

High-Performance Structural Framing News

CBS Quotes Building Deliveries

Now that production of panelized buildings has started in Kissimmee (see pages 2, 3, &4), CBS has been approved to quote residential, commercial, and light industrial buildings.

Architectural prints arrive via the internet from America and several foreign countries. A number of these requests for quotation are for commercial and light industrial buildings.

This quarter, CBS responded to serious inquiries for multiple 3-story 100-unit motels, 93 pharmacies, office buildings, fast food chains, single

residences, and multi-family apartments. All were competitively priced when compared to the currently used construction methods in the areas where the quotes were being made.

There has also been renewed interest in building with our materials in large scale projects from several sources across Florida and in the Caribbean.

In spite of the current economic conditions worldwide, a number of older motels, hotels, and office buildings are being rehabilitated to upgrade their insulation, energy

efficiency, and resistance to natural disasters.

These retrofit improvements are starting to be quoted using CBS construction optimized composites to meet the requirement. Upon completion such improvements should be qualified for new discount programs offered by local government, taxing authorities, and utility companies.

CBS is pursuing lower mortgage insurance rates for CBS buildings. Insurance companies could collect premiums for years without catastrophic loss which should greatly reduce rates.

Potential Order Book

Several countries with significant housing deficits are starting to discover CBS.

In workforce and very-low-cost 1, 2, and 3 bedroom housing from 200 to 1,000 square feet, CBS has shown that it can be price competitive against all local builders, suppliers, and importers.

There are substantial potentials for CBS to help mitigate their housing deficits.

Housing their current population is essential. Housing the expanding growth of future generations must apply auto-

mated production to extract themselves from their unmanageable housing deficits.

During the 2nd quarter CBS has quoted several of these types of housing projects. Each with a need to build 5,000 houses a year for several years. CBS provides better homes, energy efficiency, and sustainability.

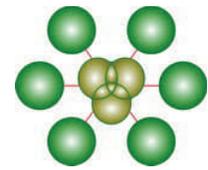
Representatives of some of these governments are planning to visit CBS during the later part of this year.

Several demonstration buildings designs have been converted to shop

drawings to assemble in CBS licensed panel plants.

Following delivery, erection, and approval, CBS anticipates signing supply contracts and exporting panels to assemble in-country or exporting parts for local panelization assembly in-country.

CBS is one of the very few companies that would be able to maintain a high production rate capable of supplying the 5,000 houses per year (15 each day) because of its production line assembly of precision made sub-components.



**Composite
Building
Structures, Ltd.**

2nd Quarter 2009



New Press Release

http://www.igreenbuild.com/cd_3413.aspx

Protection Against

- Hurricanes
- Tornados
- Floods
- Fires
- Termites
- Rodents
- Electrical Storms
- Mold & Mildew



Barrier Island Demonstrations

Barrier islands, standing off the coasts, have unique requirements for their sustainability. In harms way between the oceans and the coasts, they are the first landfalls for hurricanes, tropical storms, squalls, and are exposed to the most severe surf and marine conditions

Composites, optimized for construction, are the best materials to use in these applications.

Several buildings are planned for erection on barrier islands near Sarasota and St. Petersburg. Designs include light industrial building shells and Hurricane shelters for the Ocean Rescue Headquarters and Emergency Sheriff Response Units.

Barrier islands buildings are built on top of piers that support a concrete pad. From the pad on up, the construction is fortified with anchor bolts, straps and special ties which

make the buildings a fortress against storm surges and pounding waves.

CBS Materials are the materials of choice for these projects.



Stem Walls Use CBS

Along low lying coastal regions, homes are built on stilts. Moving inland, the ground rises slowly in the flood plane, for some distance, it is not high enough to safely build. Solutions have been to add sand or dirt to raise the level of the lots to be safely above potential flooding.

A new CBS application for such costly and time consuming fill is to build footings and short above-ground

“Never doubt that a small group of thoughtful citizens can change the world. Indeed it is the only thing that has!”

- Margaret Mead

walls known as stem walls or knee walls. Instead of pouring a concrete pad on fill, a floor is built on top of the

stem walls forming a crawl space or mini basement.

This method is both lower cost and faster to build than filling and casting.

CBS has quoted a 360 knee wall project in Boca Raton Florida. These pre-built panelized knee walls contain composite structural framing, shear sheeting, spray foam insulation, and stucco finish all applied in the factory.

Production Begins in Kissimmee

After preparing the plant for production, the CBS Licensee in the 7 county Orlando area, put together a display building highlighting composite studs and Magnesium Oxide Sheeting.

Photos on the following two pages show the demonstration building in the process of being erected and finished in place. Twenty foot long panels were pre-assembled with composite support corner posts, I-beam studs, window and door rough openings, and Magnesium Oxide perimeter shear wall sheeting between the I-beams.

Windows and doors were installed. Two-pound closed cell structural foam insulation was sprayed inside the wall

cavity. To finish the exterior wall surface, a 3-step polymeric cement stucco added 1/2 inch thickness to the wall surface. Without requiring lath, the first base coat fills in and levels the wall surface, the red second coat covers any color variations, and the pigmented top-coat contains color throughout the layer and is finished to whatever stucco design is specified. The photo sheet shows these various stages.

CBS walls are perfectly straight, plumb, and square. which is a first for the construction industry, and is welcomed by developers, architects, builders, and homeowners alike.

Visitors to the plant have been surprised that such a high quality

manufactured material could be price competitive with wood, steel, and concrete block. Having toured modular builders and panelizing builders many were surprised at how simple and low cost the production line was to set up and run.

They commented that output was unusually high for the small crew of assemblers and they felt that by using only adhesives and screw guns to assemble the entire protective envelope of the building it would reduce their workman's compensation insurance costs. Those familiar with horizontal production said that the CBS vertical production line reduced the plant size and enabled work on both sides of the panel simultaneously.



Panel in process



Panels before erection



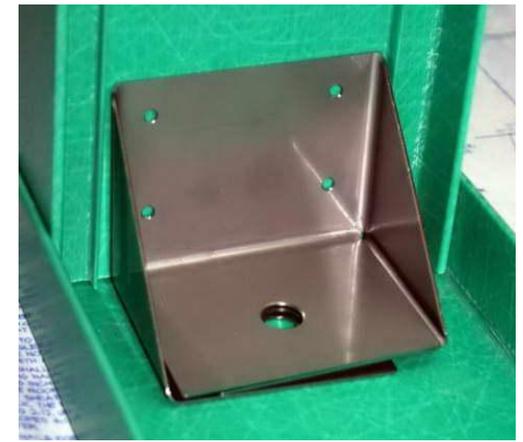
Erected Panels



Electric box & wire access



Inside door & windows



Anchor bolt angle bracket



Door & Single Hung Window installed



Awning window installed



Insulation installed



Polymer stucco pump



Base coat application



Keeping wet edge



Smoothing base coat



Texture of base coat



Middle Coat application



Spray on Top Coat



Stucco Finish



Trailer for panel delivery

Diverse Group of Potential Licensees

Discussions are underway with several companies to open licensed panel plants in three states in addition to other locations within Florida. These companies have all been personally invited to visit the Kissimmee licensee to see and become more familiar with our composite building system. It is important, however, for visitors not to interrupt the Kissimmee operations.

To minimize such disruptions, CBS has begun searching for an incubator building at the Fort Myers area in

which to conduct several functions.

The small center will be the base for new materials research, design of special purpose panels, and integration of new or patent pending technologies into the CBS products.

The incubator site will also be used to house CBS computer servers, VOIP phone network hardware, and as a training facility as the CBS licensed group of companies grows..

Technical classes will include panelization techniques, sub-assembly

production, erection safety, anchoring and strapping, materials quality control, and assembly processes control.

Office classes will include customer data entry, accounting, material logistics, sales, marketing, and promotions.

Curricula is being developed to assure each new licensee a more successful and profitable launch with their associates trained in working with construction optimized composite support framing.

New Very Affordable Designs

Following the great interest in our products to mitigate housing deficits, CBS developed a series of very affordable model housing using minimum imported products and maximum local materials found in most countries.

By combining lightweight composite framing to make the building skeleton, local materials can be used to infill the walls with durability, insu-

“Persistence and determination alone are omnipotent, with both of these, succeed you will!”

- Calvin Coolidge

lation, and finishes that match or are better than the current offerings.

Very affordable models display different configurations and exterior finished appearance. Single family, duplex, multi-family, and midrise

buildings all use the same very affordable core technology.

By targeting the lowest-cost greatest-need housing markets, CBS performs a service providing superior buildings that are more resistant to all natural disasters yet are energy efficient and more sustainable than their current buildings and methods. Simply put, CBS will supply better homes and buildings and still maintain a good profit margin for the builders.

Need to Fund Rapid Growth

As these larger scale projects develop, our ability to meet their demand will be critical to our ongoing success. In anticipation of this growth CBS has a need to raise substantial financing to purchase additional sets of dies and machines well in advance due to the long lead time to manufacture and commission them.

CBS will be meeting with asset investors, financing companies, and banks during the third quarter to obtain funding for the Composite Investment Group, LLC (CIG) to have available to supplement the launching of

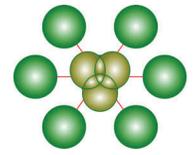
new licensed panel plants. We are looking for a strategic partner to help fund us through our final development stages and position our business to address the high performance housing needs.

In addition, CBS is working to develop strategic alliances with major companies to facilitate the supply of raw materials used to produce our products and panels. These alliances enable CBS to provide the best available technologies, combined buying power, and to share expenses common to all panel plants. Joint locations and shared plant expenses with

alliances keep CBS competitive.

Recent quotations in Puerto Rico stalled because builders could not obtain funding for rehabilitations and conversions. While this is not a CIG business, Action Mortgage Group LLC, (AMG) was introduced in Kissimmee, requested details of the construction projects that were based solely on the use of CBS materials, and found a funding source that could accept the projects. We believe that AMG will provide an additional dimension in exposing CBS to their builders of resort, fish farm, and hotel funding projects..

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Building Beyond Green

**“We shape our dwellings
and for many years after
our dwellings shape us.”**

— Winston Churchill

CBS Expands In-House Abilities

Several new additions have expanded the in-house abilities of CBS to grow as we launch our licensing program.

Oak Whitmill has joined CBS as our controller and in house auditor bringing a rich background in accounting and auditing to maintain the books and filings of the eight CBS corporations.

Bill Mansfield has joined CBS as director of new product testing and assurance. As part of his duties he will line up master sources of raw materials for licensees, coordinate ASTM testing and certifications required for Miami-Dade missile-impact, Los Angeles Seismic, Florida Building, and International Building Code, and the International Residential Building

Codes. CBS will continue testing and certifications until composite framing has also been adopted by EU and Asian building codes. Bill brings a background in commercial plate glass windows and doors and getting certifications for them under similar tests and codes.

Melinda Hamsher has joined CBS as an Environmental Specialist and Grant Guru. Her environmental expertise blends corporate compliance with government's programs and grants. Melinda will also look after a new CBS blog site as we begin our press releases in July.

CBS is also bringing together a senior engineer and a former property acquisition specialist to respond to technical and commercial inquires.

CBS manufactures Optimized Glass Fiber Composite Structural Framing to replace wood, concrete block, and steel. The composite studs are assembled into panels in licensed plants. Assembly is done on automotive style production lines resulting in superior walls produced at high speed. This style of production coupled with the performance of Composite building materials achieve low initial building costs and low monthly costs of ownership. Egis®-panels make the strongest, safest, and longest-lasting protective building envelope that money can buy.

Every wall, floor, and roof panel is custom made to builder's specifications. Factory trained crews erect, anchor, strap, and enclose the building as a service for builders to finish and deliver. Each production line is capable of producing up to 30 two-thousand square foot buildings each day.

Optimized Construction Composites withstand 350 MPH winds and earthquakes. They are termite, rodent, fire, water, and mold resistant. Structural framework does not attract or conduct electricity. Composites are electronically transparent so that all Wi-Fi works without interference. CBS composite technology is a new application of an old technology and destined to become the:

“Framing Material of Choice—Worldwide”

Prior to investing in a video conferencing subscription, CBS is utilizing the consumer based Skype program as its initial internet communications tool.

CBS has been holding audio and video meetings online, daily, in real time with good success. This free technology has enabled us to hold video meetings with people overseas and across the United States simultaneously. Parts, sketches, and prints are shown using laptop mounted video cameras. Potential licensees, new customers, suppliers, and consultants can initially meet with us without travel costs and the video meetings seem to foster stronger relationships than would be possible using telephone calls alone.