

# synthetic stucco

T H E S T R A I G H T F A C T S

Information provided by:

**NC** ASSOCIATION  
OF REALTORS<sup>®</sup>  
The Voice of Real Estate in North Carolina

**D**uring the latter half of the 1990s, “synthetic stucco,” or EIFS (Exterior Insulation and Finish Systems, pronounced “eefs”), became a hot-button consumer issue. EIFS are multi-layered exterior wall systems used on both homes and commercial buildings. Moisture intrusion and retention problems with the product first surfaced in 1996 in Wilmington, N.C., where 90 percent of the homes clad in synthetic stucco tested by local

architects and building inspectors were found to have high moisture levels in the wood components of the wall cavities. Resulting litigation led to settlements with and verdicts against manufacturers and builders. (For more information about the North Carolina Synthetic Stucco Class Action and the National Synthetic Stucco Class Action, visit [www.ncstucco.com](http://www.ncstucco.com) and [www.kinsella.com/eifs/](http://www.kinsella.com/eifs/).)

## What Is Synthetic Stucco?

**C**onventional EIFS is a multi-layered system of styrofoam panels adhered to wood or gypsum sheathing and finished with a waterproof resin. This application process is less expensive than applying real or traditional stucco (made with cement) to masonry or wire mesh subsurfaces. While conventional EIFS resists water penetration at its surface, it is not designed to drain water that gets behind it. It is also known as non-drainable EIFS and was effectively banned in new home construction in North Carolina in March 1996.

This information sheet focuses on conventional, non-drainable EIFS, but there are other types of synthetic stucco, such as DEFS or EFS (“Direct-applied Exterior Finish Systems”) and drainable EIFS. DEFS is a system that involves the use of cement board panels

rather than styrofoam panels. Drainable EIFS systems incorporate drainage channels behind the styrofoam panels. Discussion about these other types of synthetic stucco is beyond the scope of this information sheet.

## How Can I Tell If the Structure Has Synthetic Stucco?

**T**here are many types of cladding that look like stucco. One simple way to check is to tap the exterior of the structure. Synthetic stucco is relatively light and sounds hollow when tapped, while real stucco is heavy and sounds solid when tapped. Real stucco is much harder than EIFS. With drainable EIFS, the drainage channels might be visible at the bottom of the exterior synthetic stucco wall. Sources such as warranties or bills of sale might be helpful in determining which product is on a property. The builder, contractor or applica-

tor also can be of assistance. Property owners or prospective purchasers who are unsure what type of product is on a property should have it inspected, perhaps by a structural engineer.

## What Problems Have Been Observed In Structures Clad with Conventional EIFS?

**H**igh moisture levels often lead to damage of structural features behind conventional EIFS, including wood rot and delamination and deterioration of plywood or other sheathing. Often, termites are the first visible clue that there is a problem, because in some instances, excess moisture can contribute to infestation.

Water intrusion most frequently occurs around windows, when water enters either through the joint around the window’s perimeter or

through seams and joints in the window itself. Water also can enter at roof-to-wall intersections; large quantities of water resulting in some of the most severe damage frequently get in this way. Other potential water-entry points include chimneys, decks and any other penetration of the conventional EIFS layer.

## What Is Causing the Problems?

**S**ome builders and inspection officials contend that water entering the wall cavities of an EIFS-clad structure cannot easily escape to the outside, unlike water entering other finishing systems, like brick veneer and wood siding. EIFS manufacturers, however, defend their product, blaming the problems on improper application, use of poor quality windows and inadequate flashing and sealing.

## What Are My Responsibilities As a Seller Or Buyer?

**S**ellers may make a disclosure on the North Carolina Residential Property Disclosure Statement that the siding is synthetic stucco. Real estate licensees, if they know or reasonably should know that a structure is clad or was previously clad in EIFS, must disclose it as a material fact to prospective purchasers.

Prior to listing a property or making an offer, it is recommended that the seller or buyer:

- ❖ Have the structure thoroughly examined.

(Homeowner guidelines are available from the North Carolina Department of Insurance Office of the State Fire Marshal. See the “For More Information” section below for details on how to obtain them.)

- ❖ Discuss the product and recommended methods of application and maintenance with the builder.
- ❖ Consult the resources listed below.

A REALTOR® will be able to assist you in obtaining professional guidance.

## For More Information

North Carolina Department of Insurance  
Office of State Fire Marshal (OSFM)  
Engineering and Codes Division  
[www.ncdoi.com/OSFM](http://www.ncdoi.com/OSFM)  
(919) 661-5880 or (800) 634-7854

North Carolina Department of Justice  
Consumer Protection Section  
[www.ncdoj.com](http://www.ncdoj.com)  
(919) 716-6000

National Association of Home Builders  
[www.nahb.org](http://www.nahb.org)  
(800) 368-5242

EIFS Industry Members Association  
[www.eima.com](http://www.eima.com)  
(800) 294-3462

**Other Online EIFS Resources**  
[www.stuccolaw.com](http://www.stuccolaw.com)

By signing, I acknowledge that the agent named below furnished a copy of this brochure and disclosed to me that the property described below is or may be clad in or has previously been clad in synthetic stucco.

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Property

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Buyer Name (Print or Type)

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