

Realtor Guide - Protect Yourself and Your Client

Chinese/Defective Drywall—Any Home, Anywhere!

The Risk Is Much Worse Than Estimated...Much Worse!

Original defective drywall estimates were based on the homes being 100% bad drywall...that isn't the case at all. Less than 25% of the drywall in an affected home is bad board. Plus, 350,000 storm damaged homes all have the possibility of Chinese drywall!

That means there are at least seven times more Chinese drywall homes lurking out there than previously thought!



**Visual Inspection
With XRF (X-Ray)
Scanning Required!**

Realtors Beware!

Never Recommend Just A Visual Inspection!

The copper may not have corroded and there might not be a bad smell yet, but there can still be Chinese drywall in the home!. If you sell a home after a visual inspection and it's wrong, the inspector and you could be sued for what you should have known. Realtors are suffering this fate over defective drywall homes at an alarming rate.

Stop worrying! National Warranty protects everyone involved with the sale...including you!

Insist On A National Warranty On All High Risk Homes!

Any home can have Chinese drywall, because repairs, remodels, and additions all used Chinese drywall too. This is particularly true in areas that suffered storm damage. Again, these homes may have only a small percentage of bad drywall, but even one board makes it a Chinese drywall home...and they lose up to 50% of their value in an instant!



Protect Your Client, Your Sale...and You!

Selling A Home - Take concerns about Chinese drywall off the table and add value to your property before you list. Set your buyer's mind at ease. A National Warranty takes Chinese drywall off the bargaining table. Affordable protection is available for all homes with 10 Years and up to \$500,000 in protection.

Buying A New Home - Insist on a National Warranty! It's simply a risk that no buyer or agent should ever take. The best inspection can miss a few bad boards and can turn that new home into a disaster. No Warranty? No Deal!



Call National Today!
Brad Coates
800-400-8679 Ext. 172
www.NationalCDW.com



Protect Your Most Valuable Asset For 10 Years and up to \$500,000

All National Warranties offer these valuable benefits:

- Covers all costs to remove and replace any defective drywall.
- All repairs are completed based on the guidelines set by the Consumer Products Safety Commission and the National Home Builders Association.
- Stabilizes value and eliminates the fear and devaluation associated with the risk of Chinese drywall.
- Backed by an A.M. Best rated “Excellent” insurer with 25 years of home warranty experience.
- Experienced warranty administrator with over one million home warranties nationwide.
- Protects all parties, including the seller, buyer, agent, or broker. Reduces the risk of costly litigation.
- Assistance through the warranty process, including consulting services to protect the homeowner.
- Fully transferable with no fees! Renewable to a full 10-year term!
- Coverage starts at \$100,000 for 10 Years, with options to increase coverage up to \$500,000!
- Basic coverage for just 29¢ to 60¢ per day! No deductibles or hidden fees.
- Independent Certified Contractors who provide a National Warranty as part of their contract with you.

About National Construction Warranty Corporation:

- All National warranties are administered by RWC (Residential Warranty Corporation) established in 1984.
- RWC has more than one million home warranties in force and over 25 years of warranty experience.
- National’s warranties are financially backed by Western Pacific Mutual Insurance Company, A Risk Retention Group with an A.M. Best rating of “Excellent”, a HUD-approved warranty provider.
- National has over 15 years of experience in construction defect management, providing warranty-backed solutions for complex, large-scale construction defect problems, including building envelope and fenestration integrity issues.
- MoistureFree Warranty, a National-affiliated company, managed the national class-action settlement and provided the warranty program and national field services for the nation’s largest EIFS/stucco manufacturer.
- National’s defective drywall warranty programs received regulatory approval on June 30, 2010 and are available for all states under the Liability Risk Retention Act of 1986.

NOTE: See all Terms and Conditions of the National limited warranty at www.NationalCDW.com or call 800.400.8679.

Interesting Facts About Chinese Drywall—CDW

- Most, but not all CDW off-gasses hydrogen sulfide gas. High humidity and temperature increases off-gassing.
- Not all CDW has a label or stamp to identify it.
- Some homes won’t show obvious signs of having CDW, like copper corrosion, for several years.
- Chinese drywall typically looks off-white or very light gray when compared to U.S. board, which is white.
- Bad drywall typically contains much higher concentrations of organic elements, including elemental sulfur.
- The vast majority of the known CDW was shipped to the U.S. in 2006 during the building boom and following the disastrous 2005 hurricane season that included Hurricane Katrina.
- About 350,000 homes damaged during Hurricanes Katrina, Wilma, and Rita were being repaired while the majority of the bad drywall was being widely distributed into these damaged areas of the country.
- U.S. drywall manufacturers claim that their products do not contain the high levels of elemental sulfur or other impurities common to Chinese drywall. Isolated problems with U.S. drywall have been found, but are not believed to be widespread.
- A National Warranty can substantially improve the resale value of a home. Similar warranties have been successfully used in national class-action settlements related to construction defects.

WARNING:

- A “warranty” directly from a contractor or inspector typically has no third-party backing and often violates state insurance laws. Ask National about any warranty or insurance you are offered by a contractor or inspector to determine its validity.
- Chemical treatment of CDW, without removal, is not an accepted repair method by any of the leading government agencies or Federal Courts dealing with Chinese drywall.
- Chemical or limited remediations that do not follow a court or government protocol are likely not to qualify for reimbursement from any class-action settlement, insurance coverage, or court ruling and do not qualify for a National Warranty at this time.
- A CDW disclosure form is standard during the sale of a home in Florida, which often necessitates an inspection.
- Homes with bad drywall do not always show signs of corrosion on copper surfaces and may not have a foul odor.
- Copper can easily tarnish and darken from sources other than Chinese drywall. Testing should never be solely based on visual observations or by a smell in the home.
- Many homes that passed clearance tests for Chinese drywall since 2008 were later found to contain bad drywall.
- No inspection can determine definitively that a home does not have Chinese drywall, including inspections accepted and endorsed by National.