

Subject **Chinese Drywall in NE Florida; Statistics, Identification, Issues, Testing Methods, Recommended Actions, and Contact/Resource info.**

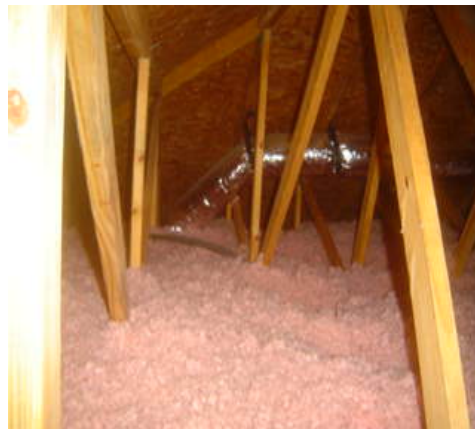
Purpose The purpose of this document is to inform our clients and other professionals we work with how to identify and the impact of what some are calling the Chinese Drywall "crisis".

Statistics No one knows the full extent of how much of the Chinese drywall product has been installed in American homes but based on the number of homes built from 2003 and 2007 here are reliable new home sales statistics for NE Florida.

- ◆ There were 49,000 +/- new single family homes sold from 2003 through 2007 in Duval, St Johns, & Clay Counties; source REARS (Real Estate Activity Reporting System) database.
- ◆ It is unknown what percentage of these homes may have the Chinese drywall product.

Identification of the Drywall Manufacturer

- ◆ The Chinese drywall has a distinctive "CHINA" stamp on the surface.



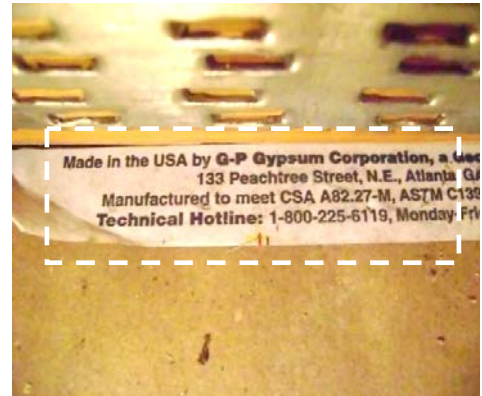
Insulation moved to reveal the drywall ceiling; contrast & brightness enhanced to make CHINA label visible in the right-side picture.

- ◆ The Chinese drywall may also have the manufacturer information stamped on the surface as well as the paper edge tape; manufacturer is Knauf Plasterboard Tianjin, a German corporation manufacturing drywall in China.
 - ◆ The issues may NOT be confined exclusively to the CHINA product alone; it is suspected but unconfirmed that some U.S. labeled drywall may also be impacted.
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Identification of the Drywall Manufacturer (cont.)

- ◆ U.S. manufactured drywall will typically have an identification label on the paper edge tape. Pictured below is a label on U.S. product.



Paper edge tape label on the ceiling drywall is found along bottom truss cords in the attic.

Issues

There have been some common issues and characteristics identified in homes where the Chinese Drywall has been used.

A **sulfur odor** reminiscent of “rotten eggs” has been reported in homes with the Chinese product; odor is from apparent off-gassing of hydrogen sulfide.

Other **hazardous & corrosive** chemicals/compounds have been identified through lab testing, among which are sulfuric acid, sulfur dioxide and carbon disulfide; source the Florida Dept of Health.

At this point in time there is insufficient evidence and data collected to determine if the off-gassing poses a significant health hazard, but as more data is collected this may change; source Consumer Product Safety Commission & Florida Dept of Health.

Physical impact to Equipment & Systems in homes with Chinese drywall have been known to require multiple repairs and/or equipment replacement; source numerous media articles/investigations and client feedback. Significant corrosion and deterioration to components noted include;

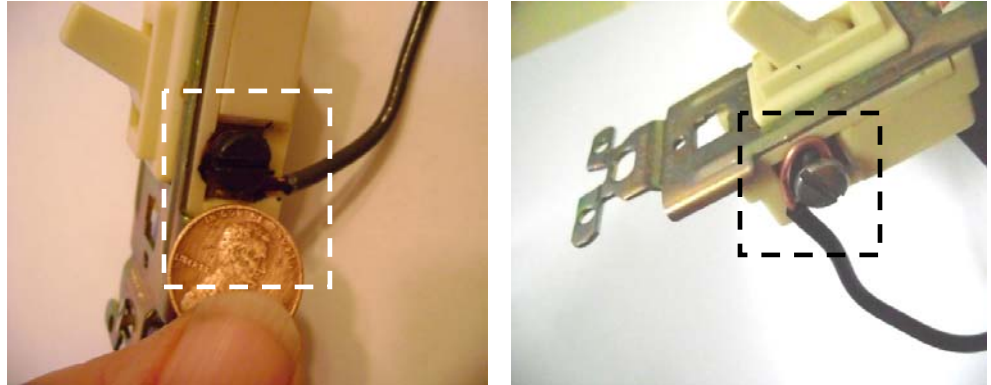
- ◆ Copper of HVAC and refrigerator coils discoloring (black) and corroding,



The discolored and “black” copper air-handler coil components in the left-hand picture have been exposed to the corrosive effects of the various gases given off by the Chinese drywall; compare bright copper air-handler coil components in the right-hand picture.

Issues (cont.)

- ◆ Copper electrical wiring is discoloring (black) and corroding,



The discolored and “black” copper wire & connecting screw on the wall switch in the left-hand picture have been exposed to the corrosive effects of the various gases given off by the Chinese drywall; compare copper wire & bright connecting screw in the right-hand picture.

- ◆ The concern is that the corrosive effects on the copper components of the refrigeration equipment & electrical wiring/switches will lead to equipment and/or system failure.

Health issues have also been reported in the media that have yet to be conclusively traced back to the presence of the Chinese drywall but this is an ongoing investigation.

- ◆ Anecdotal evidence has been reported to State officials and the press that health concerns are present in homes with the Chinese drywall. Sulfur itself is not known to cause injury/illness to humans but some of the symptoms that may be present if there is an adverse/allergic reaction to sulfur and/or it’s off-gassing byproducts are;
 - Respiratory/breathing problems,
 - Sinus congestion,
 - Headaches,
 - Eye irritation,
 - Rashes,
 - Body aches, etc.
- ◆ At this point in time there is insufficient evidence and data collected to determine if the off-gassing poses a significant health hazard, but as more data is collected this may change; source Consumer Product Safety Commission & Florida Dept of Health.
- ◆ Consult your physician for medical attention if symptoms present themselves.

Testing Methods

There are no protocols and standards established as of this time (05/09) for the testing and remediation of the Chinese drywall product.

ALERT; do not jump to conclusions, assume facts not in evidence, or panic. As in any “crisis” situation a few unscrupulous contractors, inspection, and remediation companies will use fear to drive business, especially when **NOT ALL THE FACTS** are known

**Testing Methods
(cont.)**

There are 2 inspection methods that are true of any type of evaluation. They are;

Visual Inspection & Documentation;

- ◆ If possible identify the manufacturer of the drywall product.
- ◆ Identify condition of the equipment and systems (especially copper components) in the home that may indicate the presence of Chinese drywall.
- ◆ Identify any physical symptoms experienced by the occupants of the home.
- ◆ Document all findings and report to the homeowner.
- ◆ Visual inspection & documentation process will take 1-3 hours depending on size of home and may run upwards of \$300 +/-
- ◆ Contact PREMIER HOME INSPECTION SERVICES™ for Inspection & Documentation inspection.

Testing & Detection;

- ◆ Most common tests will involve air-sampling in the home and material testing.
- ◆ Because the protocols and limits are not yet established for testing a full battery of tests may run upwards of \$2000, the results of which may be inconclusive until baseline standards are set.
- ◆ Contact PREMIER HOME INSPECTION SERVICES™ for Testing & Detection inspection.

**Recommended
Actions;**

If your home was built between 2003 and 2007 (we have heard anecdotal evidence that homes as early as 2001 may be impacted) you may have the Chinese drywall product in your house.

- ◆ Review the information provided in this document to determine if Chinese drywall may be present in your home.
 - ◆ Contact a knowledgeable, insured, & reputable inspection company, contractor, and/or testing laboratory to evaluate your home.
 - ◆ If Chinese drywall is found contact your builder. If the house is still under the 1-yr warranty there is a good chance they may take action, what that action is may vary on the regulatory and remediation requirements once they are set.
 - ◆ If the house is out of the 1-yr warranty period it is still highly recommended the builder be contacted so that there is a record of the reported Chinese drywall.
 - ◆ You may want to consider contacting your insurance company
 - ◆ It is probably premature to contact an attorney for litigation but most are aware of the Chinese drywall product & issues and a consultation may be useful.
 - ◆ DO NOT overreact, remember the MOLD scare of the late 1990's
 - ◆ DO NOT believe everything you hear, read, or see on TV or the Internet.
 - ◆ DO NOT remediate (repair) drywall until there are clear standards and protocols set; State and/or Federal Government involvement is likely in establishing standards and protocols.
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Support/Resource Information

- ◆ Media Links/Investigative Reporting;
 - Sarasota/Herald Tribune; <http://www.heraldtribune.com> enter "Chinese drywall" in search bar
 - Tampa Tribune ; <http://search.tbo.com/Search.jsp> enter "Chinese drywall" in search bar
 - ◆ Florida Dept of Agriculture & Consumer Services;
 - Fl Dept of Ag & Consumer Services website; www.800helpfla.com
 - Fl Dept of Ag & Consumer Services phone; 1-800-435-7352
 - ◆ Florida Attorney General;
 - State AG website; www.myfloridalegal.com
 - Drywall Consumer Alert 04/23/09; www.myfloridalegal.com/NewsBrie.nsf/OnlineAlerts/6032C2A6E5227D8D852575A100586E17
 - State AG phone; 1-866-966-7226
 - ◆ U.S. Consumer Product Safety Commission (CPSC);
 - CPSC website; www.cpsc.gov
 - Consumer Product Report Form; www.cpsc.gov/cgibin/incident.aspx
 - CPSC Information on Imported Drywall www.cpsc.gov/drywall.pdf
 - CPSC letter of 5/1/09 to Senator Nelson; www.cpsc.gov/nelson.pdf
 - CPSC phone; 1-800-638-2772
 - ◆ Center for Disease Control;
 - CDC website; www.cdc.gov
 - CDC phone; 1-800-232-4636
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Questions

Information in this document can be freely shared without written consent but we request it remain unedited and on PREMIER HOME INSPECTION SERVICES TM letterhead

James S. McCaughey

President

PREMIER HOME INSPECTION SERVICES TM