
OMB APPROVAL

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FORM 4
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or
Section 30(h) of the Investment Company Act of 1940

[] Check this box if no longer subject of Section 16. Form 4 or Form 5
obligations may continue. See Instruction 1(b).

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1. Name and Address of Reporting Person*

Hilton Steven Joseph

(Last) (First) (Middle)

8501 E. Princess Dr. Suite 290

(Street)

Scottsdale, AZ 85255

(City) (State) (Zip)

=====

2. Issuer Name AND Ticker or Trading Symbol

Meritage Corporation (MTH)
=====

3. I.R.S. Identification Number of Reporting Person, if an entity (Voluntary)

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4. Statement for Month/Day/Year

December 2002
=====

5. If Amendment, Date of Original (Month/Day/Year)

=====

6. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

[X] Director [] 10% Owner
[X] Officer (give title below) [] Other (specify below)

Co-CEO

=====

7. Individual or Joint/Group Filing (Check applicable line)

[X] Form filed by One Reporting Person
[] Form filed by More Than one Reporting Person
=====

Form 4 (continued)

Table I -- Non-Derivative Securities Acquired, Disposed of,
or Beneficially Owned

<TABLE>
<CAPTION>

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1.	2.	2A.	3.	4.	5.	6.	7.
Title of Security (Instr. 3)	Transaction Date (Month/ Day/Year)	Deemed Execution Date, if any (Month/ Day/Year)	Transaction Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	Amount of Secur- ities Bene- ficially Owned Following Reported action(s) (Instr. 3 and 4)	Owner- ship Direct (I) (Instr. 4)	Nature of Indirect Bene- ficial ship (Instr. 4)

 <S> <C> <C> <C> <C> <C> <C> <C> <C> <C> <C> <C>
 Meritage Corporation
 Common Stock 12/05/02 M 5,000 A \$5.50

Indirectly Held
 the Stephen 1,271,416 I through
 Hilton Family J.
 Agreement Trust

</TABLE>

Form 4 (continued)

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned
 (e.g., puts, calls, warrants, options, convertible securities)

<TABLE>
 <CAPTION>

10. Owner-ship of Derivative Nature of Security:	11. Nature of Security:	12. Conversion or Exercise Price of Derivative Security	13. Deemed Executed Date (Month/Day/Year)	14. Transaction Code (Instr. 3, 4 and 5)	15. (A) or (D) Acquired Date (Month/Day/Year)	16. Exercisable and Expiration Date (Month/Day/Year)	17. Title and Amount of Underlying Securities (Instr. 3 and 4)	18. Price of Derivative Security	19. Beneficially Owned at End of Month (Instr. 3 and 4)

 <S> <C> <C> <C> <C> <C> <C> <C> <C> <C> <C> <C> <C>
 <C> <C>

Meritage Corporation
 Common Stock Options \$5.50 12/05/02 M 4,480 1/12/01 1/11/05 MTH Common Stock 4,480 \$5.50

Meritage Corporation
 Common Stock Options \$5.50 12/05/02 M 520 1/12/02 1/11/05 MTH Common Stock 520 \$5.50

179,400

D

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</TABLE>

Explanation of Responses:

/s/ Steven Hilton

8/06/02

**Signature of Reporting Person

Date

* If the form is filed by more than one reporting person, see
Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal
Criminal Violations.
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed.
If space provided is insufficient, see Instruction 6 for procedures.