House Arrest By Sarah Fenske Article Published August 24, 2006 Phoenix New Times

Owning a home is the American dream, but Arizona's version has turned into a nightmare for hundreds of people who bought shiny new houses, only to discover that the floor is literally coming out from under them. The reason: soil problems.

However, as our series "Cracked Houses" revealed, not all culpability lies in the dirt. Indeed, experts believe almost all the problems caused by soils here could be prevented, at a relatively low cost per home. The problem is that some builders haven't been willing to take even the smallest steps to spare their buyers heartache — and Arizona regulators have been only too willing to look the other way instead of holding them accountable.

When it comes to Karen and Raymond Doe's four-year-old house in Sun City Grand, the question has never been whether Del Webb screwed up.

The question, instead, is whether the builder is going to do anything about it.

Granted, Del Webb probably wouldn't frame it that way. (Del Webb's spokeswoman wasn't talking.) At a state administrative hearing, the builder's general manager protested that the flaws in the Does' \$353,000 house — while obvious, and obviously structural — were caused by the Does' landscaper.

Sure, the walls were cracking and the floors heaving. And, yes, that often indicates that a builder has opted for a cheap foundation, instead of something built to accommodate lousy soil conditions.

And, okay, Del Webb knew that similar problems were plaguing its developments in Sun City and Anthem (see "Cracked Houses," March 16, 2006).

So while Del Webb denied responsibility, no one else was buying it.

Not Raymond Doe. Once a builder himself in Washington state, he knew that Del Webb's own employees had approved the landscaping plan that the company was now blaming — and that he could prove it.

Not the Arizona Registrar of Contractors, which regulates home construction. Last November, its inspector determined the company was at fault and ordered it to fix the house.

Not the administrative law judge, Gary B. Strickland, to whom Del Webb appealed the registrar's decision. In June, Strickland ruled that the company had screwed up and needed to make repairs by August 22 — or it would lose its license to build in Arizona.

Other than Del Webb, it was unanimous.

But that doesn't mean the Does' house is getting fixed anytime soon.

"We ate them alive at the hearing," Raymond Doe says. "But now it doesn't look like anything's going to come out of it."

Indeed, as records show, Del Webb's license has already been suspended. For months.

Sure, Del Webb runs commercials on TV all the time. And it's likely that carpenters are pounding away at Del Webb construction sites somewhere in the Valley even as you read this. But records clearly show that Del Webb allowed both of its licenses with the state to expire in March.

Brian Livingston, an assistant director at the registrar's office, says there's nothing sinister about that.

After flourishing in Phoenix for more than seven decades, Del Webb was purchased by Michigan-based Pulte Homes in 2001. And since Pulte already had a license to build in Arizona, the company might well have decided to let the old Del Webb licenses run out.

But, since the license is already suspended, Del Webb doesn't seem to have much incentive to comply with the judge's order. Raymond Doe says that the company's customer service rep confirmed as much in a phone message: "He said he didn't think there would be anything done."

Never mind the judge's order. Never mind the state inspector's ruling from 10 months before.

Rather than express outrage, however, the registrar's Livingston is quick to defend the system. He says the Does have the option of applying to the registrar's "residential recovery fund," which finances up to \$30,000 in repairs.

But Raymond Doe estimates that his house will need up to \$50,000 in repairs. And after months of apparent victories that got nowhere, he's getting frustrated.

Del Webb spokeswoman Jacque Petroulakis says she has "nothing to add" after her comments in *New Times*' March stories. At that time, she praised the company's quality.

Doe did everything he was supposed to do: file a complaint, hire an engineer, enlist his landscaper for the state's hearing, wait, then wait some more. He's not too excited about filling out more paperwork just to get a portion of what the judge already ruled should be his back in June.

More important, taking from the fund seems to let Del Webb off the hook.

Livingston insists that the company is accountable for its houses, even if it changes forms. If, for example, Pulte tried to reapply for another license under the Del Webb name or listed the same officers, it would first have to repay the fund.

But that's not much consolation to Raymond Doe. He feels like he now has no choice but to file a lawsuit.

At 62 years old, Doe no longer works in the construction industry. "I have to work for a living yet," he's quick to add. "I'm not a rich guy." His Glendale automotive shop specializes in parts for hot rods and muscle cars.

As a former builder, he knows what it's like to be on the other side.

"I hated people who would sue me for stupid things. I always tried to fix stuff," he says. "Well, that's all I wanted Del Webb to do. But they just wouldn't do it."

It's a situation Ron Kaleta knows all too well. As *New Times* first reported in March, Kaleta filed suit against the company after cracks and mold began showing up in his mother's home, which is also in Sun City.