Apartment Association of Southeastern Wisconsin

Advocating for Sustainable Rental Housing

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

Multi-Family Housing Market Trends & Forecast

When: Monday, January 24th, 2022
Location: Sonesta Milwaukee West,
10499 W Innovation Dr,
Wauwatosa, WI 53226

Cost: AASEW Members - Free
Non Members - $25

5:30 PM - Registration and Check - In
6:00 PM - Presentation and Q&A
Social Hours to follow

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Appetizers and Cash Bar will be available

For event questions, email
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Register Here!

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.

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Housing

By Marcus & Millichap, www.marcusmillichap.com

Homebuyers Still Endure Considerable Barriers Despite a Jump in New Inventory.

New home listings elevate, but dynamics tell a different story.

In the month of October, the number of new homes available for purchase soared to a height last witnessed in late 2008 as the market adjusted to the housing bubble. Nonetheless, the for-sale count is enlarged by houses still in planning phases, masking the nature of the current environment. The underlying metrics paint a clearer picture of the state of the marketplace and reveal a divide between buyers desiring move-in ready homes and a lack of listing meeting that criteria. In October, less than 10 percent of new homes for-sale were completed upon being listed, while only 25 percent of new homes sold during that month were fully built.

Shortfall of move-in-ready homes has a ripple.

As the majority of new homes on the market are still under construction or not yet started, the rise in inventory is not meeting strong demand. Many buyers prefer homes that can be moved into quickly, contrasting the bulk of what comprises the market. Builders' inability to speed up delivery timelines is capping sales of new homes. Meanwhile, the months' supply of existing homes for sale remains about half of the level registered from 2017-2019. Owners of existing homes, who are more likely to have the equity to support the purchase of a newly built home, are hesitant to make the switch amid a lack of move-in-ready options. As they hold on to existing homes, people who wish to become first-time buyers may opt to rent, keeping apartment vacancy at record lows amid the housing shortage.

Rising mortgage rates add another hurdle for first-time buyers

The 30-year mortgage rate exceeded 3 percent in October, which had not occurred in the previous five months. It was also the first increase on an annual basis since early 2019.

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Higher mortgage rates are largely a result of inflation, which is applying upward pressure to the 10-year treasury yield. If mortgage rates remain on an upward trajectory going forward it will be very difficult for first-time homebuyers to meet the requirements amid elevated pricing. This will push demand toward the rental segment as many millennials on the margin will favor apartments as they offer lower living costs, greater flexibility and attractive amenities.

Developing Trends

Building materials get more expensive after a flattening.

The construction cost index jumped in the month of November, a significant change following a three-month period of stability from August through October. The cost index is now up more than 9 percent year over year, creating some headwinds for developers of both single-family houses and various sectors of commercial real estate. Inflation and supply chain disturbances are the leading causes of the rise and are unlikely to resolve in short order.

Single-family starts taper but may rise in the coming months.

Residential construction starts in the month of October declined 12 percent relative to the March peak, including an even larger drop within the single-family segment. Permit activity also fell relative to the first half of 2021 as supply chain disruptions, labor shortages and limited lot availability are weighing on development plans. The reduction in single-family construction activity may be temporary, however, as homebuilder sentiment rose for the third straight month in November. Confidence is being boosted by recent improvements in sales activity and buyer traffic, which in turn could support higher levels of construction in 2022.

9 Types of Must-Have Insurance for Landlords - Including Renter's Insurance

By Remen Okoruwa, www.biggerpockets.com

BiggerPockets®

Becoming a landlord is an excellent way to provide a secondary income or create a portfolio that's strong enough for your principal income. As such, knowing all the types of mus-have insurance policies for landlords - including renters insurance - is crucial to protecting your assets.

Without adequate insurance cover, you run the risk of losing money and even putting your rental business at risk. While insurance might seem an unnecessary extra cost, the moment you need it is when it pays for itself. Here's why landlord insurance is a must-have.

Why insurance for landlords is vitally important

Homeowners insurance policies cover a wide range of misfortunes caused by nature and humans. This type of insurance is vital in case of a fire, flood, or other damage to the property or appliances. Despite being the homeowner, you still need it because as soon as you rent out the property, your homeowners insurance becomes invalid.

As soon as your home becomes a source of income and you have paying tenants, you must switch to a landlord insurance policy. Tenants are generally not responsible for broken appliances, burglaries, or even accidents that occur on the property. However, if someone injures themselves on the property, you could be liable as the building owner - so you must have the right kind of insurance policy to protect yourself against losses.

What does landlord insurance cover?

Landlord insurance policies vary from one provider to the next. However, any policy you consider should include three primary protections: Property damage, rental default, insurance, and liability protection. Coverage against inen perils and insures the property's cash value. DP-3 has extra coverage and is most extensive - and the most expensive.

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Three must-have landlord insurance policies

1. Property Damage

With the increasing number of natural disasters that are occuring, insurance with property damage coverage is an absolute must-have for landlords. This coverage includes natural disasters like wildfires, earthquakes, or floods. Property damage will also cover electrical or gas issues. If you happen to have problematic tenants, you will be covered if they cause damage to your property.

It may also be best to find a policy covering replacement costs rather than actual cash value. For example, a 20-year-old sofa might be worth $100, but replacing it could be closer to $1,000, as you would have to purchase an entirely new sofa.

2. Rental default insurance

There might be some situations where your property becomes uninhabitable and you face lost rental income. For example, your rental property could become infested with pests, termites, or severe mold. In that case, you would lose rental default insurance, your income is insured during this time - which means you're covered from rental losses when you need to be.

3. Liability protection

Suppose a tenant or visitor suffers an injury because of property maintenance faults. In that case, you could face a massive lawsuit for high medical or legal costs. However, you should always check the fine print to find out what is covered. This type of coverage could range from icy paths to injuries caused by structural collapses.

Insurance for landlords - additional cover

As with any type of insurance, it's personal choice whether you want to stick to the bare minimum or think it is worth additional cover. Depending on your circumstances, you could add other types of coverage to protect against unforeseen events.

Additional coverage may include.

Guaranteed income insurance: The coverage kicks in when a tenant is unable to pay part or all of the rent.

Flood insurance: Flooding from natural disasters or issues with plumbing fixtures can be a huge and expensive issue, but this type of insurance will cover the cost of water damage.

Emergency coverage: Tenants are locked out or have a leaking pipe, and you need to drop everything and go. This type of insurance can cover part or all of the travel costs, including the cost of fixing the problem.

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Additional construction expenses: If your property suffers damage and you need to invest extra money to bring the property in line with building regulations, this type of insurance will cover the costs.

Other types of insurance for landlords

When it comes to other types of landlord insurance, what you have access to or need will typically come down to the specifics of your area and your individual situation. For example, you won't need workers compensation insurance if you don't plan on hiring anyone. Still, it is always better to know all the types of insurance to make an informed decision.

These extra insurance options may include:

Rent guarantee insurance: This insurance will cover a period in which the tenant can't or refuses to make rent payments. The coverage is typically from six weeks to six months and should be long enough to start the eviction process if necessary.

Security deposit insurance: Instead of asking for large, upfront deposits (which can make it difficult for tenants), landlords can offer a security deposit policy, and the provider takes on the responsibilities of any damage or unpaid rent.

Sewer backup insurance: This is a low-cost policy that covers issues related to sewer backups and can be added to your fire and hazard coverage.

Terrorism insurance: This insurance covers you in case any terrorist activity damages the property.

Builder's risk insurance: Builder's risk insurance is a special policy that covers you when you need to renovate a property, as the standard hazard and fire coverage won't be valid.

General contractor insurance: This covers you if you decide to become a licensed general contractor in order to renovate your property and need to apply for the correct permits.

Workers compensation insurance: You will need this type of insurance when employing staff, contractors, maintenance workers, or property managers.

Why landlord should require renters insurance

You may like the idea of asking your tenants to acquire extra insurance,

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but it would be best if you always insisted that tenants have renters insurance. You can easily require this by including it as a clause in the rental agreement.

Renters insurance should be a requirement for your tenant because your landlord insurance policy doesn't cover a tenant's personal items - so your renters need this type of coverage in case something occurs and causes loss to their property. For example, let's suppose there was a fire that destroys the interior of the property. In that case, the landlord's insurance will only cover the physical property. Your insurance policy won't provide any coverage for the tenant's personal property that was lost in the fire.

This doesn't seem like a big issue for the landlord, but any additional costs a tenant incurs could put financial pressure on them. As such, the knock-on effort could make it more difficult for the tenant to pay their rent. In some situations, they could also hold you, as the building owner, liable for damage to their belongings.

The good news is that the average cost of renters insurance is relatively low and affordable for most tenants.

Being a landlord can be fun - if you do it right

No matter how great you are at finding good rental property deals, you could lose everything if you don't manage your properties correctly. Being a landlord doesn't have to mean middle-of-the-night phone calls, costly evictions, or daily frustrations with ungrateful tenants.

What does renters insurance cover?

Like insurance for landlords, coverage from renters insurance policies varies from one provider to another. You should encourage your tenants to take out renter's insurance that covers theft, water backup damage, some natural disasters, and injuries.

A renters insurance policy should have a list of covered items - but things like jewelry, clothing, electronics, and appliances are typically covered. It's also an excellent idea to encourage tenants to get a renters insurance policy that covers replacement costs, not just the cash value.

What does renters insurance not cover?

Earthquakes, riots, and pests are a few things that renters insurance doesn't cover. Renters insurance also typically won't cover damage to cars or a roommate's property, so pay attention to the names listed on the policy. Finally, there might be some small print regarding pets. For example, a pet dog biting someone on the property could be covered under the policy unless it is a dangerous breed of dog.

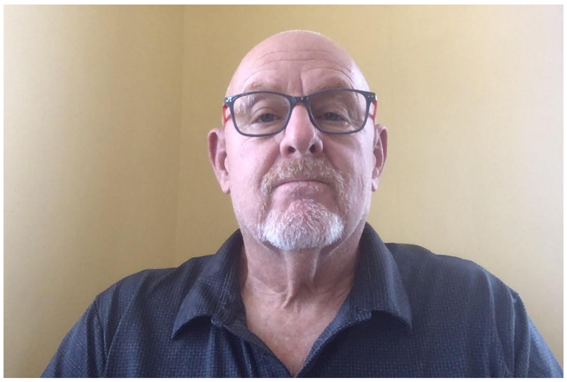
Final thoughts on must-have insurance for landlords

Must-have insurance for landlords should always include property damage and liability. Although it's an extra expense, the cost of landlord insurance can be insignificant when you need to make a large claim.

However, landlord insurance products can become expensive if you add on items you don't need. That said, you shouldn't be underinsured, either. Always take out the type of coverage you require to ensure you are never faced with large, unexpected bills and hefty legal expenses.

When renting beats owning, holding rentals makes less sense

By Tim Ballering, AASEW Board Member,
www.justalandlord.com



Interesting. When renting beats owning, holding rentals makes less sense.
Renting Beats Buying in Eight Major Markets

In the following cities owners of one and two families appear to be better off if they sold.

In Dallas, Denver, Houston, Kansas City and Seattle, consumers looking to build wealth are better off renting a property and reinvesting the money they would have spent on ownership, according to an analysis by professors at Florida Atlantic University and Florida International University.

That's because the total monthly cost of homeownership in those areas is rising faster than monthly rents, the researchers said.

In the following cites owners of one and two families may see equal returns if they sell or hold, but the alternatives to rentals are actually passive investments, where scattered-site small properties are more likely buying a job.

In Atlanta, Boston, Chicago, Cincinnati, Cleveland, Detroit, Honolulu, Los Angeles, Milwaukee, Minneapolis, New York, Philadelphia, San Diego, San Francisco and St. Louis, consumers are just as likely to create more wealth by renting and reinvesting as owning and building equity.

And the part the media often overlooks:

Despite strong demand leading to rising rents, renting typically still costs less per month than owning, after factoring in home maintenance costs, homeowner association dues and other fees.

Renters who don't invest that month;y savings in stocks and bonds might be better off buying because homeownership is a forced savings plan, the professors said.

2022 Housing Market Forecast

By Brad Beckett, *www.realestateinvestingtoday.com*

Prognostications & forecasts are all over the place about what will happen in 2022. We can only say that we wish you nothing but happiness, wealth and of course, good health! However, with all that being said, the folks over at Keeping Current Matters looked at the various predictions from real estate experts about what the housing market might have in store for us in 2022. Indeed… As always, stay safe, stay healthy, have a Happy Friday and have Happy New Year!

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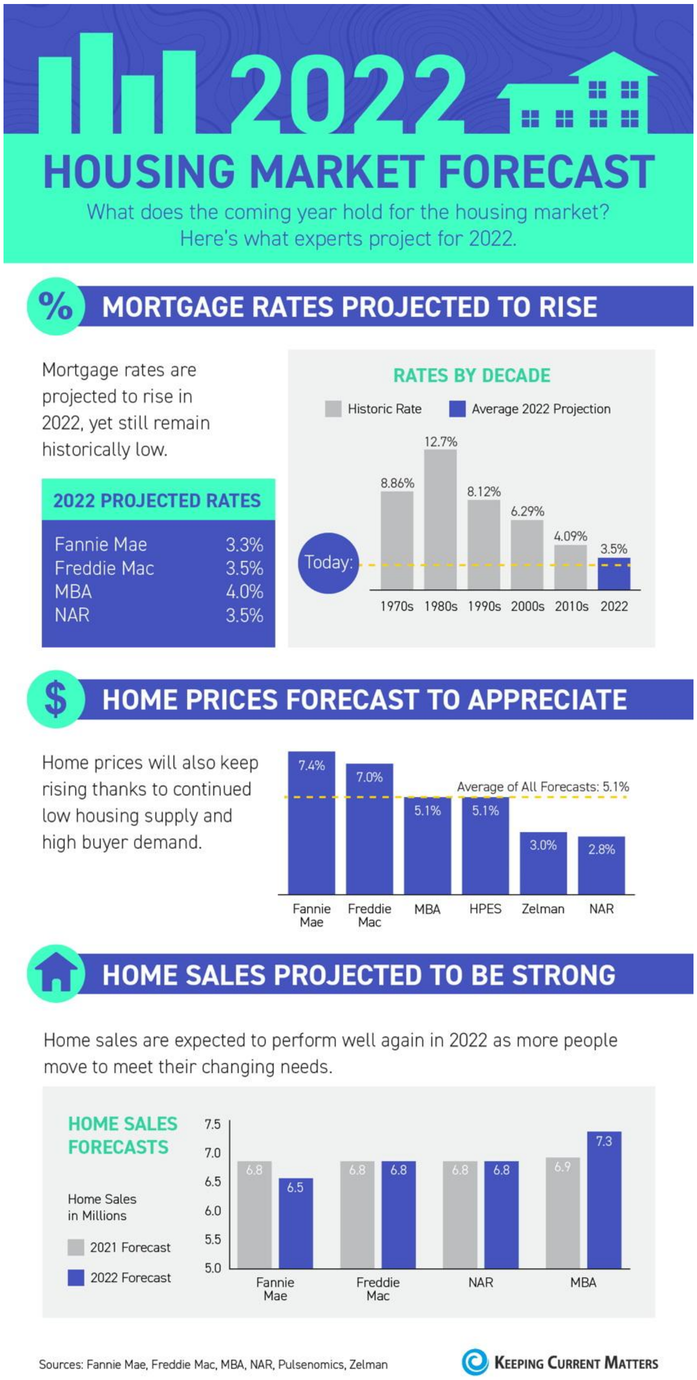

Inflation Remains Wild Card in U.S. GDP Outlook for 2022

By Kevin L. Kliesen, www.stlouisfed.org

Key Takeaways

- During 2021, the U.S. economy rebounded strongly, but the rise in inflation surprised many.
- Headline and core inflation rates for the personal consumption expenditures price index will likely end 2021 at their highest in 30 years or more.
- The U.S. is expected to post strong GDP growth in 2022. If higher inflation persists and erodes household purchasing power further, that could put growth at risk.

The U.S. economy continues to recover from widespread disruptions in product and labor markets spawned by the pandemic. But the strong rebound in real gross domestic product (GDP) growth in 2021 has been accompanied by high inflation, which caught most forecasters and Federal Open Market Committee (FOMC) participants by surprise. WIth inflation on pace to be the highest in more than 30 years, the FOMC - the Fed's main monetary policymaking body - signaled at its Dec. 14-15 meeting that it has accelerated the unwinding of its asset purchase program ("tapering") that was announced at the beginning of the pandemic in March 2020. A new Covid-19 variant (Omicron) poses a downside risk to the U.S. and global economic outlook in 2022. Another threat to the U.S. economy is the possibility that inflation will remain higher and more persistent than currently expected.

Inflation Nation

Consumer price inflation has surprised to the upside in 2021. For example, in February 2021, the *Survey of Professional Forecasters* projected that the headline and core personal consumption expenditures price indexes (PCEPI), which are the Fed's preferred measure of prices, would increase by 2% and 1.8%, respectively, in 2021 (Q4/Q4). By mid-November, these inflation forecasts had risen to 4.9% and 4.1%, respectively. When all of the data are in, it is likely that the headline and core PCEPI inflation rate for 2021 will have been the highest in 30 years or more.

Higher inflation also helped to boost inflation expectations - by some measures, to levels not seen in many years. Rising inflation expectations are troubling because it could signal that households, firms and financial market participants expect high levels of inflation to persist for longer than Fed policymakers expect; this would be an unwelcome development.

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Throughout the year, it became apparent that a change in the economy's wage and price dynamics was triggering outsized inflation increases. Many firms across multiple industries were reporting that labor shortages and supply disruptions were hampering their ability to produce and sell the volume of goods and services demanded by consumers. To fill job openings and compete with other firms for scarce labor, manu firms were forced to raise wage rates. When combined with material shortages that raised input costs, unit labor and nonlabor costs began accelerating. But firms were also reporting strong demand for goods and services, which enabled many to pass along their higher costs to customers. Thus, as the FOMC convened its final meeting of the year on December 15, 2021, it continued to be confronted with a development not seen in decades: Firms willing and able to raise prices at jaw-dropping rates.

This was evident in the November consumer price index (CPI) report, as the headline CPI was up by almost 7% in November from a year earlier - the largest increase in more than 39 years. With an inflation rate exhibiting few signs of quickly returning to the FOMC's 2% inflation target, the FOMC announced at its December meeting that it plans to end its asset purchases by mid-March 2022. Moreover, all 18 participants expect to raise the federal funds target rate at least once in 2022. By contrast, at its March 2021 meeting, only four of 18 participants believed that an increase in the federal funds target rate in 2022 was appropriate policy.

Most FOMC participants continue to project that 2021 will be the highwater mark for inflation going forward. Further improvements in supply chains that enable an increased supply of durable goods, such as new vehicles; vaccines and other therapeutics that spur more workers to rejoin the labor force; and the waning effects of the large monetary and fiscal economic policies implemented in 2022-21 - which could slow the demand for goods and services - are some of the key factors that forecasters point to in helping to drive inflation lower over the medium term.

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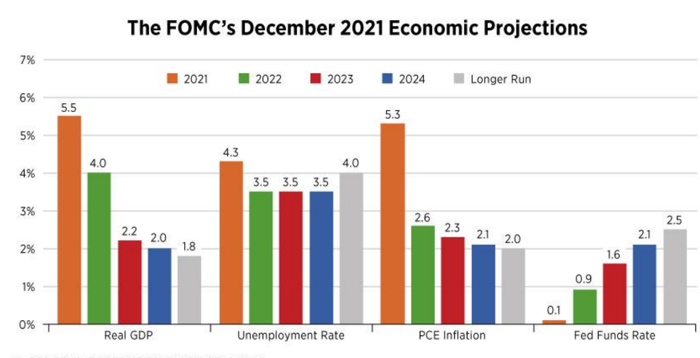
The Near-Term Outlook for the Economy and Labor Markets is Good

The pace of economic activity slowed sharply in the third quarter after rising at an exceptionally brisk pace over the first half of 2021. However, improving economic and labor market conditions in October and November suggest that real GDP growth in the fourth quarter could be the strongest of the year - and growth for all of 2021 is expected to be the strongest since 1983. Supported by the expectation of continued healthy financial market conditions, increased production to restock lean inventories, further gains in the consumption of services as consumer and business travel picks up, and a resilient housing market, continued above-trend growth is likely in 2022. At this point, the most probable outcome is 3% to 4% real GDP growth.

Strong GDP growth will continue to be a boon for labor markets. The number of unemployed persons actively seeking employment is at a record low relative to the number of job openings. In addition, the number of people quitting their jobs as a share of employment, often to seek higher-paying jobs, remains near a record high. Strong demand for labor is likely to lower the unemployment rate to around 3% to 3.5% by the end of 2022 and generate continued strong growth in employee compensation. The latter will help mitigate the reduction in purchasing power from higher prices of goods and services. But if the reduction in household purchasing power from higher inflation persists, consumers will either need to reduce real spending or draw down their savings. EIther development could pose a threat to consumer spending, and thus real GDP growth.



Proposed Build Back Better Plan Could Open Doors for Affordable Housing

By www.claconnect.com

Key insights

- The Build Back Better plan addresses childcare, elder care, affordable housing, and climate change.
- The affordable housing aspect of the proposed spending plan will affect low-income households, the elderly, and disabled people in need.
- Review specifics as to who will benefit from this spending plan and the programs through which the funding will flow

The largest, most comprehensive investment in affordable housing in history

What actions does President Biden propose in his Build Back Better spending plans? Improving child care and caregiving options, efforts to combat climate change, expanding affordable health care, and strengthening the middle class - which includes affordable homes, public housing, and rental assistance.

"The framework will enable the construction, rehabilitation, and improvement of more than 1 million affordable homes, boosting housing supply and reducing price pressures for renters and homeowners. It will address the capital needs of the public housing stock in big cities and rural communities all across America …"

- www.whitehouse.gov

The legislation passed the House of Representatives on November 19, 2021. A partial breakdown of the $1.75 trillion proposal includes:

- $555 billion aimed at fighting climate change, mainly through tax incentives for renewable and low-emission sources of energy
- $400 billion for free and universal preschool for all 3- and 4-years-olds
- $150 billion to build more than one million affordable housing units

The affordable housing aspect of the spending plan will affect low-income households, the elderly, and disabled people in need. The proposed legislation intends to create more equitable communities by investing in redevelopment projects in under-resourced neighborhoods and incentivizing state and local zoning reforms.

Let's take a look at who could benefit from this spending plan and the programs through which the funding will flow.

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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.

"Year's end is neither an end nor a beginning but a going on"

- Hal Borland

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Low-income households - Section 8

$880 million is earmarked for new Section 8 project-based rental assistance. Section 8 of the Housing Act of 1937 authorizes the rental housing assistance to private landlords on behalf of low-income households in the United States.

The Elderly

$1.77 billion is designated for energy/water efficiency and climate resiliency improvements to the Section 8 project-based rental assistance, Section 202, and Section 811 portfolios. The Section 202 program helps expand the supply of affordable housing with supportive services for the elderly. It provides very low-income elderly with options to live independently in an environment that provides support activities such as cleaning, cooking, transportation, etc. The program is similar to **Supportive Housing Persons with Disabilities.**

Preservation of HUD multi-family housing

$1.45 billion is available for the preservation and improvement of HUD multifamily housing (Section 8 project-based rental assistance, Section 202, and Section 811 portfolios)

Revitalization of public housing

$65 billion is intended for revitalization of public housing.

Very low-income families, elderly, and the disabled

$24 billion is set for the new **Housing Choice Vouchers** program. The housing choice voucher program is the federal government's major program for helping extremely low-income families, the elderly, and the disabled afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.

Rental housing for extremely low-income people

$15 billion is designated for the **Home program**. These funds are given to states and units of general local government to implement local housing strategies designed to increase homeownership and affordable housing opportunities for low and very low-income Americans.

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Zillow: Housing Market Will Climb 14% In 2022

By Dan Weil, www.street.com

Real estate research firm Zillow forecasts home values will climb 14.3% nationally in the 12 months through November.

Look for torrid housing value increases to continue in 2022, says real estate research firm Zillow. It forecasts values will climb 14.3% nationally in the 12 months through November.

Zillow economists predict that each of the top 10 markets will rise more than that, with Tampa, heading the list at 24.6%. After that comes Jacksonville, Raleigh, San Antonio, Charlotte, Nashville, Atlanta, Phoenix, Orlando and Austin.

Zillow didn't specify numbers for the other nine cities.

Tampa benefits from a thriving job market, scarce and fat-moving inventory, and demographics that bring plentiful potential buyers, Zillow said.

"Home buyers are attracted to markets in the Sun Belt that offer relative affordability, fast-growing economies and weather that allows them to enjoy the outdoors year round," said Zillow economist Alexandra Lee.

"Across the board, sellers will remain in the driver's seat, but especially so in the hottest markets. Buyers should be ready for strong competition for homes."

Six of the top 10 markets on Zillow's list have added more jobs than new homes over the past two years, intensifying the competition for buying.

Zillow sees New York, Milwaukee, San Francisco, Chicago and San Jose as the weakest out of the 50 largest U.S. metro areas. But even there, it expects home values to gain at least 10% in the 12 months through November, except in San Francisco, where the increase is forecast at 9.9%.

Outside the Sun Belt, Zillow sees the hottest markets in the Midwest, with Salt Lake City at 13th, Kansas City at 14th and Oklahoma City at 16th.

Understanding Clauses in Apartment Rental Agreement

By Camille Rahatt, www.apartments.com

Apartments.com™ RENTERVERSE

Let's face it; leases can be lengthy, complicated, and filled with hard-to-understand legal jargon. The leases that we know today originated in the early 1920s by landowners who needed income but didn't want to lose their property. Even though the wording can be a bit awkward and challenging to read, it's essential to understand your lease before signing on the dotted line. Every lease is different, with many of the clauses and addendums varying based on your state laws.

Lease Clause VS. Addendum

A lease consists of clauses and addendums. A clause is a provision written into the lease agreement. Lease clauses are usually written to comply with state and local landlord-tenant laws. These clauses are included to protect the rights of both the renter and the landlord. An addendum is a separate document added to the lease, containing additional information not included in the lease document, meaning they modify, clarify, or add something to the original lease agreement.

Common Lease Clauses

There are a handful of standard lease clauses that you should familiarize yourself with before signing your lease. Doing research beforehand will ultimately save you from conflicts in the future.

Severability

The severability clause states that if one portion of the lease is ruled invalid by a court, the remaining terms in the lease remain in effect.

Access to premises

This permits the landlord to enter the premises during specified hours, as long as they provide reasonable notice to the tenant.

Subletting

Subletting is when a tenant rents out their rental home to a third party but remains responsible for complying with the lease. Generally, the tenant must notify the landlord in writing of the tenant's interest in subletting the unit.

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The landlord will conduct a background check of the party looking to sublet the unit before approving any sublet.

Lease termination

Typically, this clause states if any lease violation or breach of the rental agreement occurs, it is grounds for terminating the lease.

Security Deposit

A security deposit clause should consist of the amount that will be collected at execution and the terms on how the deposit will be held. The reason money can be deducted from the deposit should also be included within this clause. Lastly, how the deposit will be returned to the renter should be specified.

Pets

Landlords have the right to prohibit pets or restrict the type as well as the number of pets. You'll also find the fees associated with having a pet, which can be a pet deposit, oet fee, or pet rent. You may also need to include your pet's breed, weight, and vaccination records. Service animals are not considered pets and are always allowed regardless of pet policy, but this does not omit the tenant from paying fees associated with damages caused by service animals to the property.

Alterations and renovations

Many leases will state whether you can alter or renovate the property. Major alterations and renovations typically require consent from the property owner or manager unless otherwise indicated in your lease.

Excess usage by tenant

If utilities are included in the rent, this clause specifies that the tenant will pay the difference if there is evidence of utility over usage. For instance, if the electric bill is under $70 per month, the landlord will pay it on the renter's behalf. Whereas if the electric bill is over $70, the renter is responsible for covering the remainder of the bill over the set limit of $70.

Use and repair liability

This clause lets the tenant know that they are responsible for repairs if anything is damaged due to neglect or abuse.

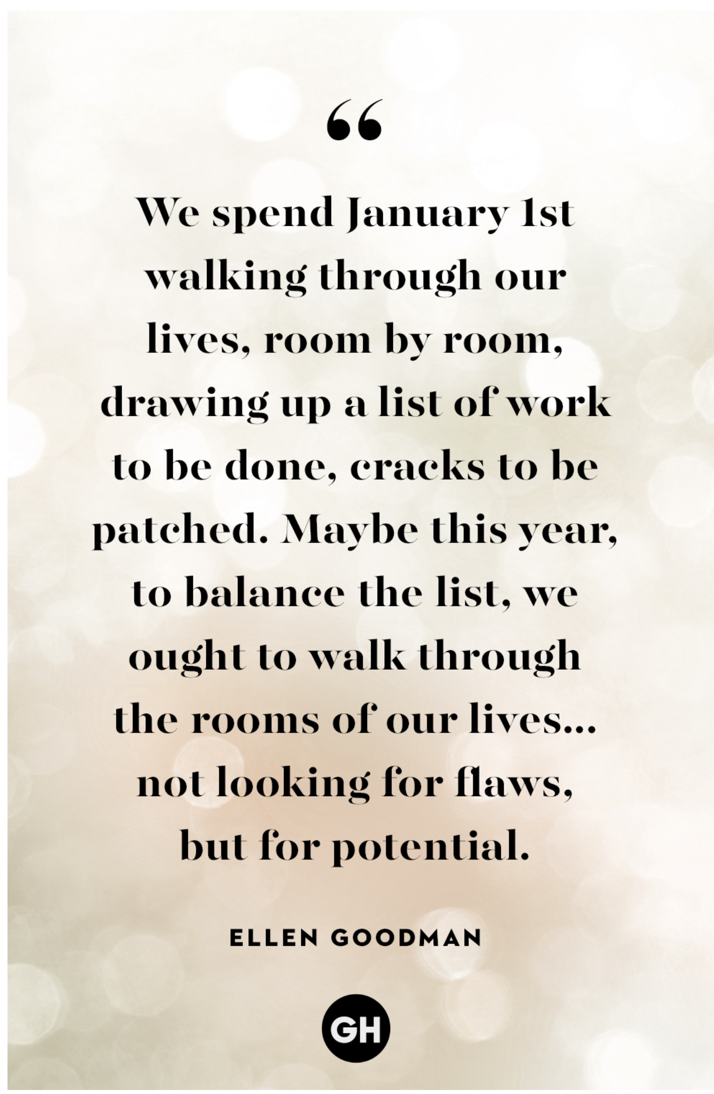
Renters Insurance

Some properties require that the potential tenants have renters insurance. Renters insurance will cover your personal property in cases of major incidents or losses such as robberies, fires, floods, etc. This clause will specify the amount of coverage supplied by the insurance and the time range for the coverage.

Noise

Landlords may be required by state or local law to keep tenants from disturbing their neighbors. With this clause, the tenant agrees not to allow any excessive noise or activities in the property.

Knowing how to navigate your lease can be tricky, but it's essential to understand the clauses that are housed in your lease agreement before you sign. Hopefully this guide helps you better understand your lease agreement and prepares you for a successful lease term in your new rental.



$18 million is being funneled to low-income Wisconsin households to help them pay their water bills

By Talis Shelbourne, Milwaukee Journal Sentinel, www.jsonline.com

The Low Income Household Water Assistance Program is offering $18 million to Wisconsin households in need of water utility assistance. The money is from broader pandemic- related rental assistance funds, which were released for the first time in December.

In order to be considered for the water assistance program, households need to qualify for the Wisconsin Home Energy Assistance Program. The program has several eligibility requirements, such as household income, household size, the household's water and utility burden.

You can apply to the home energy assistance program through community actions agencies. For Milwaukee residents, that means contacting the Social Development Commission at 414-906-2700.

According to a new release, since October, the Wisconsin Home Energy Assistance Program has provided more than $40 million to nearly 75,000 Wisconsin households, with heating benefits averaging $392 and electric benefits averaging $182.

2021 Senate Bill 754: Bill to allow renters to claim the veterans and surviving spouses property tax credit

docs.legis.wisconsin.gov/2021/related/proposals/sb754

Under current law, an eligible veteran or surviving spouse may claim a refundable income tax credit equal to the amount of property taxes the claimant paid during the year on his or her principal dwelling in Wisconsin. Current law does not expressly address the treatment of renters.

The Department of Revenue allows an eligible veteran or surviving spouse who is a renter to claim the credit if the claimant is required to pay the property taxes under the rental agreement or other written agreement with the landlord and pays the property taxes directly to the municipality.

Under this bill, an eligible veteran or surviving spouse may claim the credit in an amount equal to his or her rent constituting property taxes. The bill defines "rent constituting property taxes" to mean a specified percentage of the rent paid by the claimant during the year for the use of a principal dwelling as housing. The specified percentage is 20 percent if heat is included in the rent and 25 percent if heat is not included.

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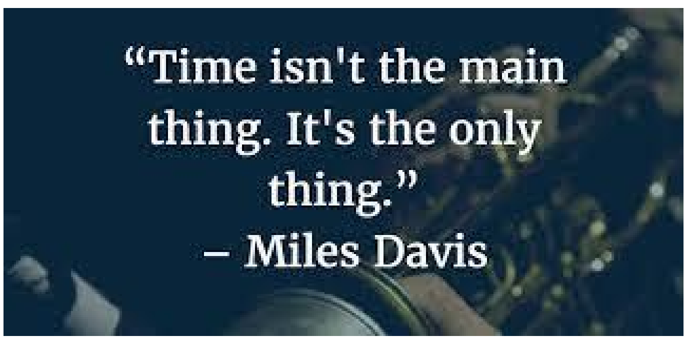
Please watch your emails for future online AASEW Events where we will discuss topics of great importance for our membership.



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

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