

[To Sun City Homeowners: A response to a submission which Pulte's President posted on Pulte's Community web site as a reaction to the Oros decision against it.](#)

Dear Sun City Homeowner

You may have seen a publication from Jon Cherry, Division President of Pulte posted on November 20, the gist of which is, as Shakespeare has one of his characters saying, "Let's kill all the lawyers." This tirade seems to have its genesis in the fact that Mary and Joe Oros, in the first of the stucco cases to be tried in arbitration, received a full verdict from the arbitrator, in an amount exceeding \$66,000—a sum the arbitrator found would be necessary to completely strip and re-clad their house due to the defective original condition of the stucco exterior as sold to them by Del Webb. The arbitrator specifically found that Webb breached its contract with the Oros, which called for a non-defective house, and that their house was absolutely not as warranted. Also, and this is what appears to have caused significant consternation, is that Webb placed in its sales contracts language calling for loser-pays in an arbitration, and since Webb lost, it is responsible for all of the Oros lawyers fees and expert witness costs - a figure which could easily exceed the award already handed down. So Pulte responds - shoot the messenger! Let's look at some facts when it comes to an analysis of what the truth is here.

Pulte says - we offered to fix the house. **The facts: Pulte only offered any fix as a settlement of the lawsuit more than a year into it, and offered no attorneys fees or costs, and only a partial fix. Before Joe and Mary had lawyers, they asked for a repair - the result? NO! Pulte said their 2 year warranty had expired, failed to tell them about the South Carolina law of implied warranties, and said - Sorry! Without legal assistance, the Oros would even now have no repairs, nothing from Pulte.**

Pulte says – houses are great. **The facts: Pulte's OWN EXPERT, Applied Building Sciences, found defective stucco mixes causing corrosion in all the houses it tested - this in addition to the defective lack of control joints and lack of flashing found by the Oros experts in 250 houses examined.**

Pulte says - this is all the fault of greedy lawyers, and their fees get paid and expert witness fees first. **The facts: There are nearly 100 lawsuits already filed in Beaufort County by Sun City homeowners, not because of lawyers, because of defective houses sold by Webb/Pulte. In the Oros case, the lawyers fees and expert witness fees are paid IN ADDITION - NOT SUBTRACTED FROM the Oros full award.**

Pulte says - you might be required to disclose the lawsuit in a subsequent house sale. **The facts: The South Carolina Residential Disclosure law requires disclosure of this defective stucco - not the lawsuits which are designed to make the developer pay for it.**

Pulte says - lawsuits impact resale values. **The facts - defective construction, not lawsuits to correct it - impacts resale value.**

Pulte says - we are terrific and receive awards. **The facts - Pulte is also the subject of considerable litigation over defective houses as any student of the internet can readily discern. In one case in Nevada, a class action was certified against Pulte resulting in a settlement exceeding \$21,000,000. In Sun City, the stucco problems aren't the only problems with homeowners' properties- a class action lawsuit alleges defective trim and, additionally, problems have been documented with roof trusses.**

Pulte says - if a homeowner is concerned about a construction related issue, we will gladly evaluate the situation - **The facts - Just as with the Oros, Pulte is careful to state their work - if any - will be limited to "all warrantable items."** This means, just as with the Oros house, if it's 2 years old and the stucco's bad, you are out of luck with Pulte - It won't bother to explain that its sales contracts require it to sell an original non-defective home, and if it doesn't, it may have to pay for the complete fix, AND Attorneys fees, AND costs, including expert witness fees.

So, folks, lets look at the facts, not the diatribes against those who have brought Webb to justice and who are working hard to see that others benefit too.