



FOURTH QUARTER 2025 ANALYST CONFERENCE CALL

JANUARY 29, 2026

Safe Harbor

The information included in this presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include expectations about the housing market in general and our future results including our ability to increase market share, our full year 2026 projected share repurchases, home closing volume and home closing revenue, and first quarter 2026 projected home closing volume, home closing revenue, home closing gross margin, effective tax rate and diluted EPS. All historical 2024 share and per share amounts in this earnings presentation have been retroactively restated to reflect the two-for-one stock split completed on January 2, 2025.

Such statements are based on the current beliefs and expectations of Company management and current market conditions, which are subject to significant uncertainties and fluctuations. Actual results may differ from those set forth in the forward-looking statements. The Company makes no commitment, and disclaims any duty, except as required by law, to update or revise any forward-looking statements to reflect future events or changes in these expectations. Meritage's business is subject to a number of risks and uncertainties. As a result of those risks and uncertainties, the Company's stock and note prices may fluctuate dramatically.

These risks and uncertainties include, but are not limited to, the following: increases in interest rates or decreases in mortgage availability, and the cost and use of rate locks and buy-downs; the cost of materials used to develop communities and construct homes; cancellation rates; supply chain and labor constraints; shortages in the availability and cost of subcontract labor; the ability of our potential buyers to sell their existing homes; our ability to acquire and develop lots may be negatively impacted if we are unable to obtain performance and surety bonds; the adverse effect of slow absorption rates; legislation related to tariffs; impairments of our real estate inventory; competition; home warranty and construction defect claims; failures in health and safety performance; fluctuations in quarterly operating results; our level of indebtedness; our exposure to counterparty risk with respect to our capped calls; our ability to obtain financing if our credit ratings are downgraded; our exposure to and impacts from natural disasters or severe weather conditions; the availability and cost of finished lots and undeveloped land; the success of our strategy to offer and market entry-level and first move-up homes; a change to the feasibility of projects under option or contract that could result in the write-down or write-off of earnest money or option deposits; our limited geographic diversification; our exposure to information technology failures and security breaches and the impact thereof; the loss of key personnel; changes in tax laws that adversely impact us or our homebuyers; our inability to prevail on contested tax positions; failure of our employees and representatives to comply with laws and regulations; our compliance with government regulations; liabilities or restrictions resulting from regulations applicable to our financial services operations; negative publicity that affects our reputation; potential disruptions to our business by an epidemic or pandemic, and measures that federal, state and local governments and/or health authorities implement to address it; and other factors identified in documents filed by the Company with the Securities and Exchange Commission, including those set forth in our Form 10-K for the year ended December 31, 2024 and our Form 10-Q for subsequent quarters under the caption "Risk Factors," which can be found on our website at <https://investors.meritagehomes.com>.



Speakers



Steven J. Hilton – Executive Chairman

Phillippe Lord – Chief Executive Officer

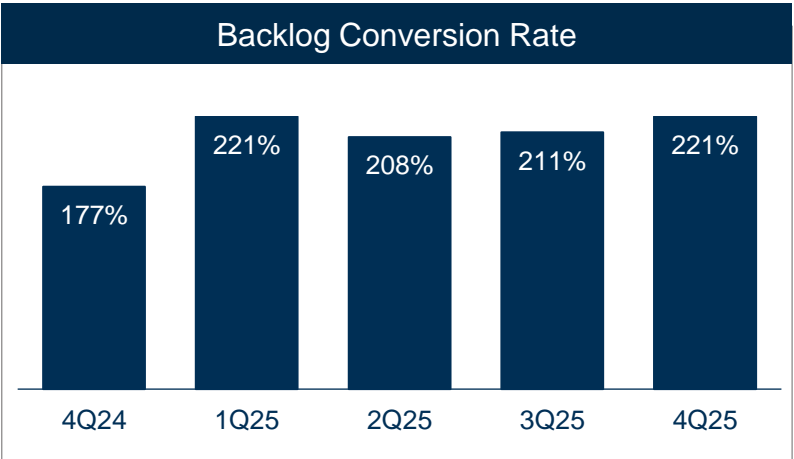
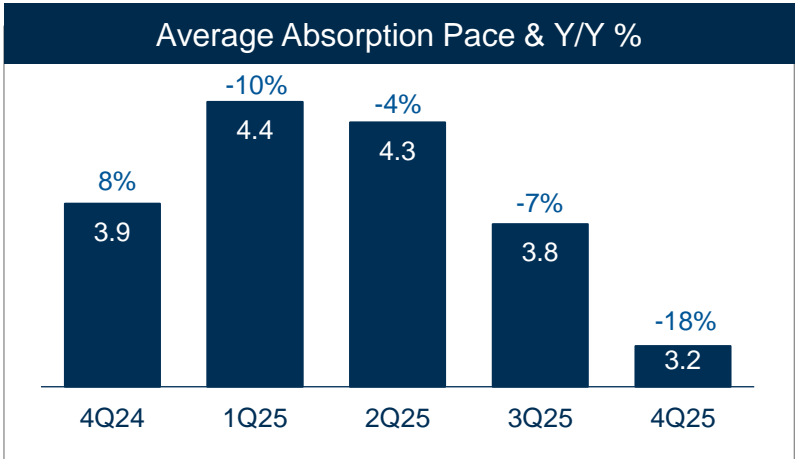
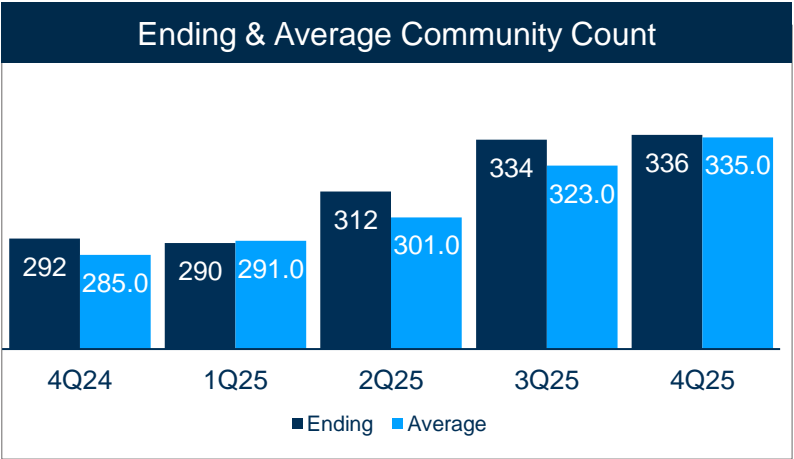
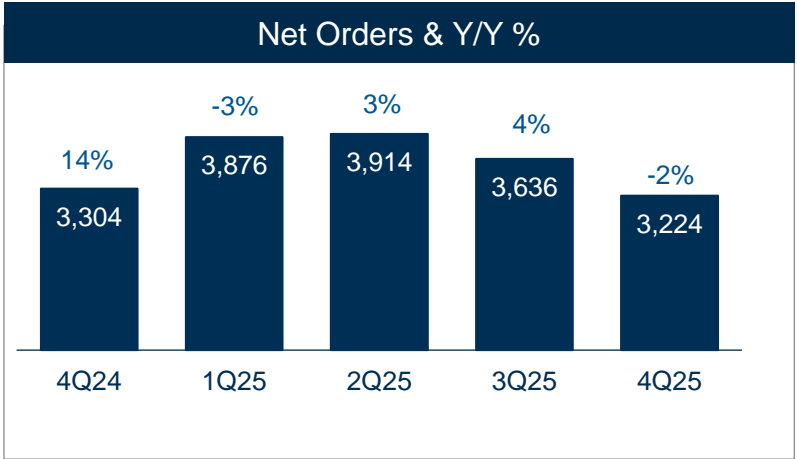
Hilla Sferruzza – EVP & Chief Financial Officer

Emily Tadano – VP of Investor Relations and External Communications

Net Sales Orders Down 2% Year-over-year

4Q25 Takeaways

- Grew ending community count 15% year-over-year to 336 communities at December 31, 2025
- 4Q25 backlog conversion rate was 221% with 63% of deliveries from intra-quarter orders, reflecting the benefit of our 60-day closing ready guarantee
- 4Q25 net orders were down 2% year-over-year in a tougher selling environment



Diversity in Performance Across the Regions in Today's Operating Environment

	West Region	Central Region*	East Region	Total
Average Communities	84.0	104.5	146.5	335.0
Average Communities Y/Y(%)	(5)%	21%	33%	18%
Absorption per month	2.4	4.1	3.0	3.2
Absorption per month Y/Y(%)	(27)%	(13)%	(19)%	(18)%
Orders	610	1,288	1,326	3,224
Orders Y/Y(%)	(29)%	7%	8%	(2)%
ASP on Orders	\$497K	\$345K	\$346K	\$374K
ASP on Orders Y/Y(%)	1%	(5)%	(7)%	(6)%
Order Value Y/Y(%)	(29)%	2%	0%	(9)%

* As of January 1, 2025, the Central Region includes Nashville

The data above relates to our three reportable homebuilding segments which include:

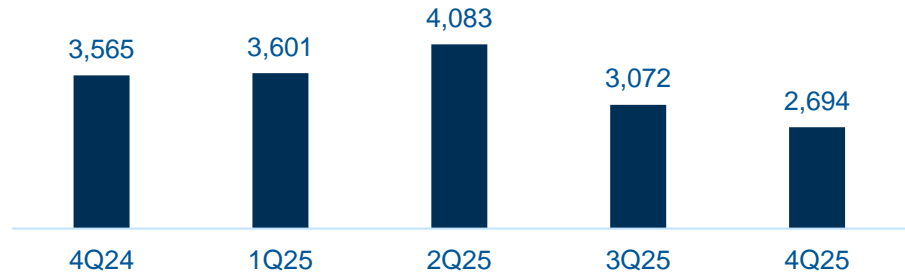
West: Arizona, California, Colorado, and Utah

Central: Tennessee and Texas

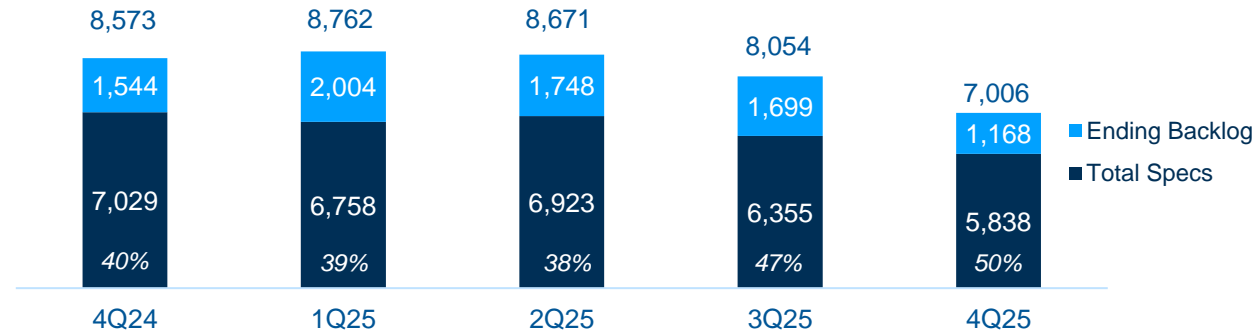
East: Alabama, Florida, Georgia, Mississippi, North Carolina, and South Carolina

Our Available Supply of Quick Turning Move-In Ready Homes Is Our Competitive Advantage

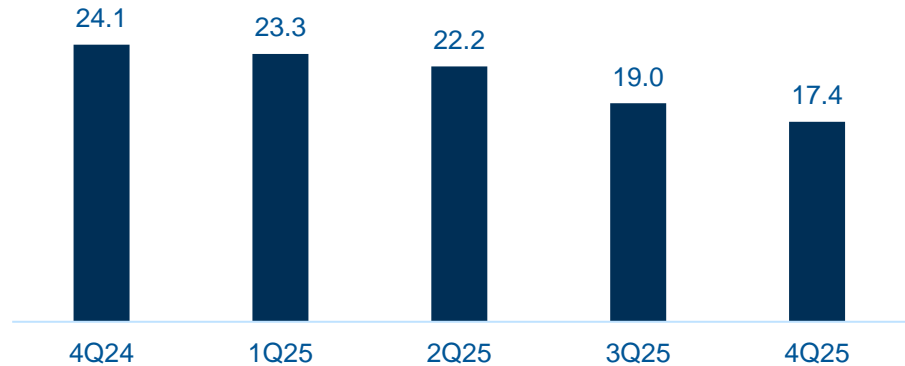
Spec Starts



Total Specs and Ending Backlog & % of Specs Completed



Average Specs Per Community



Takeaways

- 17.4 specs per community for 4Q25 is our lowest level since mid-2023 and translates to 5 months' supply, in line with our target of 4-6 months supply of specs on the ground
- Our completed specs comprised 50% of total spec count at 12/31/25. We intend to bring down this ratio during the spring selling season

4Q25 Financial Performance

(\$ Millions except EPS & ASP)	4Q25	4Q24	% Chg	FY2025	FY2024	% Chg
Home closings	3,755	4,044	(7)%	15,026	15,611	(4)%
ASP (closings)	\$375K	\$395K	(5)%	\$384K	\$406K	(5)%
Home closing revenue	\$1,406	\$1,596	(12)%	\$5,764	\$6,341	(9)%
Home closing gross profit	\$232	\$370	(37)%	\$1,136	\$1,580	(28)%
Home closing gross margin	16.5%	23.2%	(670) bps	19.7%	24.9%	(520) bps
Adjusted home closing gross margin ²	19.3%	23.3%	(400) bps	20.8%	25.0%	(420) bps
SG&A expenses	\$149	\$173	(14)%	\$616	\$640	(4)%
SG&A % of home closing revenue	10.6%	10.8%	(20) bps	10.7%	10.1%	60 bps
Earnings before taxes	\$103	\$222	(53)%	\$585	\$1,003	(42)%
Effective tax rate	18.5%	22.1%	(360) bps	22.5%	21.6%	90 bps
Net earnings	\$84	\$173	(51)%	\$453	\$786	(42)%
Diluted EPS ¹	\$1.20	\$2.36	(49)%	\$6.35	\$10.72	(41)%
Adjusted Diluted EPS ^{1,3}	\$1.67	\$2.39	(30)%	\$7.05	\$10.79	(35)%

4Q25 Highlights:

- Decline in ASPs from greater incentive use and geographic mix
- Adjusted gross margin impacted by greater incentive use and lot costs, as well as lost leverage
- Lower SG&A % mainly from lower performance-based compensation
- 2025 tax rate primarily reflects acquired below-market 2025 transferable clean fuel production tax credits

1) 2024 adjusted for the two-for-one stock split completed on January 2, 2025

2) Excluded non-recurring charges totaling \$38.9M in 4Q25 and \$2.8M in 4Q24; totaling \$60.2M in FY25 and \$6.7M in FY24. See 4Q25 Earnings Release for Non-GAAP Reconciliation

3) Excluded non-recurring charges totaling \$42.9M in 4Q25 and \$2.8M in 4Q24; totaling \$66.4M in FY25 and \$6.7M in FY24. See 4Q25 Earnings Release for Non-GAAP Reconciliation

4Q25 Capital Structure and Capital Spend Activities

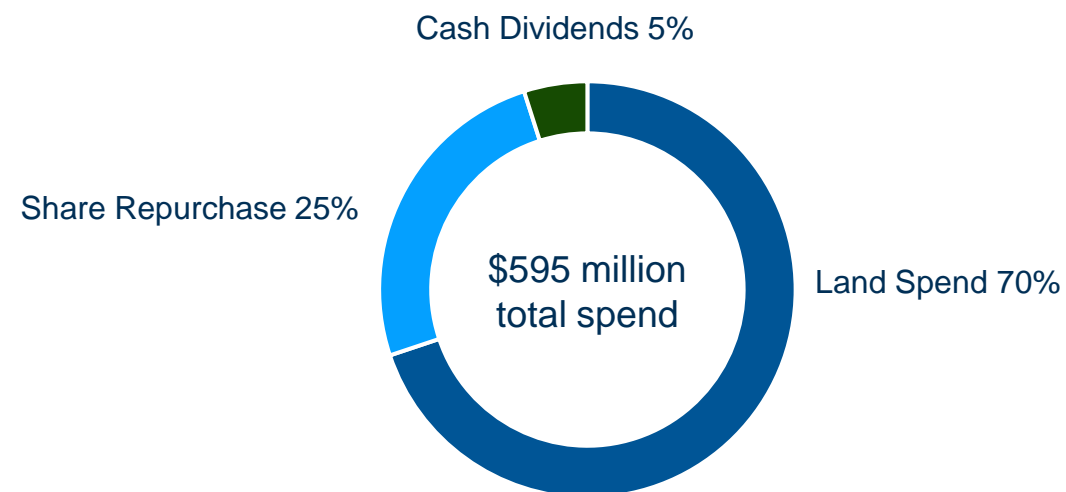
Capital Structure – Non-GAAP Reconciliation

(\$ Millions)	Dec. 31, 2025	Dec. 31, 2024
Notes payable & other borrowings	\$1,829	\$1,336
Stockholders' equity	\$5,196	\$5,142
Total capital	\$7,025	\$6,478
Debt-to-capital	26.0%	20.6%
Less: cash & cash equivalents	\$(775)	\$(652)
Net debt	\$1,053	\$684
Total net capital	\$6,250	\$5,826
Net debt-to-capital	16.9%	11.7%
Book value per share ¹	\$76.22	\$71.49

Strong financial position supported by a healthy balance sheet and ample liquidity



4Q25 Capital Allocation Spend



Returned \$179M of cash to shareholders in 4Q25 and \$416M for the full year 2025



1) 2024 adjusted for the two-for-one stock split completed on January 2, 2025

4Q25 Land & Development Investment

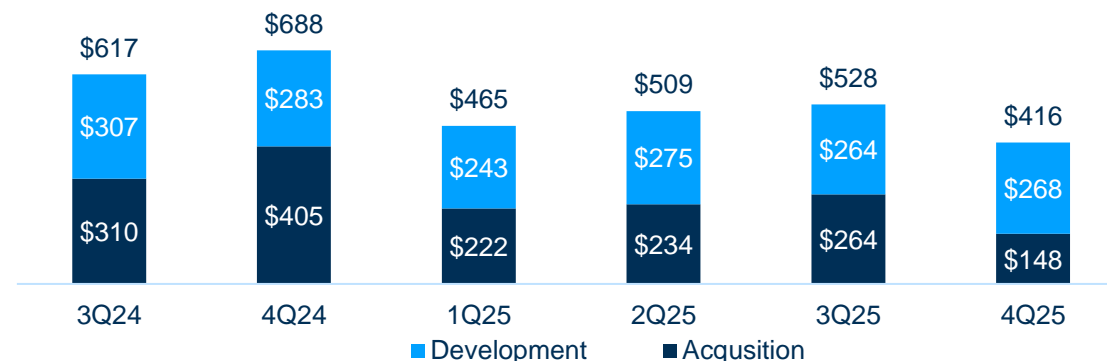
Lots Detail

	4Q25	4Q24
Total lots controlled	77,625	85,613
Supply of lots (years)	5.2	5.5
- Owned	72%	62%
- Optioned	28%	38%

Takeaways

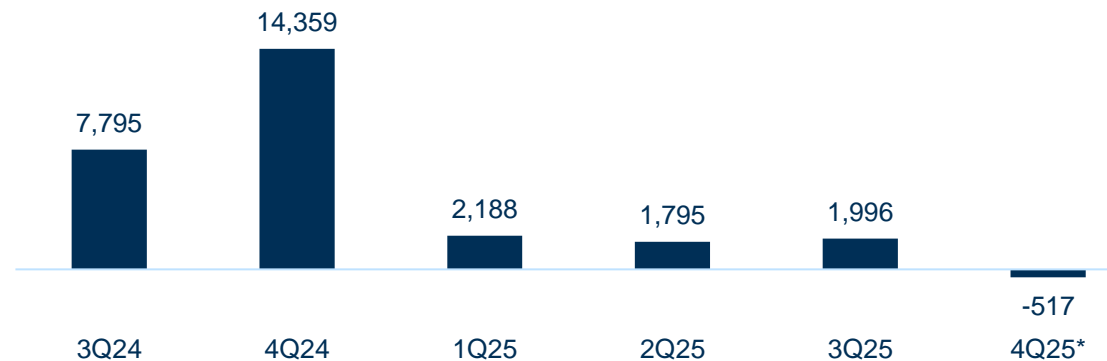
- Intentional slowdown of net new lot acquisition, given current market conditions
 - Walked away from over 3,400 lots in 4Q25
- Positioned well with 5.2 years supply of lots, in line with our target of 4-5 years

Land Acquisition & Development Spend* (\$ Millions)



* Land acquisition and development spend is net of land development reimbursements. 2024 metrics have been adjusted to the current presentation

Net Newly Controlled Lots



* Includes 3,177 gross new lots acquired

Guidance

	First Quarter 2026
Home closings	3,000-3,300 units
Home closing revenue	\$1.13-1.24 billion
Home closing gross margin	18-19%
Effective tax rate	About 24.0%
Diluted earnings per common share	\$0.87-1.13

Full Year 2026:

- Home closing volume and revenue consistent with full year 2025

4Q25 Key Takeaways

- Top 5 builder focused on spec building

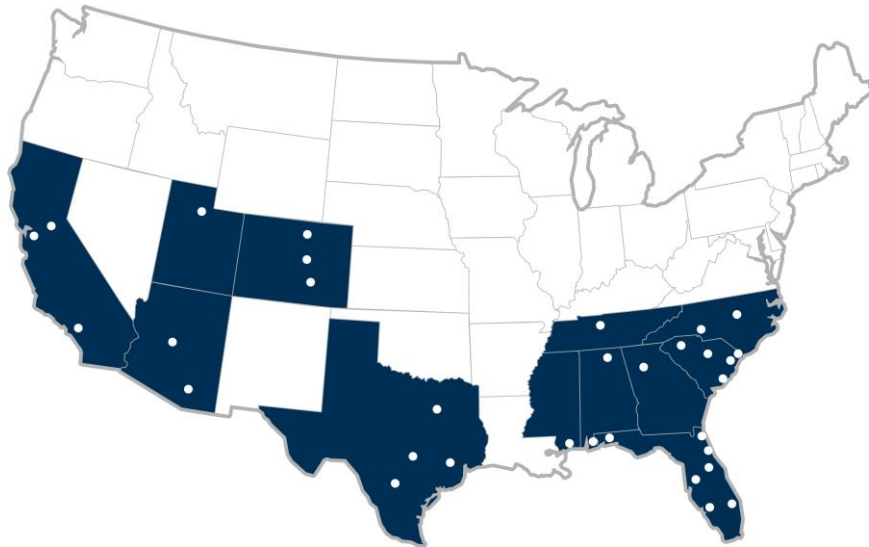
- Move-in ready inventory, streamlined operations, a diverse geographic footprint

- Differentiated ability to compete against resale, given our 60-day closing guarantee and realtor engagement



ABOUT MERITAGE

Meritage Company Overview



Affordable spec builder specializing in entry-level and first move-up homes

Top five U.S. public homebuilder

Delivered over 210,000 homes in its 40-year history

Diversified geographic footprint with 25 markets in 12 states

Meritage Key Strategies

Spec strategy

- Start all homes prior to releasing them for sale



Go-to market strategy

- 60-day closing ready guarantee
- Move-in ready inventory
- Realtor engagement



Streamlined operations

- Cost savings from national vendors derived from reduced number of house plans and SKUs, lack of design center and a simplified sale to close process



Focused on affordability

- Deliver affordable entry-level and first move-up homes

