

Meritage Homes CORP  
Form 4  
August 03, 2015

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2015  
Estimated average burden hours per response... 0.5

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
HADDOCK GERALD W

(Last) (First) (Middle)

8800 EAST RAINTREE  
DRIVE, SUITE 300

(Street)

SCOTTSDALE, AZ 85260

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
Meritage Homes CORP [MTH]

3. Date of Earliest Transaction  
(Month/Day/Year)  
07/31/2015

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
MTH Common Stock	07/31/2015		S		5,000 \$ 44.86	D	
MTH Common Shares					16,000 <sup>(2)</sup>	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HADDOCK GERALD W 8800 EAST RAINTREE DRIVE SUITE 300 SCOTTSDALE, AZ 85260	X			

## Signatures

/s/ Hilla Sferruzza, attorney-in-fact for Gerald Haddock 08/03/2015

\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* 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).
- (1) Balance reflects all other holdings, including restricted shares that have previously vested.
- (2) Balance represents restricted shares not vested.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. >

### INVESTMENT AND WEALTH MANAGEMENT REVENUES AS A % OF NONINTEREST INCOME LESS SECURITIES GAINS/LOSSES

	2000	2001	2002	2003	2004
Mercantile %	55.67	49.09	47.89	46.58	<b>43.68</b>
Peer Group % (b)	18.51	17.21	15.59	15.62	<b>16.14</b>

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Adjusted income consists of taxable equivalent net interest income and noninterest income less securities gains and losses. Taxable equivalent net interest income is a Non-GAAP Measure and you can see the last page for a reconciliation of the Non-GAAP Measures contained herein.

\* Peer Group: Banking Companies with \$10-25 Billion in Total Assets as of 12/31/04.

Source: SNL Financial LC, DataSource as of 3/9/05.

(a) Peers as defined above but excludes thrifts.

(b) Peers as defined above but excludes companies that do not have wealth management revenues.

**INVESTMENT AND WEALTH MANAGEMENT REVENUES**

	2000	2001	2002	2003	2004
Mercantile	\$ 69.9	\$ 69.3	\$ 68.4	\$ 78.9	\$ 90.0

**INVESTMENT AND WEALTH MANAGEMENT ASSETS**

	2000	2001	2002	2003	2004
Assets Under Management	\$ 14.3	\$ 14.7	\$ 15.6	\$ 21.1	\$ 22.0
Assets With No Investment Responsibility	25.0	23.9	20.4	24.9	25.8
Total Assets Under Administration	\$ 39.3	\$ 38.6	\$ 36.0	\$ 46.0	\$ 47.8



## RECONCILIATION OF NON-GAAP MEASURES

(In thousands, except per share data)

(1) The net interest margin and efficiency ratios are presented on a fully taxable-equivalent (FTE) and annualized basis. The FTE basis adjusts for the tax-favored status of income from certain loans and investments. Management believes this measure to be the preferred industry measurement of net interest income and provides a relevant comparison between taxable and nontaxable investments.

	YTD 2004	YTD 2003	4Q 04	3Q 04	2Q 04	1Q 04	4Q 03
Net interest income (GAAP basis)	\$ 545,781	\$ 472,349	\$ 143,710	\$ 138,182	\$ 133,484	\$ 130,405	\$ 130,886
Taxable-equivalent adjustment	6,744	6,760	1,660	1,684	1,675	1,725	1,881
Net interest income - taxable equivalent	\$ 552,525	\$ 479,109	\$ 145,370	\$ 139,866	\$ 135,159	\$ 132,130	\$ 132,767

(2) Management excludes the balance of intangible assets and their related amortization expense from its calculation of return on average tangible equity and average tangible equity to average tangible assets. This adjustment allows management to review the core operating results and core capital position of the Company. This is consistent with the treatment by bank regulatory agencies which exclude goodwill and other intangible assets from their calculation of risk-based capital ratios.

	YTD 2004	YTD 2003	4Q 04	3Q 04	2Q 04	1Q 04	4Q 03
Return on average equity (GAAP basis)	12.26%	13.15%	12.62%	12.03%	12.23%	12.12%	11.09%
Impact of excluding average intangible assets and amortization	5.74	3.40	5.54	5.60	5.91	5.89	5.40
Return on average tangible equity	18.00%	16.55%	18.16%	17.63%	18.14%	18.01%	16.49%
Average equity to average assets (GAAP basis)	13.38%	12.51%	13.35%	13.32%	13.28%	13.57%	13.26%
Impact of excluding average intangible assets and amortization	(3.68)	(2.17)	(3.51)	(3.65)	(3.73)	(3.82)	(3.75)
Average tangible equity to average tangible assets	9.70%	10.34%	9.84%	9.67%	9.55%	9.75%	9.51%

(3) The efficiency ratio is measured by dividing noninterest expenses by the sum of net interest income on a FTE basis and noninterest income. When computing the cash operating efficiency ratio, management excludes the amortization of intangible assets, restructuring charges, merger-related expenses, gains on sales of premises and gains and losses from sales of investment securities in order to assess the core operating results of the Company and because of the uncertainty as to timing and amount of gain or loss to be recognized.

	YTD 2004	YTD 2003	4Q 04	3Q 04	2Q 04	1Q 04	4Q 03
Efficiency ratio (GAAP basis)	51.14%	50.92%	52.70%	51.20%	50.12%	50.40%	54.47%
Impact of excluding:							
Securities gains and (losses)	0.08	0.56	0.18		0.16	(0.01)	0.04
Gains on sales of premises, net of tax	0.11	0.02	0.01	0.20	0.08	0.17	
Amortization of deposit intangibles	(0.71)	(0.45)	(0.68)	(0.71)	(0.73)	(0.74)	(0.60)
Amortization of other intangibles	(0.35)	(0.29)	(0.31)	(0.35)	(0.37)	(0.36)	(0.40)
	(0.59)		(0.70)	(1.38)	(0.23)		

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Restructuring charges							
Merger-related expenses	(0.05)	(1.24)				(0.22)	(2.59)
Cash operating efficiency ratio	49.63%	49.52%	51.20%	48.96%	49.03%	49.24%	50.92%

(4) Bankshares presents cash operating earnings and diluted cash operating earnings per share in order to assess the core operating results of the Company.

	YTD 2004	YTD 2003	4Q 04	3Q 04	2Q 04	1Q 04	4Q 03
Net income (GAAP basis)	\$ 229,407	\$ 196,814	\$ 60,612	\$ 56,785	\$ 56,313	\$ 55,697	\$ 50,645
Less: Securities (gains) and losses, net of tax	(749)	(4,314)	(426)	1	(357)	33	(74)
Gains on sales of premises, net of tax	(1,005)	(138)	(26)	(442)	(144)	(394)	
Plus: Amortization of deposit intangibles, net of tax	3,305	1,821	826	826	826	826	670
Amortization of other intangibles, net of tax	1,616	1,167	388	409	417	402	446
Restructuring charges, net of tax	2,711		850	1,610	251		
Merger-related expenses, net of tax	248	4,844				248	2,847
Cash operating earnings	\$ 235,533	\$ 200,194	\$ 62,224	\$ 59,189	\$ 57,306	\$ 56,812	\$ 54,534
Diluted net income per share (GAAP basis)	\$ 2.87	\$ 2.68	\$ 0.76	\$ 0.71	\$ 0.71	\$ 0.69	\$ 0.63
Less: Securities (gains) and losses, net of tax	(0.01)	(0.06)	(0.01)				
Gains on sales of premises, net of tax	(0.01)			(0.01)			
Plus: Amortization of deposit intangibles, net of tax	0.04	0.02	0.01	0.01	0.01	0.01	0.01
Amortization of other intangibles, net of tax	0.02	0.02	0.01	0.01		0.01	0.01
Restructuring charges, net of tax	0.04		0.01	0.02			
Merger-related expenses, net of tax		0.07					0.04
Diluted cash operating earnings per share	\$ 2.95	\$ 2.73	\$ 0.78	\$ 0.74	\$ 0.72	\$ 0.71	\$ 0.69