



Apartment Association of Southeastern Wisconsin

Advocating for Sustainable Rental Housing

E-mail: membership@AASEW.org

Website: www.aasew.org

Understanding 1031 Exchanges and Planning an Exit Strategy

Learn the basics of the 1031 exchange process and grey areas that could put your exchange at risk. Learn about exit options that you can use with a 1031 exchange to retire and receive passive income.

When: Monday, March 15th, 2021 at 6 pm.

Location: Virtual - A Remote Meeting link will be sent to all registered attendees

*This call will be recorded and emailed to all registered participants.

Cost: AASEW Members - Free (Non-Members - \$25)

Featured Speakers



Brandon Bruckman -- Investment Adviser / Advisory Board / AASEW Board

Brandon runs the Milwaukee office of Insight Real Estate Partners. He is focused on growing the 1031 / DST business as well as adding investment clients. Brandon also leads the company's marketing efforts and investment due diligence. Prior to Insight, Brandon founded West Chapman & Co., a consultancy that assists clients in growing their business by gaining insights through data. Brandon previously worked at Hedge Fund as the Head of Fixed Income Financing. He co-founded a Healthcare consultancy assisting hospitals in making vendor selections.



Patrick T. Harrigan -- President / COO of Gain 1031 Exchange Company

Patrick T. Harrigan is the President / COO of Gain 1031 Exchange Company, LLC which acts as a qualified intermediary for 1031 like kind exchanges. He has over 14 years on exchanges and has over 19 years of experience with commercial and investment real estate. Patrick previously served as Vice President and Senior Vice President for a national qualified intermediary company and a subsidiary of a regional bank that served as a qualified intermediary.

Register Now!

AASEW Mission Statement:

"The Apartment Association of Southeastern Wisconsin is your primary resource for education, mutual support and legislative advocacy for the successful ownership and management of rental property."

The Apartment Association of Southeastern Wisconsin Inc.

2021 AASEW Board of Directors

President

Mike Cottrell (2021)

Treasurer

Tim Ballering (2021)

Executive Committee

Tim Ballering (2021)

Tristan Pettit (2021)

Directors at Large

Dawn Anastasi (2021)

Brian Bartsch (2021)

Steve Belter (2021)

Melissa Gaglione (2021)

Christy Librizi (2021)

Brandon Bruckman (2021)

Jasmine Medina (2021)

Leticia Schwengel (2021)



PO Box 4125
Milwaukee WI 53204
Phone: (414) 276-7378
Email: membership@aasew.org
Website: www.aasew.org

PRESIDENT'S

CORNER

Mike
Cottrell
AASEW
President



Milwaukee Multifamily Market Sees Slowing Demand in First Quarter

By CoStar Report

Indicators Point to Potential Spring Rebound as Search Activity Ramps Up

Weakened demand seen in the Milwaukee apartment market late in the fourth quarter carried over early into the new year, but several indicators are signaling a rebound heading into the primary leasing season.

Most notably, recent [Apartments.com](https://www.apartments.com) data shows renters are searching for apartments in Milwaukee with greater frequency than pre-pandemic levels seen at this time last year.

This surge in search activity bodes well for demand formation in the market and, combined with continued contractions in overall construction activity, could bring an end to the recent softening of vacancies.

One key indicator that could provide an additional boost of demand has been elevated levels of in-migration. Milwaukee was one of the top markets in the country last year for the annual percentage change in new residents moving to the city, alongside other mid-sized markets such as Sacramento and Salt Lake City.

As renters sought out smaller and more affordable locales during the pandemic, Milwaukee's proximity to Chicago was a likely source of elevated migration during this time and its likely to be a continued source of growing demand in the coming quarters.

- **Mike Cottrell**
President
AASEW



ASPEN CROSSING
APARTMENTS

NOW ACCEPTING APPLICATIONS
1, 2, 3 & 4 BEDROOM APARTMENTS
AND TOWNHOMES

- Off-Street Parking
- Washer/Dryer Hookups (select homes)
- Utilities Included
- Appliances Included
- Window Coverings
- 24-Hour Maintenance
- Balcony (select homes)
- Playground
- Security

Office hours Monday thru Friday, 10 am – 3 pm. Call to schedule an appointment. Rent based on income. Income restrictions may apply. "Equal Housing Opportunity"

CALL FOR MORE INFO!
414.355.7814

WallickCommunities.com | Voice/TTY: 800.553.0300 

9239 North 75th Street, #1 | Milwaukee, WI 53223

How Much to Charge for Rent in 2021: A Landlord's Guide

By: Jay Chang, *BiggerPockets.com*



So now that you have an investment property or two under your belt, you are probably considering the possibility of renting them out. However, determining the right property rent rates can be difficult at times. Not sure how much to charge for rent? You're not alone.

After all, if you charge too much, you'll likely have higher vacancy rates - but if you undercharge, you'll lose out on profit.

Here's how to check if your unit is priced correctly.

First: What is market rent?

The term "market rent" refers to the current average rent price for nearby rental property. Remember, rent is determined by the real estate market value. So when determining how much to charge for rent, what other landlords are charging is valuable information.

However, keep in mind additional variables that can affect your rent, such as:

- The number of bedrooms and bathrooms
- Any special amenities
- Square footage
- Single-family homes vs. apartments or condos
- Garage or storage space available to tenants
- Pet policies

Prospective tenants may place more value on certain amenities, like pet-friendliness. That might mean higher rents. Just pay careful attention to your return on investment - and your boundaries.

Calculating market rent prices

In addition to browsing local rental listings, we recommend signing up for Rentometer, which costs about \$100 per year. This website allows you to compare monthly rents for similar properties by city or zip code. It gives you the 75th and 90th percentile, so you can estimate the highest applicable rent and the lowest rent. Most likely, your property is going to fall somewhere in the 90th percentile.

Continued on page 4



WLB CO.
QUALITY
EST. 1905

WISCONSIN LEGAL BLANK CO., INC.
749 N. 37th STREET
Milwaukee, WI 53208
414 344 5155 • wilegalblank.com

Leave the carbon mess behind with NCR Forms – the modern alternative to carbon paper! NCR Forms are an efficient way to provide multicolored copies of a single document with handwritten or typed information. Use them as order forms, packing lists, invoices, receipts, and more.

Useful where quantities, check marks, or signatures will be added to the form by hand.

- NCR Form 2 part (White, Canary)
- NCR Form 3 part (White, Yellow, Pink)
- Available run sizes: 100 - 500
- Glued on the short edge

- Invoices
- Sales Orders
- Purchase Orders
- Work Orders

Bring **COLOR** TO YOUR TRANSACTIONS
Full Color NCR Forms are here!

Sizes Offered
5.5x8.5 and 8.5x11
2-PART AND 3-PART AVAILABLE
FULL COLOR



Continued from page 3

This is a great place to start, so use it as a baseline. Don't blindly rely on the data provided on Rentometer though, because you don't know what those properties look like. Pairing this with your own research is the best strategy. For example, go on Apartments.com or Zillow and find nearby properties that resemble yours. Pay attention to the year built, the number of units, amenities, convenience, interior and exterior finishes, and inclusion or exclusion of washer and dryer. It's unlikely that you'll find an exact match, but this is still enough to get a good estimate on the rent.

You can also go low tech - simply drive around your neighborhood. If you pass any properties up for rent, call their owners and ask how much they are charging. This will give you a rough indication of how much you should be charging.

These methods will help you understand the viability of different rental rates.

Know how occupancy rates affect rental price

What's the average occupancy rate in the area? Is it 95 percent or 85 percent? How's your property's occupancy rate compared to the region's? You don't want it to be higher or lower by too much.

If your occupancy rate is much higher than the regional average, then your rent is probably not aggressive enough. If it's a lot lower, then your rent might be too high - or might have a much bigger issue than just pricing.

Check in with your property manager

Property managers are great resources, but don't rely on them completely. Ask them about the current market rents and for a market report determine how much to charge for rent.

For the report, your property management company gives you a list of comparable properties with the current rents, which you can then verify yourself - either by researching online or visiting the properties in person. They can also advise you on what amenities might increase your rent. For example, if your property lacks a dishwasher, adding one might be an easy way to raise rents by \$50 per month. Of course, you should carefully calculate your potential return on investment before making any major changes.

If you don't have a property manager, real estate agents can also help you assess the local rental market.

Are you doing the proper tenant screening?

Have you checked your applicant's credit history?

Is the applicant financially creditable to live in your property?

Privileges have to be earned, just like good credit, and renting from you is a privilege.

Visit our Website at WiCreditReports.com

ONLINE CREDIT REPORTS

As low as \$12 per report for Association Members.
Call for a volume discount quote

National Criminal and Eviction searches available

I CAN HELP ALL LANDLORDS BIG AND SMALL



Kathy Haines, Owner
Landlord Services, LLC

Serving Landlords for over 20 years!
Phone 920-436-9855
Email Infoserv99@yahoo.com



“The only sure thing about luck is that it will change”

- Wilson Mizner

Continued from page 4

Don't skip the site visit

Once you've found a couple similar nearby properties, call or visit the property as a potential renter. Ask questions regarding the current rent, unit size, amenities, utility, bill, and any special features. Preferably, you should visit the site to get a good feeling of the property overall.

Go through these steps at least once or twice a year for each of your properties. Studying the current local market increases your rental income, helps you properly manage your current properties, and ensures you make better acquisitions in the future.

How much to charge for rent: The three golden rules

All that information is helpful, but serious investors need to dig deeper to know exactly how much to charge for rent. Follow the rules to arrive at the perfect price.

1. Minimum rent requirement

The rent has to be high enough for you to be able to afford expenses and provide cash flow.

Let's assume your expense ratio is 50 percent, covering both the economic losses and the operating expense. Thus, in the case of a \$500 rental, a 50 percent expense ratio would leave us with \$250 to cover three very important things:

1. Debt service - such as your mortgage
2. Capital expenditure (CapEx) reserve
3. Cash Flow

You'll likely find that \$250 is simply not enough to cover all three of the above. And since debt service is mandatory, the choice we face is between our profit and CapEx reserve. What we often see is landlords pocketing the money left over after debt service, then getting excited about their great cash flow. But eventually, something will happen - maybe their house gets trashed and they need to replace the flooring, water, heater, and stove.

What they suddenly experience is that tragic feeling in the pit of their stomachs which accompanies cash flow in reverse. All of the money they thought they'd made suddenly transfers from their account to their contractor's

This is what happens when one has to make a choice between CapEx reserves and cash flow. That's why you need a minimum rent. There's no hard-and-fast rule, but for apartment setting, this is often around \$650 - and likely more like \$750.

Continued on page 6



PETRIE PETTIT

250 E Wisconsin Ave, Suite 1000
Milwaukee, WI 53202

Tristan R. Pettit
ATTORNEY AT LAW

414.276.2850 TEL
414.276.0731 FAX
tpettit@petriepettit.com

Garnet McLeod

Business Relationship Officer

Contact me today!

262.518.1807

gmcleod@kohlercu.com



**FOCUSED ON YOU, YOUR BUSINESS,
YOUR COMMUNITY.**

Supporting multi-family property owners through:

- New purchase and refinance lending programs
- Cash management and deposit service products
- Experienced and committed staff



KOHLER
CREDIT UNION

kohlercu.com



Gain1031
Exchange
QUALIFIED INTERMEDIARY

Helping Property Sellers
Avoid Taxes



Certified Exchange Specialists on Staff



Creating Comfort With The 1031
Exchange Process

262.402.8072
gain1031exchangecompany.com

Continued from page 5

For single-family rentals, this minimum rent requirement is much higher.

2. Maximum rent requirement

We are always looking to fulfill two objectives: to both protect and grow our investment. Just like there is a minimum requirement for rent, there is also a maximum. We have to be able to appeal to the widest cross-section of the potential audience. If you buy rentals that are too high within the scope of your market, this becomes difficult.

Shoot for rentals between the 55th and 70th percentile of market rents. This appeals to stable, reliable tenants but isn't so exclusive that only a tiny sliver of the marketplace can qualify.

3. Focus on price per square foot

In order to truly compare apples to apples, you have to price your rentals on a per-square-foot basis. Let's say you purchase an apartment building currently renting one-bedrooms for \$525, and online research indicates the market could withstand a \$150 rent increase.

But how big are those comps? If they're 850 square feet, and your rentals are 600 square feet, that market research is no longer relevant - even if they're both one-bedrooms. Can you convince people, for example, to pay even \$625 if units that are 250 soiree feet larger are available for \$700? Unlikely.

With the above information, you should now be well equipped to set an appropriate rent price for your investments properties.

Always
MILWAUKEE, WI
TOWING & RECOVERY
"Gets the Job Done"

**"FOUNDERS OF THE FREE PARKING
ENFORCEMENT PROGRAM SINCE 1999"**

ANY TIME, ANYWHERE, and ALL THE TIME:
*Towing of illegally parked vehicles at
NO COST to you, 24 hours a day,
7 days a week, 365 days a year.*

Always Towing & Recovery Inc.
Melissa Gaglione—Account Executive
Cell (414) 839-9786
melgaglione@icloud.com



HOT! Governor's budget proposes sweeping, negative changes to landlord-tenant laws

By: Tim Ballering, AASEW Board Member,
Justlandlord.com

[Thank you to Joe Murray for the research]

First, let me preface this that in general, I feel Governor Evers has done well in the distribution of housing aid during the pandemic.

However, his proposed budget has a number of concerning provisions. And how the heck does Wisconsin allow laws unrelated to spending to be part of a budget is well beyond me.

- If passed, municipalities will be able to restrict how you screen, what you can change, prohibit showing occupied units, making certain you lose a month or more between tenants, limit charging for damages, limit or prohibit security deposits and allow for rent abatement for minor issues.
- If passed, municipalities will also be able to enact their own eviction moratoriums.

- If passed, you will be inhibited from evicting for criminal activity. That should make other renters and neighbors feel safe - Not!
- If passed, you can be required to disclose code violation "regardless of whether the landlord has actual knowledge of the violation"

Actual details are below.

Local landlord-tenant ordinances

Current law prohibits political subdivision from enacting certain ordinances relating to landlords and tenants. Political subdivisions may not do any of the following:

1. Prohibit or limit landlords from obtaining or using certain information relating to a tenant or prospective tenant, including monthly household income, occupation, rental history, credit information, court records, and social security numbers.
2. Limit how far back in time a landlord may look at a prospective tenant's credit information, conviction record, or previous housing.
3. Prohibit or limit a landlord from entering into a rental agreement with a prospective tenant while the premises are occupied by a current tenant.

Continued on page 8

Looking for Multi-Family Real Estate Financing?



More owners and investors in Southeastern Wisconsin are discovering that The Equitable Bank has the resources, flexibility and expertise to get multi-family real estate deals done.

The Equitable Bank offers:

- Fixed and variable terms up to 10 years
- Amortizations up to 30 years
- Low closing costs
- Competitive rates and terms
- Quick and local underwriting decisions
- Portfolio loans
- Innovative and flexible lending solutions

Member FDIC  EQUAL HOUSING LENDER

Mike Cottrell | Vice President, Senior Commercial Lender

414.777.4183 | mike.cottrell@equitablebank.net | TheEquitableBank.com

Continued from page 7

4. Prohibit or limit a landlord from showing a premises to prospective tenant during a current tenant's tenancy.
5. Place requirements on a landlord with respect to security deposits or earnest money or inspections that are in addition to what is required under administrative rules.
6. Limit a tenant's responsibility for any damage to or neglect of the premises.
7. Require a landlord to provide any information to tenants or to the local government any information that is not required to be provided under federal or state law.
8. Require a residential property to be inspected except under certain circumstances.
9. Impose an occupancy or transfer of tenancy fee on a rental unit.
10. Current law also prohibits political subdivisions from regulating rent abatement in a way that permits abatement for conditions other than those that materially affect the health or safety of the tenant or that substantially affect the use and occupancy of the premises.

The budget bill eliminates all of these prohibitions

Local moratorium on evictions

Current law prohibits political subdivisions from imposing a moratorium on landlords from pursuing evictions actions against a tenant.

The budget bill eliminates that prohibition

Notification of building code violations

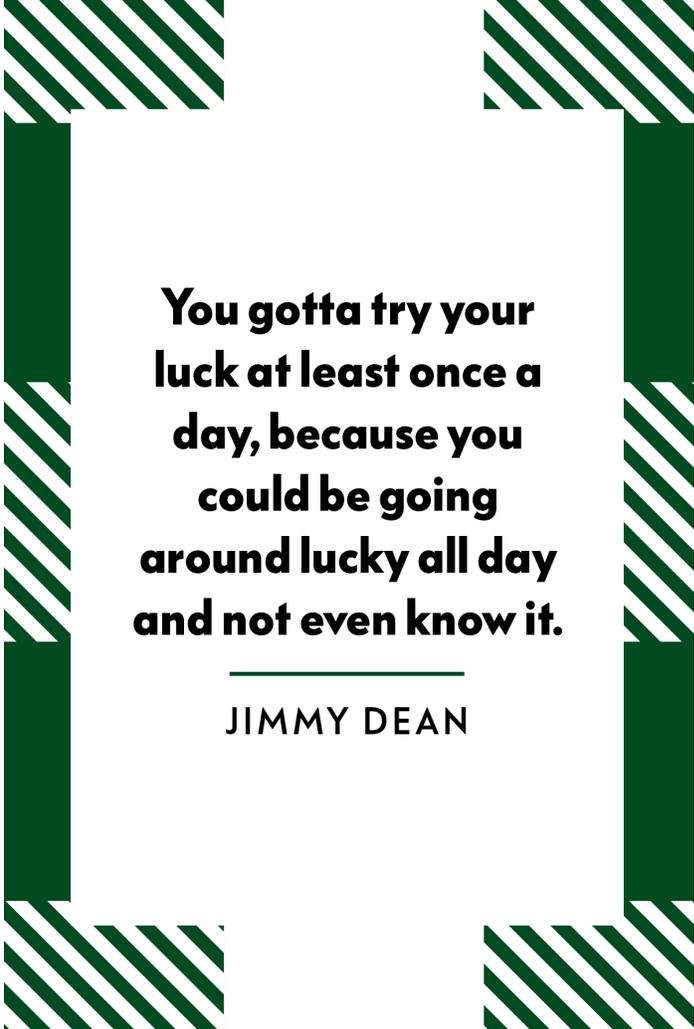
Under current law, before entering into a lease with or accepting any earnest money or a security deposit from a prospective tenant, a landlord must disclose to the prospective tenant any building code or housing code violations of which the landlord has actual knowledge if the violation presents a significant threat to the prospective tenant's health or safety. The bill eliminates the condition that the landlord have actual knowledge of such a violation and that the threat to the prospective tenant is a building code or housing code violation, regardless of whether the landlord has actual knowledge of the violation, if the violation presents a threat to the prospective tenant's health or safety.

The budget bill eliminates these provisions

Terminating a tenancy on the basis of criminal activity

Current law allows a landlord, upon providing notice to a tenant, to terminate the tenant's tenancy, without an opportunity to cure the tenant's default, if the tenant, a member of the tenant's household, or guest of the tenant 1) engages in any criminal activity that threatens the health or safety of other tenants, person residing in the immediate vicinity of the premises, or the landlord; 2) engages in any criminal activity that threatens the right to peaceful enjoyment of the premises by other tenants or persons residing in the immediate vicinity of the premises; or 3) engages in any drug-related criminal activity on or near the premises.

The budget bill eliminates these provisions

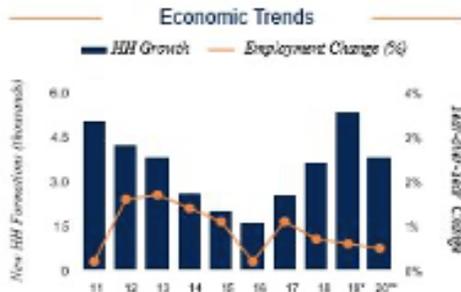


**You gotta try your
luck at least once a
day, because you
could be going
around lucky all day
and not even know it.**

JIMMY DEAN

Milwaukee Multifamily Loan Information

By Marcus & Millichap



Milwaukee Economic Trends

Debundling Households Retain Class B/C Demand; Workforce Rentals Providing Solid Cash Flows Budget-friendly multifamily housing in high-demand; sluggish lease-up of luxury apartment rentals facilities vacancy increase. More households are being created than individuals added to the population, a phenomenon not common on the national level. The homegrown population is forming new residences as young adults are moving out of family homes or decoupling from multiple roommate living situations. Seeking more suitable multifamily residences, these individuals are often looking to budget-friendly apartment rental options, driving Class B/C vacancy to near cycle lows in the mid-2 to low 2 percent range. Additionally, employers are frequently recruiting students from the numerous local higher-education institutions, and a high percentage of them are being retained within the metro after graduation. With an income to support an upgraded living situation, these individuals are creating new households near their employers, often choosing multifamily rental housing as a cost-effective option as they start their careers. Although these positive trends will maintain steady lease-up for Class B/C apartment units, demand for luxury rentals lags behind deliveries. As new Class A multifamily projects are finalized they will take longer to be leased, resulting in upward pressure on the metro's overall vacancy this year. Investors looking to purchase property in the Milwaukee market should definitely look into taking out an apartment loan to finance their acquisition.

Suburban mid-tier multifamily assets high on investors' radar. Tight market conditions for suburban garden-style apartment rentals will deliver sizable rent growth, appealing to a wide range of investors. As multifamily listings remain limited, buyer competition will ramp up supporting comparatively aggressive pricing. In-state investors will concentrate primarily on north and west suburbs, in the corridor between Interstate 41 and I-43.

Here, rising apartment rental rates are setting the stage for value-add potential and recent trades capture cap rates in the mid-6 to 8 percent area. Out-of-state buyers will favor newly built multifamily assets in the core, where initial yields have been in the 5 percent range. A highly competitive yield compared to urban core assets in most primary metro markets. Milwaukee is a great market for investors to finance their next apartment purchase with a multifamily loan.



Milwaukee Completion vs. Absorption

The Milwaukee National Multifamily Index Rank is at 38, down 3 places. Increasing vacancy, a slowdown in rent gains allow other markets to move up and lower the standing for Milwaukee in this year's Index.

Employment in Milwaukee is up 0.5%. The job growth trajectory eases as 4,600 roles are created. Employers added 5,000 positions in the previous year.

Construction in Milwaukee is expected to exceed 2,200 apartment units. New rentals are brought to market at a more constrained pace than the 2,600 units completed in 2019. Development is scattered between the core and suburbs.

Vacancy in Milwaukee is up 3.9% bps. While remaining relatively low, vacancy ticks up to 3.6 percent this year as apartment leasing lags behind recent completion.

Rent in Milwaukee is up 3.9%. Robust demand for a limited available supply of garden-style rentals supports the average effective rent growth to \$1,218 per month. Last year a 4.5 percent gain was recorded.

Investment opportunities in Milwaukee remain strong for those looking to finance their next purchase with an apartment loan. Class C assets will be heavily targeted by local and regional investors, driving up sale prices. Institutional investors target newly built assets in trendy millennial hubs downtown. We highly recommend any investors looking to buy in the Milwaukee market to reach out to lender's regarding a multifamily loan.



Advertising Rates for the OWNER

Ad Size	# of Runs	Total Cost
Business Card	6	\$200
	12	\$250
Quarter Page	1	\$50
	6	\$275
	12	\$500
Half Page	1	\$80
	6	\$325
	12	\$550
Full Page	1	\$150
	6	\$600
	12	\$1,000

Notes:

- Ads are black and gray scale in print unless other arrangements are made.
- Ads will appear in color in the electronic copy of the newsletter if color ads are provided. Ads may appear in color when printed if they are on the inside back cover at the time of printing.
- If an ad is changed during a run, blocks may still be purchased, however, there will be a \$25 charge for each new/changed ad.
- Additional costs may be incurred if your ad needs to be designed or modified. Please contact the AASEW office with any questions or changes at (414) 276-7378.
- Ad space for more than one run must be purchased in blocks of 6 or 12 consecutive runs, and must be paid in full to receive block prices.

What are Some of the Craziest Things Tenants have Done to you/your Property?

By Dawn Anastasi, AASEW Board Member

When a tenant was moving out, their couch was too large to fit in their moving truck. I recall a couple years back when she mentioned buying it, so I was sure that she'd just make a second trip for it. I was mistaken.

Her friend came in with a sledgehammer, and he went to town on it until it was a misshapen mess. I was too stunned to say anything. Luckily they didn't cause damage to my rental, only to the sofa. They took the entire thing out and disposed of it, so at least I wasn't stuck with it.

I've read some other stories on Reddit that were much worse:

"One of them left behind hundreds of cloth hangers, and I mean hundreds. Another one installed black marble tiles and a giant jacuzzi in the middle of the living room, and expected us to be grateful."

"Started an unlicensed tattoo parlor; screwed a car bumper to the wall; let their babies crawl around in the feces from their untrained dog; tried to sell the kitchen cabinets."

"My older sister and her boyfriend rented out their house when they moved out west for work. After several months of non-payment, the young adult male and female tenants were told to move out. Right before leaving, they smeared feces on the floors and walls, removed every light switch and electrical outlet cover, destroyed the bathroom, and removed the locks on the doors, and left the doors wide open."

"Water was included in the rent, so she decided to run a carpet washing company in the house. Ruined the laminate flooring by drying the carpets over it and accumulated a massive water bill."

"She had been keeping a goat in the laundry room! Even the ceiling was brown. She left the place with heaps of trash. We found a mother cat with kittens abandoned on a sofa in the living room."

"The guy used to work construction and mixed up some quick-setting concrete and poured it into EVERY drain. It literally destroyed most of the plumbing in the building as the pipes all drained down to the floors below. They had to tear the walls apart and completely redo all of the plumbing it touched."

Milwaukee County Sheriff's Office, Evictions, Double Damages, and CCAP

By Carrie Maas, AASEW member

Effective January 11, 2021 the cost for the Eviction Squad in Milwaukee has been increased to \$200.

The Milwaukee County Sheriff's webpage states that you need to pay the Sheriff fee online, however you can go down to the Safety Building with forms in hand and hand them in personally and pay at their office.

The Milwaukee County Sheriff Department will ask you to sign a statement at the eviction site that you have not received the CDC form from your tenant.

Some of the Court Commissioners are stating that they are refusing to allow landlords the Double Damage Fees for holding out after notice. This is legally allowed to be given to all landlords.

Demand the amount you are legally entitled to and if that fails insist on having your case heard before the Judge.

The Judge by oath must follow the law in the State of Wisconsin.

Do not be bullied and stand up for your rights, but remember at all times to be civil and not to lose your temper.

With all meetings being done by Zoom it is important that you continually check your cases and the information in those cases on CCAP.

CCAP: <https://wcca.wicourts.gov/>

We have found cases with names misspelt, not all parties listed, wrong amount of money granted, appearances of attorneys when none were present, failing to note for the record the name of the Attorney's appearing on the Defendant's behalf when the Legal Defense Fund is used, cases prematurely closed before second and third causes, cases being left open after the final Court date.

So please check your case history and verify each and every case. Mistakes happen beyond our control. Make the Courts aware of the errors and corrections will be made to the record.



AASEW Business Member Directory

ATTORNEYS

Attorney Tristan R. Pettit
Petrie & Pettit
250 E Wisconsin Ave #1000
Milwaukee, WI 53202
tpettit@petriepettit.com
t: (414) 276-2850
www.LandlordTenantLawBlog.com

Kramer, Elkins & Watt, LLC
Jessica M. Kramer
2801 Coho St.
Suite 300, Madison
WI 53713
t: (608) 709-7115
f: (608) 260-7777
www.kewlaw.com

Roney & Knupp LLC
1031 N. Astor Street
Milwaukee, WI 53202
evan@rkmilwaukee.com
t: (414) 299-3875
f: (414) 271-4424

CREDIT REPORTS

Landlord Services
Kathy Haines
818 S Irwin Ave
Green Bay, WI 54301
infoserv99@yahoo.com
t: (920) 436-9855
www.wicreditreports.com

EXTERMINATORS

Humberto Pest Control
Channel Fitzpatrick
2555 S Calhoun Rd, Ste 202
New Berlin, WI 53151
cnpalliances@yahoo.com
t: (414) 702-1989

FINANCING

The Equitable Bank
2290 N Mayfair Rd
Wauwatosa, WI 53226
mike.cottrell@equitablebank.net
t: (414) 777-4183
www.theequitablebank.com/business-banking-team.aspx

Gain 1031 Exchange Company, LLC
Patrick Harrigan, CES
200 S Executive Dr, Suite 101
Brookfield, WI 53005
Patrick.harrigan@gainexchangecompany.com
t: (262) 402-8072
www.gain1031exchangecompany.com

Kohler Credit Union
Garnet McLeod
11357 N Port Washington Rd
Mequon, WI 53092
gmcleod@kohlercu.com
t: (262) 518-1807
Kohlercu.com

Tri City National Bank
Yanni Bambarakos
5555 S 108th Street
Hales Corners WI 53130
t: (414) 840-5943
Y.bambarakos@tcnb.com
www.tcnb.com

Insight Investment Advisers LLC
5251 W 116th Place
Suite 200
Leawood, KS 66206
brandon@investwithinsight.com
t: (414) 322-3237

Waterstone Bank
Julie Fay Krivitz
21505 E Moreland Blvd
Waukesha, WI 53186
juliefaykrivitz@wsbonline.com
(414) 459-4568
<http://www.wsbonline.com/>

FIRE DAMAGE, FLOOD & RESTORATION

Giertsen Company of Wisconsin
Lynn
W223 N798 Saratoga Dr
Waukesha, WI 53186
lynnr@giertsenco.com
t: (262) 717-1300

Sid Grinker Restoration
Shari Engstrom
Emergency Service 24/7/365
Milwaukee, WI
t: (414) 264-7470

FITNESS

Johnson Commercial Fitness
Ryan Nielsen
7585 Equitable Dr
Eden Prairie, MN 55344
ryan.nielsen@johnsonfit.com
t: 262-328-4566
Commercial.2ndwindexercise.com

FLOORING

Carpetland USA
Jaime Best
1451 S 108th Street
West Allis, WI 53214
jaimeb@carpetlandwi.com
t: (414) 292-3500

FORMS / LEASES

WI Legal Blank
Steve Russell/Rick Russell
749 N 37th St
Milwaukee, WI 53208
info@wilegalblank.com
t: (414) 344-5155
www.wilegalblank.com

HARDWARE

Home Depot
Michael Dwyer
2% Cash Back On All Purchases
Michael_dwyer@homedepot.com

INSURANCE

P&C Insurance
Bob Dummer
405 N Calhoun Rd #203
Brookfield, WI 53005
bdummer@pc-insurance.net
t: (262) 784-0990
www.pc-insurance.net

JUNK REMOVAL

Mr Cleanout LLC
John Rudig
3408 W Woodview Ct
Mequon 53092
Johnrudig@yahoo.com
Mrcleanoutllc.org

LIGHTING & ENERGY

Energy House LLC
Doug McFee
N52W27222 Elizabeth Dr
Pewaukee, WI 53072
dmcfee@wi.rr.com

WE Energies
Missie Muth
231 W Michigan P488
Milwaukee, WI 53290
Missie.Muth@we-energies.com
t: (414) 221-3290
www.we-energies.com

AASEW Business Member Directory

PAINT & PAINTING SUPPLIES

Sherwin Williams

Milwaukee, WI
swrep6301@sherwin.com
t: (262) 549-9007
www.sherwin-williams.com

PLUMBING & DRAIN CLEANING

Mattox Plumbing

Harold Mattox
1634 S 108th St
West Allis, WI 53214
hmattox@mattoxplumbing.com

PUBLIC ADJUSTER

A. Schoeneman & Co., Inc

Mitchell Schoeneman
Headquarters: 6901 N Lincoln Ave
Lincolnwood IL 60712
Milwaukee Office: 1816 E Kane Place
Milwaukee WI 53202
t: (773) 539-7446
f: (224) 251-8450
www.aschoeneman.com

ROOFING

Advocate Construction

3695 N. 126th Street
Unit M
Brookfield, WI 53005
calvin.m@advocateconstruction.com
t: (833) 389 7663

SJS Roofing & Construction, Inc.

Steven J. Swenson
9825 S 13th St
Oak Creek, WI 53154
SteveS@SJS-Construct.com
t: (414) 899-7043 (cell)
t: (414) 304-5089 (office)
www.SJS-Construct.com

SECURITY SYSTEMS

ADT

William Niemeyer
t: (800) 521-1734

Engineered Security Solutions, Inc.

Troy Salchow
16805 W. Observatory Road
New Berlin, WI 53151
tsalchow@engineeredsecurity.net
(262) 995-5351
f: (262) 754-4735
www.engineeredsecurity.net

TITLE & SERVICES

Land Title Services

Jacky Brown
7700 W Bluemound Rd
Wauwatosa, WI 53213
jbrown@landtitleservices.net
t: (414) 259-5060
landtitleservices.net

TOWING & RECOVERY SERVICES

Always Towing & Recovery, Inc

3700 W Wells St
Milwaukee, WI 53208
melgaglione@icloud.com
t: (414) 933-7666
www.alwaystowingandrecovery.com

WATER HEATERS

Reliable Water Services

2400 S 102nd St, Suite 103
Milwaukee, WI 53227
info@reliablewater247.com
t: (800) 356-1444
www.reliablewater247.com

PROPERTY MANAGEMENT

Aspen Crossing Apartments

Layne Hurst
9239 N 75th St #1
Milwaukee, WI 53223
LHurst@wallick.com
t: (614) 552-5647
www.wallick.com

Bartsch Management LLC

Brian Bartsch
PO Box 26915
Milwaukee, WI 53226
info@bartschmanagement.com
t: (414) 763-7160

Berrada Properties

PO Box 241191
Milwaukee WI 53224
t: (414) 386-8302

Horizon Management

5201 E Terrace Drive
Suite 300
Madison, WI 53718
b.hildebrandt@horizondbm.com
t: (608) 354-0908

Prospect Management Company

t: (414) 540-0004
help@pmcwi.com
www.pmcwi.com

MPI Property Management, LLC

6700 W Fairview Ave
Milwaukee, WI 53213
t: (414) 933-2700
www.mpiwi.com

“Luck is when an opportunity comes along and you’ve prepared for it”

- Denzel Washington



AASEW Business Member Directory

AASEW OWNER Article Guidelines

Would you like to submit an article for publication in the AASEW newsletter?

Here are the current submission guidelines:

Deadline for all submissions is the first of each month.

The newsletter will be delivered electronically to the membership around the 10th of the month.

Limited print copies of the newsletter will be available at the General Membership Meeting following its publication.

We are happy to accept one article per author per newsletter.

Please keep the article to approximately 500 words in length.

Any edits made to an article (generally for length) will be approved by the contributor before it is published.

All articles must be properly attributed.

The Editorial Staff reserves the right to select articles that serve the membership, are timely, and are appropriate.



PROPERTY MANAGEMENT

Nimius LLC
Dennis Schramer
815 S 9th St
Milwaukee, WI 53204
dennis@nimiusllc.com
t: (844) 464-6487
www.nimiusllc.com

Performance Asset Management
Gino Passante
2658 S Kinnickinnic Ave
Milwaukee, WI 53207
gino@pammke.com
t: (414) 622.1296
www.pammke.com

Real Property Management Greater Milwaukee
Christine Gregory
2312 N Grandview Blvd, Suite 210
Waukesha, WI 53188
cgregory@rpmgreatermilwaukee.com
t: (262) 409-2050
www.rpmgreatermilwaukee.com

Wisconsin Lakefront Property Management LLC
Eileen Robarge
info@windwardcovellc.com
t: (866) 542-5851
www.lakefrontpropertyllc.com

WJP & Associates 1, LLC
Valerie Swenson
valswenson1@gmail.com
t: (262) 617-5262
705 Sunnyslope Road
Elm Grove, WI 53122

Do you want to become one of our Business Partners?

Visit our [website](#) and learn more about exciting benefits, advocacy, education, legislative and business support provided by the **Apartment Association of Southeastern Wisconsin**.

Join Us Today!



A Vicious Cycle: When Residents Can't Pay Rent, Landlords Struggle to Pay Their Own Bills

By Megan Carpenter, *Spectrum News 1*

Wauwatosa, Wis. - President Joe Biden has set aside \$25 billion for rental assistance, as part of this latest stimulus package Wisconsin gets nearly \$377 million of that money, which will be distributed through the state. The city of Milwaukee will get the most, around \$17 million.

That money, however, has yet to be disbursed. While people wait, tenants are falling further behind in rent payments, and some property managers haven't seen a rent check in nearly a year.

"Our owners aren't getting paid and that means we're not getting paid," said Joe Hoffman, who owns Porchlight Property Management. "In some cases, tenants are as much as six months behind."

Hoffman oversees 650 different units and about 100 landlords in Milwaukee, Washington, Waukesha, and Ozaukee counties. He runs the business with his wife and four daughters. He's also a small-scale landlord and adds most of the property owners he manages are just like him.

"These are small, mom-and-pop businesses," he said. "We have retired farmers, school teachers, city workers, people who are retired and this is their retirement plan."

Hoffman says his delinquency rate when it comes to rent payments has jumped to 15%, compared to just 3% before the pandemic. His revenue dropped as much as 30% in some instances last year, from quarter to quarter.

The Wisconsin agencies designated to help those who are falling behind in rent are inundated with cases. Joe has noticed how difficult it has been to keep up.

"Today, I still have some residents who have been waiting since November to get some sort of rent assistance," he said. "That means they were already behind in November and now here we are in February."

Landlord and tenant advocates agree federal assistance is the only solid solution. Attorney Tristan Pettit he said has come to the table with many of them and the answer always circles back to that.

"We don't need to worry about an eviction moratorium if we have money coming in," he said.

The CDC eviction moratorium has been extended twice since its inception this past September.

There is also discussion of extending it into the fall of 2021. Pettit and Hoffman worry if this happens, and rental assistance lags, the problem will be too great to solve.

"There's no way those residents can climb out of the hole when the moratorium actually ends and it has to come to an end," Hoffman said.

"I have clients who have said what can I do, I don't have money to make repairs, I'm thinking of giving my property back to the bank," Pettit said. "In those situations, things are far enough along that I don't know how they're going to manage."

Eviction filings in Milwaukee County dropped significantly in 2020. Data from [Wisconsin Circuit Court records](#) shows last year, the county had 7,918 pending cases. In 2019, that number held at 12,164. In 2018, it was 12,244.

Pettit said this is part due to judges looking at every eviction case more closely due to the pandemic. This includes filings for behavioral issues and other problems not covered under the moratorium.

"Nobody wants to evict anyone right now," he said. "So, they're scrutinizing even those evictions more carefully to make sure it's not being used as a pretext for failure to pay rent."

[The Eviction Lab](#) at Princeton University also reports Milwaukee to be down in evictions over the past year.

Pettit adds distribution within the states of this federal rental assistance should happen by the end of February. This latest allotment also gives landlords the ability to apply on behalf of their tenants.

Read more about what CDC's eviction moratorium covers, [here](#).

**"Lucky is believing
you're lucky"**

- Tennessee Williams

Resources to help you and your renters succeed

By Tim Ballering, AASEW Board Member

The Apartment Association, in conjunction with Community Advocates, Legal Action, Legal Aid, and many others, have been working to create a one-stop resource to help both renters and housing providers weather not only the current economic problems but to encourage sustainable, affordable rental housing.

Let's get right to today's big announcement: The Rental Housing Resource Center website is now live at: www.renthelpmke.org

This is THE place for you and your renters to find available financial and other help. Under the latest program up to 12 months, arrearages are covered as well as rent going forward. It is a big deal. The Resource Center is the culmination of many efforts by lots of folks hard at it for years.

I encourage you to take a look around the site and share the link with your colleagues. If you have any feedback about the site's functionality or features you would like to see, just let me know.

Side Note: I was a participant on the web design committee. I want to give a shoutout to Carl Cummings and his team at carldesigns.com. He did an excellent job, taking in many different design and flow viewpoints in a positive manner. Having been involved in other web design projects, this was one of the best processes I've seen. They also did the new site for Mediate Milwaukee.

WI Emergency Rental Assistance Program

By State of Wisconsin, Department of Administration

Wisconsinites should not fear being evicted, having their utilities shut off, or being without a place to live because their budgets have been impacted by the COVID-19 pandemic.

The Wisconsin Department of Administration (DOA) is partnering with members of the Wisconsin Community Action Program Association, as well as Energy Services, Inc., to assist eligible renters impacted by the COVID-19 pandemic and need help with their rent, utilities, and/or other housing stability.

Available Assistance

Eligible households may receive up to 12 months of assistance to help with current and/or overdue bills.

- Utility and Home Energy Payments
- Rent Payments
- Services to help you stay in your home

Printable Program Flier

Who is Eligible?

Your household may qualify if at least one or more individuals in your home meet the following:

- 1) Qualifies for unemployment or has experienced a reduction in household income, experienced major costs, or experienced financial struggles due to COVID-19;
- 2) Demonstrates a risk of being evicted or losing your home; and,
- 3) Has a household income at or below **80 percent of the county median.**

Want to Apply?

Information about the Wisconsin Emergency Rental Assistance Program, including how to apply for assistance, is available in two convenient ways:

- **Your Local Community Action Agency**
- **Energy Services Inc.**
Call: 1-833-900-9372
Email Address: support@wera.help

NOTE:

The counties of Brown, Dane, Milwaukee and Waukesha as well as the cities of Madison and Milwaukee are operating their own emergency rental assistance programs and are not participating in the Wisconsin Emergency Rental Assistance program. Interested residents in these areas should apply directly to their local government's rental assistance provider,

The counties of Brown, Dane, Milwaukee, and Waukesha, as well as the cities of Madison and Milwaukee, are operating their own emergency rental assistance programs and are not participating in the Wisconsin Emergency Rental Assistance program. Interested residents in these areas should apply directly to their local government's rental assistance provider, some of which are listed below.

Local Government	Rental Assistance Provider	Phone Number
Brown County	Newcap	800-242-7334
Dane County	Tenant Resource Center	608-257-0006
Milwaukee County	Community Advocates	414-270-4646
Waukesha County	TBD	
City of Madison	Tenant Resource Center	608-257-0006
City of Milwaukee	TBD	

Tips for Catching Water Leaks

By Dawn Anastasi, AASEW Board Member

With all the freezing temperatures and loss of power that Texas was hit with recently, many pipes there have burst and caused lots of damage.

We all hope we don't get flooding in our rentals, however a water leak, if left undiscovered for a period of time, can cause quite a bit of damage.

Did you know that just 3 appliances in a home cause almost \$17 million in damage each year? These appliances are:

- Washing machines
- Water heaters
- Toilets

Just because your rental property is occupied doesn't mean your tenants will necessarily notice that there is an issue with these items. Washing machines and water heaters are generally located in the basement, and if the door is closed to the basement, it may be difficult to hear if water is gushing out onto the floor.

Luckily, there are devices to assist in discovering water leaks before they turn catastrophic. These devices are not only something you should consider for your rental property, but for your own personal home as well.

These devices are very low cost and it's well worth it to sound an alarm when water is detected.

Around either a water heater or a washing machine, you can add a shallow pan. These pans can be found at your local home improvement store for under \$25.



Continued on page 18

Established with the investor in mind

Bartsch Management is a full service property management company including property acquisition, management and sales. Our expertise ensures the highest quality of care in all dealings involving your property- from management of rentals, to full-service maintenance, to listing your property, to final sale.



bartschmanagement.com
414.763.7160

Emergency Service 24/7/365 Answered Live 414-264-7470

Respond. Restore. Renew.

Water Damage

Fire Damage

Mold Remediation

Air Quality

Roof Safety

Wildfire

All Building Emergencies
24/7/365



Continued from page 17

The shallow pan helps stop the small amount of water that starts leaking to spread out over the basement floor. These can be paired with a battery operated water sensor. The device runs as low as \$15 so it's a very economical choice to add to a rental property.



Pictured: Basement Watchdog Battery-Operated Water Alarm available at Home Depot

The device works by a contact sensor that can detect a very minimal amount of water. Put the sensor inside the pan. If the washing machine starts to leak, the water will start to fill up the pan and the sensor will go off, emitting a 110 dB alarm. The alarm box can be mounted on a wall as it's attached to the sensor with a 6 foot cable.

One thing to consider is checking the hoses that attach the hot and cold water lines to the machine. Over time, these hoses can wear out. If you do not supply hoses to your tenants, they may buy the cheapest hoses available (or use old hoses that are 10-15 years old), and these might be more likely to break.

Look into supplying braided stainless steel washing machine hoses for the connections. Many people advise that washing machine hoses should be changed every 3-5 years. Why so often? Over time the rubber inside the hose, under the braided stainless steel, loses flexibility, becomes dry and brittle, and can cause the hose to split with no warning.

The alarm system works great if the tenant is home, however what happens when they're at work and the water heater starts to leak? A standard water heater can contain between 40 and 50 gallons of water, which you do NOT want on your basement floor.

Another device to consider installing, especially when you hook up a new water heater, is a special shut-off valve tied to a water sensor.



Pictured: Taco Comfort Solutions LeakBreaker Water Heater Shut-Off Valve with Control and Sensor available at Home Depot

This device works in a similar fashion to the water alarm previously discussed in that it detects water, however you need to install the valve on the incoming cold water line. This can be done when a new water heater is installed, or after the fact. When water is detected, the shut off valve takes action and shuts off the incoming water supply. These devices are more expensive, running you about \$200, but that may be money well spent for peace of mind.

Toilets can also cause water leaks, however they are usually in the main part of the home and are more easily seen by your residents.

One tip for toilets -- when installing a new toilet, never caulk all the way around a toilet. Leave the back of the toilet uncaulked. If there's a water leak, a toilet that has caulk all the way around the bowl will have nowhere for the water to go except for your subfloor. A toilet with a gap in the caulk in the back of the toilet will leak water out the back of the toilet, and your tenants will notice this. (And hopefully alert you that there's a problem!)



Tristan Pettit's Blog

If you haven't checked out Tristan's blog, you should put that high on your to-do list. His blog is filled with tons of valuable information. Also see our note about the next landlord Boot Camp on the back cover of this newsletter!

Excerpt from Tristan's blog:

Question: If a tenant abandons an apartment in the middle of a lease and the landlord decides sue him for owed rent, can the landlord sue him for all the rest of the rent up to the date of termination on the lease, or can the landlord only sue him for rent of the months that the tenant actually stayed?

Response from Tristan R. Pettit, Esq.

If a tenant breaches his/her lease by moving out early, the tenant is responsible for paying rent for the remainder of the lease subject to the LL's duty to try and mitigate a tenant's damages (i.e. - re-renting the unit).

If a LL tried to re-rent the unit for the remainder of the lease term and was not able (and can prove that they made "reasonable efforts" to re-rent) then a tenant would be responsible for rent for the full lease term.

www.landlordtenantlawblog.com

New Washer & Dryer Sales

- ✓ **Quick Availability** — we have a full stock of machines and parts ready for sale today
- ✓ **A Company You Can Trust** — multifamily laundry experts since 1947
- ✓ **Top-Brand Washers & Dryers** — offering Speed Queen and Maytag
- ✓ **Beyond the Box** — delivery, installation and service contracts available

Plus, our machines can be outfitted to accept coin or card payment, as well as contact-free mobile payment.

» **Get a Quote Today!**

Visit wash.com/sales or call 800-236-5599

WASH



**The Apartment Association of
Southeastern Wisconsin, Inc.**
PO Box 4125
Milwaukee WI 53204
(414) 276-7378
www.aasew.org
membership@aasew.org

Landlord Boot Camp May 2021

Due to great demand, the AASEW will be offering Attorney Tristan Pettit's Landlord Boot Camp again on Saturday, May 15th via a streamed webinar from 8:30 AM to 5 PM with a new live Q & A from 5 PM to 6 PM.

Price:

- Members - \$189.00
- Non-Members - \$329.00
- Bootcamp plus 12 month AASEW Membership - \$330.00

Enjoy the advantages of the new virtual format:

- Attendees will receive a searchable pdf Landlord Boot Camp manual, making it easier to search and reference in the future.
- A recording will be available for 14 days after the event so you can re-watch any sections that you would like.
- Attend the event from the comfort and safety of your home.
- As in prior Boot Camps, a live Q & A session is included.
- You will receive all of the same information that is normally presented in Landlord Boot Camp plus the latest information on navigating the CDC Moratorium.



Save the date!

Table of Contents:

Page 2 -- President's Corner

Page 3 -- How Much to Charge for Rent in 2021: A Landlord's Guide

Page 7 -- HOT! Governor's budget proposes sweeping, negative changes to landlord-tenant laws

Page 9 -- Milwaukee Multifamily Loan Information

Page 10 -- What are Some of the Craziest Things Tenants have Done to you/your Property?

Page 11 -- Milwaukee County Sheriff's Office, Evictions, Double Damages, and CCAP

Pages 12-14 -- AASEW Business Member Directory

Page 15 -- A Vicious Cycle: When Residents Can't Pay Rent, Landlords Struggle to Pay Their Own Bills

Page 16 -- Resources to help you and your renters succeed & WI Emergency Rental Assistance Program

Page 17 -- Tips for Catching Water Leaks

Page 19 -- Tristan Pettit's Blog