



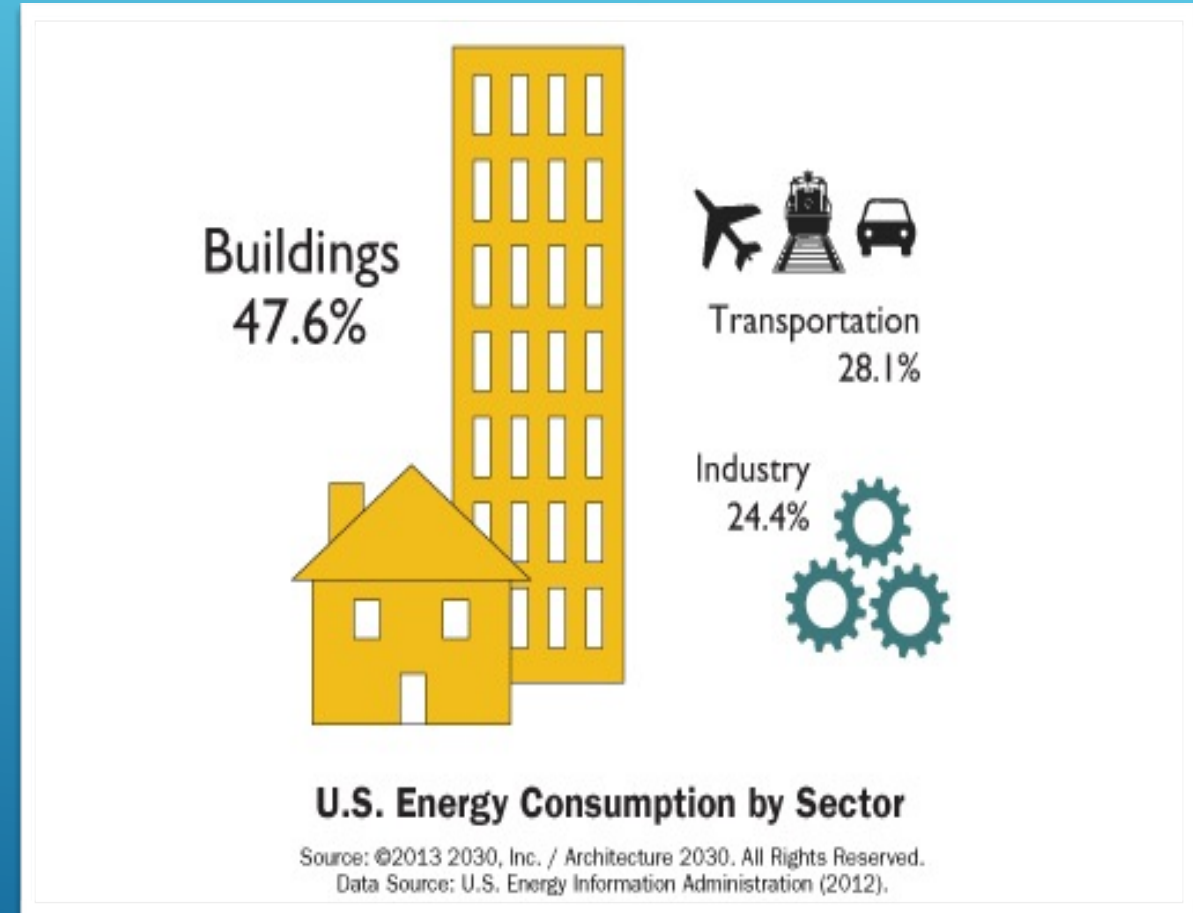
# TOMORROW'S SMART HOME TODAY:

Disruptors in the Homebuilding Industry

# DISRUPTION: ENERGY

## Issue

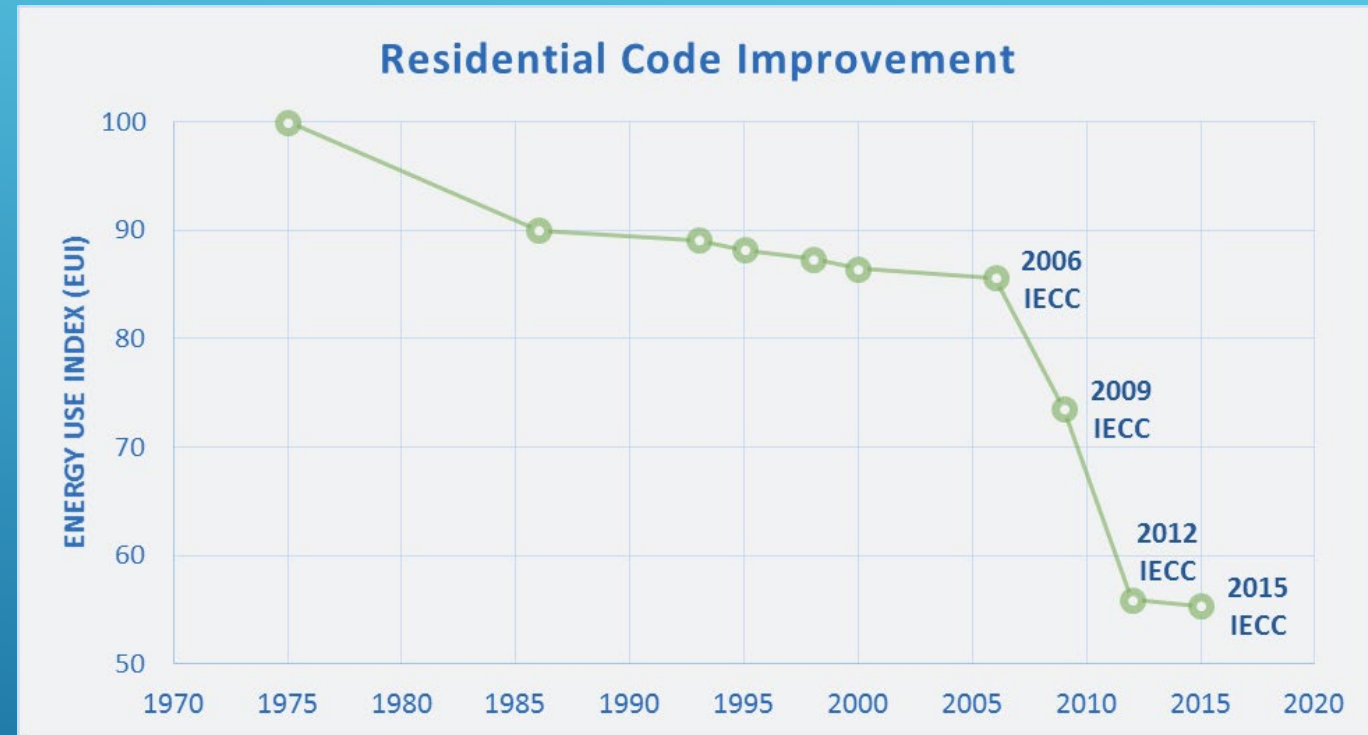
- ▶ 50% of Energy Consumed by Buildings is wasted
- ▶ Buildings consume the most energy of any sector in the US
- ▶ Energy Efficiency can improve individual affordability > \$100,000
- ▶ Energy Efficiency can reduce Utility cost > \$1.2 Trillion



# DISRUPTION: ENERGY

## ► Response

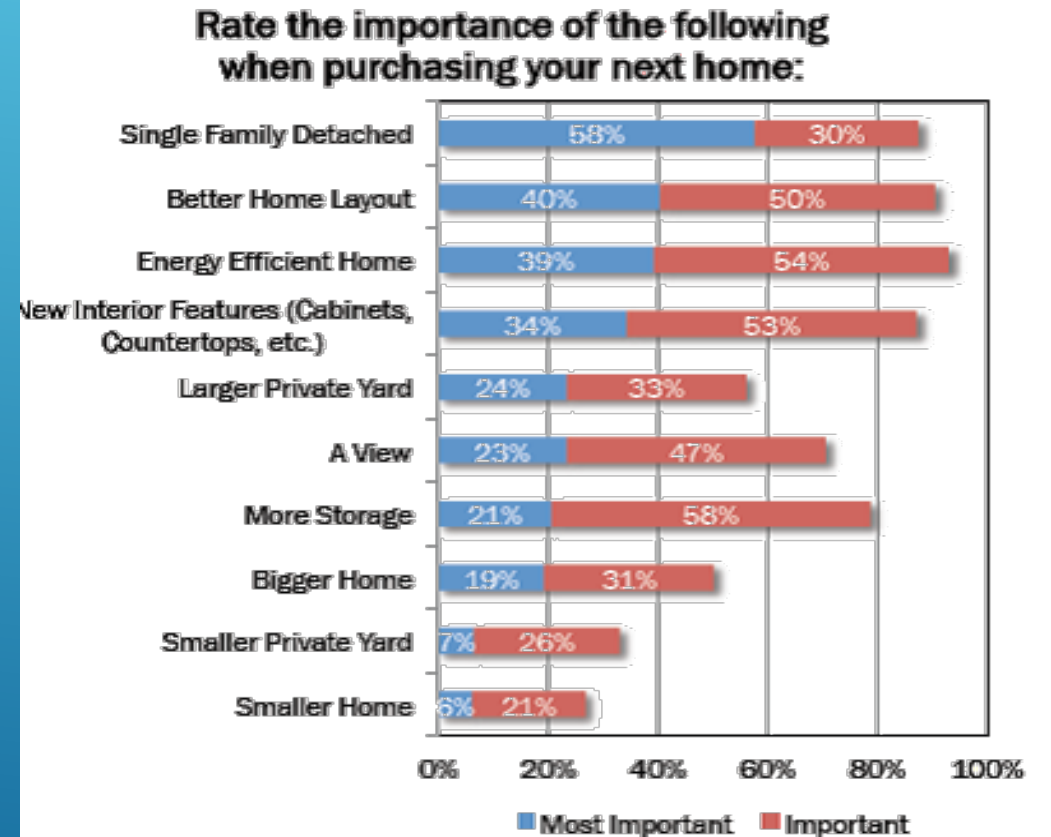
- Regulatory Codes increasing new building requirements
- Lack of value recognition in MLS / Realtors
- Lack of value recognition in Appraisals
- Lack of value recognition in underwriting



# DISRUPTION: BUYERS

## ► Issue:

- Buy Home every 5-7 years
- > 90% of transactions resale
- Green Washing
- Competency of Buyer's Realtor



# CREATING CHANGE

- ▶ Awareness
- ▶ Validation
- ▶ Evaluation

INFLUENCE






# OUR CUSTOMER



# TRUSTED EXPERT (THAT CARES)

- ▶ What is the Best Home for my Family?
  - ▶ How do I find the Best Builder Partner?
  - ▶ How would an Expert Choose among homes choices?
  - ▶ How should I evaluate other choices?
  - ▶ Will I have made the right choice?
- 
- A series of three parallel white diagonal lines in the bottom right corner of the slide, pointing towards the top right.

# DISRUPTION: BUYERS

## ► Response:

- Benefits, not features
- True cost of ownership
- 1:20
- Influence the influencers





# REDUCE AND RENEW

## Homes to the Power of **ZERO**



### What is the DOE Zero Energy Ready Home™ Label?

It is a Symbol of Excellence for energy savings, comfort, health, quality, and durability met by a select group of leading builders meeting U.S. Department of Energy Guidelines.

### What is a Zero Energy Ready Home?

It is a high-performance home so energy efficient, all or most annual energy consumption can be offset with renewable energy. In other words, it is the Home of the Future.

### A Symbol of Excellence

#### HEALTHFUL ENVIRONMENT



#### COMFORT PLUS



#### ADVANCED TECHNOLOGY



#### ULTRA EFFICIENT



#### QUALITY BUILT



#### DURABILITY



#### KEY

- DOE Zero Energy Ready Home
- ENERGY STAR® Certified Home
- Existing Home

This graphic comparison chart demonstrates relative performance of this DOE Zero Energy Ready Home to existing homes (built between 1990 and 2010) and ENERGY STAR Certified Homes. Actual performance may vary.



# WIFIM

- ▶ Reduced Operating Cost
  - ▶ Energy Efficiency
  - ▶ Renewable Energy
  - ▶ Durability
  - ▶ TOU
- ▶ Comfort
- ▶ Health
- ▶ Security
- ▶ Investment





- ▶ During 2008, the number of things connected to the Internet exceeded the number of people on Earth.  
By 2020, there will be 50 billion connected devices



# M Connected Home™

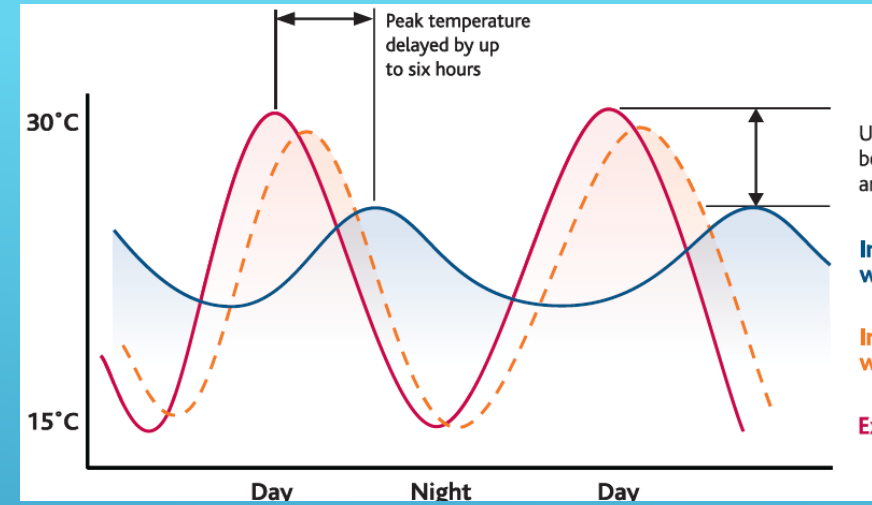
AUTOMATION SUITE

- Enhance 4d Dfunction and Safety
- All work as a normal component without internet at the home
- Each Component can operate through a stand alone app



# MOVING THE ENERGY DEMAND

- A. Smart ventilation (off peak)
- B. Thermal mass / phase change
- C. Thermal storage (heatpump HVAC precool off peak)
- D. Low solar heat gain (reflective / vented cladding materials)
- E. Smart appliances
- F. Large hot water storage w/ heat pump.
- G. West facing solar.







THANK YOU!

CR HERRO

VP, Innovation  
Meritage Homes