



ENVIRONMENTAL SERVICE  
PROFESSIONALS, INC.  
Experts in Mold and Moisture Detection

**NASD OTC Symbol: EVSP**



Americans Spend an  
Average of 87% of  
Their Time ... Indoors

# Indoor Air Quality



# Health Issues

Center for  
Disease Control  
says:

“People  
should take  
routine  
measures to  
prevent **mold**  
growth”

## Mayo Clinic Study

Estimates that:

40 Million Americans suffer from  
chronic sinus infections with 96%  
of them caused by molds

# Organic Dust Toxic Syndrome



- Formally designated by Canadian Federal Ministry of Health in March 2007
- Severe Asthma Related Symptoms
- Particularly devastating in Children
- Connected to Exposure to Molds





# PROPERTY PROTECTION

Out of 100  
Insurance Claims,  
23 are water  
damage related

The Mortgage Banking Industry  
estimates over **\$60 Billion** in  
uninsured buildings due to  
moisture related issues

Insurance Industry  
estimates having to spend  
over **\$3 Billion** in 2008 due  
to moisture related issues

The Mortgage  
Bankers  
Association says:

“An annual moisture  
inspection would greatly  
mitigate potential areas  
of risk by early  
detection, greatly  
reducing the financial  
impact”





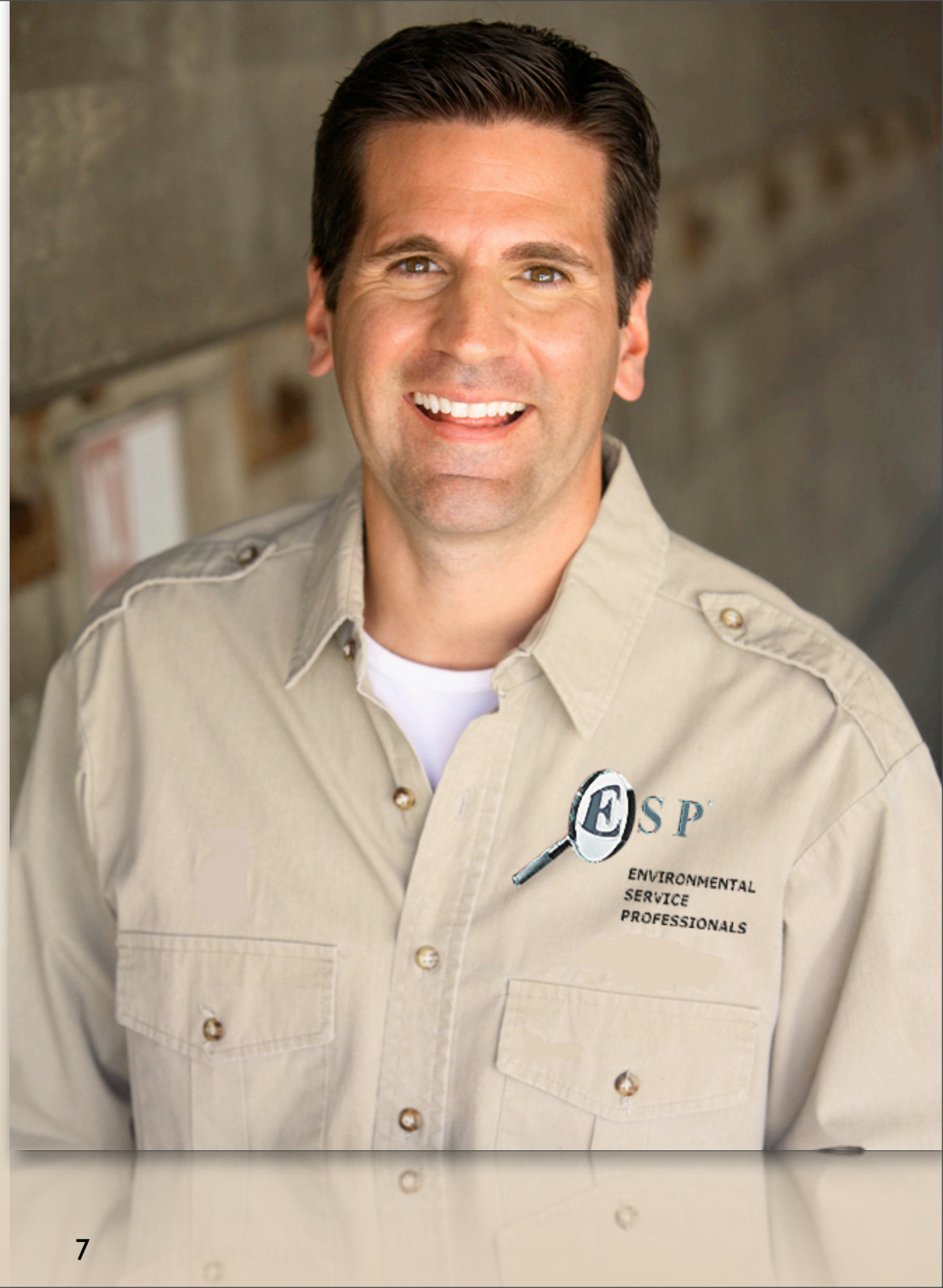
# Company Profile

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## Publicly Traded Company

Corporate HQ in Palm Springs, CA

- Consolidating Home Inspection Industry
- State-of-the-art, “platinum standard” procedures for addressing all indoor air quality issues including mold, moisture, mildew and more.





# Full Service

“The Next Generation  
of Home Inspectors”

Traditional Home  
Inspection

+

Specialized Environmental  
Testing

+

Energy Surveys  
and Assessments



cehi

Certified Environmental Home Inspector

Highly Trained  
Industry Certified  
Advanced Technology

CEHI Services

Traditional Home Inspection

Mold Testing

Moisture Management Inspection

Allergen Screening

Energy Inspections

Radon Testing

Local Environmental Reports





# Annual Inspection Schedule



Relationship  
Building with  
Local Inspectors

\$250 Annual  
Expense

Automated  
Reporting and  
Property  
Databasing



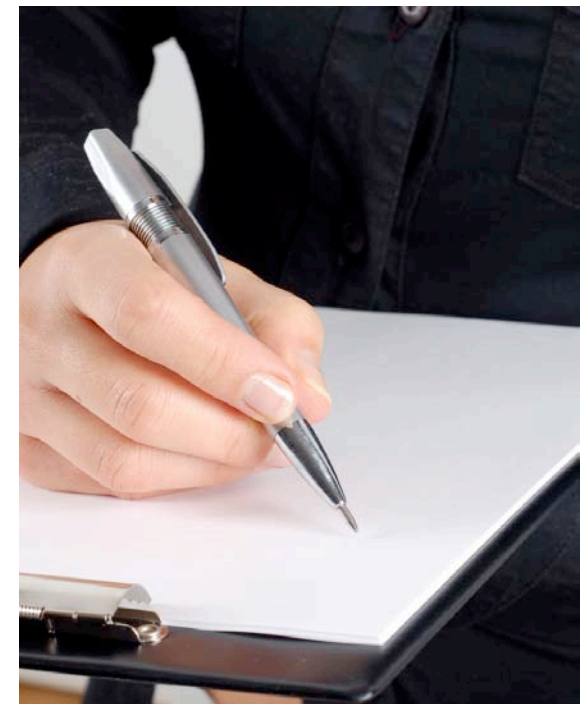
# Moisture Mold Management (MMM)

- The MMM is a nationally recognized process that identifies areas of concern in a timely manner
- It is the most cost effective way to address areas of concern using standardized report analysis including photos



Location: 4 30386 San Joaquin, int. air w/c master closet west wall

Fungi Identified	Indoor sample spores/m3				Raw count	Spores/m3	MoldSCORE‡			
	<100	1K	10K	>100K			100	200	300	Score
<b>Generally able to grow indoors*</b>										
Alternaria					ND	< 100				100
Bipolaris/Drechslera group					ND	< 100				100
Chaetomium					ND	< 100				100
Cladosporium					ND	< 100				100
Curvularia					ND	< 100				100
Nigrospora					ND	< 100				100
Penicillium/Aspergillus types†	[Blue bar]				74	29,600	[Green]	[Yellow]	[Red]	300
Stachybotrys	[Blue bar]				113	45,200	[Green]	[Yellow]	[Red]	300
Torula					ND	< 100				100
<b>Seldom found growing indoors**</b>										
Ascospores††					ND	< 100				100
Basidiospores††	[Blue bar]				2	800	[Green]	[Yellow]		181
Rusts					ND	< 100				100
Smuts, Periconia, Myxomycetes††					ND	< 100				100
<b>Total</b>						<b>75,600</b>	<b>Final MoldSCORE</b>			<b>300</b>



# Clinical Results Identify Problem Areas

## 203 CheckPoints Plus Photos

Endorsed by NAMM and the PIA  
Insurance Industries Largest Professional Organization...





# Adding Property Value

Certified Environmental Home Inspection (CEHI)

**Best In Class Inspection**



# ESP Capacity

Seven Real Estate Associations

Thousands of New Inspectors

Growing National Presence

15,000+ Inspectors by 2010



Access to Thousands  
of Inspectors

# NATIONAL ASSOCIATIONS

- National Association of Real Estate Appraisers (NAREA)
- Environmental Assessment Association (EAA)
- Association of Construction Inspectors (ACI)
- Housing Inspection Foundation (HIF)
- International Real Estate Institute (IREI)
- International Society of Meeting Planners (ISMP)
- National Association of Review Appraisers and Mortgage Underwriters (NARA/MU)



# Peace of Mind





# The Key is Early Detection

Annual Inspections  
Catch Issues

Lowers Risk





# Insurance Industry

Current Gap in  
Coverage

Consumers  
Exposed

Risk Mitigation

Profit Center

Mold Riders

Good Consumer  
Discounts

Tied to Annual  
Inspection Regimen



Pre-Inspected Home

# Benefits to Insurer

- Prevents Moisture related issues from becoming a chronic health problem which may lead to health insurance claims
- Protects the value of the property
- Provides Insurance Industry confidence to offer Moisture/Mold policy riders to homeowners that participate in a Annual Safeguard Inspection
- Assists Insurance Company to Promote *Positive Green Image* and gain a competitive advantage
- Provides “Peace of Mind” for the homeowner



*A CEHI pre-inspected home facilitates a smooth closing*

*Reduced  
Risk*

*Reduced  
Claims*

*Reduced  
Liability*



<b>Initial Inspection - 2008</b>			
<b>2009</b> 	<b>2010</b> 	<b>2011</b> 	
<b>2012</b> 	<b>2013</b> 	<b>2014</b> 	
<b>2015</b> 	<b>2016</b> 	<b>2017</b> 	

# Healthy Home Lifecycle

Insurance Industry



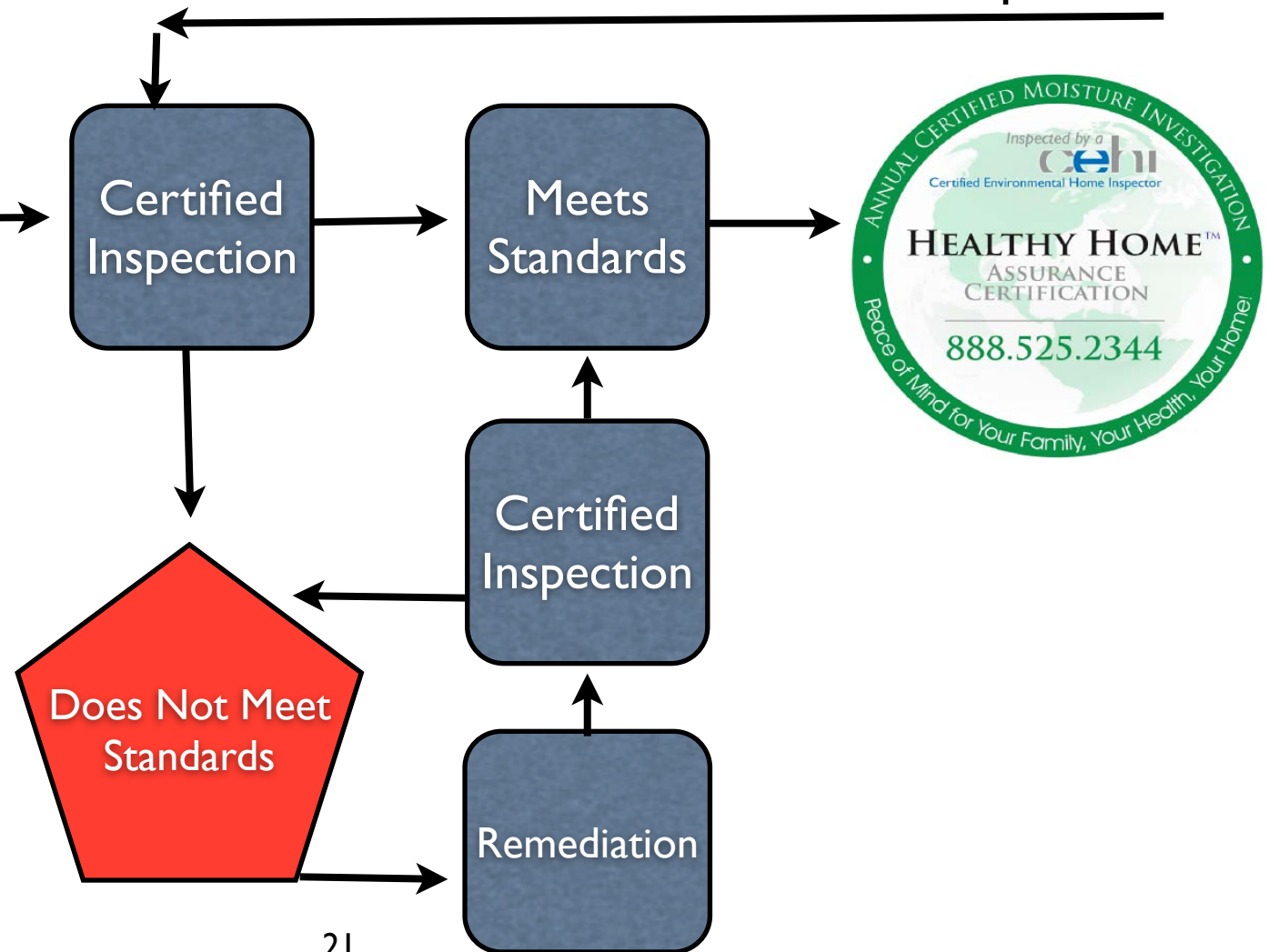
Mitigate Risk  
Reduce Claims  
Reduce Liability



Peace of Mind  
For Family  
For Health  
For Home

Responsible Consumers

Annual Inspection





# Safeguard Annual Inspections

- Once property has met standards, client signs up for an annual Moisture & Mold Maintenance (MMM) program
  - Consists of an annual CEHI Standardized Inspection and report
- Prevents Moisture/Mold related issues from becoming a chronic health or structure issue
- Provides Insurance Industry confidence to offer Moisture/Mold policy riders to homeowners that subscribe to an annual inspection
- Provides reduction of water damage claims and related pay-outs (losses)
- Provides reduction in indoor Health issues related to molds and allergens



# Rewarding Responsibility



# The Green Image Advantage

- Through annual Safeguard inspections; areas of concern are discovered in a timely manner to protect the value of the property
- Meeting social responsibility
- **Mitigating** risk by reducing claims and liability
- Historical and ongoing data is maintained specific to the property
- Establish “**Preferred Client Discount**” for annual Safeguard inspections
- Providing *Risk Management* to consumers
- Overall *Competitive Edge* through differentiation
- Added Value to Property



# Why Now?

- While the benefits often serve as the driver for “Going Green;” avoiding the business risks posed by future regulations of Indoor Air Quality is becoming a major concern.
- Companies that take action now to reduce their risk, claims, and overall liability through *The Next Generation of Inspection Services* will be able to sustain a competitive advantage over “Non-Green” competitors.
- **Adapt to Industry Changes *Before You Have To!***





# Conclusion

Mitigating Risk for:

Real Estate Professionals

Insurance Industry

Mortgage Banking

Home Builders

Home Owners

Peace of Mind for

Your Family

Your Health

Your Home





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