Survey Says . . .

Are new homes shoddy? Depends who you ask

By Sarah Fenske Article Published Mar 23, 2006

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In 2003, when J.D. Power and Associates released its annual survey of new home buyers' "customer satisfaction," buyers in Phoenix topped the list -- a fact the Home Builders Association of Central Arizona was quick to tout whenever anyone questioned the quality of construction in Arizona.

But in 2004, Phoenix buyers' happiness dropped to third place nationally. And last year, the satisfaction rate reported by buyers in Greater Phoenix plummeted five percentage points, one of the three biggest drops the survey has recorded since 2003.

And with that, Phoenix slipped to 12th in the country.

Other markers seem to indicate similar trouble, although it's hard to crunch precisely, mainly because no one's sure how fast the state is growing, much less how many homeowners have serious complaints.

One expert, RL Brown Housing Reports, estimates that there's been a 33 percent increase in new housing starts in Maricopa and Pinal counties since 2003.

In that same period, complaints filed with the Arizona Registrar of Contractors, statewide, are up only 16 percent. (That number does not include "informal" complaints, although those are likely to have increased at a similar rate.)

Complaints with the Better Business Bureau of Central/Northern Arizona, however, are up 41 percent.

Some observers believe that the home building industry here has a problem.

Phil Pettice, who's been chief of inspections for the Arizona Registrar of Contractors for 12 years, says the big challenge seems to be that there aren't enough skilled workers to go around.

"There used to be more qualified tradesmen that were available," he says. "In the big boom we've been in now for seven or eight years, they can't find enough good stucco people, can't find good drywallers.

"With the tremendous growth we're getting, there aren't enough people to do the work. And they end up hiring someone they wouldn't normally hire, just to get the house built."

But Jim Eckley, a construction defect attorney based in Phoenix, blames the guys at the top: The big builders are taking shortcuts, he says, and doing it consciously.

That so many complaints are made, and so many suits filed, should be clear evidence of a broken system, he says.

"The way the builders operate, they're willing to cut corners knowing that some people will be badly damaged," Eckley says. "That's wrong. It's like a doctor saying, 'Well, you kill some, but some live.' They should have the mind bent that they don't want any broken eggs here!"

Because a home is such a major investment, he says, and so critical to a family's well-being, there's no room for shortcuts.

"This is not just their house, it's their nest," he says. "It's everything they've got. Well, what level of care do you give that?"

(Connie Wilhelm, director of the Home Builders Association of Central Arizona, declined an interview.)

At least one guy who used to work in construction doesn't think what's being done is good enough.

Admittedly, Chris Prickett has a bit of an ax to grind. He came here from Connecticut, where he worked as a custom home builder, and took a job with a big local builder, only to be laid off on September 11, 2001.

The date, he's quick to add, was coincidental.

But he's less willing to dismiss what he saw as a builder here. The quality, he says, was just so markedly different from the East coast.

It was all in the details.

"You don't see wood going into moldings," he offers as one example. "It's basically sawdust and binders. You also see it in the cabinetry. They built houses a lot cheaper out here."

Back east, Prickett had been involved with a home-building charity modeled on Habitat for Humanity: "The types of cabinets we put in those houses were the same ones we were putting in half-million dollar homes here!"

Prickett clashed with his supervisors. He claims it was because of his concern for quality; by cracking down on the subcontractors, he says, he ruffled too many feathers. (Del Webb, his former employer, declined comment.)

After he was laid off, he almost immediately started a business as a home inspector -- the building industry equivalent of a politician who decides to write a tell-all exposing his peers.

"There are definitely people who think I started my home inspecting business with a little chip on my shoulder," he says. "But I saw the need. Basically, I was disillusioned about the building industry here. I saw the need for someone to advocate for the consumer."

After starting, and selling, his own home inspection business, Prickett is now director of new construction services for Land America. As a third-party inspector, he serves as an independent voice for buyers who want an expert's opinion before closing the deal. He also sees homes after the fact, when homeowners bring him in to take a look at their cracking walls and heaving foundations.

He's seen dozens of builders' work, and he's quick to say, and to repeat, that the company he worked for in Arizona is no worse than any other.

To him, though, that's hardly praise.

"What I see in the field, no matter what the builders say, is that this business is run by bean counters," he says. "They're looking at the bottom line."