



FOURTH QUARTER 2024 ANALYST CONFERENCE CALL

JANUARY 30, 2025

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 our market share, full year 2025 projected home closing volume and home closing revenue, as well as first quarter 2025 projected home closing volume, home closing revenue, home closing gross margin, effective tax rate and diluted EPS. As a reminder, in this presentation, diluted EPS guidance for the first quarter of 2025 reflects the two-for-one stock split completed on January 2, 2025; historical metrics for 2024 and earlier are not adjusted for the stock split.

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; 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; shortages in the availability and cost of subcontract labor; the replication of our energy-efficient technologies by our competitors; 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, 2023 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



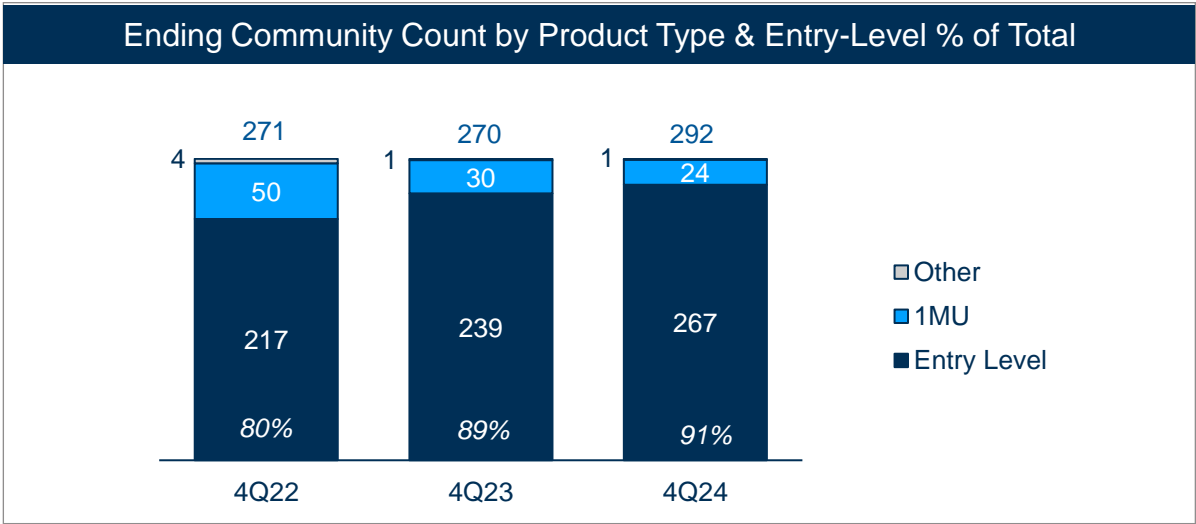
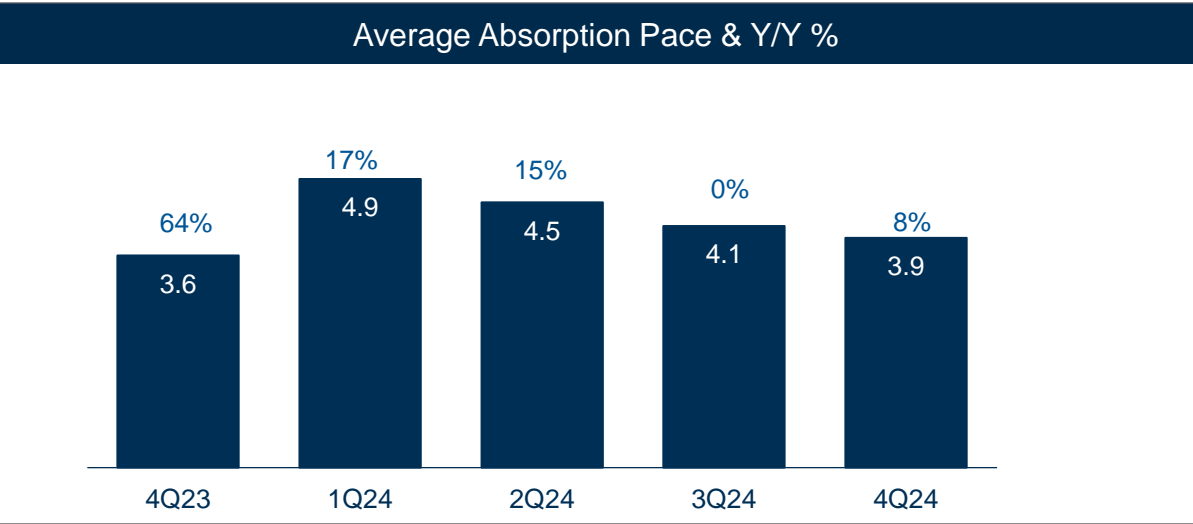
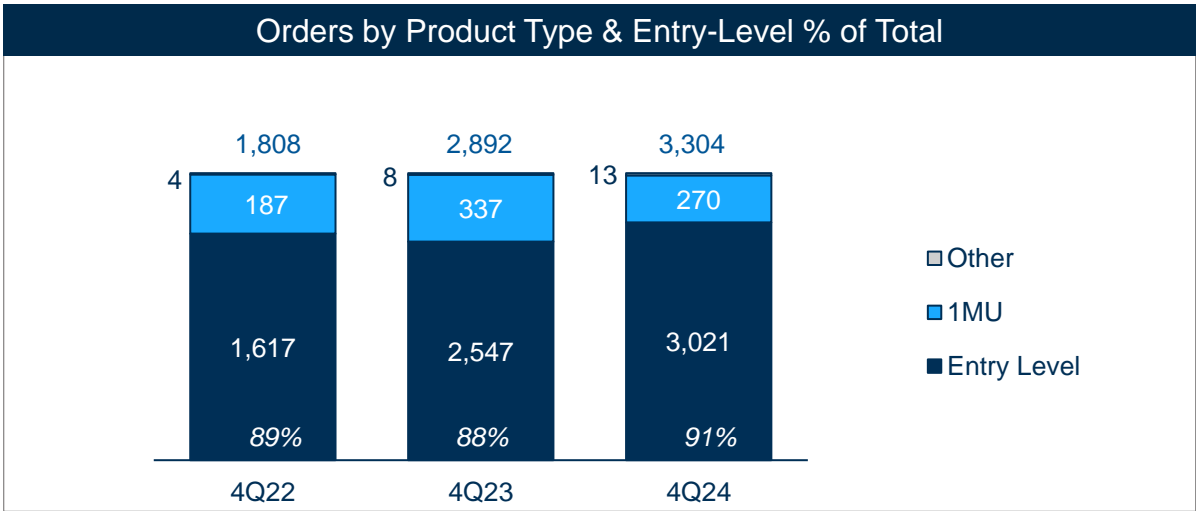
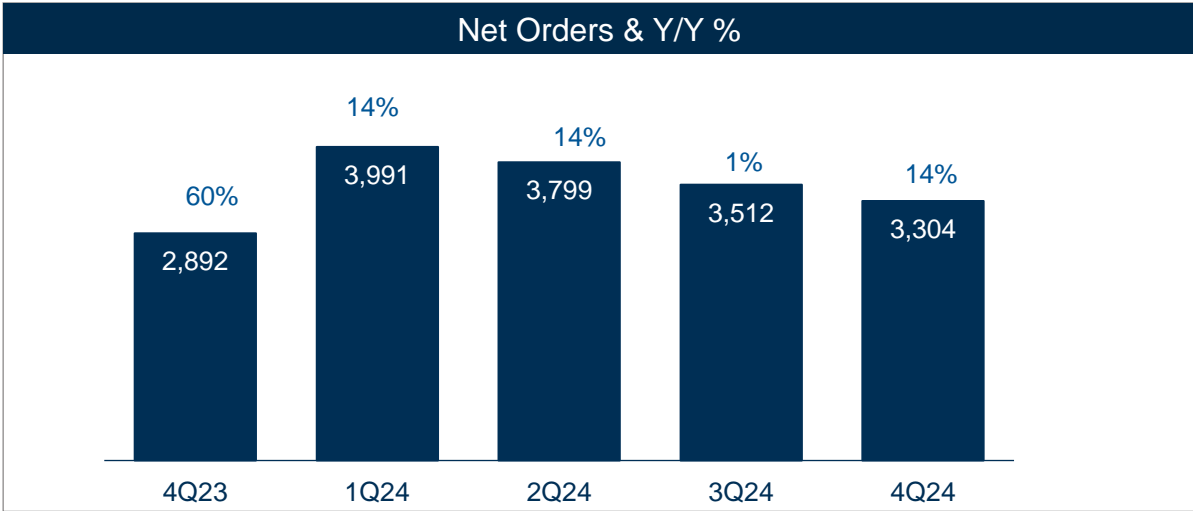
Steven J. Hilton – Executive Chairman

Phillippe Lord – Chief Executive Officer

Hilla Sferruzza – EVP & Chief Financial Officer

Emily Tadano – VP of Investor Relations and ESG

Net Sales Orders Increased 14% Year-Over-Year



Absorption Pace Improved YOY Across All Regions

	West Region	Central Region	East Region	Total
Average Active Communities	88.5	75.5	121.0	285.0
Average Active Communities Y/Y(%)	9%	(11)%	15%	8%
Entry-level % Average Communities	93%	93%	90%	92%
Absorption per month	3.3	4.7	3.8	3.9
Absorption per month Y/Y(%)	10%	15%	9%	8%
Orders	864	1,067	1,373	3,304
Orders Y/Y(%)	20%	1%	23%	14%
ASP on Orders	\$492K	\$355K	\$377K	\$400K
ASP on Orders Y/Y(%)	(5)%	(5)%	(3)%	(4)%
Order Value Y/Y(%)	14%	(4)%	20%	10%

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

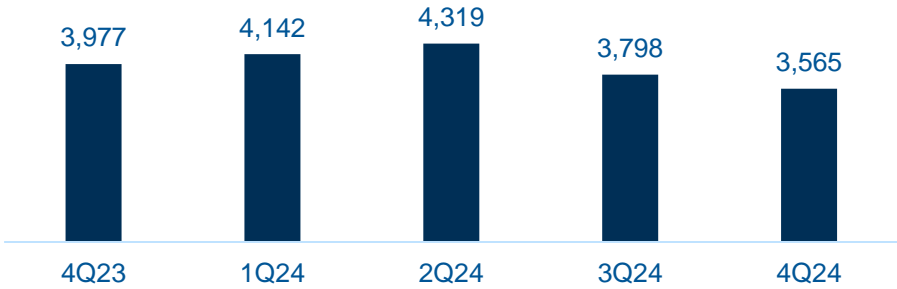
West: Arizona, California, Colorado, and Utah

Central: Texas

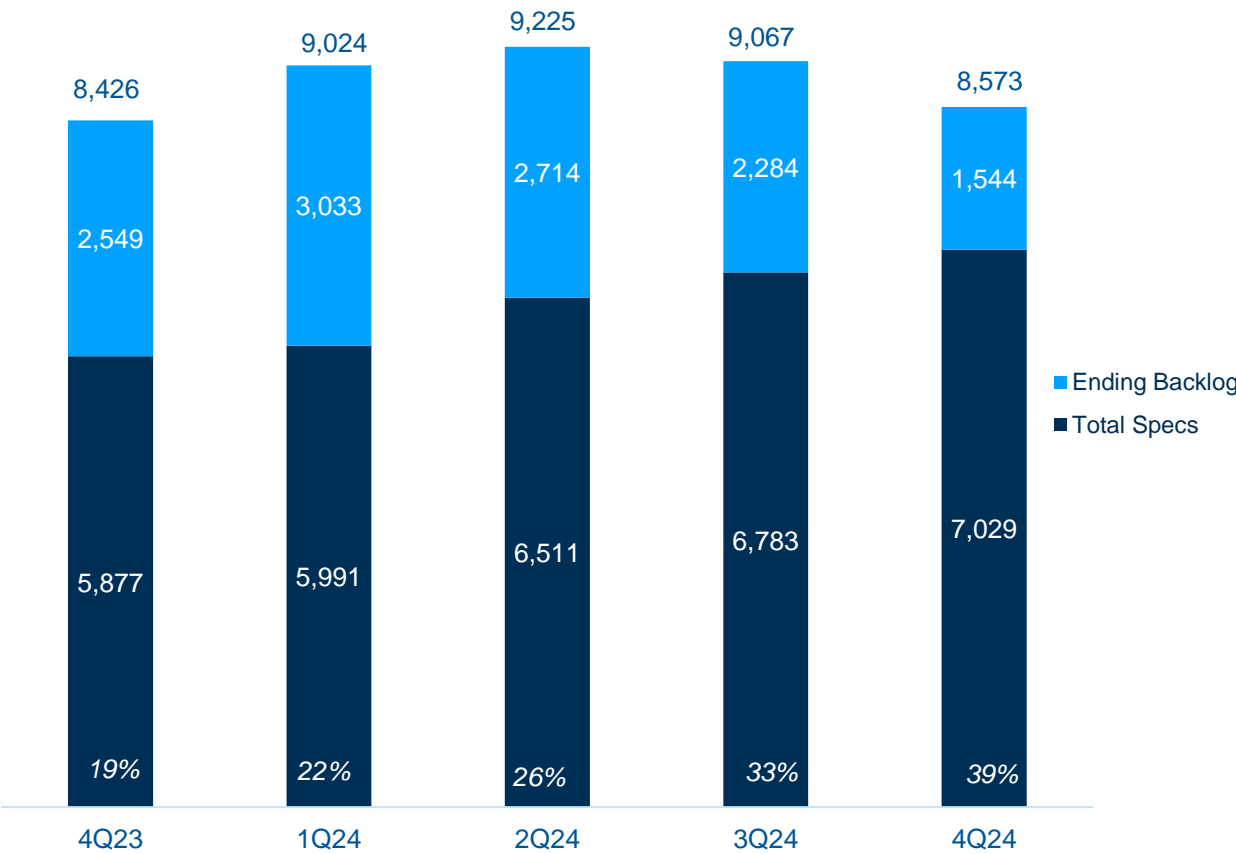
East: Florida, Georgia, North Carolina, South Carolina, and Tennessee

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

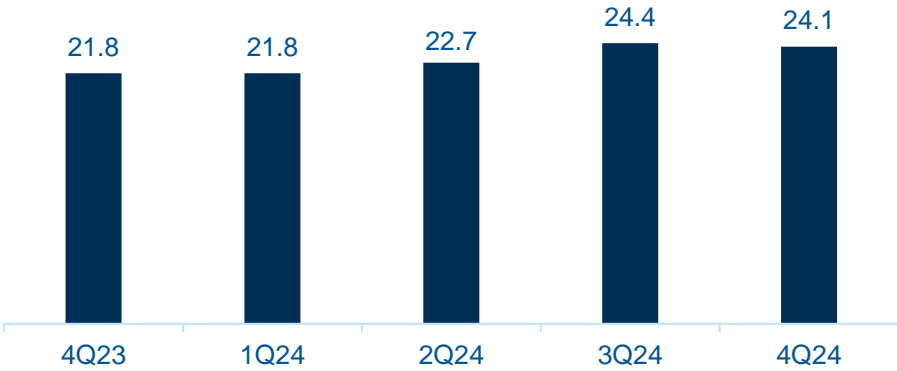
Spec Starts



Total Specs and Ending Backlog & % of Specs Completed



Average Specs Per Community



4Q24 Financial Performance

(\$ Millions except EPS & ASP)	4Q24	4Q23	% Chg	FY2024	FY2023	% Chg
Home closings	4,044	3,951	2%	15,611	13,976	12%
ASP (closings)	\$395K	\$415K	(5)%	\$406	\$433K	(6)%
Home closing revenue	\$1,596	\$1,642	(3)%	\$6,341	\$6,057	5%
Home closing gross profit	\$370	\$413	(10)%	\$1,580	\$1,502	5%
Home closing gross margin	23.2%	25.2%	(200) bps	24.9%	24.8%	10 bps
SG&A expenses	\$173	\$176	(2)%	\$640	\$617	4%
SG&A % of home closing revenue	10.8%	10.7%	10 bps	10.1%	10.2%	(10) bps
Earnings before taxes	\$222	\$259	-14%	\$1,003	\$949	6%
Tax rate	22.1%	23.2%	(110) bps	21.6%	22.2%	(60) bps
Net earnings	\$173	\$199	-13%	\$786	\$739	6%
Diluted EPS	\$4.72	\$5.38	-12%	\$21.44	\$19.93	8%

4Q24 Highlights:

- Lower ASPs on closings from greater financing incentives utilization and product and geographic mix shift
- Home closing gross margin impacted by greater financing incentives utilization and higher lot costs; partial offset from cost savings and shorter cycle times
- SG&A % impacted by increased commission rates

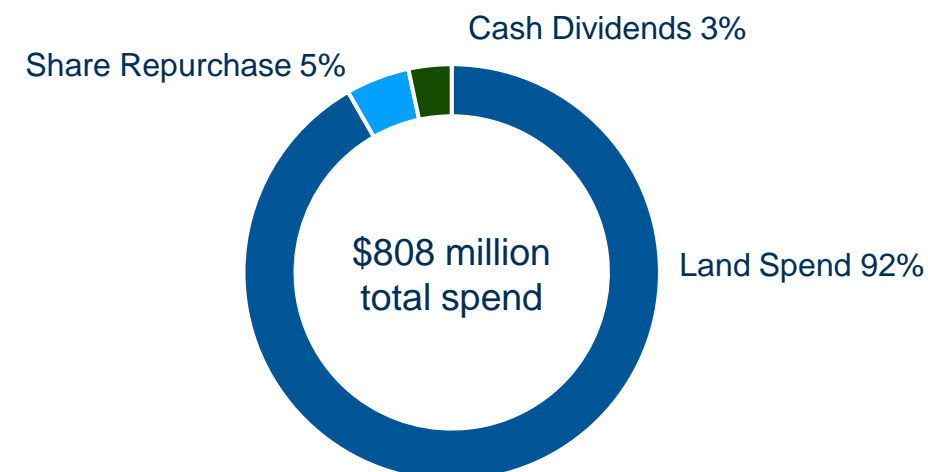
4Q24 Capital Spend Activities

Capital Structure – Non-GAAP Reconciliation

(\$ Millions)	Dec. 31, 2024	Dec 31, 2023
Notes payable & other borrowings	\$1,336	\$1,008
Stockholders' equity	\$5,142	\$4,612
Total capital	\$6,478	\$5,620
Debt-to-capital	20.6%	17.9%
Less: cash & cash equivalents	(\$652)	(\$921)
Net debt	\$684	\$87
Total net capital	\$5,826	\$4,699
Net debt-to-capital	11.7%	1.9%
Book value per share	\$142.98	\$126.61

Capital Allocation Spend

4Q24 Breakdown (\$ Millions)

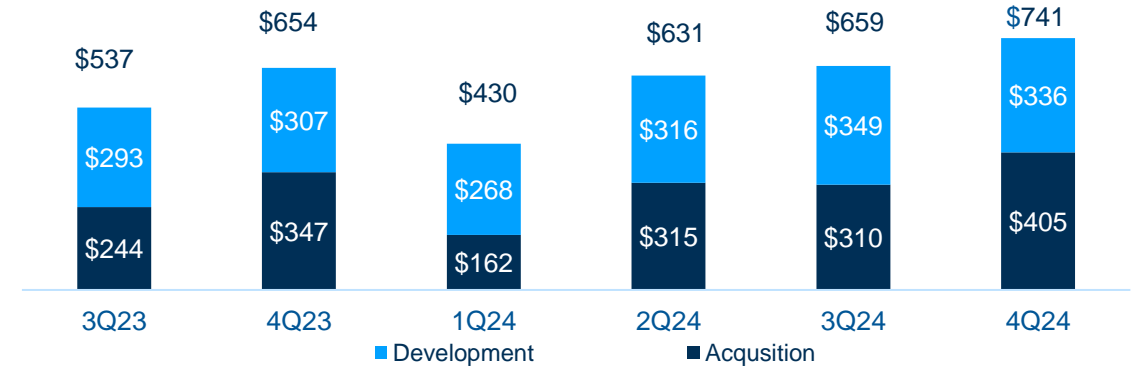


Land & Development Investment

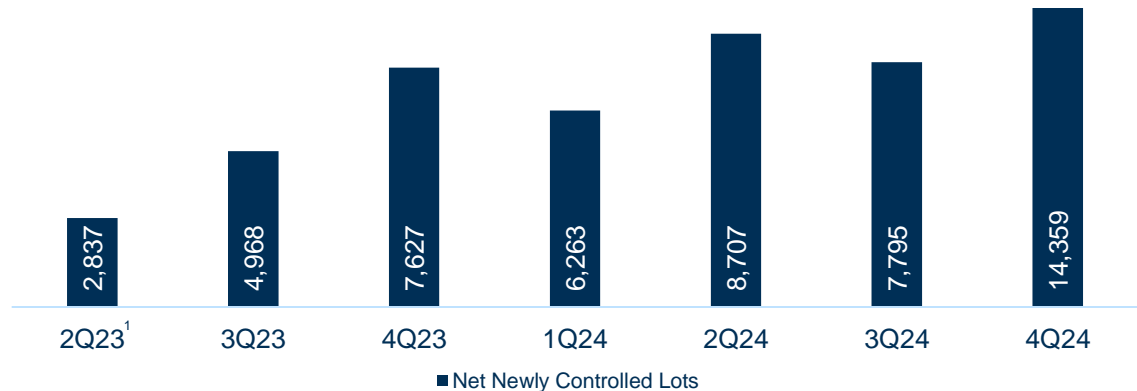
Lots Detail

	4Q24	4Q23
Total lots controlled	85,613	64,313
Supply of lots (years)	5.5	4.6
- Owned	62%	72%
- Optioned	38%	28%

Land Acquisition and Development (\$ Millions)



Net Newly Controlled Lots



(1) Refers to gross new lots put under control and the related future new communities

Guidance

	First Quarter 2025
Home closings	3,200-3,500 units
Home closing revenue	\$1.26-1.40 billion
Home closing gross margin	Around 22%
Effective tax rate	About 24%
Diluted earnings per common share	\$1.59-1.83

	Full Year 2025
Home closings	16,250-16,750 units
Home closing revenue	\$6.6-6.9 billion

Positioned for Growing Market Share



**60-Day
Commitment**



**Move-In Ready
Inventory**



**Realtor
Engagement**