

Hot Topics: [MFE Concept Community](#), [MFE Top 50, 2013 MFE Awards](#)

Services: [Blogs](#), [Webinars](#), [Videos](#), [Events](#), [Jobs](#), [RSS](#)

From: [MULTIFAMILY EXECUTIVE 2013](#) | Posted on: November 6, 2013

Moisture Control: How to Limit, Remediate Mold Exposure

By [Linsey Isaacs](#) [Be the first to comment](#)

Earlier this year, a [Santa Barbara, Calif.](#), jury reached an effective 12 to 0 verdict against a family that sued the Housing Authority of the City of Santa Barbara (HACSB), claiming the local apartment building in which they rented contained toxic mold. The mold, the plaintiffs alleged, had caused family members to develop chronic illness and forced them to move out of their apartment for six months.

The family lost the case against the agency because no hard evidence of toxic-mold exposure was found, but the fact the lawsuit ever materialized is worrisome, given the fact the HACSB had taken the necessary steps to protect its tenants from mold exposure before they moved in. The subject is still sort of a gray area in the multifamily world, with no federal regulations in place to guide owners and operators.

"I want to say five, maybe even 10 years ago [\[mold\] became a big issue](#)," says Kevin Smith, vice president of Philadelphia-based insurance brokerage firm The Graham Co. "There were a few large jury verdicts, there were attorneys trying to file class action suits against landlords. That has died down a bit. I think the pot of gold that's out there for this type of coverage is really not there."

The lawsuits have waned, but the presence of mold hasn't. Some green-building techniques can even help create a humid environment where mold thrives, and with cold weather approaching, mold spores are likely to get locked in humid environments in any sort of multifamily dwelling.

"Mold is ubiquitous," says Skip Szymanski, deputy executive director and COO with HASCB. "It is everywhere. [The problem] isn't to stop mold spores from being there. It's what conditions promote mold growth."

Due Diligence

In new developments, owners need to ensure the [building envelope](#) does not allow conditions that promote mold growth.

Proper water-proofing, and ensuring that plumbing systems are functioning correctly, are key. The right roofing, windows, and draining systems need to be in place to take the liability off the owner's shoulders and limit the spores' growth. But some things are not clear to the naked eye and require a bit more digging.

"We've had instances in new construction where a nail would penetrate a waste line or a water line, and we don't know about it until you see a condition that reaches the surface material," Szymanski says. "You have to deal with that as quickly as possible."

Owners need to defend themselves effectively against any potential damage, but there are obvious limits. Plenty of mold conditions lay on the fault of the tenant—their actions can create high-moisture environments. A tenant's biggest responsibility is timely communication when an issue erupts so that landlords can take notice and remediate immediately.

"Mold isn't always because the landlord did something wrong," Szymanski says. "If the water lines are proper, if there's good ventilation, the conditions will be no different than what they are in other apartments. [Tenants] need to report conditions that are excessive."

Aluminum frame windows with a single glazing, for example, are susceptible to damage when there's moisture buildup in the frame after a damp day, which tenants need to wipe. The key for landlords is outlining these issues and educating tenants from the get-go so they understand their responsibility.

"There's a way you can, within the lease agreements, put some of this on the tenants to make sure they have responsibility to notify manager to make sure they do it," Smith says.

In fact, it's something that the HACSB has been using for years in their lease addendums.

Swift Remediation

It's a good idea for maintenance teams to perform annual inspections for any issues, including mold, and



8
Like
2
+1
14
Share
6
Twitter
0
Pinterest
0
Comments
Email
Print

be educated on various environmental conditions that may promote the growth of spores. But as soon as your team is notified of potential water damage, time is of the essence.

"If water is there for almost two hours, it's too much," Szymanski says. "So when there is a report, investigate it immediately."

The first step is finding out the cause of moisture. A pipe in the wall or under the sink might be dripping, for instance.

A mold consultant can do an air-quality test and recommend further steps. They'll seal the area and do a removal of the drywall or carpet affected by damage. If it's a small area, an owner can likely handle it themselves; larger areas will need a third-party remediation company.

They'll create negative air—a practice used in hospitals to prevent contamination, and in asbestos removal—so spores do not spread, then pack and seal them off.

Coverage

So long as an owner purchases an additional policy through their insurance company, they're covered for mold issues, which fall under pollution. Many general policies exclude the clause, but it's particularly important for major events, such as a hurricane, where water damage will inevitably bring about mold issues.

Careful attention must be paid to the insurance underwriting process, as it covers what kind of water intrusion protocol and maintenance plan the property has to have in place. It may have special triggers after weather events, but it's largely built around preventative maintenance.

"From a risk-management standpoint, it's really about strong maintenance program and about documentation," Smith says. "When there's lawsuits involved, the better they are about reacting from mold complaints, documenting them, the better they're protected."

The cases Smith most often sees are those where tenants complain about the issue and maintenance does nothing about it. It's clear negligence on the owner when it [turns into a health concern](#).

Policies can not only protect an owner from being sued, but can cover the clean-up process as well. That clean-up process can include the help of public relations or crisis management agencies when the press is involved in a larger issue.

"That's why the underwriting process really digs into their protocols," Smith says. "If someone is not doing any of that, they can get the insurance but it'll be expensive."