

Trends in Residential HVAC

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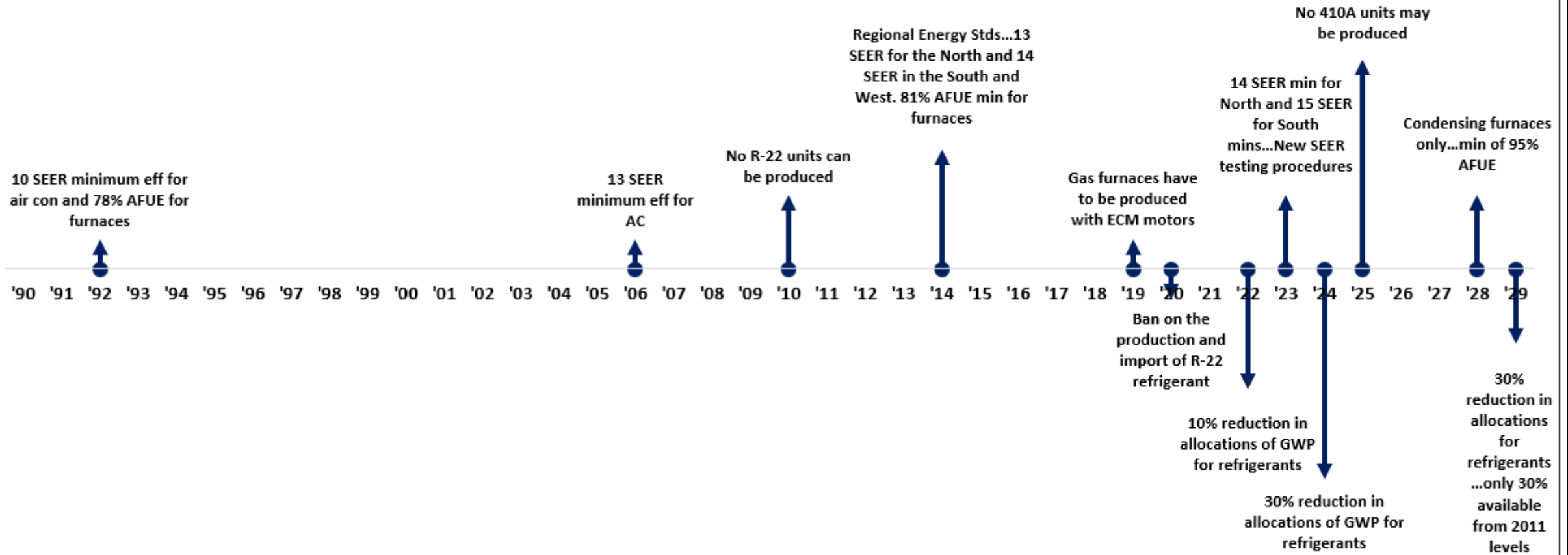
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HVAC Requirements



Current Trends in Residential HVAC

- Compression of industry sales to minimum efficiencies
- Downward shift in gas furnace demand
- Increasing acceptance for heat pump and dual fuel systems
- Upward price pressure with efficiency and refrigerant regulations
- Ductless heat pumps are no longer a niche play in the market
- New technologies for the U.S. market with invertors and side discharge creating technician training issues
- Contractor consolidations as private equity has entered the markets

Future Trends

- Refrigerant reclamation will become essential to keep existing units operating
- Shorter replacement periods for systems as heat pumps in cooler climates experience a shorter operating life
- Increased penetration of ductless systems in homes to improve air distribution and zoning inefficiencies
- Consumers trying to maintain and repair existing lower efficiency systems for longer periods
- Multi function heat pumps...heating and cooling the home and domestic hot water



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