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PENINSULA PUBLISHING

# BUILDER AND DEVELOPER

The Hardest Working Homebuilders' Magazine in the USA<sup>TM</sup>

Volume 19, Number 6 

Issue No. 210

[www.bdmag.com](http://www.bdmag.com)

June 2009 \$10.00



## Leveraging Technology into Revenue

# The Future is Fiber Optics

Builders and Developers seeking to attract buyers and stand-out from the competition are investing in technology.

By Susan Knowles

In a turbulent economy, there is a scramble to distinguish yourself from your competition- not only do you need to stand out- but you need to do so without creating any additional expense for the company. In an attempt to differentiate one community from another, many builders and developers have shifted their focus beyond traditional amenities. New options are centered on technology; specifically the actual network that delivers entertainment and communication services to residents.

The most advanced networks use fiber-optic cables to send and receive Internet, television, and telephone signals. Fiber to the Home (FTTH) is a type of network that uses fiber optics to deliver these services in residential settings. FTTH networks use glass fibers to send and receive information with light. Since light waves have thousands of available wavelengths, as opposed to a single wavelength of electromagnetic signals like those used in coaxial cable, FTTH can deliver virtually unlimited bandwidth.

Only fiber optics can support robust use of cutting-edge services such as Voice over IP, television, Video on Demand, vast amounts of HD content and still have the bandwidth remaining to support new services as they come to market.

By 2010, the average household will be using 1.1 terabytes (roughly equal to 1,000 copies of the Encyclopedia Britannica) of bandwidth per month, according to an estimate by the Internet Innovation Alliance. At that level, 20 homes would generate more traffic than the entire Internet did in 1995. By installing a FTTH network in your project, you ensure that your residents will always have access to the best

technology and services available.

More and more consumers are demanding access to FTTH in their homes – and they are willing to pay for it. For example, studies indicate that fiber-connected homes have an average market price that is 8.6 percent higher than homes without FTTH access and have an appraisal value that is 4.5 percent higher, on average, than homes without FTTH access.

Also, a recent study conducted at MIT revealed that the broadband access that fiber enables enhances economic activity, helping to promote job creation, both in terms of the total number of jobs and the number of establishments. Overall, broadband is associated with growth in rents, total employment, number of business

establishments, and share of establishments in IT-intensive sectors.

For example, another recent study compared per capita retail sales growth in Lake County, Fla., which invested in a municipal broadband network that became operational in 2001,

against ten Florida counties selected as controls based on their similar retail sales levels prior to Lake County's broadband investment. They found that sales per capita grew almost twice as fast in Lake County compared to the control group.

More and more residents are beginning to ask about FTTH networks, because people are beginning to realize how quickly this technology will become a necessity. According to author Dr. Lawrence K. Vanston, "Demand for high speed broadband, 10 Mbps or more, (traditional cable networks only offer a maximum of about half of this amount) will accelerate. By 2016, 50 Mbps and 100 Mbps service will penetrate the majority of

broadband households."

Most developers who add a fiber-optic network see immediate rewards. "We are very excited about our new fiber-optic network from Connexion Technologies," says Casey McGinnis of McGinnis Development. "We believe that we have ensured that our home owners will have access to the latest in technology at an exceptional value."

Also, thanks to new technological innovations, fiber-optic networks can be added to existing properties at a low cost at a minimal installation time. By looking into network upgrades now, builders and developers can attract new residents while ensuring that the communities they are creating will be technologically relevant for years to come.

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## Fast Facts

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- By 2016, 50 Mbps and 100 Mbps service will penetrate the majority of broadband households.
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