

Meritage Homes CORP
Form DEFA14A
April 06, 2010

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No. 1)**

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:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act 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:

- o Fee paid previously with preliminary materials.
- o 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:

The following information amends the definitive proxy statement of Meritage Homes Corporation for the 2010 Annual Meeting of Stockholders (the 2010 Proxy Statement), which was filed with the Securities and Exchange Commission on March 31, 2010 and is first being sent to stockholders on or about April 9, 2010. Capitalized terms used herein shall have the meanings given to such terms in the definitive proxy statement.

In the Summary Compensation Table in the 2010 Proxy Statement, the 2007 stock awards compensation for Steven J. Hilton and Larry W. Seay was incorrectly reported. For Mr. Hilton, the stock awards compensation expense was originally reported as \$262,260. The correct amount is \$770,760. For Mr. Seay, the stock awards compensation expense was originally reported as \$106,842 and the correct amount is \$313,999. In addition, the 2007 amounts reported as stock awards compensation and options awards compensation for C. Timothy White were inadvertently transposed.

No compensation information in the Summary Compensation Table relating to fiscal 2009 or 2008 is affected.

A revised Summary Compensation Table reflecting these corrections is set forth below.

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Bonus (\$)(2)	Stock Awards (\$)(3)	Option Awards (\$)(4)	Changes in Pension Value		All Other Compensation (\$)(6)	Total (\$)
						Non-Equity Incentive Compensation (\$)(5)	Deferred Compensation (\$)(5)		
Steven J Hilton, Chairman and CEO(1)	2009	800,000		1,605,375				54,044	2,459,419
	2008	1,017,500			2,029,294			48,382	3,095,176
	2007	1,017,500		770,760	1,468,777			206,116	3,463,153
Larry W. Seay, EVP and CFO	2009	450,000	250,000	1,070,250				48,934	1,819,184
	2008	450,000			239,010			40,701	729,711
	2007	450,000		313,999	1,128,975		2,210(5)	110,935	2,006,119
C. Timothy White, EVP, General Counsel and Secretary	2009	525,000	250,000	1,070,250				45,689	1,890,939
	2008	525,000						52,052	577,052
	2007	525,000	450,000	321,150	675,140			92,420	2,063,710
Steven M. Davis, EVP and COO	2009	400,000	375,000	1,070,250				32,174	1,877,424
	2008	400,000						28,713	428,713
	2007	400,000	250,000		598,738			218,985	1,467,723

(1) All compensation is for Mr. Hilton's services in his capacity as the Chairman and Chief Executive Officer of the

Company.

Mr. Hilton did not receive any separate compensation for his services as a director.

- (2) Amounts represent discretionary bonuses approved by the Compensation Committee. The amounts awarded in 2009 are discussed above in the discussion about the compensation awarded to each of our NEOs in 2009.
- (3) The non-vested shares (restricted stock) grants have a fair value equal to the closing price of our stock on the date of the grant, in accordance with the requirements of Accounting Standards Codification Subtopic (ASC) 718. Balance includes all restricted stock awards granted in the year to our NEO s and not just the prorated share of all unvested

grants that vested in the current year. See additional detail Grant of Plan-Based Awards table.

- (4) See Note 10 Incentive Awards and Retirement Plan of our consolidated financial statements included in our 2009 Annual Report on Form 10-K for a discussion of the Black-Scholes assumptions used for computing the fair value of options granted. As required, the options award calculation is equal to the Black-Scholes value of the option in any year multiplied by the total number of all options granted in the year, not just the proportionate share of all unvested grants that vested in the current year.

- (5) Amount represents above-market earnings on

deferred
compensation
that is not
tax-qualified.
See
Nonqualified
Deferred
Compensation
table below for
more detail on
Mr. Seay's
deferred
compensation
earnings.

- (6) See following
table for more
detail:
-

**All Other Compensation Table
Year Ended December 31, 2009**

Name and Principal Position		Health and		Car Allowance	Plane Travel	Other	Total All Other Compensation
		Insurance Premiums	401(k) Match				
		(\$)(1)	(\$)	(\$)	(\$)(2)	(\$)(3)(4)(5)	(\$)
Steven J Hilton, Chairman and CEO	2009	31,921	5,880			16,243	54,044
	2008	33,230	5,520			9,632	48,382
	2007	29,557	5,400		3,855	167,304	206,116
Larry W. Seay, EVP and CFO	2009	23,578	5,880	14,400		5,076	48,934
	2008	17,452	5,520	14,400		3,329	40,701
	2007	16,840	5,400	14,400		74,295	110,935
C. Timothy White, EVP, General Counsel and Secretary	2009	26,667		14,400		4,622	45,689
	2008	31,267		14,400		6,385	52,052
	2007	21,338		14,400		56,682	92,420
Steven M. Davis, EVP and COO	2009	17,174		15,000			32,174
	2008	13,713		15,000			28,713
	2007	13,408		15,000		190,577	218,985

(1) Includes:
(i) employer portion of benefits provided to all employees and
(ii) life and disability insurance premiums and healthcare check-up as contemplated in each NEO's employment agreement if such elections were made.

(2) In accordance with Mr. Hilton's employment agreement in effect during 2006, he was granted the

right to personal use of a chartered aircraft for a pre-determined number of annual flight hours. The amounts in the table above reflect these travel benefits, which were computed as out-of-pocket costs paid to the respective aircraft charter companies for these personal-use flights. The balance also reflects any tax gross-up paid to Mr. Hilton in connection with the taxable income associated with these flights until the adoption of his then new employment agreement in mid-January 2007.

- (3) Other includes the following for 2009: income gross-up to reflect tax consequences, as applicable, of \$16,243; \$5,076 and \$4,622 for Messrs. Hilton, Seay and White, respectively.
- (4) Other includes the following for 2008: income gross-up to reflect tax consequences, as applicable, of \$9,632, \$3,329 and

\$6,385 for
Messrs. Hilton,
Seay and White,
respectively.

- (5) Other includes the following for 2007:
- (i) spousal travel of \$6,217, \$1,182, \$1,182 and \$1,182 for Messrs. Hilton, Seay, White and Davis, respectively;
 - (ii) relocation costs of \$119,012 for Mr. Davis;
 - (iii) stock option tender offer payment of \$1.50 per option totaling \$150,000, \$60,000, \$52,500 and \$22,500 for Messrs. Hilton, Seay, White and Davis, respectively; and
 - (iv) income gross-up to reflect tax consequences, as applicable, of \$11,087, \$13,113, \$3,000 and \$47,883 for Messrs. Hilton, Seay, White and Davis, respectively.
- Spousal travel is determined as either the actual ticket price for commercial airline travel or the equivalent of a first-class comparable ticket on a major air travel carrier for private plane

travel.