

# Kenosha Landlord Association

A Local Chapter of the Wisconsin Apartment Association

Volume 25, Issue 10

October 2013

# Bed Bugs In WI

From The Health Dept Go To Page 2

The Document The Rental Property Investors Need To Sleep At Night Go To Page 4

> Sliding Door Safety & Maintenance <sub>Go To Page 7</sub>

Mold: Tips For Hiring A Contractor Go To Page 8

DISCLAIMER: The Kenosha Landlord Association publishes this newsletter to create awareness of issues relating to the rental housing industry. Information is compiled from a variety of sources and the views and concerns expressed by the contributors do not necessarily reflect those of the editor or the Association. When necessary, we suggest you consult an attorney.

### Bureau of Environmental and Occupational Health

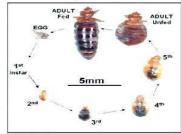
### BED BUGS IN WISCONSIN QUESTIONS AND ANSWERS

#### Are bed bugs found in WI?

Yes, bed bugs are found throughout Wisconsin. You should not be surprised if you find or learn about bed bugs in your community. Bed bugs can be found in private homes, hotels, resorts, apartment complexes and communal living facilities.

#### What are bed bugs and what do they look like?

Bed bugs (Cimex lectularis) are small, flat, wingless insects that feed on human and animal blood usually during the night. They are often reddish brown in color. Adult insects can be ¼ inch in length and have a shape similar to an apple seed. Nymph stages (early life stages) of this insect are roughly the same size as the small lettering on a penny.



#### Where do bed bugs live?

Bed bugs are most often found in areas where people live and sleep. Homes, apartments and hotel rooms are common locations in which bed bugs are found. Often they are found within 8 to 10 feet of a bed. They are experts at hiding and staying hidden. The cracks and crevices of head boards, mattresses, box springs and night stands serve as hiding places for bed bugs. Bed bug infestations are not necessarily the result of poor sanitary conditions; however, eliminating clutter will provide less area for hiding and will make treatment more successful.

#### How do bed bugs spread?

Bed bugs are easily introduced into a home or a residential facility. This introduction is done by bringing infested luggage, used furniture, clothing or other belongings from an infested area into a home or residential facility. Bed bugs can also travel from infested rooms or units in hotels and apartments to other rooms or units for a blood meal and they can survive for a long period of time without a blood meal.

#### What are the health concerns associated with bed bug bites?

Bed bugs bite people to feed on their blood. They are not known to spread diseases. Individuals will react differently to the bites and the reaction can range from a mild itching to a serious allergic reaction. Most people will have a small, itchy, red welt that appears one to several days after the initial bite and is similar to that of a mosquito bite. Secondary infections may occur from scratching the bite and may need medical attention. Anxiety and insomnia are additional health concerns associated with bed bug bites. Anxiety has led people to take extreme treatment measures to get rid of the bed bugs.



### Bureau of Environmental and Occupational Health

### How do I know if I have a bed bug infestation?

The evidence you may find includes; finding bed bug bite marks on your body, finding live bed bugs on your sheets and/or mattress, bed bug shed skins (cast skins left when the insect advances to the next nymph stage), their fecal blood stains (dark colored spots left on sheets, mattresses, head boards) and possibly eggs.

### What treatments are used to get rid of bed bugs?

Bed bugs are difficult pests to eliminate. Public awareness is an important part of controlling this insect. It is recommended that you use a professional pest control company to control an infestation. Professional pest control companies use a combination of treatment techniques to control the insects. These techniques may include:

- Heat treatment—heating a room and its contents to above 120 degrees Fahrenheit. This is done through the use of a specially designed and approved heating device.
- Chemical treatment—pest control companies will apply approved chemicals according to the manufacturer's instructions (specifically labeled for indoor use and designed to kill bed bugs) in cracks and crevices where bed bugs hide.
- Steam treatment—mattresses, box springs and furniture can be treated with a steam producing device. The high temperatures will kill the bed bugs
- Vacuuming—a vacuum is used to physically remove insects from infested areas.
- Bed bug trained dog—Using a bed bug dog team consisting of a trained dog and trained handler to locate bed bugs and clear a room for use.

#### Treatments techniques to avoid:

- Do not misuse treatment chemicals. Direct application of chemicals to the skin and excessive chemical applications to mattresses have been responsible for chemical poisonings across the country. Manufacturer instructions must be followed.
- Do not apply chemicals labeled for *outdoor* use inside your home.
- Do not apply chemicals that are not labeled and approved for use on bed bugs.
- Do not use unvented fuel burning appliances (propane or kerosene heaters) inside your home to heat rooms.

### How can I protect myself while I am traveling?

You can protect yourself from bed bugs when traveling by taking several precautions:

- Discussing what actions a hotel is taking to prevent bed bug infestations. Assure they have a plan to deal with infestations and are monitoring rooms.
- Checking the mattress, box spring, head board and other furniture within 8 to 10 feet of the bed for insects, shed skins and fecal blood stains.
- When you first walk into a hotel room, store your luggage and belongings in the bathroom or bath tub until you have found no evidence of infestation in your room.



Bed Bugs and fecal blood stains on a mattress. \*Photos used with permission from Phil Pellitteri, UW Madison Insect Diagnostic Lab

Certified Public Accountants & Consultants

### Joseph D. Clark, CPA

8035 22nd Avenue Kenosha, Wisconsin 53143 262-652-7000 Fax 262-652-7100 Email: jclark@tfccpa.com

A Limited Liability Company



PAGE 3

Tirabassi

Felland &

Clark

Page 2 of 3

### The Document Rental Property Investors **Need to Sleep at Night**

### By Tracey March

My husband and I are considering investing in a 5-unit multi-family property. In fact, we're having our realtor write up the offer as I type. The seller has given us all sorts of documents about the property, but the most critical one to our decision-making is the cash-flow analysis.

# Rental form, for KlA Has Moved

Rental Forms has moved to the office of My Property Management Co LLC. Larry Capozzo, the former Forms Representative,

### **STACEY STANICH**

3404 Roosevelt Road Kenosha, WI 53142

Ph: 262 652 7214 Fax: 262 652 2425



will be moving. Forms can

be picked up Mon—Fri from 1-5 pm at 2518 Springbrook Rd., Pleasant Prairie, WI 53158. You must bring exact change. **Prices have staved** the same. For information on foams call 262-891-0299 between 1-5 pm.

Knowing how to interpret a cash-flow analysis with a critical eye is a great skill to have, whether you're thinking about investing in a single-family home or a multi-family property. But if you're a new rental property investor, you might not know what a cash-flow analysis is.

In a nutshell, the cash-flow analysis estimates how much money you're going to make or lose after all of your income, expenses, debt servicing, and estimated capital expenditures for your rental property have been taken into account. To figure out the cash-flow analysis, you need to figure out your net operating income, so we'll start there:

### **Net Operating Income (NOI)**

The formula for figuring net operating income is: NOI = income - expenses

It's pretty easy to figure out current net operating income. The seller knows the monthly rental income and expenses and should be able to provide that information easily. Projecting *future net operating income* is more of a challenge and involves more "educated guesswork."

### **Income includes:**

rent: look at other comparable rentals in the area. Is yours priced high or low? Are you going to make improvements which will enable you to increase the rent?

vacancy rates: many experts suggest a vacancy rate of 8.3% per year, which works out to be one month; collection loss: rent that can't be collected, which is typically .5% to up to 4%, depending on factors such as location, the economy, and the tenants;

additional income streams: such as laundry facilities or parking fees.

The income section of the cash-flow analysis on the property we're looking at includes rental income, a vacancy factor of 3% (which seems low), and an "other income" section to cover the coin-operated laundry facilities. If our offer is accepted we'll ask the seller to verify the vacancy rate by giving us a certified rental history.

Continued on page 5





mike@kitchenCubes.com

7600-75th St. Suite 102 Kenosha, WI 53142



# The Document Rental Property Investors Need to Sleep at Night

Continued from page 4

### **Expenses include:**

utilities, property taxes, management fees (if you're not going to self-manage) tenant search and advertising fees insurance, landscaping, cleaning, and pest control.

The cash-flow analysis for the property we're looking at lists property taxes at 8.5%, which should be easy to verify on the county tax assessor's website. Repairs and maintenance are 2.5% and miscellaneous expenses, including insurance, are .66%. Current net operating income on the property is about \$30,000 for the year. If we decide to <u>hire a property manager</u>, we'll need to calculate the estimated property management fees and deduct them from that amount.

### **Cash-Flow Analysis**

Now that you know your NOI you can use it to complete the other critical analysis, your property's cash flow. The cash-flow analysis is useful because it estimates how much we'll be clearing or paying each month for the property, after *everything* has been taken into account. The formula for cash flow is:

### *NOI* – (*debt* + *capital expenditures*)

We'll be taking out a loan to buy the property, so to figure out cash flow we need to plug in the mortgage payment and related debt service we expect to be making. I just googled "mortgage calculator" and plugged in our loan term, loan amount, and interest rate to get our monthly payment.

<u>Capital improvements</u> are another story. In the cashflow analysis the seller gave us, nothing is set aside for capital improvements, which makes me pause. How much has he spent on capital improvements in the past if he doesn't include them in the future analysis? The building is an older one. We're



planning on updating all the units, but we have yet to find out about the roof, appliances, HVAC, or other major systems because we haven't had an inspection yet. So, assuming the seller accepts our offer, we'll be relying a lot on what shows up in the inspection.

So for now, we're in a bit of a wait-and-see pattern, and that's to be expected. Plugging in the numbers we have available, and based on current rents, it looks like we'll have about a zero cash flow, so the income on the property will be paying for all the associated expenses, including the debt. However, we have nothing set aside for capital expenses. If the seller accepts our offer, we'll do our due diligence during the feasibility period and have the property inspected to get a handle on what our future capital expenditures are likely to be.

Even if you haven't been given a cash-flow analysis by the seller, you can try estimating yourself using All Property Management's <u>rental property investment calculator</u>.

From: http://www.rentalpropertyreporter.com/



Licensed in WI and IL

IL Lic 450.010128

WI Lic 2224-106

### Bureau of Environmental and Occupational Health

- Placing your clothing in a dryer on the hottest setting (above 120 F) for at least twenty minutes.
- Carefully inspect your luggage and belongings for the insects or their eggs prior to returning to your home.

### Who do I contact if I find an infestation?

Hotels- inform the hotel manager or housekeeping of the infestation and contact the local health department if you wish to file a complaint.

Apartments- inform your apartment manager and contact the local health department if you wish to file a complaint.

Homes- contact a professional pest control company.

### Informational Links

- CDC information on bed bugs: <u>http://www.cdc.gov/parasites/bedbugs/</u>
- Pest Control information: http://www.pestworld.org/all-things-bed-bugs/
- EPA Bed Bug Clearinghouse: <u>http://www.epa.gov/opp00001/bedbugs/bedbug-</u> clearinghouse.html
- Wisconsin Pest Control Association: <u>http://wisconsinpest.com/</u>
- Michigan Manual for Prevention and Control of Bed Bugs <u>http://michigan.gov/documents/emergingdiseases/Bed\_Bug\_Manual\_v1\_full\_red</u> <u>uce\_326605\_7.pdf</u>
- Contacts for Local Health Departments in Wisconsin: <u>http://www.dhs.wisconsin.gov/localhealth/index.htm</u>



**STATE OF WISCONSIN DEPARTMENT OF HEALTH SERVICES** Division of Public Health P-00489 (04/13)



### **Sliding Door Safety and Maintenance**

How to ensure sliding door safety and maintenance

All sliding doors operate just about the same way, regardless of where you find them. The differences in their hardware, though, are almost limitless. All of these doors, patio or closet, are supported by top and bottom tracks and almost all roll on wheels. The major difference is whether they are hung from The two ends of the the top rail or rest on the bottom track. weight spectrum, light closet doors and heavy garage doors, usually are top hung. Moderately heavy doors, such as patio doors, run on a bottom track.

Doors jumping off their tracks can be the result of obstructions in the track or missing guides. Binding doors can be trying to run on dirty or bent tracks or may be pressed too tightly by a guide.

Maintenance: Keep every track, especially those that support wheels, free of dirt and foreign objects. This is especially important for bottom-supported doors where dirt from foot traffic can build up fast and clog the tracks. When you do your quarterly walk-throughs be sure to inspect the door tracks carefully and tighten any loose screws in the frame or track. Don't oil the wheels, though, most are self-lubricating nylon.

Removing doors: It's easy to get them off, though you have to take into consideration the various and sundry design variations. Some bottom-supported doors come out by lifting them straight up far enough to clear the bottom tracks, then angling the lower part of the door outward. That is usually the way patio doors work, but they are heavy and may require either two people or one strong one to get the door out.

Some top-hung doors can be lifted straight up and off





TOLL FREE: 800-242-5453 WWW.COINAPPLIANCES.COM

FAX: 414-353-2214 CELL: 414-313-6778 GERDMAN@BIZWI.RR.COM

the tracks, but usually you will have to position or angle them to unlock the top wheels from the tracks. They are locked in the tracks so they won't come off every time someone bumps them. Other doors use a spring-loaded cover mechanism to accomplish the same thing as the track lock. Still others have key openings, so that you can lift the door up and out only at one point on the track. Usually you will find these about half way along the track on each side.

Doors that jump off tracks: All sliding doors have a guide of some sort that keeps them vertical and aligned in their tracks, rather than swaying freely. In bot- tom-supported designs the frame will overlap the sash enough to keep the sash firmly in place.

Top-hung doors can be the real problem. They often have only one or two guides along the bottom that keep the door aligned. The principal guide is at the center of the opening. Another guide, if there is one, will adjoin the jamb where the door closes. The guides get broken. It happens most frequently in children's bedrooms, where they aren't as careful as they might be about banging into the closet door.

When the guides get broken (or were just too small to start with), the doors will jump off their tracks. If the guides appear to be in the right position, check the wheel track of a top -hung door. You may find a missing piece the helps keep the wheels locked in place.

From: http://www.rentalpropertyreporter.com/

# Attention Landlords and **Flooring Contractors!** Cut the cost of re-carpeting!

We now offer a special selection of rental quality carpet at incredible low "material only" prices. This is your opportunity to upgrade the floors in your rental properties. Visit us this week and save!

BERBERS PLUSHES FRIEZES



Including attached back, 12 and 15 foot rolls

www.carpetsplusoutlet.com

1241-22nd Avenue, Kenosha, WI \* Phone 262-883-9494 Hours: Mon. 10-8 / Tues., Weds., Thurs. 10-6 / Fri. 10-8 / Sat. 10-5 / Sun. 11-4

### Mold: Tips for Hiring a Mold Remediation Contractor/Consultant



(If you are a Mold Remediation Contractor/ Consultant, visit <u>Infor-</u> <u>mation for</u> <u>Profession-</u> als)

### Why and Who to Hire

There are companies whose primary focus is mold that offer the services of <u>indoor air quality (IAQ) consultants</u> and <u>mold remediation contractors</u>.

Testing for mold is generally not necessary. If you can see and smell mold in your home, you have a mold problem. Mold is usually a symptom of a bigger problem related to inadequate ventilation and a buildup of moisture. Homes with high moisture (aka high relative humidity) or stagnant water are more susceptible to mold growth.

If you have a problem with high humidity or stagnant water, you may need to hire a consultant or home performance specialist. Home Performance Consultants conduct indoor air quality (IAQ) investigations, and can determine when structural issues exist that may be causing mold problems (such as ice

Milwaukee Lead/Asbestos Information Center, Inc.

### **Rocky Everly, President**

MLAIC 3495 N. 124th St Brookfield, WI 53005 800.720.5323 414.747.0700 414.481..1859 fax

4 SEASONS Landscaping & Snow Removal FULLY INSURED

# Carlos Rivera 262 620 0927

4509 47th Street 53144 carlos4seasons@gmail.com Commercial Pesticide Applicator State Certified dams, moisture, and heating and cooling complaints). They can help you understand why mold is growing in your home and what actions you will need to take to prevent mold growth.

Here are IAQ consultants and mold remediation contractors whose primary focus is mold:

> Indoor Air Quality (IAQ) Consultants Consultants Mold Remediation Contractors

### **Tips on Hiring**

Many consultants and contractors providing mold inspections and remediation services are honest, reliable and skilled. Here are suggestions on how to find good consultant/ contractors: *(This list is based on guidelines provided by the* 

Continuted on page 9

### **BOARD**

PRESIDENT—Larry Cappozzo ; IST VICE PRESI-DENT- Brian Hervat, Alex Sadowski; 2ND VICE PRESI-DENT- Alex Sadowski; TREASURER- Eric Belongia; SECRETARY- Jeannette Hamm; WAA DIRECTOR- Brian Hervat; MEMBERSHIP DIRECTOR- Mark Nausieda

*NEWSLETTER EDITOR-* Liza Thober lthober@gmail.com; *PAST PRESIDENTS-* Chuck Powell

Kenosha Landlord Association, Inc. P.O. Box 1505, Kenosha, WI 53141

Visit Us At: <u>www.kenoshalandlordassociation.ws</u> and <u>www.waaonline.org</u>



Phone (262) 652-8000 / Fax (262) 652-8003 6113 14th Avenue / Kenosha, WI 53143 www.b-hgroup.com 11/0



### Mold: Tips for Hiring a Mold Remediation Contractor/ Consultant

Continued from page 8

Wisconsin Department of Agriculture, Trade, and Consumer Protection)

Get more than one estimate. Make sure all parties are bidding on exactly the same work. Make sure the contractor comes to the job site rather than giving a telephone estimate. Be leery of an extremely low estimate. Be cautious of a contractor or consultant that uses SCARE tactics to make you do more then you really need to have done.

Ask for the names of recent customers and call to see if they are satisfied. Would they hire the contractor again?

Get a written inspec-

tion report, including a summary of all the areas inspected, the cause of the mold growth, how to take care of the problem and any sampling results? Did the contractor show up on time, clean up afterward, perform follow-up service on warranties?

A building cannot be made mold free. Avoid a contractor who claims to remove all mold from your building.

Find out if complaints have been filed against the contractor or consultant by checking with the the Department of Agriculture, Trade and Consumer Protection, Bureau of Consumer Protection, 800-422-7128 and the Better Business Bureau, 800-273-1002.

The firm that conducts the inspection or air sampling should not be financially related to a firm that conducts the mold remediation due to a potential conflict of interest. Consulting firms that have a financial tie to a contractor should disclose that relationship prior to any contractual agreement. Ultimately, it is the property owner's responsibility to ask about such a relationship.

Select a laboratory that is accredited by the American



Industrial Hygiene Association (AIHA) or is a U.S. EPA accredited Laboratory.

If a name appears on the Department of Health Service's (DHS) <u>Indoor Air Consultants</u> or <u>Mold Remediation Contractors'</u> lists, it does NOT constitute an endorsement of the company or their capabilities. It also does not imply preference over other companies not listed. These lists have been compiled from those contractors and consultants who have provided DHS with information on what training they have undergone. The lists are provided as a resource to those interested in obtaining these specialized services, but not sure where to begin.

Neither the Federal government nor DHS certifies consultants or

contractors for conducting mold investigations or removing mold from buildings. If a consultant or contractor advertises as "State Certified" or State Endorsed," please refer their name to the <u>De-</u> <u>partment of Agriculture, Trade and Consumer Protection, Fraud</u> <u>Division</u> (exit DHS), 1-800-422-7128, for deceptive trade practices

For general information and tips on hiring contractors, visit the <u>Department of Agriculture</u>, <u>Trade and Consumer Protec-</u> <u>tion (DATCP)</u> (exit DHS).

Follow the links below to view lists of contractors and consultants:

List of Indoor Air Quality (IAQ) consultants List of mold remediation contractors

For more information, contact your <u>local health department</u>, or call the Wisconsin Division of Public Health, Bureau of Environmental and Occupational Health, at (608) 266-1120. From:

http://www.dhs.wisconsin.gov/eh/mold/hiringguide.htm



### **RIZZO & DIERSEN, S. C.** ATTORNEYS AT LAW EXPERT ADVISORS. SERVING YOU. 12/06

Kenosha Office: 3505-30th Ave. Kenosha (262) 652-5050 Burlington Office: 197 W. Chestnut, Bur. (262) 763-0883



### **Kenosha Landlord Association**

P.O. Box 1505 Kenosha, Wisconsin 53141

RETURN SERVICE REQUESTED



