

# REAL ESTATE

THE  SUN

"There's a lot going on in the multimedia world today. In most homes, there's no multimedia pipe into the home."

## *Hard-wired to the future*



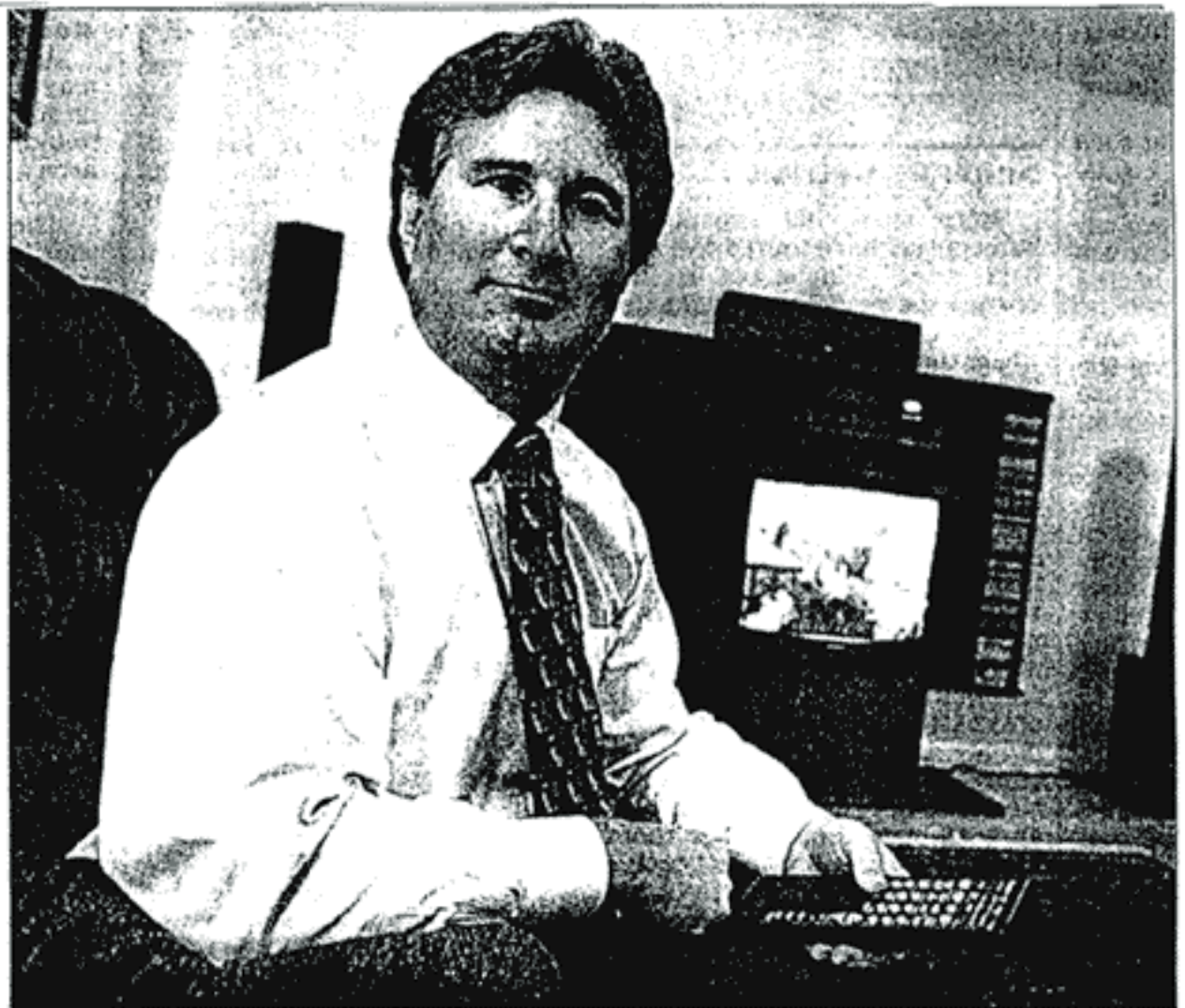
■ **Differentiation:** A Virginia homebuilder offers advanced computer, phone, video and audio wiring.

By S. M. TUETING  
SPECIAL TO THE SUN

Early last year, executives of John Laing Homes of Virginia Inc. got together to come up with a new marketing plan, something that would give their single-family homes and townhouses in Maryland and Virginia the edge over those offered by hundreds of other builders in the Baltimore-Washington metropolitan area.

**Carter Morrow**, Laing's director of construction and purchasing, had an idea, but it was something few other builders had tried — high-speed residential wiring. The system would allow a family to network all its computers or run a videotape from one VCR and watch it on televisions throughout the house.

Shortly before the meeting, **Morrow** had seen a newsletter put out by Lifeline Communications Inc., a small Virginia communications firm. The company argued that builders were falling behind in technology by failing to include high-speed



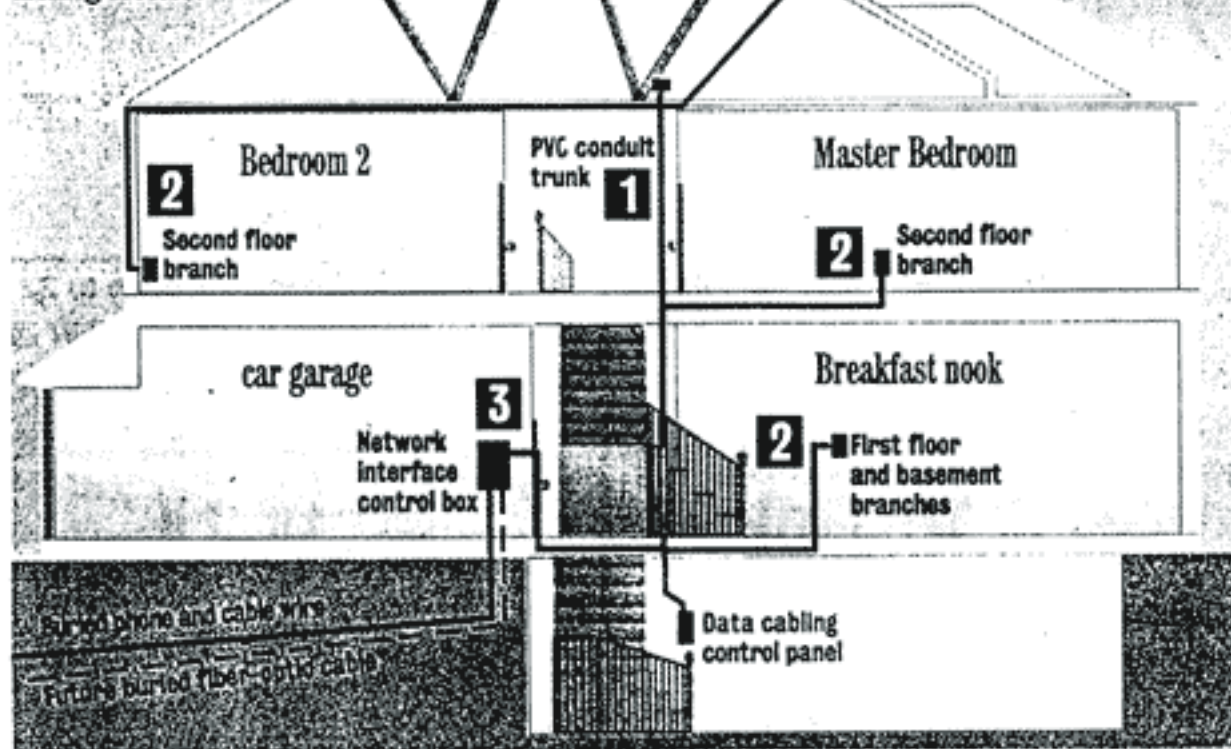
BILL CRANDALL PHOTOS: SPECIAL TO THE SUN

**Early-adopter:** One feature that attracted Jeff Sacks to his new John Laing Homes' townhouse in Centreville, Va., was its advanced wiring system.



## Getting Wired

This is a diagram of the wiring in a Laing home.



- 1 A "trunk" that contains a high-speed wire runs through the house. A control panel that allows owners to modify the system to their personal needs is in the basement.
- 2 The wiring system is extended from the main trunk to a minimum of four points, usually the kitchen, master bedroom, second bedroom, den or library.
- 3 A network interface box in the garage connects the wiring system in the home to the exterior wires, such as those for cable and telephone.
- 4 The system is designed to allow for installation of satellite dish or other items such as exterior video cameras.

### Key applications

- Using ISDN lines to access Internet and other online services at highest speeds possible.
- View VCR, laser disc player and security camera pictures on televisions throughout the home.
- Ability to control audio and video components throughout the house.
- Ability to distribute cable, DSS and other satellite dish signals to every television in house.

DEREK GREGORY : SUN STAFF

**Morrow**, who was in the process of remodeling his own home, agreed, and talked with officials of the Manassas, Va.-based company. Convinced the system had merit, he suggested Laing install high-speed wiring in its homes.

Laing officials agreed, introducing the wiring system in a subdivision of \$400,000 homes in Herndon, Va., in June 1996. Buyers seemed interested, so Laing came up with a print and radio advertising campaign — "21st Century Homes" — and introduced the program in most of its single-family homes and townhouses in February and March.

The response was overwhelming.

"The traffic in our sales models shot through the roof and we had 300 hits on our Web page," Morrow said. "I kind of thought we had something there."

"The phone started ringing from all over the country," said Terri Stagi, vice president of Jack Morris Assoc. Advertising, which is handling the marketing campaign for Laing's 21st Century Homes.

Laing's high-speed wiring system goes beyond the standard residential wiring for telephones, computers and audio components, allowing families to hook up their stereo system in one room and broadcast its music throughout the house.

The system also lets homebuyers use their telephones as a sort of intercom system and allows a family to connect a family's computers and use just one printer. Parents of infants also can install a video monitor in the baby's room and watch it on television sets throughout the house.

"[The wiring system] opens up a lot of different things you can do," Morrow said. "That's one of the neat things about it. It's a lot of fun."

The Integrated Service Digital Network (ISDN) wiring is a broad band system that allows large amounts of data to be sent and received. Laing runs a PVC trunk, or large plastic pipe, through the frame of a house, from

basement to attic. The wiring is contained within the PVC trunk and extended to a minimum of four outlets or "ports" throughout a house, said Eric Guggenheimer, president of Lifeline Communications, which installs the wiring system in most Laing homes. A central control panel is placed in the basement and a network interface box is in the garage.

Ports are usually in the master bedroom, the kitchen or family room, the den or library, and in a spare bedroom. Additional ports are optional.

Each port has two coaxial connectors — an internal and external connector, along with a telephone jack.

A VCR plugged into the internal outlet can send a video signal to the other ports.

The system also enables residents to hook up cable television or a satellite dish to one outlet and transmit a program to other rooms simultaneously, Morrow said.

The wiring system is designed so that each home automatically has two telephone lines with different numbers. And the system is expandable, Morrow said. The central trunk makes it easy to update the system by adjusting the basement control panel, eliminating the need for interior rewiring, he said.

Once the system is set up and the homeowner has

moved in, Guggenheimer's firm sends out a representative to explain the system to the family and help connect their computers, video, audio or other equipment.

"Laing goes all the way. They don't cut any corners," Guggenheimer said. "The consumers win in a big way."

The cost of the wiring system is included in the price of the home, Morrow said. In general, Laing offers homebuyers \$5,000 to \$10,000 worth of free options. Buyers may choose the \$2,000 wiring system or use their option money for something else.

The hardware for the basic wiring system costs Laing about \$900 for townhouses and \$1,300 [See Wiring, 2L]



# Homes hard-wired for high-tech life

[Wiring, from Page 1L]

for single-family homes, not including labor, **Morrow** said.

Jeff Sacks is one of the new homeowners benefiting from the wiring system. A principal consultant with Litton/PRC in McLean, Va., Sacks and his wife closed on their three-level townhouse in Laing's Centre Ridge subdivision in Centreville, Va., in June. One element that attracted them to the home was Laing's wiring system.

"The wiring was an extra feature which intrigued me because I work for a systems integrator," Sacks said. "There's a lot going on in the multimedia world today. In most homes, there's no multimedia pipe into the home."

Laing offers to create that pipeline and build it so that it can be changed as technology changes, Sacks said.

"That was a real key benefit I saw when I was considering buying," he said.

Sacks, who is still setting up the system in his home, has connected his stereo to it and pipes music throughout his townhouse. Next, he hopes to connect his cable television system to the system.

"There's a hundred things you can do. It's like a building block," Sacks said.

## Popular option

Laing started out offering the wiring system in its homes in Virginia and now offers it in all its developments, including two projects in Montgomery County and one in Prince George's County. The firm also has two other developments slated to open by the end of the year in Montgomery and Prince George's, **Morrow** said.

So far, homebuyers are asking for the wiring system at a rate of about 80 percent to 88 percent among single-family homes and just under 50 percent among townhouses, **Morrow** said. Among homes at the high end of the scale that sell for an average of \$400,000, the demand for the wiring system is nearly 100 percent, he said.

"These people ... tend to be in high-tech jobs," **Morrow** said of the buyers of more expensive homes.

Stagi, the advertising executive, said marketing figures show that Laing's wiring system is particularly popular among younger

buyers. "It's a much hotter item in single-family homes, especially with the 30-something group," she said.

Representatives of Laing said the high-speed wiring system not only sets the company apart from other builders in a competitive industry, but also increases the homes' resale value.

"[This] is the one thing we can do to beat the resale market, our biggest competitor, and differentiate ourselves from existing builders," **Morrow** said. "Without this, a home already is obsolete."

Guggenheimer agreed, stressing that as technology has jumped ahead with digital television, video telephones and the like, the wiring in most homes has remained the same for decades.

"Nowhere in time in the past has information flowed so freely as it does now. It really is a renaissance," he said. "[But builders] are building an antiquated home. For not too much money, you can bring this home up to 1990 standards instead of 1940."

With the fast pace of technological innovations, homebuyers are beginning to plan for the future, Stagi said.

Sacks agreed, noting that such planning was one factor in his decision to buy a home with high-speed wiring. "I think it's an advantage," he said. "I think it will help with the salability of the house."

Guggenheimer said he can't think of a negative to having the wiring, even if a family doesn't use it. "It really helps the consumer on the resale side."

## Others follow lead

While Laing Homes has taken the lead in offering high-speed wiring in homes on a large scale, other builders are beginning to follow suit. But introducing such wiring into residential construction is a new concept for builders and homebuyers alike, said **Morrow**, who has gotten calls from builders nationwide.

Many local builders say they will consider including high-speed wiring if a customer asks for it and if the builder's electrical subcontractor can do it. But few homebuyers understand the intricacies involved in wiring or even think of it, while many subcontractors don't know how to install high-speed cable, Guggenheimer said.



"Nowadays, homes need to be able to provide that kind of technology — improved wiring," said Katie Fleming, spokeswoman for the Home Builders Association of Maryland.

Builders are doing different things when it comes to wiring. Some, like Ashley Homes LLC of Pikesville, are wiring their custom homes for a minimum of two telephone lines and often three, allowing families an additional telephone line for a modem, said Jay Weiss, a managing member of Ashley Homes.

Bell Atlantic is even getting into the act, recently introducing a program in the Baltimore-Washington area in which the telephone company will provide ISDN wiring for free. With Laing's program, the builder then connects that wiring into the Bell Atlantic system, Morrow said.

But not every builder is convinced that homebuyers are interested in high-speed wiring.

"We're not seeing a lot of people who are interested in these fancy wiring systems," said Chip Lundy, chief executive officer of Columbia-based builder Williamsburg Group LLC. "You don't see people spending a lot on frills today. I think people today want more value per square foot."

For example, solar homes were

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**Carter Morrow**, John Laing  
Homes of Virginia Inc.

popular in the 1980s, but they never really caught on with the majority of homebuyers, he said. Now the company is seeing a demand for three and four telephone lines per home, Lundy said.

However, Lundy expects all homes to someday be prewired with high-speed fiber-optic cable. But "it hasn't really caught on yet in this market," he said.

Laing officials would disagree.

The company already is working on a plan to upgrade its wiring system and looking into a keyless entry system for its homes.

"People are really starting to catch on that your home is going to change so much over the next five years," Stagi said.