



# Newsletter

## February 2014

**CDARPO**

Capital District Association of Rental Property Owners



Please submit your photos and descriptions to Engels Rojas ([engelsrojas82@gmail.com](mailto:engelsrojas82@gmail.com)) or Ray Koloski ([rayhats@gmail.com](mailto:rayhats@gmail.com))

**Next Meeting**  
**Thursday, March 13<sup>th</sup>**  
(\*\*SPECIAL ELECTION\*\*)

**Featured Speakers:**

Greg Backus  
Al Kleinberger  
Tarasha Darden-McKoy

Details on page 6

**Speak-Up**  
Networking around the  
Refreshment and Resource Tables

## Working With Tenants Who Want to Make “Improvements”

by Mark Purtell

Almost every time a tenant moves in, it seems they want to add their personal touch to the unit. Often this is as simple as painting, taking a door off a room to open the space up, or drilling a hole in the wall for cable TV. Although your goal as a landlord is to service the tenant, you need to draw the line somewhere at these requests.

The most common request I receive is to paint a room or two. This seems like a reasonable request, but I always follow ask the following questions:

- Who will be doing the painting?
- What experience do they have painting? (The last thing you want is a paint-by-numbers dropout splattering pink paint all over the new white carpet.)
- What color is the paint? I always ask the tenants to show me the color of the paint before they decide to pull a Michelangelo on your ceiling. I am looking for neutral colors that I will not need to paint over when they move out, at the very least, or a paint color that will not require eight coats of primer to bury in the drywall.

...

You should consider how much time and money it will cost you to restore the unit back to the condition it was in before the tenant signed the lease. I have had tenant request to install fans, replace bathroom sinks, and even install hardwood floors. Before you say “ok” to these types of tenant projects, figure out if the “improvement” to your unit is easy to reverse and what the cost in terms of time and money is to you.

### Who Should Pay For Upgrades?

Don’t be afraid to divide the cost of the project between you and the tenant. If the tenant is insistent upon getting a vanity, I will offer to pay for the half the cost and they get to pick which one gets installed. In order for this to happen, I need to be on the verge of replacing it anyway and I have final approval the vanity they pick out.

If the tenant request is too egregious, don’t be afraid to say “no”. It is your building and you ultimately need to look out for your best interest. However, there will be that time during your final walk through when the lease is over and you will discover a giant neon green wall in a bedroom, so don’t be too alarmed when it happens to you.

Source:

<http://www.biggerpockets.com/renewblog/2013/01/12/working-tenants-improvements/>

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# LEAD RENOVATION, REPAIR, & PAINTING (RRP-INITIAL) TRAINING CLASSES

**March 2014**

**CLASS SIZE IS LIMITED—REGISTER TODAY—ALL TRAININGS ARE FREE**

*Funding provided by the Albany County Department of Health, the Rensselaer County Health Department and Schenectady County Public Health*



Effective April 22, 2010, workers performing renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities, and schools built before 1978 must follow specific work practices to prevent lead contamination and must be certified. This federal EPA Renovation, Repair, and Painting (RRP) rule applies to contractors, painters, plumbers, carpenters, electricians, window replacers, roofers, and landlords.

Trainings to become EPA certified are offered by Cornell Cooperative Extension Albany County, an EPA accredited training provider. This course is approved for purposes of certification under Section 402 of Toxic Substances Control Act (TSCA) for the respective discipline.

Upon successful completion of the RRP Initial course including passing an exam at the end of the class, participants are EPA certified renovators. This certification is good for 5 years.

Failure to comply with EPA's RRP program requirements could result in penalties of up to \$37,500 per day per violation.

New York State code officials successfully completing Cornell Cooperative Extension Albany County's 8 hour EPA RRP Initial training course will receive 8 CEUs. (Individuals must sign in, complete all paperwork, have their picture taken, pass the exam, and sign out. All students must follow these procedures to receive in-service training credit for this class.)



**Dates**

- March 4—Albany Community Development Agency
- March 11—Center Brunswick Fire Department
- March 18—Cornell Cooperative Extension Albany County
- March 20—JCC of Schenectady
- March 27—Rensselaer Ambulance Hall

**Time**

- 7:45 am registration/breakfast
- 8:00 am - 5:00 pm training

**Locations**

- Albany Community Development Agency  
200 Henry Johnson Blvd.  
Albany, NY 12210
- Center Brunswick Fire Department  
1045 Hoosick Road  
Troy, NY 12180
- Cornell Cooperative Extension Albany County  
24 Martin Road  
Voorheesville, NY 12186
- JCC of Schenectady  
2565 Balltown Road  
Niskayuna, NY 12309
- Rensselaer Volunteer Ambulance Hall  
901 Third Street  
Rensselaer, NY 12144

**Contact**

Questions can be answered by:  
**Nancy at 518-765-3521/[INKL1@cornell.edu](mailto:INKL1@cornell.edu)**  
 OR  
**Lisa at 518-765-3512/[LKC29@cornell.edu](mailto:LKC29@cornell.edu)**

**PARTICIPANTS MUST PRE-REGISTER**  
**Register-Send completed form below to:**

Lead Training, P.O. Box 497, 24 Martin Road, Voorheesville, NY 12186  
 or online: [https://pub.cce.cornell.edu/event\\_registration/main/events.cfm](https://pub.cce.cornell.edu/event_registration/main/events.cfm)

**ALL RRP INITIAL TRAININGS INCLUDE: Continental Breakfast \* Lunch \* Refreshments \* Course Manuals & Materials**

**Please register me for the RRP Initial training:**

Name: \_\_\_\_\_ Training \_\_\_\_\_

Address: \_\_\_\_\_ Date of Training \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Company or Organization: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_



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Cornell Cooperative Extension in Albany County provides equal program and employment opportunities.

## TROY TOPICS

### Land Banks are a hot topic in municipal planning.

Schenectady and Albany Counties have gotten on board and Troy is hopefully considering the option. Metroland weekly newspaper featured the topic in last week's paper with two articles: one detailing the benefits of the program in Flint Michigan and another touching on the political realities of Albany County's recently enacted enabling legislation.

The current practices of foreclosure, demolitions, and/or public auctions are not working. The results are hoarders of vacant, run down, dangerous and unsightly buildings blighting entire neighborhoods. Many historic restorable buildings are being torn down without a long term plan, when neglect and weather takes its inevitable toll. Scattered vacant lots harboring weeds, rodents, and litter are the result. As a partial last resort benefit, the City of Albany has a program to salvage historic items and offer them for sale at the Albany Parts Warehouse.

They also have agreed to carry on the salvage in Troy. Troy also has an active Vacant Properties Committee where volunteers plan future reuse possibilities for buildings and vacant land and are doing cleanup of vacant buildings for ultimate sale. The current models which provide for public sale to speculators whose only motive is quick profit without consideration for the long term benefit to the community can be replaced by Land Banking, which permits the local municipalities wide latitude to target immediate reuse by more suitable occupants and requirements, and to proceed timely to effect the restoration, rather than permitting neglect, with a speculative future price rise. Recent Federal support has enhanced the program. Land banks have the legal authority to acquire, hold, and manage the foreclosed properties and clear all impediments to reuse. They can provide unencumbered properties to individual and multiple units (valuable in our area where many multiple dwellings exist) with finance support particularly with historic properties.

Ray Koloski

## Tenant Tales

"The absolute worst experience we ever had was two college students referred to us by my husband's uncle. They trashed the place, stopped paying rent after the first two months and were really, really difficult to evict because it was winter, and at that time the state had laws protecting tenants from being pitched out into the cold. The final insult, of course, was that when they did sneak away in the dark of night, they turned off the heat but not the water -- so we had frozen pipes to deal with on top of the garbage and filth."

Source:

<http://realestate.msn.com/article.aspx?cp-documentid=13108360>



	<b>Primerty LLC</b>
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<b>While you are on vacation or full time.</b>	

# 3 Key Lessons for Avoiding the Dark Side of Passive Income

by Michael Blank

... We know that once passive income equals our living expenses, we are financially independent. At that point we can quit our J.O.B and do the things we really want. Even if it takes ten years to achieve, it's worth it...

## Lesson # 1: Don't Become Complacent

I got into the restaurant business as a way to launch my passive income career. After opening several pizza restaurants and hiring someone to run the restaurants for me, things stabilized. I met with my operator over lunch once per week to review the numbers and discuss opportunities and challenges. Weeks went by, then months and, eventually, several years.

If you're familiar with the short story "Who Moved My Cheese," then I'd say I had grown quite accustomed to my daily cheese and came to expect it. I didn't realize that the cheese was getting old and smelly, and that it was slowly dwindling. The income of the businesses slowly declined year over year. I didn't realize it until one day we bounced two checks in two weeks. We were having cash flow issues. This rattled my cage pretty significantly and forced me to get more involved in the restaurants.

The lesson here is: **don't get complacent with your passive income investment!**

There is a parallel lesson in the apartment investing world... While you should always strive to have a property manager run your properties, don't become that absentee landlord. Make sure you interact with your property manager regularly, ask for reports, ask questions, and keep him accountable. In other words, stay involved.

## Lesson # 2: Don't invest in anything you're afraid to run yourself

The other dark side of passive income is that you shouldn't invest in anything you're not willing to run if necessary. In my case with the restaurants, I eventually parted ways with my operator. I knew it was the right thing to do, but I also knew I would have a full-time job running the restaurants. I was depressed for weeks. I DIDN'T SIGN UP FOR THIS!!! It was supposed to be a passive income investment!

I have another investor friend of mine who funded an enthusiastic entrepreneur's vision of a coffee house. When the entrepreneur defaulted on the note, my friend was suddenly the proud owner of a flailing coffee house. He did what he had to do to liquidate the business. It was certainly not what he signed up for either!

One of my mentors funded an e-commerce business which was highly profitable. But when the owner defaulted on his payments, my mentor took over the site and now runs it himself. My mentor was smarter, though, because he knew this rule of passive income: he wasn't afraid of running the investment if he had to. In fact, he's actually having some fun with it...

## Lesson # 3: There is no such thing as TRUE Passive Income

Unless you're investing in savings bonds and CDs, there is no such thing as passive income. Or, at least, you should not treat anything as true passive income because that means you're becoming complacent. And complacency is the down fall of every successful entrepreneur. It is to success as good is to great. I think it's all about setting the proper expectations. Expect to be active enough with your investments and they will take care of you for a very long time...

Source:

<http://www.biggerpockets.com/renewblog/2014/02/24/lessons-in-passive-income/>

## \*\*\*SPECIAL ELECTION\*\*\*

Hello all CDARPO Members!

We will be having our usual Members Meeting on Thursday, March 13, 2014. There will be a Special Member Meeting after the regular member meeting. The Special Meeting will start at 8:30 p.m. This will be for the purpose of a Special Election. Please try to attend.

Thank you, see you there.

-CDARPO

## CLPPPP!!!

The Childhood Lead Poisoning Primary Prevention Program (CLPPPP) and the three most common lead hazards found in homes in Rensselaer County. The CLPPPP educates families and property owners about lead poisoning and how to limit the risk of exposure due to lead-based paint and other sources of exposure.

### Presenters:

Greg Backus - EPA Lead Risk Assessor-CCE Educator  
 Al Kleinberger - EPA Lead Risk Assessor-CCE Educator  
 Tarasha Darden - McKoy, Family and Consumer Science Educator

## OPPORTUNITY IS KNOCKING

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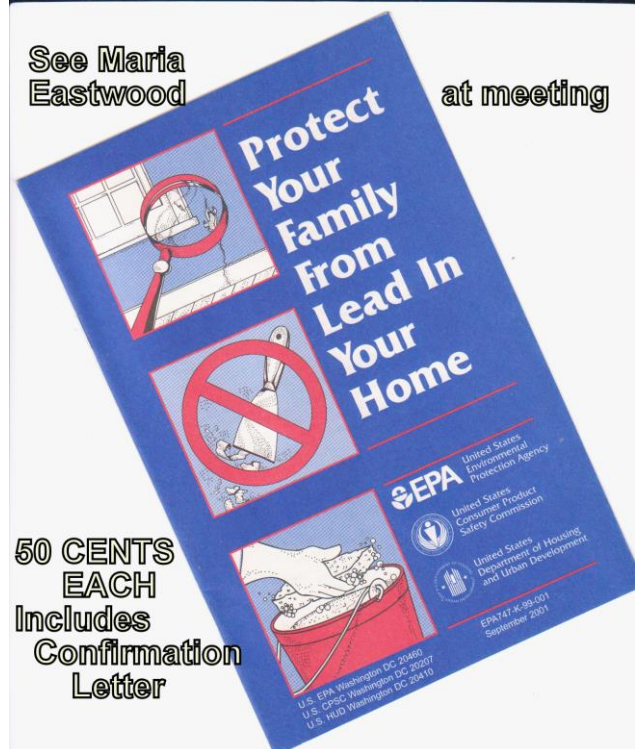


It's quick and easy to list your rental unit.

For additional information Albany Housing Authority at: (518) 641-7500 or on the web at [www.albanyhousing.org](http://www.albanyhousing.org)

See Maria  
Eastwood

at meeting



## We are the Capital District Association of Rental Property Owners

**CDARPO members represent the entire Capital District –  
Albany, Rensselaer, Troy, Saratoga, and Schenectady counties.**

Please join us!

Dues are \$45 emailed newsletter or \$50 snailmail newsletter.

Already a member? Renew your CDARPO membership for 2014.

Find our membership form on-line at [www.cdarpo.org](http://www.cdarpo.org).

Know of a prospective member or a landlord who needs help? With their permission, give their e-mail or address, call (518) 433-7377. We will send them newsletters and information.

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[www.cdarpo.org](http://www.cdarpo.org).

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Business Card	\$ 90	\$ 175	\$ 265
¼ Page	\$ 160	\$ 300	\$ 460
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### 2013 Board of Directors

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Vacant	<i>Secretary</i>	489-5048
Betty Ann Benware	<i>Treasurer</i>	469-7420

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Beverly Brickner	Bob McRae
Emily Calabrese	Matt Montesano
John Fenimore	Dan Malsan
John Keenan	Nathan Marks
Fadhila Hussein	Sandesh Naik
Teresa Fenimore	

**CDARPO NEWS** is published by the  
Capital District Association of Rental Property Owners.

Inquiries regarding the newsletter or advertising should be directed to:

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e-mail: [engelsrojas82@gmail.com](mailto:engelsrojas82@gmail.com)

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landlords”*

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[www.cdarpo.org](http://www.cdarpo.org)

## **CDARPO**

**Capital District  
Association of Rental  
Property Owners  
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Albany, NY 12211-0097**

**Phone: 518 433-7377**

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*CDARPO can help.*

**We offer 10 newsletters each year, general meetings with professional speakers, and members with years of experience.**

## **Next Meeting Thursday, March 13th**

**Days Inn  
Formerly The Ramada Inn  
7:00pm – 9:00pm**

**946 New Loudon Rd  
Latham, NY 12110**

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**Meetings are held on the 2<sup>nd</sup> Thursday of each month  
September – June.**

*CDARPO NEWS* is published by the Capital District Association of Rental Property Owners.