Meritage Homes Corp.

MTH

NYSE; other; SIC 1531, Operative Builders; CIK 0000833079

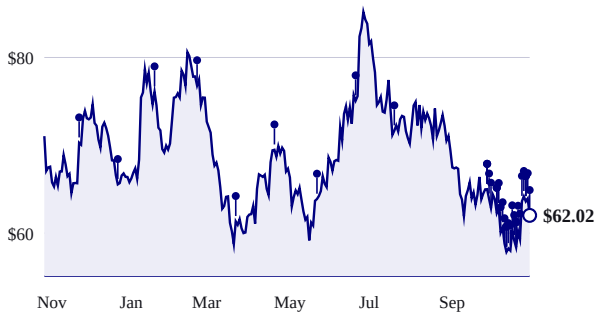
None

No letter

4 of 14 inputs computable; 7 are required, with a score in every sleeve

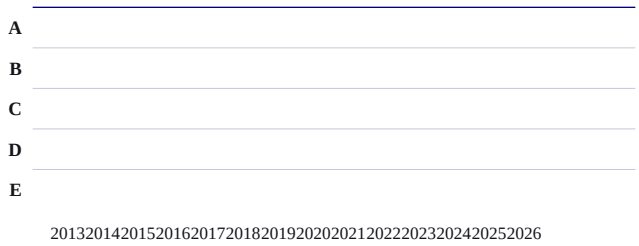
Scoreboard	
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $7.6B
Warnings	thin data not computable: degenerate inputs, distress
Inputs computable	4 of 14
Graded from	filings received through Feb 13, 2026 258 days before the rescan; latest periodic filing 10-Q received Jul 31, 2026
Last close	$61.96 2026-10-28; market equity $4.0B; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Feb 13, 2026

Meritage Homes Corporation ("Meritage Homes") is a leading designer and builder of single-family attached and detached homes. We primarily build in long-term high-growth markets of the United States and offer a variety of entry-level and first move-up homes. We have operations in three regions: West, Central and East, which are comprised of twelve states: Arizona, California, Colorado, Utah, Tennessee, Texas, Alabama, Florida, Georgia, Mississippi, North Carolina, and South Carolina. These three regions are our principal homebuilding reporting segments. We also operate a financial services segment, which offers title and escrow, mortgage, and insurance services to our homebuyers.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 91.0						
Gross profitability	not computable	27.0%				

latest aligned inputs end 2017-12-31; latest annual assets end 2025-12-31

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Return on invested capital	not computable	10.0%				
latest aligned inputs end 2013-12-31; latest annual assets end 2025-12-31						
Accruals ratio	4.5%	(5.8%)	91.0	503	2025-12-31	
Gross margin stability, five years	not computable	2.2 pts				
five annual gross margins are required; found 0						
Solvency						
Twelve-month failure probability	not computable	0.04%				
latest liabilities, cash plus short-term investments, book equity, and shares are required						
Altman Z double-prime	not computable	2.05				
one or more required annual facts are missing						
Net debt to EBITDA	not computable	2.52x				
required facts have no common fiscal period end						
Interest coverage	not computable	2.45x				
latest aligned inputs end 2014-12-31; latest annual assets end 2025-12-31						
Current ratio	not computable	1.33x				
one or more required annual facts are missing						
Growth and financing, sleeve percentile 42.4						
Revenue growth, three-year compound	not computable	5.1%				
four annual observations are required; found 0						
Free cash flow growth, three-year compound	(37.5%)	8.8%	91.8	221	2025-12-31	
Reinvestment rate	not computable	11.6%				
one or more required annual facts are missing						
Asset growth, three years	9.7%	4.2%	28.0	437	2025-12-31	
Net share issuance, one year	(6.9%)	(0.5%)	7.4	353	2026-02-09	

Warnings

1 of 7 checks triggered; none of them enters the letter

Check	Measured
Thin data	4 of 14 grade factors are computable; minimum is 7

What the price implies

at the 2026-10-28 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(2.9%)	2.0%	46
Distance from 52-week high	(27.2%)	(26.4%)	49
EBIT to enterprise value	5.4%	4.3%	63
Free cash flow yield	2.3%	4.2%	34
Book value to price	1.25	0.34	93
Sales to price	not computable	0.71	
Composite equity issuance, five years	(20.5%)	(8.9%)	32
Relative strength against the sector, log excess return	(0.18)	(0.13)	46

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2025-12-31	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	fail
Operating cash flow exceeds net income	fail
Long-term leverage fell	fail
Current ratio improved	fail

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No new shares issued	pass
Gross margin improved	fail
Asset turnover improved	fail

Cash, filings, liquidity

Cash and equivalents	$807.3M
Operating cash flow, four quarters	$437.9M
Months of runway	not finite
Days since last periodic filing	90 (10-Q received Jul 31, 2026)
Median daily dollar volume, 63 sessions	$53.5M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	$566.5M	2017-12-31	2018-02-12	10-K	18-000007
2	assets	us-gaap:Assets	$3.3B	2017-12-31	2019-02-15	10-K	19-000035
3	operating income	us-gaap:OperatingIncomeLoss	$209.4M	2013-12-31	2015-02-17	10-K	15-000036
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$177.7M	2013-12-31	2016-02-17	10-K	16-000119
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$53.2M	2013-12-31	2016-02-17	10-K	16-000119
6	total debt	us-gaap:LongTermDebt	$905.1M	2013-12-31	2014-02-19	10-K	14-000047
7	book equity	us-gaap:StockholdersEquity	$841.4M	2013-12-31	2017-02-17	10-K	17-000041
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$274.1M	2013-12-31	2017-02-17	10-K	17-000041
9	total debt	us-gaap:LongTermDebt	$726.3M	2012-12-31	2013-02-22	10-K	13-000051
10	book equity	us-gaap:StockholdersEquity	$694.2M	2012-12-31	2016-02-17	10-K	16-000119
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$170.5M	2012-12-31	2016-02-17	10-K	16-000119
12	net income	us-gaap:NetIncomeLoss	$453.0M	2025-12-31	2026-02-13	10-K	26-000010
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$118.3M	2025-12-31	2026-02-13	10-K	26-000010
14	assets	us-gaap:Assets	$7.6B	2025-12-31	2026-02-13	10-K	26-000010
15	assets	us-gaap:Assets	$7.2B	2024-12-31	2026-02-13	10-K	26-000010
16	operating income	us-gaap:OperatingIncomeLoss	$224.5M	2014-12-31	2015-02-17	10-K	15-000036
17	interest expense	us-gaap:InterestExpense	$5.2M	2014-12-31	2017-02-17	10-K	17-000041
18	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$25.7M	2025-12-31	2026-02-13	10-K	26-000010
19	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$227.6M	2024-12-31	2026-02-13	10-K	26-000010
20	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$28.7M	2024-12-31	2026-02-13	10-K	26-000010
21	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$355.6M	2023-12-31	2026-02-13	10-K	26-000010
22	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$38.2M	2023-12-31	2026-02-13	10-K	26-000010
23	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$405.3M	2022-12-31	2025-02-20	10-K	25-000021
24	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$27.0M	2022-12-31	2025-02-20	10-K	25-000021
25	assets	us-gaap:Assets	$6.4B	2023-12-31	2025-02-20	10-K	25-000021
26	assets	us-gaap:Assets	$5.8B	2022-12-31	2024-02-14	10-K	24-000015
27	shares outstanding	dei:EntityCommonStockSharesOutstanding	66,800,664	2026-02-09	2026-02-13	10-K	26-000010
28	shares outstanding	dei:EntityCommonStockSharesOutstanding	71,765,912	2025-02-14	2025-02-20	10-K	25-000021

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