



Press Release

J.D. Power and Associates Reports: Standard Pacific Homes Ranks Highest in Overall Customer Satisfaction among New-Home Builders In Orange County for a Second Consecutive Year

Standard Pacific Homes Also Ranks Highest in New-Home Design and New-Home Quality Studies

WESTLAKE VILLAGE, Calif.: 10 September 2008 — Standard Pacific Homes ranks highest in [customer satisfaction with new-home builders in the Orange County, Calif., market](#) for a second consecutive year, according to the J.D. Power and Associates 2008 New-Home Builder Customer Satisfaction StudySM released today. In addition, Standard Pacific Homes also ranks highest in the New-Home Design Study and the New-Home Quality Study also released today. Standard Pacific is headquartered in Irvine, Calif.

“Home builders have adapted well to changes in the market that have necessitated a shift from an order-taking mode to an intensified focus on sales service and negotiation with prospective home buyers,” said Paula Sonkin, vice president of the real estate and construction industries practice at J.D. Power and Associates. “Strong home-building companies have recognized the importance of offering superior product quality, delivering homes on time and providing skilled sales staff in order to excel in hypercompetitive markets.”

Overall Customer Satisfaction

The New-Home Builder Customer Satisfaction Study, now in its 12th year, includes satisfaction ratings of builders in [33 of the largest U.S. home-building markets](#). Nine factors drive [overall customer satisfaction with home builders](#) (listed in order of importance): builder’s sales staff (15%); builder’s warranty/customer service staff (15%); workmanship/materials (14%); price/value (14%); home readiness (13%); construction manager (13%); recreational facilities provided by the builder (7%); builder’s design center (6%); and location (4%).

Standard Pacific Homes achieves a score of 898 on a 1,000-point scale in 2008—up by 28 points from 870¹ in 2007—and performs particularly well in the Orange County market in eight of nine factors: builder’s sales staff; builder’s design center; construction manager; workmanship/materials; home readiness; builder’s warranty/customer service staff; price/value; and recreational facilities provided by the builder. Following Standard Pacific Homes in the market rankings is John Laing Homes (865).

The average customer satisfaction index score in Orange County is 836—57 points above the 33-market average of 779. In addition, satisfaction in the Orange County market has improved substantially in 2008—up 27 points since 2007.

“Efforts by builders to respond to changes in the market landscape have contributed to the increase in customer satisfaction in 2008,” said Sonkin. “The role of the salesperson has increased in importance as a driver of satisfaction, meaning that more negotiation is occurring during the sales process. As a result, many home buyers are benefiting from generous sales incentives offered by builders. For example, upgraded features that used to be considered options—such as granite countertops—are now being included as standard, which increases the perceived value of the home and subsequently results in increased satisfaction. In addition, builders are doing a

¹Prior to 2008, index scores for the New-Home Builder Customer Satisfaction Study were calculated on a centered-to-100 scale. This score for 2007 has been converted to a 1,000-point scale.

particularly good job of delivering homes both on time and fully complete. With new-home prices on the decline in many areas, as well as larger inventories and renewed efforts of home builders to truly delight customers, it's a great time for consumers to consider buying a new home."

The study finds that 90 percent of new-home buyers in the Orange County market report receiving sales incentives. Among Orange County-area home buyers who report receiving incentives when purchasing their home, the average sales incentive totaled more than \$22,900. The types of incentives that home buyers report receiving most often include a reduction in the base price of the home and credit toward options and upgrades.

The study also finds that 38 percent of new-home buyers in the Orange County market perceive that their home is environmentally friendly, but a vast majority of these home buyers—87 percent—say that their home builder did not identify the home as "green." The top green features that home buyers believe a new home should include are: energy-efficient heating and air-conditioning units; energy-saving appliances; and energy-saving lighting.

2008 New-Home Design Study

The J.D. Power and Associates New Home Design Study,SM now in its second year, measures [customer experiences in 33 markets with design and aesthetic aspects of their new homes](#). Eight factors drive satisfaction with new-home design: floor plan (17%); master/primary bathroom (15%); kitchen (13%); ability to customize (13%); interior comfort/environment (12%); flooring (11%); exterior architectural design (11%); and windows and exterior doors (8%).

[Overall satisfaction with new-home design in the Orange County market](#) has increased to 828 in 2008, up by 34 points from 794 in 2007.

Standard Pacific Homes ranks highest in new-home design in the Orange County market for a second consecutive year, followed by John Laing Homes.

2008 New-Home Quality Study

The J.D. Power and Associates New-Home Quality Study,SM now in its second year, measures the [occurrence and impact of construction problems experienced by new-home owners in 33 markets](#). The study utilizes an index that takes into account the number of problems that occur, the severity of problems and size of the home, and covers 41 different problem categories for the following aspects: bathroom; drywall; electrical/appliances; flooring/stairs; home exterior; interior paint; kitchen; windows/doors; and other significant problems.

Standard Pacific Homes ranks highest in [new-home quality in the Orange County market](#) for a second consecutive year, followed by John Laing Homes and KB Home, respectively.

Home quality in the Orange County market has increased since 2007, averaging 871 in 2008—up by 7 points since the previous year.

To be included in the studies, Orange County-area builders must have closed 125 or more homes in the market in 2007. The new homes are located in Orange County, Calif.

These studies are based on responses from 50,837 buyers of newly built single-family homes who provided feedback after living in their homes from four to 18 months, on average. There were 406 respondents in the Orange County market. For more comprehensive builder rankings for all 33 U.S. markets, visit www.jdpower.com/homes.

For more information, read an [article](#), watch a [video](#) or view [new-home builder customer satisfaction ratings](#) on JDPower.com.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company operating in key business sectors including market research, forecasting, performance improvement, training

and customer satisfaction. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on [home building and home improvement](#), [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.

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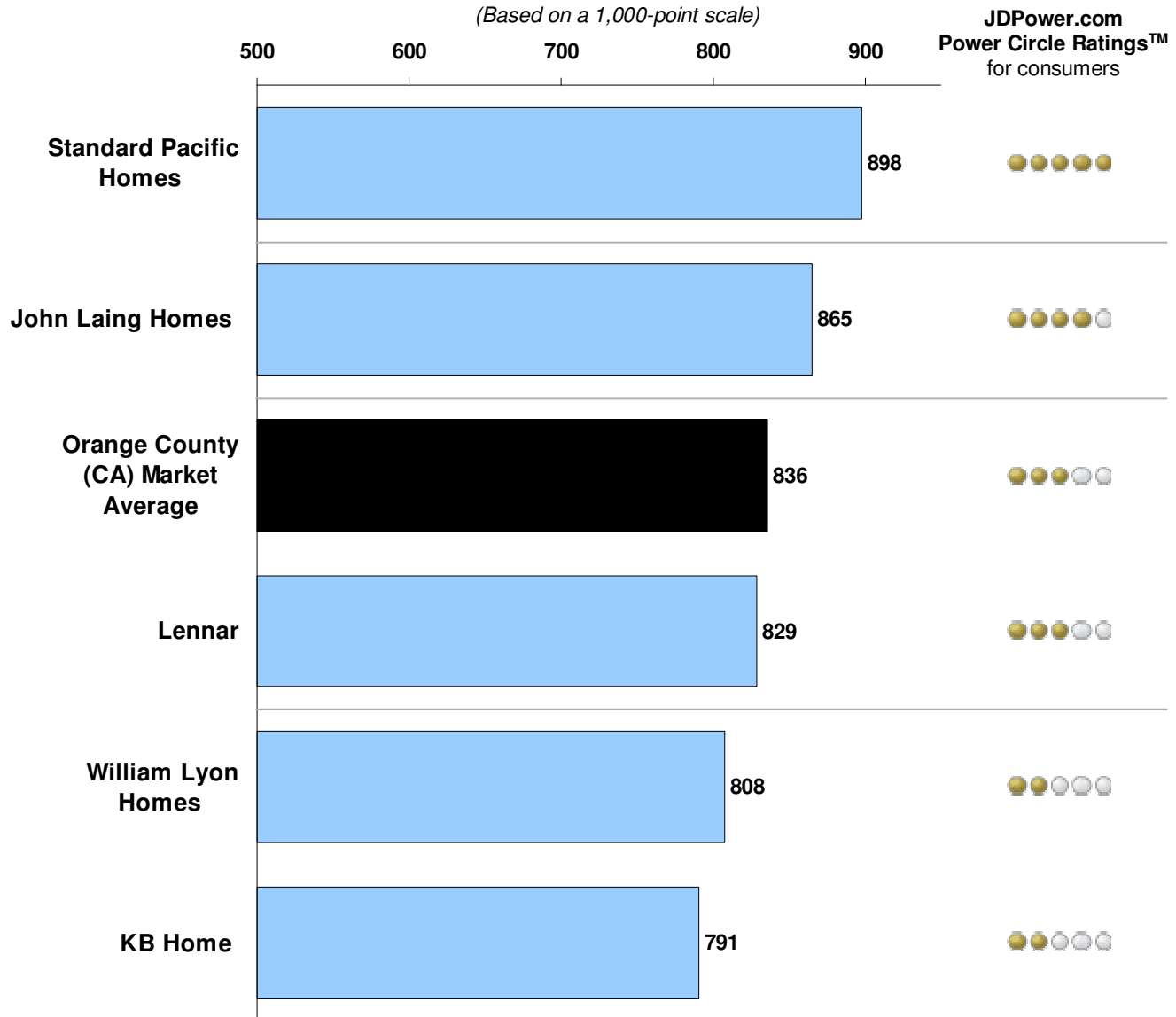
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NOTE: Three charts follow.

J.D. Power and Associates 2008 New-Home Builder Customer Satisfaction StudySM

Overall Satisfaction Index Scores *Orange County, Calif.*

(Based on a 1,000-point scale)



Power Circle Ratings Legend

- Among the best
- Better than most
- Abou average
- The rest

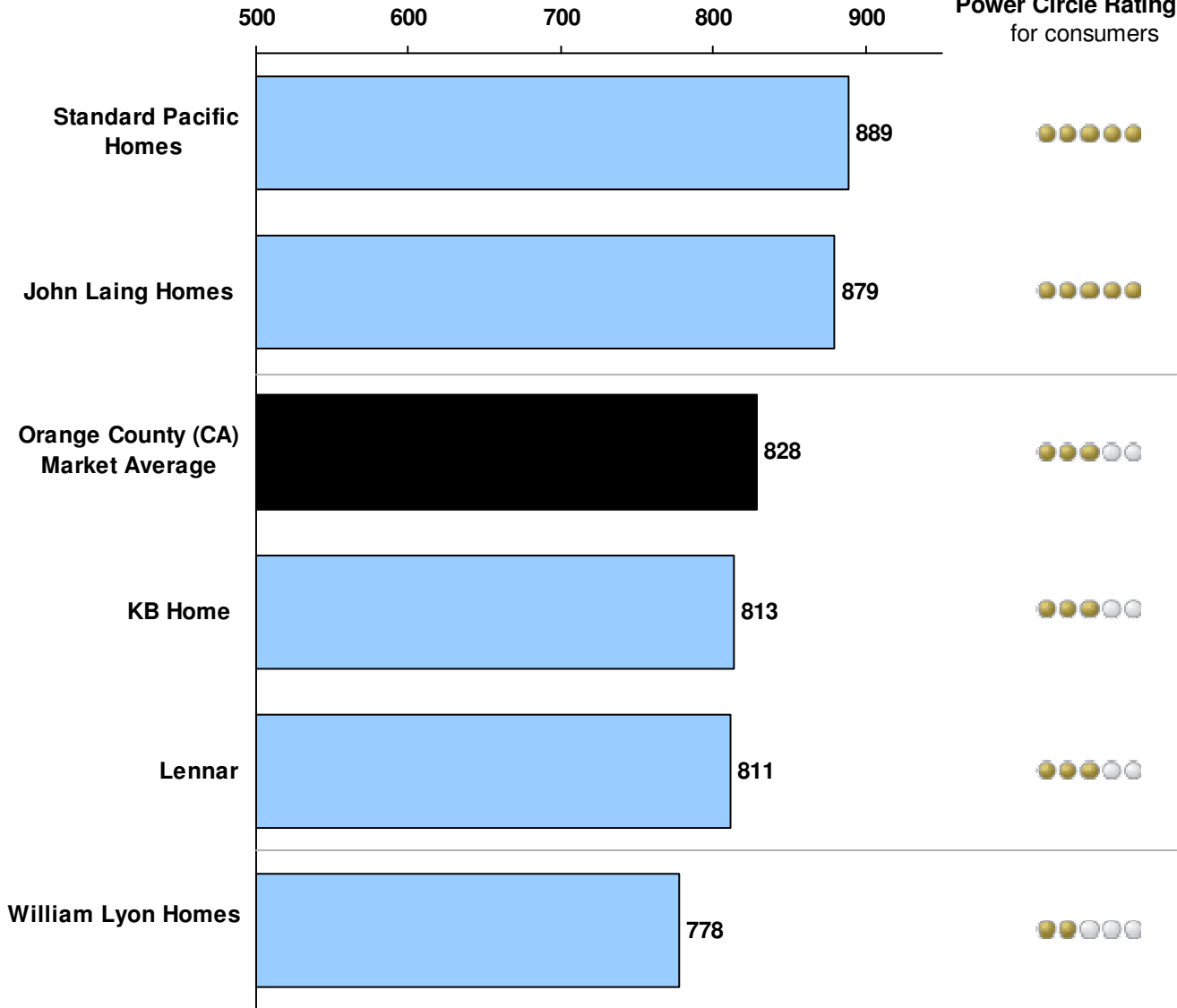
Source: J.D. Power and Associates 2008 New-Home Builder Customer Satisfaction StudySM

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J.D. Power and Associates 2008 New-Home Design StudySM

Overall Satisfaction Index Scores
Orange County, Calif.
(Based on a 1,000-point scale)

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Power Circle RatingsTM
for consumers



Power Circle Ratings Legend

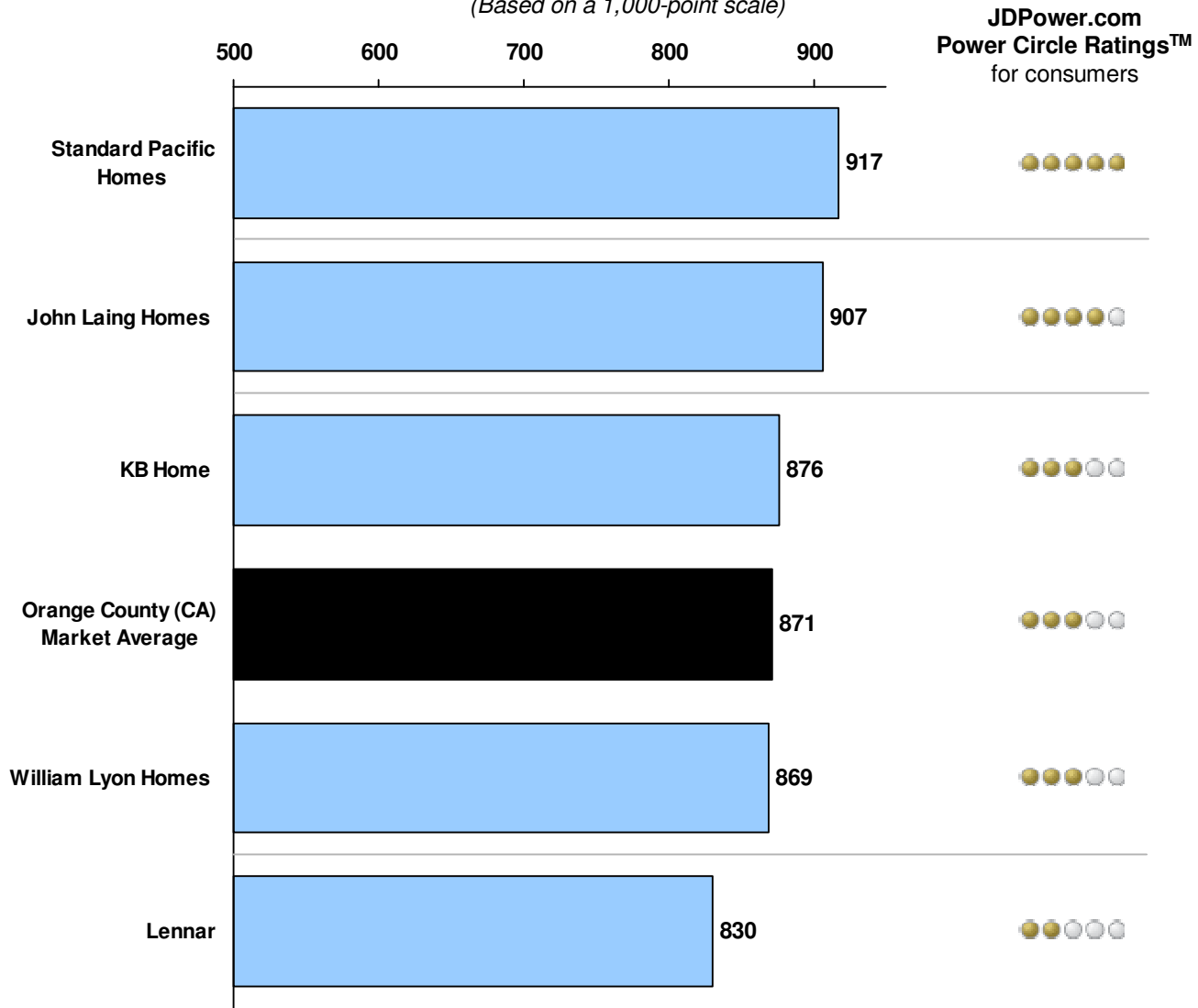
- Among the best
- Better than most
- About average
- The rest

Source: J.D. Power and Associates 2008 New-Home Design StudySM

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J.D. Power and Associates 2008 New-Home Quality StudySM

Overall Satisfaction Index Scores
Orange County, Calif.
(Based on a 1,000-point scale)



Power Circle Ratings Legend

- Among the best
- Better than most
- About average
- The rest

Source: J.D. Power and Associates 2008 New-Home Quality StudySM

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