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**Subject:** Chinese Drywall Newsletter - Multiple updates
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# Chinese Drywall Newsletter

## A note from the sender:

Greetings everyone,
I did some maintenance on my subscription database so I'd like to welcome any new subscribers. I have been sending newsletters periodically to help disseminate valuable information to all those affected and interested in matters relating to Chinese drywall. Past newsletters, important links and other resources are available at www.chinesedrywallscreening.com/resource.html.

I have a lot to send out so I will do my best to organize it so you can easily access the information most pertinent to you. Below is a general list of important items I'm including. Refer to the right and below this section for corresponding numbers to get additional information.

1. Government agency drywall symposium in Tampa on November 5th and 6th.
2. Chinese Drywall Newsletter produced by Karen Scott of Asset Advisors and Managers loaded with valuable information on a variety of topics. Be sure to see list of topics to the right, (newsletter is an attachement)
3. Condo Vultures newsletter on growing lawsuits and seminar information on Sept 22nd in Miami. (Karen and I will be speaking on the panel)
4. An update from me as the president of a condo association with tainted/ reactive Chinese drywall in 61% of the units.
5. "Solution Central" This is part of my newsletter that I will dedicate to "solutions" that are either being tested or marketed.

I hope this finds everyone doing well or as best as they can given their circumstances. I like knowing how past clients are doing and any progress they are making so don't

Technical Symposium on Corrosive Imported Drywall

## 1. Government Symposium

This is a government agency conference in Tampa, FL on November 5th and 6th. I'd consider this a "must attend" for the industry professionals. Presenting agencies include FL DOH, CPSC, EPA, CDC, SFM, DEP and others. Here is an introduction from their website (www.drywallsymposium.com):

Corrosive Chinese Drywall has become the focus of health concerns, failing equipment, and lawsuits. But what does the research really say about this controversial product and what is being done to fix the problem? This is the first conference to bring together researchers from the primary state and federal agencies to present their findings on:

- Materials Analysis
- Emissions Testing
- Exposure Assessment and Toxicology
- Remediation/Repair
- Disposal

## 2. Chinese Drywall Newsletter by Karen Scott of Asset Advisors and Managers

Karen Scott is a principal with Asset Advisors and Managers and has been performing educational seminars over the last few of months. The 80 page PowerPoint presentation from her seminars are on my resource page (www.chinesedrywallscreening.com/resource.html) It is arguably the best substantiated compilation of information on the issue of Chinese drywall. Karen will be presenting this to the Martin County Board of Realtors on October 9th. Some of you may have already received her September newsletter because you are on her distribution list. For those not on her list, Karen's newsletter is a good compilation of information including, but not limited to:

1. Insurance Claim Denials
2. Property taxes
3. IRS response
4. WCI
5. Chinese drywall in Vegas
6. Reactive/tainted drywall removal protocol (http://www.chinesedrywallprotocol.org/)
7. Various solutions for tainted drywall
8. FAU Training for reactive/tainted drywall removal
9. **USBCI and BESI Training and Certification Conference for inspectors, 3rd party consultants, project managers and contractors**. (http://www.besinstitute.com/)
10. Other miscellaneous news and information

To access the newsletter, click on the attachment icon located at the bottom left of this e-mail. This will bring up her e-mail and then you will have to do the same on her e-mail to access the actual newsletter.

## 3. Newsletter from Condo Vultures on growing lawsuits and a seminar in Miami

hesitate to let me know. Also, I can't keep up with all the news and information so feel free to forward me anything you might see worthy of sharing and I can include it in the next newsletter. When sending information, be sure to let me know if it can be shared. I will always keep information generic and not include any personal information unless prior written authorization is received.
Thanks.

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## 5. Solution Central

I plan to create awareness of the various "solutions" being tested and/or marketed but without an opinion until I have verified for myself or have seen proven documentation. There will be a variety of products and services that will surface. I will attempt to provide you with the information and as much facts as I can. Some of these may prove to be valuable temporary solutions that will allow the home to be livable and/or rentable before the drywall is able to be removed. However, we need to watch out for scams. Before you spend any money on a "solution" make sure you do your homework and the product or service has been verified by a 3rd party environmental company or testing lab holding necessary certifications and credentials. Here is a list I am currently tracking in no particular order:

- Sabco's RISS system (http://www.risssystem.com/) - The system that attaches to the air handler claims to clean the air faster than the drywall off-gasses reducing the gasses to a nominal level. A typical installation might be about $6,500 and $200 every few months or so for maintenance. There's been some good feedback from a test community. See Karen's

The newsletter covers some latest information on litigation and provides information on their upcoming seminar.

Buying groups looking for deep discounts on residential product are increasingly looking at Chinese drywall as a possible way to acquire new single-family houses and condominium towers for pennies on the dollar. Condo Vultures® founder Peter Zalewski will moderate a panel discussion of experts examining "Chinese Drywall Trends In South Florida Real Estate" from 5.30 pm to 8 pm Tuesday, Sept. 22, at the Doubletree Grand Hotel just north of Downtown Miami. Refer to the attachment below for the newsletter.

## 4. Condos with Tainted/Reactive Chinese Drywall

As board president of a condo association with 80 tainted units, I am actively involved in dealing with all of the related association issues and trying to find time for my personal units. Condo's are unique in the sense that there is a shared responsibiltiy with the drywall depending on how the documents were written. Our documents read that the association is responsible for the perimeter drywall and unit owners are responsible for the interior partition walls between the rooms. This gets quite complicated on how to handle the issue. We made a board decision to be proactive with the builder and to handle the entire issue for all affected residents.

We had all the units inspected in tandem with the builder to determine 61% of the units were tainted and spread through 7 of 8 buildings. The inconsistency in tainted units is due to the fact we had 3 different drywall suppliers. Therefore, there is a mix of fully tainted, blended and non-tainted units. Upon realization of their situation, the builder has since stopped any further negotiations and we were forced to retain attorney's and insurance claims consultants. Here are some of the things we are working on:

- Remediation financing through special services districts (banks loan to services district and then services district collects payments through property taxes)
- Sales of tainted units to buyers of distressed properties. Unit owners simply get out of note obligations and buyer takes over.
- Temporary solutions to allow unit owners to live in or rent their units.
- Push hard for early litigation and insurance claims processing and associated litigation.
- Work with local property appraisers office for property tax relief. Units that sold for $230,000 were short selling for $85,000. Tainted units are expected to be appraised at about $15,000 to $20,000. St Lucie County Property Appraiser Jeff Furst received a standing ovation after his speech at our Town Hall meeting. (see below for link to audio transcripts)

We had a town hall meeting to introduce our attorney's and insurance claims consultants to the unit owners, tenants and others involved. It was very informative for all. I gave a historical accounting of the boards activities and situation. Our consultant team explained the current state of the issue and their respective plans of attack. I have been attempting to form a Condo Coalition to help each other deal with this very challenging and time consuming issue. If you are part of a condo with tainted/reactive drywall, feel free to contact me so we can share resources. A full audio transcript of the meeting is available here.

newsletter for more information.

- Sabre's chlorine dioxide treatment to tent the home. They are claiming success at about $15 to $20/sf (http://www.nbc-2.com/Global/story.asp?S=10943965) (http://www.sabretechservices.com/)
- Abshield's coating and fogging treatment claims to modify the off-gassing at the surface of the drywall.(http://www.abshield.net/chineseDrywallIssue_Abshield.shtml) - Costs are about $11/sf - see Karen's newsletter for more information.
- Electrocorp air filtration equipment: http://www.chinesedrywallsolution.info/
- A company in south florida claims to have verified their coating prevents the odor and corrosive affects. They have proved it works but are verifying how long it will work. They are due to release information early next week.
- A company that claims to be able to modify the problematic chemical compounds on the molecular level. (This company is not ready and asked not to release any information)
- Cost's to replace drywall may range from $40 to $55/sf. Protocols are still being debated.

For those not aware, I am the president of a condo association that has 80 tainted units and we are desperate for a temporary solution that is substantiated in order to allow unit owners to either live in their units or be able to rent them to tenants. We are getting more and more owners "walking away" from their units and it is causing issues with the maintenance fees etc. Let me know if anyone has any luck with any of the above solutions or knows of any others that I can investigate.

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**Attachments:**

downloadlink Newsletter from Condo Vultures Lawsuits and Seminar 9-11-09.pdf (419K)

downloadlink Newsletter from Karen Scott of AAM 9-10-09.pdf (37K)

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