

#9: 1961-1963 – Explosive!

Every contractor, even with today's building enhancements, would love to have Sun City's sales numbers from the early 60's. Before we go there, how about a little trivia? The number one television program in 1961 was Wagon Train (no surprise there). The number one book in 1962 was One Flew Over The Cuckoo's Nest (what does that tell us?). The number one song in 1963 was "Sugar Shack" (really?). If you learn nothing else as you read on, you will be smarter than when you started.

After last week's series, I found even myself a bit dyslexic. Way too many figures and kind of splintered. We'll begin this week's journey with a clean-up in aisle 3 and set the stage for how we proceed. Rather than relying on best guesses from Jubilee, we are going to go straight to the source and use Meeker's journal.

To be more precise, we will be using his charts of home sales per year. He also includes a summary of total keys delivered at the end of each year. That would explain why total keys versus total sales differ; in year one, no keys were delivered until April. He lists home sales in 1960 as 1,301 with 1,050 keys distributed.



Les Parry had maybe the best job in the whole world. Imagine being the "key guy" that delivered 7,291 sets of keys to Sun City residents the first 10 years. The next 10 he might have had help because there were more than 18,000 additional sets passed out to new owners.

To clear the decks, here are the sales for the following 3 years: 1961-907; 1962-691; 1963-595. That rings up to just under 4,000 homes sold in the 4 year period. Staggering numbers and one of the reasons they dug themselves into a bit of a hole; but more on that later.

We know they immediately started plans on the second recreation center. Construction on Town Hall (what we know as Fairway Rec Center) was started in the fall of 1960 and opened the beginning of 1961. It was far nicer than Community Center and much larger.

Unfortunately, that wasn't the only difference. When Community Center opened, rec fees were voluntary. The Webb people quickly saw the error of their ways, and along with the purchase of a home in the second development around the new center, they added a facilities agreement. When you bought your home, you signed an agreement to cover the costs of maintaining the amenities whether you used them or not (\$12 per person per year). That wasn't the case at Community Center and it became an issue of dispute that took nearly 8 years to sort out.

The model homes in this section were a little nicer as well with costs ranging from \$9,750 for 1,014 square feet to \$15,350 for 1,635 sq. ft. As they did in the earlier round of homes, they included the Garden Court units with three models available.

Later in 1961, they added the Fairway Apartments across from the new rec center and adjacent to the soon to be opened South Golf course. They were two-story, 2 bedrooms, 2 bath units that sold for \$15,900 including air conditioning. Interesting to note, they didn't sell very well and were never tried again.

Around this same time, Community Center was offered to the residents and the vote was 1,051 to accept it, 54 against. The cost of maintenance and some improvements drove the voluntary costs on membership from \$12 per person per year to \$40; about 50% of the 1,200 residents it served stopped paying. Ouch.

Sun City's opening and growth continued so impressively that magazines covered the community non-stop. Life magazine did a feature spread and to this day, the layout is impressive. Look magazine did a feature on a couple on their new way of life. Jerry Svendsen was hired as the local Public Relations Director and worked to nurture the residents to become advocates back in their home towns.

Another shopping center was added across from Town Hall. The original plan was for that center to service 1,500 residents but sales quickly outpaced it and by the end of 1963 they were busting at the seams. An interesting footnote, residents from Community Center could not attend Town Hall events unless invited as a guest of a dues paying member. It took until 1968 to resolve that crisis.

1962 continued on with more of the same. Del Webb was featured on the cover of Time magazine. Sunland Memorial Park Cemetery was planned well North of Grand Avenue on 107th; which was nothing but a dirt road. The Hiway House kept growing the numbers of rooms as it became the place where visitors stayed when looking at the community. The South Golf course opened in 1962 as did Sunshine Service.

With all of the success, came the aforementioned blunder. The company was so enamored with the concept; they took manpower, resources and enormous sums of capital and tried to develop other Sun City properties around the country. Both California and Florida projects were mirror images. The problem was none were successful. The drain on the corporation was ever-present. Thankfully, Webb's people were able to weather the storm and keep pushing through.

By 1963, all of the communities were opened and functioning. None were like the original Sun City Arizona, no matter how hard they tried, the magic just wasn't happening. It didn't help the economy was beginning a downturn. Around the country, developers who saw Webb's success tried to open similar types of senior living communities. They too suffered slumping sales. That year, the Del E Webb Corporation was listed on the New York Stock Exchange under the symbol WBB.

Sun City stayed the course in 1963. While sales fell of a tad, the community kept growing. The Hiway House changed its name to the Kings Inn. A film crew came in from Germany for a couple of weeks to showcase life in Sun City. Del Web and Bob Hope played the North course as throngs watched the exhibition. The Sun City Home Owners Association was formed from the original Civic Association. The Sunland Memorial Park Cemetery opened so residents would never have to leave the community they loved.



When Town Hall (Fairway) opened it was larger and nicer than Community Center. It also came with a facilities agreement where every owner paid \$12 per person, per year. Pictured here is the gorgeous pool and the newly opened two-story Fairway Apartments in the background.

On its face, it looked like Sun City was on the fast track and could not be derailed. Even with the communities around the country getting off to slow starts, there was so much to be optimistic about. Inroads were being made in Las Vegas, the Yankees were flying high and Del Webb appeared invincible.

Del learned so much from his father. When his dad went broke, Del adopted a simple philosophy. He was fanatical about demanding updates and reports on every project they did. He read them with fervor, often as he jetted across the country. It was his long held belief that if he was ever going to go broke, he at least would know why.

In next week's edition, we will see the impact of the economic downturn of 1964. It is both a test and a testimony to Del Webb, The Man and The Company.

See you all then.

Bill Pearson