

**MERITAGE HOMES CORPORATION**  
**EXECUTIVE COMPENSATION COMMITTEE**  
**OF THE BOARD OF DIRECTORS CHARTER**

**I. PURPOSE AND AUTHORITY**

The Executive Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Meritage Homes Corporation (the “Corporation”) is responsible to the Board and reports regularly to the Board on the activities of the Committee, which includes approving all executive compensation arrangements.

The Committee shall have the authority to obtain advice or assistance from consultants, legal counsel, accounting or other advisors as appropriate to perform its duties hereunder, and to determine the terms, costs and fees for such engagements. Without limitation, the Committee shall have the sole authority to retain and terminate any compensation consultant and to determine and approve the terms, costs and fees for such engagements. The fees and costs of any consultant or advisor engaged by the Committee to assist the Committee in performing its duties hereunder shall be borne by the Corporation. The Committee may, when appropriate, form and delegate authority to subcommittees comprised of independent directors.

**II. COMPOSITION**

The Committee shall be comprised of three or more directors, all of whom shall meet the independence requirements of applicable New York Stock Exchange rules. In addition, no director may serve on the Committee unless he or she is both (1) a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and (2) an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended. Members of the Committee are selected by the full Board upon recommendation of the Nominating/Governance Committee and may be removed and replaced by the full Board at any time. The Committee Chair shall be elected by the Board and shall preside at all regular sessions of the Committee.

**III. MEETINGS**

The Committee shall meet as often as it deems necessary to fulfill its responsibilities hereunder and may meet with management or individual directors at such time as it deems appropriate to discuss any matters before the Committee. The Committee should meet at least annually with the Corporation’s management and should meet periodically without the presence of management. The Committee shall make and retain complete and accurate minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

#### **IV. RESPONSIBILITIES AND DUTIES**

The Committee shall:

1. Establish a compensation philosophy for the Corporation with regard to salaries and other compensation of executive officers, which considers business and financial objectives, compensation provided by comparable companies and/or such other information as may be deemed appropriate.
2. Approve all base salaries and other compensation of executive officers who are in a position to exercise discretionary judgment, which can substantially influence the affairs of the Corporation.
3. Review and make recommendations on changes in major fringe benefit programs.
4. Approve awards under all stock option plans of the Corporation.
5. Annually review and approve corporate and personal performance goals and objectives relevant to the Chief Executive Officer's compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives, and recommend to the Board, the Chief Executive Officer's compensation levels based on this evaluation. In determining any long-term incentive component of the Chief Executive Officer's compensation, the Committee shall consider the Corporation's performance and relative stockholder return, the value of similar incentive awards to chief executive officers and comparable companies, and the awards given to the Chief Executive Officer in past years. In addition, the Committee shall comply with the requirements of Section 162(m) of the Internal Revenue Code and maintain deductibility of all executive compensation, except in circumstances where the Committee determines on an informed basis that it is in the best interest of the Corporation and the stockholders to take actions with regard to executive compensation that do not qualify for tax deductibility.
6. Review and approve corporate and personal performance goals and objectives relevant to the compensation, and the compensation of, executive officers other than the Chief Executive Officer.
7. Act on behalf of the Board in administering compensation plans approved by the Board and/or stockholders, in a manner consistent with the terms of such plans, including, as applicable, review of performance target goals established before start of the relevant plan year and determination of when performance goals have been achieved at the end of the plan year.
8. Review and make recommendations to the Board on incentive compensation plans and equity compensation plans .
9. Annually review the outside directors compensation program for competitiveness and plan design. Recommend changes as appropriate to the Board.
10. Consult with and advise management on major policies affecting employee relations.

11. Review and discuss with management the disclosures in the Corporation's "Compensation Discussion and Analysis" and any other disclosures regarding executive compensation to be included in the Corporation's public filings.

12. Annually issue a summary report suitable for submission to the stockholders in the Corporation's annual proxy statement.

13. Perform such other duties and functions as from time to time may be prescribed by the Board.

14. Review and update the Committee's Charter on at least an annual basis.

15. Regularly report to the Board.

16. Conduct a Committee self-evaluation on at least an annual basis, consistent with the self assessment process reflected in the Corporation's Corporate Governance Principles and Guidelines.

17. Perform any other activities consistent with this Charter, the Corporation's Bylaws and governing law, as appropriate.

Dated: August 12, 2009