



Press Release

J.D. Power and Associates Reports:

Centex Homes Ranks Highest in Overall Customer Satisfaction among New-Home Builders in Las Vegas

Astoria Ranks Highest in New-Home Quality Study; Centex Ranks Highest in New-Home Design Study; CTX Mortgage Ranks Highest in Builder Mortgage Originator Study

WESTLAKE VILLAGE, Calif.: 12 September 2007 — Centex Homes ranks highest in customer satisfaction with new-home builders in the Las Vegas, Nev., market, according to the J.D. Power and Associates 2007 New-Home Builder Customer Satisfaction StudySM released today. In addition, Astoria, headquartered in Las Vegas, ranks highest in the New-Home Quality Study while Centex ranks highest in the New-Home Design Study. CTX Mortgage (serving Centex Homes) earns the highest rank in the New-Home Builder Mortgage Originator 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 11th 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 Las Vegas market in seven of the nine factors: builder’s warranty/customer service; construction manager; builder’s sales staff; home readiness; price/value; workmanship/materials; and builder’s design center. Following Centex Homes in the market rankings are Del Webb and Pulte Homes, respectively.

The average customer satisfaction index score in Las Vegas is 114—3 points above 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 become 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 StudySM 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%).

Astoria ranks highest in new-home quality in the Las Vegas market, followed by Centex Homes and Pulte Homes, respectively.

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 StudySM, 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 ranks highest in new-home design in the Las Vegas market, followed by Pulte Homes and Del Webb, respectively.

The study includes 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.

2007 Builder Mortgage Originator Study

The inaugural J.D. Power and Associates Builder Mortgage Originator StudySM measures the experience of new-home owners in [17 markets](#) who used a builder-owned mortgage company to originate a home loan. Three factors drive satisfaction with builder mortgage origination (listed in order of importance): loan officer/representative (40%); closing (33%); and application/approval process (27%).

CTX Mortgage (serving Centex Homes) ranks highest in builder mortgage origination in the Las Vegas market, followed by Pulte Mortgage (serving Pulte Homes) and Universal American Mortgage Co. (serving Lennar Homes), respectively.

“When offered, a majority of new-home buyers take advantage of mortgage origination services offered by their new-home builder,” said Sonkin. “For more and more buyers, securing financing in this way adds a degree of convenience to what can be a complex and overwhelming process.”

The study results include the following key findings:

- The vast majority of new-home buyers take advantage of mortgage origination services when offered by their home builder due to competitive rates, and easier and more seamless processes.
- Home builders have traditionally offered price reductions or lower interest rates to new-home buyers as sales incentives, but builders are also offering more unusual incentives such as waiving homeowners association fees for a limited time or providing golf club memberships.

To be included in the studies, Las Vegas-area builders must have closed 150 or more homes in the market in 2006. The new homes are located in Clark County.

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 3,004 respondents in the Las Vegas market. For more comprehensive builder rankings for all 34 U.S. markets, visit www.jdpower.com/homes.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is an ISO 9001-registered global marketing information services firm operating in key business sectors including market research, forecasting, performance improvement, training and customer satisfaction. For more information on [car reviews and ratings](#), [car insurance](#), [health insurance](#), [cell phone ratings](#), and more, please visit JDPower.com. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

About The McGraw-Hill Companies

Founded in 1888, The McGraw-Hill Companies (NYSE: MHP) is a leading global information services provider meeting worldwide needs in the financial services, education and business information markets through leading brands such as Standard & Poor's, McGraw-Hill Education, BusinessWeek and J.D. Power and Associates. The Corporation has more than 280 offices in 40 countries. Sales in 2006 were \$6.3 billion. Additional information is available at <http://www.mcgraw-hill.com>.

Media Relations Contacts:

Elaine Pacheco
Cohn & Wolfe
Los Angeles, Calif. 90069
(310) 967-2961
Elaine_pacheco@cohnwolfe.com

John Tews
J.D. Power and Associates
Troy, Mich.
(248) 312-4119
john.tews@jdpa.com

Peter Dadlani
J.D. Power and Associates
Westlake Village, Calif.
(805) 418-8103
peter.dadlani@jdpa.com

No advertising or other promotional use can be made of the information in this release without the express prior written consent of J.D. Power and Associates. www.jdpower.com/corporate

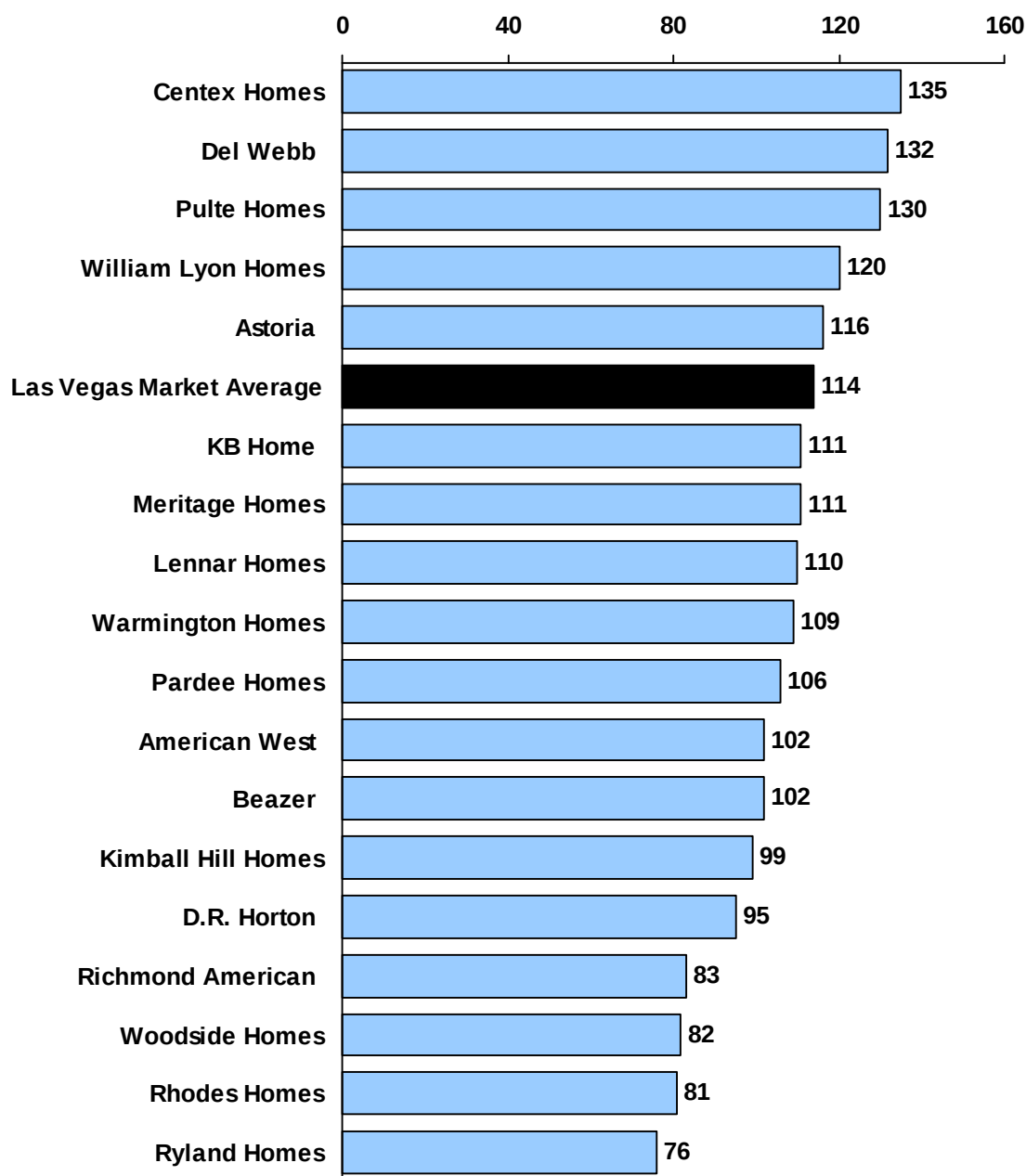
#

(Page 3 of 3)

NOTE: Four charts follow.

J.D. Power and Associates 2007 New-Home Builder Customer Satisfaction StudySM

Overall Satisfaction Index Scores *Las Vegas*



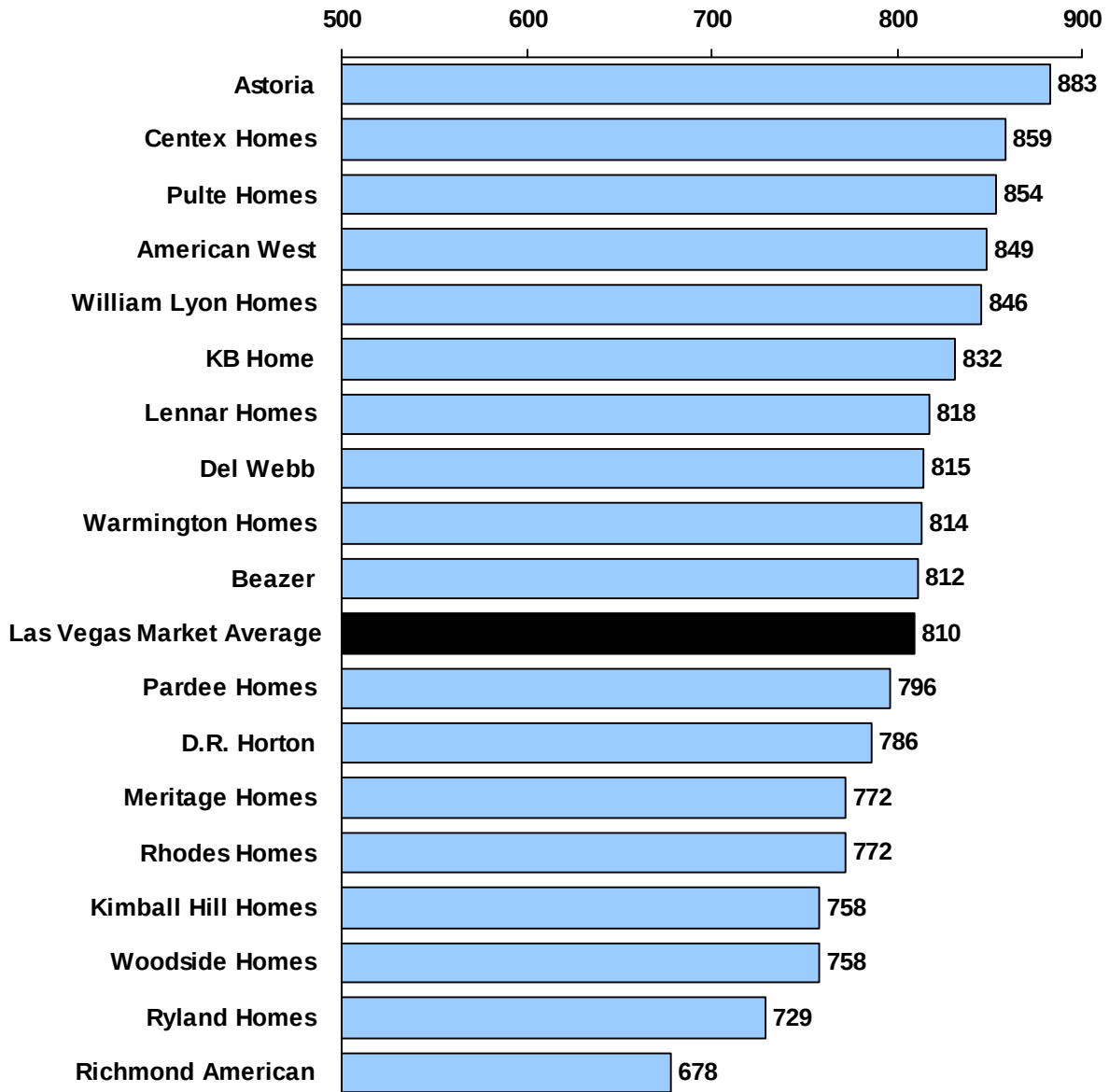
NOTE: This study is measured using an index score that originally set the market average in 2001 at 100 points, which allows for comparisons to year-over-year results.

Source: J.D. Power and Associates 2007 New-Home Builder Customer Satisfaction StudySM

Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2007 New-Home Builder Customer Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates study results without the express prior written consent of J.D. Power and Associates.

J.D. Power and Associates 2007 New-Home Quality StudySM

Overall Satisfaction Index Scores (Based on a 1,000-point scale) **Las Vegas**



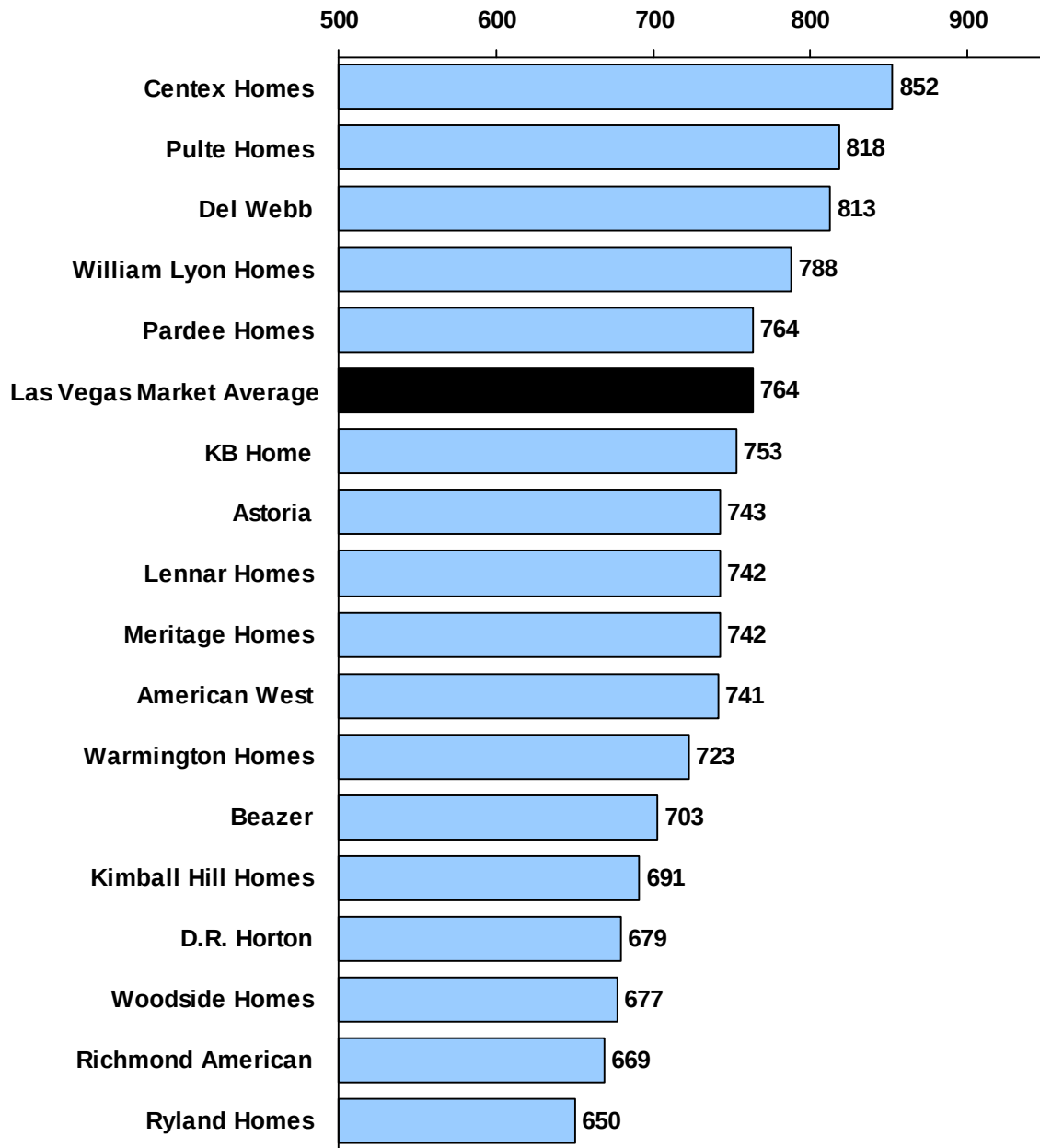
Source: J.D. Power and Associates 2007 New-Home Quality StudySM

Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2007 New-Home Quality StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates study results without the express prior written consent of J.D. Power and Associates.

J.D. Power and Associates 2007 New-Home Design StudySM

Overall Satisfaction Index Scores
(Based on a 1,000-point scale)

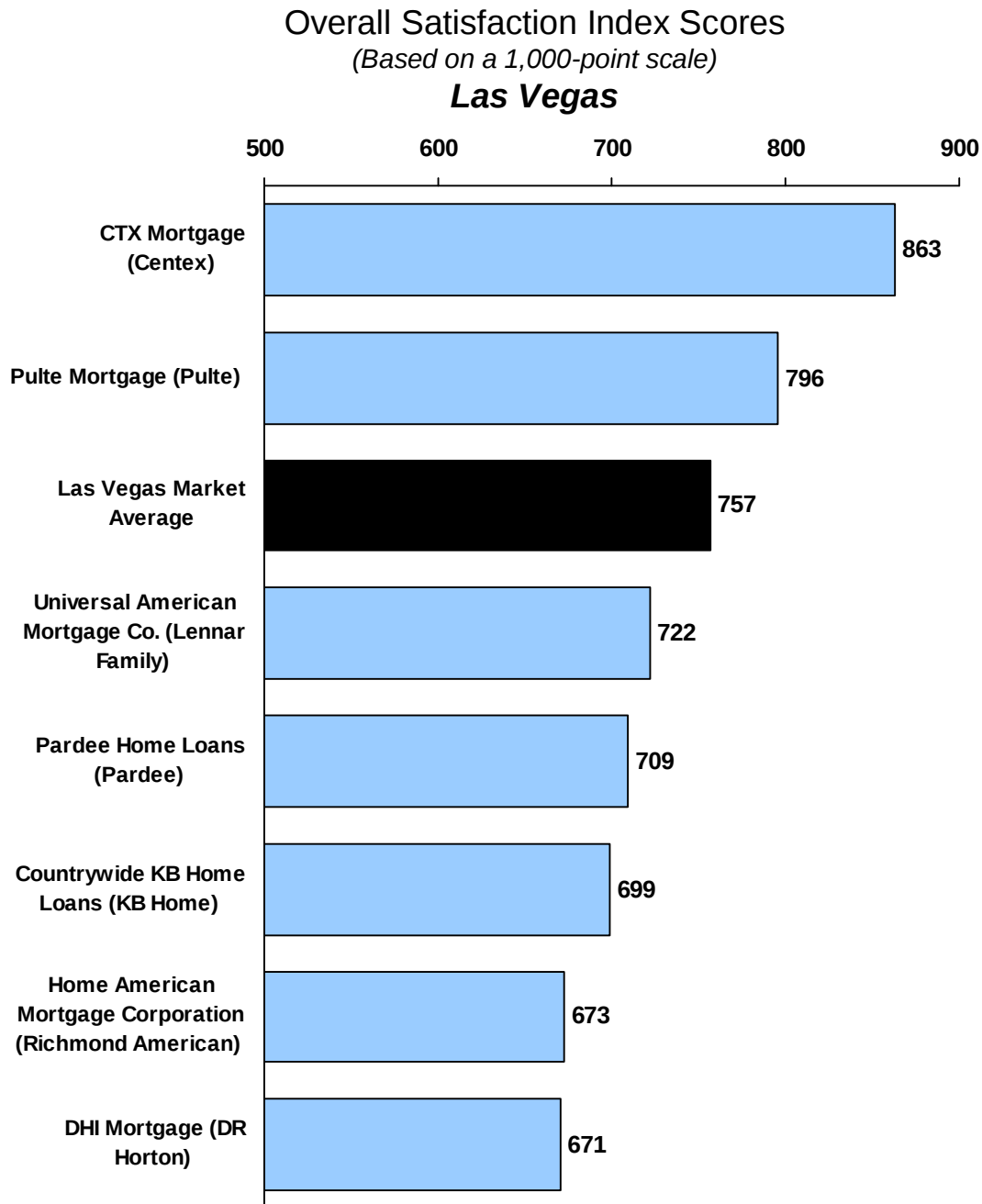
Las Vegas



Source: J.D. Power and Associates 2007 New-Home Design StudySM

Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2007 New-Home Design StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates study results without the express prior written consent of J.D. Power and Associates.

J.D. Power and Associates 2007 New-Home Builder Mortgage Originator StudySM



Source: J.D. Power and Associates 2007 New-Home Builder Mortgage Originator StudySM

Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2007 New-Home Builder Mortgage Originator StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates study results without the express prior written consent of J.D. Power and Associates.