



## Mold in COMMERCIAL PROPERTIES



### Owners and Landlords Face Risk in Potential Mold Litigations

Office and apartment buildings are increasingly featured in news stories as sources of "toxic mold" where workers and tenants are exposed to unhealthy conditions. GCW Real Estate Services, Inc. has been helping building owners find effective, and often low cost, solutions to moisture entry and mold problems.

The primary source of potentially problematic molds in office buildings is the air conditioning or HVAC system. Ducting interiors, evaporating and condensing coils, and cooling towers should be examined periodically by qualified Indoor Air Quality (IAQ) HVAC service technicians. The heating systems in large office buildings with many computers may be used infrequently, as the primary need in these offices is sufficient and well distributed cooling, together with an adequate supply of fresh air. Cooling the distributed air reduces the moisture that can accumulate in poorly designed or poorly maintained air-handling equipment.

We have recently noticed a trend in which tenants, especially those in apartment buildings, accuse the landlord of negligence in cases where the mold activity has clearly been caused by tenant activities.

We believe that landlords and property owners must be aggressive in taking the necessary steps to protect themselves from what can be a form of extortion.

## **Apartment Horror Story**

A landlord calls us to inspect an apartment where the tenants are complaining of mold, and we find a family of seven or eight people living in the two-bedroom apartment. The windows are covered with plastic and black mold is growing on many of the walls.

The building exterior has been completely repainted a year ago, and there are no gaps or openings through which water could enter.

The building has a relatively new roof. The apartment is full of furniture, reducing floor space to narrow channels where one has to turn sideways to walk from place to place.

Condensation is running down the windows pooling on the windowsills.

The tenants say they are not feeling well and are planning to see a doctor.

The landlord calls the insurance company who sends out an adjuster. The adjuster examines the property and files a report that includes the statement: "Moisture is entering the building through the exterior walls at the horizontal trim and is the result of poor owner maintenance."

The insurance company denies the claim, saying the moisture intrusion is a pre-existing condition. It appears the insurance adjuster has inadvertently provided the tenant ammunition to help extort money from the landlord.

When we test the relative humidity and moisture levels outside the building, inside the wall cavities near the exterior trim, and inside the apartment rooms, we find excessive humidity inside the rooms, and relatively dry interior wall cavities (interstitial spaces).

### **What options does the owner have at this point?**

The temptation would be to evict the tenants or to pay them a fee to leave voluntarily. A low-cost painter might then come in and spray out the place, then install new carpets. While this approach might actually be effective and relatively inexpensive, the landlord could be vulnerable to legal action by future tenants who rent the property and hear about previous events from their neighbors.

## **How can you avoid this scenario?**

A few proactive measures could substantially reduce or eliminate this kind of problem in the future. Here are a few suggestions:

Install ventilation fans in bathrooms that turn on automatically with the light switch. Install humidity-activated ventilation fans in bathrooms that turn on automatically when there is excessive moisture in the bathroom air. These are available from Nutone at [www.nutone.com/prod/prod13.html](http://www.nutone.com/prod/prod13.html).

Provide inexpensive humidity monitors to your tenants. Request that they keep interior humidity levels below 50%. Bionaire makes a hygrometer that sells at Bed Bath & Beyond for about \$30.

Walk around the apartment exteriors on cool days and look for condensation on window glass, a sign of excessive interior humidity.

Certain apartments have a much higher probability for excess interior moisture and mold activity. Look for shady apartments, where the windows are kept closed or are covered with plastic, apartments with more than one resident, apartments where the residents are prone to cook frequently, and apartments where good housekeeping practices are not followed.

Keep a list of those apartments that have a high probability for mold activity and visit them frequently, looking in closets and behind furniture. Any signs of mold should be cleaned with a dilute bleach solution of one-half cup of bleach per gallon of water. Straight bleach is not more effective. When mixing or using the solution, make sure the windows are open. Soak the areas and let them dry naturally.

Never mix bleach and ammonia cleaners, as the fumes are toxic. Areas smaller than ten feet square can be cleaned by maintenance staff. Larger areas may require remediation by a specialty contractor. So the goal here is to act fast and frequently. Check the unit interiors carefully for plumbing leaks or water intrusion at windows, doors, or roof leaks, and have repairs made quickly.

## **Do I Need an Inspection?**

GCW Real Estate Services, Inc. can work with you to help you identify those apartments that have apparent mold activity or a propensity for mold to occur. We will work with you to develop a plan to greatly reduce your exposure to mold claims and also provide a healthier climate for persons living in the apartments you own or manage.

At GCW Real Estate Services, Inc we can discuss ways to address those issues of concern to you.



**So give us a call (952) 607-0172**