

Kirchmeyer Klips

"A publication for people in the mortgage industry"

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Kirchmeyer & Associates Inc. presents...



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Utilize our Website for Maximum Productivity

During the past few years, Kirchmeyer & Associates has overhauled our website in order to satisfy client demands for more useful information. This process has resulted in a more efficient and user-friendly site.

All of our clients that wish to access our secure website are provided with a user name and a password. This allows them to access only their information on any or all appraisals ordered with us. This ID and password can be used by any number of staff they chose and more than one processor or loan officer can be online at the same time with the same ID and password.

The website address is www.kirchmeyer.com. This site has almost all information our client needs in order to get their questions answered about us or their loans. For prospective clients, the site provides information about our company, products, and services so that they can make a better decision about using us for all of their real estate valuation needs.

The main purpose of the website is for our existing clients to get 24/7 access to statuses on their open appraisals. Once the client visits our home page, they can click on the Status Report link, which takes them to a login screen. Our secure server does not allow any client to view another client's appraisal information, which is obviously confidential.

Once the user ID and password are entered, the client is taken to a search page that allows them to research any open or closed appraisal file(s). You can search by borrower's last name, your loan number, property address, and as far back

as you would like to see any or all orders you have placed with us, both closed loans (older appraisals) and open appraisals in process. Or, you can simply click on the Open Appraisals link to see the status of all your open orders.

When you check the complete record of your appraisal order online, you will see everything you need to know about your order including the following: borrower's name, subject property address, your loan # and/or FHA case number, order date,

inspection date, completion date (date sent to you, the client), and all status updates throughout the process. Status updates include comments relating to delays by the borrower or Realtor in scheduling the appointment, communication with the client regarding any special requests, date when Kirchmeyer & Associates receives the appraisal from the local appraiser and it is in our QC (Quality Control) Review Department, etc.

Our website offers you a great tool in eliminating phone calls when checking the status of an appraisal. Saving phone calls and eliminating phone tag can save you valuable time that can be used to originate more new loans. In addition to checking

the status of an appraisal, you can order an appraisal online, contact us via e-mail, research our company, and get daily Real Estate News via Inman.com.

If you do not have a User ID and Password for our website, please contact Tom Kirchmeyer via e-mail at tk@kirchmeyer.com. Within minutes, you will be working more efficiently and spending more of your time making money instead of tracking down appraisals.



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Menu Of Services

- Appraisal Management Services
- Relocation Appraisals
- Construction Appraisals
- FHA Appraisals
- Desk and Field Reviews for Quality Control
- Desktop Analysis
- Estate Valuation
- Home Equity Valuations
- Matrimonial Appraisals
- REO and Loss Mitigation Appraisals
- Broker Price Opinions
- Automated Valuation Services

Complete and Limited appraisals (throughout the US) for all residential properties including 1-4 family homes, condos, PUD's, and co-ops.

Dates to remember...

- 7/16 - Tues... NAPMW Golf Tourney**
@ Victor Hills Country Club, Victor, NY
- 9/17 - 9/19...NYAMB Annual Convention**
@ Adam's Mark Hotel, Buffalo
- 10/15 - Wed...APPRAISAL INSTITUTE SEMINAR**
"Property Defects and Real Estate Issues"
@ Buffalo NY Convention Center
- 12/3 - Wed...MBA/WNYAMB/WNYCA/APMW**
Annual Holiday Party @ Salvatore's Restaurant

HELP WANTED...

Kirchmeyer & Associates is looking for qualified, hard-working appraisers in every state to accept appraisal assignments. If you know of any good appraisers looking to pick up additional work, have them visit www.kirchmeyer.com and click on 'Appraiser Application' link.



mold

moisture, stigma & value

(Parts 3 & 4...continued from volumes 58 & 60)

Detection of Mold and Testing for Quantity:

Visual detection...Get down on your knees and look under sinks, behind washing machines, under dishwashers and refrigerators, behind and under and around water heaters. If moisture is found, look for mold. If mold is found, take further steps to determine the extent of the infestation. Large infestation of mold can usually be seen or smelled. Smaller infestations may require professional testing to detect. If it is "scary", hire a professional remediation company.

Prevalence of Mold: Mold is everywhere in our environment, indoors and out. Mold is considered harmless in the outdoors. It is only considered harmful in enclosed areas where spore concentration is generally higher. Most homes, and other buildings are thought to have some degree of some type of mold presence.

Some authorities believe as many as 50 percent of all homes may have some level of *Stachybotrys* infestation.

Remediation (Clean up): The degree of remediation, or clean up, is generally determined by the degree of infestation. Minor infestation (spots) remedied with a mixture of bleach and water. More severe infestation requires other steps be taken, all the way up to professional technicians (men in white suits) and complete containment of the area.

While there are no national standards for remediation of mold infestation, the following are known as "The New York City Guidelines" for cleaning up mold infested areas and have been referred to as being generally acceptable guidelines.

NEW York City Guidelines for Mold Remediation

Level 1 = 10 Sq. Ft. or Less...local remediation, no containment

Level 2 = 10 to 30 Sq. Ft....local remediation with containment of the area and filter vacuum the area not removed.

Level 3 = 30 to 100 Sq. Ft....remediation by professionally trained technicians with complete containment of the area and filter vacuum.

Level 4 = more than 100 SF....remediation by professionally trained technicians with full facial respirators, rubber gloves, and protective clothing, complete containment, negative pressure the area while prevent spread of spores, clearance testing prior to re-occupancy.

The suggested means of clean-up for Level 1 and Level 2 infestation included removal of all personal effects and furniture, including lamps, dressers, clothing, basically everything, from the area prior to beginning to search for the extent of the mold infestation. Then removing floor covering and/or wall and/or ceiling covering and insulation and structural components (studs, plates, wiring, plumbing, etc.) to about 3 feet beyond the infested area. At approximately the Levels 3 and 4 infestation, every piece of material (including clothing, furniture, personal belongings, floor covering, pieces of the walls, etc.) to be removed must be bagged in plastic and sealed (taped closed) for removal from the area. Once removed to the outdoors the mold is considered safe and the contaminated material is disposed of in landfills. The mold is only considered dangerous when in contained areas.

The hiring of professionals for remediation is expensive. Generally, the testing for type and quantity is performed by chemical engineers, or other qualified professionals. The clean up is done by trained technicians who must dress in those white suits with rubber gloves, covered foot wear, head gear and breathing apparatus while they are working. When mold is disturbed, such as during removal, larger amounts of spores are naturally released.



As previously mentioned, at the Levels 3 and 4 infestation, every piece of material to be removed must be bagged in plastic and sealed prior to removal. To get an idea of the work involved (and why it is so expensive), just try to imagine yourself taking the time to get suited up in all that garb and then doing even a small repair job in your own home, say replacing a broken window. Every item you remove, including furniture, must be reduced to small enough pieces to be removed in plastic bags. You must be in full uniform when working which is cumbersome and clumsy. If you take a break and leave the work area you must be decontaminated and then before you can return to the work area you must get completely suited up again. This is very time consuming and painstaking work. Upon completion of the remediation, the area must be tested and approved for re-occupancy. At that point reconstruction can begin.

Recovery: what happens after mold is "cleaned up":

Inspections and Reports: If you have had mold in your house and there is even a remote possibility that you may sell that house at some point in the future you should have a qualified professional thoroughly inspect your home and prepare a detailed written report of the findings of that inspection as soon as your remediation is complete.



Regardless if you are even considering selling at any point in the future. This will likely be expensive to obtain, but necessary as it provides you with written documentation that your home is free of mold as of a specific date. It is also likely that you will have to obtain another similar inspection and report at what ever point in time it is that you decide to sell your home to provide written documentation to a prospective Buyer that the home remains mold free.

Disclosure: As a Seller of a residence we are bound to disclose all known facts about any property we sell. New disclosure forms will have a section for mold. Owners should disclose if any mold has ever been found and if any reports have ever been made regarding mold in any property. If reports have been made, either identifying that mold does exist or that mold has been properly remedied as of a specific date, then those reports should be made available to any prospective purchaser.

Remaining questions: Several major questions remain: If a property has had mold and has been properly remedied and a professional inspection is made and report written indicating that the property is free from mold as of a given date, how long and to what degree, if any, will the simple fact that a property has had mold in the past affect the public perception, or marketability of that property, and, thus, the price that a prospective purchaser will be willing to pay for a property that has had mold in the past? And, for how long of a period of time is disclosure of a known mold case required? Will insurance companies write policies to cover a home after a report is made indicating that it is mold free, or will there be a specific period of time that it must remain mold free? Will lenders finance a home with a known mold case?

The local lenders that I have discussed this matter with indicate that their decisions to loan money on a home with a known history for mold will be handled on a case by case basis. They will likely require a recent inspection and written report documenting that the home is free from mold and moisture. Another major factor will be if the home is insurable, which takes us back to the insurance companies and the requirements that they will impose.

Summary: Although there are no "test" that proves a link between *Stachybotrys chartarum* and particular health symptoms, it is likely that it poses serious risks for infants or those with existing illnesses or allergies. Large quantities or concentrations of molds are likely to pose a greater risk than small quantities.

About the Author...

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Insurance will likely never be available specifically for mold but likely will be for sudden and accidental events as determined by the insurance companies and will likely be incremental and with a coverage cap. The key to prevention of mold is prevention of moisture in your home or other buildings. Remediation can be very costly, particularly if the infestation is significant.

Most of the questions regarding stigma related to known mold cases and the affect on value of real estate remain questions. Not enough market data is available to measure the public opinion of known mold cases. As an appraiser, I am building a file of the known mold cases in my area that I am aware of and making notes as to the extent of the infestation and remediation involved, hoping that one day, when one of those properties sell, I will recognize it and be able to pull my file and then do some comparison analysis to try and measure the affect, if any, of a known mold case. But for now, we'll just have to wait for the markets reaction.

Available Articles and Websites for Mold and Other Topics and Health Concerns:

The Center for Disease Control and Prevention (CDC) answers questions about mold and what should be done about it on its website at... www.cdc.gov/nceh/asthma/factsheets/molds/default.htm. or its home page at... <http://www.cdc.gov/>

The Environmental Protection Agency may be found at... <http://www.epa.gov/>

Toxic Mold and Tort News Online is a very informative site concerning mold at...<http://www.toxic-mold-tort-news-online.com/>

Article entitled "Black Mold and Mildew and Spores, Oh My!" by Judon Fambrough in the October 2001 issue of Tierra Grande, the journal of the Texas A & M Real Estate Center.

Article entitled "Prevention of House Mold" by Thomas A. Lee, Jr., Professor at Texas A & M University at Stephenville at... <http://stephenville.tamu.edu/~cleeb/mold.htm>

A Mold Mini-Course by Texas Cooperative Extension, Texas A & M University System is available on-line at... <http://fcs.tamu.edu/housing/iaq/Mold/web/index.htm>

A discussion of mold and many other topics with knowledgeable professionals may be initiated at... <http://www.appraisersforum.com/>. You will have to create a "Log on name" and "Password" to enter the discussion, but not just to read current discussions. It is FREE and very informative.

