

Home Inspection & Home Watch Services, LLC.

CHINESE DRYWALL

Chinese Drywall

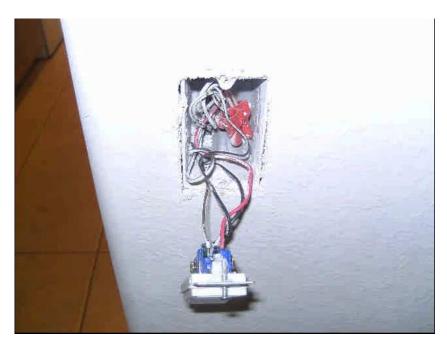
What is it?

- Gypsum board that has waste from coal-fired plants as one of its components. The material that wouldn't burn was recycled into the drywall. There have been conflicting reports that the drywall is made from natural gypsum that was mined in China.
- The drywall was imported during the building boom of 2004 and 2008 because of high demand.
- There is evidence that the off gassing of Hydrogen Sulfide from the Chinese drywall causes corrosion of metal building products and copper components in home appliances.
- Varying degrees of toxic compounds depending on the manufacturer.
- Homes may contain different amounts of drywall.
- 13 manufacturers in China
- At least 550 million pounds of Chinese drywall has been offloaded at U.S. ports since 2004 -- enough to affect 250,000 average-size homes.
- Found defective Chinese drywall in Florida, Arizona, Colorado, Georgia, Louisiana, Maryland, Nevada, New Jersey, New Mexico, North and South Carolina, Virginia and Texas.
- As many as 41 States have been found to have the drywall.

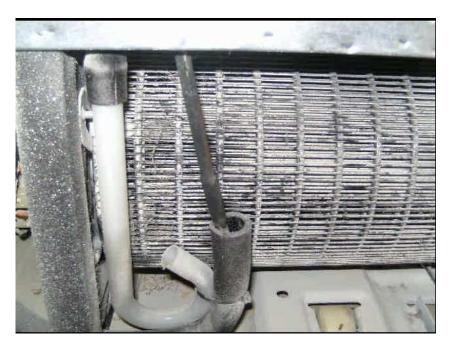
Damage to Homes

- Chinese drywall creates a noxious odor that corrodes copper, such as evaporator coils and tubing which can ultimately cause your air conditioner to fail.
- It may also corrode copper plumbing, copper electrical wiring, and copper water lines.
- Metals such as chrome, brass and silver may also be affected.
- Bathroom and kitchen faucets and drains are typically tarnished in homes with Chinese drywall.
- Wiring in smoke detectors, televisions and other electronics have been reported due to the deterioration of the lead soldering.
- Nail plates and nails may also be affected.

Blackened Electrical Wiring



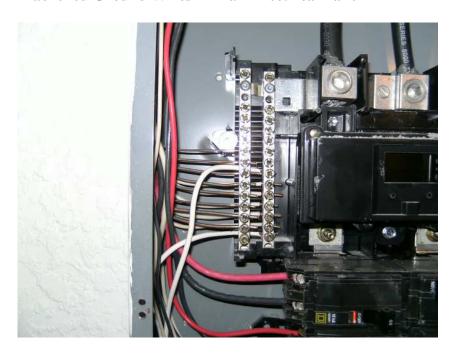
Blackened Copper Pipe on Refrigerator



Air Conditioning Air Handler – Blackened Copper Wiring



Blackened Ground Wires in Main Electrical Panel



Blackened Copper Piping on Air Handler



Blackened Cooper Coil in Air Handler



Blackened Cooper Coil in Air Handler



Air Conditioning Air Handler – Blackened Copper Wiring



Thermostat – Blackened Copper Electrical Components



Blackened Copper Piping on Sink Faucets



Blackened Copper Valves and Fittings under Sink



Blackened Fixtures



Deteriorating Mirror



Blackened Household Items









IS CHINESE DRYWALL TOXIC?

■ Homeowners have been reporting physical ailments, including coughing, irritated eyes, sneezing, sore throat, difficulty breathing, runny nose, bloody nose, and headaches after being exposed to Chinese drywall. These symptoms tend to quickly disappear after the homeowner leaves the affected home.

State Toxicologist Findings

- Currently Assessing 12 homes
- Samples of Drywall were taken
 - no results yet
- Currently documenting health complaints
- Developing a case definition to develop a case study
- The available data does not exceed limits to pose a health hazard

Insurance

- Knauf plant that produced the drywall has no insurance
- Insurance agents are claiming the pollution exclusion clause

Eagle Eye Home Inspection Procedure

- To educate Realtors on how to identify Chinese Drywall
- The first step in a home inspection is to identify the possibility of Chinese drywall.
- If no Chinese drywall is found, normal complete home inspection is performed.
- If Chinese drywall is identified at the beginning of the home inspection
 - -- Communicate to realtor and homebuyer
 - -- If the homebuyer decides to back out of contract, the inspection becomes a Chinese Drywall Inspection and the inspection cost is reduced to \$195.00 for single family homes
 - -- A report is generated as documentation of the Chinese drywall
 - -- Cancellation fees for ancillary inspection/services may apply