

# Apartment Association of Southeastern Wisconsin

Advocating for Sustainable Rental Housing

E-mail: membership@AASEW.org Website: www.aasew.org

## **AASEW Holiday Party**

Join us as we celebrate all the AASEW accomplished in 2021 and hear what 2022 has in store for the Association.

The evening will include raffle prizes, cocktails & appetizers.

Come mingle and network with other investors.

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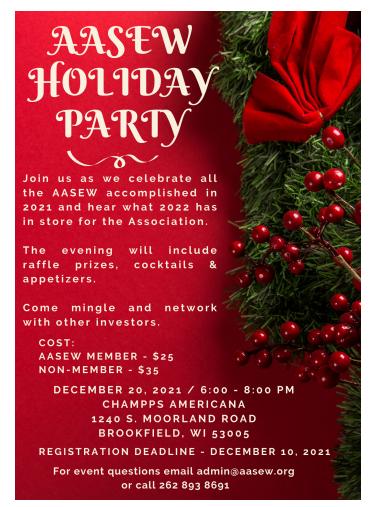
Non Member - \$35

When: **December 20, 2021** Time: 6:00 PM - 8:00 PM

Location: Champps Americana 1240 S. Moorland Road Brookfield, WI 53005

Registration Deadline: December 10, 2021

For event questions email admin@aasew.org or call 262 893 8691



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Mike Cottrell AASEW President



Wow! What a first year leading this incredible association. Reflecting on a year that many wish we could just forget about, or if you recall in th hit movie "Back to the Future" with Michael J. Fox, (a.k.a.) Marty Mcfly had the option to select inside the DeLorean to go back in time, skip 2021! We all know this is only possible in the movies. So, we had to get up, get dressed and figure out how to go about our business.

I cannot express enough how hard the board has worked & couldn't be more proud of them. The local and state legislative issues are at a critical point. All owners (small & large) need to unite as "One Voice" and be heard. Every member needs to step up, volunteer, support, promote and help AASEW continue to be an educator and advocate for the industry.

The pandemic unraveled the Retail and Hospitality sectors in 3rd and 4th Quarter of 2020, in Quarter 1 and Quarter 2 2021 folks continued to stay isolated and worked remotely. Here's a recap of the headlines regarding the Multi-Family market in Milwaukee.What will the January 2022 forecast look like, I will project a very positive outlook as we have less than a 3% vacancy rate, low cap rates, and thus values are up.

2021 Milwaukee Market Multi-Family Key Headlines Per CoStar

- November 2020 Milwaukee's Multifamily Market Remains Resilient As Pandemic Worsens
- January 2021 Milwaukee Multifamily Market Strengthened Heading Into 2021
- February 2021 Milwaukee Multifamily Market Sees Slowing Demand in First Quarter
- April 2021 Milwaukee Multifamily Market Poised for Strong SPring Leasing Season
- July 2021 Milwaukee Multifamily Market Posts Record Low Vacancies Heading Into Summer
- September 2021 Vienna Court Apartments Sold for More Than \$5.2 Million
- October 2021 Milwaukee's Multifamily Market Breaking Records Heading Into Fourth Quarter
- October 2021 This Wisconsin Apartment Sales Shows the Advantage of a Location Between Two Big Cities

An apartment complex traded hands in a city about halfway between Milwaukee and Chicago along Lake Michigan in a deal that brokerage Berkadia described as the largest multifamily sale recorded in Wisconsin. It shows the benefits of being near the biggest cities in Illinois and in Wisconsin

JVM Realty, an apartment investment firm based in suburban Chicago, bought The Reserve at Kenosha, a 480-unit apartment complex at 12742 71st St. in Kenosha, according to a statement from Berkadia. JVM bought the rentals for an undisclosed sum from Continental Properties, a national real estate developer based in the greater Milwaukee area.

"There are cost and risk to a program of action, but they are far less than the long range risk and cost of comfortable inaction" - John F. Kennedy

- Mike Cottrell
AASEW President



# The IRS Is Clamping Down on Cash Apps - Could This Affect Your Rental Business?

By Remen Okoruwa, www.biggerpockets.com



Do you use PayPal, Cash App, Zelle, or Venmo to collect rent? If so, new rules mean that you could owe taxes on digital transactions. Beginning in 2022, the Internal Revenue Services (IRS) will start checking digital wallet business transactions over \$600. This new rule in the federal tax law is to clamp down on small businesses, self-employed people, or someone who has a side hustle and wants to avoid paying taxes.

So far, apps like Venmo, Zelle, and Paypal have only had to report over \$20,000 in aggregate payments. Some landlords and other small businesses took advantage of this and started using cash apps to collect rent. Because the money never went to a bank account, keeping it under the IRS radar was easy. However, as of January 2022, all of that will change. If you receive over \$600 in yearly income on Venmo, Cash App, Zelle, or Paypal, you will receive a Form 1099-K.

Of course, having to pay taxes on income through cash apps is nothing new. So, if you are already reporting all of your rental income - whether it's by paper check, bank transfer, or cash app - the changes won't affect you. But if you've been keeping back income received through a digital wallet, you will be paying more to the IRS from 2023.

What do the changes mean for your small business? What about using your personal Venmo account for accepting rent payments? Are there better alternatives to Venmo or Paypal for collecting rent? Let's look at these issues.

#### Tax rule changes affecting cash apps

The new changes in how cash app business transactions are reported are contained in the American Rescue Plan Act of 2021. The reporting threshold for "third party settlement organization" was slashed from \$20,000 to just \$600 in aggregate payments. The most significant impact of this new rule is on self-employed workers, gig workers, and many people with a side hustle. It is estimated that the changes will raise over \$8.4 billion over the next 10 years.

How could this new rule affect your small rental business? For example, say you own one or two rental properties to make some money on the side, and you use Venmo to collect rent. Starting in January 2022, Venmo will notify the IRS about the rental money you receive. Then you will receive a Form 1099-K from the IRS with all your reportable payment transactions over \$600 in a calendar year.

#### Do the IRS tax changes affect personal payments?

When the changes were announced, people were worried they would be taxed on any cash they received in their digital wallets. However, this is not true. The taxes don't apply to receiving money from family and friends as reimbursements or gifts.

If you receive over \$600 in a calendar year, you will automatically receive a 1099-K form. However, if the money received was only for personal transactions and not business income, you won't have to pay taxes on it.

#### Should you use a cash app to collect rent?

The changes in the use of cash apps for business payments raise an excellent question for landlords: Are digital wallets the best way to collect rent?

Digital wallets such as Venmo, Cash App, and Paypal make it easier to collect rent online. The cash apps are more secure and faster than accepting paper rent checks.

But there are several downsides to using them for accepting rent payments.

Here are some reasons to avoid cash apps if you are a landlord.

#### 1. They charge expensive fees for business transactions

Using mobile payment apps for a small business requires having a business account. Unfortunately, this means you incur fees for each transaction. For example, Venmo charges 1.9% plus \$0.10 in fees, and PayPal fees can be as much as 3.5%.

What about using your personal Venmo or PayPal account to collect rent?

Unfortunately, the policies of most cash apps prohibit accepting business transactions through a personal account.

For example, Venmo states the following: "Venmo may NOT otherwise be used to receive business, commercial or merchant transactions, meaning you CANNOT use Venmo to accept payment from (or send payment to) another user for a good or service, unless explicitly authorized by Venmo."

#### 2. Cash apps don't allow payment control

A significant flaw when using a mobile payment app for rent collection is that you can't block partial payments. Typically, money received appears instantly in your account. This means that there is no way to decline a payment.

Continued on page 5



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The inability to block partial payments is a serious concern for landlords. For example, let's say you are trying to evict a tenant for nonpayment of rent. Suppose you accept rental payments through a cash app, such as Venmo, Paypal, Cash App, or Zelle. In that case, the delinquent tenant can transfer as little as \$1 as partial rent payment and stop the eviction process.

#### 3. There is no purchase protection for landlords

Another concern if you are a small business owner is that digital wallets have no payment protection. For example, a tenant could mistakenly send the rental payment to the wrong person. If that happens, it's up to the tenant to retrieve the cash. During this time, your cash flow suffers because you are missing a rent payment.

Additionally, Venmo, Paypal, and Cash App can block out or put on hold certain transactions. In some cases, there is nothing the tenant can do until they resolve the issue. It could even be that a simple cash transfer gets flagged as suspicious, and you don't receive the money for weeks.

#### 4. Cash apps lack the features of rent collection apps

P2P (peer-to-peer) payment apps lack many of the features of dedicated rent collection apps. Here are several landlord-friendly features that many of the best apps for rent collection contain.

- Set up recurring payments to always collect rent on time
- Accept rent by debit card, credit card, or ACH bank transfer.
- Send in-app reminders about rent payments or late payments.
- Block partial rent payments.
- Allow tenants to pay rent on a flexible schedule.
- Accept maintenance requests
- Process digital rental applications
- Collect security deposits
- Report rental payments to credit bureaus to help boost a tenant's credit score
- Allow tenants in a multi tenancy rental unit to split rent.

Digital wallets like PayPal, Venmo, Cash App, and Zelle seem like an easy way to collect online payments, but they are not ideal for landlords. Of course, changes to the IRS reporting requirements on mobile app transactions won't affect legitimate, honest landlords. Still, there are plenty of reasons to switch to a rent collection app to streamline your rental business.







# 7 Property Marketing Tips To Find Young & First-Time Renters

Posted In: Trends, www.yardibreeze.com

Did you know that many young and first-time renters report an estimated attention span of just 8 seconds? These young renters are often referred to as Gen Z. Millennials are still currently your largest cohort or renters overall, but by 2030, there will be 55 million members of Gen Z in the U.S. That will make them one of the largest renting groups in the country.

So far, we've shared two important insights:

- 1. Many of your renters are young people
- 2. Young people have short attention spans

Let's put all this together. Now is the time to capture the (fleeting) attention of young and first-time renters. After all, they'll likely be responsible for much of your income - if they're not already. Here are some marketing tips you can use to reach them and retain their business.

#### 1. Prioritize search engine marketing

Millennials and Gen Z grew up being able to find information on the internet in seconds flat. Now that almost everyone has a smartphone, the standards for fast, accurate search results are higher than ever.

To learn more about the youngest group of renters, our partners at REACH by RentCafe conducted a series of video interviews with members of Gen Z.

And guess what?

Every participant said they tend to click on paid ads or one of the top four organic results in a search engine. That means Gen Z doesn't care so much who tells them information, as long as they get what they're looking for.

This is good news for you because it means any property management business can get placed in those coveted spots through a combination of PPC ads and SEO strategy.

#### So Which Is Better, Paid Results Or Organic Traffic?

The truth is you need both paid leads and organic traffic achieved by boosting your SEO. The former is the fastest way to get clicks, but a good organic strategy helps ensure success in the long run. (It's also more affordable.)

#### 2. Make sure your properties are on every major ILS

No one wants to jump from site to site to find what they want, and young renters are no different. In fact, 97% of Gen Z use an ILS to find rental housing. That's great news for housing providers who already use online property management software such as Yardi Breeze, which includes access to syndicated listing sites like RentCafe.com.

#### 3. Gather online property reviews

Reviews are a huge part of online culture (and the buying lifecycle). That means young and first-time renters are going to be all over your reviews when deciding on a property. According to the 2021 REACH by RentCafe Gen Z Renter Survey, 65% of participants consider online ratings and reviews always or most of the time.

Promoting your reviews is an important part of reputation management. It involves:

- Surveying tenants
- Responding to reviews (even negative ones)
- Flagging spam and false reviews
- Seeing every tenant response as a marketing opportunity or chance to repair a relationship (which again becomes a marketing opportunity

## 4. Know where young & first-time renters are in their journey

Many first-time renters are tiptoeing into their search for an apartment. In fact, 37% are unsure of their interests or are looking at housing "just for fun." Only 29% know the apartment size, price, location and amenities they want.

This leads us to two conclusions:

- 1. Young renters are starting their apartment search early in life
- 2. They're still at the top of the marketing funnel (the awareness stage)

Their buying cycle could be longer, so property managers need to capture their attention early and often.

#### 5. Create video content of different lengths

Millennials and Gen Z love video content, but they don't watch a single video for long. Your message needs to come through in less than a minute - even as little as 15 seconds. The good news is that you don't have to make a bunch of videos at once.

A 1minutes video could easily become three pieces of "micro" content. By chopping it up, you end up with:

- The full video
- A 30-second version that hits the main points
- A 15-second version that grabs their attention

Use the shorter version to direct interested viewers to the longer one. This is a strategy used by others in real estate who understand how to reach Gen Z. "We'll start with a 15-secodn video that links to our website, where we have a one-minute video that lives there." That's according to Garin Hamburger, Senior Director of National Property Management for Cushman & Wakefield. "When they are already engaged and want to learn more, they will be more inclined to watch a little bit longer of a video."

The possibilities are endless. You could even record a much longer, five-minute video, then break it down into several short videos. All that makes for great social media content too!

## 6. Use a combination of professional & homemade marketing

**Professionally created videos** are ideal for highlighting your physical property. A professional videographer or photographer will capture the best angles, arrangements, lighting and editing techniques to make your property look its best.

On the other hand, **homemade video clips** are great for showcasing the experience renters will have in your community. Without the gloss and refinement of a pro, you can actually look more appealing. You'll give prospects a more authentic look at your community, which helps establish trust with your brand.

**Pro tip:** The RentCafe survey found that 69% of Gen Z participants prefer to see a mix of professional and homemade videos.

#### 7. Do your research on Gen Z

We'll end this article in a place that may feel like the beginning. For quite some time, millennials have been the marketing focus for many businesses. That torch is being passed to Gen Z. They're similar to millennials in many ways. Younger millennials - and all of Gen Z - grew up with the internet, and they're deeply familiar with it. One way to think of it is that Gen Z is advancing trends that started with millennials.

Here are a few basic facts about Gen Z as of 2021:

- They were born between 1996-2021
- There are 67 million in the U.S.
- They'll make up 30% of the workforce by 2023

And a few other identifying factors:

- Social media is their primary mode of communication
- Diversity and societal change matter deeply to them
- 81% aspire to be leaders in the future

# Evictions, housing insecurity in Wisconsin become a 'slow boil' of crises ahead of winter

By Henry Redman, www.wisconsinexaminer.com

This summer, as the CDC's moratorium on evictions was set to end, housing advocates across Wisconsin warned of a coming "eviction apocalypse," as one of the few protections for people struggling to pay rent in an economy turned upside down by a pandemic went away and aid groups struggled to get millions of dollars in rent relief out the door.

Since then, organizations have dispersed more than \$80 million in relief to nearly 19,000 families, but in the past two months formal eviction filings are returning to pre-pandemic levels, according to data from the Wisconsin Department of Administration.

A return to pre-pandemic levels of court filings for evictions means the predicted flood of evictions hasn't arrived, advocates say, but there are more factors at play than just formal evictions and a number of trends could be devastating to families across Wisconsin this winter.

Kristin Slonski, legal services director at Wisconsin Judicare, says she and her staff have seen a number of people who, rather than getting formally evicted, are just not given the opportunity to renew an expiring lease. Some of these people, Slonski says, owed back rent during the pandemic and were aided by the emergency

rent assistance programs created through federal relief packages. But now, even if they've caught up, their landlords are impatient and are choosing not to renew the lease. This method of informal eviction can be more challenging, Slonski says, because there are fewer ways to fight it.

"What appears to be happening, this is all anecdotal, what we're seeing is people who if they had fallen into arrears, for the most part, they got that paid through the Wisconsin Emergency Rental Assistance program," she says. "Now they're facing a refusal to renew the tenancy, which is different than eviction for nonpayment of rent and also provides fewer legal avenues to renew a rental agreement. They don't have to give a reason."

Unless the decision not to renew is driven by discrmination against a minority group and that can be proven in court, there's not much that can be challenged, according to Slonski.

"Their relationship with their landlord really got poisoned during COVID and never recovered," she says. "It was retaliation because I was so late on rent. It's not protected, it's not a protected class. We're seeing a lot of people who don't have a defense against the decision to not renew."

Andy Heidt, housing policy and program manager at WISCAP, says nonrenewals are difficult to track but that he's seen an increase in the payment of security deposits across the state - which suggests to him people are being forced to move because their lease wasn't renewed.

In addition to the nonrenewals, for many of the people who have been helped by the rent assistance programs, that help may soon be running out because eligibility only lasts for 18 months. Heidt says the work of nonprofit groups and housing advocates has helped thousands of families in recent months, but the culmination of all these factors scares him.

"It's a delicate balancing act with a lot of factors going on," Heidt says. "Folks who have used their 18 months already, there's less resources. We are at a precipice of a potentially frightening time."



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"I'm certainly glad the worst-case scenarios have not come to bear, but there's a long winter ahead and that assistance may run out mid-winter," he continues.

When a family is facing the nonrenewal of their lease, Slonski says the staff at Judicare first tries to work with the landlord to get a little more time before they're forced to move and do whatever they can to avoid a formal eviction filing - because that public record through a simple search of Wisconsin's court system can make it much harder to find a place to rent in the future. But facing this situation can force a family into a very stark decision, she says.

"We advise the tenant if they can find another place they're best served by moving out. Even if it's not granted, you can see on CCAP," she says. "In the market we have where landlords can pick and choose their tenants, they're more likely to take a tenant who hasn't been evicted. That said, if you come to the end of your tenancy and you're risking an eviction but literally have nowhere to go and it's 17 degrees outside, you've got to do what you've got to do. What you've got to do to protect yourself."

Even as they continue to work to protect vulnerable renters, Slonski and Heidt see a completely untenable housing market in Wisconsin and no policy solutions immediately available to ease the strain.

"It's tough, of course it's a money issue, it's always a money issue, but it's also an issue of supply and demand," Slonski says, "There's far more demand for affordable housing than there is supply available. It's all putting the squeeze on right now."

Heidt says he hopes Wisconsin's policymakers can find a way through intense partisan polarization and see that people in every part of the state are struggling.

"I don't think there's a surplus of vacant, affordable units anywhere in the state," he says. "We've gotten \$81 million out the door and the need is not slowing down. If we'd taken half that \$80 million and built permanent affordable housing, would we be getting at the market side of this issue?"

"It's so hard for some communities, politicians to wrap their heads around permanent solutions around affordable housing," he continues.

Continued on page 10





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Quarter Page	1 6 12	\$50 \$275 \$500
Half Page	1 6 12	\$80 \$325 \$550
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   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.

#### Continued from page 9

"Especially in Wisconsin with an absurd legislative impasse between polarized groups. We're not in rational times where people can come together and find common ground to solve problems. It's got to be incredibly frightening to be low income, no income, to not be white in this state and deal with the reality around you and the disparities that evolve from a lack of resources."

# Milwaukee, Habitat partner for Harambee neighborhood development

By FOX6 News Digital Team, www.fox6now.com

The city of Milwaukee and Habitat for Humanity are continuing their partnership to build new homes in the city's Harambee neighborhood.

With the support and leadership of Mayor Tom Barrett and Alderwoman Milele Coggs, the Milwaukee Common Council has approved a resolution allowing the Department of Clty Development (DCD) to sell 41 vacant lots to Habitat for Humanity for \$1 per lot.

This is part of Milwaukee Habitat for Humanity's plans to construct 80 homes over four years in the Harambee neighborhood. Bader Philanthropies provided \$1 million to fund this project., which will boost homeownership in Milwaukee and strengthen the neighborhood.

Since 1984, Habitat has built more than 600 homes in partnership with Mikwaukee families. After several years of concentrating their work in the Washington Park, Walnut Hill and Midtown neighborhoods, Habitat neighborhood i 2021.

The construction of these single-family, owner-occupied homes will begin in spring 2022. Each home will be approximately 1,100 to 1,400 square feet, and will include three to four bedrooms and two bathrooms. Once completed, the homes will be sold to first-time homebuyers for approximately \$85,000 to \$90,000.

#### Officials' statements

#### **Milwaukee Mayor Tom Barrett**

"This housing revitalization effort is delivering significant results for the Harambee neighborhood and its residents. Maintaining and increasing homeownership has long been a top priority for me.

I am proud of the City's partnership with Habitat for Humanity and Bader Philanthropies on this project. Together, we are building a stronger Milwaukee."

## Milwaukee Habitat for Humanity Executive Director Brian Sonderman

"As the cost of housing continues to rise, Habitat makes homeownership affordable for families earning below Milwaukee's median income. This partnership with the City of Milwaukee and Bader Philanthropies is crucial to breaking down the barriers that all too many families face when trying to afford a safe, stable place to call home. By breaking down these barriers, local families will build stability and equity in homes they can truly call their own."

#### Milwaukee Alderwoman Milele Coggs

"This effort is community collaboration at its finest. With this partnership between the City of Milwaukee, Habitat for Humanity, and Bader Philanthropies, we are strengthening the Harambee neighborhood and helping more residents become first-time homeowners.

I am proud to support this project that is moving the community forward."

#### **DCD Commissioner Lafayette Crump**

"Our work with the Community Development Alliance identified that homeownership has decreased in Milwaukee over the years, disproportionately impacting majority Black neighborhoods like Harambee. It's time to roll up our sleeves and take action to make the dream of homeownership a reality for more residents and families in our community.

Our partnership with Habitat for Humanity and Bader Philanthropies is a win for Milwaukee that helps advance racial equity in homeownership, generate new tax revenue for the City, and provide affordable housing opportunities for Milwaukeeans."



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## **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.

"Christmas is the spirit of giving without a thought of getting"

- Thomas S. Monson

## Berrada Properties Management Incorporated, LLC

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

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#### Wisconsin Lakefront Property Management LLC

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# Frustrated Owner Creates "Squatter Registry" Website Outing Bad Renters

By Dawn Anastasi, AASEW Board Member



As Tim Ballering noted in his blog, Just A Landlord, this site most likely violates the Fair Credit Reporting Act, but it shows a level of frustration that owners are seeing.

A new website has been making the news. Called "Squatter Registry", the creator made the site in order to provide a warning to landlords of persons who have taken advantage of homeowners or rental property owners.

#### From the website:

Some tenants need protection, but many have simply lied and leaned into recent provisions that make it impossible for homeowners to defend themselves or their properties.

Hardworking homeowners have had their properties stolen and savings depleted. Many have had their credit destroyed as well. Some have been left homeless.

If you are aware of a known squatter\*, please register them here to warn other homeowners!

\*Known squatter – a person who has lied and stolen from the owner and/or the government, causing destruction in the homeowner's life and wasted taxpayer dollars.

\*Extortionist – a person who had to be paid, or demanded, an unreasonable amount to leave.

It appears to be the creator's aim to use public shaming when other methods to remove non-paying tenants from rental housing did not work due to the eviction moratorium and/or courts being closed.

#### Proposed Law Requiring Landlords or Tenants to Apply for Emergency Assistance and Participate in Mediation Prior to Eviction

Link: docs.legis.wisconsin.gov/raw/proposal/2021/-4619

#### Excerpt here:

Under current law, if a tenant is late in paying rent, the landlord may give the tenant a notice that requires the tenant to pay rent or vacate within at least five days after the notice is given or, under certain circumstances, a notice requiring the tenant to vacate within at least 14 days after the notice is given without the option to cure by paying rent.

If the tenant fails to pay the rent by that date, the tenancy is terminated. Under current law, a landlord may bring a small claims eviction action against a tenant whose tenancy has been terminated for failure to pay rent.

Under the bill, during a public health emergency, if a residential tenant fails to pay rent when due, the tenant's tenancy is terminated only if the landlord gives the tenant a notice that requires the tenant to pay rent or vacate within at least 30 days after the notice is given; the tenant fails to pay the rent; and the landlord applies for and is denied emergency rental assistance under a federal assistance program, if such a program exists, or is ineligible for such emergency rental assistance.

The bill defines "public health emergency" as a state or federal public health emergency declared in response to an infectious disease outbreak. Under the bill, a 30-day notice must include certain information, including contact information for the emergency rental assistance provider serving the county where the tenant resides; a statement as to whether the landlord is qualified to receive emergency rental assistance under a federal assistance program, and, if eligible, that the landlord is required to apply for such funds; a statement that, if the landlord is ineligible for such funds, the tenant may be able to apply for emergency rental assistance; and a statement that the landlord may not pursue an action for eviction against the tenant for failure to pay rent if the tenant or the landlord applies for and is approved to receive emergency rental assistance, and may not pursue an action for eviction unless the landlord and tenant participate in mediation and are unable to reach a settlement or the landlord shows that the tenant has refused to participate in mediation.

The bill also provides that, during a public health emergency, a court must stay the proceedings in a residential eviction action until the landlord files proof with the court that he or she has applied for and been denied emergency rental assistance under a federal assistance program, if such a program exists, or, if the landlord is ineligible for such emergency rental assistance, that the tenant has either failed to apply or has applied for and been denied such emergency rental assistance; and until the landlord and tenant notify the court that they have participated in mediation and are unable to reach a settlement or the landlord notifies the court that the tenant has refused to participate in mediation.

In addition, a court must stay residential eviction proceedings if either the tenant or the landlord has been approved to receive emergency rental assistance.

Finally, the bill prohibits a landlord that receives emergency rental assistance under a federal assistance program from raising the tenant's rent for 12 months, except that the landlord may raise rent to cover any increase in property taxes for the tenant's rental unit.

#### 2021 ASSEMBLY BILL 738

Introduced by Representatives HONG, ANDERSON, GOYKE, SNODGRASS, BROSTOFF, EMERSON, NEUBAUER, HEBL, VINING, HESSELBEIN, SHELTON, POPE, SUBECK, CONLEY, OHNSTAD, CONSIDINE, MOORE OMOKUNDE, STUBBS, BALDEH, BOWEN, SPREITZER and SINICKI, cosponsored by Senators AGARD, L. TAYLOR, JOHNSON, LARSON and ROYS.

Referred to Committee on Housing and Real Estate



Attorney Heiner Giese, on behalf of the AASEW, has registered the AASEW's opposition to this bill.



#### **HUD Awards \$20 Million for Eviction Protection and Diversion**

U.S. Department of Housing and Urban Development

The U.S. Department of Housing and Urban Development (HUD) on Tuesday announced \$20 million in inaugural grants from its Eviction Protection Grant Program, the first of its kind for the Department. These grants will be awarded to legal service providers to assist in providing legal assistance to low-income tenants at risk of or subject to eviction.

The Eviction Protection Grant Program is part of HUD's continued work, as part of a whole of government approach, to support families recovering from the public health and economic impacts of the COVID-19 pandemic.

HUD has selected and offered grants to 10 organizations from across the country to support their ability to expand resolution options for clients at risk of eviction. Over 100 applications were submitted for consideration, making the grant selection process highly competitive.

"As families continue to feel the financial impacts of the COVID-19 pandemic and local eviction moratoria expire, we must continue to do all that we can to prevent evictions and keep people housed," said Secretary Marcia L. Fudae.

"Research shows that access to legal services and eviction diversion programs can help renters avoid eviction and the many harmful outcomes that come along with eviction actions.

These programs can also benefit court systems and landlords by reducing eviction caseloads for local court systems and helping landlords access emergency rental assistance so they can maintain housing quality during these uncertain times.

That is why our Department is proud to release an inaugural Eviction Protection Grant Program to ensure eviction protection services reach the people who need it most."

The Eviction Protection Grant Program supports experienced legal service providers in providing legal assistance at no cost to low-income tenants at risk of or subject to eviction. Through HUD's Office of Policy Development and Research, the grants were made available to legal service providers serving or expanding services in areas with high rates of eviction or prospective evictions, including rural areas.



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This grant program plays an integral role in helping individuals and families, including people of color who are disproportionately represented among those evicted, people with limited English proficiency and people with disabilities, avoid eviction or minimize the disruption and damage caused by the eviction process.

HUD plans to award grants to the following non-profit legal services providers:

Advocates For Basic Legal Equality (Toledo, OH)
Amount of Award: \$1,000,000

Atlanta Volunteer Lawyers Foundation (Atlanta, GA)
Amount of Award: \$1,800,000

Community Legal Aid, Inc. (Worcester, MA)
Amount of Award: \$2,400,000

Connecticut Fair Housing Center (Hartford, CT)
Amount of Award: \$2,400,000

Idaho Legal Aid Services (Boise, ID) Amount of Award: \$1,800,000

Jacksonville Area Legal Aid, Inc. (Jacksonville, FL) Amount of Award: \$2,400,000

Legal Aid Center of Southern Nevada (Las Vegas, NV) Amount of Award: \$1,000,000

Legal Aid Society of Northeastern NY (Albany, NY)
Amount of Award: \$2,400,000

Legal Assistance of Western NY, Inc. (Geneva, NY)
Amount of Award: \$2,400,000

Legal Services of Eastern Missouri (St. Louis, MO) Amount of Award: \$2,400,000

AASEW Note: As you can see in the above list of legal aid and legal action organizations, none in Wisconsin were awarded any of the funds for eviction diversion programs.



#### Continued from page 15

Regarding the legality of such a registry, here is one comment on the matter:

I am president of a landlord's group and we asked an eviction attorney about whether we could set up a similar registry. What she told us for our state (KS) may not be applicable to yours and this information could be incomplete, but here is my limited recollection:

- Beware saying something that isn't factual. It's ok to say, "Ms. Terious was late on rent three times during the year she rented from me" if I paid late three times during that year. But saying, "Ms. Terious was a bad tenant" could be libelous (or slander if spoken).
- 2. If posting about one tenant but not others, it could be a fair housing violation. Landlords who post to registries should post consistently across the board according to a policy that should be identified in their lease. "Landlord reserves the right to identify you on a public registry of non-paying or holdover tenants if you a) fail to pay before the end of the fifth day after your payment became due three times during your lease period or b) fail to turn over the property when your lease ends as specified in paragraph 6, or c) whatever other conditions I have for you that could result in me reporting you as a holdover or bad tenant." Then this must be STRICTLY adhered to by the landlord.

She told us if we just had specific yes/no questions that did not allow landlords to make additional comments, we'd be ok, but that there is a lot of room for problems based on these two things.

Note that in Wisconsin, evictions and judgments are recorded on CCAP which can be found here:

#### wcca.wicourts.gov

Additionally, as an **exclusive** for AASEW members, we have compiled a list of helpful links for landlords.

To view this list, please follow these steps:

- Log in to your account on the AASEW website (www.aasew.org)
- Click on "Resources"
- Click on "Landlord Links".

## Welcome our New AASEW Board Member, Kurt Kasdorf!

At the November 2021 elections, Kurt Kasdorf was elected to the AASEW board of directors. AASEW members may remember Kurt when he spoke at our April 2021 event on "How to be a Successful Housing Provider" with Eileen Robarge and Kevin Senske.

Kurt Kasdorf is a full-time real estate investor and property manager. In 2012 he founded Kasdorf Property Management LLC to manage his growing portfolio.

Today his company serves over 20 different owner-clients, with 350 units under management. His primary territory is southeastern Wisconsin but is also expanding throughout the state. He is passionate about growing as an investor, adding value to his owner clients, and striving to give his tenants a positive rental experience.

Kurt's next goal is to launch a syndication company, targeting the large apartment market, working with investors to experience the wonders of real estate. He also dreams about writing a book on Landlording.

Kurt received an MBA from the UW-Milwaukee Lubar School of Business in 2015, with an emphasis on entrepreneurship. He lives in Port Washington, WI, and enjoys hiking, camping, skiing, architecture, scuba diving, reading, traveling to warm places, and spending time with his dog, cat, and sons.





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## **Upcoming Event!**

## Landlord Lunch and Learn Series: Area To Buy In Milwaukee

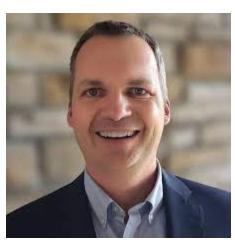
- Monthly Market Update
- What areas are trending and where you should consider investing in 2022

When: Tuesday, December 21, 2021

Time: 12:00 PM Location: Virtual

### Sign Up Here!

For meetings and events questions or assistance, email us at admin@aasew.org or call (262) 893-8691



**Speaker: Marcus Auerbach** 

For membership questions or assistance email us at membership@aasew.org

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