Meritage Homes®

LIFE. BUILT. BETTER.®

THIRD QUARTER 2026 ANALYST CONFERENCE CALL

OCTOBER 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 the strength of our balance sheet.

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; shortages in the availability and cost of subcontract labor; legislation related to tariffs; cancellation rates; supply chain and labor constraints; the ability of our potential buyers to sell their existing homes; the adverse effect of slow absorption rates; our ability to acquire and develop lots may be negatively impacted if we are unable to obtain performance and surety bonds; 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; sustainability matters and disclosures; 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, 2025 and our subsequent Form 10-Qs 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

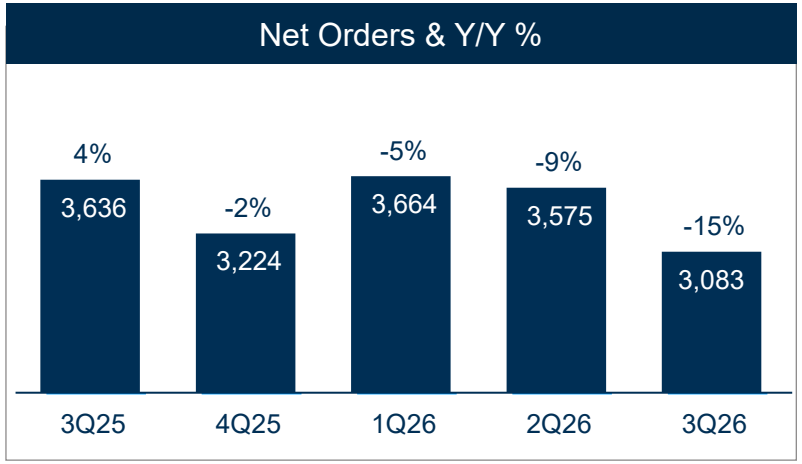
Hilla Sferruzza – EVP & Chief Financial Officer

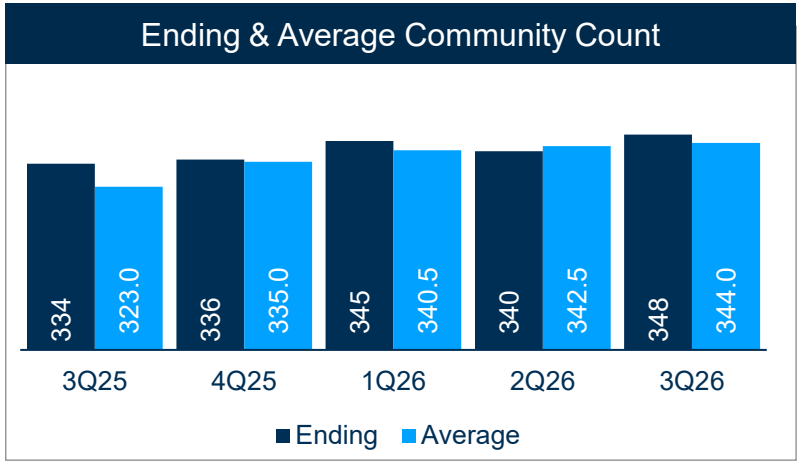
Emily Tadano – VP of Investor Relations and External Communications

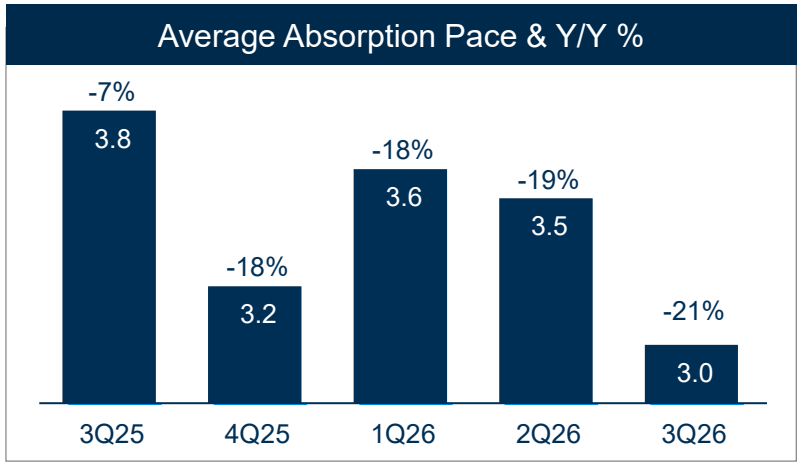
3Q26 Average Absorption of 3.0 NSPM Despite Market Headwinds

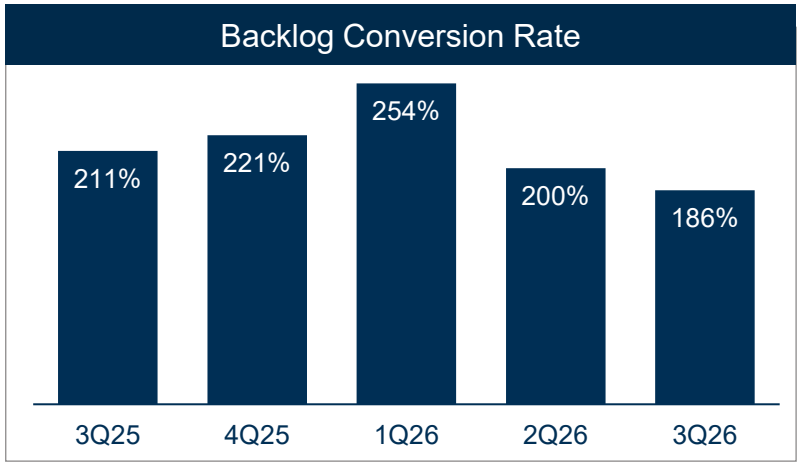
3Q26 Takeaways

- In this tough housing environment, achieved 3.0 net sales per month in 3Q26 due to our differentiated realtor engagement
- 186% backlog conversion rate in 3Q26, with over 55% of deliveries from intra-quarter orders
- 3Q26 ending community count of 348, up 4% YOY and 2% sequentially









Tougher Selling Conditions Partially Offset By Community Count Growth Across All Markets

	West Region	Central Region	East Region	Total
Average Communities	90.5	101.5	152.0	**344.0**
Average Communities Y/Y(%)	6%	12%	3%	**7%**
Absorption per month	2.6	3.7	2.7	**3.0**
Absorption per month Y/Y(%)	(24)%	(21)%	(21)%	**(21)%**
Orders	706	1,132	1,245	**3,083**
Orders Y/Y(%)	(19)%	(12)%	(16)%	**(15)%**
ASP on Orders	$499K	$351K	$346K	**$383K**
ASP on Orders Y/Y(%)	1%	(4)%	(1)%	**(2)%**
Order Value Y/Y(%)	(18)%	(15)%	(17)%	**(17)%**

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

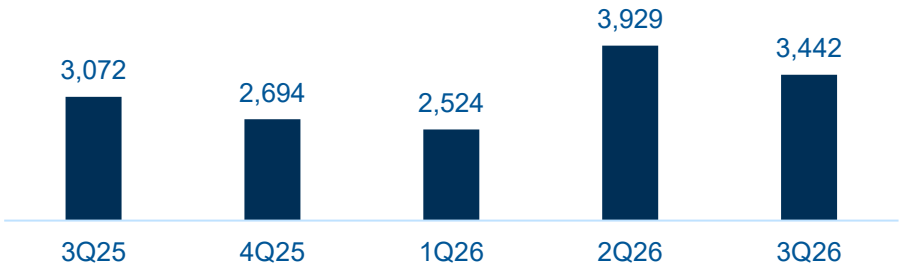
West: Arizona, California, Colorado, and Utah

Central: Tennessee and Texas

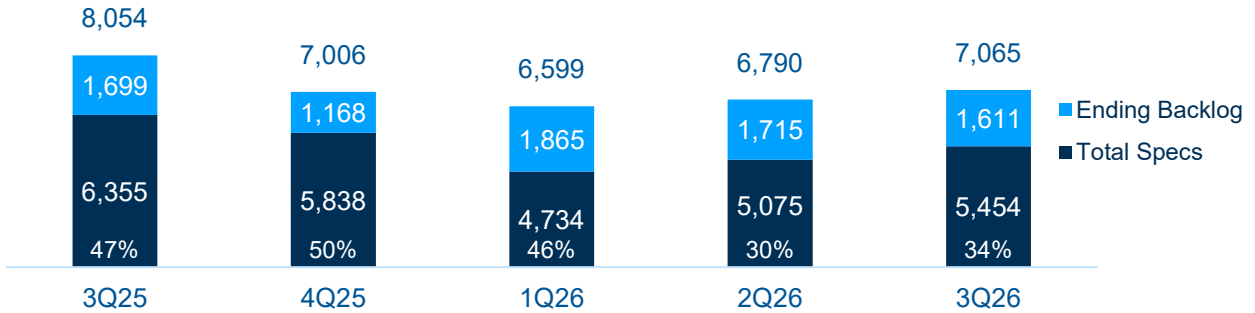
East: Alabama, Florida, Georgia, Mississippi, North Carolina, and South Carolina

Remaining Agile Managing Starts And Total Specs To Align With Changing Market Conditions

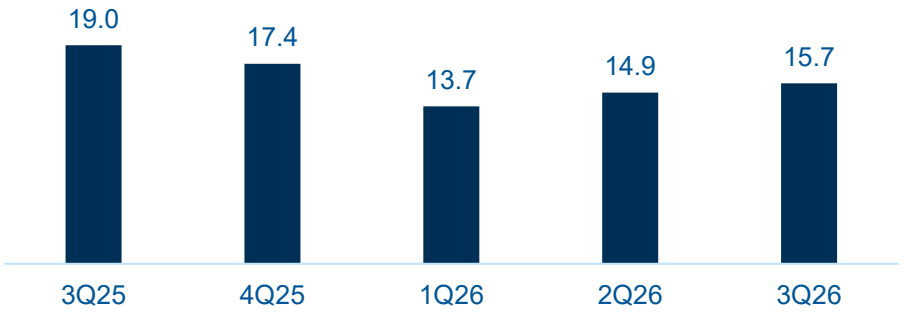
Spec Starts



Total Specs and Ending Backlog & % of Specs Completed



Average Specs Per Community



Takeaways

- Starts were up 12% year over year on community count growth, but down 12% sequentially as we aligned starts with sales pace
- 5 months supply of specs per community, up modestly sequentially as we moderated sales to preserve margin, but within our 4–6 month target

3Q26 Financial Performance

($ Millions except EPS & ASP)	3Q26	3Q25	% Chg	YTD2026	YTD2025	% Chg
Home closings	3,187	3,685	*(14)%*	9,879	11,271	*(12)%*
ASP (closings)	$365K	$380K	*(4)%*	$370K	$387K	*(4)%*
Home closing revenue	$1,162	$1,399	*(17)%*	$3,658	$4,357	*(16)%*
Home closing gross profit	$203	$267	*(24)%*	$650	$904	*(28)%*
Home closing gross margin	17.4%	19.1%	*(170) bps*	17.8%	20.7%	*(290) bps*
Adjusted home closing gross margin[1]	17.9%	20.1%	*(220) bps*	18.1%	21.2%	*(310) bps*
SG&A expenses	$128	$152	*(16)%*	$403	$467	*(14)%*
SG&A % of home closing revenue	11.0%	10.8%	*20 bps*	11.0%	10.7%	*30 bps*
Earnings before taxes	$85	$128	*(34)%*	$278	$481	*(42)%*
Effective tax rate	20.1%	22.6%	*(250) bps*	23.1%	23.4%	*(30) bps*
Net earnings	$68	$99	*(32)%*	$214	$369	*(42)%*
Diluted EPS	$1.04	$1.39	*(25)%*	$3.22	$5.13	*(37)%*
Adjusted Diluted EPS[1]	$1.11	$1.55	*(28)%*	$3.38	$5.35	*(37)%*

3Q26 Highlights:

- Decline in ASP from higher incentives and geographic mix
- Gross margin impacted by higher lot and incentive costs as well as lost leverage, partially offset by direct cost savings and lower performance-based comp
- Higher SG&A % from lower leverage and higher tech costs, partially offset by lower discretionary spend and performance-based comp
- 2026 tax rate reflected acquired below-market transferable clean fuel production tax credits

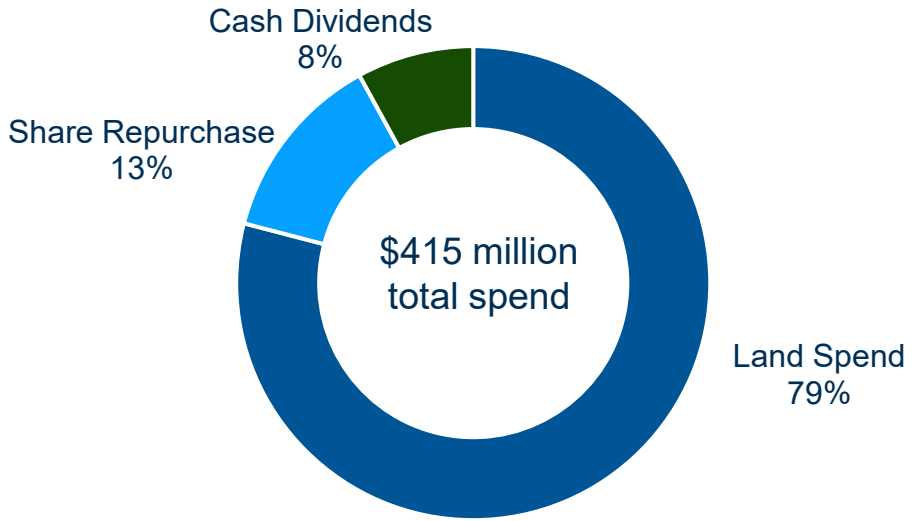
1 Excluded real estate inventory impairments and terminated land deal walk-away charges totaling $6.0M in 3Q26 and $14.5M in 3Q25 as well as $13.7M in YTD26 and $20.1M in YTD25. See 3Q26 Earnings Release for Non-GAAP Reconciliation

3Q26 Capital Structure and Capital Spend Activities

Capital Structure – Non-GAAP Reconciliation

($ Millions)	Sept. 30, 2026	Dec. 31, 2025
Notes payable & other borrowings	$1,852	$1,829
Stockholders' equity	$5,044	$5,196
Total capital	$6,896	$7,025
Debt-to-capital	26.9%	26.0%
Less: cash & cash equivalents	$(677)	$(775)
Net debt	$1,174	$1,054
Total net capital	$6,219	$6,250
Net debt-to-capital	18.9%	16.9%
Book value per share	$78.30	$76.22

3Q26 Capital Allocation Spend



Maintained a strong balance sheet while prioritizing liquidity preservation to provide financial flexibility through an uncertain housing environment

In 3Q26, returned $86M of cash to shareholders, totaling 127% of quarterly earnings

For the first nine months of 2026, returned $379M via $285M in share buybacks and $94M in cash dividends, totaling 177% of year-to-date earnings

3Q26 Land & Development Investment

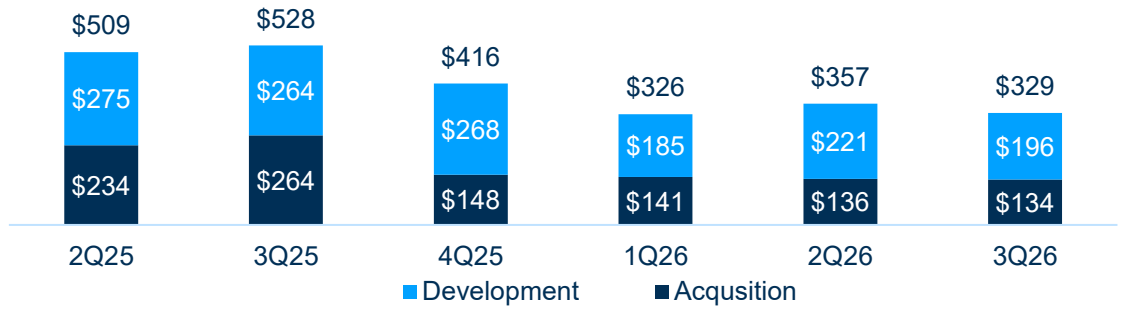
Lots Detail

	3Q26	3Q25
Total lots controlled	71,765	80,836
Supply of lots (years)	5.3	5.3
- Owned	69%	69%
- Optioned	31%	31%

Takeaways

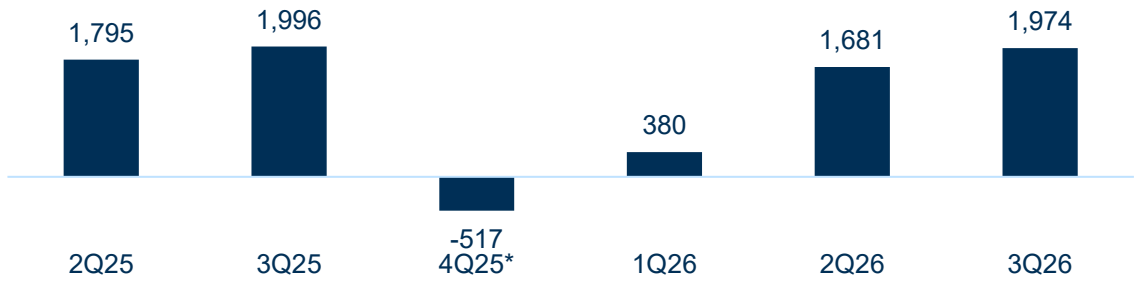
- Added fewer new lots than starts this quarter, bringing down our total supply
- Intentional pullback in land spend to align with market conditions

Land Acquisition & Development Spend* ($ Millions)



* Land acquisition and development spend is net of land development reimbursements.

Net Newly Controlled Lots



* 4Q25 included 3,434 lots we terminated

3Q26 Key Takeaways

- Despite a challenging housing market, we maintained an average absorption pace of 3.0 net sales per month
- We balanced pace and price and leveraged our broker relationships that continue to position us competitively against both builders and resale sellers
- We remain disciplined in our capital allocation, preserving liquidity in an uncertain environment while balancing investment for future growth with returning capital to shareholders





ABOUT MERITAGE

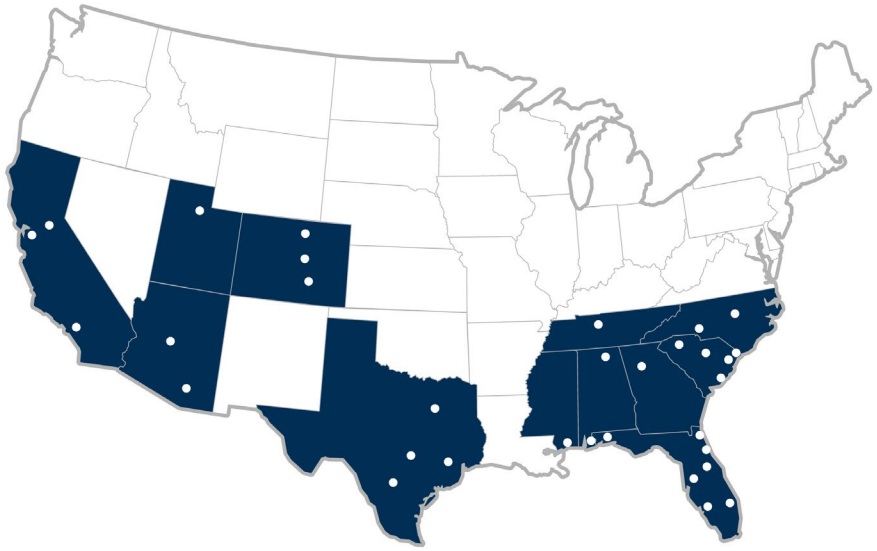
Meritage Company Overview











- Affordable spec builder specializing in entry-level and first move-up homes
- Top five U.S. public homebuilder
- Delivered over 220,000 homes in its 41-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