



## Press Release

### **J.D. Power and Associates Reports: Centex Homes Ranks Highest in Overall Customer Satisfaction among New-Home Builders in Raleigh/Durham**

[Centex Homes and Lennar Homes Rank Highest in Inaugural New-Home Quality Study; Centex Homes Ranks Highest in Inaugural New-Home Design Study](#)

**WESTLAKE VILLAGE, Calif.: 12 September 2007** — Centex Homes ranks highest in customer satisfaction with new-home builders in the Raleigh/Durham, N.C. market, according to the J.D. Power and Associates 2007 New-Home Builder Customer Satisfaction Study<sup>SM</sup> released today. In addition, Centex Homes and Lennar Homes rank highest in a tie in the New-Home Quality Study while Centex Homes ranks highest in the New-Home Design Study, also released today.

“The downturn in the housing market over the past year has presented numerous challenges to home builders, some of whom have had to curtail building as sales have slowed,” said Paula Sonkin, vice president of the real estate and construction industries practice at J.D. Power and Associates. “As a result, the new-home selling environment has changed dramatically, and new-home builders must now increase their focus on providing buyers with a satisfying purchase experience—which is a shift from the order-taking mode that was common in the industry until recently. Builders that consistently perform well in customer satisfaction, such as Centex Homes, tend to integrate processes across multiple aspects of the customer experience that provide buyers with not only an excellent product, but also superior service.”

#### **Overall Customer Satisfaction**

The New-Home Builder Customer Satisfaction Study, now in its 11<sup>th</sup> year, includes satisfaction ratings of builders in [34 of the largest U.S. home-building markets](#). Nine factors drive overall customer satisfaction with home builders (listed in order of importance): builder’s warranty/customer service (16%); construction manager (15%); builder’s sales staff (13%); home readiness (13%); price/value (12%); workmanship/materials (10%); recreational facilities (8%); builder’s design center (7%); and location (5%).

Centex Homes performs particularly well in the Raleigh/Durham market in seven of the nine factors: builder’s warranty/customer service; construction manager; builder’s sales staff; home readiness; workmanship/materials; recreational facilities; and builder’s design center. Following Centex Homes in the market rankings are Lennar and Standard Pacific Homes, respectively.

The average customer satisfaction index score in the Raleigh/Durham market is 108—3 points below the 34-market average of 111.

“In times like these, as builders attempt to attract customers and close sales in the midst of tightening credit and weakening demand, differentiation through customer satisfaction, new-home quality, design and mortgage origination becomes especially important,” said Sonkin. “On the other hand, there are still some markets where housing sales are healthy. Keeping satisfaction levels high in these aspects, which are of primary importance to potential buyers, will be critical to remaining competitive.”

### **2007 New-Home Quality Study**

The inaugural J.D. Power and Associates New-Home Quality Study<sup>SM</sup> measures the occurrence and impact of construction problems experienced by new-home owners in [34 markets](#). The study uses an index that takes into account the number of problems that occur, the severity of problems and size of the home, and covers 48 different problem categories for the following areas (listed in order of impact on customer satisfaction): home exterior (28%); flooring/stairs (20%); kitchen (11%); drywall (10%); windows/doors (9%); electrical/appliances (8%); bathroom (6%); interior paint (6%); and other significant problems (2%).

Centex Homes and Lennar Homes rank highest (in a tie) in new-home quality in the Raleigh/Durham market, followed by Standard Pacific Homes.

The study results include the following key findings:

- Overall, home quality has improved since 2006. The typical new-home buyer reports 13 problems with their new home in 2007, a 7 percent decrease from 2006.
- New-home buyers in Minneapolis report the highest new-home quality levels—averaging 7 problems per home—while new-home buyers in Washington D.C. report the lowest quality with 19 problems per home, on average.
- The four problem areas that detract most from home buyer satisfaction are: sidewalk, driveway and foundation cracks; crooked walls; visible carpet seams; and landscaping.

### **2007 New-Home Design Study**

The inaugural J.D. Power and Associates New Home Design Study<sup>SM</sup>, which includes [31 markets](#), measures customers' experiences with design and aesthetic aspects of their new homes. Seven factors drive satisfaction with new-home design: flooring (22%); master/primary bathroom (17%); kitchen (14%); interior comfort/environment (13%); exterior architectural design (12%); floor plan/layout (12%); and windows and exterior doors (10%).

Centex Homes ranks highest in new-home design in the Raleigh/Durham market, followed by Lennar Homes and Standard Pacific Homes, respectively.

The study also notes the following additional findings:

- Home buyers report that having a convenient arrangement of bathroom fixtures is more important than the size of a master/primary bathroom.
- The size of the kitchen and the appearance of the sink and faucets are more important to home buyers than a convenient arrangement of kitchen fixtures.

To be included in the studies, Raleigh/Durham-area builders must have closed 150 or more homes in the market in 2006. The new homes are located in the following counties: Chatham, Durham, Franklin, Johnston, Orange and Wake.

These studies are based on responses from 50,401 buyers of newly built single-family homes who provided feedback after living in their homes an average of four to 18 months. There were 862 respondents in the Raleigh/Durham market. For more comprehensive builder ratings for all 34 U.S. markets, visit [www.jdpower.com/homes](http://www.jdpower.com/homes).

### **About J.D. Power and Associates**

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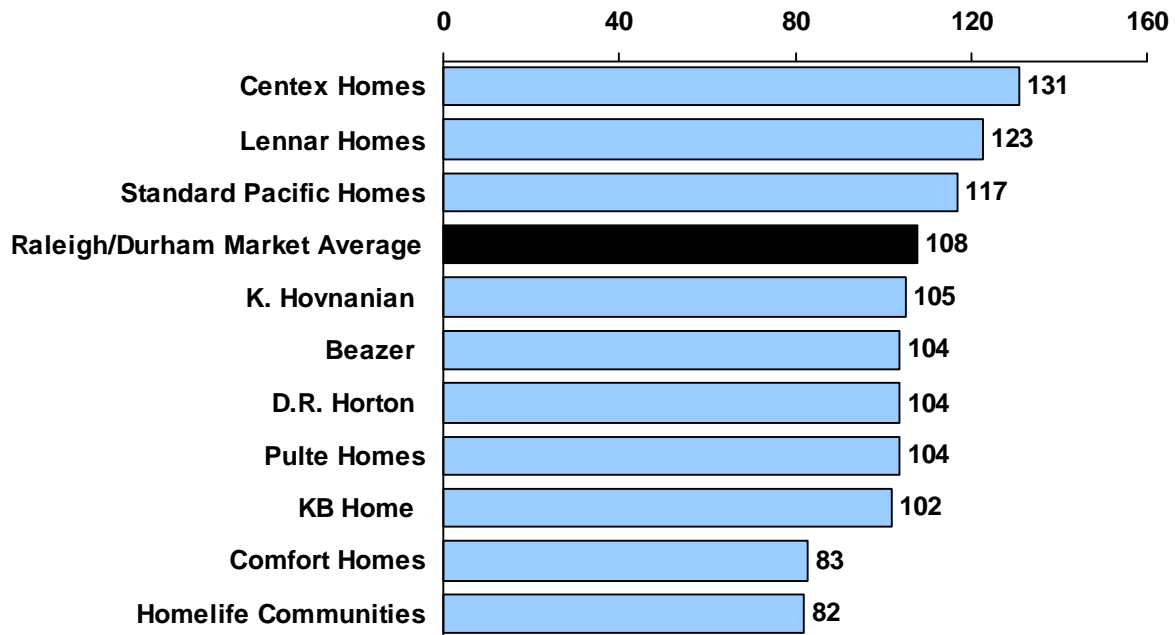
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(Page 3 of 3)

NOTE: Three charts follow

# J.D. Power and Associates 2007 New-Home Builder Customer Satisfaction Study<sup>SM</sup>

## Overall Satisfaction Index Scores *Raleigh/Durham, N.C.*



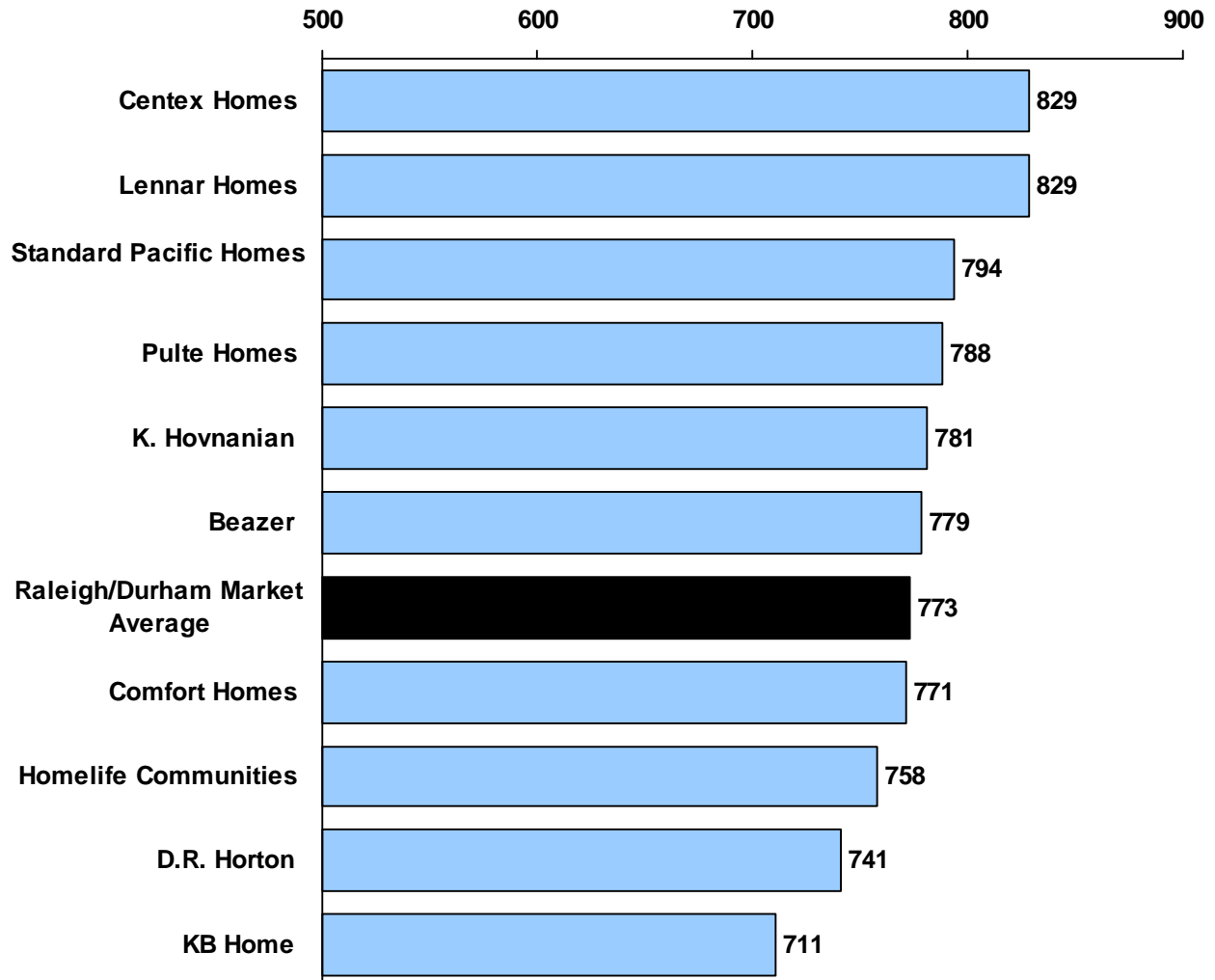
*NOTE: This study is measured using an index score that originally set the market average in 2001 at 100 points, which allows for comparisons to year-over-year results.*

*Source: J.D. Power and Associates 2007 New-Home Builder Customer Satisfaction Study<sup>SM</sup>*

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# J.D. Power and Associates 2007 New-Home Quality Study<sup>SM</sup>

Overall Satisfaction Index Scores  
(Based on a 1,000-point scale)  
**Raleigh/Durham, N.C.**

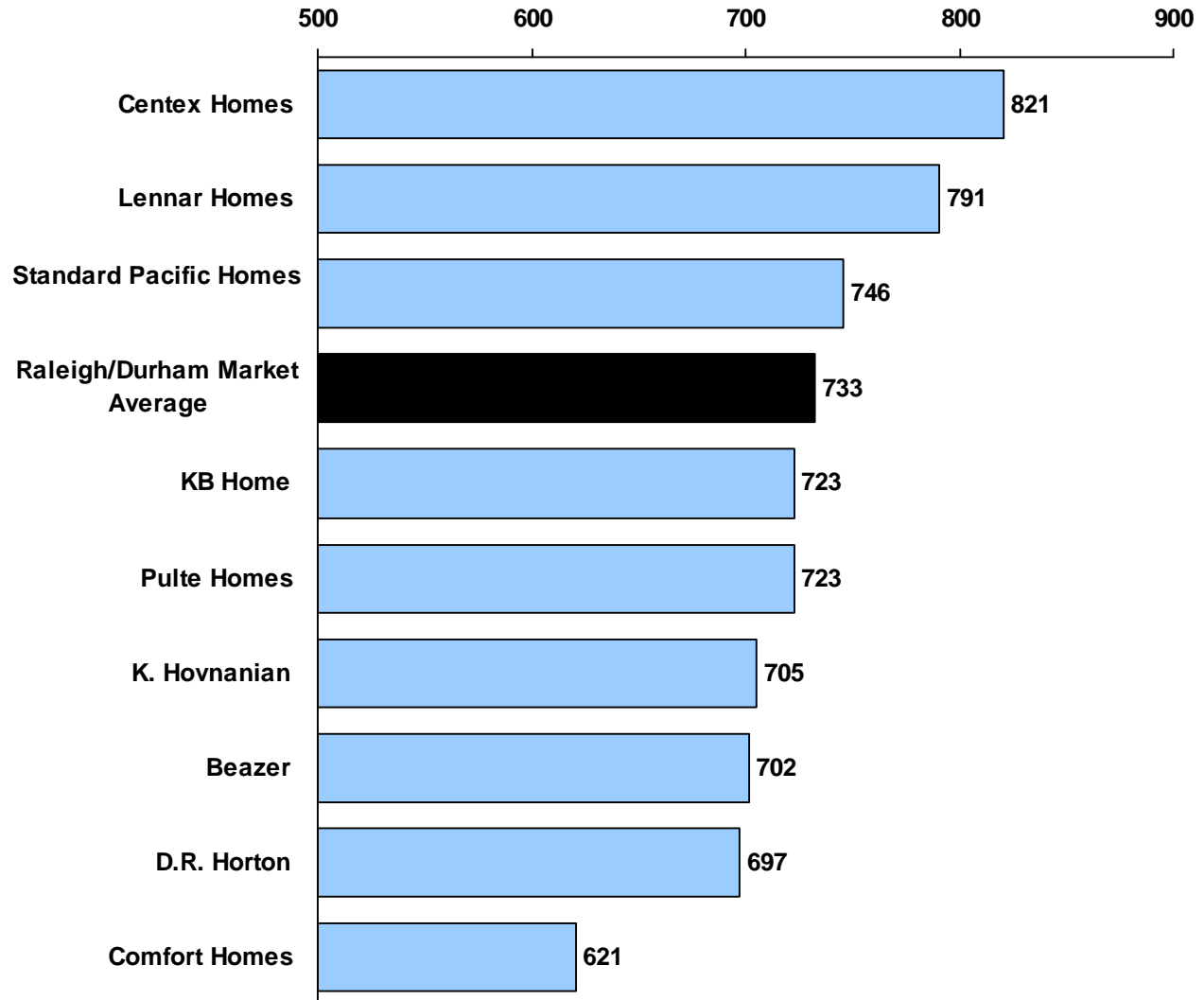


Source: J.D. Power and Associates 2007 New-Home Quality Study<sup>SM</sup>

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# J.D. Power and Associates 2007 New-Home Design Study<sup>SM</sup>

Overall Satisfaction Index Scores  
(Based on a 1,000-point scale)  
**Raleigh/Durham, N.C.**



Source: J.D. Power and Associates 2007 New-Home Design Study<sup>SM</sup>

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