

Meritage Homes CORP  
Form DEF 14A  
March 24, 2015

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934  
(Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Meritage Homes Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

Per unit price or other underlying value of transaction computed pursuant to Exchange Act

(3) Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

---

Dear Fellow Stockholders:

You are cordially invited to join us for our 2015 annual meeting of stockholders, which will be held on May 13, 2015, at 10:00 a.m. local time at our corporate office location at 8800 E. Raintree Drive, Suite 300, Scottsdale, Arizona, 85260. Holders of record of our common stock as of March 19, 2015 are entitled to notice of, and to vote at, the 2015 annual meeting.

The Notice of Annual Meeting of Stockholders and the proxy statement that follow describe the business to be conducted at the meeting. We may also report on matters of current interest to our stockholders at that meeting.

We are pleased to be furnishing these materials to our stockholders via the Internet. We believe this approach provides you with the information that you need while expediting your receipt of these materials, lowering our costs of delivery, and reducing the environmental impact of our annual meeting. If you would like us to send you printed copies of our proxy statement and accompanying materials, we will be happy to do so at no charge upon your request. For more information, please refer to the Notice of Internet Availability of Proxy Materials that we previously mailed to you on or about April 1, 2015.

You are welcome to attend the meeting. However, even if you plan to attend, please vote your shares promptly and prior to the meeting to ensure they are represented at the meeting. You may submit your proxy by Internet or telephone, as described in the following materials, or, if you request printed copies of these materials, by completing and signing the proxy card enclosed therein and returning it in the envelope provided. If you decide to attend the meeting and wish to change your proxy, you may do so automatically by voting in person at the meeting.

If your shares are held in the name of a broker, bank, trust or other nominee, you may be asked for proof of ownership of these shares to be admitted to the meeting.

We thank you for your support.

Sincerely,

Steven J. Hilton

Chairman and Chief Executive Officer

8800 East Raintree Drive • Suite 300 • Scottsdale, Arizona • 85260 • Phone 480-515-8100

Listed on the New York Stock Exchange — MTH

---

Notice of Annual Meeting of Stockholders

Date: May 13, 2015

Time: 10:00 a.m. local time

Meritage Homes Corporation

8800 East Raintree Drive, Suite 300

Scottsdale, Arizona 85260

To Our Stockholders:

You are invited to attend the Meritage Homes Corporation 2015 annual meeting of stockholders at which we will conduct the following business:

1 Election of four Class II Directors, each to hold office until our 2017 annual meeting,

2 Ratification of the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the 2015 fiscal year,

3 Advisory vote to approve compensation of our Named Executive Officers,

4 The conduct of any other business that may properly come before the meeting or any adjournment or postponement thereof.

These items are more fully described in the accompanying proxy. Only stockholders of record at the close of business on March 19, 2015 are entitled to notice of, and to vote at, the annual meeting or any adjournment or postponement thereof.

**YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THIS MEETING, PLEASE SUBMIT YOUR PROXY BY FOLLOWING THE INSTRUCTIONS SET FORTH IN THE FOLLOWING MATERIALS. YOU MAY VOTE YOUR SHARES AND SUBMIT A PROXY BY USING THE INTERNET, REGULAR MAIL OR TELEPHONE AS DESCRIBED HEREIN OR ON YOUR PROXY CARD.**

By Order of the Board of Directors

C. Timothy White, Secretary

Scottsdale, Arizona

March 24, 2015

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 13, 2015:**

**THIS PROXY STATEMENT AND MERITAGE'S 2014 ANNUAL REPORT TO STOCKHOLDERS ARE AVAILABLE AT INVESTORS.MERITAGEHOMES.COM. ADDITIONALLY, AND IN ACCORDANCE WITH SEC RULES, YOU MAY ACCESS THESE MATERIALS ON THE COOKIES-FREE WEBSITES INDICATED IN THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS THAT YOU HAVE RECEIVED.**

---

TABLE OF CONTENTS

Table of Contents

<u>Proxy Summary</u>	<u>2</u>
<u>General Information</u>	<u>2</u>
<u>The Proposals</u>	<u>3</u>
<u>Election of Directors (Proposal No. 1)</u>	<u>6</u>
<u>Ratification of Independent Registered Public Accounting Firm (Proposal No. 2)</u>	<u>7</u>
<u>Advisory Vote to Approve Compensation of our Named Executive Officers (Proposal No. 3)</u>	<u>8</u>
Security Ownership by Management and Principal Stockholders	<u>10</u>
<u>Corporate Governance and Board Matters</u>	<u>12</u>
Compensation Discussion and Analysis	<u>22</u>
<u>2014 Environment</u>	<u>22</u>
<u>Executive Summary</u>	<u>22</u>
<u>Compensation Philosophy and Objectives</u>	<u>24</u>
<u>Compensation Best Practices</u>	<u>25</u>
Independent Compensation Consultant	<u>25</u>
<u>Compensation Program</u>	<u>26</u>
<u>Security Ownership Requirements</u>	<u>27</u>
Equity Based Awards	<u>28</u>
<u>Employment Agreements in Effect for 2014</u>	<u>28</u>
Discussion of NEO Compensation	<u>31</u>
2015 Developments	<u>33</u>
<u>Executive Compensation Committee Report</u>	<u>34</u>
<u>Compensation of Officers and Directors</u>	<u>35</u>
<u>Potential Payments upon Termination or Change of Control</u>	<u>38</u>
<u>Director Compensation</u>	<u>41</u>
<u>Securities Authorized For Issuance Under Equity Compensation Plans</u>	<u>42</u>
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	<u>43</u>
Certain Relationships and Related Transactions	<u>44</u>
<u>Independent Auditors</u>	<u>45</u>
<u>Report of The Audit Committee</u>	<u>46</u>
<u>Stockholder Proposals</u>	<u>47</u>
<u>Forward-Looking Statements</u>	<u>48</u>
<u>Annual Report on Form 10-K and Other Matters</u>	<u>49</u>

PROXY SUMMARY

MERITAGE HOMES CORPORATION  
8800 EAST RAINTREE DRIVE  
SUITE 300  
SCOTTSDALE, ARIZONA 85260  
(480) 515-8100  
www.meritagehomes.com

Proxy Summary

This summary highlights selected information contained elsewhere in this proxy statement and is not intended to contain all of the information that you should consider. Please read the entire proxy statement carefully before voting.

General Information

Proxy Statement Purpose

The Board of Directors of Meritage Homes Corporation ("Meritage" or the "Company") is furnishing this Proxy Statement to solicit your proxy for our 2015 Annual Meeting of Stockholders. This Proxy Statement contains information to help you decide how you want your shares to be voted. To understand the proposals fully, you should carefully read this entire proxy statement and the other proxy materials identified in the Notice of Internet Availability of Proxy Materials ("the Notice"). This proxy statement will be available on the internet, and the notice of proxy materials is first to be mailed to stockholders beginning on or about April 1, 2015.

Date, Time and Place of Meeting

The annual meeting will be held on Wednesday, May 13, 2015, at 10:00 a.m. local time at our corporate office at 8800 East Raintree Drive, Suite 300, Scottsdale, Arizona, 85260. If you require directions to the annual meeting, please call (480) 515-8100.

Who Can Vote

Stockholders who hold shares of our common stock at the close of business on March 19, 2015, the record date, will be entitled to one vote for each share held regarding the matters proposed in this proxy statement. Only holders of record of common stock at the close of business on the record date will be permitted to vote at the meeting, either in person or by valid proxy. On the record date, there were 39,616,663 shares of Meritage common stock outstanding. The common stock is our only outstanding class of voting securities.

Voting Information

You can vote in person at the annual meeting or submit a proxy to have your shares represented without attending the annual meeting. The shares represented by a properly executed proxy will be voted as you direct. To submit a proxy, you must follow the instructions provided in this proxy statement and in the Notice. You may submit your proxy via the Internet, regular mail, or by calling the telephone number provided in the Notice, and you will be asked to enter your 11- or 12-digit control number. If you request a printed copy of these materials, you may also fill out and sign the proxy card enclosed therein and return it by mail in the envelope provided.

If you submit a signed proxy but do not indicate any voting instructions, your shares will be voted FOR the election as directors of the nominees named in this proxy statement, FOR the ratification of the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for fiscal 2015, and FOR the advisory vote to approve the compensation of our named executive officers.

You can revoke your proxy any time before it is voted by written notice delivered to the Company's Secretary, by timely delivery of a later signed proxy (including via the Internet, regular mail, or telephone), or by voting in person at the annual meeting. Attendance at the meeting alone is not sufficient to revoke your proxy. You must also vote your shares to revoke your proxy.

PROXY SUMMARY

Holders of Record

If your shares are registered directly in your name with our transfer agent, you are considered the “holder of record” of those shares. If your shares are held in a brokerage account or by another nominee, you are considered the “beneficial owner” of shares held in “street name,” and the Notice is being forwarded to you by your broker or nominee (the “record holder”) along with a voting instruction card. As the beneficial owner, you have the right to direct your record holder regarding how to vote your shares, and the record holder is required to vote your shares in accordance with your instructions.

Record Holders and Beneficial Owners

As the record or beneficial owner of shares, you are invited to attend the annual meeting. Please note, however, that if you are a beneficial owner, you may not vote your shares in person at the meeting unless you obtain a “legal proxy” from the record holder that holds your shares. Rules of the New York Stock Exchange (the “NYSE”) determine whether proposals presented at stockholder meetings are “routine” or “non-routine.” If a proposal is routine, a broker or other entity holding shares for a beneficial owner in street name may vote on the proposal if you do not provide voting instructions. If a proposal is non-routine, the broker or other entity may vote on the proposal only if the beneficial owner has provided voting instructions. A “broker non-vote” occurs when the broker or other entity is unable to vote on a proposal because the proposal is non-routine and the beneficial owner does not provide instructions. If you do not give instructions to your record holder prior to the meeting, the record holder will be entitled to vote your shares in its discretion only on Proposal 2 (Ratification of Independent Registered Public Accounting Firm) and will not be able to vote your shares on Proposal 1 (Election of Directors), or Proposal 3 (Advisory Vote to Approve Compensation of our Named Executive Officers), and your shares will be treated as a “broker non-vote” on those proposals.

Quorum

The presence in person or by proxy of stockholders representing a majority of the votes entitled to be cast at the meeting is necessary to constitute a quorum at the meeting. Abstentions and broker non-votes are counted as present for purposes of determining whether a quorum exists.

The Proposals

The following three proposals will be considered at the Annual Meeting:

Proposal	Board Vote Recommendation	Page Number
1 Election of Directors	FOR Each Director	<u>6</u>
2 Ratification of Independent Registered Public Accounting Firm	FOR	<u>7</u>
3 Advisory Vote to Approve Compensation of our Named Executive Officers	FOR	<u>8</u>

PROPOSAL 1

Election of Directors (page 6)

Each director nominee is up for election for a two-year term. Each director nominee is a current director and attended at least 75% of all meetings of the Board and of all Board committees on which he sits.

Name	Age	Director Since	Independent	AC	CC	NGC	LC
Peter L. Ax	55	2000	Yes		û	û	û
Robert G. Sarver	53	1996	No				
Gerald Haddock	67	2005	Yes	û	û		û
Michael R. Odell	51	2011	Yes	û	û	û	

- = Chair
- û = Member
- AC Audit Committee
- CC Executive Compensation Committee
- NGC Nominating/Governance Committee
- LC Land Committee

3 MERITAGE HOMES | 2015 Proxy Statement

---



PROXY SUMMARY

PROPOSAL 2