

Lennar to replace Chinese drywall in homes

Builder to pay for the relocation of dozens

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Residents inhabiting a dozen Southwest Florida homes are being relocated so the builder, Lennar Homes, can rip out Chinese drywall that corrodes interior fixtures and may cause long-term health hazards. Lennar is paying all costs of relocation for the residents, including lodging, and some have already moved, according to a statement from Darin McMurray, Lennar division president.

In addition, Lennar Homes has identified 80 of its homes in Southwest Florida that appear to contain the suspect drywall and is investigating 40 more, McMurray said. The News-Press disclosed the problem in a Dec. 20 story, when Aubuchon Homes confirmed a Fort Myers family had been moved from one of its homes because of the drywall.

Since then, a growing number of Florida residents in homes constructed by several other builders have complained about rotten-egg odors, blackened air conditioning coils and pitted faucets, among other damage. Some also have complained about breathing problems, headaches and raspy throats.

The suspect drywall has been linked to Knauf Plasterboard Tianjin Co. Ltd. of China. Knauf claims its product is safe, that the sulfur smell is due to a naturally occurring mineral used to make drywall, and another, unnamed Chinese company is manufacturing the drywall causing the damage. Some building experts say the drywall was imported as early as 2004. Knauf said the import started in 2005, when a building boom in the aftermath of hurricanes Wilma and Katrina dried up domestic drywall supplies.

The Lennar homes were built between November 2005 and November 2006, and the Chinese drywall was installed by independent contractors, McMurray said. Lennar did not know the Chinese drywall was installed until months later, he said. Lennar contracted with Environ International, an environmental testing firm in Tampa, to conduct air sampling in its homes, McMurray said.

The tests confirmed the presence of sulfur compounds inside the homes "is far below even the most stringent government health and safety standards," he said. However, the only existing standards are for eight-hour exposure in the workplace, not long-term exposure in a residence, health officials confirm. Florida Health Department officials say they have documented 28 complaints across seven counties, including 11 in Lee and two in Collier.

"Lennar continues to take extensive measures to ensure the safety of our homeowners and their families," McMurray said. Loren Prive of Lehigh Acres is one of the Lennar homeowners counting on that. Prive said he knew he had a problem when his faucets started corroding and his air conditioning coils turned black. "I went up to my attic and of course, the first piece of drywall has Knauf Tianjin on it," he said.

Prive called Lennar last week and the company responded the next day by sending representatives, and then Environ to test, he said. "I'm happy with the quick response." But Prive and his wife, who is seven months pregnant and also has asthma, had to move in with friends on their own because of health concerns and advice of her doctor, he said. Prive said he is meeting with Lennar officials this week to see how the problem can be resolved.

McMurray's statement said about 30 of the 80 Lennar homes confirmed to have the drywall are in Lennar's Heritage Harbor development in east Manatee County. The location of the remaining homes was not identified by Lennar, which on Tuesday declined further comment. In addition to drywall, Lennar also intends to replace damaged fixtures in the home, which could include plumbing, electrical wiring and air conditioning systems, McMurray said. And Lennar is prepared "to take all necessary actions" to hold manufacturers or suppliers of the defective drywall responsible, he said.

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LENNAR STATEMENT IN RESPONSE TO MEDIA INQUIRIES

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The following statement is by Lennar Division President Darin McMurray:

As part of our ongoing commitment to deliver quality, value and service, Lennar has begun repairing nearly a dozen homes in Florida's west coast affected by imported drywall from China. Lennar recently established a special task force to address homeowner concerns and to carry out a comprehensive drywall repair program.

To date, Lennar has identified about 80 homes in Southwest Florida that appear to have been built with Chinese drywall between November 2005 and November 2006. Of those homes, approximately 30 are located in Lennar's Heritage Harbour development in East Manatee. In addition, Lennar has arranged for the testing and monitoring of about 40 homes to determine whether they also have drywall issues. These numbers represent a very small percentage of the homes Lennar has built in Florida during the past decade.

Of the approximately 80 homes believed to have imported drywall, 23 are located on Montauk Point Crossing in the Lighthouse Cove subdivision of Heritage Harbour. Lennar continues to work closely with all of its affected homeowners, having already moved a number of them and assumed all costs of the relocation.

Lennar discovered the drywall issue through routine monitoring of home repair requests. When we noticed that a number of our homes in Southwest Florida were experiencing problems with air conditioning systems, we began taking a closer look.

After months of careful investigation, we learned that the problem does not always stem from the air conditioning unit itself, but, in some cases, from the drywall. Some drywall can emit a naturally occurring sulfur compound that, when it interacts with the copper in the AC coil, can cause corrosion and lead to failure. Our investigation revealed that sheets of drywall manufactured in China were installed in some Lennar homes by independent subcontractors. Lennar did not know that manufacturers and subcontractors had supplied and installed Chinese drywall until months later. Additionally, Lennar did not pay a discounted price for this drywall.

Lennar continues to take extensive measures to ensure the safety of our homeowners and their families. We retained ENVIRON, a leading global environmental firm, to conduct extensive air sampling in our homes. The environmental scientists and toxicologists at ENVIRON have confirmed that the presence of sulfur compounds inside the homes believed to have been built with imported drywall is far below even the most stringent government health and safety standards.

ENVIRON scientists met with representatives from the U.S. Center for Disease Control, the EPA, the Florida state Department of Health and county health officials to discuss air sampling results for all sulfur compounds detected in Lennar homes believed to have been built with imported drywall. After studying the findings, government scientists determined there is no indication that the levels of sulfur compounds would result in any adverse health outcomes. Indeed, one EPA official who evaluated the findings wrote in an email: "The amounts of sulfide compounds measured are not dangerous to health."

While there have been isolated instances of homeowners complaining about sore throats or itchy eyes, ENVIRON has been unable to connect these symptoms with the affected drywall. These symptoms may be caused by a number of other, unrelated factors. Government scientists and health experts, working together with ENVIRON, continue to closely study the situation.

Meantime, Lennar has arranged for the installation of new drywall in affected homes by a licensed subcontractor who has agreed to meet very stringent product specifications. In addition to properly disposing of old drywall during the reconstruction phase, Lennar intends to replace affected items in the home. This could include plumbing pipes, electrical wiring and air conditioning systems as well as other components that show signs of corrosion.

Once the new drywall is installed, ENVIRON will take air quality samples again to ensure that the problem has been resolved. Lennar also has hired a licensed subcontractor to dispose of the affected drywall in appropriate, non-recyclable waste areas.

Normally, in the home construction industry, the builder does not directly purchase components such as drywall from suppliers. It is standard industry practice for builders to hire licensed subcontractors to install drywall. In this market, licensed subcontractors purchase drywall from local distributors and manufacturers, who are required to meet certain specifications. Lennar is prepared to take all necessary actions to hold any manufacturer or supplier responsible for providing defective drywall products.

Lennar pledges to continue to work closely with our homeowners in providing long-term solutions based on their specific circumstances and needs.