Be Selfish, Be Green

CR Herro

Old Green (1970 – 2008)

- Personal Sacrifice:
 - Live Smaller
 - Give Up Comfort and Convenience
 - Change Lifestyle
 - Expensive
 - Ugly
- 'Natural' Materials
 - Straw Bale / Rammed Earth
 - Natural Lighting
 - Reduced Amenities



Green only works if it is better than

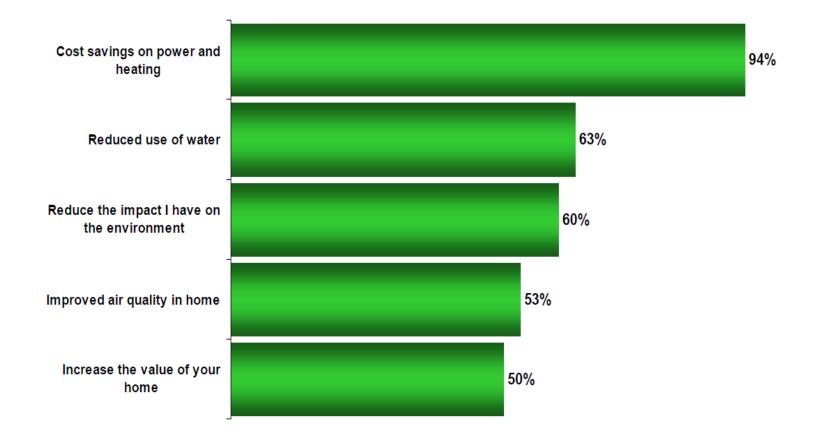
Customer Priorities

- Location
- Floor Plan
- Price

)?



TOP 5 REASONS TO BUY GREEN HOME / MAKE GREEN IMPROVEMENTS TO HOME



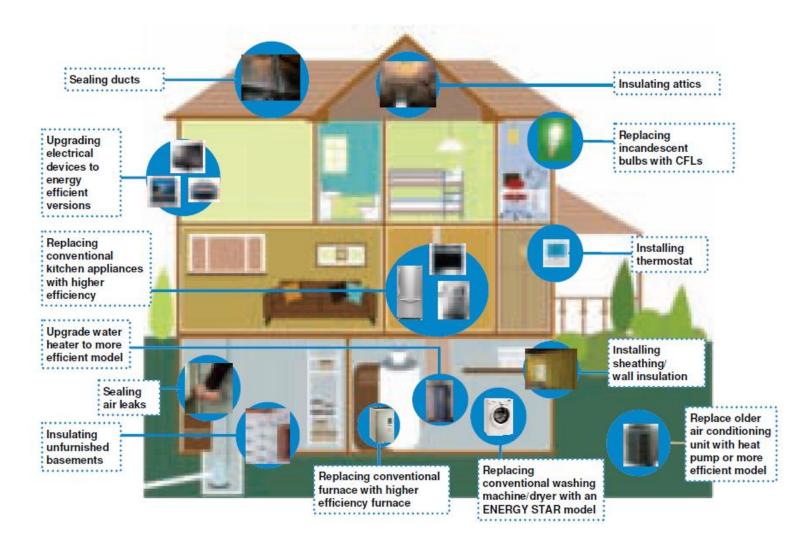
© 2009 J.D. Power and Associates, The McGraw-Hill Companies, Inc. All Rights Reserved.

11



Consumer Focus

Reducing the Current Reality: 50% Waste



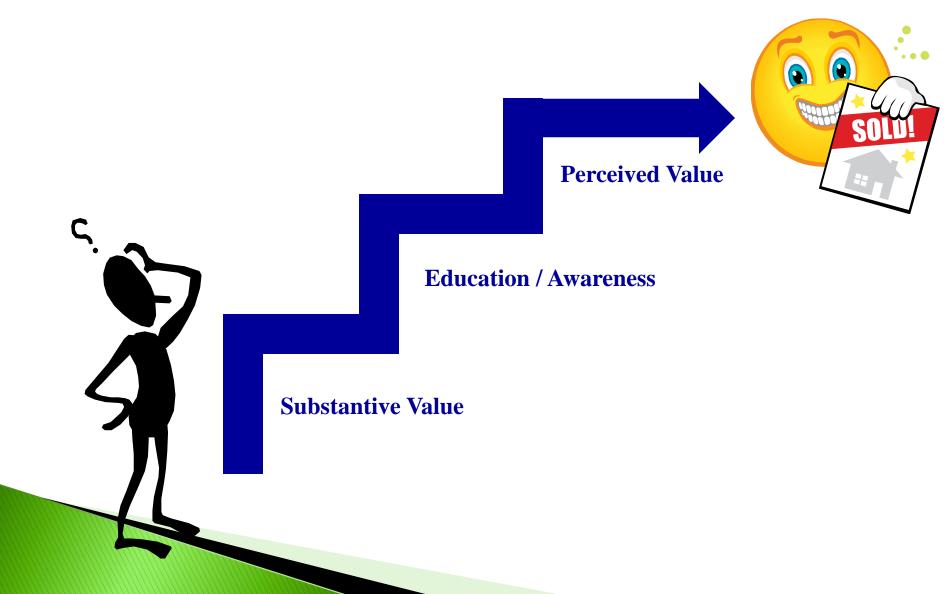
System of Interrelated Parts

Better is Better

- Low Utility Costs
- Healthier
- More Comfortable
- Quieter
- Safer
- Appraisal Value / Underwriting Value / Resale Value

Without Changing Lifestyle

Where are we today with EE&S?



Creating Change

Awareness

- Validation
- Monetization



Meritage Learning Centers



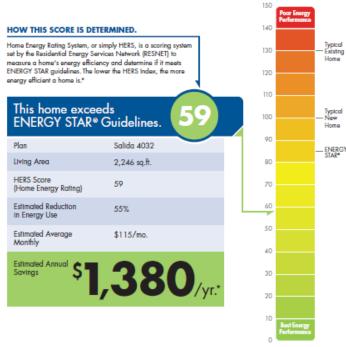


Consumer Awareness

MeritageHomes

ENERGY PERFORMANCE RATING

The Salida 4032



ENERGY SAVING FEATURES

More Solar: We use a better solar platform that produces over four-times more energy, and advanced features that heat your water, heat and cool your air, manage fresh air, and allow remote energy management from anywhere in the world through a computer or smart phone.

More Health: We include EPA Indoor Air plus features such as low VOC paints and finishes, better home air filtration and circulation, a fresh air management system, and advanced thermostats. The result is reduced pollution, allergens, and dirt which make your home more comfortable, cleaner and better for the whole family.

More Comfort: We use industry leading spray foam insulation which seals the building twenty-five times better than standard insulation, reducing leaks, drafts, and wasted energy. It will also make the home quieter, more comfortable, and cleaner.

More Sustainability: We include EPA WaterSense faucets, showers, toilets, irrigation controllers, and ENERGY STAR Appliances, reducing your water consumption by 50%, with no sacrifice in lifestyle or performance.

More Savings: With an unprecedented level of energy efficiency throughout our homes, our total HERS score in this community is as low as XX, reducing home energy consumption by up to XX% in these homes.

Energy performance for The Salida 4032.

This Meritage home performs at a HERS score of **59**. This equates to a **55%** energy use reduction compared to a typical new home.

Save^{\$}115/mo. in home energy bills."



Scan this code with your smart phone to see how Meritage is changing the way homes are built.



Tach 1-point documes in the 14515 Indus comports to a 1% induction in every consumption compand to the 14675 Johnson Horn. Thus a horne with a 14676 Indus of d6 to 20% more energy efficient than the 14676 Reference Horne. Specifications based on the 2006 International Energy Consumption Code. For more internation with a second Horne. Thus a horne with a 14676 Reference Horne. Specifications based on the 2006 International Energy Consumption compand to the 14676 Reference Horne. Specifications based on the 2006 International Energy Consumption compand to the 14676 Reference Horne. Specifications based on the 2006 International Energy Consumption compand to the 14676 Reference Horne. Specifications based on the 2006 International Energy Consumption Code. For more internation with the advection group consumption and the subling end/or that dauged to the second energy usage, and second energy consumption and the subling end/or that dauged to the second energy usage, and second energy consumption and the subling end/or that dauged to the second energy usage, and second energy consumption and the second energy usage and the second energy usage, and second energy consumption and the second energy usage. A state term is a constanting end/or that advection the second energy to the second energy usage. And the second energy usage, and the second energy usage, and the second energy usage and the second energy usage. A state term is a state and the second energy usage and the second energy usage and the second energy usage and the second energy usage. A state term is a state and the second energy usage and the

Validation, Monetization

MERITAGE HOMES

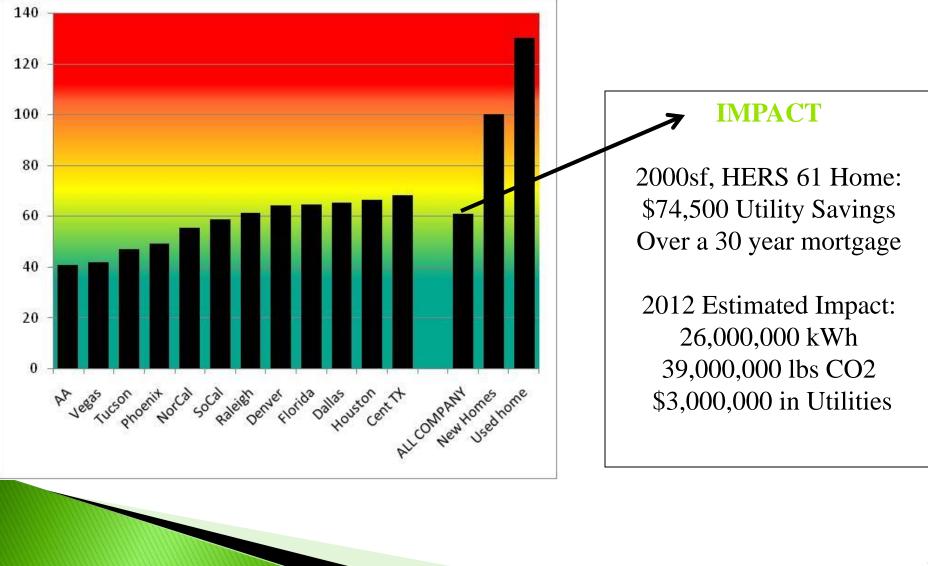
New Home Builder

2011 ENERGY STAR Partner of the Year

IERGY STAP

AWARD 2011

Better Home Benefits



Nexia[™] Home Intelligence... The Ecosystem

SCHLAGE HOME APPLIANCE OR DIMMER MODULE

Modules allow you to control the lights and small appliances even when you are not there.

NEXIA HOME BRIDGE

As the system's brain, the Nexia Bridge connects all the Nexiaenabled components to the Internet.

TRANE HOME ENERGY MANAGEMENT THERMOSTAT

Compatible with all brands of central heating and cooling systems, Trane's seven-day programmable thermostat enables you to control, monitor and schedule energy usage from anywhere.



SCHLAGE HOME KEYPAD DEADBOLT/LEVER

With a non-wearing keypad (lighted for nighttime use), and wireless operation, the keypad lever and keypad deadbolt provide the security you expect from Schlage.

SCHLAGE HOME INDOOR AND OUTDOOR CAMERAS

FCC-certified, Schlage IP wireless color cameras allow you to record, store and view video of your home—right from your smart phone or computer.

SCHLAGE HOME MOTION SENSOR AND SCHLAGE HOME DOOR/WINDOW SENSOR

Designed to detect movement at doors and windows, the sensors allow you to remotely identify whether a door or window is opened or closed.

Nexia – Mobile and Tablet Apps









?



HOME INTELLIGENCE	Dashboard	Scene	s/S <mark>c</mark> hedu	les Ever	nt History	Reco	rded Videos	My A	ccount
Viewing: Home							10 Feb	ruary 2012 9	:40AM ES
Location: 46074	Energy						😢 Remove	eMonitor	Edit Bud
SECURITY &	Kilowatts & Do	ollars Kilov	watt Hours	\$ Dollars			La	unch eMo	nitor
SENSORS	Today	8		Month-to-Date			Year-to-Date		
CAMERAS	4		12	116		348	164		492
LIGHTING & MODULES			\$ 16			\$ 464		0	\$ 656
		Cost (\$)	Energy (kWh)		Cost (\$)	Energy (kWh)		Cost (\$)	Energy (kWh)
	Friday Budget	\$1.21 \$8.00	10.9 71.8	Feb 1 - 10 Budget	\$55.38 \$232.00	496.9 2,081.7	Jan - Feb 10 Budget	\$241.45 \$328.00	2,166.6
	Budget	\$0.00	30.2	Projected	\$171.57	1,539.5	Projected	\$2,183.58	19,593.3

Current Consumption

✓ Top Consumers Last 30 Days

Appliance or Circuit	Cost (\$)	Energy (kWh)			
Pool Equipment	<mark>\$84.4</mark> 7	758.0	Kitchen/Brkfst/Fam/BackYd	<mark>\$18.4</mark> 2	165.2
Garage-Freezer & Laundry	<mark>\$13.3</mark> 9	120.1	Front Bed/Office/Foyer	<mark>\$11.50</mark>	103.2
Master Bedroom	\$8.73	78.4	Dryer	\$8.30	74.5
Refrigerator	<mark>\$</mark> 7.93	71.2	Gas Furnace	\$7.59	68.1
Living Room	\$4.94	44.3	Oven/Microwave	\$4.26	38.3









Get the best energy value possible in energy-efficient SRP PowerWise Homes[™], as featured by Meritage Homes.

General Information:

Conditioned Area: House Type: Bedrooms: 1640 sq.ft Single Family Detached 3

Annual Estimated Energy Use

	Lyon's Gate	New to Code	Average Resale
Heating	\$ 49	\$ 101	\$ 194
Cooling	\$ 320	\$ 645	\$ 987
Hot Water	\$2	\$ 254	\$ 266
Lights / Appliances	\$ 517	\$ 599	\$608
Photovoltaics	(\$ 347)	(\$ 0)	(\$ 0)
Service Charge	\$ 180	\$180	\$180
Total	\$ 720	\$1,779	\$2,235

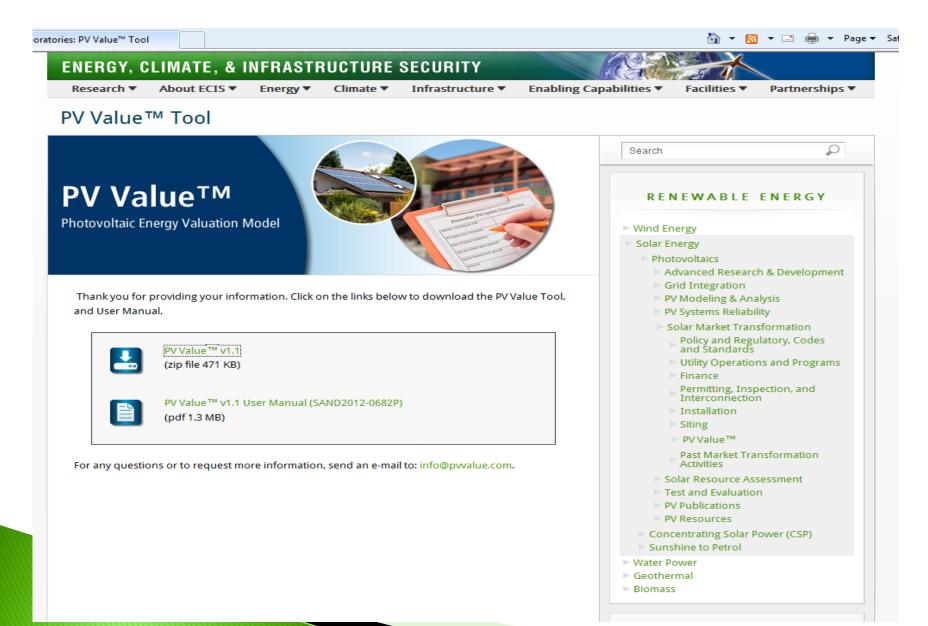
Your actual costs may be higher or lower than those illustrated, depending on individual lifestyle, number of persons living in the house and SRP's fuel cost adjustment factor. SRP reviews the adjustment factor every six months, with any change made effective on July 1st and/or November 1st

Residential Green and Energy Efficient Addendum

alı.	Client File #:		Appraisal File #:				
	Residential Green and Energy Efficient						
. IIII like	Addendum						
AI Reports®	Client:						
	Subject Property:						
Form 820.03*	City:		State:	Zip:			
Additional resources to aid in the valuation of green properties and the completion of this form can be found at							
	http://www.appra	isalinstitute.org/education/green_ene	ergy_addendum.aspx				

ENERGY EFFICIENT ITEMS												
The following items are considered within the appraised value of the subject property:												
□ Fiberglass Blown-In □ Foam Insulation □ Cellulose (Fiberglass Batt Insulation				R-Value:	
in subsection	Other (Describe): Walls								Walls			
	Basement Insula	ation (Desc	nibe):							Ceiling		
	Floor Insulation	(Describe):	:								Floor	
Water Efficiency	Reclaimed Wate	er System (I	Explain)):	🗆 Ciste				Locatio	on:		
	🗆 Rain Barrels - #				🗆 Rain	Barrel	s Provide Irriga	tion				
Windows	ENERGY STAR®	Low E		🗆 High Impact	Storm		Double Pane Triple Pane		inted		Solar Shades	
Day Lighting	Skylights - #:	□ Solar T #:	ubes -	ENERGY STAR	Light Fixt	tures	🗆 Other (Ex	plain)):			
Appliances	□ Range/Top 1	2				pliance Energy Propane Other (Describ						
HVAC (Describe	High Efficiency H	High Efficiency HVAC - SEER: Heat Pump					Thermostat/Controllers				Passive Solar	
in Comments Area)	Programmable 1	Programmable Thermostat Wind					Radiant Floor	Heat			Geothermal	
Energy Rating Energy Rating Characterized and the second secon						□ Indoor Air PLUS Package □ Energy Recovery Ventilator Unit			it			
		<i>.</i>					Certification A	tache	be			
									-			

Solar Valuation



SAVE: Sensible Accounting to Value Energy

- Senate Bill 1737
- Bipartisan Support



- Monetizes reduced cost of operation
 - Buyer Awareness
 - Offset Increased Cost to Builder
 - Opportunity to reduce \$1.2B in annual waste
 - 83,000 jobs

GET MORE



BE HEALTHY

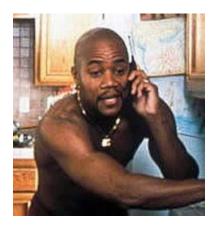


LIVE BETTER



Questions?

Customer Segments

















Event HistoryView from mobile app

Download from web portal

Welcome demotest Logout			View Home: demo	atest	 (Edit Home) Choose Lar 	nguage: English 💌	
• • • • • • • • • • • • • • • • • • •			dem	Jiest	<u>,</u> ,	Linglian V	
🔺 N E X I A" -							
HOME INTELLIGENCE	Dashboard S		nes/Schedules	Event History	Recorded Videos	My Account	
Viewing: demotest				1	March 3	0, 2012 4:23pm EDT	
Location: 46033 Show Photo	Event Histo	ory				O Download C	
SECURITY &				Filter	by: Show All	•	
SENSORS		♦ <u>Time</u>	. ♦ User		♦ Event		
	30/Mar/2012	02:04 pm	Portal User	Door close Lite Off	Activated so	ene	
CAMERAS	30/Mar/2012	02:04 pm	Portal User	Door Open Lite On	Activated sc	ene	
	30/Mar/2012	01:22 pm	Portal User	Door close Lite Off	Activated so	ene	
LIGHTING &	30/Mar/2012	01:22 pm	Portal User	Door Open Lite On	Activated so	ene	
MODULES	30/Mar/2012	12:37 pm	Manual Use	400bb	Changed Co	ol setpoint to 88	
	30/Mar/2012	12:37 pm	Manual Use	400bb	Changed He	at setpoint to 79	
	30/Mar/2012	12:26 pm	Portal User	Door Open Lite On	Activated so	ene (failed)	
	30/Mar/2012	12:25 pm	Portal User	abcdefghijklmnopqrs	tuvwxyzabcdef Activated sc	ene	
	29/Mar/2012	07:06 pm	Scheduled Event	Scene: Door Open Lite	e On Activated so	ene (failed)	
	29/Mar/2012	05:08 pm	Manual Use	400bb	Changed Co	ol setpoint to 77	
	29/Mar/2012	05:08 pm	Manual Use	400bb	Changed He	at setpoint to 60	
	29/Mar/2012	05:08 pm	Manual Use	400bb	Changed He	at setpoint to 75	
	29/Mar/2012	05:08 pm	Manual Use	400bb	Changed Co	ol setpoint to 87	
	29/Mar/2012	05:08 pm	Manual Use	400bb	Changed He	at setpoint to 75	

AT&T 30	9:58	5 AM	
Back		*	NEXIA
Event His	story	Fi	iter: Show All
Device	Event	User	Date / Time
ront Door	Engaged the	Manual Use	02/21/2012
)eadbolt	Lock		03:23 PM
Garage Door	Locked	Manual Use	02/21/2012
ever			03:23 PM
Bedroom	Set to 100%	Manual Use	02/21/2012
amp			03:16 PM
	Set to 45%	Manual Use	02/21/2012
_			03:16 PM
om	Set to 100%	Manual Use	02/21/2012
			03:13 PM
om	Set to 50%	Portal User	02/21/2012
			02:52 PM
om	Set to 0%	Portal User	02/21/2012
			02:52 PM
	Set to 100%	Portal User	02/21/2012
			02:49 PM
	al the		
	20.		
3	Schedules	Events	Videos
	:Ö:	?	
hu	Settings	Help	Refresh
iu.	oorunga	helb	neirean

G

Thank you!

- C.R. Herro
- Meritage Homes
- CR.Herro@MeritageHomes.com
- www.MeritageHomes.com

