



EnviroShield

The *PERMANENT* Solution to VOC

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The Real Estate Industry Has Suffered Several Environmental Concerns

- In the seventies there was lead, primarily in paints. The market needed to respond to the dangers of lead chips and dust.
- In the eighties, the market was re-introduced to the dangers of asbestos—even Caesar's Romans knew that slave clothing made from asbestos fibers caused lung disease. Did we forget what ancient cultures knew about asbestos, or did we choose to ignore the dangers? Regardless of the truth, the real estate industry had to deal with the fallout.
- And now as we improve the energy efficiency of our homes, we face a new demon: Mold, an ugly, smelly growth that can destroy our belongings and endanger our health, and threaten our lives.

There's a Fungus Among Us ...

What is Mold?

- **Molds are fungi. Molds grow throughout the natural and controlled environments. Tiny particles of mold are present in all indoor and outdoor air.**
- **In nature, molds help break down dead materials and can be found growing on soil, foods, plant matter, and other items.**
- **Molds produce microscopic cells called "spores" which are very tiny and spread easily through the air. Live spores act like seeds, forming new mold growths (colonies) when they find the right conditions. Mold spores float in the air and can land anywhere.**
- **For the spores to grow, four elements must be present:**
 1. **Moisture—and very little is required**
 2. **Nutrients—wood, paper, paint, sheetrock, leather, cloth etc.**
 3. **Heat—basically the temperatures we live in, and**
 4. **Oxygen**

Mycotoxins and Mold

<http://www.mold-help.org>

- Mold has certainly made its way into people's homes as well as the headlines recently. Many people still don't fully understand the health hazards of fungal exposure. The term *toxic mold* is somewhat misleading as it implies that certain molds are toxic, when actually certain types of molds produce secondary metabolites that produce toxins. The correct term is mycotoxins.
- Airborne mycotoxins from molds can definitely destroy one's health. Sometimes, people are unaware that they are breathing mold spores and mycotoxins until they are very sick. Certain people have a minor allergic reactions to the non-toxic mold, but once you leave the affected area they most likely recover with few serious side effects.
- However, exposure to dangerous molds such as *Stachybotrys* or *Chaetomium* can result in a myriad of serious symptoms and illnesses such as chronic bronchitis, learning disabilities, mental deficiencies, heart problems, cancer, multiple sclerosis, chronic fatigue, lupus, fibromyalgia, rheumatoid arthritis, multiple chemical sensitivity, bleeding lungs, and much more.

Mold Is a Growing Concern for Homeowners, Builders

by Michele Dawson, realtymtimes.com

- Although the Center for Disease Control says that a link between *stachybotrys* and more serious symptoms like memory loss or coughing up blood can't be confirmed, several juries across the country have awarded homeowners millions of dollars in connection with mold-contaminated homes and serious health problems, prompting concern among homeowners and homebuilders alike.
- The source of concern centers on *stachybotrys*, a mold that can grow microtoxins, is found in moist environments and has been found in all 50 states.
- While most varieties of mold aren't dangerous, in some people, exposure to *stachybotrys* can trigger asthma or hayfever. When inhaled or ingested, *stachybotrys* can cause nasal and sinus congestion, coughing, wheezing, sore throat, skin and eye irritation, and upper respiratory infections.
- If you identify problems with a house you are thinking about buying or renting, make sure the seller or landlord corrects them before you move in. Or, you may want to consider starting from square one and revive your search efforts for a different house.

Mold Is Becoming A Significant Real Estate Matter

Susan Lieberman realtymoves.com

- Who ever heard of a home not selling because of mold? Or of a "mold contingency?" Five years ago, such a thing was unheard of. But mold is getting more attention and home inspectors need to look for mold on a regular basis, if they are not doing so already.
- Most of us laugh at the idea of mold entering into a real estate transaction. But here is the problem: mold litigation is on the rise. More and more lawyers are handling cases relating to mold exposure. And some judgments have been awarded in these cases, suggesting that they might have legal punch.

Mold Cases Spreading

by Blanche Evans — realtymatters.com

- It's the case from hell. Nobody is to blame, yet everyone is ducking for cover because a buyer is likely to be out over \$60,000 on a problem that is no fault of her own.
- An Arizona buyer, represented by her own agent, pays over half a million dollars for a home from a seller who was not the home's occupant. She accepts a buyer's inspection offered to her by the seller, which was performed at the request of a previous buyer. The buyer's agent does not recommend that the buyer get her own inspection.
- After moving in, the buyer ripped out the kitchen cabinets to start a remodeling project, revealing a huge, virulent mold stain. Suddenly the buyer's allergies were inflamed.
- Upon learning that the mold would take about \$50,000 to \$60,000 to remediate, she went to her homeowner's insurance to cover the expense. The insurer denied coverage calling it a pre-existing condition. She went to the seller, who tried to get his insurance company to cover the damage, but coverage was declined because no one could point to an *event* such as a flood or a foundation crack which caused the mold to grow.
- *So the buyer sued the listing agent.*

\$32 Million Verdict in Mold Case

by Broderick Perkins, realtymtimes.com

Mold spread throughout Melinda Ballard's and Ron Allison's 22-room mansion and, the couple say, caused severe health problems, including neurological damage that forced Allison to leave his career as an investment banker.

- **AUSTIN, TX—Farmers Insurance Group must pay more than \$32 million to a Dripping Springs family because the insurer mishandled the homeowners' claim for a water leak that caused sickening black mold damage.**
- **The landmark Travis County District Court jury ruling concluded that a Farmers subsidiary, Farmers Insurance Exchange, committed fraud when it failed to cover repairs for a water leak before the leak spawned the toxic mold stachybotrys.**

No Sold If There's Mold

by Blanche Evans, realtymoves.com

- **Mold is a biological pollutant, a fungi that grows in moist conditions. Molds are found in up to 50 percent of all structures, according to the Environmental Protection Agency (EPA.) *And it could kill your next real estate deal.***
- **Milton, Ontario realtor Chris Newell recently lost a sale because of indoor mold. "The seller had a pre-sale inspection done, and it revealed minor cosmetic problems," says Newell. "My buyers brought in a 'good' inspector, and he discovered that the entire underside of the roof was covered in black mold."**

Jury Finds "Toxic Mold" Harmed Oregon Family, Builder's Arbitration Clause Not Binding

by Sharon Kramer Friday, 15 July 2005 www.mold-help.org

- Oregon City, OR — The case is a first in the Northwest to award personal injury damages to a family exposed to toxic mold in a newly built home. This verdict is significant because it holds construction companies responsible when they negligently build sick buildings.
- A Clackamas County jury on March 9, 2005, held Adair Homes responsible for faulty construction practices that caused toxic mold to thrive inside the Haynes' new home in Sandy, Oregon. The jury also found Adair's negligence caused illness in Mrs. Haynes and the couple's two children. The family experienced severe respiratory, digestive, and cognitive impairment. One half of a million dollars was awarded to the injured family.
- The case is a first in the Northwest to award damages for personal injury to a family exposed to mold in a newly built home. "This verdict is significant because it holds construction companies responsible when they negligently build sick buildings," said Kelly Vance, the family's attorney.

Toxic Mold Takes a Home

Susan Lillard-Roberts www.mold-help.org Sunday, 03 October 2004

- They say they went through a credible realtor and had the home inspected. So, whose responsibility is it when a newly purchased home becomes a health hazard?
- High levels of mold and bacteria made the Flicks and their four children sick, and they had to move out after just seven days. Before moving into a mold and bacteria infested home, Denise and Tony Flick believe they took all the proper home-buying steps.
 - * They got a loan form the bank and hired a realtor.
 - * A licensed house inspector examined the home, but he was not licensed nor insured to detect mold. He only looked for visible problems with the house.
- The Flicks' real estate agent doesn't claim to be an expert on house construction. She has never sold a property with this kind of problem, and in the future she will tell potential buyers to have a health inspector test the house before purchasing it.
- The case has been frustrating for everyone involved with so many questions left unanswered. The Flicks are pursuing legal action against their realtor, the realtor who sold the home, and the previous homeowner. The previous homeowner owned the house for about a year and a half, bought it to renovate it, and never lived there.

Most Insurance Won't Cover Mold Damage

By TERRI CULLEN *The Wall Street Journal Online, May 19, 2004*

Add Mold to the Growing List of Household Hazards That Insurers Won't Cover.

- After suffering steep losses relating to mold-related claims between 2001 and 2003, property and casualty insurers moved quickly to restrict coverage for mold damage in states such as California, Texas and Florida, where heat and humidity create an ideal breeding ground for mold.
- Now coverage cutbacks are spreading to the Northeast, Midwest, and other areas of the U.S. More consumers are receiving notices from their insurers informing them that mold is excluded from policies, unless damage is a direct result of a water-related events covered under their policies. Currently, 44 states have such exclusions, according to the Insurance Information Institute.
- As a result, homeowners must decide whether to pay extra for mold insurance "riders" that provide additional coverage, or take responsibility for preventing the spread of mold in their homes on their own.

Mold Insurance and Litigation

Rick Fedrizzi www.incalinandenergy.com/

- The Insurance Information Institute estimates that \$3 billion in mold claims were paid out in 2002, the most recent year for which detailed statistics are available. Most states have responded by passing laws allowing insurance companies to exclude mold from coverage, so plaintiff lawyers now target landlords, condominium associations and school districts instead. "I've got seven cases set for trial between now and June," says William Slaughter, a defense lawyer in Ventura, CA.
- Mold-related claims have become a primary concern for the insurance industry. Mold litigation has exploded and the number and size of water-related property claims have skyrocketed. In response, the insurance industry is changing policy language, claims-handling procedures, and loss reserving, while trying to keep the regulators at bay.
- Many insurance companies are now grappling with how to address mold claims and many — especially homeowner's policies — are excluding mold from their coverage entirely.
- Homebuilders and smaller contractors, like plumbers, are finding it increasingly expensive to get mold coverage, if they can at all.

Insurers Keep a Secret History of Your Home

by Liz Pulliam Weston, www.healthandenergy.com

A huge database not only tracks claims, it also looks for risks such as toxic mold. That's why homeowners with even minor water damage are being canceled — and are sometimes unable to sell.

You probably know that it's not a good idea to make too many claims on your homeowners insurance policy because your insurer could drop you.

What you might not know is that making a claim could make selling your home more difficult down the road. What's more, you could find your home's value damaged or a sale jeopardized even if a previous owner, and not you, made a claim.

Insurers increasingly are using a huge industry database, called the Comprehensive Loss Underwriting Exchange or CLUE, to drop or deny coverage based on a home's history of claims or damage reports.

Insurance companies are terrified of rising losses from water and mold damage. So a single report of water-related problems may be enough for insurers to shun your home.



Costs Associated With Indoor Molds

There are many economic costs associated with the issue of indoor molds:

- Costs are incurred during the detection phase if testing methods beyond a visual inspection are taken.
- The bulk of costs occur during the remediation phase. These costs vary depending on the size and details of the job. Remediation of extensive mold-damaged property can be quite pricey, especially if it is not covered by insurance policies.
 - A Minnesota based firm estimated that typical commercial jobs fall within the range of \$2000 to \$500,000.
 - The average insurance claim in Texas in 2001 was approximately \$17,000, and it was estimated that in 2001 insurance companies in Texas paid out over \$125 million in mold related claims.

Remediation: Mold Vs. Lead & Asbestos

How did the industry deal with lead and asbestos contamination?

Answer: Remediation—we simply removed or encapsulated the asbestos that we had introduced.

Can we apply the same fix to mold problems?

Answer: NO! We didn't put mold into the environment, and we can't remove it. Mold is one of nature's scavengers or cleaning tools, and we cannot simply or effectively remove mold. If we remove mold by killing it with a simple water and bleach solution, then the problem is only *temporarily* alleviated, but not solved.

Mold spores are in the air, and if the four requirements exist: moisture, nutrients, oxygen, and heat, then you've got mold—regardless of how many times you cleaned up old mold growth.

How to Eliminate Mold

Fortunately there are lots of products on the market to *eliminate* mold

- **Do they kill mold?**
Yes, most will kill mold.
- **Are some easier to apply than others?**
No, most products can be rolled, brushed, or sprayed.
- **Will they stop new mold growth?**
Yes, as long as the anti-microbial agent is present , then new mold growth will be controlled.
- **Are some much more expensive?**
Most anti-mold products seem to be in the same ball park cost-wise.
- **Are they all safe?**
Some are, some aren't!

So why do I want to use EnviroShield?

Before We Extol the Virtues of EnviroShield™

What Is It?

EnviroShield™

- is a two part water-based coating;
- can be applied to a damp service and *works best* when applied to a damp surface;
- breathes, allowing moisture to escape slowly, thus controlling the transmission of water vapor that only pushes against inferior products and results in peeling;
- has an anti-microbial additive that will not leach due to the controlled water vapor transmission, thus providing years of protection;
- will not support the growth of mold regardless of moisture conditions; and
- comes with warranty un-clouded by rules of due diligence regarding maintenance—we simply guarantee that there will be no mold on the EnviroShield coating.

Now let's take a look at those questions about mold remediation products again.

Is EnviroShield™ a superior product?

Let's review those same questions:

- **Does EnviroShield™ kill mold?** *Yes, like most “mold” products EnviroShield™ will kill mold, but then again so won't common products like bleach and vinegar. The important question is: **Will mold return?** In this regard, EnviroShield is the BEST solution. EnviroShield's™ superior adhesion, encapsulation, and water vapor control properties simply outclass the competition.*
- **Is EnviroShield™ easy to apply?** *Yes, but the work and heavy costs are primarily in the prep work, so **How difficult is the Prep work?** Here, EnviroShield is the superior product! A simple cleaning/power-wash is usually the only prep work needed for EnviroShield™. Plus EnviroShield™ can be applied over a damp surface—actually, for concrete and cement applications, it's best when applied over a damp surface.*
- **Will EnviroShield™ stop new mold growth?** *Yes, and in this regard EnviroShield™ is the far superior product. EnviroShield can breathe, that means the anti-microbial agent will not leach. EnviroShield™ will be working long after competitor's products have quit.*
- **Is EnviroShield™ more expensive?** *Not much difference in product costs, but in all other costs, EnviroShield kills the competition again:*
 - *Since the prep work is easier and faster, application costs are reduced;*
 - *And the biggest cost savings are in the durability of EnviroShield™. Simply put: Do you want to do the job once with EnviroShield or repeatedly with competitors' products?*
- **Is EnviroShield™ safe?** *Yes! There are no hazardous chemicals in EnviroShield™ and very low VOC emissions.*

Benefits of EnviroShield™

- **Eliminate mold re-growth even if moisture is present;**
- **Low per-square-foot material costs;**
- **Simple application that substantially lowers installation costs—Coat your sheetrock walls, don't tear them down!!!!!!!**
- **Completely water-based technology: The water base of Enviro-MT allows the resin/catalyst system to bind with water in the substrate thereby becoming part of the substrate;**
- **Moisture tolerant/breathable**
- **50 to 75% water vapor transmission (WVT) reduction, up to 12 lbs; tolerant to 24 pounds WVT;**
- **SAFE: Very Low VOC emissions (Volatile Organic Compounds);**
- **Fast-drying (Really fast cross-linking);**
- **Wide range of available colors; and**
- **Low odor;**
- **Easy clean-up.**