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### **Home Director and XtremeHomes Form Exclusive Partnership**

CAMPBELL, Calif., Oct. 15, 2007 (PRIME NEWSWIRE) -- Home Director, Inc. (OTCBB:HMDO), a provider of reliable infrastructure, entertainment, and control products for the Connected Home market, today announced that it has entered into an agreement with XtremeHomes whereby Home Director will be the exclusive supplier of infrastructure, entertainment, and control products over the next three years for up to 3,000 modular and prefab homes manufactured by XtremeHomes.

"The market for prefab homes is exploding because prefab homes are faster and less expensive to build, and they can be built on a more predictable schedule," said Tim Schmidt, President of XtremeHomes. "At the same time, our homebuyers want the same advanced electronics, entertainment, and control functionality as homebuyers of site-built homes. That's why we have partnered with Home Director -- to get the reliable products our customers want, integrated into the homes while they are being built."

"It's amazing to see how quickly XtremeHomes can manufacture a new home," said Mike Liddle, CEO of Home Director. "Their state-of-the-art manufacturing processes enable them to build solid, energy-efficient homes in almost any size and style. We look forward to working closely with XtremeHomes and to optimizing our technology products to tightly conform to their prefab manufacturing methods."

XtremeHomes has been working with developers to supply green production homes, which, designed with environmental concerns in mind are 25 percent to 40 percent more energy efficient than the average house. Building a home in a factory, rather than onsite, can reduce waste by 50 percent to 75 percent.

Home Director will continue to develop home technology solutions and packages to support this growth market, including the introduction of an energy management console to better monitor and allocate energy consumption within the home. "Due to the nature of the market, and the consumers' preference and willingness to spend more for green and energy efficient features in their homes, we anticipate that our ASP ('Average Selling Price') will be more than twice our ASP in the non-green home market," concluded Liddle.

### **About The Green Home Market**

-- In 2004, non-residential green building accounted for about 2% of the U.S. market, resulting in a \$3.3 billion component of the overall industry. By 2010, this market share is predicted to grow between 5 and 10% of the new non-residential market, representing a \$10-20 billion industry. (Source: McGraw Hill Construction, 2006)

-- 40% of the builders, architects, engineers and designers surveyed report "more than moderate" involvement with green building. More than 85% of the architects, engineers and contractors report participation in green building activities. (Source: *ibid*)

-- The value of new Leadership in Energy and Environmental Design (LEED) registered projects has grown from roughly \$792 million in new projects in 2000, to about \$10 billion in new projects in 2006.

(Source: United States Green Building Council)

-- The residential green building market is expected to grow to between \$19 billion and \$38 billion by 2010, up from \$7.2 billion in 2005. (Source: McGraw-Hill, 2006)

-- Industry research from Cahners Residential and McGraw Hill indicates that homeowners are willing to pay up from \$2,000 to \$5,000 extra per home for green features.

#### About XtremeHomes:

XtremeHomes(tm) is a leading environmentally-focused, modular, and prefab home producer. Through its ongoing research and development, XtremeHomes(tm) focuses on ways to build homes that are more energy efficient, higher quality, and healthier than traditional site-built construction. As an ENERGY STAR(r) partner, XtremeHomes(tm) endeavors to build all of its houses to ENERGY STAR(r), LEED(r), and Build It Green(r) standards.

#### About Home Director:

Home Director (OTCBB:HMDO) delivers reliable infrastructure, entertainment, and control products for the Connected Home. The company's complete line of wired and wireless products provides affordable solutions to home entertainment, communications and comfort, and offers unique opportunities for networking within production home communities. Learn more about us on the web at [www.HomeDirector.com](http://www.HomeDirector.com).

#### Safe Harbor

This press release may contain forward-looking statements, including statements regarding the anticipated benefits from the partnership with XtremeHomes by Home Director. Such statements are based upon beliefs of, and information currently available to, the management of both companies. The forward-looking statements reflect the current view of the companies with respect to future events and are subject to risks, uncertainties, assumptions and other factors relating to the companies' industry, operations and results of operations and the success of the contemplated partnership. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended or planned. The company undertakes no obligation to update or revise any forward-looking statement contained in this press release for events or circumstances after the date on which such statement is made, except as required by law.

CONTACT: Home Director, Inc.

Brent Bilger

(408) 340-7331

[bbilger@homedirector.com](mailto:bbilger@homedirector.com)

Investor Relations Contact:

Keith Rheinhardt

(858) 509-9900 (ext. 13)