGE

July 30, 1969

I, JACK LAZAR, Secretary of MEADOWS DEVELOPMENT CORP., a Florida corporation, hereby certify that the foregoing Agreement of Merger was on the 30th day of July, 1969, submitted to the Stockholders of said corporation at a meeting called for the purpose of considering the same, waivers of notice of hearing having been given as required by law, and that all of the shares of outstanding stock of said corporation voted to approve such merger.

/s/ Jack Lazar
Secretary of MEADOWS DEVELOPMENT CORP.

STATE OF FLORIDA
COUNTY OF ORANGE

I, LESTER ZIMMERMAN, Secretary of LISA LAND COMPANY, a Florida corporation, hereby certify that the foregoing Agreement of Merger was on the 30th day of July, 1969, submitted to the Stockholders of said corporation at a meeting called for the purpose of considering the same, waivers of notice of hearing having been given as required by law, and that all of the shares of outstanding stock of said corporation voted to approve such merger.

/s/ Lester Zimmerman
Secretary of LISA LAND COMPANY

STATE OF FLORIDA
COUNTY OF ORANGE

This Agreement and Plan of Merger having been adopted by the stockholders of the participating corporations and having been so certified by the respective secretaries of the participating corporations, the respective officers of the participating corporations herewith affix their signatures and the seals of their respective corporations to the said Agreement.

THE GREATER CONSTRUCTION CORP.

By: /s/ Lester Zimmerman
President

Attest: /s/ Lester N. Mandell
Secretary

SUMMERSET NORTH, INC.

By: /s/ Lester N. Mandell
President

Attest: /s/ Lester Zimmerman
Secretary

MEADOWS DEVELOPMENT CORP.

By: /s/ Lester Zimmerman
President

Attest: /s/ Jack Lazar
Secretary

LISA LAND COMPANY

By: /s/ Lester N. Mandell
President

Attest: /s/ Lester Zimmerman
Secretary

STATE OF FLORIDA
COUNTY OF ORANGE

BEFORE ME, a notary public in and for said County and State, on this 30th day of July, 1969, personally appeared LESTER ZIMMERMAN, to me known to be the identical person who subscribed the name of THE GREATER CONSTRUCTION CORP. to the foregoing Agreement of Merger as its President, and acknowledged to me that he executed the same as his free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

/s/ Notary Public
Notary Public

My Commission Expires:

STATE OF FLORIDA
COUNTY OF ORANGE

BEFORE ME, a notary public in and for said County and State, on this 30th day of July, 1969, personally appeared LESTER N. MANDELL, to me known to be the identical person who subscribed the name of SUMMERSET NORTH, INC. to the foregoing Agreement of Merger as its President, and acknowledged to me that he executed the same as his free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

/s/ Notary Public
Notary Public

My Commission Expires:

STATE OF FLORIDA
COUNTY OF ORANGE

BEFORE ME, a notary public in and for said County and State, on this 30th day of July, 1969, personally appeared LESTER ZIMMERMAN, to me known to be the identical person who subscribed the name of MEADOWS DEVELOPMENT CORP. to the foregoing Agreement of Merger as its President, and acknowledged to me that he executed the same as his free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

/s/ Notary Public
Notary Public

My Commission Expires:

STATE OF FLORIDA
COUNTY OF ORANGE

BEFORE ME, a notary public in and for said County and State, on this 30th day of July, 1969, personally appeared LESTER N. MANDELL, to me known to be the identical person who subscribed the name of LISA LAND COMPANY to the foregoing Agreement of Merger as its President, and acknowledged to me that he executed the same as his free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

/s/ Notary Public
Notary Public

My Commission Expires:

PLAN AND AGREEMENT OF MERGER

THIS AGREEMENT, made this 4th day of October, 1974, between THE GREATER CONSTRUCTION CORP., and SEMINOLE SITES, INC.; both incorporated under the laws of the State of Florida, and the Directors of said corporations, in accordance with Sections 608.20, Title XXXIV, Florida Statutes;

WHEREAS, both of said corporations are organized and duly existing under the laws of the State of Florida and are duly authorized and empowered to enter into a merger subject to approval by shareholders of the corporate parties to this Agreement of Merger; and

WHEREAS, the parties hereto intend that this merger shall result in THE GREATER CONSTRUCTION CORP., a corporation of the State of Florida, being the only one surviving corporation;

NOW THEREFORE, in consideration of the mutual promises herein contained, it is hereby agreed:

1. SEMINOLE SITES, INC. (hereinafter termed “Constituent Corporation”) shall be merged into THE GREATER CONSTRUCTION CORP. (hereinafter termed “Surviving Corporation”), which shall continue unaffected and unimpaired by the merger.

2. Upon said merger becoming effective, the shares of stock of the Constituent Corporation, all of which are owned by the Surviving Corporation, shall be deemed to be cancelled and thereafter shall be of no force and effect.

3. The effective date of said merger shall be November 1, 1974.

4. The existing Articles of Incorporation of the Surviving Corporation shall continue in full force and effect.

5. The minimum capital with which this Corporation will begin business is FIVE HUNDRED AND NO/100 DOLLARS ($500.00).

6. The existing By-Laws of the Surviving Corporation shall continue in full force and effect until altered, amended or repealed as therein provided.

7. The names and addresses of the Board of Directors of the Surviving Corporation, who shall hold office until the election and qualification of their successors, are as follows:

| | |
|---|---|
| Lester N. Mandell | 3812 Lake Sarah Drive, Orlando, Florida |
| Lester Zimmerman | 1418 Lake Daniel Drive, Orlando, Florida |
| Jack Laser | 3924 Lake Sarah Drive, Orlando, Florida |

8.

The names and addresses of the officers of the Surviving Corporation, who shall hold office until the election and qualification of their successors, are as follows:

| | | |
|---|---|---|
| President | Lester N. Mandell | 3812 Lake Sarah Drive, Orlando, Florida |
| Vice-President | Jack Lazar | 3924 Lake Sarah Drive, Orlando, Florida |
| Secretary-Treasurer | Lester Zimmerman | 1418 Lake Daniel Drive, Orlando, Florida |

9. This Agreement shall be submitted to the respective stockholders of the several corporate parties to this Agreement as provided by law, and upon the adoption thereof by the votes of the stockholders of each such corporation representing at least a majority of the total number of shares of capital stock of each of such corporations, such facts shall be duly certified by the respective secretaries or assistant secretaries of the several corporations and this Agreement shall be signed, acknowledged, filed and recorded, all in accordance with Section 608.20, XXXIV Florida Statutes, and this Agreement shall take effect and be deemed and taken to be the Agreement and act of merger of both corporations.

10. Upon the consummation of the merger herein provided for, all the rights, privileges, powers and franchises of the Constituent Corporations, both of a public and private nature, and all other property and assets, real, personal and mixed, of the Constituent Corporation, and all debts on whatever account and each and every other interest and all manner of things in action of or belonging to the Constituent Corporations shall be vested in the Surviving Corporation as effectually as they were vested in the Constituent Corporations without further act or deed, and the title to any and all real estate vested in the Constituent Corporations, whether by deed or otherwise, shall not revert or be in any way impaired by reason of the merger herein provided for, but shall be vested in the Surviving Corporation, provided that all rights of creditors and all liens upon the property of said merging Constituent Corporations shall be preserved unimpaired, and said merging Constituent Corporations may be deemed to continue in existence in order to preserve the same and all debts, liabilities, restrictions and duties of said merging Constituent Corporations shall forthwith attach to the Surviving Corporation and may be enforced against it to the same extent as if said debts, liabilities, restrictions and duties had been incurred or contracted by the Surviving Corporation.

11. If at any time the Surviving Corporation shall deem or be advised that any further assignments or assurances in law or things are necessary or desirable to vest or to perfect or confirm, of record or otherwise, in the Surviving Corporation the title to any property of Constituent Corporation acquired or to be acquired by reason of or as a result of the merger provided for by this Agreement, Constituent Corporation and its proper officers and directors shall and will execute and deliver any and all such proper deeds, assignments and assurances in law and do all things necessary or proper so to vest, perfect or confirm title to such property in the Surviving Corporation and otherwise to carry out the purposes of this Agreement.

12. Upon approval and adoption of this Plan and Agreement of Merger by the stockholders of both corporate parties hereto, it shall be considered as a Plan or Reorganization within the meaning of Section 368 and related provisions of the United States Internal Revenue Code.

IN WITNESS WHEREOF, the Corporations above named have caused this Agreement to be signed in their respective corporate names by their authorized officers and their corporate seal

to be hereunto affixed and attested by their respective secretaries, and the undersigned Directors of said corporations, having been directed so to do by the stockholders of said corporations, have hereunto set their hands and seals as of the day and year first above written.

THE GREATER CONSTRUCTION CORP.

By: /s/ Lester N. Mandell
Lester N. Mandell, Director

By: /s/ Jack Lazar
Jack Lazar, Director

By: /s/ Lester Zimmerman
Lester Zimmerman, Director

SEMINOLE SITES, INC.

By: /s/ Lester N. Mandell
Lester N. Mandell, Director

By: /s/ Jack Lazar
Jack Lazar, Director

By: /s/ Lester Zimmerman
Lester Zimmerman, Director

[PAGE MISSING IN FLORDIA DEPARTMENT OF STATE'S CERTIFIED RECORDS]

existence of CRANE ROOST shall cease and GREATER shall succeed to all the rights, privileges, immunities, powers, franchises and all the property, real, personal and mixed of CRANE ROOST without the necessity for any separate transfer. GREATER shall thereafter be responsible and liable for all debts, liabilities and obligations of CRANE ROOST and neither the rights of creditors nor any liens on the property of CRANE ROOST shall be impaired by the merger.

7. The ownership of shares of all classes of CRANE ROOST stock is as follows:

| Class of Stock | Authorized | Number of Shares Issued | Par Value | Percentage Owned by Greater |
|---|---|---|---|---|
| Class A | 360 | 360 | $ 1.00 | 100% |
| Class B | 40 | 40 | $ 1.00 | 100% |

8. That the Plan and Agreement of Merger between GREATER and CRANE ROOST, a copy of which is attached hereto as Schedule "1", was approved by the Board of Directors of GREATER and CRANE ROOST at special meetings held on May 12, 1982.

9. There are no minority stockholders of CRANE ROOST and accordingly, no stockholder is entitled to the notice required by Section 607.227(2), Florida Statutes (1981).

10. That in accordance with Florida Statutes Section 607.227(4) GREATER, as the holder of all of CRANE ROOST's stock, by its directors and shareholders, has consented to the delivery of these Articles to the Secretary of State and waived the thirty (30) day time period referenced in such Statute.

IN WITNESS WHEREOF, the President and Secretary of GREATER, in compliance with Section 607.227(3) Florida Statutes (1981), have hereunto set their ands and seals this 12th day of May, 1982.

THE GREATER CONSTRUCTION CORP.

By: /s/ Lester N. Mandell
President

/s/ Marian Donovan
Secretary

STATE OF FLORIDA
COUNTY OF ORANGE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared Lester N. Mandell, well known to me to be the President of The Greater Construction Corp. and that he acknowledges executing these Articles of Merger in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the County and State named above this 12 day of May, 1982.

/s/ Notary Public
Notary Public

My Commission Expires:

SCHEDULE “1”

THIS AGREEMENT, made this 12th day of May, 1982, between THE GREATER CONSTRUCTION CORP. and CRANE ROOST, INC. (both incorporated under the laws of the State of Florida) and the Directors of said corporations, in accordance with Sections 607.214 and 607.227, set seq., of the Florida Statutes (1981);

WITNESSETH:

WHEREAS, THE GREATER CONSTRUCTION CORP. and CRANE ROOST, INC. are organized and duly existing under the laws of the State of Florida and are duly authorized and empowered to enter into a merger; and

WHEREAS, the parties hereto intend that this merger shall result in THE GREATER CONSTRUCTION CORP., a corporation of the State of Florida, being the Surviving Corporation;

NOW, THEREFORE, in consideration of the mutual promises herein contained, it is hereby agreed:

1. CRANE ROOST, INC. (hereinafter sometimes termed “the Constituent Corporation” shall be merged into THE GREATER CONSTRUCTION CORP. (hereinafter termed “Surviving Corporation”), which shall continue unaffected and unimpaired by the merger.

2. Upon said merger becoming effective, the shares of stock of CRANE ROOST, INC., all of which are owned by the stockholders of THE GREATER CONSTRUCTION CORP., and the certificates representing the same, shall be deemed to be canceled and thereafter shall be of no force and effect.

3. Said merger will be effective upon the filing of the Articles of Merger with the Secretary of State of the State of Florida.

4. The existing Articles of Incorporation of the Surviving Corporation shall continue in full force and effect.

5. The existing By-Laws of the Surviving Corporation shall continue in full force and effect until altered, amended or repealed as therein provided.

6. The names and addresses of the Board of Directors of the Surviving Corporation shall remain unchanged by this merger.

7. The names and addresses of the Officers of the Surviving Corporation shall remain unchanged by this merger.

8. This Agreement shall be submitted to the respective stockholders of the Merged Corporation and the Surviving Corporation. Upon the adoption thereof by such stockholders, such facts shall be duly certified by the Secretary of such corporations, and this Agreement shall take effect and be deemed and taken to be the Agreement and act of the Merged Corporation and the Surviving Corporation.

9. Upon the consummation of the merger herein provided for, all the rights, privileges, powers and franchises of the Merged Corporation, both of a public and private nature, and all other property and assets, real, personal and mixed, of the Merged Corporation, and all debts on whatever account and each and every other interest and all manner of things in action of or belonging to the Merged Corporation shall be vested in the Surviving Corporation as effectually as they were vested in the Merged Corporation without further act or deed, and the title to any and all real estate vested in the Merged Corporation, whether by deed or otherwise, shall not revert or be in any way impaired by reason of the merger herein provided for, but shall be vested in the Surviving Corporation; provided that all rights of creditors and all liens upon the property of the Merged Corporation shall be preserved unimpaired, and the Merged Corporation may be deemed to continue in existence in order to preserve the seine and all debts, liabilities, restrictions and duties of said Merged Corporation shall forthwith attach to the Surviving Corporation and may be enforced against it to the same extent as if said debts, liabilities, restrictions and duties had been incurred or contracted by the Surviving Corporation.

10. If at any time the Surviving Corporation shall deem or be advised that any further assignments or assurances in law or things are necessary or desirable to vest or to perfect or confirm, of record or otherwise, in the Surviving Corporation the title to any property of the Merged Corporation acquired or to be acquired by reason of or as a result of the merger provided for by this Agreement, the Merged Corporation and its proper officers and directors shall and will execute and deliver any and all such proper deeds, assignments and assurances in law and do all things necessary or proper so to vest, perfect or confirm title to such property in the Surviving Corporation and otherwise to carry out the purposes of this Agreement.

IN WITNESS WHEREOF, the Corporations above named have caused this Agreement to be signed in their respective corporate names by their authorized officers and their corporate seals to be hereunto affixed and attested by their respective secretaries, and the undersigned Directors of said corporations, having been directed so to do by the stockholders of said corporations, have hereunto set their hands and seals as of the day and year first above written.

THE GREATER CONSTRUCTION CORP.

/s/ Lester Mandell
Director

/s/ Lester Zimmerman
Director

/s/ Jack Lazar
Director

CRANE ROOST, INC.

/s/ Lester Mandell
Director

/s/ Lester Zimmerman
Director

/s/ Jack Lazar
Director

CERTIFICATE

I, LESTER ZIMMERMAN, Secretary of THE GREATER CONSTRUCTION CORP., a Florida corporation, and CRANE ROOST, INC., a Florida corporation, do hereby certify:

1. That the foregoing Plan and Agreement of Merger providing for the merger of CRANE ROOST, INC., a Florida corporation, into THE GREATER CONSTRUCTION CORP., a Florida corporation, having been signed by a majority of the members of the Board of Directors of each of said corporations, was submitted to a meeting of the Board of Directors of each of said corporations after notice of the time, place and purpose of the meeting had been given to each of the Directors of said corporation, and that the Board of Directors of each of said corporations unanimously resolved to approve said Plan and Agreement of Merger.

2. That said Plan and Agreement of Merger having been signed by a majority of the members of the Board of Directors of each of said corporations and submitted to and unanimously approved by the Board of Directors of each of said corporations, was submitted to a meeting of the Stockholders of record of each of said corporations after notice of the time, place and purpose of the meeting had been given to every Stockholder of record of each of said corporations; and that at said meetings said Plan and Agreement of Merger was adopted by the holders of all of the outstanding stock of each of said corporations, respectively.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary of THE GREATER CONSTRUCTION CORP., a Florida corporation, and CRANE ROOST, INC., a Florida corporation, and have affixed the corporate seals of each of said corporations this 12th day of May, 1982.

/s/ Lester Zimmerman

Lester Zimmerman, as Secretary of THE GREATER CONSTRUCTION CORP., a Florida corporation

/s/ Lester Zimmerman

Lester Zimmerman, as Secretary of CRANE ROOST, INC., a Florida corporation

The foregoing Plan and Agreement of Merger having been adopted by the Directors and Stockholders of THE GREATER CONSTRUCTION CORP., a Florida corporation, and CRANE ROOST, INC., a Florida corporation, and the respective Secretaries of each of said corporations having certified the fact of such approval under the respective seals of said corporations, each of said corporations have caused this Agreement to be signed by their respective Presidents and attested by their respective Secretaries and their respective corporate seals to be affixed hereto.

THE GREATER CONSTRUCTION CORP.,
a Florida Corporation

By: /s/ Lester N. Mandell
Lester N. Mandell, President

Attest: /s/ Lester Zimmerman
Lester Zimmerman, Secretary

CRANE ROOST, INC., a Florida corporation

By: /s/ Lester N. Mandell
Lester N. Mandell, President

Attest: /s/ Lester Zimmerman
Lester Zimmerman, Secretary

ARTICLES OF MERGER

1. The undersigned corporations, being validly and legally formed under the laws of the State of Florida, have adopted a Plan of Merger, a copy of which is attached hereto and incorporated herein by reference.

2. The names of the corporations which are parties to the merger are S & Z Construction Co. and The Greater Construction Corp. The Greater Construction Corp. is the surviving corporation.

3. The Plan of Merger of the undersigned corporations was adopted by their respective Board of Directors and Shareholders pursuant to Sections 607.214 and 607.221 of the Florida Statutes on August 16, 1985.

4. No changes in the Articles of Incorporation of the surviving corporation have been made.

5. The Plan of Merger will become effective upon the filing of these Articles of Merger with the Florida Secretary of State.

DATED 16th August, 1985.

THE GREATER CONSTRUCTION CORP.

By: /s/ Lester N. Mandell
Lester N. Mandell, President

Attest: /s/ Lester Zimmerman
Lester Zimmerman, Secretary

(CORPORATE SEAL)

S & Z CONSTRUCTION CO.

By: /s/ Simon D. Snyder
Simon D. Snyder, President

Attest: /s/ Steve Zimmerman
Steve Zimmerman, Secretary

(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF SEMINOLE

Subscribed and sworn to before me, the undersigned notary public, by LESTER N. MANDELL, President of The Greater Construction Corp., this 16th day of August, 1985.

/s/ Notary Public
Notary Public

My Commission Expires:

STATE OF FLORIDA
COUNTY OF SEMINOLE

Subscribed and sworn to before me, the undersigned Notary Public, by SIMON A. SNYDER, President of S & Z Construction Co., this 16th day of August, 1985.

/s/ Notary Public
Notary Public

My Commission Expires:

PLAN OF MERGER

This Plan of Merger is adopted this 16th day or August, 1985 by The Greater Construction Corp. (hereinafter referred to as "Greater"), and S & Z Construction Co. (hereinafter referred to as "S & Z").

WITNESSETH:

1. Greater is a corporation organized and existing under laws of the State of Florida, with its principal office at 1105 Kensington Park Drive, Altamonte Springs, Florida 32714.

2. S & Z is a corporation organized and existing under the laws of the State of Florida with its principal office at 1105 Kensington Park Drive, Altamonte Springs, Florida 32714.

3. The boards of directors of Greater and S & Z deem it desirable and in the best interest of the corporations and their stockholders that S & Z be merged with and into Greater pursuant to the provisions of Sections 607.124 through 607.234 of the Florida General Corporation Act, a transaction qualifying as a "reorganization" within the meaning of Section 368(a)(1)(A) of the Internal Revenue Code of 1954, as amended.

NOW, THEREFORE, in consideration of the mutual covenants, and subject to the terms and conditions hereinafter set forth, Greater and S & Z agree as follows:

1. Merger. S & Z shall be merged with and into Greater, which shall be the surviving corporation.

2. Terms and Conditions. On the effective date of the merger, the separate existence of S & Z shall cease, and Greater shall succeed to all rights, privileges, immunities, and franchises, and all property, real, personal and mixed, of S & Z, without the necessity for any separate transfer. Greater shall thereafter be responsible and liable for all liabilities and obligations of S & Z, and neither the rights of creditors nor any liens on the property of S & Z shall be impaired by the merger.

3. Cancellation of Shares. All of the authorized stock of S & Z shall be cancelled.

4. Changes in Articles of Incorporation. The Articles of Incorporation of Greater shall not be amended and shall continue to be the Articles of Incorporation of Greater after the effective date of the merger.

5. Changes in By-Laws. The By-Laws of Greater shall not be amended and shall continue to be the By-Laws of Greater after the effective date of the merger.

6. Directors and Officers. The directors and officers of Greater shall continue as the directors and officers of Greater for the full unexpired terms of their offices and until their successors have been elected or appointed and qualified pursuant to the By-laws of Greater.

7. Prohibited Transactions. Neither Greater nor S & Z shall, prior to the effective date of the merger, engage in any activity or transaction other than in the ordinary course of business.

8. Approval by Directors and Stockholders. This plan of merger shall be submitted for the approval of the directors and stockholders of Greater and S & Z in the manner provided by the laws of the State of Florida at meetings to be held on or before August 16, 1985, or at such other time as to which the boards of directors of Greater and S & Z may agree.

9. Effective Date of Merger. The effective date of this merger shall be the date the Articles of Merger are filed with the Secretary of State of the State of Florida.

THE GREATER CONSTRUCTION CORP

By: /s/ Lester N. Mandell
Lester N. Mandell, President

Attest: /s/ Lester Zimmerman
Lester Zimmerman, Secretary

(CORPORATE SEAL)

S & Z CONSTRUCTION CO.

By: /s/ Simon D. Snyder
Simon D. Snyder, President

Attest: /s/ Steve Zimmerman
Steve Zimmerman, Secretary

(CORPORATE SEAL)

ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF THE GREATER CONSTRUCTION CORP.

Pursuant to the provisions of Section 607.1006 of the Florida Statutes, THE GREATER CONSTRUCTION CORP. adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the corporation is THE GREATER CONSTRUCTION CORP.

2. The original Articles of incorporation for the corporation were filed on June 21, 1965 and assigned Charter No. 294159.

3. By written consent executed on December 20, 1990 by all of the Directors and Shareholders of the corporation, said Directors and Shareholders have agreed that Article III of the Articles of Incorporation of the corporation be amended as follows:

ARTICLE III - CAPITAL STOCK

Pursuant to a Plan of Reorganization and to facilitate an Incentive Share Plan adopted by all of the Shareholders and Directors of the corporation by written consent dated December 20, 1990, the presently authorized five hundred (500) shares of TEN AND NO/100 DOLLAR ($10.00) per share par value voting common stock (the "Old Common Stock") shall be replaced with five hundred (500) shares of TEN AND NO/100 DOLLAR ($10.00) per share par value new Class A voting common stock (the "New Class A Voting Common Stock") and five hundred thousand (500,000) shares of ONE CENT ($.01) per share par value new Class B nonvoting common stock (the "New Class B Nonvoting Common Stock"). Each of the one hundred sixty (160) shares of Old Common Stock presently issued and outstanding shall, pursuant to the Plan of Reorganization, be converted into one (1) share of New Class A Voting Common Stock and two thousand (2,000) shares of New Class B Nonvoting Common Stock, whereupon all of the Old Common Stock, including authorized but unissued shares and all treasury shares, shall be cancelled.

IN WITNESS WHEREOF, the President and Secretary of the corporation have executed these Articles of Amendment this 20th day of December, 1990 on behalf of the corporation.

THE GREATER CONSTRUCTION CORP

By: /s/ Robert A. Mandell
Robert A. Mandell, President

Attest: /s/ Lester Zimmerman
Lester Zimmerman, Secretary

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 20th day of December, 1990 by Robert A. Mandell, President of The Greater Construction Corp., a Florida corporation, on behalf of the corporation.

/s/ Notary Public
Notary Public

My Commission Expires:

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 20th day of December, 1990 by Lester Zimmerman, Secretary of The Greater Construction Corp., a Florida corporation, on behalf of the corporation.

/s/ Notary Public
Notary Public

My Commission Expires:

ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF THE GREATER CONSTRUCTION CORP.

Pursuant to the provisions of Sections 607.1006 of the Florida Statutes, THE GREATER CONSTRUCTION CORP. adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the corporation is THE GREATER CONSTRUCTION CORP.

2. The original Articles of Incorporation for the Corporation were filed on June 21, 1965, and assigned Charter No. 294159 and was amended by an amendment filed on January 3, 1991.

3. By written consent executed on December 16, 1992 by all of the Directors and Shareholders of the corporation, said Directors and Shareholders have agreed that Article III of the Articles of Incorporation of the corporation be amended to reduce the par value of the five hundred (500) shares of TEN DOLLAR ($10.00) per share per value Class A voting common stock from TEN DOLLARS ($10.00) per share to TEN CENTS ($.10) per share. The number of votes cast for the amendment was sufficient for approval.

IN WITNESS WHEREOF, the President and Secretary of the corporation have executed these Articles of Amendment this 16th day of December, 1992 on behalf of the corporation.

THE GREATER CONSTRUCTION CORP

By: /s/ Robert A. Mandell
Robert A. Mandell, President

Attest: /s/ Lester Zimmerman
Lester Zimmerman, Secretary

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 16th day of December, 1992 by Robert A. Mandell, President of The Greater Construction Corp., a Florida corporation, on behalf of the corporation. He is personally known to me, or has produced identification and did not take an oath.

/s/ Notary Public
Notary Public

My Commission Expires:

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 16th day of December, 1992 by Lester Zimmerman, Secretary of The Greater Construction Corp., a Florida corporation, on behalf of the corporation. He is personally known to me, or has produced identification and did not take an oath.

/s/ Notary Public
Notary Public

My Commission Expires:

__________________

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
THE GREATER CONSTRUCTION CORP.

Pursuant to the provisions of Section 607.1006 of the Florida Business Corporation Act, The Greater Construction Corp., a corporation organized and existing under and by virtue of the Florida Corporation Act (the "Corporation"), does hereby certify:

FIRST: The name of the Corporation is The Greater Construction Corp.

SECOND: The Original Articles of Incorporation of the Corporation were filed in the Office of the Florida Secretary of State on June 21, 1965 and assigned Charter No. 294159 and have been amended by Articles of Amendment filed on January 3, 1991 and December 31, 1992.

THIRD: Pursuant to a Plan of Recapitalization and Reorganization duly adopted by the directors and shareholders of the Corporation, the amendment set forth below to the Corporation's Articles of Incorporation was duly adopted in accordance with the provisions of Section 607.1006 of the Florida Business Corporation Act. Article III of the Articles of Incorporation of the Corporation, as heretofore amended, is hereby deleted in its entirety and the new Article III inserted in lieu thereof:

III. CAPITAL STOCK

1. Number and Classes of Shares Authorized. The total number of shares of all classes of capital stock which the Corporation shall have authority to issue is five million one thousand (5,001,000) shares, of which one thousand (1,000) shall be shares of Common Stock, the par value of which is One and No/100 Dollar ($1.00) per share (the "Common Stock"), and five million (5,000,000) shall be shares of Preferred Stock, the face and par value of which is One and No/100 Dollar ($1.00) per share (the "Preferred Stock"). The consideration for all of the above stock shall be payable in cash or property (tangible and intangible), at a just valuation to be fixed by the Board of Directors of the Corporation.

2. Voting Rights of Common Stock. The Common Stock shall possess and exercise voting rights with regard to actions to be taken by shareholders of the Corporation generally, including the election of directors, and each record holder of such stock shall be entitled to one vote for each share held. Shareholders holding Common Stock shall have no cumulative voting rights in any election of directors of the Corporation.

3. Terms of Preferred Stock. The terms of the Preferred Stock (including dividends, preferences, voting powers and terms of redemption) are as follows:

a. Dividends. The holders of the Preferred Stock will be entitled to receive, on a cumulative basis, dividends of six per cent (6%) per annum, payable out of any legally available funds. Such dividends will be accrued and become payable annually, on December 31 of each year, in preference and priority to any payment of any dividend on the Common Stock. In the event that the Corporation does not have legally available funds to pay such dividends in their entirety accrued and payable, it shall pay that portion of such dividends for which it

possesses legally available funds on the applicable payment date and the remaining unpaid portion as soon as adequate funds become available. Any accrued dividends that remain unpaid due to the lack of legally available funds shall bear interest at rate of six per cent (6%) per annum until paid. No dividends shall be declared or paid on any share of Common Stock until all accrued and unpaid dividends on the Preferred Stock shall have been paid in full. If the Corporation fails in any year to pay in full the dividends on the Preferred Stock, the holders of a majority thereof shall be entitled to elect a majority of the Board of Directors of the Corporation. Such right to elect a majority of the Directors will continue until such time as all dividends in default have been paid in full or the issued and outstanding Preferred Stock is redeemed. Whenever the holders of the Preferred Stock have voting rights, as provided above, the President of the Corporation shall, within ten (10) days after delivery to the Corporation at its principal office of a request for a special joint meeting of the holders of the Common Stock and the Preferred Stock signed by any holder of Preferred Stock, call a special joint meeting of the holders of the Common Stock and the Preferred Stock to he held within thirty (30) days after the delivery of such request for the purpose of electing such number of directors as the holders of the Preferred Stock are then entitled to elect, such directors to serve until the next annual meeting, or until their respective successors shall be elected and shall qualify. If at any such special meeting any director shall not be reelected, his term of office shall terminate on the election and qualification of his successor, notwithstanding that the term for which such director was originally elected shall not then have expired.

b. Liquidation Preference. Upon (i) any liquidation, dissolution or winding up of the Corporation (either voluntary or involuntary), (ii) the merger or consolidation of the Corporation with or into another corporation, (iii) a “change in control,” i.e. the sale or other transfer of all or a substantial part of the assets of the Corporation or the effectuation of any transaction in which more than fifty per cent (50%) of the voting power of the Corporation represented by the Common Stock is disposed of within a twelve (12) month period, the holders of the Preferred Stock shall be entitled to receive out of the assets of the Corporation available for distribution to its shareholders an amount equal to $1.00 per share, plus any accrued but unpaid dividends, prior to any distribution to the holders of the Corporation’s Common Stock. To the extent any assets remain in the Corporation after such distributions, such assets shall be distributed solely to the holders of the Common Stock, pro rata, and the holders of the Preferred Stock shall have no interest therein.

c. Voting. Except as provided in subparagraph 1a. above or as may be provided in any written agreement among the Corporation and the holders of the Common Stock and the Preferred Stock or as may be required by law, the holders of the Preferred Stock shall not be entitled to vote.

d. Redemption.

1. At the Option of the Corporation. The Corporation may at any time redeem, in whole or in part, any shares of the Preferred Stock then outstanding by paying in cash therefor the sum of $1.00 per share. In the event of any redemption of only part of the then outstanding shares of Preferred Stock, the Corporation must make such redemption pro rata according to the number of shares of Preferred Stock then held by each holder thereof. The Corporation may not redeem less than all of the Preferred Stock until all accrued and unpaid dividends, if any, have been paid or all outstanding shares of Preferred Stock.

2. Upon the Sale of Certain Real Property. The Corporation owns certain real property in Orange County, Florida consisting of the commercially zoned property containing approximately 13 acres of land legally described on Exhibit A hereto, which is located on John Young Parkway and adjoins Crystal Creek Subdivision, and the five (5) commercial lots legally described on Exhibit B hereto, which are located directly across John Young Parkway from the 13 acre parcel (such real properties, collectively, being referred to herein as the "Property"). At such time as the Corporation has been paid or has received from the sale, exchange or other disposition of all or parts of the Property total gross proceeds (before payment of liabilities) or other consideration of $3,000,000, the Preferred Stock shall be redeemed in full. When the $3,000,000 threshold is met, the Corporation shall promptly give the holders of the Preferred Stock written notice of such fact and advising them to surrender their Preferred Stock for redemption. Upon surrender by any holder of Preferred Stock of his shares, together with one or more stock powers duly executed in blank, the Corporation shall (i) pay to such holder in cash forty cents ($.40) per share, and (ii) execute and deliver to such holder (x) its promissory note in a principal amount equal to sixty cents ($.60) per share (each a "Note"), (y) a stock power duly executed by the Corporation in blank covering the redeemed shares and the certificates, if any, representing the redeemed shares, and (z) a pledge agreement under which the redeemed shares of Preferred Stock are pledged to the former holder thereof until the Note is paid in full. Each Note shall bear interest at the then applicable long term "applicable federal rate" as published by the Internal Revenue Service, with interest payable quarterly on the first day of each calendar quarter. The Notes will be full recourse debt of the Corporation but payment thereof will be subordinate to the Corporation's bank debt. The principal of each Note shall be due and payable in ten (10) equal annual installments beginning one year after the date of redemption, provided that as to any Note issued to an Original Holder (as defined in subparagraph 3 below), the entire unpaid principal thereof and all unpaid accrued interest shall become due and payable in full sixty (60) days after the death of the Original Holder. The Corporation shall use the life insurance proceeds received by the Corporation on account of the death of such deceased Original Holder to pay the Note. If, however, the life insurance proceeds are not sufficient to pay the Note in full, then at the time the life insurance proceeds are paid the Note will be modified to provide that the remaining principal balance will be paid in five (5) equal annual installments, commencing one year after the date the insurance proceeds are paid to the holder of such Note.

3. Upon Death of an Original Holder. All of the Preferred Stock will be issued initially to two persons whose names shall appear in the stock records of the Corporation (each an "Original Holder" and together the "Original Holders"). If the Preferred Stock of an Original Holder is not redeemed prior to his death pursuant to subparagraph 1 or subparagraph 2 above, the Corporation shall redeem all of the shares of Preferred Stock issued to such Original Holder within sixty (60) days after his death. Upon the surrender to the Corporation of the certificates for the Preferred Stock of the deceased Original Holder and a duly executed stock power(s) for the transfer of such shares, the Corporation shall pay to the personal representative of such deceased Original Holder in redemption of his Preferred Stock the sum of $1.00 per share. The Corporation shall use the life insurance proceeds received by the Corporation on account of the death of a deceased Original Holder to pay the redemption price. If the insurance proceeds have not been received within sixty (60) days after the death of an Original Holder, the closing of the redemption shall be extended to the day following the date on which the Corporation receives such proceeds. If such life insurance proceeds are not sufficient to pay in full the redemption price for such Original Holder's Preferred Stock, the Corporation

shall issue to the personal representative of such deceased holder at the closing of the redemption the Corporation's promissory note for the unpaid balance of the redemption price, which shall bear interest at the then "applicable federal rate" as published by Internal Revenue Service, payable quarterly on the first day of each calendar quarter. Payment of the Note will be subordinate to the Corporation's bank debt. The principal of such note shall be payable in five (5) equal annual installments commencing one year after the date of redemption. Such note shall be secured by a pledge of the redeemed Preferred Stock in the same manner as provided in subparagraph 2 above.

4. Upon Merger or Change of Control. Upon the occurrence of a merger or consolidation of the Corporation with any other entity, whether or not the Corporation is the surviving entity, or a "change in control" (as defined in subparagraph b) without the prior written consent of the holders of more than seventy (70%) of the Preferred Stock, the Corporation shall redeem all of the Preferred Stock at a redemption price of $1.00 per share.

5. Accrued Dividends. Upon the redemption of any Preferred Stock pursuant to subparagraphs 1, 2, 3 or 4 above, all accrued but unpaid dividends payable to the holders of such Preferred Stock shall be paid in full.

e. No Impairment. The Corporation will not, by amendment of its Articles of Incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Paragraph 3 and in the taking of all such action as may be necessary or appropriate in order to protect the holders of the Preferred Stock against impairment.

f. Changes. So long as any shares of Preferred Stock are outstanding, the Corporation shall not, without first obtaining the approval by affirmative vote or written consent, in the manner provided by law, of the holders of more than seventy percent (70%) of the total number of shares outstanding of the Preferred Stock, voting or acting separately as a class:

(i) alter or change the rights, preferences, or privileges of the Preferred Stock so as to affect adversely such shares;

(ii) increase the authorized number of shares of Preferred Stock;

(iii) issue any shares of stock having priority over the Preferred Stock; or

(iv) modify, amend or terminate the provisions of this Article III.

4. Preemptive Rights. No shareholder of the Corporation shall have the right, except as otherwise expressly provided in this Article III, upon the sale for cash or otherwise, of any new stock of the Corporation held by it in its treasury or otherwise, of the same or any other kind, class or series as that which he already holds, to purchase his pro rata or any other share of such stock at the same price at which it is offered to others or any other price.

FOURTH: The foregoing amendment was adopted in accordance with the applicable provisions of Section 607.0704 of the Florida Business Corporation Act by the written consent of a majority in interest of the shareholders of the Corporation dated as of August 27, 1998; such written consent represents a sufficient number of votes cast for such amendment necessary for the approval thereof.

FIFTH: These Articles of Amendment shall be effective upon filing in the Office of the Florida Department of State.

IN WITNESS WHEREOF, these Articles of Amendment have been executed on behalf the Corporation by its President this 27th day of August, 1998.

THE GREATER CONSTRUCTION CORP

By: /s/ Robert A. Mandell
Robert A. Mandell
Its: President/Director

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
THE GREATER CONSTRUCTION CORP.

Pursuant to the provisions of Section 607.1006 of the Florida Business Corporation Act, the Greater Construction Corp., a corporation organized and existing under and by virtue of the Florida Business Corporation Act (the "Corporation"), does hereby certify:

FIRST: The name of the Corporation is The Greater Construction Corp.

SECOND: The original Articles of Incorporation of the Corporation were filed in the Office of the Florida Secretary of State on June 21, 1965 and assigned Charter No. 294159, and have been amended by Articles of Amendment filed on January 3, 1991, December 31, 1992, and August 27, 1998.

THIRD: The Corporation desires to further amend its Articles of Incorporation to reduce the par value per share of the Corporation's 5,000,000 shares of Preferred Stock from $1.00 to $.01 and to restate the annual dividend payable with respect to such stock as being six cents ($.06) per share instead of six percent (6%) of the face value. Accordingly, the amendments set forth below to the Corporation's Articles of Incorporation were duly adopted in accordance with the provisions of Section 607.1006 of the Florida Business Corporation Act. Article III of the Articles of Incorporation of the Corporation, as heretofore amended, is hereby further amended to revise Paragraphs 1 and 3a to read as follows:

1. Number and Classes of Shares Authorized. The total number of shares of all classes of capital stock which the Corporation shall have authority to issue is five million one thousand (5,001,000) shares, of which one thousand (1,000) shall be shares of Common Stock, the par value of which is One and No/100 Dollar ($1.00) per share (the "Common Stock"), and five million (5,000,000) shall be shares of Preferred Stock, the par value of which is One Cent ($.01) per share (the "Preferred Stock"). The consideration for all of the above stock shall be payable in cash or property (tangible and intangible), at a just valuation to be fixed by the Board of Directors of the Corporation.

2. Terms of Preferred Stock. The terms of the Preferred Stock (including dividends, preferences, voting powers and terms of redemption) are as follows:

a. Dividends. The holders of the Preferred Stock will be entitled to receive, on a cumulative basis, annual dividends for each calendar year of six cents ($.06) per share, payable out of any legally available funds. Such dividends will be accrued and become payable annually, on December 31 of each year, in preference and priority to any payment of any dividend on the Common Stock. In the event that the Corporation does not have legally available funds to pay such dividends in their entirety when accrued and payable, it shall pay that portion of such dividends for which it possesses legally available funds on the applicable payment date and the remaining unpaid portion as soon as adequate funds become available. Any accrued dividends that remain unpaid due to the lack of legally available funds shall bear interest at a rate of six per cent (6%) per annum until paid. No dividends shall be declared or

paid on any share of Common Stock until all accrued and unpaid dividends on the Preferred Stock shall have been paid in full. If the Corporation fails in any year to pay in full the dividends on the Preferred Stock, the holders of a majority thereof shall be entitled to elect a majority of the Board of Directors of the Corporation. Such right to elect a majority of the Directors will continue until such time as all dividends in default have been paid in full or the issued and outstanding Preferred Stock is redeemed. Whenever holders of the Preferred Stock have voting rights, as provided above, the President of the Corporation shall, within ten (10) days after delivery to the Corporation at its principal office of a request for a special joint meeting of the holders of the Common Stock and the Preferred Stock signed by any holder of Preferred Stock, call a special joint meeting of the holders of Common Stock and the Preferred Stock to be held within thirty (30) days after the delivery of such request for the purpose of electing such number of directors as the holders of the Preferred Stock are then entitled to elect, such directors to serve until the next annual meeting, or until their respective successors shall be elected and shall qualify. If at any such special meeting any director shall not be reelected, his term of office shall terminate on the election and qualification of his successor, notwithstanding that the term for which such director was originally elected shall not then have expired.

FOURTH: The foregoing amendments were adopted in accordance with the applicable provisions of Section 607.0704 of the Florida Business Corporation Act by the written consent of a majority in interest of the shareholders of the Corporation dated as of April 8, 1999; such written consent represents a sufficient number of votes cast for such amendment necessary for the approval thereof.

FIFTH: These Articles of Amendment shall be effective upon filing in the Office of the Florida Department of State.

IN WITNESS WHEREOF, these Articles of Amendment have been executed on behalf of the Corporation by its President this 8th day of April, 1999.

THE GREATER CONSTRUCTION CORP.,
a Florida corporation

By: /s/ Charles W. Gregg
Charles W. Gregg, President

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
THE GREATER CONSTRUCTION CORP.

Pursuant to the provisions of Section 607.1006 of the Florida Business Corporation Act, The Greater Construction Corp, a corporation organized and existing under and by virtue of the Florida Business Corporation Act (the "Corporation"), does hereby certify:

FIRST: The name of the Corporation is The Greater Construction Corp.

SECOND: The Original Articles of Incorporation of the Corporation were filed in the Office of the Florida Secretary of State on June 21, 1965 and assigned Charter No. 294159 and amended by Articles of Amendment filed on January 3, 1991, December 31, 1992, and August 27, 1998.

THIRD: Pursuant to a Plan of Capitalization duly adopted by the directors and shareholders of the Corporation, the amendment set forth below to the Corporation's Articles of Incorporation was duly adopted in accordance with the provisions of Section 607.1006 of the Florida Business Corporation Act. Article III of the Articles of Incorporation of the Corporation, as heretofore amended, is hereby deleted in its entirety and the following new Article III inserted in lieu thereof:

III. CAPITAL STOCK

1. Number and Classes of Shares Authorized. The total number of shares of all classes of capital stock which the Corporation shall have authority to issue is twenty thousand (20,000) shares, of which ten thousand (10,000) shall be shares of Class A Common Stock, and ten thousand (10,000) shall be shares of Class B Common Stock. The par value of both classes of Common Stock shall be ten cents ($.10) per share. The consideration for all of the above stock shall be payable in cash or property (tangible and intangible), at a just valuation to be fixed by the Board of Directors of the Corporation.

2. Voting Rights of the Common Stock. The Class A Common Stock shall possess and exercise all voting rights with regard to actions to be taken by shareholders of the Corporation generally, including the election of directors, and each record holder of such stock shall be entitled to one vote for each share held. Shareholders holding Class A Common Stock shall have no cumulative voting rights in any election of directors of the Corporation. The Class B Common Stock shall not have or possess any voting rights for any purpose, except those required by law. Except for the difference in voting rights, the Class A Voting Stock and the Class B Common Stock shall be the same in all other respects and shall have all the same rights and entitlements.

3. Preemptive Rights. No shareholder of the Corporation shall have the right, upon the sale for cash or otherwise, of any new stock of the Corporation held by it in its treasury or otherwise, of the same or any other kind, class or series as that which such shareholder already holds, to purchase a pro rata or any other stare of such stock at the same price at which it is offered to others by the Corporation or for any other price.

FOURTH: The foregoing amendment was adopted in accordance with the applicable provisions of Section 607.0704 of the Florida Business Corporation Act by the written consent of a majority in interest of the shareholders of the Corporation dated as of September 12, 2002; such written consent represents a sufficient number of votes cast for such amendment necessary for the approval thereof.

FIFTH: These Articles of Amendment shall be effective upon filing in the Office of the Florida Department of State.

IN WITNESS WHEREOF, these Articles of Amendment have been executed on behalf of the Corporation by its President this 12th day of September, 2002.

THE GREATER CONSTRUCTION CORP

By: /s/ Charles W. Gregg
Charles W. Gregg
Its: President/Director

ARTICLES OF AMENDMENT
TO
THE ARTICLES OF INCORPORATION
OF
THE GREATER CONSTRUCTION CORP.

Pursuant to the provisions of Sections 607.1003 and 607.1006 of the Florida Statutes, **THE GREATER CONSTRUCTION CORP**., adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the corporation is THE GREATER CONSTRUCTION CORP.

2. The original Articles of Incorporation for the corporation were filed on June 21, 1965, and assigned Charter No. 294159, which was further amended on August 28, 1985; on January 3, 1991; December 31, 1992; August 27, 1998; April 12, 1999; and September 13, 2002; respectively.

3. By written consent action executed on May 19, 2005 by the shareholders and directors of the corporation, the shareholders and directors have approved, authorized and directed that the Articles of Incorporation be amended to change name of the corporation to "GREATER HOMES, INC.". The amendment was approved by the shareholders of the corporation and the number of votes cast for approval was sufficient.

4. Article I of the Articles of Incorporation is hereby amended to read as follows:

ARTICLE I - NAME

The name of this corporation shall be **GREATER HOMES, INC**.

**IN WITNESS WHEREOF**, the President of the corporation has executed these Articles of Amendment this 19th day of May, 2005, on behalf of the corporation.

THE GREATER CONSTRUCTION CORP.,
a Florida corporation

By: /s/ Charles W. Gregg
Charles W. Gregg, President

**ARTICLES OF MERGER**
**MERGING MERITAGE HOMES OF FLORIDA, INC.**
**WITH AND INTO GREATER HOMES, INC.**

The undersigned corporations adopt the following Articles of Merger for the purpose of merging Meritage Homes, Inc., an Arizona corporation, with and into Greater Homes, Inc., a Florida corporation (the “Surviving Corporation”) (the “Merger”):

**FIRST**: The Merger shall be effected pursuant to the terms of the Plan of Merger (the “Plan of Merger”) which is being filed with these Articles of Merger and is attached hereto as Exhibit A.

**SECOND**: The names of the corporations that are the parties to the Merger and their respective jurisdictions of incorporation are as follows:

| Name of Corporation | Jurisdiction of Incorporation |
|---|---|
| Meritage Homes of Florida, Inc. | Arizona |
| Greater Homes, Inc. | Florida |

**THIRD**: The Merger shell be effective on September 30, 2008 at 11:59 p.m. Eastern standard time.

**FOURTH**: The name and address of the known place of business of the surviving corporation is Greater Homes, Inc., 17851 North 85th Street, Suite 300, Scottsdale, Arizona 85255.

**FIFTH**: The name and address of the statutory agent of the Surviving Corporation is CT Corporation System, 1200 South Pine Island Road, Plantation, Florida 33324.

**SIXTH**: There is one voting group for Meritage Homes of Florida, Inc. and two voting groups for Greater Homes, Inc. entitled to vote on the Plan of Merger. The designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan of Merger are as follows:

| Name of Corporation | Designation of Each Class or Series | Number of Shares Outstanding in Each Class or Series | Number of Shares Entitled to Vote in Each Class or Series |
|---|---|---|---|
| Meritage Homes of Florida, Inc. | Common | 1,000 | 1,000 |
| Greater Homes, Inc. | Class A Common | 10,000 | 10,000 |
| Greater Homes, Inc. | Class B Common | 10,000 | 10,000 |

**SEVENTH**: The total number of votes cast for and against the Plan of Merger by the holders of the common stock (the only class of stock of the respective corporations issued, outstanding and entitled to vote), which vote was by unanimous written consent as permitted by Sections 607.0704 of the Florida Statutes with respect to the Surviving Corporation, are as follows:

| Name of Corporation | Shares Voted For | Shares Voted Against |
|---|---|---|
| Meritage Homes of Florida, Inc. | 1,000 | 0 |
| Greater Homes, Inc. | 10,000 | 0 |
| Greater Homes, Inc. | 10,000 | 0 |

**EIGHTH**: As to each of the corporations that are party to the Merger, the number of votes cast for the Plan of Merger by each voting group entitled to vote thereon was sufficient for approval by that voting group and the date of such vote and the adoption of the Plan of Merger by the shareholders of the corporations party to the Merger was September 22, 2008.

IN WITNESS WHEREOF, the undersigned have hereunto set their hand this 22nd day of September 2008.

**MERITAGE HOMES OF FLORIDA, INC.**

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President, General Counsel and Secretary

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

**GREATER HOMES, INC.**

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President, General Counsel and Secretary

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

**EXHIBIT A**

PLAN OF MERGER

(see attached)

**PLAN OF MERGER**

1. Names of Merging Companies. This Plan of Merger ("Plan of Merger") sets forth the terms and conditions for the merger (the "Merger") of Meritage Homes of Florida, Inc., an Arizona corporation (the "Merging Corporation"), with and into Greater Homes, Inc., a Florida corporation (the "Surviving Corporation," and, together with the Merging Corporation, the "Constituent Corporations").

2. Terms and Conditions of Merger. The terms and conditions of the Merger are as follows:

a. The Merger Purposes and Effects of the Merger. On the Effective Date (as defined below), the Merging Corporation will be merged with and into the Surviving Corporation in accordance with, and with the effect provided in, Section 607.1101 and Section 607.1106 of the Florida Statutes; the separate existence of the Merging Corporation will cease; the Surviving Corporation will continue in existence as a Florida corporation and will succeed to all of the assets, rights, privileges, immunities and properties of the Merging Corporation; and the Surviving Corporation will be responsible and liable for all of the debts, liabilities and obligations of the Merging Corporation. All of the issued and outstanding shares of common stock of the Merging Corporation are owned by Meritage Homes Corporation, a Maryland corporation (the "Parent Corporation"). The Merging Corporation in turn owns all of the issued and outstanding shares of common stock of the Surviving Corporation. The Constituent Corporations have determined it is in the best interests of the Constituent Corporations and their shareholders to effect the Merger, which is anticipated to result in administrative conveniences and operational efficiencies. The sole shareholder of the Merging Corporation (Parent Corporation) will receive, as consideration for the surrender of its shares in the Merging Corporation, 100% of the outstanding shares of the Surviving Corporation. As a result of the Merger, all of the assets and all of the liabilities will be treated as transferred to or assumed by the Surviving Corporation. The Constituent Corporations intend that the Merger will be treated as an "A" reorganization under section 368(a)(1)(A) of the Internal Revenue Code, as amended. Without limiting the foregoing, on and after the Effective Date, the Surviving Corporation shall possess all of the rights, privileges, powers and franchises, of a public as well as of a private nature, and be subject to all the restrictions, disabilities, liabilities and duties of each of the Constituent Corporations; and all property, real, personal and mixed, and all and every other interest belonging to each of the Constituent Corporations shall be vested in the Surviving Corporation and shall be thereafter as effectually the property of the Surviving Corporation as they were of the Constituent Corporations, and the title to any real estate vested, by deed or otherwise, in either of the Constituent corporations shall not revert or be in any way impaired, but all rights of creditors and all liens upon any property of either of the Constituent Corporations shall be preserved unimpaired; and all debts, liabilities, and duties of the Constituent Corporations shall thenceforth attach to the Surviving Corporation, and may be enforced against it to the same extent as if said debts and liabilities had been incurred by it. Any action or proceeding, whether civil, criminal, or administrative, pending by or against either of the Constituent Corporations may be prosecuted as if the Merger had not taken place, or the Surviving Corporation may be substituted as a party in such action or proceeding in place of the Merging Corporation.

b. Articles of Incorporation. No changes will be made in the Articles of Incorporation of the Surviving Corporation in connection with the Merger and the Articles of Incorporation of the Surviving Corporation will continue to be its Articles of Incorporation on and after the Effective Date of the Merger until further amended according to law.

c. Bylaws. No changes will be made in the Amended and Restated Bylaws of the Surviving Corporation in connection with the Merger and the Amended and Restated Bylaws of the Surviving Corporation, as heretofore amended, will continue to be its Bylaws on and after the Effective Date until further amended according to the provisions thereof and applicable law.

d. Officers and Directors. The directors and officers of the Surviving Corporation immediately prior to the effectiveness of the Merger shall continue to be the directors and officers of the Surviving Corporation on and after the Effective Date in their same capacities and with their same responsibilities and authorities, until changed according to the provisions of applicable law and of the Surviving Corporation's Articles of Incorporation and Bylaws.

3. Manner and Basis of Converting Shares. On the Effective Date (i) the issued and outstanding shares of common stock of the Merging Corporation held by the Parent Corporation will be surrendered and cancelled, (ii) the shares of common stock of the Surviving Corporation held by the Merging Corporation will be surrendered and cancelled and one share of Class A common stock of the Surviving Corporation will be issued to the Parent Corporation for each share of common stock of the Merging Corporation surrendered by the Parent Corporation and cancelled, and (iii) the Parent Corporation will thereby become the sole shareholder of the Surviving Corporation.

4. Effective Date of the Merger. The Merger will be effective on September 30, 2008 at 11:59 p.m. Eastern standard time (the "Effective Date").

5. Further Assurances. If at any time after the Effective Date, the Surviving Corporation deems it necessary or advisable that any further assignments or assurances in are required to vest, perfect or confirm, of record or otherwise, in the Surviving Corporation, title to, and possession of, any property or right of the Merging Corporation required or to be required as a result of the Merger, the Surviving Corporation and its proper officers and directors shall execute and deliver any deed, assignment or other document and take any such other action as may be required and such proper officers and directors are fully authorized in the name and on behalf of the Merging Corporation or otherwise to take any and all such action.

6. Termination. This Plan of Merger may be terminated and the Merger may be abandoned by mutual consent of the respective Boards of Directors of the Constituent Corporations at any time prior to the Effective Date.

7. Amendment. This Plan of Merger may be amended by the parties hereto by action taken or authorized by their respective Boards of Directors if any time before or after approval of the matters presented in connection with the Merger by the shareholders of the Constituent Corporations. The Plan of Merger may not be amended except by an instrument in writing signed on behalf of all the parties hereto.

8. Headings. The headings in this Plan of Merger are inserted for convenience only and shall not constitute a part hereof.

MERITAGE HOMES OF FLORIDA, INC.

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President, General Counsel and Secretary

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

GREATER HOMES, INC.

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President, General Counsel and Secretary

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

ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF
GREATER HOMES, INC.

Pursuant to the provisions of Sections 607.1003 and 607.1006 of the Florida Statutes, **GREATER HOMES, INC**, a Florida corporation (the "Corporation"), adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the Corporation is **GREATER HOMES, INC**.

2. The original Articles of Incorporation for the Corporation were filed on June 21, 1965, and assigned Charter No. 294159, which were further amended on August 27, 1985; on January 3, 1991; on December 31, 1992; on August 27, 1998; on April 12, 1999; on September 13, 2002; and on May 19, 2005; respectively.

3. By written consent executed on October 1, 2008, by the shareholders and directors of the corporation, the shareholders and directors have approved, authorized and directed that the Articles of Incorporation be amended to change the name of the corporation to "MERITAGE HOMES OF FLORIDA, INC." The amendment was approved by the shareholders of the corporation and the number of votes cast for approval was sufficient.

4. Article I of the Articles of Incorporation is hereby amended to read as follows:

ARTICLE I – NAME:

The name of this corporation shall be **MERITAGE HOMES OF FLORIDA, INC**.

**IN WITNESS WHEREOF**, the Executive Vice President, General Counsel and Secretary of the corporation has executed these Articles of Amendment this 1st day of October, 2008, on behalf of the corporation.

GREATER HOMES, INC.,
a Florida corporation

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President, General Counsel and Secretary

**ARTICLES OF AMENDMENT**
**TO THE ARTICLES OF INCORPORATION**
**OF**
**MERITAGE HOMES OF FLORIDA, INC.**

Pursuant to the provisions of Sections 607.1003 and 607.1006 of the Florida Statutes, **MERITAGE HOMES OF FLORIDA, INC.,** a Florida corporation (the "Corporation"), adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the Corporation is **MERITAGE HOMES OF FLORIDA, INC.**

2. The original Articles of Incorporation for the Corporation were filed on June 21, 1965, and assigned Charter No. 294159, which were further amended on August 27, 1985; on January 3, 1991; on December 31, 1992; on August 27, 1998; on April 12, 1999; on September 13, 2002; on May 19, 2005; and on October 1, 2008; respectively.

3. By written consent executed on April 12, 2010, by the shareholders and directors of the corporation, the shareholders and directors have approved, authorized and directed that the Articles of Incorporation be amended to modify Article II of the Articles of Incorporation as set forth herein. The amendment was approved by the shareholders of the corporation and the number of votes cast for approval was sufficient.

4. Article II of the Articles of Incorporation is hereby amended to read as follows:

ARTICLE II – PURPOSE

The general purpose of this corporation shall be the transaction of any and all lawful business. This corporation shall have all the powers enumerated in the Florida Business Corporation Act, as the same now exists and as hereafter amended, and all such other powers as are permitted by applicable law.

**IN WITNESS WHEREOF**, the Executive Vice President, General Counsel and Secretary of the corporation has executed these Articles of Amendment this 12th day of April, 2010, on behalf of the corporation.

**MERITAGE HOMES OF FLORIDA, INC.,**
a Florida corporation

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President,
General Counsel and Secretary

# AMENDED AND RESTATED BYLAWS

# OF

# THE GREATER CONSTRUCTION CORP.

## ARTICLE I - MEETINGS OF SHAREHOLDERS

Section 1. Annual Meeting. The annual meeting of the shareholders of this corporation shall be held at the time and place designated by the Board of Directors of the corporation. The annual meeting of shareholders for any year shall be held no later than thirteen (13) months after the last preceding annual meeting of shareholders. Business transacted at the annual meeting include the election of directors of the corporation.

Section 2. Special Meetings. Special meetings of the shareholders (or annual meetings, if not held within the time specified in Section 1 hereof) shall be held when directed by the President or the Board of Directors, or when requested in writing by the holders of not less than ten percent of all the shares entitled to vote at the meeting. The call for the meeting shall be issued by the Secretary, unless the President, Board of Directors, or shareholders requesting the meeting shall designate another person to do so.

Section 3. Place. Meetings of shareholders may be held within or without the State of Florida.

Section 4. Notice. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given not less than ten nor more than sixty days before the meeting, personally, by first class mail, or by any other means permitted under Chapter 607, Florida Statutes, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his address as it appears on the stock transfer books of the corporation, with postage thereon prepaid.

Section 5. Notice of Adjourned Meetings. When a meeting is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. At the adjourned meeting any business may be transacted that might have been transacted on the original date of the meeting. If, however, after the adjournment the Board of Directors fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall be given as provided in Section 4 to each shareholder of record on the new record date entitled to vote at such meeting.

Section 6. Exceptions to Notice Requirements. Notwithstanding the foregoing, no notice of a shareholders' meeting need be given to a shareholder if:

(a) An annual report and proxy statements for two consecutive annual meetings of shareholders or

(b) All notices and at least two checks in payment of dividends or interest on securities during a 12-month period,

have been sent by first-class United States mail, addressed to the shareholder at his address as it appears on the share transfer books of the corporation, and returned undeliverable. The obligation of the corporation to give notice of a shareholders' meeting to any such shareholder shall be reinstated once the corporation has received a new address for such shareholder for entry on its share transfer books.

Section 7. Closing of Transfer Books and Fixing Record Date. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other purpose, the Board of Directors may provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, sixty days. If the stock transfer books shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least ten days immediately preceding such meeting.

In lieu of closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for any determination of shareholders, such date in any case to be not more than sixty days and, in case of a meeting of shareholders, not less than ten days prior to the date on which the particular action requiring such determination of shareholders is to be taken.

If the stock transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a dividend, the date on which notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders.

When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof, unless the Board of Directors fixes a new record date for the adjourned meeting.

Section 8. Voting Record. After fixing a record date for a meeting, the Secretary shall make, at least ten days before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting or any adjournment thereof, with the address of and the number, class and series, if any, of shares held by each. The list, for a period of ten days prior to such meeting, shall be kept on file at the registered office of the corporation, at the principal place of business of the corporation or at the office of the transfer agent or registrar of the corporation, and any shareholder shall be entitled to inspect the list at any time during usual business hours. The list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder at any time during the meeting.

If the requirements of this section have not been substantially complied with, the meeting, on demand of any shareholder in person or by proxy, shall be adjourned until the requirements are complied with. If no such demand is made, failure to comply with the requirements of this section shall not affect the validity of any action taken at such meeting.

Notwithstanding anything contained in this Section 8 to the contrary, in the event that the corporation has less than six shareholders, this Section 8 shall be null and void.

Section 9. Shareholder Quorum and Voting. A majority of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders but in no event shall a quorum consist of less than one-third of the shares entitled to vote. When a specified item of business is required to be voted on by a class or series of stock, a majority of the shares of such class or series shall constitute a quorum for the transaction of such item of business by that class or series.

An amendment to the articles of incorporation that adds, changes, or deletes a greater or lesser quorum or voting requirement must meet the same quorum requirement and be adopted by the same vote and voting groups required to take action under the quorum and voting requirements then in effect or proposed to be adopted, whichever is greater.

If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on the subject matter shall be the act of the shareholders unless a greater number of affirmative votes or voting by classes is required by the articles of incorporation or these Bylaws.

After a quorum has been established at a shareholders' meeting, the subsequent withdrawal of shareholders, so as to reduce the number of shareholders entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof.

Section 10. Voting of Shares. Each outstanding share, regardless of class, unless otherwise provided in the articles of incorporation, shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders.

Shares of stock of this corporation owned by another corporation the majority of the voting stock of which is owned or controlled by this corporation, and shares of stock of this corporation held by it in a fiduciary capacity shall not be voted, directly or indirectly, at any meeting, and shall not be counted in determining the total number of outstanding shares at any given time.

A shareholder may vote either in person or by proxy executed in writing by the shareholder or his duly authorized attorney-in-fact.

At each election for directors every shareholder entitled to vote at such election shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected at that time.

Shares standing in the name of another corporation, domestic or foreign, may be voted by the officer, agent, or proxy designated by the Bylaws of the corporate shareholder; or, in the absence of any applicable Bylaw, by such person as the Board of Directors of the corporate shareholder may designate. Proof of such designation may be made by presentation of a certified copy of the Bylaws or other instrument of the corporate shareholder. In the absence of any such designation, or in case of conflicting designation by the corporate shareholder, the chairman of the board, president, any vice president, secretary and treasurer of the corporate shareholder shall be presumed to possess, in that order, authority to vote such shares.

Shares held by an administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name.

Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee or his nominee shall be entitled to vote the shares so transferred.

On and after the date on which written notice of redemption of redeemable shares has been mailed to the holders thereof, and a sum sufficient to redeem such shares has been deposited with a bank or trust company with irrevocable instruction and authority to pay the redemption price to the holders thereof upon surrender of certificates therefor, such shares shall not be entitled to vote on any matter and shall not be deemed to be outstanding shares.

If a share or shares stand of record in the names of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two or more persons have the same fiduciary relationship respecting the same shares, unless the secretary of the corporation is given notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, then acts with respect to voting have the following effect:

(a) If only one votes, in person or by proxy, his act binds all;

(b) If more than one vote, in person or by proxy, the act of the majority so voting binds all;

(c) If more than one vote, in person or by proxy, but the vote is evenly split on any particular matter, each faction is entitled to vote the share or shares in question proportionally;

(d) If the instrument or order so filed shows that any such tenancy is held in unequal interest, a majority or a vote evenly split for purposes of this subsection shall be a majority or a vote evenly split in interest;

Section 11. Proxies. Every shareholder entitled to vote at a meeting of shareholders or to express consent or dissent without a meeting, or a shareholder’s duly authorized attorney-in-fact, may authorize another person or persons to act for him by proxy. A shareholder may appoint a proxy to vote or otherwise act for him by signing an appointment form, either personally or by his attorney-in-fact. An executed telegram or cablegram appearing to have been transmitted by such person, or a photographic, photostatic, or equivalent reproduction of an appointment form, is a sufficient appointment form.

An appointment of a proxy is effective when received by the secretary or other officer or agent authorized to tabulate votes.

Every proxy must be signed by the shareholder or his attorney-in-fact. No proxy shall be valid after the expiration of eleven months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the shareholder executing it, except as otherwise provided by law.

The authority of the holder of a proxy to act shall not be revoked by the incompetence or death of the shareholder who executed the proxy unless, before the authority is exercised, written notice of an adjudication of such incompetence or of such death is received by the corporate officer responsible for maintaining the list of shareholders.

If a proxy for the same shares confers authority upon two or more persons and does not otherwise provide to the contrary, a majority of them present at the meeting (or if only one is present then that one) may exercise all the powers conferred by proxy; but if the proxy holders present at the meeting are equally divided as to the right and manner of voting in any particular case, the voting of such shares shall be prorated.

If a proxy expressly provides, any proxy holder may appoint in writing a substitute to act in his place.

Section 12. Voting Trusts. Any number of shareholders of this corporation may create a voting trust for the purpose of conferring upon a trustee or trustees the right to vote or otherwise represent their shares, as provided by law. Where the counterpart of a voting trust agreement and the copy of the record of the holders of voting trust certificates has been deposited with the corporation as provided by law, such documents shall be subject to the same right of examination by a shareholder of the corporation, in person or by agent or attorney, as are the books and records of the corporation, and such counterpart and such copy of such record shall be subject to examination by any holder of record of voting trust certificates either in person or by agent or attorney, at any reasonable time for any proper purpose.

A voting trust becomes effective on the date the first shares subject to the trust are registered in the trustee's name. A voting trust is valid for not more than 10 years after its effective date unless extended in the mariner provided by law. If the voting trust is extended, the voting trustee must deliver copies of the extension agreement and list of beneficial owners to the corporation's principal office. An extension agreement binds only those parties signing it.

Section 13. Shareholders' Agreements. Two or more shareholders of this corporation may provide for the manner in which they will vote their shares by signing an agreement for that purpose. A transferee of shares of any shareholder who is a party to any such agreement shall be bound by such agreement if he takes shares subject to such agreement with notice thereof. A transferee shall be deemed to have notice of any such agreement if the existence thereof is noted on the face or back of the certificate or certificates representing such shares.

Unless the shares of the corporation are listed on a national securities exchange or a market otherwise exists for the shares as evidenced by regular quotations by licensed securities dealers or brokers, a written agreement to which all the shareholders have assented, whether embodied in the articles of incorporation, these Bylaws or in any agreement in writing and signed by all the parties thereto, and which relates to any phase of the affairs of the corporation, whether to the management of its business, division of its profits, or otherwise, shall be valid to restrict the discretion of the board of directors in its management of the business of the corporation, to treat the corporation as if it were a partnership, or to arrange their relationships in a manner that would be appropriate only between partners. The effect of any such agreement is to relieve the directors and impose upon the shareholders assenting thereto the liability for managerial acts or omissions that is imposed on directors by law, to the extent that, and so long as, the discretion or powers of the board of directors in its management of corporate affairs are controlled by any such agreement. When a shareholders' agreement is signed, the shareholders parties thereto shall deliver copies of the agreement to the corporation's principal office. After filing a copy of the agreement in the corporation's principal office, such copy shall be open to inspection by any shareholder of the corporation (subject to the requirements of these bylaws and applicable law) or any party to the agreement during business hours.

Section 14. Action by Shareholders Without a Meeting. Any action required by law, these Bylaws, or the articles of incorporation of this corporation to be taken at any annual or special meeting of shareholders of the corporation, or any action which may be taken at any annual or special meeting of such shareholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock of each voting group entitled to vote thereon having not less than the minimum number of votes with respect to each voting group that would be necessary to authorize or take such action at a meeting at which all voting groups and shares entitled to vote thereon were present and voted.

In order to be effective the action must be evidenced by one or more written consents describing the action taken, dated and signed by approving shareholders having the requisite number of votes of each voting group entitled to vote thereon, and delivered to the corporation by delivery to its principal office in this state, its principal place of business, the corporate secretary, or another officer or agent of the corporation having custody of the book in which proceedings of meetings of shareholders are recorded. No written consent shall be effective to take the corporate action referred to therein unless, within 60 days of the date of the earliest dated consent delivered the manner required by law, written consent signed by the number of holders required to take action is delivered to the corporation by delivery as set forth herein.

Any written consent may be revoked prior to the date that the corporation receives the required number of consents to authorize the proposed action. No revocation is effective unless in writing and until received by the corporation at its principal officer in this state or its principal place of business, or received by the corporate secretary or other officer or agent of the corporation having custody of the book in which proceedings of meetings of shareholders are recorded.

Within ten days after obtaining such authorization by written consent, notice shall be given to those shareholders who have not consented in writing or who are not entitled to vote on the action. The notice shall fairly summarize the material features of the authorized action, and, if the action be a merger, consolidation or sale or exchange of assets for which dissenters' rights

are provided by law, the notice shall contain a clear statement of the right of shareholders dissenting therefrom to be paid the fair value of their shares upon compliance with the provisions of law regarding the rights of dissenting shareholders.

A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

## ARTICLE II - DIRECTORS

Section 1. Function. All corporate powers shall be exercised by or under the authority of, and the business and affairs of a corporation shall be managed under the direction of, the Board of Directors.

Section 2. Qualification. Directors need not be residents of this state or shareholders of this corporation, but must be natural persons who are 18 years of age or older.

Section 3. Number. The initial directors are named in the articles of incorporation of this corporation. The number of directors may be increased or decreased from the number so named from time to time by amendment to these Bylaws or the articles of incorporation of the corporation, but no decrease shall have the effect of shortening the terms of any incumbent director.

Section 4. Duties of Directors. A director shall perform his duties as a director, including his duties as a member of any committee of the board upon which he may serve, in good faith, in a manner he reasonably believes to be in the best interests of the corporation, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

In performing his duties, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(a) One or more officers or employees of the corporation whom the director reasonably believes to be reliable and competent in the matters presented;

(b) Counsel, public accountants or other persons as to matters which the director reasonably believes to be within such persons' professional or expert competence; or

(c) A committee of the board upon which he does not serve, duly designated in accordance with a provision of the articles of incorporation or these Bylaws, as to matters within its designated authority, which committee the director reasonably believes to merit confidence.

A director shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause such reliance described above to be unwarranted.

In discharging his duties, a director may consider such factors as the director deems relevant, including the long-term prospects and interests of the corporation and its shareholders, and the social, economic, legal, or other effects of any action on the employees, suppliers, customers of the corporation or its subsidiaries, the communities and society in which the corporation or its subsidiaries operate, and the economy of the state and the nation.

A director is not liable for any action taken as a director, or any failure to take any action, if he performed the duties of his office in compliance with this section.

Section 5. Compensation. The Board of Directors shall have authority to fix the compensation of Directors.

Section 6. Election and Term. Each person named in the articles of incorporation (or appointed by the Incorporator, as the case may be) as a member of the initial Board of Directors shall hold office until the first annual meeting of shareholders, and until his successor shall have been elected and qualified or until his earlier resignation, removal from office or death.

At the first annual meeting of shareholders, and at each annual meeting thereafter, the shareholders shall elect directors to hold office until the next succeeding annual meeting. Each director shall hold office for the term for which he is elected and until his successor shall have been elected and qualified or until his earlier resignation, removal from office or death.

Section 7. Vacancies. Any vacancy occurring in the Board of Directors, including any vacancy created by reason of an increase in the number of directors, may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors or by the shareholders. A director elected to fill a vacancy shall hold office only until the next election of directors by the shareholders.

A vacancy that will occur at a specific later date (by reason of a resignation effective at a later date) may be filled before the vacancy occurs but the new director may not take office until the vacancy occurs.

Section 8. Removal of Directors. The shareholders may remove one or more directors with or without cause. If a director is elected by a voting group of shareholders, only the shareholders of that voting group may participate in the vote to remove him. A director may be removed by the shareholders at a meeting of shareholders, provided the notice of the meeting states that the purpose, or one of the purposes, of the meeting is removal of the director.

Section 9. Quorum and Voting. A majority of the number of directors fixed by these Bylaws shall constitute a quorum for the transaction of business. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. A director of this corporation who is present at a meeting of the board of directors or a committee of the board of directors when corporate action is taken is deemed to have assented to the action taken unless he objects at the beginning of the meeting (or promptly upon his arrival) to holding it or transacting specified business at the meeting, or he votes against or abstains from the action taken.

Section 10. Director Conflicts of Interest. No contract or other transaction between this corporation and one or more of its directors or any other corporation, firm, association or entity

in which one or more of the directors are directors or officers or are financially interested, shall be either void or voidable because of such relationship or interest, because such director or directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction or because his or their votes are counted for such purpose, if:

(a) The fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested directors; or

(b) The fact of such relationship or interest is disclosed or known to the shareholders entitled to vote and they authorize, approve or ratify such contract or transaction by vote or written consent; or

(c) The contract or transaction is fair and reasonable as to the corporation at the time it is authorized by the board, a committee or the shareholders.

Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction. A conflict of interest transaction is authorized, approved, or ratified if it receives the vote of a majority of the shares entitled to be counted under this section. Shares owned by or voted under the control of a director who has a relationship or interest in the transaction described above may not be counted in a vote of shareholders to determine whether to authorize, approve, or ratify a conflict of interest transaction under paragraph (b). The vote of those shares, however, is counted in determining whether the transaction is approved under other provisions of these Bylaws. A majority of the shares, whether or not present, that are entitled to be counted in a vote on a transaction described in this section constitutes a quorum for the purpose of taking action under this section.

Section 11. Executive and Other Committees. The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an executive committee and one or more other committees each of which, to the extent provided in such resolution, shall have and may exercise all the authority of the Board of Directors, except that no committee shall have the authority to:

(a) Approve or recommend to shareholders actions or proposals required by law to be approved by shareholders;

(b) Fill vacancies on the Board of Directors or any committee thereof;

(c) Adopt, amend or repeal these Bylaws;

(d) Authorize or approve the reacquisition of shares unless pursuant to a general formula or method specified by the Board of Directors; or

(e) Authorize or approve the issuance or sale or contract for the sale of shares, or determine the designation and relative rights, preferences, and limitations of a voting group except that the board of directors may authorize a committee (or a senior executive officer of the corporation) to do so within limits specifically prescribed by the board of directors.

All provisions of these Bylaws and Florida law pertaining to meetings, notice and waiver of notice, and quorum and voting requirements of the board of directors apply with like effect to committees and their members.

Each committee must have two or more members who serve at the pleasure of the board of directors. The board, by resolution adopted in accordance with this section, may designate one or more directors as alternate members of any such committee who may act in the place and stead of any absent member or members at any meeting of such committee.

Neither the designation of any such committee, the delegation thereto of authority, nor action by such committee pursuant to such authority shall alone constitute compliance by any member of the board of directors not a member of the committee in question with his responsibility to act in good faith, in a manner he reasonably believes to be in the best interests of the corporation, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

The Board of Directors, by resolution adopted in accordance with this section, may designate one or more directors as alternate members of any such committee, who may act in the place and stead of any absent member or members at any meeting of such committee.

Section 12. Notice of Meetings and Waiver of Notice. Regular meetings of the board of directors may be held without notice of the date, time, place, or purpose of the meeting. Special meetings of the board of directors must be preceded by at least two (2) days' notice of the date, time, and place of the meeting, delivered personally, or given by any other means permitted under Chapter 607, Florida Statutes, to each director. A mailed notice to a director shall be sent by first class or certified mail, addressed to the director at the last address of the director on record with this corporation. The notice need not describe the purpose of the special meeting unless required by the articles of incorporation.

Notice of a meeting of the Board of Directors need not be given to any director who signs a waiver of notice either before or after the meeting. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and waiver of any and all obligations to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a director states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened.

Section 13. Meetings. Regular and special meetings by the Board of Directors may be held within or without the State of Florida.

A majority of the directors present, whether or not a quorum exists, may adjourn any meeting of the Board of Directors to another time and place. Notice of any such adjourned meeting shall be given to the directors who were not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other directors.

Meetings of the Board of Directors may be called by the chairman of the board, by the president of the corporation, or by any two directors. Members of the Board of Directors may participate in a meeting of such board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at the meeting.

Section 14. Action Without a Meeting. Any action required to be taken at a meeting of the directors of this corporation, or any action which may be taken at a meeting of the directors or a committee thereof, may be taken without a meeting if one or more written consents setting forth the action so to be taken, signed by all of the directors, or all the members of the committee, as the case may be, is filed in the minutes of the proceedings of the board or of the committee. Such consent shall have the same effect as a unanimous vote. The action taken is effective when the last director signs the consent, unless the consent specifies a different effective date.

## ARTICLE III - OFFICERS

Section 1. Officers. The officers of this corporation shall consist of a president, a vice president, a secretary and a treasurer, each of whom shall be elected by the Board of Directors initially at the organizational meeting of the Board of Directors and thereafter at the first meeting of directors immediately following the annual meeting of shareholders of this corporation. All officers shall serve until their successors are chosen and qualify. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors from time to time. Any two or more offices may be held by the same person. The failure to elect a president, a vice president, a secretary or a treasurer shall not affect the existence of this corporation.

Section 2. Duties. The officers of this corporation shall have the following duties:

The President shall be the chief executive officer of the corporation, shall have general and active management of the business and affairs of the corporation subject to the directions of the Board of Directors, and shall preside at all meetings of the shareholders and Board of Directors.

The Vice President shall, in the absence of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

The Secretary shall have custody of, and maintain, all of the corporate records except the financial records, shall record the minutes of all meetings of the shareholders and Board of Directors, send out all notices of meetings, and perform such other duties as may be prescribed by the Board of Directors or the President.

The Treasurer shall have custody of all corporate funds and financial records, shall keep full and accurate accounts of receipts and disbursements and render accounts thereof at the annual meetings of shareholders and at such other times as required by the Board of Directors or the President, and shall perform such other duties as may be prescribed by the Board of Directors or the President.

Section 3. Removal of Officers. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board at any time with or without cause.

Any vacancy, however occurring, in any office may be filled by the Board of Directors, unless these Bylaws shall have expressly reserved such power to the shareholders.

Removal of any officer shall be without prejudice to the contract rights, if any, of the person so removed; however, election or appointment of an officer or agent shall not of itself create contract rights.

## ARTICLE IV - STOCK CERTIFICATES

Section 1. Issuance. Every holder of shares in this corporation shall be entitled to have a certificate, representing all shares to which he is entitled. No certificate shall be issued for any share until such share is fully paid.

Section 2. Form. Certificates representing shares in this corporation shall be signed by the President or Vice President and the Secretary or an Assistant Secretary and may be sealed with the seal of this corporation or a facsimile thereof. The signatures of the President or Vice President and the Secretary or Assistant Secretary may be facsimiles if the certificate is manually signed on behalf of a transfer agent or a registrar, other than the corporation itself or an employee of the corporation. In case any officer who signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer at the date of its issuance.

In the event that the corporation is now or hereafter authorized to issue more than one class of stock, or in the event that the corporation is now or hereafter authorized to issue stock in series, every certificate representing shares issued by this corporation shall set forth or fairly summarize upon the face or back of the certificate, or shall state that the corporation will furnish to any shareholder, upon request and without charge, a full statement of the designations, preferences, limitations and relative rights of the shares of each class or series authorized to be issued, and the variations in the relative rights and preferences between the shares of each series so far as the same have been fixed and determined, and the authority of the Board of Directors to fix and determine the relative rights and preferences of subsequent series.

Every certificate representing shares which are restricted as to the sale, disposition or other transfer of such shares shall state that such shares are restricted as to transfer and shall set forth or fairly summarize upon the certificate, or shall state that the corporation will furnish to any shareholder upon request and without charge, a full statement of such restrictions.

Each certificate representing shares shall state upon the face thereof: the name of the corporation; that the corporation is organized under the laws of this state; the name of the person or persons to whom issued; the number and class of shares, and the designation of the series, if any, which such certificate represents; and the par value of each share represented by such certificate, or a statement that the shares are without par value.

Section 3. Transfer of Stock. The corporation shall register a stock certificate presented to it for transfer if the certificate is properly endorsed by the holder of record or by his duly authorized attorney, and the signature of such person has been guaranteed by a commercial bank or trust company or by a member of the New York or American Stock Exchange.

Section 4. Lost, Stolen, or Destroyed Certificates The corporation shall issue a new stock certificate in the place of any certificate previously issued if the holder of record of the certificate (a) makes proof in affidavit form that it has been lost, destroyed or wrongfully taken; (b) requests the issue of a new certificate before the corporation has notice that the certificate has been acquired by a purchaser for value in good faith and without notice of any adverse claim; (c) gives bond in such form, as the corporation may direct, to indemnify the corporation, the transfer agent, and registrar against any claim that may be made on account of the alleged loss, destruction, or theft of a certificate; and (d) satisfies any other reasonable requirements imposed by the corporation.

## ARTICLE V - BOOKS AND RECORDS

Section 1. Books and Records. This corporation shall keep correct and complete books and records of accounts and shall keep minutes of the proceedings of its shareholders, Board of Directors and committees of directors.

The corporation shall maintain accurate accounting records.

This corporation shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of its shareholders, giving the names and addresses of all shareholders, and the number, class and series, if any, of the shares held by each.

Any books, records and minutes may be in written form or in any other form capable of being converted into written form within a reasonable time. This corporation shall keep a copy of the following records:

(a) The articles or restated articles of incorporation and all amendments thereto in effect;

(b) These Bylaws and all amendments hereto in effect;

(c) Resolutions adopted by the board of directors creating one or more classes or series of shares and fixing their relative rights, preferences, and limitations, if shares issued pursuant to those resolutions are outstanding;

(d) The minutes of all shareholders' meetings and records of all action taken by shareholders without a meeting for the past 3 years;

(e) Written communications to all shareholders generally or all shareholders of a class or series within the past 3 years, including all financial statements furnished for the past 3 years.

(f) A list of the names and business street addresses of the current directors and officers; and

(g) This corporation's most recent annual report delivered to the Department of State.

Section 2. Shareholders' Inspection Rights. Any person who shall have been a holder of record of shares or of voting trust certificates therefor at least six months immediately preceding his demand or shall be the holder of record of, or the holder of record of voting trust certificates for, at least five percent of the outstanding shares of any class or series of the corporation, upon written demand stating the purpose thereof, shall have the right to examine, in person or by agent or attorney, at any reasonable time or times, for any proper purpose its relevant books and records of accounts, minutes and records of shareholders and to make extracts therefrom.

## ARTICLE VI - DIVIDENDS

The Board of Directors of this corporation may, from time to time, declare and the corporation may pay dividends on its shares in cash, property or its own shares, except when the corporation is insolvent or when the payment thereof would render the corporation insolvent or when the declaration or payment thereof would be contrary to any restrictions contained in the articles of incorporation, subject to the following provisions:

(a) Dividends in cash or property may be declared and paid, except as otherwise provided in this section, only out of the unreserved and unrestricted earned surplus of the corporation or out of capital surplus, howsoever arising, but each dividend paid out of capital surplus shall be identified as a distribution of capital surplus, and the amount per share paid from such surplus shall be disclosed to the shareholders receiving the same concurrently with the distribution.

(b) Dividends may be declared and paid in the corporation's own treasury shares.

(c) Dividends may be declared and paid in the corporation's own authorized but unissued shares out of unreserved and unrestricted surplus of the corporation upon the following conditions:

(1) If a dividend is payable in shares having a par value, such shares shall be issued at not less than the par value thereof and there shall be transferred to stated capital at the time such dividend is paid an amount of surplus equal to the aggregate par value of the shares to be issued as a dividend.

(2) If a dividend is payable in shares without par value, such shares shall be issued at such stated value as shall be fixed by the Board of Directors by resolution adopted at the time such dividend is declared, and there shall be transferred to stated capital at the time such dividend is paid an amount of surplus equal to the aggregate stated value so fixed in respect of such shares; and the amount per share so transferred to stated capital shall be disclosed to the shareholders receiving such dividend concurrently with the payment thereof.

(d) No dividend payable in shares of any class shall be paid to the holder of shares of any other class unless the articles of incorporation so provide or such payment is authorized by the affirmative vote or the written consent of the holders of at least a majority of the outstanding shares of the class in which the payment is to be made.

(e) A split-up or division of the issued shares of any class into a greater number of shares of the same class without increasing the stated capital of the corporation shall not be construed to be a share dividend within the meaning of this section.

## ARTICLE VII - CORPORATE SEAL

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the following:

**THE GREATER CONSTRUCTION CORP.**
**Florida**
**1965**

## ARTICLE VIII - INDEMNIFICATION

Section 1. Third Party Proceedings. This corporation shall indemnify any person who was or is a party to any proceeding (other than an action by, or in the right of, the corporation), by reason of the fact that he is or was a director, officer, employee, or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against liability incurred in connection with such proceeding, including any appeal thereof, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interests of the corporation or, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. Derivative Proceedings. This corporation shall indemnify any person who was or is a party to any proceeding by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee, or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses and amounts paid in settlement not exceeding, in the judgment of the board of directors, the estimated expense of litigating the proceeding to conclusion, actually and reasonably incurred in connection with the defense or settlement of such proceeding, including any appeal thereof. Such indemnification shall be authorized if such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation, except that no indemnification shall be made under this section in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable unless, and only to the extent that, the court in which proceeding was brought, or any other court of competent jurisdiction, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Section 3. Expenses. To the extent that a director, officer, employee, or agent of this corporation has been successful on the merits or otherwise in defense of any proceeding referred to in Section 1 or Section 2, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses actually and reasonably incurred by him in connection therewith.

<u>Section 4. Standard of Conduct</u>. Any indemnification under Section 1 or Section 2, unless pursuant to a determination by a court, shall be made by this corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 or Section 2. Such determination shall be made:

(a) By the board of directors by a majority vote of a quorum consisting of directors who were not parties to such proceeding;

(b) If such a quorum is not obtainable or, even if obtainable, by majority vote of a committee duly designated by the board of directors (in which directors who are parties may participate) consisting solely of two or more directors not at the time parties to the proceeding;

(c) By independent legal counsel:

(1) Selected by the board of directors prescribed in paragraph (a) or the committee prescribed in paragraph (b); or

(2) If a quorum of the directors cannot be obtained for paragraph (a) and the committee cannot be designated under paragraph (b), selected by majority vote of the full board of directors (in which directors who are parties may participate); or

(d) By the shareholders by a majority vote of a quorum consisting of shareholders who were not parties to such proceeding or, if no such quorum is obtainable, by a majority vote of shareholders who were not parties to such proceeding.

<u>Section 5. Reasonableness of Expenses</u>. Evaluation of the reasonableness of expenses and authorization of indemnification shall be made in the same manner as the determination that indemnification is permissible. However, if the determination of permissibility is made by independent legal counsel, persons specified by paragraph (c) of Section 4 shall evaluate the reasonableness of expenses and may authorize indemnification.

<u>Section 6. Advances for Expenses</u>. Expenses incurred by an officer or director in defending a civil or criminal proceeding may be paid by this corporation in advance of the final disposition of such proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if he is ultimately found not to be entitled to indemnification by the corporation pursuant to this Article VIII. Expenses incurred by other employees and agents may be paid in advance upon such terms or conditions that the board of directors deems appropriate.

<u>Section 7. Nonexclusivity of Indemnification Provisions</u>. The indemnification and advancement of expenses provided pursuant to this Article are not exclusive and the corporation may make any other or further indemnification or advancement of expenses of any of its directors, officers, employees, or agents, under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his official capacity and as to action in

another capacity while holding such office. However, indemnification or advancement of expenses shall not be made to or on behalf of any director, officer, employee, or agent if a judgment or other final adjudication establishes that his actions or omissions to act were material to the cause of action so adjudicated and constitute:

(a) A violation of the criminal law, unless the director, officer, employee or agent had reasonable cause to believe his conduct was lawful or bad no reasonable cause to believe his conduct was unlawful;

(b) A transaction from which the director, officer, employee, or agent derived an improper personal benefit;

(c) In the case of a director, a circumstance under which the liability provisions of Section 607.0834 of the Florida Business Corporation Act are applicable; or

(d) Willful misconduct or a conscious disregard for the best interest of the corporation in a proceeding by or in the right of the corporation to procure a judgment in its favor or in a proceeding by or in the right of a shareholder.

Section 8. Applicability to Former Officers, Etc. Indemnification and advancement of expenses as provided in this Article shall continue as, unless otherwise provided when authorized or ratified, to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person, unless otherwise provided when authorized or ratified.

Section 9. Court Ordered Indemnification. Unless the corporation's articles of incorporation provide otherwise, notwithstanding the failure of the corporation to provide indemnification, and despite any contrary determination of the board or of the shareholders in the specific case, a director, officer, employee, or agent of the corporation who is or was a party to a proceeding may apply for indemnification or advancement of expenses, or both, to the court conducting the proceeding, to the circuit court, or to another court of competent jurisdiction. On receipt of an application, the court, after giving any notice that it considers necessary, may order indemnification and advancement of expenses, including expenses incurred in seeking court-ordered indemnification or advancement of expenses, if it determines that:

(a) The director, officer, employee, or agent is entitled to mandatory indemnification under Section 3, in which case the court shall also order the corporation to pay the director reasonable expenses incurred in obtaining court-ordered indemnification or advancement of expenses;

(b) The director, officer, employee, or agent is entitled to indemnification or advancement of expenses, or both, by virtue of the exercise by the corporation of its power pursuant to Section 7; or

(c) The director, officer, employee, or agent is fairly and reasonably entitled to indemnification or advancement of expenses, or both, in view of all the relevant circumstances, regardless of whether such person met the standard of conduct set forth in Section 1, Section 2, or Section 7.

Section 10. Merger, Etc. For purposes of this Article, the term "corporation" includes, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger, so that any person who is or was a director, officer, employee, or agent of constituent corporation, or is or was serving at the request of a constituent corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, is in the same position under this Article with respect to the resulting or surviving corporation as he would have been with respect to such constituent corporation if its separate existence had continued.

Section 11. Definitions. For purposes of this Article:

(a) The term "other enterprises" includes employee benefit plans;

(b) The term "expenses" includes counsel fees, including those for appeal;

(c) The term "liability" includes obligations to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to any employee benefit plan), and expenses, actually and reasonably incurred with respect to a proceeding;

(d) The term "proceeding" includes any threatened, pending, or contemplated action, suit, or other type of proceeding whether civil, criminal, administrative, or investigative and whether formal or informal;

(e) The term "agent" includes a volunteer;

(f) The term "serving at the request of the corporation" includes any service as a director, officer, employee, or agent of the corporation that imposes duties on such persons, including duties relating to an employee benefit plan and its participants or beneficiaries; and

(g) The term "not opposed to the best interest of the corporation" describes the actions of a person who acts in good faith and in a manner he reasonably believes to be in the best interests of the participants and beneficiaries of any employee benefit plan.

Section 12. Insurance. The corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this section.

Section 13. Extension of Indemnification Provisions. To the extent that the Florida Business Corporation Act is amended after the date of these Bylaws to permit the corporation to provide broader indemnification rights than those set forth above in this Article VIII, then these Bylaws shall be deemed to automatically include any such amendments to the Florida Business Corporation Act.

ARTICLE IX - FINANCIAL STATEMENTS AND REPORTS

This corporation shall furnish to its shareholders such annual financial statements of this corporation and other reports as are required by law to be furnished to them.

ARTICLE X - AMENDMENT

These Bylaws may be repealed or amended, and new Bylaws may be adopted, by majority vote of either the Board of Directors or the shareholders, but the Board of Directors may not amend or repeal any Bylaw adopted by shareholders if the shareholders specifically provide that any such Bylaw shall not be subject to amendment or repeal by the directors.

These Bylaws adopted by Written Consent to Action of the Board of Directors Taken in Lieu of First Organizational Meeting dated effective as of the 31st day of December, 2004.

/s/ Simon Snyder
Simon Snyder, Secretary

**EXHIBIT 3.27.1**

**Articles of Merger**
**and Amendment**

**Of**

**MTH-TEXAS LP II, INC.**
**1034712-8**

**Into**

**MTH-TEXAS LP, INC.**
**0810116-9**

**Name Change to**

**MERITAGE HOMES OF TEXAS LP HOLDING, INC.**

**ARTICLES OF AMENDMENT AND MERGER**
**MERGING MTH-TEXAS LP II, INC**
**WITH AND INTO MTH-TEXAS LP, INC.**

**Effective January 31, 2006**

The undersigned corporations adopt the following Articles of Merger for the purpose of merging MTH-Texas LP II, Inc., an Arizona corporation with and into MTH-Texas LP, Inc., an Arizona corporation (the "Surviving Corporation") (the "Merger"):

**FIRST:** The Merger shall be effected pursuant to the terms of the Plan of Merger (the "Plan of Merger") which is being filed simultaneously with these Articles of Amendment and Merger.

**SECOND:** The names of the corporations that are the parties to the Merger and their respective jurisdictions of incorporation are:

| Name of Corporation | Jurisdiction of Incorporation |
|---|---|
| MTH-Texas LP, Inc. | Arizona |
| MTH-Texas LP II, Inc. | Arizona |

**THIRD:** The name and address of the known place of business of the surviving corporation is MTH-Texas LP, Inc., 8501 E. Princess Drive, Suite 290, Scottsdale, Arizona 85255.

**FOURTH:** The name and address of the statutory agent of the Surviving Corporation is CT Corporation System, 3225 North Central Avenue, Phoenix, Arizona 85012.

**FIFTH:** There is one voting group for each corporation entitled to vote on the Plan of Merger. The designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan of Merger are as follows:

| Name of Corporation | Designation of Each Class or Series | Number of Shares Outstanding in Each Class or Series | Number of Shares Entitled to Vote in Each Class or Series |
|---|---|---|---|
| MTH-Texas LP, Inc. | Common | 1,000 | 1,000 |
| MTH-Texas LP II, Inc. | Common | 1,000 | 1,000 |

**SIXTH:** The total number of votes cast for and against the Plan of Merger by the holders of the common stock (the only class of stock of the respective corporations issued, outstanding and entitled to vote) are as follows:

| Name of Corporation | Shares Voted For | Shares Voted Against |
|---|---|---|
| MTH-Texas LP, Inc. | 1,000 | 0 |
| MTH-Texas LP II, Inc. | 1,000 | 0 |

**SEVENTH:** As to each of the corporations that are party to the Merger, the number of votes cast for the Plan of Merger by each voting group entitled to vote thereon was sufficient for approval by that voting group.

**EIGHTH:** Article FIRST of the Articles of Incorporation of MTH-Texas LP, Inc. is hereby amended in its entirety to read as follows:

"FIRST: The name of the corporation is MERITAGE HOMES OF TEXAS LP HOLDING, INC."

**NINTH:** These Articles of Amendment were adopted on January 27, 2006 and are effective January 31, 2006 at 12:01 a.m. Mountain Standard time.

IN WITNESS WHEREOF, the undersigned have hereunto set their hand this 27th day of January 2006.

MTH-TEXAS LP, INC.

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President–General Counsel, Secretary

By: /s/ Larry W. Seay
Name: Larry W. Seay
Title: Executive Vice President–Assistant Secretary

MTH-TEXAS LP II, INC.

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President–General Counsel, Secretary

By: /s/ Larry W. Seay
Name: Larry W. Seay
Title: Executive Vice President–Assistant Secretary

**PLAN OF MERGER**

This plan of Merger (“Plan of Merger”) sets forth the terms and conditions for the Merger (the “Merger”) of MTH-Texas LP II, Inc., an Arizona corporation (the “Merging Corporation”) with and into MTH-Texas LP, Inc., an Arizona corporation (the “Surviving Corporation” and, together with the Merging Corporation, the “Constituent Corporations”).

1. The Merger; Effects of the Merger. On the Effective Date (as defined below), the Merging Corporation will be merged with and into the Surviving Corporation in accordance with, and with the effect provided in, Section 10-1106 of the Arizona Revised Statutes; the separate existence of the Merging Corporation will cease; the Surviving Corporation will continue in existence as an Arizona corporation and will succeed to all of the rights, privileges, immunities and properties of the Merging Corporation; and the Surviving Corporation will be responsible and, liable for all of the debts, liabilities and obligations of the Merging Corporation. Without limiting the foregoing, on and after the Effective Date, the Surviving Corporation shall possess all the rights, privileges, powers and franchises, of a public as well as of a private nature, and be subject to all the restrictions, disabilities and duties of each of the Constituent Corporations; and all property, real, personal and mixed, and all and every other interest belonging to each of the Constituent Corporations shall be vested in the Surviving Corporation and shall be thereafter as effectually the property of the Surviving Corporation as they were of the Constituent Corporations, and the title to any real estate vested, by deed or otherwise, in either of the Constituent Corporations shall not revert or be in any way impaired, but all rights of creditors and all liens upon any property of either of the Constituent Corporations shall be preserved unimpaired; and all debts, liabilities, and duties of the Constituent Corporations shall thenceforth attach to the Surviving Corporation, and may be enforced against it to the same extent as if said debts and liabilities had been incurred by it. Any action or proceeding, whether civil, criminal or administrative, pending by or against either Constituent Corporation may be prosecuted as if the Merger had not taken place, or the Surviving Corporation may be substituted as a party in such action or proceeding in place of any Constituent Corporation.

2. Effective Date of the Merger. The Merger will be effective on and after January 31, 2006 at 12:01 a.m. Mountain Standard time (the “Effective Date”).

3. Articles of Incorporation. Except as set forth in the following sentence, no changes will be made in the Articles of Incorporation of the Surviving Corporation in connection with the Merger and the Articles of Incorporation of the Surviving Corporation, as heretofore amended, will continue to be its Articles of Incorporation on and after the Effective Date of the Merger until further amended according to law. Upon the Effective Date of the Merger, the Articles of Incorporation of the Surviving Corporation will be amended to change the name of the Surviving corporation to “Meritage Homes of Texas LP Holding, Inc.”

4. Bylaws. No changes will be made in the Bylaws of the Surviving Corporation in connection with the Merger and the Bylaws of the Surviving Corporation, as heretofore amended, will continue to be its Bylaws on and after the Effective Date until further amended according to the provisions thereof and applicable law.

5. Officers and Directors. The directors and officers of the Surviving Corporation immediately prior to the effectiveness of the Merger shall continue to be the directors and officers of the Surviving Corporation on and after the Effective Date in their same capacities and with their same responsibilities and authorities, until changed according to the provisions of applicable law and of the Surviving Corporation's Articles of Incorporation and Bylaws.

6. Cancellation of Stock of Merging Corporation. Each share of the common stock, no par value, of the Merging Corporation issued and outstanding immediately prior to the Effective Date will, on and as of the Effective Date, by virtue of the Merger and without any action on the part of the holder thereof or any other person, be cancelled and cease to exist, and the shareholders will not receive any consideration therefor.

7. Further Assurances. If at any time after the Effective Date, the Surviving Corporation deems it necessary or advisable that any further assignments or assurances in law are required to vest; perfect or confirm, of record or otherwise, in the Surviving Corporation, title to, and possession of, any property or right of the Merging Corporation acquired or to be acquired as a result of the Merger, the Surviving Corporation and its proper officers and directors shall execute and deliver any deed, assignment or other document and take any such other action as may be required and such proper officers and directors are fully authorized in the name and on behalf of the Merging Corporation or otherwise to take any and all such action.

8. Termination. This Plan of Merger may be terminated and the Merger may be abandoned by mutual consent of the respective Boards of Directors of the Constituent Corporations at any time prior to the Effective Date.

9. Amendment. This Plan of Merger may be amended by the parties hereto by action taken or authorized by their respective Boards of Directors at any time before or after approval of the matters presented in connection with the Merger by the shareholders of the Constituent Corporations. This Plan of Merger may not be amended except by an instrument in writing signed on behalf of all of the parties hereto.

10. Headings. The headings in this Plan of Merger are inserted for convenience only and shall not constitute a part hereof.

MTH-TEXAS LP, INC.

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President–General Counsel, Secretary

By: /s/ Larry W. Seay
Name: Larry W. Seay
Title: Executive Vice President–Assistant Secretary

MTH-TEXAS LP II, INC.

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President–General Counsel, Secretary

By: /s/ Larry W. Seay
Name: Larry W. Seay
Title: Executive Vice President–Assistant Secretary

**ARTICLES OF AMENDMENT AND MERGER**
**MERGING MERITAGE HOMES OF TEXAS GP, INC.,**
**WITH AND INTO MERITAGE HOMES OF TEXAS LP HOLDING, INC.**

The undersigned corporations adopt the following Articles of Amendment and Merger for the purpose of merging Meritage Homes of Texas GP, Inc., an Arizona corporation, with and into Meritage Homes of Texas LP Holding, Inc., an Arizona corporation (the “Surviving Corporation”) (the “Merger”):

**FIRST:** The Merger shall be effected pursuant to the terms of the Plan of Merger (the “Plan of Merger) which is being filed with these Articles of Amendment and Merger and is attached hereto as Exhibit A.

**SECOND:** The names of the corporations that are the parties to the Merger and their respective jurisdictions of incorporation are:

| Name of Corporation | Jurisdiction of Incorporation |
|---|---|
| Meritage Homes of Texas GP, Inc. | Arizona |
| Meritage Homes of Texas LP Holding, Inc. | Arizona |

**THIRD:** The name and address of the known place of business of the surviving corporation is Meritage Homes of Texas LP Holding, Inc., 17851 North 85th Street, Suite 300, Scottsdale, Arizona 85255.

**FOURTH:** The name and address of the statutory agent of the Surviving Corporation is CT Corporation System, 3225 North Central Avenue, Phoenix, Arizona 85012.

**FIFTH:** There is one voting group for each corporation entitled to vote on the Plan of Merger. The designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan of Merger as follows:

| Name of Corporation | Designation of Each Class or Series | Number of Shares Outstanding in Each Class or Series | Number of Shares Entitled to Vote in Each Class or Series |
|---|---|---|---|
| Meritage Homes of Texas GP, Inc. | Common | 1,000 | 1,000 |
| Meritage Homes of Texas LP Holding, Inc. | Common | 1,000 | 1,000 |

**SIXTH:** The total number of votes cast for and against the Plan of Merger by the holders of the common stock (the only class of stock of the respective corporations issued, outstanding and entitled to vote) are as follows:

| Name of Corporation | Shares Voted For | Shares Voted Against |
|---|---|---|
| Meritage Homes of Texas GP, Inc. | 1,000 | 0 |
| Meritage Homes of Texas LP Holding, Inc. | 1,000 | 0 |

**SEVENTH:** As to each of the corporations that are party to the Merger, the number of votes cast for the Plan of Merger by each voting group entitled to vote thereon was sufficient for approval by that voting group.

**EIGHTH:** Article FIRST of the Articles of Incorporation of Meritage Homes of Texas LP Holding, Inc. is hereby amended in its entirety to read as follows:

“FIRST: The name of the corporation is MERITAGE HOMES OF TEXAS HOLDING, INC.”

**NINTH:** These Articles of Amendment and Merger are effective July 2, 2007 at 12:01 a.m. Mountain Standard time.

IN WITNESS WHEREOF, the undersigned have hereunto set their hand this 28h day of June 2007.

MERITAGE HOMES OF TEXAS GP, INC.

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President,
General Counsel and Secretary

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

MERITAGE HOMES OF TEXAS LP HOLDING, INC.

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President,
General Counsel and Secretary

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

**EXHIBIT A**

**PLAN OF MERGER**

(See attached)

# PLAN OF MERGER

This plan of Merger ("Plan of Merger") sets forth the terms and conditions for the merger (the "Merger") of Meritage Homes of Texas GP, Inc., an Arizona corporation (the "Merging Corporation") with and into Meritage Homes of Texas LP Holding, Inc., an Arizona corporation (the "Surviving Corporation" and, together with the Merging Corporation, the "Constituent Corporations").

1. The Merger; Effects of the Merger. On the Effective Date (as defined below), the Merging Corporation will be merged with and into the Surviving Corporation in accordance with, and with the effect provided in, Section 10-1106 of the Arizona Revised Statutes; the separate existence of the Merging Corporation will cease; the Surviving Corporation will continue in existence as an Arizona corporation and will succeed to all of the rights, privileges, immunities and properties of the Merging Corporation; and the Surviving Corporation will be responsible and liable for all of the debts, liabilities and obligations of the Merging Corporation. Without limiting the foregoing, on and after the Effective Date, the Surviving Corporation shall possess all the rights, privileges, powers and franchises, of a public as well as of a private nature, and be subject to all the restrictions, disabilities and duties of each of the Constituent Corporations; and all property, real, personal and mixed, and all and every other interest belonging to each of the Constituent Corporations shall be vested in the Surviving Corporation and shall be thereafter as effectually the property of the Surviving Corporation as they were of the Constituent Corporations, and the title to any real estate vested, by deed or otherwise, in either of the Constituent Corporations shall not revert or be in any way impaired, but all rights of creditors and all liens upon any property of either of the Constituent Corporations shall be preserved unimpaired; and all debts, liabilities, and duties of the Constituent Corporations shall thenceforth attach to the Surviving Corporation, and may be enforced against it to the same extent as if said debts and liabilities had been incurred by it. Any action or proceeding, whether civil, criminal or administrative, pending by or against either Constituent Corporation may be prosecuted as if the Merger had not taken place, or the Surviving. Corporation may be substituted as a party in such action or proceeding in place of any Constituent Corporation.

2. Effective Date of the Merger. The Merger will be effective on and after July 2, 2007 at 12:01 a.m. Mountain Standard time (the "Effective Date").

3. Articles of Incorporation. Except as set forth in the following sentence, no changes will be made in the Articles of Incorporation of the Surviving Corporation in connection with the Merger and the Articles of Incorporation of the Surviving Corporation, as heretofore amended, will continue to be its Articles of Incorporation on and after the Effective Date of the Merger until further amended according to law. Upon the Effective Date of the Merger, the Articles of Incorporation of the Surviving Corporation will be amended to change the name of the Surviving Corporation to "Meritage Homes of Texas Holding, Inc."

4. Bylaws. No changes will be made in the Bylaws of the Surviving Corporation in connection with the Merger and the Bylaws of the Surviving Corporation, as heretofore amended, will continue to be its Bylaws on and after the Effective Date until further amended according to the provisions thereof and applicable law.

5. Officers and Directors. The directors and officers of the Surviving Corporation immediately prior to the effectiveness of the Merger shall continue to be the directors and officers of the Surviving Corporation on and after the Effective Date in their same capacities and with their same responsibilities and authorities, until changed according to the provisions of applicable law and of the Surviving Corporation's Articles of Incorporation and Bylaws.

6. Cancellation of Stock of Merging Corporation. Each share of the common stock of the Merging Corporation issued and outstanding immediately prior to the Effective Date will, on and as of the Effective Date, by virtue of the Merger and without any action on the part of the holder thereof or any other person, be cancelled and cease to exist, and the shareholders will not receive any consideration therefor.

7. Further Assurances. If at any time after the Effective Date, the Surviving Corporation deems it necessary or advisable that any further assignments or assurances in law are required to vest, perfect or confirm, of record or otherwise, in the Surviving Corporation, title to, and possession of, any property or right of the Merging Corporation acquired or to be acquired as a result of the Merger, the Surviving Corporation and its proper officers and directors shall execute and deliver any deed, assignment or other document and take any such other action as may be required and such proper officers and directors are fully authorized in the name and on behalf of the Merging Corporation or otherwise to take any and all such action.

8. Termination. This Plan of Merger may be terminated and the Merger may be abandoned by mutual consent of the respective Boards of Directors of the Constituent Corporations at any time prior to the Effective Date.

9. Amendment. This Plan of Merger may be amended by the parties hereto by action taken or authorized by their respective Boards of Directors at any time before or after approval of the matters presented in connection with the Merger by the shareholders of the Constituent Corporations. This Plan of Merger may not be amended except by an instrument in writing signed on behalf of all of the parties hereto.

10. Headings. The headings in this Plan of Merger are inserted for convenience only and shall not constitute a part hereof.

MERITAGE HOMES OF TEXAS GP, INC.

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President,
General Counsel and Secretary

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

HERITAGE HOMES OF TEXAS LP HOLDING, INC.

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President,
General Counsel and Secretary

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

**ARTICLES OF AMENDMENT
TO
THE ARTICLES OF ORGANIZATION
OF
HULEN PARK VENTURE, LLC**

Pursuant to the Texas Limited Liability Company Act (the "Act"), Hulen Park Venture, LLC, a Texas limited liability company (the "Company"), hereby adopts the following Articles of Amendment to its Articles of Organization:

**ARTICLE ONE.** The name of the Company is Hulen Park Venture, LLC. The filing number assigned by the Texas Secretary of State is 703913422.

**ARTICLE TWO.** The following amendments (the "Amendments") to the Articles of Organization of the Company were adopted by the sole member of the Company on May 31, 2006, in accordance with Texas law:

Article One of the Articles of Organization of the Company is hereby amended to read in its entirety as follows:

> "The name of the Company is Meritage Homes of Texas Joint Venture Holding Company, LLC"

Article V of the Articles of Organization of the Company is hereby amended to read in its entirety as follows:

> "The limited liability company will not have managers. The Company is to be managed by its member. The name and address of its sole member is Meritage Homes of Texas, L.P., 17851 N. 85th Street, Suite 300, Scottsdale, AZ 85255."

**ARTICLE THREE.** The Amendments were approved on May 31, 2006, in accordance with Section H of Article 2.23 of the Act and the Regulations the Company.

[Remainder of Page Intentionally Left Blank]

The undersigned signs these Articles of Amendment subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument this 31st day of May, 2006.

HULEN PARK VENTURE, LLC

By: Meritage Homes of Texas, L.P.
Its: Sole Member

By: Meritage Homes of Texas GP, Inc.
Its: Sole General Partner

By: /s/ C. Timothy White
C. Timothy White, Executive Vice President, General Counsel and Secretary

| Form 409<br>(revised 10/06) | This space reserved for office use. |
|---|---|
| Return in Duplicate to:<br>Secretary of State<br>P.O. Box 13697<br>Austin, TX 78711-3697<br>FAX: 512/463-5709<br><br>**Filing Fee: $150** | Articles of Amendment<br>Pursuant to Article 3.06,<br>Texas Limited Liability<br>Company Act |

**Article 1 – Name**

The name of the limited liability company is as set forth below:

Meritage Homes of Texas Joint Venture Holding Company, LLC

State the name of the entity as it is currently shown in the records of the secretary of state. If the amendment changes the name of the entity, state the old name and not the new name in Article 1.

The filing number issued to the company by the secretary of state is: 0703913422

**Article 2 – Amended Name**

(If the purpose of the articles of amendment is to change the name of the company, then use the following statement)

The amendment changes the articles of organization to change the article that names the limited liability company. The article in the Articles of Organization is amended to read as follows:

The name of the limited liability company is (state the new name of the company below)

---

The name of the entity must contain an organizational ending or accepted abbreviation of such term. The name must not be the same as, deceptively similar to or similar to that of an existing corporate, limited liability company, or limited partnership name on file with the secretary of state. A preliminary check for "name availability" is recommended.

**Article 3 – Amendment to Registered Agent/Registered Office**

The amendment changes the articles of organization to change the article stating the registered agent and the registered office address of the company. The article is amended to read as follows:

Registered Agent of the Limited Liability Company
(Complete either A or B, but not both. Also complete C.)

☐ A. The registered agent is an organization (cannot be company named above) by the name of:

---

**OR**

☐ B. The registered agent is an individual resident of the state whose name is set forth below.

| First Name | MI | Last Name | Suffix |
|---|---|---|---|
| | | | |

Registered Office of the Limited Liability Company (Cannot be a P.O. Box.)

| C. The business address of the registered agent and the registered office address is: | | | |
|---|---|---|---|
| Street Address | City | State | Zip Code |
| | | TX | |

**Article 4 – Other Altered, Added, or Deleted Provisions**

Other changes or additions to the articles of organization may be made in the space provided below. If the space provided is insufficient to meet your needs, you may incorporate the additional text by providing an attachment to this form. Please read the instructions to this form for further information on format.

Text Area [The attached addendum, if any, is incorporated herein by reference.]

Amend Article 2 to read as follows: The Company shall have perpetual existence; provided, however, that the Company may be dissolved in accordance with the terms of its operating agreement.

**Article 5 – Date of Adoption**

The date of the approval of the amendment(s) is August 20, 2008

**Article 6 – Statement of Approval (check either A or B)**

☐ A. The company has no members, has not received any capital, and has not commenced business. In accordance with Section G of Article 2.23 of the Act, the amendments to the articles of organization were approved by a majority of the initial managers named in the articles of organization.

☒ B. The amendments were approved by all members of the limited liability company in accordance with Section H of Article 2.23 of the Act or as otherwise provided in the articles of organization or the regulations of the company.

**Effectiveness of Filing**

A. ☒ This document will become effective when the document is filed by the secretary of state.
OR
B. ☐ This document will become effective at a later date, which is not more than ninety (90) days from the date of its filing by the secretary of state. The delayed effective date is

**Execution**

The undersigned signs this document subject to the penalties imposed by law for the submission of a false or fraudulent document.

August 20, 2008
Date

By:

Meritage Homes of Texas Holding Company, Inc., an Arizona corporation
By: Meritage Homes of Texas, LLC, an Arizona limited liability company, its sole member

/s/ C. Timothy White
Signature of Authorized Manager/Member
C. Timothy White

**OPERATING AGREEMENT FOR HULEN PARK VENTURE, LLC**

| | | |
|---|---|---|
| **STATE OF TEXAS** | § | |
| | § | |
| | § | **KNOW ALL MEN BY THESE PRESENTS:** |
| | § | |
| **COUNTY OF DALLAS** | § | |

*Whereas*, Hulen Park Venture, *LLC* (herein the "*Company*"), is a Texas Limited Liability Company formed for the purpose of undertaking the acquisition, development and sale of a 177.48 acre tract of land out of the Isabel Flores Survey, Abstract No. 507, Tarrant County, Texas, which tract of land is more particularly identified by the survey performed and staked on the ground on 21 April 1998 by Tommy D. Burks, State of Texas Professional Land Surveyor No. 3668, a copy of which survey is appended as *Exhibit "A,"* to the Minutes of the Organization Meeting of the Board of Managers of Hulen Park Venture, LLC, and incorporated herein by this reference for all purposes (herein the "*Property*"); and,

*Whereas*, Legacy/Monterey Homes, L.P. (herein "*Legacy*") is a Texas Limited Partnership acting by and through its President, John R. Landon, an individual residing in Dallas County, Texas, and Chairman of the Board of Managers of the Company; and,

*Whereas*, The Palladium Group, Inc. (herein "*Palladium*"), is a Texas Corporation acting by and through its President, Joy D. McKenzie-Smith; and,

*Whereas*, Robert H. McKenzie-Smith (herein "*McKenzie-Smith*") is an individual residing in Dallas County, Texas and a member of the Board of Managers of the Company; and,

*Whereas*, Legacy is the owner of seventy-five percent (75%) of the total of all interests in the Company, and Palladium is the owner of twenty-five percent (25%) of the total of all interests in the Company; and,

*Whereas*, it is the intent of the Company to develop all or portions of the Property as a single-family residential subdivision to be known as *Hulen Park* (herein the "*Project*"); and,

*Whereas*, the total cost to the Company Park to acquire the Property was $2,000,306.31 in cash; and,

*Whereas*, the total cost to the Company to develop the Project is currently unknown; and,

*Whereas*, from time to time, the Company intends to obtain acquisition and development financing (the "*Development Financing*"), from one or more third party lenders (the "*Development Lenders*"), in amounts to be determined by the Board of Managers of the Company, for purposes of developing the Property for single family residential use; and,

*Whereas*, Legacy has provided a loan to the Company in the amount of $1,900,306.11, and Palladium has provided a loan to the Company in the amount of $100,000.00, both for the purpose of its acquisition of the Property, upon terms and conditions as established in the Minutes of the Organization Meeting of the Managers of Hulen Park Venture, LLC (the "*Purchase Money Loans*"); and,

*Whereas*, Legacy and Palladium have agreed to provide to the Company periodic short term loans for its essential pre-development purposes, to be repaid, without interest, from the proceeds of the Development Financing (the "*Operating Loans*"); and,

*Whereas*, Palladium has agreed to make available the services and expertise of McKenzie-Smith for the management and administration of the Company in the capacity of its Chief Operating Officer, and for the development, marketing, and sale of the Property and the Project, and to provide any and all administrative services, including office space, which may be required by the Company, all such services to provided without any expense to the Company; and,

*Whereas*, Legacy, Palladium and the Company have agreed that any and all proceeds from the sale of the lots to be developed from the Property as the Project, or from the sale of any portion or portions of the Property, will be paid and distributed as follows:

1. *First*, to the Development Lenders, in the total amount necessary to repay the Development Financing, including principal and interest;

2. *Second*, to Legacy, to the extent of its Purchase Money Loan, including principal and interest;

3. *Third*, to Palladium, to the extent of its Purchase Money Loan, including principal and interest; and,

4. *Finally*, of the remainder, seventy-five percent (75%) to Legacy and twenty-five percent (25%) to Palladium.

*Now, therefore*, premises considered, Legacy, Palladium, the Company and McKenzie-Smith COVENANT and AGREE as follows:

1. **Acquisition of the Property**. The Company will acquire the Property as of 21 July 1998 from Legacy/Monterey Homes, L.P., at a cost of not more than $2,000,306.31, with funds represented by the Purchase Money Loans, provided $1,900,306.31 by Legacy and $100,000.00 by Palladium.

2. **McKenzie-Smith will be Chief Operating Officer**. With the advice and consent of the Board of Managers of the Company, in his capacity as a Manager of the Company, McKenzie-Smith will serve as the Chief Operating Officer of the Company.

3. **General Duties and Responsibilities of McKenzie-Smith.** In his capacity as Chief Operating Officer of the Company, and with the advice and consent of the Board of Managers of the Company, McKenzie-Smith will:

a. Establish an operating checking account for the Company at Compass Bank (the "*Operating Account*"), which operating account shall be maintained in the offices of the Company at 4050 West Park Boulevard, Plano, Texas, by the Chief Financial Officer of Legacy, Richard T. Morgan, a Manager of the Company;

b. Re-zone the portions of the Property west of the proposed South Hulen Street for single-family residential use, and the portions east of the proposed South Hulen Street for multi-family use;

c. Market and sell the portion of the Property east of the proposed South Hulen Street to multi-family developers, at a price and upon terms to be determined by the Board of Managers of the Company;

d. Negotiate with the Development Lenders for the Development Financing (which Development Financing shall be without recourse to Legacy);

e. Develop the Project, in two (2) or more phases, with funds represented by the Development Financing;

f. Until retirement of the Development Financing, direct all net proceeds from the sale of all lots developed from the Property, or from the sale of portions of the Property in undeveloped or partially developed condition, to the Development Lenders for purposes of retirement of the Development Financing;

g. After retirement of the Development Financing, distribute funds not required for development of remaining portions of the Property, first to Legacy until the Legacy Purchase Money Loan is entirely repaid, including all interest; then to Palladium until the Palladium Purchase Money Loan is entirely repaid, including all interest; and thereafter, seventy-five percent (75%) to Legacy and twenty-five percent (25%) to Palladium;

h. No less frequently than monthly, provide timely and appropriate written reports to the Board of Managers of the Company concerning the business and affairs of the Company, including, without limitation, a copy of the operating account bank statement, a monthly operating account reconciliation report, a copy of the operating account check register, a reconciliation of the Development Financing, and a trial balance;

i. No less frequently than quarterly, provide to the Board of Managers of the Company appropriate Company accounting records, including a *General Ledger Trial Balance,* a *Balance Sheet,* an *Income Statement*; and a *Cash Flow Statement*; and,

j. Account for the funds and resources of the Company in accordance with generally accepted accounting principles, consistently applied.

4. **<u>Plan for Development and Sale of the Project</u>**. The plan for the development and sale of the Project will be formulated by McKenzie-Smith with the advice and consent of the Board of Managers of the Company. Charles G. Starnes, P.E., of Starnes Consulting, Inc., of Arlington ("*Starnes*"), will be retained by the Company as consulting engineer for the Project. McKenzie-Smith will negotiate a contract with Starnes for this purpose, which contract shall be submitted to the Board of Managers of the Company for ratification.

As a general statement, the portions of the Project to the west of the proposed southern extension of *Hulen Street* will be developed in so-called "*pod*" configuration, for single-family residential use. The single-family portions of the Project will feature two (2) product types; specifically, 50-foot lots and 60-foot lots. At the discretion of Legacy, *Legacy Homes* will be invited to participate as a homebuilder on each of the two (2) product types. The sale of lots or portions of the Project to *Legacy Homes* will be upon terms and conditions no less favorable to *Legacy Homes* than the terms and conditions offered to any other participating homebuilder.

In addition to *Legacy Homes*, McKenzie-Smith will recruit one (1) or more additional homebuilders to participate on each of the two (2) product types, the identity of which homebuilder or homebuilders shall be approved by the Board of Managers of the Company. The sale of lots or partially developed pods to participating homebuilders will be upon terms and conditions established by the Board of Managers of the Company.

McKenzie-Smith will negotiate with the City of Fort Worth, Texas for cost participation by the City of Fort Worth for the extension of *Hulen Street* to and through the Project.

McKenzie-Smith will explore the possibility of the sale of all or portions of the Property located east of the proposed southern extension of Hulen Street to speculative investors, and will make recommendations to the Board of Managers of the Company, as appropriate. Absent the fully documented consent of the Board of Managers of the Company, McKenzie-Smith will not enter into any listing agreement or contract for the sale of any portion of the Property.

5. **Development Budget**. McKenzie-Smith will formulate a budget for the development of the Project in such phases as shall be approved by the Board of Managers of the Company, and shall periodically submit proposed development budgets for successive phases to the Board of Managers for approval. Upon approval of a development budget, McKenzie-Smith will be responsible for the development of the portion of the Project to which the budget pertains within such established budget.

6. **Development of the Project**. McKenzie-Smith shall obtain two (2) or more bids from qualified, non-affiliated general contractors, and/or sub-contractors, for the development of portions of the Project, in accordance with Project phasing approved by the Board of Managers of the Company. To the extent possible, individual bids will be solicited among the following categories of work: excavation and grading; drainage improvements; water system improvements; sanitary sewer system improvements; and paving improvements. Separate contractors, and/or sub-contractors, may be retained to perform portions of the work. If the cost of any work for the development of any portion of the project can be accomplished by Palladium at a cost to the Company which is *less than* the cost obtainable from any alternative contractor or sub-contractor, McKenzie-Smith shall be authorized to contract with Palladium for such work; *provided, however*, any such contract between the Company and Palladium shall require the prior approval of the Board of Managers of the Company, evidenced by a written resolution of the Board of Managers, properly executed by a majority of such Managers.

7. **Tenure**. The tenure of McKenzie-Smith as the Chief Operating Officer of the Company shall be at the continuing discretion of the Board of Managers of the Company, and the Board of Managers of the Company shall be at all times free to discharge McKenzie-Smith from such position, with or without notice or cause.

8. **Authority**. Absent the prior discharge of McKenzie-Smith pursuant to the provisions of § 7, above, no person need inquire concerning the authority of McKenzie-Smith to bind the Company with regard to any undertaking.

9. **Conflicts**. In the event of any conflict between this Operating Agreement and the Regulations of the Company, the provisions of the Regulations shall govern.

This OPERATING AGREEMENT FOR HULEN PARK VENTURE, LLC, is made in Dallas County, Texas, as of 10 September 1998, among and between, Legacy/Monterey Homes, L.P., a Texas Limited Partnership, The Palladium Group, Inc., a Texas Corporation, Hulen Park Venture, LLC, a Texas Limited Liability Company, and Robert H. McKenzie-Smith, an individual.

**LEGACY/MONTEREY HOMES, LP**

/s/ John R. Landon
By: John R. Landon
Its: President

/s/ Robert H. McKenzie-Smith
Robert H. McKenzie-Smith
Individually

**THE PALLADIUM GROUP, INC.**

/s/ J.J. Hay
By: J. J. Hay
Its. Secretary

**HULEN PARK VENTURE, LLC**

/s/ John R. Landon
By: John R. Landon
Its: Manager

**EXHIBIT 3.31**

**Articles of Organization**

**of**

**Meritage Homes of Texas II, LLC**

1. The name of the limited liability company is Meritage Homes of Texas II, LLC.

2. The address of the company's known place of business in Arizona is 17851 North 85th Street, Suite 300, Scottsdale, AZ 85255.

3. The name and street address of the statutory agent of the company is CT Corporation System, 2394 East Camelback Road, Phoenix, AZ 85016.

4. Management of the limited liability company is reserved to the members. The name and address of each member of the limited liability company is Meritage Homes of Texas L.P. Holding, Inc., an Arizona corporation, 17851 North 85th Street, Suite 300, Scottsdale, AZ 85255 and Meritage Home of Texas GP, Inc., an Arizona corporation, 17851 North 85th Street, Suite 300, Scottsdale, AZ 85255.

Dated: June 14, 2007

/s/ C. Timothy White
Name: C. Timothy White
Organizer

**Acceptance of Appointment**
**By Statutory Agent**

The undersigned hereby acknowledges and accepts the appointment as statutory agent of Meritage Homes of Texas II, LLC, an Arizona LLC, effective this 14th day of June, 2007.

CT Corporation System
2394 E. Camelback Road
Phoenix, AZ 85016

/s/ Maria Ozaeta
Name: Maria Ozaeta, Vice President

**Articles of Amendment and Merger**
**of**
**Meritage Homes of Texas L.P.**
**with and into**
**Meritage Homes of Texas II, LLC**

1. The names of the business entities that are parties to the merger are as follows. The name of the surviving business entity is Meritage Homes of Texas II, LLC, an Arizona limited liability company (the "Surviving Business Entity"). The name of the merging business entity is Meritage Homes of Texas L.P., an Arizona limited partnership (the "Merging Business Entity"). The Surviving Business Entity and the Merging Business Entity shall be referred to herein as the "Constituent Business Entities."

2. The plan of merger is on file at 17851 North 85th Street, Suite 300, Scottsdale, Arizona 85255, the principal place of business of the Surviving Business Entity. A copy of the plan of merger will be furnished by the Surviving Business Entity upon request, without cost, to any person who holds an interest in a Constituent Business Entity.

3. Each Constituent Business Entity approved the plan of merger in the manner provided by law.

4. These Articles of Amendment and Merger are effective June 30, 2007 at 12:02 a.m. Mountain Standard time.

5. Article 1 of the Articles of Organization of the Surviving Entity is amended in its entirety to read as follows:

"The name of the limited liability company is Meritage Homes of Texas, LLC."

**IN WITNESS WHEREOF**, the undersigned have executed these Articles of Merger as of this 28th day of June, 2007.

MERITAGE HOMES OF TEXAS L.P.

By: Meritage Homes of Texas GP, Inc.
Its: General Partner

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President, General Counsel and Secretary

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

MERITAGE HOMES OF TEXAS II, LLC

By: Meritage Homes of Texas GP, Inc.
Its: Member

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President, General Counsel and Secretary

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

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

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President, General Counsel and Secretary

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

EXHIBIT 3.32

**OPERATING AGREEMENT**
**OF**
**MERITAGE HOMES OF TEXAS, LLC**

THIS OPERATING AGREEMENT (the "**Agreement**") is made and entered into as of the 30th day of June, 2007, by and between **MERITAGE HOMES OF TEXAS HOLDING, INC.**, an Arizona corporation, as the sole member (the "**Member**"), and **MERITAGE HOMES OF TEXAS, LLC**, an Arizona limited liability company (the "**Company**").

1. **Formation.** The Member has formed an Arizona limited liability company under the name "**MERITAGE HOMES OF TEXAS, LLC**" pursuant to the Arizona Limited Liability Company Act (the "**Act**"), effective upon the filing of the Articles of Organization (the "**Articles**") for the Company.

2. **Principal Office and Place of Business.** The principal office and place of business (the "**Principal Office**") of the Company shall be 17851 N. 85th Street, Suite 300, Scottsdale, Arizona 85255, or such other place as the Member, from time to time, shall determine.

3. **Agent for Service of Process.** The agent for service of process for the Company shall be CT Corporation System, 2394 E. Camelback Road, Phoenix Arizona 85016, or such other person as the Member shall appoint from time to time.

4. **Purpose.** The Company shall have the power to pursue any and all activities necessary, appropriate, proper, advisable, incidental to, or convenient for the furtherance and accomplishment of such purposes as are determined from time to time by the Member and that are permissible under the Act.

5. **Term.** The term of the Company shall commence on the filing date of the Articles and shall continue until dissolved.

6. **Capital Contributions.** The Member may make capital contributions to the Company in such amounts and at such times as the Member shall determine in the Member's sole discretion.

7. **Distributions of Available Cash Flow.** Distributions of available cash flow shall be made in such amounts and at such times as the Member shall determine in the Member's sole discretion.

8. **Management.** The Member shall have full, exclusive, and complete power to manage and control the business and affairs of the Company, and the decisions and acts of the Member shall bind the Company. Any person dealing with the Company may rely, without further inquiry, on the identity of the Member set forth in the Articles until such time as the Articles are amended in accordance with applicable law to reflect a change in the identity of the Member. The Member, acting alone and without the

requirement for further resolutions or agreements evidencing such authority, shall have the authority to execute and deliver documents and instruments and to take any other actions on behalf of the Company, whether or not such actions are for carrying on the business of the Company in its usual way, all of which shall be binding on the Company. Without limiting the generality of the foregoing, the Member is specifically authorized on behalf of the Company to buy and sell property, record instruments affecting title to property, borrow money, issue evidences of indebtedness, encumber the Company's assets (by deed of trust, mortgage, security interest, or otherwise), sign leases, settle disputes, obtain licenses and permits, make applications for governmental approvals, and otherwise deal with the assets of the Company in the same manner in which an individual can deal with his own assets. Without further action or joinder by any person or entity, the Member may enter into resolutions on behalf of the Company for any matters within the scope of the Member's authority hereunder, setting forth in greater details actions authorized by the Company, and such resolutions may be relied on absolutely by any person or entity to whom they are delivered.

9. **Officers.** The Member may appoint Officers, from time to time, with such other titles as it may select, including the titles of Chairman, Chief Executive Officer, President, Vice President, Treasurer, and Secretary, to act on behalf of the Company. An Officer shall have such power and authority as the Member may delegate to any such person.

10. **Banking Resolution.** The Member shall open all banking accounts as it deems necessary and may enter into any deposit agreements as are required by the financial institution at which such accounts are opened as and to the extent the Member deems necessary or advisable. The Member and such other persons or entities designated in writing by the Member shall have signing authority with respect to such bank accounts. Funds deposited into such accounts shall be used only for the business of the Company.

11. **Indemnification of the Member.** The Company, its receiver, or trustee shall indemnify, defend, and hold harmless the Member and its Affiliates (each, an "**Actor**"), to the extent of the Company's assets, for, from, and against any liability, damage, cost, expense, loss, claim, or judgment incurred by the Actor arising out of any claim based upon acts performed or omitted to be performed by the Actor in connection with the business of the Company, including, without limitation, attorneys' fees and costs incurred by the Actor in settlement or defense of such claims. Notwithstanding the foregoing, no Actor shall be so indemnified, defended, or held harmless for claims based upon acts or omissions in breach of this Agreement or that constitute fraud, gross negligence, or willful misconduct. Amounts incurred by an Actor in connection with any action or suit arising out of, or in connection with, Company affairs shall be reimbursed by the Company. "**Affiliate**" means a person or entity who, with respect to the Member: (a) directly or indirectly controls, is controlled by, or is under common control with the Member; (b) owns or controls ten percent (10%) or more of the outstanding voting securities of the Member; (c) is an officer, director, shareholder, partner, or member of the Member; or (d) if the Member is an officer, director, shareholder, partner, or member of any entity, the entity for which the Member acts in any such capacity.

12. **Liability.** No Actor shall be personally liable, responsible, or accountable in damages or otherwise to the Company for any act or omission performed or omitted by such Actor in connection with the Company or its business. The Member's liability for the debts and obligations of the Company shall be limited as set forth in the Act and other applicable law.

13. **Reimbursable Expenses.** The Company will reimburse the Member for all actual out-of-pocket third-party expenses incurred in connection with the carrying out of the duties set forth in this Agreement.

14. **Records.** The Member shall keep or cause to be kept at the Principal Office of the Company the following: (a) a written record of the full name and business, residence, or mailing address of the Member; (b) a copy of the initial Articles and all amendments thereto; (c) copies of all written operating agreements and all amendments to such agreements; and (d) such other records and documents as are required by the Act as the Member deems necessary or advisable.

15. **Dissolution.** The Company shall be dissolved upon the election of the Member. A Withdrawal Event with respect to the Member shall not dissolve the Company, unless any assignees of the Member's interest do not elect to continue the Company and admit a member within ninety (90) days of such Withdrawal Event. "**Withdrawal Event**" shall mean those events and circumstances set forth in Section 29-733 of the Act.

16. **Filing Upon Dissolution.** As soon as possible following the dissolution of the Company, the Member shall execute and file a Notice of Winding Up with the Arizona Corporation Commission as required by the Act.

17. **Liquidation.** Upon dissolution of the Company, it shall be wound up and liquidated as rapidly as business circumstances permit, the Member shall act as the liquidating trustee, and the assets of the Company shall be liquidated and the proceeds thereof shall be paid (to the extent permitted by applicable law) in the following order: (a) first, to creditors, including the Member if it is a creditor, in the order and priority required by applicable law; (b) second, to a reserve for contingent liabilities to be distributed at the time and in the manner as the liquidating trustee determines in its sole discretion; and (c) third, to the Member.

18. **Articles of Termination.** When all debts, liabilities, and obligations have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and assets have been distributed, Articles of Termination shall be executed and filed by the liquidating trustee with the Arizona Corporation Commission as required by the Act.

[Remainder of this page intentionally left blank. Signature page follows.]

**IN WITNESS WHEREOF,** the parties have executed this Agreement effective as of the day and year first above written.

**MEMBER:**

**MERITAGE HOMES OF TEXAS HOLDING, INC.,**
an Arizona corporation

By: /s/ Larry W. Seay
Title: Executive Vice President and CFO

**COMPANY:**

**MERITAGE HOMES OF TEXAS, LLC,**
an Arizona limited liability company

By: Meritage Homes of Texas Holding, Inc.,
an Arizona corporation, its sole member

By: /s/ C. Timothy White
Title: Executive Vice President and Sec'y

**EXHIBIT 3.33**

# Articles of Organization
# of
# Meritage Homes Operating Company, LLC

1. The name of the limited liability company is Meritage Homes Operating Company, LLC.

2. The address of the company's known place of business in Arizona is 17851 North 85th Street, Suite 300, Scottsdale, AZ 85255.

3. The name and street address of the statutory agent of the company is CT Corporation System, 2394 East Camelback Road, Phoenix, AZ 85016.

4. Management of the limited liability company is vested in a manager or managers. The name and address of each person who is manager of the limited liability company is Meritage Holdings, L.L.C., a Texas limited liability company, 17851 North 85th Street, Suite 300, Scottsdale, AZ 85255.

5. The name and address of each person who is a member owning a twenty percent (20%) or greater interest in the capital or profits of the limited liability company is Meritage Homes of Texas, L.P., an Arizona limited partnership, 17851 North 85th Street, Suite 300, Scottsdale, AZ 85255.

Dated: June 14, 2007

/s/ C. Timothy White
Name: C Timothy White
Organizer

## Acceptance of Appointment
## By Statutory Agent

The undersigned hereby acknowledges and accepts the appointment as statutory agent by Meritage Homes Operating Company, an Arizona LLC, effective this 14th day of June, 2007.

CT Corporation System
2394 E. Camelback Road
Phoenix, AZ 85016

/s/ Maria Ozaeta
Name: Maria Ozaeta, Vice President

**Articles of Merger**
**of**
**Meritage Homes Operating Company, L.P.**
**with and into**
**Meritage Homes Operating Company, LLC**

1. The names of the business entities that are parties to the merger are as follows. The name of the surviving business entity is Meritage Homes Operating Company, LLC, an Arizona limited liability company (the "Surviving Business Entity"). The name of the merging business entity is Meritage Homes Operating Company, L.P., a Texas limited partnership (the "Merging Business Entity"). The Surviving Business Entity and the Merging Business Entity shall be referred to herein as the "Constituent Business Entities."

2. The plan of merger is on file at 17851 North 85th Street, Suite 300, Scottsdale, Arizona 85255, the principal place of business of the Surviving Business Entity. A copy of the plan of merger will be furnished by the Surviving Business Entity upon request, without cost, to any person who holds an interest in a Constituent Business Entity.

3. Each Constituent Business Entity approved the plan of merger in the manner provided by law.

4. These Articles of Merger are effective June 30, 2007 at 12:01 a.m. Mountain Standard time.

**IN WITNESS WHEREOF**, the undersigned have executed these Articles of Merger as of this 28th day of June, 2007.

MERITAGE HOMES OPERATING
COMPANY, LLC

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

By: Meritage Homes of Texas L.P.
Its: Sole Member

By: Meritage Homes of Texas GP, Inc.
Its: General Partner

By: /s/ C Timothy White
Name: C. Timothy White
Title: Executive Vice President, General Counsel and Secretary

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

MERITAGE HOMES OPERATING
COMPANY, L.P.

By: Meritage Holdings, L.L.C.
Its: General Partner

By: Meritage Homes of Texas L.P.
Its: Sole Member

By: Meritage Homes of Texas GP, Inc.
Its: General Partner

By: /s/ C. Timothy White
Name: C. Timothy White
Title: Executive Vice President, General Counsel and Secretary

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

**EXHIBIT 3.34**

**OPERATING AGREEMENT**
**OF**
**MERITAGE HOMES OPERATING COMPANY, LLC**

THIS OPERATING AGREEMENT (the "**Agreement**") is made and entered into as of the 14th day of June, 2007, by and between **MERITAGE HOMES OF TEXAS HOLDING, INC.**, an Arizona corporation, as the sole member (the "**Member**"), and **MERITAGE HOMES OPERATING COMPANY, LLC**, an Arizona limited liability company (the "**Company**").

1. **Formation.** The Member has formed an Arizona limited liability company under the name "**MERITAGE HOMES OPERATING COMPANY, LLC**" pursuant to the Arizona Limited Liability Company Act (the "**Act**"), effective upon the filing of the Articles of Organization (the "**Articles**") for the Company.

2. **Principal Office and Place of Business.** The principal office and place of business (the "**Principal Office**") of the Company shall be 17851 N. 85th Street, Suite 300, Scottsdale, Arizona 85255, or such other place as the Member, from time to time, shall determine.

3. **Agent for Service of Process.** The agent for service of process for the Company shall be CT Corporation System, 2394 E. Camelback Road, Phoenix Arizona 85016, or such other person as the Member shall appoint from time to time.

4. **Purpose.** The Company shall have the power to pursue any and all activities necessary, appropriate, proper, advisable, incidental to, or convenient for the furtherance and accomplishment of such purposes as are determined from time to time by the Member and that are permissible under the Act.

5. **Term.** The term of the Company shall commence on the filing date of the Articles and shall continue until dissolved.

6. **Capital Contributions.** The Member may make capital contributions to the Company in such amounts and at such times as the Member shall determine in the Member's sole discretion.

7. **Distributions of Available Cash Flow.** Distributions of available cash flow shall be made in such amounts and at such times as the Member shall determine in the Member's sole discretion.

8. **Management.** The Member shall have full, exclusive, and complete power to manage and control the business and affairs of the Company, and the decisions and acts of the Member shall bind the Company. Any person dealing with the Company may rely, without further inquiry, on the identity of the Member set forth in the Articles until such time as the Articles are amended in accordance with applicable law to reflect a change in the identity of the Member. The Member, acting alone and without the

requirement for further resolutions or agreements evidencing such authority, shall have the authority to execute and deliver documents and instruments and to take any other actions on behalf of the Company, whether or not such actions are for carrying on the business of the Company in its usual way, all of which shall be binding on the Company. Without limiting the generality of the foregoing, the Member is specifically authorized on behalf of the Company to buy and sell property, record instruments affecting title to property, borrow money, issue evidences of indebtedness, encumber the Company's assets (by deed of trust, mortgage, security interest, or otherwise), sign leases, settle disputes, obtain licenses and permits, make applications for governmental approvals, and otherwise deal with the assets of the Company in the same manner in which an individual can deal with his own assets. Without further action or joinder by any person or entity, the Member may enter into resolutions on behalf of the Company for any matters within the scope of the Member's authority hereunder, setting forth in greater details actions authorized by the Company, and such resolutions may be relied on absolutely by any person or entity to whom they are delivered.

9. **Officers.** The Member may appoint Officers, from time to time, with such other titles as it may select, including the titles of Chairman, Chief Executive Officer, President, Vice President, Treasurer, and Secretary, to act on behalf of the Company. An Officer shall have such power and authority as the Member may delegate to any such person.

10. **Banking Resolution.** The Member shall open all banking accounts as it deems necessary and may enter into any deposit agreements as are required by the financial institution at which such accounts are opened as and to the extent the Member deems necessary or advisable. The Member and such other persons or entities designated in writing by the Member shall have signing authority with respect to such bank accounts. Funds deposited into such accounts shall be used only for the business of the Company.

11. **Indemnification of the Member.** The Company, its receiver, or trustee shall indemnify, defend, and hold harmless the Member and its Affiliates (each, an "**Actor**"), to the extent of the Company's assets, for, from, and against any liability, damage, cost, expense, loss, claim, or judgment incurred by the Actor arising out of any claim based upon acts performed or omitted to be performed by the Actor in connection with the business of the Company, including, without limitation, attorneys' fees and costs incurred by the Actor in settlement or defense of such claims. Notwithstanding the foregoing, no Actor shall be so indemnified, defended, or held harmless for claims based upon acts or omissions in breach of this Agreement or that constitute fraud, gross negligence, or willful misconduct. Amounts incurred by an Actor in connection with any action or suit arising out of, or in connection with, Company affairs shall be reimbursed by the Company. "**Affiliate**" means a person or entity who, with respect to the Member: (a) directly or indirectly controls, is controlled by, or is under common control with the Member; (b) owns or controls ten percent (10%) or more of the outstanding voting securities of the Member; (c) is an officer, director, shareholder, partner, or member of the Member; or (d) if the Member is an officer, director, shareholder, partner, or member of any entity, the entity for which the Member acts in any such capacity.

12. **Liability.** No Actor shall be personally liable, responsible, or accountable in damages or otherwise to the Company for any act or omission performed or omitted by such Actor in connection with the Company or its business. The Member's liability for the debts and obligations of the Company shall be limited as set forth in the Act and other applicable law.

13. **Reimbursable Expenses.** The Company will reimburse the Member for all actual out-of-pocket third-party expenses incurred in connection with the carrying out of the duties set forth in this Agreement.

14. **Records.** The Member shall keep or cause to be kept at the Principal Office of the Company the following: (a) a written record of the full name and business, residence, or mailing address of the Member; (b) a copy of the initial Articles and all amendments thereto; (c) copies of all written operating agreements and all amendments to such agreements; and (d) such other records and documents as are required by the Act as the Member deems necessary or advisable.

15. **Dissolution.** The Company shall be dissolved upon the election of the Member. A Withdrawal Event with respect to the Member shall not dissolve the Company, unless any assignees of the Member's interest do not elect to continue the Company and admit a member within ninety (90) days of such Withdrawal Event. "**Withdrawal Event**" shall mean those events and circumstances set forth in Section 29-733 of the Act.

16. **Filing Upon Dissolution.** As soon as possible following the dissolution of the Company, the Member shall execute and file a Notice of Winding Up with the Arizona Corporation Commission as required by the Act.

17. **Liquidation.** Upon dissolution of the Company, it shall be wound up and liquidated as rapidly as business circumstances permit, the Member shall act as the liquidating trustee, and the assets of the Company shall be liquidated and the proceeds thereof shall be paid (to the extent permitted by applicable law) in the following order: (a) first, to creditors, including the Member if it is a creditor, in the order and priority required by applicable law; (b) second, to a reserve for contingent liabilities to be distributed at the time and in the manner as the liquidating trustee determines in its sole discretion; and (c) third, to the Member.

18. **Articles of Termination.** When all debts, liabilities and obligations have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and assets have been distributed, Articles of Termination shall be executed and filed by the liquidating trustee with the Arizona Corporation Commission as required by the Act.

[Remainder of this page intentionally left blank. Signature page follows.]

**IN WITNESS WHEREOF,** the parties have executed this Agreement effective as of the day and year first above written.

**MEMBER:**

**MERITAGE HOMES OF TEXAS HOLDING, INC.,** an Arizona corporation

By: /s/ Larry W. Seay

Title: Executive Vice President and CFO

**COMPANY:**

**MERITAGE HOMES OPERATING COMPANY, LLC,** an Arizona limited liability company

By: Meritage Homes of Texas Holding, Inc.,
an Arizona corporation, its sole member

By: /s/ C. Timothy White

Title: Executive Vice President and Sec'y

**Exhibit 3.35**

**ARTICLES OF ORGANIZATION**
**OF**
**WW PROJECT SELLER, LLC**

Pursuant to Arizona Revised Statutes § 29-632, the undersigned states as follows:

1. The name of the limited liability company (the "Company") formed by this instrument is "WW Project Seller, LLC."

2. The address of the Company's registered office in Arizona is 17851 N. 85th Street, Suite 300, Scottsdale, Arizona 85255.

3. The name and business address of the Company's statutory agent is C T Corporation System, 2394 E. Camelback Road, Phoenix, Arizona 85016.

4. Management of the Company is reserved to its sole member. The name and address of the Company's sole member is MTH Cavalier, LLC, 17851 N. 85th Street, Suite 300, Scottsdale, Arizona 85255.

Dated: January 8, 2008

/s/ MEL FARAONI

**Mel Faraoni**
**Organizer**

Acceptance of Appointment
By Statutory Agent

The undersigned hereby acknowledges and accepts the appointment as statutory agent of WW Project Seller, LLC, an Arizona limited liability company, effective this 9th day of January, 2008.

C T Corporation System
2394 E. Camelback Road
Phoenix, AZ 85016

| | |
|---|---|
| Signature: | /s/ VIRGINIA G. FLOCK |
| Printed Name: | **Virginia G. Flock**<br>**Special Assistant Secretary** |

**ARTICLES OF AMENDMENT TO THE**
**ARTICLES OF ORGANIZATION**
**OF**
**WW PROJECT SELLER, LLC**

Pursuant to Arizona Revised Statutes § 29-633, the undersigned states as follows:

1. Name: The name of the limited liability company (the "Company") to which this instrument pertains is "WW Project Seller, LLC."

2. Filing Information: The Company's Articles of Organization were filed with the Arizona Corporation Commission on January 9, 2008 as Document No. L-1420496-0.

3. Amendment: Article 4 of the Company's Articles of Organization is hereby amended as follows:

The name and address of the Company's sole member is Meritage Paseo Crossing, LLC, 17851 N. 85th Street, Suite 300, Scottsdale, Arizona 85255.

Dated: October 15, 2008

WW PROJECT SELLER, LLC, an Arizona limited liability company

By: MERITAGE PASEO CROSSING, LLC, an Arizona limited liability company, its sole member

By: MERITAGE HOMES OF ARIZONA, INC., an Arizona corporation, its sole member

By: /s/ MEL FARAONI
Name: **Mel Faraoni**
Title: **Vice President- Associate General Counsel**

**Exhibit 5.1**

Snell & Wilmer L.L.P.
Law Offices
One Arizona Center
Phoenix, AZ 85004-2202
602.382.6000
602.382.6070 (Fax)
www.swlaw.com

DENVER
LAS VEGAS
LOS ANGELES
LOS CABOS
ORANGE COUNTY
PHOENIX
SALT LAKE CITY
TUCSON

May 19, 2010

Meritage Homes Corporation
17851 North 85th Street
Suite 300
Scottsdale, Arizona 85255

Each of the subsidiaries of Meritage Homes Corporation listed on Schedule I attached hereto
c/o Meritage Homes Corporation
17851 North 85th Street
Suite 300
Scottsdale, Arizona 85255

Re: Exchange Offer relating to 7.15% Senior Notes due 2020

Ladies and Gentlemen:

Reference is made to the Registration Statement on Form S-4, including amendments and exhibits thereto (the "Registration Statement"), for the proposed offer to exchange (the "Exchange Offer") by Meritage Homes Corporation, a Maryland corporation (the "Company"), and each of the subsidiary guarantors listed on Schedule I attached hereto (collectively, the "Guarantors"), up to an aggregate of $200 million in principal amount of its 7.15% Senior Notes due 2020 that have been registered under the Securities Act of 1933, as amended (the "Securities Act" and such notes, the "Exchange Notes"), for a like principal amount of its outstanding unregistered 7.15% Senior Notes due 2020 (the "Outstanding Notes") and the guarantees by the Guarantors of the Exchange Notes. The Outstanding Notes were issued, and the Exchange Notes are issuable, pursuant to an Indenture, dated April 13, 2010, by and among the Company, the Guarantors and HSBC Bank USA, National Association, as Trustee (the "Indenture").

Based on the foregoing, and subject to the qualifications and limitations set forth herein, we advise you that:

1. The Exchange Notes, assuming the due authorization, execution, authentication and delivery thereof by the Trustee, when delivered by the Company in accordance with the terms of the Indenture and in exchange for Outstanding Notes as contemplated in the Registration Statement, will be valid and legally binding obligations of the Company, entitled to the benefits of the Indenture and enforceable against the Company in accordance with their terms.

2. The guarantees by the Guarantors to be endorsed on the Exchange Notes, assuming the due authorization, execution, authentication and delivery of the Exchange Notes by the Trustee, when the Exchange Notes are issued and delivered by the Company in accordance with the terms of the Indenture and as contemplated in the Registration Statement, will be valid and legally binding obligations of the Guarantors enforceable against each of them in accordance with their terms.

In rendering this opinion, we have reviewed and relied upon the Indenture, the Outstanding Notes, the form of Exchange Notes and such documents, records and other instruments of the Company and the Guarantors as we have deemed necessary.

The opinions set forth above are subject to the following qualifications:

(i) The opinions are subject to and may be limited by (a) applicable bankruptcy, insolvency, liquidation, fraudulent conveyance or transfer, moratorium, reorganization or other similar laws affecting creditors' rights generally; (b) general equitable principles and rules of law governing specific performance, estoppel, waiver, injunctive relief and other equitable remedies (regardless of whether enforcement is sought in a proceeding at law or in equity), and the discretion of any court before which a proceeding may be brought; (c) duties and standards of good faith, reasonableness and fair dealing imposed on creditors and parties to contracts; (d) the limitation in certain circumstances of provisions imposing liquidated damages, usury limitations or increases in interest rates upon delinquency in payment or the occurrence of a default; and (e) a court determination that any fees payable pursuant to a provision requiring the payment of attorneys' fees is reasonable.

(ii) We have assumed: (a) the genuineness of the signatures and the authenticity of documents submitted to us as originals, and the conformity to originals of all documents submitted to us as certified or photostatic copies; (b) that such documents accurately describe the mutual understanding of the parties as to all matters contained therein and that no other agreements or undertakings exist between the parties that would affect the documents relating to the transactions contemplated by such documents and agreements; (c) the due authorization, execution, and delivery of the documents discussed herein by all parties thereto except the Company and the Guarantors, that such documents will be valid and legally binding upon, and enforceable in accordance with their terms against, all parties thereto except the Company and the Guarantors, and that the execution, delivery and performance of such documents by parties other than the Company and the Guarantors will not violate any provision of any charter document, law, rule, regulation, judgment, order, decree, agreement or other document binding upon or applicable to such other parties or their respective assets; (d) the accuracy, completeness and genuineness of all representations and certifications made to or obtained by us, including those of public officials; (e) the accuracy and completeness of records of the Company and the Guarantors; and (f) that no fraud or dishonesty exists with respect to any matters relevant to our opinions.

(iii) We express no opinion regarding compliance by the Company or any Guarantor with any financial covenants required to be maintained by them under any agreement or document, or as to the financial ability of the Company or any Guarantors to meet its obligations under the documents described herein.

(iv) This opinion letter is limited to the matters stated herein and no opinion is implied or may be inferred beyond the matters expressly stated. Without limiting the foregoing, the opinions expressed in this letter are based upon the law and facts as we understand them in effect on the date hereof, and we assume no obligation to revise or supplement this opinion should such law be changed by legislative action, judicial decision, or otherwise, or should any facts or other matters upon which we have relied be changed.

We hereby consent to the filing of the opinion as an exhibit to the Registration Statement and to the use of our name in the Registration Statement.

Very truly yours,

/s/ Snell & Wilmer L.L.P.

## SCHEDULE I

**Subsidiary Guarantors**

Meritage Paseo Crossing, LLC
Meritage Paseo Construction, LLC
Meritage Homes of Arizona, Inc.
Meritage Homes Construction, Inc.
Meritage Homes of California, Inc.
Meritage Homes of Nevada, Inc.
Meritage Holdings, L.L.C.
Meritage Homes of Texas Holding, Inc.
Meritage Homes of Texas Joint Venture Holding Company, LLC
Meritage Homes of Texas, LLC
Meritage Homes Operating Company, LLC
MTH-Cavalier, LLC
MTH Golf, LLC
Meritage Homes of Colorado, Inc.
Meritage Homes of Florida, Inc.
California Urban Builders, Inc.
California Urban Homes, LLC
WW Project Seller, LLC

EXHIBIT 12.1

**Meritage Homes Corporation**
**Calculation of Ratio of Earnings to Total Fixed Charges**

| | Qtr. Ended March 31, 2010 | Year Ended December 31, 2009 | 2008 | 2007 | 2006 | 2005 |
|---|---|---|---|---|---|---|
| Income/(Loss) from continuing operations before income taxes and minority interest | $ 2,781 | $(154,799) | $(275,966) | $(456,482) | $364,009 | $416,225 |
| Income/(Loss) from equity method investees | (803) | (4,013) | 17,038 | 40,229 | (20,364) | (18,337) |
| | **1,978** | **(158,812)** | **(258,928)** | **(416,253)** | **343,645** | **397,888** |
| **Add/(deduct):** | | | | | | |
| + Fixed Charges | 11,063 | 50,123 | 53,526 | 67,109 | 56,730 | 46,934 |
| + Amortization of capitalized interest | 3,256 | 25,951 | 37,233 | 47,051 | 42,986 | 38,796 |
| + Distributed income of equity method investees | 1,340 | 8,286 | 10,049 | 15,929 | 17,126 | 16,140 |
| - Interest capitalized | (2,146) | (10,359) | (25,606) | (55,431) | (52,063) | (43,034) |
| **Earnings available for fixed charges** | **$ 15,491** | **$ (84,811)** | **$(183,726)** | **$(341,595)** | **$408,424** | **$456,724** |
| **Fixed Charges:** | | | | | | |
| Interest and other financial charges expensed and capitalized | 10,441 | 46,890 | 49,259 | 62,176 | 52,063 | 43,034 |
| Interest factor attributed to rentals **(a)** | 622 | 3,233 | 4,267 | 4,933 | 4,667 | 3,900 |
| **Total Fixed Charges** | **$ 11,063** | **$ 50,123** | **$ 53,526** | **$ 67,109** | **$ 56,730** | **$ 46,934** |
| **Ratio of earnings to fixed charges** | **1.4** | **(b)** | **(b)** | **(b)** | **7.2** | **9.7** |

(a) The interest factor attributable to rentals consists of one-third of rental charges, which is deemed by the Company to be representative of the interest factor inherent in rent.
(b) Earnings were not adequate to cover fixed charges by $134.9 million, $237.3 million and $408.7 million for the years ended December 31, 2009, 2008 and 2007, respectively.

**Meritage Homes Corporation**
**Proforma Calculation of Earnings to Total Fixed Charges**

| | Qtr. Ended March 31, 2010 | Year Ended December 31, 2009 |
|---|---|---|
| Income/(Loss) from continuing operations before income taxes and minority interest | $ 2,781 | $(154,799) |
| Income/(Loss) from equity method investees | (803) | (4,013) |
| | **1,978** | **(158,812)** |
| **Add/(deduct):** | | |
| + Fixed Charges | 11,449 | 51,692 |
| + Amortization of capitalized interest | 3,256 | 25,951 |
| + Distributed income of equity method investees | 1,340 | 8,286 |
| - Interest capitalized | (2,146) | (10,359) |
| **Earnings available for fixed charges** | **$ 15,877** | **$ (83,243)** |
| **Fixed Charges:** | | |
| Interest and other financial charges expensed and capitalized | 10,827 | 48,459 |
| Interest factor attributed to rentals **(c)** | 622 | 3,233 |
| **Total Fixed Charges** | **$ 11,449** | **$ 51,692** |
| **Ratio of earnings to fixed charges** | **1.4** | **(d)** |

(c) The interest factor attributable to rentals consists of one-third of rental charges, which is deemed by the Company to be representative of the interest factor inherent in rent.
(d) Earnings were not adequate to cover fixed charges by $134.9 million for the year ended December 31, 2009.

EXHIBIT 21.1

**MERITAGE HOMES CORPORATION**
**LIST OF SUBSIDIARIES**

| State of Organization | Legal Entity |
|---|---|
| Arizona | Meritage Homes of Arizona, Inc. |
| Arizona | Meritage Paseo Crossing, LLC |
| Arizona | Meritage Homes Construction, Inc. |
| Arizona | Meritage Paseo Construction, LLC |
| Arizona | Meritage Homes of Colorado, Inc. |
| Arizona | Meritage Homes of Nevada, Inc. |
| Arizona | MTH-Cavalier, LLC |
| Arizona | MTH Golf, LLC |
| Arizona | Meritage Homes Operating Company, LLC |
| Arizona | Meritage Homes of Texas, LLC |
| Arizona | Meritage Homes of Texas Holding, Inc. |
| Arizona | WW Project Seller, LLC |
| California | Meritage Homes of California, Inc. |
| California | California Urban Homes, LLC |
| California | California Urban Builders, Inc. |
| Florida | Meritage Homes of Florida, Inc. |
| Texas | Meritage Holdings, L.L.C. |
| Texas | Meritage Homes of Texas Joint Venture Holding Company, LLC |

**EXHIBIT 23.1**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in this Registration Statement on Form S-4 of our reports dated March 5, 2010, relating to the financial statements of Meritage Homes Corporation, and the effectiveness of Meritage Homes Corporation's internal control over financial reporting, appearing in the Annual Report on Form 10-K of Meritage Homes Corporation for the year ended December 31, 2009, and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

/s/ DELOITTE & TOUCHE LLP

Phoenix, Arizona
May 19, 2010

EXHIBIT 25.1
CONFORMED COPY

# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

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# FORM T-1

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**STATEMENT OF ELIGIBILITY**
**UNDER THE TRUST INDENTURE ACT OF 1939 OF A**
**CORPORATION DESIGNATED TO ACT AS TRUSTEE**

☐ **CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)**

---

# HSBC Bank USA, National Association

**(Exact name of trustee as specified in its charter)**

---

| **N/A**<br>(Jurisdiction of incorporation or organization if not a U.S. national bank) | **20-1177241**<br>(I.R.S. Employer Identification No.) |
|---|---|
| **1800 Tyson's Boulevard, Ste 50**<br>**McLean, VA**<br>(Address of principal executive offices) | **22102**<br>(Zip Code) |

**Kevin T. O'Brien, SVP**
**HSBC Bank USA, National Association**
**452 Fifth Avenue**
**New York, New York 10018-2706**
**Tel: (212) 525-1311**
**(Name, address and telephone number of agent for service)**

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**Meritage Homes Corporation**
**(Exact name of obligor as specified in its charter)**

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| **Maryland**<br>(State or other jurisdiction of incorporation or organization) | **86-0611231**<br>(I.R.S. Employer Identification No.) |
|---|---|
| **17851 North 85th Street,**<br>**Suite 300 Scottsdale, Arizona**<br>(Address of principal executive offices) | **85255**<br>(Zip Code) |

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**Meritage Homes Corporation**
**(Title of Indenture Securities)**

## General

Item 1. General Information.

Furnish the following information as to the trustee:

(a) Name and address of each examining or supervisory authority to which it is subject.

Comptroller of the Currency, New York, NY.

Federal Deposit Insurance Corporation, Washington, D.C.

Board of Governors of the Federal Reserve System, Washington, D.C.

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

Item 2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None

Items 3-15. Not Applicable

Item 16. List of Exhibits

Exhibit

| | | |
|---|---|---|
| T1A(i) | (1) | Copy of the Articles of Association of HSBC Bank USA, National Association. |
| T1A(ii) | (1) | Certificate of the Comptroller of the Currency dated July 1, 2004 as to the authority of HSBC Bank USA, National Association to commence business. |
| T1A(iii) | (2) | Certificate of Fiduciary Powers dated August 18, 2004 for HSBC Bank USA, National Association |
| T1A(iv) | (1) | Copy of the existing By-Laws of HSBC Bank USA, National Association. |
| T1A(v) | | Not applicable. |
| T1A(vi) | (2) | Consent of HSBC Bank USA, National Association required by Section 321(b) of the Trust Indenture Act of 1939. |
| T1A(vii) | | Copy of the latest report of condition of the trustee (September 30, 2009), published pursuant to law or the requirement of its supervisory or examining authority. |
| T1A(viii) | | Not applicable. |
| T1A(ix) | | Not applicable. |

(1) Exhibits previously filed with the Securities and Exchange Commission with Registration No. 333-118523 and incorporated herein by reference thereto.
(2) Exhibits previously filed with the Securities and Exchange Commission with Registration No. 333-125197 and incorporated herein by reference thereto.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the Trustee, HSBC Bank USA, National Association, a national banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York and State of New York on the 19th day of May, 2010.

HSBC BANK USA, NATIONAL ASSOCIATION

By: /s/ Ignazio Tamburello
Vice President

Board of Governors of the Federal Reserve System
OMB Number: 7100-0036
Federal Deposit Insurance Corporation
OMB Number: 3064-0052
Office of the Comptroller of the Currency
OMB Number: 1557-0081

**Federal Financial Institutions Examination Council**

Expires March 31, 2009

Please refer to page i, Table of Contents, for the required disclosure of estimated burden.

**1**

**Consolidated Reports of Condition and Income for**
**A Bank With Domestic and Foreign Offices—FFIEC 031**

**Report at the close of business September 30, 2009**

(20040630)
(RCRI 9999)

This report is required by law; 12 U.S.C. §324 (State member banks); 12 U.S.C. § 1817 (State nonmember banks); and 12 U.S.C. §161 (National banks).

NOTE: The Reports of Condition and Income must be signed by an authorized officer and the Report of Condition must be attested to by not less than two directors (trustees) for State nonmember banks and three directors for State member and National Banks.

I, Gerard Mattia, CFO
Name and Title of Officer Authorized to Sign Report

Of the named bank do hereby declare that these Reports of Condition and Income (including the supporting schedules) have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true to the best of my knowledge and believe.

/s/ Joseph R. Simpson
Signature of Officer Authorized to Sign Report

11/04/2009
Date of Signature

This report form is to be filed by banks with branches and consolidated subsidiaries in U.S. territories and possessions, Edge or Agreement subsidiaries, foreign branches, consolidated foreign subsidiaries, or International Banking Facilities.

The Reports of Condition and Income are to be prepared in accordance with Federal regulatory authority instructions.

We, the undersigned directors (trustees), attest to the correctness of this Report of Condition (including the supporting schedules) and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

/s/ Sal H. Alfieri
Director (Trustee)

/s/ Donald Boswell
Director (Trustee)

/s/ Paul Lawrence
Director (Trustee)

**Submission of Reports**

Each Bank must prepare its Reports of Condition and Income either:

(a) in electronic form and then file the computer data file directly with the banking agencies' collection agent, Electronic Data System Corporation (EDS), by modem or computer diskette; or

b) in hard-copy (paper) form and arrange for another party to convert the paper report to automated for. That party (if other than EDS) must transmit the bank's computer data file to EDS.

For electronic filing assistance, contact EDS Call report Services, 2150 N. Prospect Ave., Milwaukee, WI 53202, telephone (800) 255-1571.

To fulfill the signature and attestation requirement for the Reports of Condition and Income for this report date, attach this signature page to the hard-copy f the completed report that the bank places in its files.

FDIC Certificate Number | 5 | 7 | 8 | 9 | 0 |

http://WWW.BANKING.US.HSBC.COM
Primary Internet Web Address of Bank (Home Page), if any (TEXT 4087)
(Example: www.examplebank.com)

HSBC Bank USA, NATIONAL ASSOCIATION
Legal Title of Bank (TEXT 9010)

Wilmington
City (TEXT 9130)

DE — 19801
State Abbrev. (TEXT 9200) — ZIP Code (TEXT 9220)

Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency

**REPORT OF CONDITION**

Consolidated domestic subsidiaries
HSBC Bank USA, National Association of Buffalo
Name of Bank City

in the state of New York, at the close of business **September 30, 2009**

| | | **Thousands of dollars** |
|---|---|---|
| **ASSETS** | | |
| Cash and balances due from depository institutions: | | |
| a. Non-interest-bearing balances currency and coin | | 2,570,556 |
| b. Interest-bearing balances | | 17,656,608 |
| Held-to-maturity securities | | 2,731,128 |
| Available-for-sale securities | | 25,710,388 |
| Federal funds sold and securities purchased under agreements to resell: | | |
| a. Federal funds sold in domestic offices | | 0 |
| b. Securities purchased under agreements to resell | | 4,463,048 |
| Loans and lease financing receivables: | | |
| Loans and leases held for sale | | 3,078,970 |
| Loans and leases net of unearned income | 80,652,389 | |
| LESS: Allowance for loan and lease losses | 3,831,446 | |
| Loans and lease, net of unearned income, allowance, and reserve | | 76,820,943 |
| Trading assets | | 24,855,776 |
| Premises and fixed assets | | 531,151 |
| Other real estate owned | | 82,463 |
| Investments in unconsolidated subsidiaries | | 11,789 |
| Customers’ liability to this bank on acceptances outstanding | | NA |
| Intangible assets: Goodwill | | 2,056,813 |
| Intangible assets: Other intangible assets | | 428,791 |
| Other assets | | 7,264,450 |
| Total assets | | **168,262,874** |
| | | |
| **LIABILITIES** | | |
| Deposits: | | |
| In domestic offices | | 86,634,006 |
| Non-interest-bearing | 17,482,305 | |
| Interest-bearing | 69,151,701 | |

| | | |
|---|---|---|
| In foreign offices | | 32,221,411 |
| Non-interest-bearing | 1,243,619 | |
| Interest-bearing | 30,977,792 | |
| Federal funds purchased and securities sold under agreements to repurchase: | | |
| a. Federal funds purchased in domestic offices | | 42,100 |
| b. Securities sold under agreements to repurchase | | 2,929,258 |
| Trading Liabilities | | 10,557,630 |
| Other borrowed money | | 10,503,183 |
| Bank's liability on acceptances | | NA |
| Subordinated notes and debentures | | 4,843,133 |
| Other liabilities | | 4,714,369 |
| Total liabilities | | **152,445,090** |
| Minority Interests in consolidated Subsidiaries | | N/A |
| **EQUITY CAPITAL** | | |
| Perpetual preferred stock and related surplus | | 0 |
| Common Stock | | 2,001 |
| Surplus | | 15,805,455 |
| Retained earnings | | 223,297 |
| Accumulated other comprehensive income | | -213,180 |
| Other equity capital components | | 0 |
| Total equity capital | | 15,817,784 |
| Total liabilities, minority interests and equity capital | | **168,262,874** |

EXHIBIT 99.1

# LETTER OF TRANSMITTAL

**TO TENDER FOR EXCHANGE**
**7.15% Senior Notes due 2020**
**that have not been registered under the Securities Act of 1933**

**Pursuant to the Prospectus dated , 2010**

**THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2010, UNLESS EXTENDED.**

*The Exchange Agent is:*

**HSBC Bank USA, National Association**

| *By Facsimile:* | *By Registered or Certified Mail; Overnight Courier or Hand Delivery:* |
|---|---|
| HSBC Bank USA, National Association<br>Facsimile: (718) 488-4488<br>(For Eligible Institutions Only)<br>Attention: Corporate Trust Operations<br>Confirm by telephone: (800) 662-9844 | HSBC Bank USA, National Association<br>2 Hanson Place<br>14th Floor<br>Brooklyn, New York 10217<br>Attention: Corporate Trust Operations |

**TO TENDER OUTSTANDING NOTES, AN AGENT'S MESSAGE MUST BE DELIVERED TO THE EXCHANGE AGENT AT ITS ADDRESS SET FORTH ABOVE, WITH ALL REQUIRED DOCUMENTATION, AT OR BEFORE THE EXPIRATION TIME SPECIFIED ABOVE. DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION TO A FACSIMILE NUMBER OTHER THAN THE ONE LISTED ABOVE WILL NOT CONSTITUTE VALID DELIVERY TO THE EXCHANGE AGENT. DELIVERY OF DOCUMENTS TO THE DEPOSITORY TRUST COMPANY DOES NOT CONSTITUTE DELIVERY TO THE EXCHANGE AGENT.**

**PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY BEFORE COMPLETING THIS LETTER OF TRANSMITTAL.**

The undersigned acknowledges receipt of the Prospectus dated , 2010 (the "Prospectus"), of Meritage Homes Corporation, a Maryland corporation (the "Company"), relating to the offer (the "Exchange Offer") of the Company, upon the terms and subject to the conditions set forth in the Prospectus and herein and the instructions hereto, to exchange up to $200,000,000 aggregate principal amount of its 7.15% Senior Notes due 2020 (the "Exchange Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to $200,000,000 aggregate principal amount of its outstanding unregistered 7.15% Senior Notes due 2020 (the "Outstanding Notes"), upon the terms and subject to the conditions set forth in the Prospectus and this Letter of Transmittal. The minimum permitted tender is $2,000 principal amount of Outstanding Notes, and all other tenders must be in integral multiples of $1,000 in excess thereof. Capitalized terms used but not defined herein have the meanings given to them in the Prospectus.

**TO TENDER OUTSTANDING NOTES, AN AGENT'S MESSAGE MUST BE DELIVERED TO THE EXCHANGE AGENT AT ITS ADDRESS SET FORTH ABOVE, WITH ALL REQUIRED DOCUMENTATION, AT OR BEFORE THE EXPIRATION TIME (AS DEFINED BELOW). DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS, OR TRANSMISSION BY FACSIMILE, OTHER THAN AS SET FORTH ABOVE, WILL NOT CONSTITUTE A VALID DELIVERY.**

**THE INSTRUCTIONS ACCOMPANYING THIS LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.**

The Exchange Offer will expire at 5:00 p.m., New York City time, on , 2010, unless extended (such date and time, as the same may be extended from time to time, the "Expiration Time"). Tenders may be withdrawn at any time at or prior to the Expiration Time. **Holders who wish to be eligible to receive Exchange Notes pursuant to the Exchange Offer must validly tender and not withdraw their Outstanding Notes to the exchange agent prior to the Expiration Time.**

This Letter of Transmittal is to be used to tender Outstanding Notes:

- If a tender is made by book-entry transfer to the Exchange Agent's account at The Depository Trust Company ("DTC") through DTC's Automated Tender Offer Program ("ATOP") pursuant to the procedures set forth in the Prospectus under the heading "The Exchange Offer — Procedures for Tendering", with an Agent's Message (as defined below) to be transmitted to the Exchange Agent confirming such book-entry transfer; or
- If a tender is made pursuant to the guaranteed delivery procedures set forth in the Prospectus under the heading "The Exchange Offer — Guaranteed Delivery Procedures."

The term "Agent's Message" means a message, electronically transmitted by DTC to the Exchange Agent, forming part of a book-entry transfer, which states that DTC has received an express acknowledgment from the tendering holder of the Outstanding Notes that such holder has received and agrees to be bound by, and makes each of the representations and warranties contained in, this Letter of Transmittal, and, further, that such holder agrees that the Company may enforce this Letter of Transmittal against such holder.

Only registered holders are entitled to tender their Outstanding Notes for exchange in the Exchange Offer. In order for any holder of Outstanding Notes to tender in the Exchange Offer all or any portion of such holder's Outstanding Notes, the Exchange Agent must receive, at or before the Expiration Time, an Agent's Message, a confirmation of the book-entry transfer of the Outstanding Notes being tendered into the Exchange Agent's account at DTC, and all documents required by this Letter of Transmittal, or the holder must comply with the guaranteed delivery procedures set forth below.

Any participant in DTC's system whose name appears on a security position listing as the registered owner of Outstanding Notes and who wishes to make book-entry delivery of Outstanding Notes to the Exchange

Agent's account at DTC can execute the tender through ATOP, for which the Exchange Offer will be eligible, by following the applicable procedures thereof. Upon such tender of Outstanding Notes:

- DTC will verify the acceptance of the tender and execute a book-entry delivery of the tendered Outstanding Notes to the Exchange Agent's account at DTC;
- DTC will send to the Exchange Agent for its acceptance an Agent's Message forming part of such book-entry transfer; and
- transmission of the Agent's Message by DTC will satisfy the terms of the Exchange Offer as to execution and delivery of a Letter of Transmittal by the participant identified in the Agent's Message.

**Delivery of documents to DTC does not constitute delivery to the Exchange Agent.**

In order to properly complete this Letter of Transmittal, a holder of Outstanding Notes must:

- complete the box entitled "Description of Outstanding Notes Tendered";
- if appropriate, check and complete the boxes relating to book-entry transfer, guaranteed delivery, broker dealers, and special issuance instructions; and
- complete the Substitute Form W-9 accompanying this Letter of Transmittal or the applicable IRS Form W-8, which may be obtained from the Exchange Agent.

If a holder of Outstanding Notes desires to tender his, her, or its Outstanding Notes for exchange and, at or before the Expiration Time, the procedures for book-entry transfer cannot be completed, then such holder may effect a tender of Outstanding Notes for exchange in accordance with the guaranteed delivery procedures set forth in the Prospectus under the heading "The Exchange Offer — Guaranteed Delivery Procedures." See Instruction 2.

The Exchange Offer may be extended, terminated, or amended as provided in the Prospectus. During any such extension of the Exchange Offer, all Outstanding Notes previously tendered and not withdrawn pursuant to the Exchange Offer will remain subject to the Exchange Offer. The Exchange Offer is scheduled to expire at 5:00 p.m., New York City time, on            , 2010, unless extended by the Company.

Persons who are beneficial owners of Outstanding Notes but are not registered holders and who desire to tender Outstanding Notes should contact the registered holder of such Outstanding Notes and instruct such registered holder to tender on such beneficial owner's behalf.

**SIGNATURES MUST BE PROVIDED BELOW.**
**PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY.**

## DESCRIPTION OF OUTSTANDING NOTES TENDERED

| Name(s) and Address(es) of Registered Holder(s) (Please fill in, if blank) | Total Principal Amount of Outstanding Notes Tendered (must be at least $2,000 and integral multiples of $1,000 in excess thereof) |
|---|---|
| | |

☐ **CHECK HERE IF TENDERED OUTSTANDING NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH DTC AND COMPLETE THE FOLLOWING:**

Name of Tendering Institution: ____________________

DTC Account Number: ____________________

Transaction Code Number: ____________________

*By crediting Outstanding Notes to the Exchange Agent's account at DTC in accordance with ATOP and by complying with applicable ATOP procedures with respect to the Exchange Offer, including transmitting an Agent's Message to the Exchange Agent in which the holder of the Outstanding Notes acknowledges and agrees to be bound by the terms of this Letter of Transmittal, the participant in ATOP confirms on behalf of itself and the beneficial owners of such Outstanding Notes all provisions of this Letter of Transmittal applicable to it and such beneficial owners as if it had completed the information required herein and executed and delivered this Letter of Transmittal to the Exchange Agent.*

☐ **CHECK HERE IF TENDERED OUTSTANDING NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE EXCHANGE AGENT AND COMPLETE THE FOLLOWING (FOR USE BY ELIGIBLE INSTITUTIONS ONLY):**

Name(s) of Registered Holder(s): ____________________

Window Ticket Number (if any): ____________________

Date of Execution of Notice of Guaranteed Delivery: ____________________

Name of Institution that Guaranteed Delivery: ____________________

☐ **CHECK HERE IF YOU ARE A BROKER-DEALER AND COMPLETE THE FOLLOWING:**

Name (Please type or print): ____________________

Address (Include Zip Code): ____________________

☐ **CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.**

Ladies and Gentlemen:

Upon the terms and subject to the conditions of the Exchange Offer, the undersigned tenders to the Company for exchange the Outstanding Notes indicated above. Subject to, and effective upon, acceptance for exchange of the Outstanding Notes tendered herewith, the undersigned sells, assigns and transfers to the Company all right, title, and interest in and to all such Outstanding Notes tendered for exchange hereby. The undersigned irrevocably constitutes and appoints the Exchange Agent as the true and lawful agent and attorney-in-fact of the undersigned (with full knowledge that the Exchange Agent also acts as agent of the Company) with respect to such Outstanding Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to:

- transfer ownership of such Outstanding Notes on the account books maintained by DTC, together with all accompanying evidences of transfer and authenticity to the Company;
- present and deliver such Outstanding Notes for transfer on the books of the Company; and
- receive all benefits or otherwise exercise all rights and incidents of beneficial ownership of such Outstanding Notes, all in accordance with the terms of the Exchange Offer.

The undersigned represents and warrants that it has full power and authority to tender, exchange, assign and transfer the Outstanding Notes and to acquire the Exchange Notes issuable upon the exchange of such tendered Outstanding Notes, and that, when the Outstanding Notes are accepted for exchange, the Company will acquire good and unencumbered title to the tendered Outstanding Notes, free and clear of all liens, restrictions, charges, and encumbrances and not subject to any adverse claim. The undersigned also warrants that it will, upon request, execute and deliver any additional documents deemed by the Exchange Agent or the Company to be necessary or desirable to complete the exchange, assignment, and transfer of tendered Outstanding Notes or transfer ownership of such Outstanding Notes on the account books maintained by DTC.

The undersigned also acknowledges that the Exchange Offer is being made by the Company in reliance on interpretations by the staff of the Securities and Exchange Commission (the "SEC"), as set forth in no-action letters issued to third parties. Based on interpretations of the staff of the SEC, as set forth in such series of no-action letters, the Company believes that Exchange Notes may be offered for resale, resold, and otherwise transferred by holders thereof (other than any such holder that is an "affiliate" of the Company within the meaning of Rule 405 under the Securities Act or that tenders Outstanding Notes for the purpose of participating in a distribution of the Exchange Notes), without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that such Exchange Notes are acquired in the ordinary course of such holders' business, and such holders have no arrangement or understanding with any person to participate in the distribution of the Exchange Notes. However, the Company does not intend to request that the SEC consider, and the SEC has not considered, the Exchange Offer in the context of a no-action letter and therefore the Company cannot guarantee that the staff of the SEC would make a similar determination with respect to the Exchange Offer. The undersigned acknowledges that if the interpretation of the Company of the above mentioned no-action letters is incorrect such holder may be held liable for any offers, resales or transfers by the undersigned of the Exchange Notes that are in violation of the Securities Act. The undersigned further acknowledges that neither the Company nor the Exchange Agent will indemnify any holder for any such liability under the Securities Act.

The undersigned represents and warrants that:

- the Exchange Notes issued in the Exchange Offer are acquired in the ordinary course of the undersigned's business;
- the undersigned has no arrangement or understanding with any person to participate, and is not participating, in the distribution of the Exchange Notes within the meaning of the Securities Act;
- the undersigned is not an "affiliate" of the Company within the meaning of Rule 405 of the Securities Act and as interpreted by the SEC;

- the undersigned is not holding Outstanding Notes that have, or that are reasonably likely to have, the status of an unsold allotment in the initial offering of the Outstanding Notes;
- if the undersigned is not a broker-dealer, the undersigned is not engaged in, and does not intend to engage in, a distribution of the Exchange Notes; and
- if the undersigned is a broker-dealer, such broker-dealer will receive the Exchange Notes for its own account in exchange for Outstanding Notes and that:
  - such Outstanding Notes were acquired by such broker-dealer as a result of market-making or other trading activities; and
  - it will deliver a prospectus meeting the requirements of the Securities Act in connection with the resale of Exchange Notes, and will comply with the applicable provisions of the Securities Act with respect to resale of any Exchange Notes.

Any holder of Outstanding Notes who is an affiliate of the Company who tenders Outstanding Notes in the Exchange Offer for the purpose of participating in a distribution of the Exchange Notes:

- may not rely on the position of the staff of the SEC enunciated in its series of interpretive no-action letters with respect to exchange offers; and
- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any secondary resale transaction.

All authority conferred or agreed to be conferred pursuant to this Letter of Transmittal and every obligation of the undersigned hereunder is binding upon the successors, assigns, heirs, executors, administrators, trustees in bankruptcy, and personal and legal representatives of the undersigned and will not be affected by, and will survive, the death or incapacity of the undersigned.

Outstanding Notes properly tendered may be withdrawn at any time at or before the Expiration Time in accordance with the terms of the Prospectus and this Letter of Transmittal. The Exchange Offer is subject to certain conditions, some of which may be waived or modified by the Company, in whole or in part, at any time and from time to time at or prior to the Expiration Time, as described in the Prospectus under the heading "The Exchange Offer — Conditions of the Exchange Offer." The undersigned recognizes that as a result of such conditions the Company may not be required to accept for exchange, or to issue Exchange Notes in exchange for, any Outstanding Notes and may terminate or amend the Exchange Offer, by oral or written notice to the exchange agent or by a timely press release, if the conditions to the Exchange Offer have not been satisfied or waived at the then scheduled Expiration Times. All tendering holders, by execution of this Letter of Transmittal, waive any right to receive any notice of the acceptance or rejection of their Outstanding Notes for exchange.

The Company is not aware of any jurisdiction in which the making of the Exchange Offer or the tender of Outstanding Notes in connection therewith would not be in compliance with the laws of such jurisdiction. The Exchange Notes may not be offered or sold in any state unless they have been registered or qualified for sale in such state or an exemption from registration or qualification is available and complied with by the holders selling the Exchange Notes. The Company currently does not intend to register or qualify the sale of the Exchange Notes in any state.

Unless otherwise indicated under "Special Issuance Instructions," please credit the account of the undersigned maintained at DTC appearing under the table "Description of Outstanding Notes Tendered" with any Outstanding Notes not accepted for exchange or any Exchange Notes issued in exchange for Outstanding Notes. The undersigned recognizes that the Company has no obligation pursuant to the special issuance instructions to transfer any Outstanding Notes from the name of the holder thereof if the Company does not accept for exchange any of the Outstanding Notes so tendered or if such transfer would not be in compliance with any transfer restrictions applicable to such Outstanding Notes.

**SPECIAL ISSUANCE INSTRUCTIONS**
**(SEE INSTRUCTIONS 1, 6, 7 and 8)**

To be completed ONLY if Outstanding Notes tendered by book-entry transfer that are not exchanged are to be returned by credit to an account maintained at DTC other than the account indicated above. **ISSUE TO:**

Name (Please type or print):

Address (Include Zip Code):

Taxpayer ID or Social Security Number:

Credit DTC Account Number:

**SIGN HERE TO TENDER YOUR OUTSTANDING NOTES IN THE EXCHANGE OFFER**

Signature of each holder of Outstanding Notes*

Capacity (Full Title): **

Name (Please type or print):

Address (Include Zip Code):

Area Code and Telephone Number:

Dated: ___________, 2010

* *Must be signed by each registered holder of Outstanding Notes exactly as such holder's name appears on certificate(s) representing the Outstanding Notes or on a security position listing, or by each person authorized to become a registered holder by certificates and documents transmitted herewith.*

** *Please provide if signature is by an attorney-in-fact, executor, administrator, trustee, guardian, officer of a corporation, or other person acting in a fiduciary or representative capacity. See Instruction 6.*

**GUARANTEE OF SIGNATURE**
**(IF REQUIRED – SEE INSTRUCTIONS 1 AND 6)**

Authorized Signature:

Name (Please type or print):

Title:

Name of Firm:

Address (Include Zip Code):

Area Code and Telephone Number:

Dated: ___________, 2010

**IMPORTANT: COMPLETE AND SIGN THE SUBSTITUTE FORM W-9**
**ACCOMPANYING THIS LETTER OF TRANSMITTAL**
**INSTRUCTIONS**
**FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER**

**1. Guarantee of Signatures.**

Except as otherwise provided below, all signatures on this Letter of Transmittal must be guaranteed by an institution which is a member of the New York Stock Exchange Medallion Signature Program or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended (an "Eligible Institution"). Signatures on this Letter of Transmittal need not be guaranteed if such Outstanding Notes are tendered for the account of an Eligible Institution. **IN ALL OTHER CASES, ALL SIGNATURES MUST BE GUARANTEED BY AN ELIGIBLE INSTITUTION.**

**2. Delivery of this Letter of Transmittal and Outstanding Notes; Guaranteed Delivery Procedures.**

In order for a holder of Outstanding Notes to tender all or any portion of such holder's Outstanding Notes, the Exchange Agent must receive an Agent's Message with respect to such holder, a confirmation of the book-entry transfer of the Outstanding Notes being tendered into the Exchange Agent's account at DTC, and any other required documents, at or before the Expiration Time, or the tendering holder must comply with the guaranteed delivery procedures set forth below. Delivery of the documents to DTC does not constitute delivery to the Exchange Agent.

**THE METHOD OF DELIVERY OF OUTSTANDING NOTES, THIS LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS IS AT THE ELECTION AND RISK OF THE TENDERING HOLDER OF OUTSTANDING NOTES. EXCEPT AS OTHERWISE PROVIDED BELOW, THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED OR CONFIRMED BY THE EXCHANGE AGENT. BY USING THE ATOP PROCEDURES TO TENDER OUTSTANDING NOTES, YOU WILL NOT BE REQUIRED TO DELIVER THIS LETTER OF TRANSMITTAL TO THE EXCHANGE AGENT. HOWEVER, YOU WILL BE BOUND BY ITS TERMS, AND YOU WILL BE DEEMED TO HAVE MADE THE ACKNOWLEDGEMENTS AND THE REPRESENTATIONS AND WARRANTIES IT CONTAINS, JUST AS IF YOU HAD SIGNED IT.**

If holders desire to tender Outstanding Notes for exchange pursuant to the Exchange Offer and, if at or before the Expiration Tim, the procedures for book-entry transfer cannot be completed, such holder may effect a tender of Outstanding Notes for exchange in accordance with the guaranteed delivery procedures set forth in the Prospectus under the caption "The Exchange Offer — Guaranteed Delivery Procedures." Pursuant to the guaranteed delivery procedures:

- such tender must be made by or through an Eligible Institution;
- at or prior to the Expiration Time, the Exchange Agent must have received from an Eligible Institution a validly completed and executed Notice of Guaranteed Delivery, substantially in the form accompanying this Letter of Transmittal, by facsimile transmission, mail, or hand delivery, setting forth the name and address of the holder of the Outstanding Notes being tendered and the amount of the Outstanding Notes being tendered. The Notice of Guaranteed Delivery must state that the tender is being made and guarantee that within three New York Stock Exchange trading days after the date of execution of the Notice of Guaranteed Delivery and a book-entry confirmation, together with an Agent's Message and any other documents required by the Letter of Transmittal, will be transmitted to the Exchange Agent; and
- the Exchange Agent must receive a book-entry confirmation, together with an Agent's Message and any other documents required by the Letter of Transmittal, within three New York Stock Exchange trading days after the date of execution of the Notice of Guaranteed Delivery.

All tendering holders, by execution of this Letter of Transmittal, waive any right to receive any notice of the acceptance or rejection of their Outstanding Notes for exchange.

**3. Inadequate Space.**

If the space provided in the box entitled "Description of Outstanding Notes" above is inadequate, the principal amounts of the Outstanding Notes being tendered should be listed on a separate signed schedule affixed hereto.

**4. Withdrawals.**

A tender of Outstanding Notes may be withdrawn at any time at or before the Expiration Time by delivery of a written or facsimile notice of withdrawal to the Exchange Agent at the address set forth on the cover of this Letter of Transmittal. To be effective, a notice of withdrawal must:

- be received by the Exchange Agent at or before the Expiration Time;
- specify the name of the person having tendered the Outstanding Notes to be withdrawn;
- specify the principal amount of Outstanding Notes to be withdrawn;
- specify the name and number of the account at DTC to be credited with the withdrawn Outstanding Notes and otherwise comply with the procedures of DTC (including ATOP procedures);
- include a statement that such holder is withdrawing his, her or its election to have such Outstanding Notes exchanged; and
- bear the signature of the holder in the same manner as the original signature on the Letter of Transmittal, if any, by which such Outstanding Notes were tendered, with such signature guaranteed by an Eligible Institution (unless such withdrawing holder is an Eligible Institution).

The Exchange Agent will promptly return any properly withdrawn Outstanding Notes following receipt of the notice of withdrawal. All questions as to the validity of notices of withdrawal, including time of receipt, will be determined by the Company in its sole discretion and such determination will be final and binding on all parties.

Any Outstanding Notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the Exchange Offer. Any Outstanding Notes that have been tendered for exchange but that are not exchanged for any reason will be credited to an account with DTC specified by the holder) after withdrawal, rejection of tender, or termination of the Exchange Offer. Properly withdrawn Outstanding Notes may be retendered by following one of the procedures described under the heading "The Exchange Offer — Procedures for Tendering" in the Prospectus at any time at or before the Expiration Time.

**5. Partial Tenders.**

Tenders of Outstanding Notes will be accepted only in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof. If a tender for exchange is to be made with respect to less than the entire principal amount of any Outstanding Notes, fill in the principal amount of Outstanding Notes which are tendered for exchange in the appropriate column of the box entitled "Description of Outstanding Notes." In case of a partial tender for exchange, the untendered principal amount of the Outstanding Notes will be credited to the DTC account of the tendering holder, unless otherwise indicated in the appropriate box on this Letter of Transmittal, as promptly as practicable after the expiration or termination of the Exchange Offer.

**6. Signatures on this Letter of Transmittal and Powers of Attorney.**

- If this Letter of Transmittal is signed by the registered holder(s) of the Outstanding Notes tendered for exchange hereby, each signature must correspond exactly with each name as written on the face of the certificate without alteration, enlargement, or any change whatsoever.
- If any of the Outstanding Notes tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.
- If any tendered Outstanding Notes are registered in different names on several certificates, it will be necessary to complete, sign, and submit as many separate copies of this Letter of Transmittal and any necessary or required documents as there are names in which Outstanding Notes are held.
- If this Letter of Transmittal or any certificates or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations, or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to the Company of such person's authority to so act must be submitted, unless waived by the Company.
- If this Letter of Transmittal is signed by the registered holder(s) of the Outstanding Notes listed and transmitted hereby, no endorsements of certificates or separate bond powers are required, unless certificates for Outstanding Notes not tendered or not accepted for exchange are to be issued or returned in the name of a person other than the holder(s) thereof. In such event, signatures on this Letter of Transmittal or such certificates must be guaranteed by an Eligible Institution (unless signed by an Eligible Institution).
- If this Letter of Transmittal is signed by a person other than the registered holder(s) of the Outstanding Notes, the certificates representing such Outstanding Notes must be properly endorsed for transfer by the registered holder or be accompanied by a properly completed bond power from the registered holder, in either case signed by each such registered holder exactly as the name of each registered holder of the Outstanding Notes appears on the Company's records. Signatures on the endorsement or bond power must be guaranteed by an Eligible Institution (unless signed by an Eligible Institution).
- If the Outstanding Notes or the Exchange Notes issued in exchange for the Outstanding Notes are to be issued in the name of a person other than the registered holder(s), this Letter of Transmittal must be accompanied by bond powers or other documents of transfer sufficient to permit the transfer of such Outstanding Notes into the name of such person.

**7. Transfer Taxes.**

Except as set forth in this Instruction 7, the Company will pay or cause to be paid any transfer taxes applicable to the exchange by the Company of Outstanding Notes pursuant to the Exchange Offer. If, however, a transfer tax is imposed for any reason other than the exchange by the Company of Outstanding Notes pursuant to the Exchange Offer, then the amount of any transfer taxes (whether imposed on the registered holder(s) or any other persons) will be payable by the tendering holder. If satisfactory evidence of the payment of such taxes or exemptions therefrom is not submitted with this Letter of Transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

**8. Special Issuance Instructions.**

If the Exchange Notes are to be issued or if any Outstanding Notes not tendered or not accepted for exchange are to be issued or sent to a person other than the person(s) signing this Letter of Transmittal or to an address other than that shown above, the appropriate boxes on this Letter of Transmittal should be completed. Holders of Outstanding Notes tendering Outstanding Notes by book-entry transfer may request that Outstanding Notes not accepted for exchange be credited to such other account maintained at DTC as such holder may designate. In such event, all signatures on this Letter of Transmittal must be guaranteed by an Eligible Institution.

**9. Irregularities.**

All questions as to the forms of all documents and the validity of (including time of receipt) and acceptance of the tenders and withdrawals of Outstanding Notes will be determined by the Company, in its sole discretion, which determination will be final and binding. Alternative, conditional, or contingent tenders will not be considered valid. The Company reserves the absolute right to reject any or all tenders of Outstanding Notes that are not in proper form or the acceptance of which would, in the Company's opinion, be unlawful. The Company also reserves the right to waive any defects or irregularities as to the tender of any particular Outstanding Notes. The Company's interpretation of the terms and conditions of the Exchange Offer (including the instructions in this Letter of Transmittal) will be final and binding. Any defect or irregularity in connection with tenders of Outstanding Notes must be cured within such time as the Company determines, unless waived by the Company. Tenders of Outstanding Notes will not be deemed to have been made until all defects or irregularities have been waived by the Company or cured. Neither the Company nor the Exchange Agent, nor any other person will be under any duty to give notice of any defects or irregularities in tenders of Outstanding Notes, or will incur any liability to registered holders or beneficial owners or of Outstanding Notes or any other persons for failure to give such notice.

**10. Waiver of Conditions.**

To the extent permitted by applicable law, the Company reserves the right to waive any and all conditions to the Exchange Offer on or before the Expiration Time as described under "The Exchange Offer — Conditions of the Exchange Offer" in the Prospectus, and accept for exchange any Outstanding Notes tendered. To the extent that the Company waives any condition to the Exchange Offer, it will waive such condition as to all Outstanding Notes.

**11. Tax Identification Number and Backup Withholding.**

Federal income tax law generally requires that a holder of Outstanding Notes whose tendered Outstanding Notes are accepted for exchange or such holder's assignee (in either case, the "Payee"), provide the Exchange Agent (the "Payor") with such Payee's correct Taxpayer Identification Number ("TIN"), which, in the case of a Payee who is an individual, is such Payee's social security number. If the Payor is not provided with the correct TIN or an adequate basis for an exemption, such Payee may be subject to a $50 penalty imposed by the Internal Revenue Service and backup withholding at the applicable withholding rate (which is currently 28%) on all reportable payments (such as interest), that are made to the Payee with respect to the Exchange Notes. If withholding results in an overpayment of taxes, a refund may be obtained.

To prevent backup withholding, each Payee must provide the Exchange Agent such Payee's correct TIN by completing the "Substitute Form W-9" accompanying this Letter of Transmittal, certifying that the TIN provided is correct (or that such Payee is awaiting a TIN) and that:

- the Payee is exempt from backup withholding;
- the Payee has not been notified by the Internal Revenue Service that such Payee is subject to backup withholding as a result of a failure to report all interest or dividends; or
- the Internal Revenue Service has notified the Payee that such Payee is no longer subject to backup withholding.

If the Payee does not have a TIN, such Payee should consult the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 (the "W-9 Guidelines") for instructions on applying for a TIN. A Payee who has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future should check the "Awaiting TIN" box in Part 3 of the Substitute Form W-9, and should sign and date the Substitute Form W-9 and the Certificate of Awaiting Taxpayer Identification Number set forth therein. If such a Payee does not provide his, her, or its TIN to the Exchange Agent within 60 days, backup withholding on all reportable payments will begin and continue until such Payee furnishes such Payee's TIN to the Exchange Agent.

If the Outstanding Notes are held in more than one name or are not in the name of the actual owner, consult the W-9 Guidelines for information on which TIN to report.

Exempt Payees (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. To prevent possible erroneous backup withholding, an exempt Payee must enter its correct TIN in Part 1 of the Substitute Form W-9, check the "Exempt" box in Part 4 of such form and sign and date the form. See the W-9 Guidelines for additional instructions. In order for a nonresident alien or foreign entity to qualify as exempt from these backup withholding and information reporting requirements, such person must complete and submit an appropriate Form W-8, signed under penalty of perjury attesting to such exempt status. Such form may be obtained from the Exchange Agent.

**12. Requests for Information or Additional Copies.**

Requests for assistance with respect to the procedures for the Exchange Offer or for additional copies of the Prospectus, this Letter of Transmittal, the Notice of Guaranteed Delivery, or the W-9 Guidelines may be directed to the Exchange Agent at its address set forth on the cover of this Letter of Transmittal.

**13. Incorporation of this Letter of Transmittal.**

This Letter of Transmittal will be deemed to be incorporated in, and acknowledged and accepted by, a tender through DTC's ATOP procedures by any participant on behalf of itself and the beneficial owners of any Outstanding Notes so tendered by such participant.

**IMPORTANT: CONFIRMATION OF BOOK-ENTRY TRANSFER AND AN AGENT'S MESSAGE, TOGETHER WITH ALL OTHER REQUIRED DOCUMENTS, OR A NOTICE OF GUARANTEED DELIVERY, MUST BE RECEIVED BY THE EXCHANGE AGENT AT OR BEFORE THE EXPIRATION TIME.**

# NOTICE OF GUARANTEED DELIVERY

**OFFER TO EXCHANGE**
**$200,000,000 of 7.15% Senior Notes due 2020**
**that have been registered under the Securities Act of 1933**
**for any and all of our outstanding**
**$200,000,000 of 7.15% Senior Notes due 2020**
**that have not been registered under the Securities Act of 1933**

**Pursuant to the Prospectus dated , 2010**

**THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2010, UNLESS EXTENDED (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED FROM TIME TO TIME, THE "EXPIRATION TIME"). TENDERS MAY BE WITHDRAWN AT ANY TIME AT OR BEFORE THE EXPIRATION TIME.**

*The Exchange Agent is:*

**HSBC Bank USA, National Association**

| *By Facsimile:* | *By Registered or Certified Mail; Overnight Courier or Hand Delivery:* |
| --- | --- |
| HSBC Bank USA, National Association<br>Facsimile: (718) 488-4488<br>(For Eligible Institutions Only)<br>Attention: Corporate Trust Operations<br>Confirm by telephone: (800) 662-9844 | HSBC Bank USA, National Association<br>2 Hanson Place<br>14th Floor<br>Brooklyn, New York 10217<br>Attention: Corporate Trust Operations |

As set forth in the prospectus dated , 2010 (the "Prospectus"), of Meritage Homes Corporation, a Maryland corporation (the "Company"), and in the accompanying Letter of Transmittal (the "Letter of Transmittal"), this Notice of Guaranteed Delivery must be used to accept the Company's offer to exchange (the "Exchange Offer") up to $200,000,000 in aggregate principal amount of its 7.15% Senior Notes due 2020 (the "Exchange Notes") that have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for a like principal amount of its outstanding unregistered 7.15% Senior Notes due 2020 (the "Outstanding Notes"), if at or before the Expiration Time the procedures for book-entry transfer cannot be completed. This form must be delivered by an Eligible Institution (as defined below) by mail or hand delivery or transmitted via facsimile to the Exchange Agent at its address set forth above at or before the Expiration Time. Capitalized terms used but not defined herein have the meanings given to them in the Letter of Transmittal.

**Transmission of this Notice of Guaranteed Delivery via facsimile to a number other than as set forth above or delivery of this Notice of Guaranteed Delivery to an address other than as set forth above will not constitute a valid delivery.**

**This Notice of Guaranteed Delivery is not to be used to guarantee signatures. If a signature on the Letter of Transmittal is required to be guaranteed by an eligible institution under the instructions thereto, such signature guarantee must appear in the applicable space provided on the Letter of Transmittal.**

Ladies and Gentlemen:

The undersigned hereby tenders to the Company, upon the terms and subject to the conditions set forth in the Prospectus and the Letter of Transmittal (receipt of which are hereby acknowledged), the principal amount of Outstanding Notes specified below pursuant to the guaranteed delivery procedures set forth in the Prospectus and in Instruction 2 of the Letter of Transmittal. By so tendering, the undersigned does hereby make as of the date hereof, the representations and warranties of a tendering holder of Outstanding Notes set forth in the Letter of Transmittal. The undersigned hereby authorizes the exchange agent to deliver this Notice of Guaranteed Delivery to the Company with respect to the Outstanding Notes tendered pursuant to the Exchange Offer.

The undersigned understands that tenders of the Outstanding Notes will be accepted only in principal amounts equal to $2,000 and integral multiples of $1,000 in excess thereof. The undersigned also understands that tenders of the Outstanding Notes pursuant to the Exchange Offer may be withdrawn at any time prior to the Expiration Time. For a withdrawal of a tender of Outstanding Notes to be effective, it must be made in accordance with the procedures set forth in the prospectus under “The Exchange Offer — Withdrawal of Tenders.”

The undersigned understands that the exchange of any Exchange Notes for Outstanding Notes will be made only after timely receipt by the exchange agent of (1) a book-entry confirmation of the transfer of such Outstanding Notes into the exchange agent’s account at DTC, and (2) a properly transmitted Agent’s Message, within three New York Stock Exchange trading days after the execution hereof.

All authority herein conferred or agreed to be conferred by this notice of guaranteed delivery shall not be affected by, and shall survive, the death or incapacity of the undersigned, and every obligation of the undersigned under this notice of guaranteed delivery shall be binding upon the heirs, personal representatives, executors, administrators, successors, assigns, trustees in bankruptcy and other legal representatives of the undersigned.

**SIGNATURES BEGIN ON NEXT PAGE**

**PLEASE SIGN AND COMPLETE**

Signature(s) of registered holder(s) or Authorized Signatory*:

Name(s) of registered holder(s) (Please type or print):

Title (Capacity)**: ______________________________

Address (Include Zip Code): ______________________________

Area Code and Telephone No.: ______________________________

Date: __________, 2010

Principal Amount of Outstanding 7.15% Senior Notes due 2020 Tendered: ______________________________

Name of Tendering Institution: ______________________________

DTC Account Number: ______________________________

Transaction Code Number: ______________________________

* *Must be signed exactly as such participant's name appears on a security position listing as the owner of the Outstanding Notes, or by each person authorized to become a registered holder by endorsements and documents transmitted with this Notice of Guaranteed Delivery.*

** *Please provide if signature is by an attorney-in-fact, executor, administrator, trustee, guardian, officer of a corporation, or other person acting in a fiduciary or representative capacity.*

**GUARANTEE ON NEXT PAGE MUST BE COMPLETED**

**GUARANTEE**
**(MUST BE COMPLETED; NOT TO BE USED FOR SIGNATURE GUARANTEE)**

The undersigned, a recognized member in good standing of a Medallion Signature Guarantee Program recognized by the Exchange Agent, such as a firm which is a member of a registered national securities exchange, a member of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States, or certain other eligible institutions as that term is defined in Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended (each, an "Eligible Institution"), guarantees that the confirmation of book-entry transfer of the Outstanding Notes referenced above into the Exchange Agent's account at the Depository Trust Company facility, together with an Agent's Message (as defined in the Letter of Transmittal) and any other documents required by the Letter of Transmittal, will be received by the Exchange Agent at its address set forth above within three New York Stock Exchange trading days after the date of execution hereof.

The Eligible Institution that completes this form must communicate the guarantee to the Exchange Agent and must deliver an Agent's Message and confirmation of the book-entry transfer of such Outstanding Notes into the Exchange Agent's account at the Depository Trust Company, within the time periods shown herein. The undersigned acknowledges that failure to do so could result in a financial loss to such Eligible Institution.

**PLEASE PRINT NAME AND ADDRESS**

Name of Firm: ____________________

Authorized Signature: ____________________

Name (Please type or print): ____________________

Title: ____________________

Address (Include Zip Code): ____________________

Area Code and Telephone Number: ____________________

Date: __________, 2010

EXHIBIT 99.3

**OFFER TO EXCHANGE**
**$200,000,000 of 7.15% Senior Notes due 2020**
**that have been registered under the Securities Act of 1933**
**for any and all of our outstanding**
**$200,000,000 of 7.15% Senior Notes due 2020**
**that have not been registered under the Securities Act of 1933**

**Pursuant to the Prospectus dated , 2010**

**THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2010, UNLESS EXTENDED (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED FROM TIME TO TIME, THE “EXPIRATION TIME”). TENDERS MAY BE WITHDRAWN AT ANY TIME AT OR BEFORE THE EXPIRATION TIME.**

To DTC Participants:

Meritage Homes Corporation, a Maryland corporation (the “Company”), is offering to exchange, upon the terms and subject to the conditions set forth in the prospectus dated , 2010 (the “Prospectus”), and the accompanying Letter of Transmittal (the “Letter of Transmittal”), up to $200,000,000 in aggregate principal amount of its 7.15% Senior Notes due 2020 (the “Exchange Notes”) that have been registered under the Securities Act of 1933, as amended (the “Securities Act”), for a like principal amount of outstanding unregistered 7.15% Senior Notes due 2020 (the “Outstanding Notes”), upon the terms and subject to the conditions set forth in the Prospectus and the Letter of Transmittal (which, together, as they may be amended supplemented or otherwise modified from time to time constitute the “Exchange Offer”). As set forth in the Prospectus, the terms of the Exchange Notes are substantially identical to the Outstanding Notes, except that the transfer restrictions, registration rights, and additional interest provisions relating to the Outstanding Notes will not apply to the Exchange Notes. The Prospectus and the Letter of Transmittal more fully describe the Exchange Offer. Capitalized terms used but not defined herein have the meanings given to them in the Letter of Transmittal.

We are requesting that you contact your clients for whom you hold Outstanding Notes regarding the Exchange Offer. For your information and for forwarding to your clients for whom you hold Outstanding Notes registered in your name or in the name of your nominee, we are enclosing the following documents:

1. The Prospectus;
2. The Letter of Transmittal (including a Substitute Form W-9 and Guidelines for Certification of Taxpayer identification number on Substitute Form W-9);
3. A Notice of Guaranteed Delivery to be used to accept the Exchange Offer if, at or before the Expiration Time, the procedure for book-entry transfer cannot be completed;
4. A form of letter that may be sent to your clients for whose account you hold Outstanding Notes registered in your name or the name of your nominee, with space provided for obtaining such clients’ instructions with regard to the Exchange Offer; and
5. A form of instruction letter that may be used by beneficial holders to provide instructions to you or other DTC participants in connection with the Exchange Offer.

**Your prompt action is required. The Exchange Offer will expire at 5:00 p.m., New York City time, on , 2010, unless extended. Outstanding Notes tendered pursuant to the Exchange Offer may be withdrawn at any time at or before the Expiration Time.**

To participate in the Exchange Offer, you must arrange for DTC to transmit to the Exchange Agent certain required information, including an Agent's Message forming part of a book-entry transfer in which you agree to be bound by the terms of the Letter of Transmittal, and transfer the Outstanding Notes being tendered into the Exchange Agent's account at DTC prior to the Expiration Time, all in accordance with the instructions set forth in the Letter of Transmittal and the Prospectus.

The Company will, upon request, reimburse brokers, dealers, commercial banks and trust companies for reasonable and necessary costs and expenses incurred by them in forwarding the Prospectus and the related documents to the beneficial owners of Outstanding Notes held by such brokers, dealers, commercial banks, and trust companies as nominee or in a fiduciary capacity. The Company will pay or cause to be paid all transfer taxes applicable to the exchange of Outstanding Notes pursuant to the Exchange Offer, except as set forth in Instruction 7 of the Letter of Transmittal. Otherwise, the Company will not pay any fees or commissions to any broker or dealer or any other person (other than the Exchange Agent) for soliciting tenders of the Outstanding Notes pursuant to the Exchange Offer.

Any inquiries you may have regarding the procedure for tendering Outstanding Notes pursuant to the Exchange Offer, or requests for additional copies of the enclosed materials, should be directed to HSBC Bank USA, National Association, the Exchange Agent for the Exchange Offer, at its address and telephone number set forth below:

*By Facsimile:*

HSBC Bank USA, National Association
Facsimile: (718) 488-4488
(For Eligible Institutions Only)
Attention: Corporate Trust Operations
Confirm by telephone: (800) 662-9844

*By Registered or Certified Mail;*
*Overnight Courier or Hand Delivery:*

HSBC Bank USA, National Association
2 Hanson Place
14th Floor
Brooklyn, New York 10217
Attention: Corporate Trust Operations

Very truly yours,

MERITAGE HOMES CORPORATION

**NOTHING HEREIN OR IN THE ENCLOSED DOCUMENTS CONSTITUTES YOU OR ANY OTHER PERSON AS AN AGENT OF THE COMPANY OR THE EXCHANGE AGENT, OR AUTHORIZES YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENTS ON BEHALF OF ANY OF THEM IN CONNECTION WITH THE EXCHANGE OFFER OTHER THAN THE DOCUMENTS ENCLOSED HEREWITH AND THE STATEMENTS CONTAINED THEREIN.**

**EXHIBIT 99.4**

**OFFER TO EXCHANGE**
**$200,000,000 of 7.15% Senior Notes due 2020**
**that have been registered under the Securities Act of 1933**
**for any and all of our outstanding**
**$200,000,000 of 7.15% Senior Notes due 2020**
**that have not been registered under the Securities Act of 1933**

**Pursuant to the Prospectus dated , 2010**

**THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2010, UNLESS EXTENDED (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED FROM TIME TO TIME, THE "EXPIRATION TIME"). TENDERS MAY BE WITHDRAWN AT ANY TIME AT OR BEFORE THE EXPIRATION TIME.**

To Our Clients:

We are enclosing for your consideration (i) a prospectus dated , 2010 (the "Prospectus") of Meritage Homes Corporation, a Maryland corporation (the "Company"), (ii) a related Letter of Transmittal (which together with the Prospectus constitutes the "Exchange Offer") relating to the offer by the Company to exchange up to $200,000,000 aggregate principal amount of its 7.15% Senior Notes due 2020 (the "Exchange Notes") that have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to $200,000,000 aggregate principal amount of its outstanding unregistered 7.15% Senior Notes due 2020 (the "Outstanding Notes"), upon the terms and subject to the conditions set forth in the Exchange Offer, and (iii) an Instruction to Registered Holder from Beneficial Owner. As set forth in the Prospectus, the terms of the Exchange Notes are substantially identical to the Outstanding Notes, except that the transfer restrictions, registration rights, and additional interest provisions relating to the Outstanding Notes will not apply to the Exchange Notes. The Prospectus and the Letter of Transmittal more fully describe the Exchange Offer. Capitalized terms used but not defined herein have the meanings given to them in the Letter of Transmittal.

This material is being forwarded to you as the beneficial owner of the Outstanding Notes carried by us in your account, but not registered in your name.**A tender of such Outstanding Notes can be made only by us as the registered holder for your account and pursuant to your instructions. The enclosed Letter of Transmittal is furnished to you for your information only and cannot be used to tender Outstanding Notes.**

Accordingly, we request instructions as to whether you wish us to tender on your behalf the Outstanding Notes held by us for your account, pursuant to the terms and conditions set forth in the enclosed Prospectus and Letter of Transmittal.

Your attention is directed to the following:

1. The Exchange Offer is described in and subject to the terms and conditions set forth in the Prospectus and the Letter of Transmittal.
2. The Exchange Offer is for any and all Outstanding Notes.
3. Subject to the terms and conditions of the Exchange Offer, the Company will accept for exchange promptly following the Expiration Time all Outstanding Notes validly tendered and will issue Exchange Notes promptly after such acceptance.
4. The Exchange Offer is being made pursuant to the registration rights agreement entered into on April 13, 2010, among the Company and the initial purchasers of the Outstanding Notes.

5. Any transfer taxes incident to the transfer of Outstanding Notes from the holder to the Company will be paid by the Company, except as otherwise provided in Instruction 7 of the Letter of Transmittal.

6. **The Exchange Offer will expire at 5:00 p.m., New York City time, on , 2010, unless extended by the Company.** If you desire to exchange your Outstanding Notes in the Exchange Offer, your instructions should be forwarded to us as promptly as possible in order to permit us to tender the Outstanding Notes on your behalf at or before the Expiration Time in accordance with the provisions of the Exchange Offer. Any Outstanding Notes tendered pursuant to the Exchange Offer may be withdrawn at any time at or before the Expiration Time.

Pursuant to the Letter of Transmittal, each holder of Outstanding Notes must represent to the Company that:

- the Exchange Notes issued in the Exchange Offer are acquired in the ordinary course of the holder's business;
- the holder has no arrangement or understanding with any person to participate, and is not participating, in the distribution of the Exchange Notes within the meaning of the Securities Act;
- the holder is not an "affiliate" of the Company within the meaning of Rule 405 of the Securities Act and as interpreted by the Securities Exchange Commission;
- the holder is not holding Outstanding Notes that have, or that are reasonably likely to have, the status of an unsold allotment in the initial offering of the Outstanding Notes;
- if the holder is not a broker-dealer, the holder is not engaged in, and does not intend to engage in, a distribution of the Exchange Notes; and
- if such a holder is a broker-dealer, such broker-dealer will receive the Exchange Notes for its own account in exchange for Outstanding Notes and that:
  - such Outstanding Notes were acquired by such broker-dealer as a result of market-making or other trading activities; and
  - it will deliver a prospectus meeting the requirements of the Securities Act in connection with the resale of Exchange Notes, and will comply with the applicable provisions of the Securities Act with respect to resale of any Exchange Notes.

Any person who is an affiliate of the Company, or is participating in the Exchange Offer for the purpose of distributing the Exchange Notes, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale transaction of the Exchange Notes acquired by such person and such person cannot rely on the position of the staff of the Securities and Exchange Commission enunciated in its series of interpretative no-action letters with respect to exchange offers.

The enclosed "Instructions to Registered Holder from Beneficial Owner" form contains an authorization by you, as the beneficial owner of Outstanding Notes, for us to make, among other things, the foregoing representations on your behalf.

We urge you to read the enclosed Prospectus and Letter of Transmittal in conjunction with the Exchange Offer carefully before providing instructions regarding your Outstanding Notes. If you wish to tender any or all of the Outstanding Notes held by us for your account, please so instruct us by completing, executing, detaching, and returning to us the instruction form attached hereto.

**None of the Outstanding Notes held by us for your account will be tendered unless we receive written instructions from you to do so. Unless a specific contrary instruction is given, your signature on the attached "Instructions to Registered Holder from Beneficial Holder" constitutes an instruction to us to tender ALL of the Outstanding Notes held by us for your account.**

**EXHIBIT 99.5**

**INSTRUCTION TO REGISTERED HOLDER**
**From Beneficial Owner of**
**Meritage Homes Corporation's**
**7.15% Senior Notes due 2020**

To DTC Participant:

The undersigned hereby acknowledges receipt of the prospectus dated , 2010 (the "Prospectus") of Meritage Homes Corporation, a Maryland corporation (the "Company"), and accompanying Letter of Transmittal (the "Letter of Transmittal"), which together constitute the Company's offer ("Exchange Offer") to exchange up to \$200,000,000 in aggregate principal amount of its 7.15% Senior Notes due 2020 (the "Exchange Notes") that have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for a like principal amount of its outstanding unregistered 7.15% Senior Notes due 2020 (the "Outstanding Notes"). Tenders of Outstanding Notes may be made only in principal amounts equal to \$2,000 and integral multiples of \$1,000 in excess thereof. Capitalized terms used but not defined have the meanings assigned to them in the Letter of Transmittal.

The undersigned understands and agrees that the Company has filed a registration statement to register the Exchange Notes under the Securities Act and will not accept for exchange any Outstanding Notes until the registration statement has become effective under the Securities Act.

This will instruct you as to the action to be taken by you relating to the Exchange Offer with respect to the Outstanding Notes held by you for the account of the undersigned.

The aggregate face amount of the Outstanding Notes held by you for the account of the undersigned is (fill in amount):

\$ of Outstanding Notes

**With respect to the Exchange Offer, the undersigned hereby instructs you to (check one of the following boxes):**

☐ **TENDER the following Outstanding Notes held by you for the account of the undersigned (insert principal amount of Outstanding Notes to be tendered, if any):**

**\$ of Outstanding Notes**

☐ **NOT TENDER any Outstanding Notes held by you for the account of the undersigned.**

If the undersigned is instructing you to tender the Outstanding Notes held by you for the account of the undersigned, the undersigned agrees and acknowledges that you are authorized:

- to make, on behalf of the undersigned (and the undersigned, by its signature below, makes to you), the representations and warranties contained in the Letter of Transmittal that are to be made with respect to the undersigned as a beneficial owner of the Outstanding Notes, including but not limited to the representations that:
    - the Exchange Notes issued in the Exchange Offer are acquired in the ordinary course of the undersigned's business;
    - the undersigned has no arrangement or understanding with any person to participate, and is not participating, in the distribution of the Exchange Notes within the meaning of the Securities Act;

- the undersigned is not an "affiliate" of the Company within the meaning of Rule 405 of the Securities Act and as interpreted by the Securities Exchange Commission;
- the undersigned is not holding Outstanding Notes that have, or that are reasonably likely to have, the status of an unsold allotment in the initial offering of the Outstanding Notes;
- if the undersigned is not a broker-dealer, the undersigned is not engaged in, and does not intend to engage in, a distribution of the Exchange Notes; and
- if the undersigned is a broker-dealer, such broker-dealer will receive the Exchange Notes for its own account in exchange for Outstanding Notes and that:
  - such Outstanding Notes were acquired by such broker-dealer as a result of market-making or other trading activities; and
  - it will deliver a prospectus meeting the requirements of the Securities Act in connection with the resale of Exchange Notes, and will comply with the applicable provisions of the Securities Act with respect to resale of any Exchange Notes; and
- the undersigned acknowledges that any person who is an affiliate of the Company or is participating in the Exchange Offer for the purpose of distributing the Exchange Notes must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale transaction of the Exchange Notes acquired by such person and such person cannot rely on the position of the staff of the Securities and Exchange Commission enunciated in its series of interpretative no-action letters with respect to exchange offers;

- to agree, on behalf of the undersigned, as set forth in the Letter of Transmittal; and
- to take such other action as necessary under the Prospectus or the Letter of Transmittal to effect the valid tender of the Outstanding Notes.

**SIGN HERE**

Signature(s) of Owner(s):

______________________________

______________________________

Name(s) (Please type or print):

______________________________

______________________________

Tax ID or Social Security Number: ______________________________

Title (Capacity): ______________________________

Address (Include Zip Code): ______________________________

Area Code and Telephone No.: ______________________________

Date: , 2010