Profile of Meritage Homes

- 7th largest homebuilder by 2015 U.S. closings
- 9 states, 22 markets, 246 communities
- Headquartered in Scottsdale, AZ
- NYSE: MTH since 1996 (~$1.4B market cap)
- Leader in energy-efficient homebuilding

National builder with top-5 market share in some of the best long-term housing markets
Skate to Where the Puck Is Gonna Be

Wayne Gretzky

KB’s 1st Net-Zero Energy Home, Built in 2010
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

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

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

Edgewood at The Cove, San Jacinto, CA (2013)

- 2,233 sq. ft. home
- Energy & water efficient
- 2.3 kW solar PV system

Easy Math;
Easy Savings in 30 Years:
$72,000 energy bills savings
+ 9,000 water bills savings
$81,000 total utility bills savings

Homeowner Testimonial: “…going from 400, 500, 600 dollars a month [electricity bills at old home] to less than a dollar in some months, it just amazing!”
Designing and Permitting Zero

- Space Heating 31%
- Other 8%
- Refrigeration 8%
- Space Cooling 12%
- Water Heating 12%
- Lighting 11%
- Computers and Electronics 9%
- Appliances 9%
- Other 8%
Renewable Energy: Duck Curve

SCE Residential Peak Load Shift
Impact of 10% PV Generation

Electricity Demand (kW)

1:00 AM  3:00 AM  5:00 AM  7:00 AM  9:00 AM  11:00 AM  1:00 PM  3:00 PM  5:00 PM  7:00 PM  9:00 PM  11:00 PM

Source Data: SCE, NREL
Moving the Energy Demand

1. West facing solar.
2. Smart ventilation (off peak)
3. Isolated Thermal mass / phase change
4. Thermal storage (heatpump HVAC precool off peak)
5. Low solar heat gain (reflective / vented cladding materials)
6. Smart appliances
7. Large hot water storage w/ heat pump.
Cash Flow Analysis
Example:
4.6kW system in AZ

Assumptions
- 10% down, 30-yr FMR at 4.6%
- Current Electricity Avg. rate of $0.12 per kWh
- Electricity rate of inflation = 4%
Sierra Crest

Happy planet. Happy wallet.
Special savings on California’s first Net Zero Neighborhood. Ends April 30.
Selling: Zero
Our Customer

Maslow's Hierarchy of Needs
81% say higher energy efficiency would cause them to choose one new home over another.
Consumer Choice drives change

Rate the importance of the following when purchasing your next home:

- Single Family Detached: 58% Most Important, 30% Important
- Better Home Layout: 40% Most Important, 50% Important
- Energy Efficient Home: 39% Most Important, 54% Important
- View Interior Features (Cabinets, Countertops, etc.): 34% Most Important, 53% Important
- Larger Private Yard: 24% Most Important, 33% Important
- A View: 23% Most Important, 47% Important
- More Storage: 21% Most Important, 58% Important
- Bigger Home: 19% Most Important, 31% Important
- Smaller Private Yard: 7% Most Important, 26% Important
- Smaller Home: 6% Most Important, 21% Important

Legend:
- Most Important
- Important
Benefits, not Features

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

- Cost savings on power and heating: 94%
- Reduced use of water: 63%
- Reduce the impact I have on the environment: 60%
- Improved air quality in home: 53%
- Increase the value of your home: 50%
Solar Valuation

PV Value™ Tool

PV Value™
Photovoltaic Energy Valuation Model

Thank you for providing your information. Click on the links below to download the PV Value Tool and User Manual.

- [PV Value™ v1.1](#) (zip file 471 KB)
- [PV Value™ v1.1 User Manual](#) (SAND2012-0682P) (pdf 1.3 MB)

For any questions or to request more information, send an e-mail to: info@pvvalue.com.
Policies to Support Zero
Questions?