



WAA News

Volume 35 Issue 4 • May 2014 • Connecting the Rental Community Right Next Door and Across the State



*Catch the
Rental Wave*

2014 WAA Conference and Tradeshow
THREE BEARS RESORT • WARREN, WI
OCTOBER 10-12

Early Bird Registration
Deadline is May 15...
don't miss your chance
to save some money!

see page 11 to complete
and send in your registration.

**Companion Animals – HUD's Ruling
on April 25, 2013 Affects Landlords**

See page 10



2014 Roster of Events

(for a full calendar of events, visit our website at www.waaonline.org)

BOARD MEETING

Saturday, September 6 • 10:00 a.m.—4:00 p.m.

Ho-Chunk Convention Center, S3214 Hwy 12, Baraboo • Lower Dells C/D

Lunch (optional) will be at Standing Rock Buffet at noon. Cost is \$12.

Please RSVP to Kristy at kristy@waaonline.org or 920-230-9221

no later than **Tuesday, September 2nd.**

A few rooms have been held for Friday and/or Saturday at a rate of **\$99/night plus tax.**

Please contact Ho-Chunk directly at **800-746-2486** and mention group **#3321** to reserve your room **before Saturday, August 23rd.**

SAVE THE DATE—LEADERSHIP TRAINING IS COMING!

3 Days — 3 Locations

Watch for more details coming soon!

Mark Your Calendar

for the

2014 WAA Conference & Tradeshow

“Catch the Rental Wave”



**October 10-12 at the Three Bears Resort,
1500 Jellystone Park Dr, Warrens**

Call Three Bears Resort at 888-482-5634 and mention WAA to get the special room rate of \$89.95/night plus tax or a suite for \$109.95/night plus tax.

Room block availability is limited and closes September 10th!

See page 11 for the early bird registration form.

Save some money and send yours in before May 15th!



WAA/RHR Executive Committee

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Helen Streekstra** (715) 424-2105
handh@wctc.net

TEAMWORK

We need YOU! Our association is only as strong as our members and member participation is critical for our growth and success. We have established a number of standing committees (teams) to ensure that our association continues to meet goals that are set, retains and adds members, and provides education, leadership, and representation to ensure that YOU are able to operate your rental business successfully, ethically, and responsibly in our state. These members have agreed to volunteer their opinions, skills, and time to make this association the best it can be. Please consider getting involved as well and help make a difference in YOUR association, the Wisconsin Apartment Association!

Education Committee – Julie Fay-Krivitz-Chair (Associate), Sherrie Dorn (SWLA, Racine), Dale Hicks (JARPA, Janesville), and Pamela Strittmater (AALA, La Crosse)

Legislative Committee – Chris Mokler-Co-Chair (Winnebago, Oshkosh), Dale Hicks-Co-Chair (JARPA, Janesville), and Jessica Olson (AALA, La Crosse)

Membership Committee – Kathy Haines-Chair (Associate), Julie Fay-Krivitz (Associate), Pamela Strittmater (AALA, La Crosse), Jeff Pralle (AALA, La Crosse), Hank Drechsler (FVAA, Appleton), Kris Mueller (MAAA, Marshfield), Gus Orozco (SWLA, Racine), and Paul Winans (AALA, La Crosse)

Conference Committee - Pamela Strittmater-Chair (AALA, La Crosse), Kathy Haines (Associate), Julie Fay-Krivitz (Associate), Susan Verbeten (SWLA, Racine), Kelly Jensen (SWLA, Racine), Bill White (Associate), Lori Thurloff (AANW, Green Bay), Dawn Powell (KLA, Kenosha), Dale Hicks (JARPA, Janesville), and Paul Winans (AALA, La Crosse)



President's Letter



Happy Spring! Is spring ever going to come? Oh yes, it's just around the corner. I want to "Thank" everyone who made a special effort to be at our last board meeting on April 12th in Oshkosh. It truly is a dedication on your part to make sure the WAA stays strong and active on many fronts. I liked how the committees had more time to discuss issues and I think we are going to try that again at our next board meeting in Wisconsin Dells on Saturday, Sept 6th. Please mark your calendar for that date and join us. Your voice is very important! It is "YOU" that the WAA is serving and we love your participation! We cannot spell S_CCESS without U! We cannot get RES_LTS without U!

Just to give you an update...SB 517, the bill relating to the collection of certain utility arrearages by a municipal utility, was signed into law by Governor Scott Walker on Wednesday, April 16th and parts went into effect already on April 18th. SB 517 puts us on the road to correcting a very unjust law that has affected so many landlords for a very long time. An overview and explanation of the bill will be published in the next issue.

Also, Pamela Strittmater and Jessica Olson are waging a battle with the City of LaCrosse regarding landlord registration and licensing. We have also been contacted by the Wausau area landlords and they are also facing the same battles. These issues will continue to rise and we need all landlords to band together. What better way to band together than through the WAA!

We have had other non-member locals show interest in becoming WAA members. Hopefully, they see all the benefits of joining the WAA and helping us to create better education for our landlords, keeping the fight of good legislation in Madison, bringing more value to local leadership, engaging landlords in becoming new members, and sharing and gaining knowledge at our annual conference.

I would like to ask a personal request of all our members. I'm sure you have been asked this many times before, but here it is one more time. Would you be willing to engage just ONE new landlord in your area in the next 90 days and explain all the benefits of the WAA to them and see if they will come and join you at your next local meeting? If everyone would reach out to just ONE new member, we could DOUBLE our membership this year!

At our last board meeting, it was discussed that we have a database of thousands of landlords who are not members. In my opinion, these landlords need to be members of the WAA. If our industry was more regulated with licensing and registration, we would see more members in the WAA as there is in the Realtor Association. This is not the way I want to see our industry develop, but I'm asking for landlords to join the WAA in helping keep our association strong and united.

In my last effort today for you to see the need of the importance of your participation, please join us at our next board meeting on Saturday, September 6th. It is through YOUR participation with our committee developments that will launch the WAA to the next platform of professionalism in our organization and industry. My dad always said, "It's better to give than to receive." We have four committees that need YOU as we build the WAA. Consider participating with one of the following committees:

Membership/Marketing, Education, Legislation, or Conference.

I look forward to seeing you in the Dells!

Best Wishes,

Dean Ramsden

Dean Ramsden, WAA President



5 Quick Financial Tips for Beginner Landlords

From Fairshare.cc, November 14, 2013

Being a landlord is a great way to earn almost passive income. Instead of working hard for your money, you simply collect the rent every month and watch your bank balance grow.

However, things are not always this straight forward. Unfortunately, we don't live in a perfect world, which means problems often occur that will threaten your profit margins.

With this in mind, we have listed 5 quick financial tips for beginner landlords...



Don't ignore landlord insurance

Before you take on your first tenant, it's essential to find the right landlord insurance. Luckily, you can compare landlord insurance offers very easily on the internet, so you are able to save money and find the right premiums.

Start small

While you may have dreams of owning a property empire, you must realize that this won't happen overnight. For this reason, start small and look to grow your business gradually. Ultimately, being a landlord is not a race, and there is no finish line.

Find a reliable contractor

No matter what kind of properties you own, there will always be urgent repairs that need to be fixed. Unless you are a DIY expert with a lot of time on your hands, then you should find a reliable contractor who you can trust. Not only that, but they also need to be affordable, as repair costs quickly start to mount up.

Use a real estate agent?

Using a real estate agent is a tough decision for beginner landlords. On the one hand, they can make your job a lot easier, by finding you tenants and handling all of the paperwork. However, on the other hand you must realize that real estate agents don't come cheap, and when you are just starting out and on a tight budget, then they might be an expense that you can't really afford.

Assess your situation and then decide if using a real estate agent is the right option for you at this time.

Stick to your local area

There are many reasons why you should only buy properties in your local area. One of the main reasons is so you can keep a close eye on your tenants and property. Ultimately, not every tenant is going to be a saint, which means you need to make regular checkups to see if the rules are being obeyed.

Also, when you are just starting out as a landlord, don't be tempted to buy property abroad, as this is a recipe for disaster.



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Wisconsin Rental Housing Legislative Council (WRHLC) REPORT

Well this Legislative Session will wrap up to be a good one for Landlords, I think. Not only did we pass some fair legislation, and by fair legislation I mean legislation that's not strictly one-sided on some issues, and helps balance the scales. Of course, everyone has an opinion (you know the saying which I won't repeat here), keep that in mind as you read this column. We stopped some legislation that would have affected our industry in negative ways, but few people hear about that, maybe that's what we at WAA/WRHLC should concentrate more on. Because of people past and present, WAA/WRHLC is well respected in the State Legislature...respect that we have earned by pushing fair legislation, working with all parties that were willing to work together, by having a group of people throughout Wisconsin working together to let our Legislature know where we stand, and by supporting good Legislators throughout Wisconsin.

But let's focus a minute on working together. We cannot be a group that only represents parts of Wisconsin. If you live and own property in the Fox Valley area, no Legislator from Sparta, Superior, or East Troy Wisconsin particularly cares on how you think they should vote on a particular issue, they have to care what their constituents think he or she should vote on a particular issue, that is who elected them! WAA/WRHLC, with all its locals in Wisconsin, has worked the last few years with Apartment Association of Southeastern Wisconsin (AASEW) to be a united force on legislative matters and we hope to continue to do so. We are always looking for new partnerships and ways to strengthen our position in the state.

Why must we be strong throughout the state and never let our guard down? Quite simply our opposition will undo our accomplishments to even the scale on many issues in a split second. Remember, the part above about differing ideas and opinions...it only takes one person to plant an idea in one legislator

and WHAM-O, we could have a bill tipping the scales the wrong direction! One complaining parent of a tenant influenced one legislator to draft a bill requiring all property owners throughout Wisconsin to pay 5% interest on held security deposits. When was the last time you received 5% interest on a savings account, CD, or Money Market account? My father, Gary, and a few other folks involved at that time stopped that bill from being introduced because of our respect at the Capitol. They explained the facts and the bill was dead. Never heard about that, that's our fault, but think of the money you would have lost and the paperwork involved! That is just one example of many!

So please...as you are praying, wishing, or doing a sun dance to get spring going, *think about* the miniscule amount of time it takes to help influence the State Legislature and support those legislators that listen to us. *Think about* the minor amount of dues you pay that save you endless expenses and attorney fees by the fair legislation we have gotten passed and the poor legislation we have stopped. *Take a moment and reach out* to others and ask them to join so we can keep this **momentum moving forward!**

Respectfully,



Chris Mokler
WRHLC President &
Legislative Co-Chair
cmokler@moklerproperties.com



Dale Hicks
WAA Past President &
Legislative Co-Chair
dandtrentals@sbcglobal.net

2014 WAA/WRHLC Legislative Day

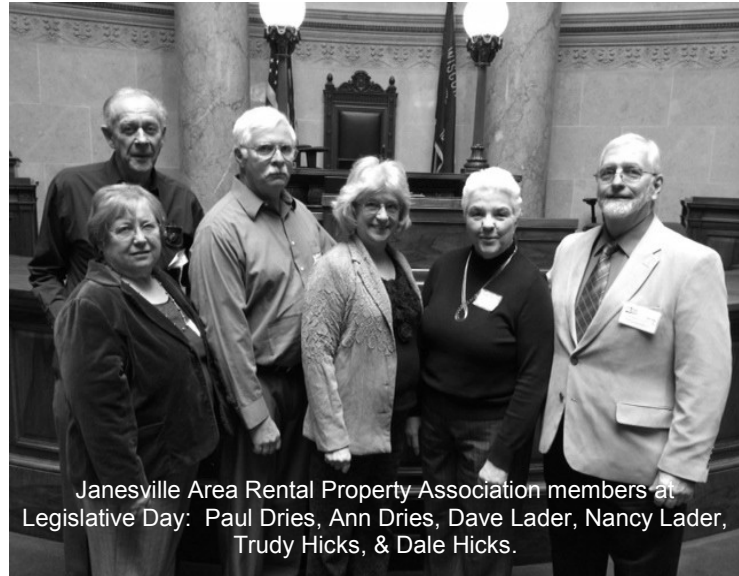


Thank you to all for another great success for Legislative Day on March 19! Our 2014 Industry Award winners were Rep. Andre Jacque, 2014 Legislator of the Year; Rob Kovach, Legislative Staffer of the Year, and Joseph Dahl as the Spirit Award winner. The reception and awards ceremony were very well attended. I am thankful that everyone was able to stay and enjoy the occasion.

~Gary Goyke, WAA Legislative Liaison



In Senate Chambers...



Janesville Area Rental Property Association members at Legislative Day: Paul Dries, Ann Dries, Dave Lader, Nancy Lader, Trudy Hicks, & Dale Hicks.

It was a great day and very well organized. I enjoy getting the updates on legislative issues and them taking them to our legislators. Getting involved in those issues should be important to all of us in the rental industry. If you have never been there, plan to attend next year. There is strength in numbers.

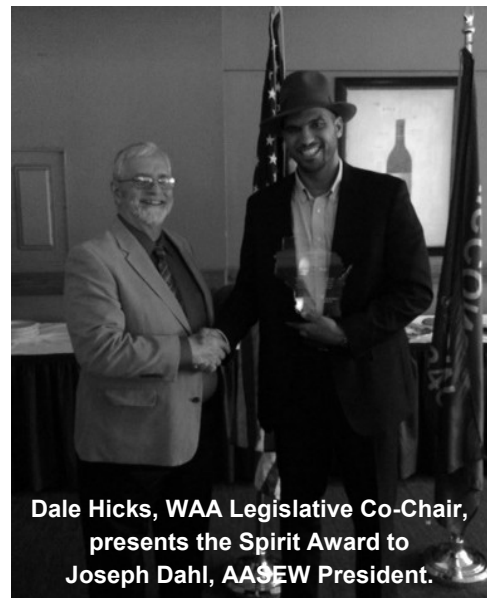
~Jeffery Pralle, Footstep Management, Apt. Association of the La Crosse Area



Chris Mokler, WRHLC President, presents the Legislative Staffer award to Rob Kovach.

We've been coming for about 10 years now and wouldn't miss it. It's always good to keep in touch with our representatives and their staff. It's nice when they can call you by name. Speakers were excellent and we always look forward to hearing from the Freshman Legislators.

~Kris Mueller & Carol Meister, Marshfield Area Apt. Association



Dale Hicks, WAA Legislative Co-Chair, presents the Spirit Award to Joseph Dahl, AASEW President.



Associate Member Directory

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Fax: (920) 436-9856
www.wicreditreports.com

Testudo LLC

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Samantha@TestudoOnline.com
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rick@wilegalblank.com

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www.weareacsi.com

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Companion Animals/New Associate Member

Companion animals

By: Dale Hicks, Member of the Janesville Area Rental Property Association, Past WAA President, & Legislative Co-Chair

The HUD ruling on April 25, 2013, changes things for landlords. This is something we all will deal with at some time. I will share some key items that you need to know. Assistance, companion, comfort, anxiety or service animals, call them what you want, but there is no distinction anymore. They are all the same in the eyes of Fair Housing.

- You cannot charge any security deposit for the animal.
- You cannot charge any additional monthly rent.
- No charges at all, even in units with "no pet" policies.
- Anyone with a prescription from a licensed professional can have one.

What you need to do

There are two questions you can ask:

Does the person seeking to use and live with the animal have a disability-i.e., a physical or mental impairment that substantially limits one or more major life activities?

Does the person making the request have a disability-related need for an assistance animal? In other words, does the animal work, provide assistance,

or perform task or services for the benefit of the person with a disability, or provide emotional support that alleviates one or more of the identified symptoms or effects of a person's existing disability.

If the answer to (1) or (2) is "NO" then Fair Housing (or Section 504) does not require you to allow the animal.

If the answer is "YES" then you, the landlord, need to provide an exception to your "no pet" policy and permit a tenant to have the animal(s) in all areas where persons are allowed, unless doing so would impose an undue financial and administrative burden or would fundamentally alter the nature of the housing services.

You may deny the tenant:

- If the animal poses a direct threat to the health or safety of others that cannot be reduced.
- If the animal would cause substantial physical damage to the property or others.

These denials need to be based on fact, not on speculation! This denial also needs to pertain specifically to that animal and not others.

This information can be found on the HUD website at HUD.gov – service animals and assistance animals published April 25, 2013. If you have a question about this, I suggest you call the Fair Housing Department in your area to help you make the correct choice.

Welcome New Associate Member!



Bader is an experienced agency specializing in Renters Insurance that reduces your liability, improves your customer relations, and increases your revenue. Visit www.baderco.com for more information.

CONTACT

Dan Rego, Account Executive
Phone: 888-223-3726 ext. 6092
Direct Phone: 317-706-6092
Email: drego@baderco.com



Registration Form
2014 WAA Conference & Tradeshow
"Catch the Rental Wave"
October 10th – 12th
at the Three Bears Resort, Warrens

\$180/1 person \$245/2 people from same company
includes all sessions & meals

These rates apply through May 15th for WAA members only.
Take advantage of the savings and register TODAY!

\$200/1 person \$265/2 people from same company includes all sessions & meals

These rates are for non-WAA members and will be the member rate after May 15th.

Name of Registrant(s): _____

Company Name: _____

Address: _____ City: _____

State: _____ Zip: _____ Phone: () - Fax () -

Local Affiliate: _____ Email: _____

First-Time Attendee Local Officer Past State Association President

TOTAL Conference fees \$_____ Please draft check to "WAA Conference"

Sorry no refunds or transfers. Registrants may resell registration if necessary.

Name on card (Visa or MasterCard): _____

Credit Card #: _____ Exp. Date: _____ CVV: _____

Please make your annual dinner choice and list name(s) for each choice:

() *Sirloin Steak* _____
(10 oz. center cut certified angus beef sirloin-only 8% of beef qualifies as certified angus beef.)

() *Baked Haddock* _____
(Delicate white fish topped with butter and bread crumbs and then baked to perfection.)

() *Cranberry Chicken* _____
(Two grilled chicken breasts smothered in a savory cranberry sauce.)

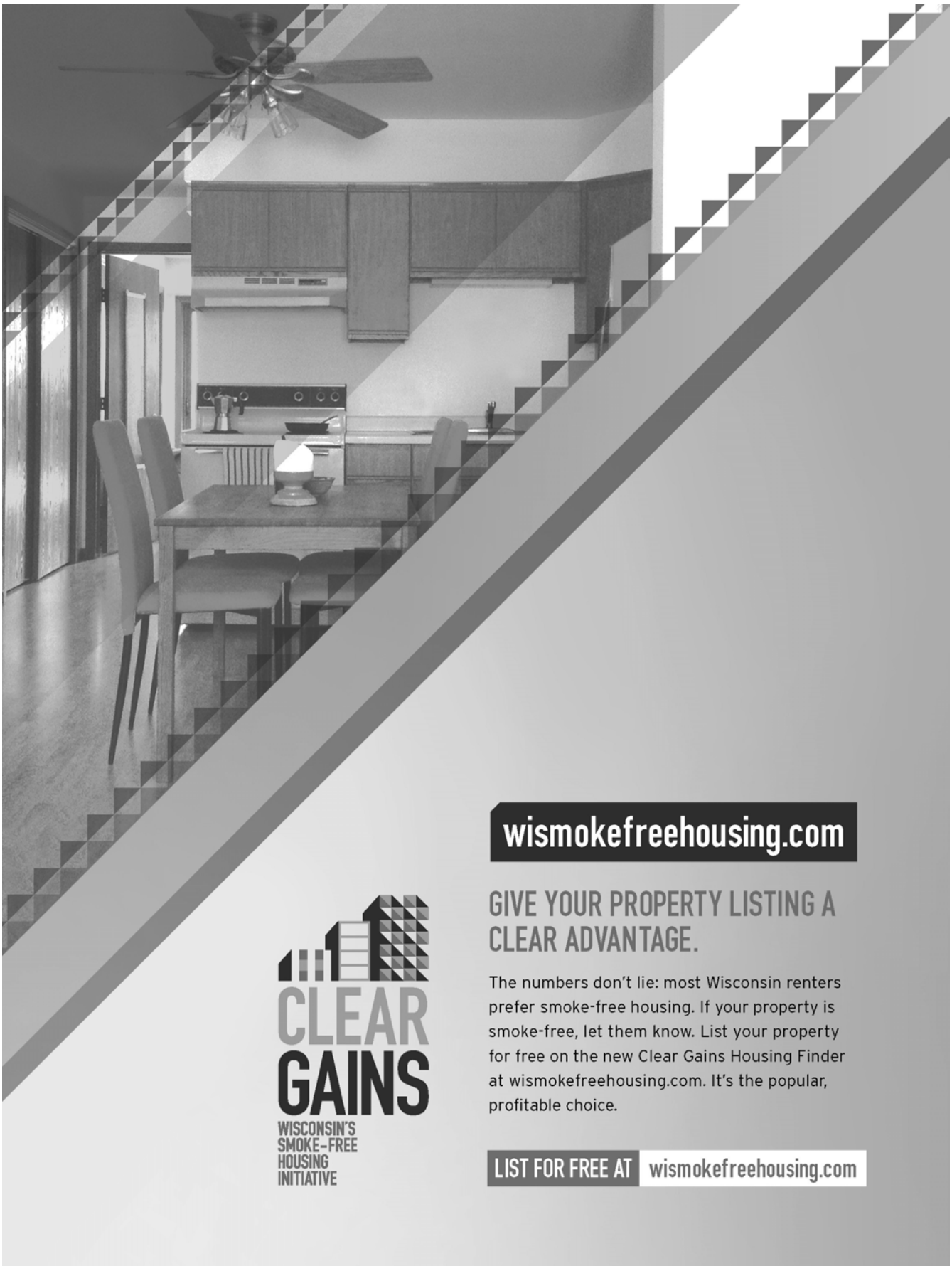
DOES NOT include hotel reservations . . .

Three Bears Resort, 1500 Jellystone Park Dr, Warrens
Call 888-482-5634 and mention WAA to get the special room rate of
\$89.95/night plus tax or a suite for \$109.95/night plus tax.

Room Block closes on 9/10!



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APARTMENT ASSOCIATION OF NORTHEAST WISCONSIN (AANW), GREEN BAY

Info submitted by Kathy Haines



At our May meeting we will have a panel of seasoned landlords to answer audience questions. Initial focus will be on maintaining Quickbooks or other types of record keeping and tax information. An open round table discussion between landlords will be encouraged.

Meetings are held the 2nd Wednesday of each month at the Hilton Garden Inn, 1015 Lombardi Ave., Green Bay

JANESVILLE AREA RENTAL PROPERTY ASSOCIATION (JARPA)

Info submitted by Dale Hicks

Meetings are held the 3rd Thursday of each month at 6:30 p.m. at Commercial Bank, 1400 Blackbridge Rd., Janesville

KENOSHA LANDLORD ASSOCIATION (KLA)

Info submitted by President Mark Nausieda

Meetings are held the 3rd Wednesday of each month at the Kenosha VFW, 6618 39th Ave., Kenosha
Networking with refreshments at 6:30 p.m. & meeting at 7:00 p.m.

APARTMENT ASSOCIATION OF THE LA CROSSE AREA (AALA)

Info submitted by President Pamela Strittmater

Despite many hours of positive, constructive dialogue during countless meetings, the city council in La Crosse has just passed a new rental registration and inspection ordinance (8.06 and 8.07 of the Municipal code) affecting only rental properties. The ordinance, which goes into effect July 1, 2014, is adopted for the purpose of preserving and promoting public health, safety, comfort, convenience, and general welfare and prosperity of the people of the City of La Crosse and its environs and for preserving and enhancing the general physical and aesthetic condition and monetary value of the real property and neighborhoods by establishing minimum housing and property maintenance standards for controlling and effecting the occupancy, use, maintenance and repair of all buildings and structures within the City of La Crosse which are operated, used, employed or utilized for the purpose of rental housing. It is recognized that there may now be, or, may in the future be, buildings, structures, yards or vacant areas and combinations thereof which are so dilapidated, unsafe, dangerous, unhygienic, overcrowded, inadequately maintained or lacking in basic equipment or facilities, light, ventilation and heating so as to constitute a menace to the health, safety, and general welfare of the people and constitute a public nuisance or blighting influence upon the neighborhood. The establishment and enforcement of minimum rental housing and property maintenance standards is necessary to preserve and promote the private and public interest. It includes an annual mandatory registration with fees between \$25.00 for single family rental to \$65.00 for a 48+ unit building and a "quality of life" interior and exterior inspection once every five years. The city can revoke the permit at any time for any reason, condemn the property for human habitation and remove the tenants without a proper eviction process. Other cities in Wisconsin are watching what happens in La Crosse and are planning to change their rental housing ordinances to adopt some if not all of the provisions. We, as a state association with many locals, need to make snuffing out landlord licensing our top legislative issue. Our association came into existence to fight landlord licensing. Hopefully, with the assistance of WRHLC and our WAA legislative committee, we can work together with rental property owners, locals, and city and state government personnel to build bridges in a positive way and stop this now. Landlord licensing is deadly for the rental property industry and already most regulated small business in the state. It's time we come together, stronger than ever, to fight the good fight!

Meetings are held the 3rd Thursday of each month at the Moose Lodge



Local Affiliate Updates

MARSHFIELD AREA APARTMENT ASSOCIATION

Info submitted by President Kris Mueller

Last month we hosted the Landlord Tenant Laws in WI class. We had 24 attendees. We gain 6 new members, which is a 25% increase in our membership. The class was very, very well received, we got many comments and thank you's for hosting the class. Our local TV channel WAOW out of Wausau came to cover the class as a news clip. For our Board meeting on May 1, Marshfield Mayor Chris Meyer came to our meeting to update us on city affairs. For our May 20th, seminar we will be going over our web page with members, how to use the web page, how to put their vacancies on the web page, and also going over the WCCA web page.

- Educational seminars are on the 3rd Tuesday of each month at Belvedere Supper Club, Marshfield Networking & dinner (at your own expense) at 6:00 p.m. & seminar at 7:00 p.m.
- Board meetings are held on the 1st Thursday of every month at the Sunrise Restaurant. Everyone is welcome!

WINNEBAGO APARTMENT ASSOCIATION, OSHKOSH

Info submitted by President Donn Lord

Oshkosh Landlordology, a new educational series for new and existing landlords, which the Winnebago Apartment Association co-sponsored was held on April 12th. Enrollment was limited to the first 75 people and we had 105 in attendance. For more information check the UW Oshkosh extension website: winnebago.uwex.edu. The presenters for this Education series were: Kristi Cutts, Paul Redemann, Tracy Frost, and Donn Lord, all board members of our chapter as well as Attorney Kelly Schwab, Associate member. Oshkosh Housing Inspector Andrew Prickett also presented a section of this seminar.

Our May 12th meeting speaker will be Darryn Burich, community development Planning Director for the City of Oshkosh. Darryn will speak about the new Minimum Design Standards recently passed for the city of Oshkosh. This is an extremely important topic and concerns all landlords particularly those with older properties in established neighborhoods.

Our Picnic will be at the Midnight Club on the Fox River at the end of Bay Street in Oshkosh on Monday, June 9th at 6 PM. This is free to our paid members.

We do not meet for the months of July and August and resume our meetings on Monday, September 8th.

Meetings are held the 2nd Monday of each month at Benvenuto's Grill, 300 S. Koeller St., Oshkosh
Board meeting at 5:30 p.m., social (in the bar) at 6:30 p.m., & business meeting at 7:00 p.m. in the back room.

We're waiting to hear from you . . .

Locals that did not provide an update by the publishing deadline are:

Beloit Property Managers Association, Chippewa Valley Apartment Association (Eau Claire), Fond du Lac Area Apartment Association, and Southern WI Landlord Association (Racine).



Some Irritating Things Tenants Do and How to Avoid Them

One of the most common complaints landlords have about tenants (after failure to pay rent on time or at all) is what they do after they move in. Some of these are things you can't quite catch them at.

I am going to put the broken record back on the turntable now. Most of these problems never become problems if you properly screen tenants in the first place. Bad tenants leave stinky trails back through previous places they have lived, so smelly even a landlord with a bad cold can sniff it out. If all landlords would check references thoroughly and with a cynical eye as to finding out whom they are talking to, i.e., friend pretending to be landlord, brother-in-law pretending to be employer, they would discover the true story of the applicant who is trying to get to live in their property for free and do mass destruction.

The other part of the song on the broken record is where I talk about the two times a landlord gets into trouble: when he or she feels sorry for somebody and when he or she is in a hurry. If you will think back to the tenant troubles you have had, I'll bet you will discover that the tenant troubles were the result of one of those two situations. I know it fits with whatever tenant problems I have had.

That said, here are some things tenants do and how to catch them at it.

Extra or different people in the property

Professional bad tenants are good at this one. It goes along with you never again seeing the person you rented to. Usually bad tenants accomplish this feat by using the nice, polite young woman with the baby in her arms. The story often goes something like this,

"I just had to move out of the place I was in because. . .

A. "I had a big fight with my boyfriend and he threw me out."

B. "I had a fight with my roommate and had to leave."

C. "I lost my job and got kicked out of my apartment because I couldn't pay the rent, but now I have another job [or have got welfare started] and can pay it now."

D. "I couldn't pay the rent because of the doctor bills for my baby and the mean old landlord kicked my out. You're not like that are you?"

E. Any combination of the above.

Or, she may have just gotten into town.

So you feel sorry for her and let her move in right away—Saturday—thinking that you'll check the references Monday. You don't get around to it because, after all, you have the rent money in hand and this month's mortgage payment made.

Next time you go to the unit and knock on the door, you see someone you have never seen before. When you ask who he is, you are greeted with the same question. There could be several other young men hanging out there. They didn't try to rent from you because they knew full well they couldn't pull off the "poor me" scam.

All is not lost. If you have a proper rental agreement with the young woman to whom you first rented, you can get them out. If you don't have such an agreement, it is a more lengthy process.

On the rental agreement there is a clause specifying the number of people who may inhabit the property. While you may not discriminate on the basis of number of children and adults, you certainly can, with certain guidelines, specify the total number of people who may inhabit a property. If your state has adopted occupancy guidelines in its landlord tenant law, you are in luck—follow them. If you have no such codified guidelines, using a "two person per bedroom" rule, and applying it equally to all applicants is fairly safe. After the Department of Housing and Urban Development (HUD) was excoriated by the 9th US Circuit Court for failing to establish objective occupancy standards, they have been far less draconian in their enforcement of that portion of the Fair Housing Law.

The other part of the rental agreement to look hard at is the name of the person who rented from you. There should be a clause that forbids any other tenant from moving in without a written and approved application.

If you don't have a rental agreement, you have to use the more lengthy process. The more lengthy process involves creating a rental agreement. You don't necessarily have to create the entire thing, but only the portion that applies to what they are

(Cont'd on page 16)



Landlord Tip (cont'd)

(Cont'd from page 15)

doing. That will take 30 days in most states, because that is how long you need to change the terms of tenancy.

That done, then you use a "with-cause" process.

Disturbing the peace

The neighbors around your rental property are your friends. If they are other tenants, so much the better, they already have your phone number. The trick is to give your phone number to the neighbors of your rental property who are not your tenants. There are two ways to pull this off.

First is to call them. If they are in the phone book that is easy. Usually they will be happy to talk to you. After all, it's their neighborhood you are wanting to maintain and improve.

Second is to knock on their door. They will also probably be happy to talk with you there.

Either way, get their phone number as well. If you suspect that your tenants are not behaving the way you would prefer, call them to get their impressions. One of three things will happen. One, they won't have noticed anything and will tell you so; two, they will have noticed something and tell you about it; or three, they will have noticed something, won't tell you about it, but, since they are friends of the offending tenant, will tell him or her. Then telling the tenant you were asking about him or her may be all that is needed to clean up their act.

If the neighbors are having problems with the tenants, here is what to do.

1. Tell them you want to correct the problem, but need their help to stop the behavior and/or get the tenant out.
2. Ask them to document the instances noting time and date. Assure them that you will not tell the tenant where the information came from. Chances are you will get similar information from several neighbors, anyway.
3. Call them back or stop by their home in a week to collect the information.

At that point you serve notice on the property that the tenant has two weeks to correct the violation of the rental agreement or move out in 30 days, or whatever time frames are law in your state. This option is available in most states. It is important that you itemize exactly how and when the tenant

has violated the rental agreement. The more specific you are, the better the effect on the tenant. If you have a problem drafting the letter properly, call your attorney or use a form you get from your local apartment association. But get the evidence first.

If they do not correct the problem and do not move, you begin eviction proceedings.

You other option is just to terminate the tenancy with a 30-day no-cause notice, also available in most states.

*By Bob Cain, Rental Property Reporter,
October 7, 2012*

About the Author: For over 25 years now, Bob has been publishing information, giving speeches, putting on seminars and workshops, and consulting for landlords on how to buy, rent and manage property more effectively.

WAA Newsletter Dates & Procedures

1. Items for newsletter should be forwarded to kristy@waaonline.org, electronically whenever possible.
2. Please submit news articles in the following formats: MS Word, Html copy, PDF, MS Works, eps, jpeg, tiff or text format.
3. Your articles, either by email, fax, or US mail must be received by the 3rd of the preceding month.

Please send your articles to:

Kristy Weincke
PO Box 2922
Oshkosh, WI 54903



Repairs, Maintenance, and Entry to Rented Premises

Landlords' duties to repair rental property and to give tenants notice before entering.

By Marcia Stewart, Nolo.com

To avoid problems with tenants, you should make repairs to rental units as soon as you can. Major problems, such as a plumbing or heating problem, should be handled within 24 hours. But before entering rented premises to make needed repairs, you must provide advance notice to the tenant (usually 24 hours). Without advance notice, in most states a landlord or property manager may enter rented premises only in an emergency, such as a fire or serious water leak.

Landlords' Maintenance Responsibilities

Under most state and local laws, you must offer and maintain housing that satisfies basic habitability requirements, such as adequate weatherproofing, available heat, water and electricity, and clean, sanitary, and structurally safe premises.

Local building or housing codes typically set specific standards, such as the minimum requirements for light, ventilation, and electrical wiring. Many cities require the installation of smoke detectors in residential units and specify security measures involving locks and keys.

Your local building or housing authority, and health or fire department, can provide information on local housing codes (and penalties for violations).

Consequences of Not Making Required Repairs

When a tenant requests necessary repairs and the landlord or property manager doesn't meet legal responsibilities in providing them, a tenant usually has several options, depending on the state. These options include:

- withholding part of the rent until the problem is fixed
- hiring someone to make necessary repairs and deducting the cost from the next month's rent
- paying less rent
- calling the local building inspector, who can usually order landlords to make repairs, or
- moving out, even in the middle of a lease.

A tenant can also sue the landlord for a partial refund of past rent, and in some circumstances can sue for the discomfort, annoyance, and emotional distress caused by the substandard conditions.

Your best bet is to handle repairs as soon as possible (or delegate the repairs to the tenant in exchange for decreased rent). Take care of major problems, such as a plumbing or heating problems, within 24 hours. For minor problems, respond in 48 hours. Always keep tenants informed as to when and how the repairs will be made, and the reasons for any delays.

Entry to Rental Property

Typically, after giving notice to tenants, you can enter rented premises in order to make needed repairs (or in some states, just to determine whether repairs are necessary), or to show the property to prospective new tenants or purchasers.

Without advance notice, in most states a landlord or manager may enter rented premises while a tenant is living there only in an emergency, such as a fire or serious water leak, or when the tenant gives permission.

Several states also allow landlords or property managers to enter rental property during a tenant's extended absence (often defined as seven days or more) in order to maintain the property as necessary and to inspect for damage and needed repairs. In most cases, a landlord may not enter just to check up on the tenant and the rental property.

NOTE: Wisconsin Law states that 12-hour notice must be given prior to entry, unless entry is deemed necessary for an emergency.



DIY dilemma: Hire or play the pro?

By [Melissa Ezarik](#) • [Bankrate.com](#)

Even natural do-it-yourself types sometimes find themselves facing a project and asking: Should I handle this myself or hire a pro?

"There's this innate American sense that we should fix things up ourselves," says Gregg Hicks, director of business development for ReliableRemodeler.com. He says he sees it as the way to get the most out of a project -- provided the homeowners are willing to roll up their sleeves and give up their weekends for weeks, months, or even years to get the job done.

The do-it-yourself, or DIY, trend has been fueled by the ease in finding project information. With home improvement television shows, home store seminars and the Internet bringing how-to's right to the workbench, opportunities to learn abound.

Experts say a project is more likely to become a DIY if the project is on the small side and if the homeowner is on the younger side. Growing up in a household where an adult tends to tackle in-house improvements also helps breed DIY confidence.

Of course, sometimes there's overconfidence. Dean Bennett, president of a Colorado-based design and construction firm, has seen many instances in which homeowners thought they knew everything, but fell short.

Some things are just not as easy as you might think, he says. Say the idea is moving a wall to create some extra bathroom space. This could involve moving the plumbing in the basement, adding new floor framing, rerouting electrical wires, removing and replacing trim on the wall, matching the wall texture to the original, and painting.

Many homeowners with basic skills experience unexpected problems, says Jim Rocchetta, vice president of marketing for Handyman Connection, a network of more than 4,000 independent craftsmen. "A small problem can very quickly grow into a huge one," he says. "A sizable percentage of our business each year, in fact, involves salvaging do-it-yourself projects that have gone wrong."

Here's how to determine the best route to take on your next home improvement project:

1. Assess your skills

Dan Fritschen, author of "Remodel or Move?" says

that before starting on home improvements, potential DIY homeowners should ask themselves: Do I enjoy physical labor and do I like getting dirty?

But a successful project requires more than a can-do, will-do attitude. Check in with staff at home stores and friends who may have tackled similar projects and consult books and other detailed resources.

Write down each step in the process, says Bennett. "Just being able to predict and know each step is a test right there."

And speaking of friends, who in your circle works in a trade? Could (and would) he or she be willing to lend a hand in the project if you hit a stumbling block?

As you learn what's involved in a project, keep in mind that some things are better left to the pros -- like electrical lines or natural gas pipes. "The cost of failure in these two cases can be serious injury or death," Rocchetta says.

Other experts warn against plumbing, which isn't complicated, but can cause big, water-clogged headaches.

Local building codes and regulations also come into play, says Rocchetta. Failure to comply could result in fines and problems when you later try to sell your home.

The inherent difficulties of some projects also make them good candidates for a contractor's skilled hand. Experts mention installing solid surface countertops, cabinets and drywall.

Some simple jobs, such as laying self-locking laminate flooring, can even get tricky, says Trevor Welby-Solomon, vice president of technical training, support and development for Pillar to Post, a North American home inspection service. Frequent cuts are difficult to hide.

Research can boost confidence in the idea of tackling a project yourself. But in the experience of loan officer Becky Nelson of Opteum Financial Services, more people "are feeling confident about making the phone call to have someone tackle the project."

2. Consider the costs

While doing it yourself doesn't always come with the best price tag when all is said and done, it does eliminate labor costs. That can mean overall savings of 25 percent to 50 percent.

"You will save money, in theory, by doing it yourself," says Hicks, "if you don't mess up too badly." Mistakes can require do-overs and cause empty wallets.

(cont'd on page 19)



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When doing the math, keep in mind that contractors can often purchase materials at a much lower cost than individual homeowners, plus they already own the required tools.

In any case, there are ways to lower costs. "You don't need to own a workshop that looks like Norm Abram's," says craftsman Bruce E. Johnson, author of "50 Simple Ways to Save Your House." Tool-rental shops are great for one-time needs, like a drum sander for hardwood floors.

If you're going the contractor route, you may be able to save by telling the pro you want to help defray costs. Doing some demolition and cleanup are manageable possibilities. Other "unskilled" tasks might include hanging sheetrock or digging a trench for a foundation.

As with any service project, get multiple quotes. You don't need to hire the "expensive, full-service contractor with the biggest ads and the biggest trucks in the neighborhood," says Fritschen, who adds that the more quotes you get, the better. "Ten is better than five. Most important is to get quotes from different types of contractors." There are those large contractors that advertise extensively as well as the small, harder-to-find contractors to consider. The effort will pay off in helping you select the best contractor for the project.

There's also a hybrid option: Act as your own general contractor, but farm out the actual work to subcontractors. This extra time and effort cuts out the middleman.

In Fritschen's 2006 study of 5,000 homeowners, 32 percent of those planning to remodel, rather than move, said they plan to be their own remodeling contractors -- a number that is up from 25 percent in a 2005 survey. And 65 percent said they would do at least a portion of the remodeling work themselves, up from 60 percent in 2005.

The results are an indication that homeowners are looking to save money with the projects they do, Fritschen says. He adds: "With housing prices falling and interest rates higher than they were a few years ago, homeowners are still remodeling, but with an emphasis on managing costs."

Just proceed with caution when playing the contractor role. "It doesn't take a rocket scientist to be a contractor ... but to make contracts you have to understand an awful lot about what you're contracting for," says Morris Carey, one half of the Carey

Brothers team on the nationally syndicated radio program "On the House." "When you want to become your own contractor, it means you're becoming your own plumber, electrician, carpenter, flooring contractor. ... It also means you're becoming your own attorney."

3. Evaluate your options

There's more to DIY decisions than money.

Between the research, shopping and physical labor involved in a project, the time it takes to go at it alone adds up.

Bennett suggests making a detailed time assessment based on your list of steps. If you can devote, say, six hours a week to a 48-hour project, prepare to spend up to eight weeks living with it.

And hiring a contractor, who can not only be there all day, but has the connections to get subcontractors to find an open slot in their schedules, may well result in a significantly faster completion.

The new home construction slowdown being seen right now means it may be a little less difficult to act as your own contractor, Fritschen says. Many trades people who were building new homes may now be looking for work, and homeowners who are remodeling can become their customers.

Still, doing it yourself gives you the chance to pay more attention to detail than a contractor might. Take Carey's friend, who installed some sheetrock. "The job he did was 25 times better than what a sheet rocker would have done," Carey says. "He was so careful about it, and he took his time."

Hesitant homeowners can take small, careful steps leading to an involved DIY project, too. "Before you refinish all the hardwood floors on the ground floor of your house, try staining some unfinished furniture," Johnson says. "Before rewiring an addition, see if you have the skills and interest to change a wall outlet."

Learning to complete projects yourself also helps maintain the privacy of your home. And you can always make changes mid-project. That kind of freedom goes along with the DIY pride.

Successful DIY can also earn you bragging rights.

"I think people want to go to the water cooler and say, 'You know what I did this weekend? I put in a new countertop.' Or 'I did this ceramic tile,'" says James Carey, Morris Carey's brother. "There's a lot of satisfaction in sharing that."



Spring 2014 U.S. Rental Market Trends: Zillow

Posted February 24, 2014 by Jennifer Chan in Industry News & Trends

What can you expect from the rental market in the upcoming months? Landlords and property managers will see an upswing in rental activity in the second quarter, with stable rent activity rather than the break-neck rental growth we saw in 2012 through early 2013. Despite a decrease in home affordability, landlords will still be limited in how much they can raise the rent due to weak job growth reported in Q1.

Median Rents Will Rise

The median rent list price in the U.S. for January 2014 was \$1,600 – up 19% from the previous year, and predicted to continue growing. Large metros like San Francisco and Los Angeles, which saw dips in median rent list price in the fall and winter, can expect to see an increase in median rent through the second quarter. Rents in the New York and Boston metros may also see a slight growth due to seasonality as rental activity picks up after stormy weather this past winter. Here's a look at the median rent growth in the U.S. and the four largest metros through January 2014. You can see that despite a dip in quarterly growth, monthly median rent growth is picking up with steady year-over-year growth.

Region	M-o-M	Q-o-Q	Y-o-Y	Dec 2013
US	▲ 5.3%	▲ 6.7%	▲ 19.0%	\$1,600
Boston Metro	▼ -2.3%	▼ -0.5%	▲ 11.1%	\$2,100
Chicago Metro	▲ 4.5%	▲ 1.6%	▲ 8.3%	\$1,570
Los Angeles Metro	▲ 9.7%	▼ -1.2%	▲ 16.2%	\$1,980
New York Metro	0.0%	▼ -3.4%	▲ 1.9%	\$2,700

The median Los Angeles asking rent price was \$1,980 in December, down 1.2% from the preceding quarter, but still up over 16% from the previous year. New York's median rent of \$2,700 also decreased over the fall but is still up almost 2% annually. Boston is seeing the same trend. Despite the slowdown in rent increases, competition for these units is still high. It's still a landlord's market if the inventory fits what renters are looking for.

Increase in Rental Inventory Will Slow Rent Growth

The rental market won't see the rapid growth it saw in 2013 partly due to new inventory becoming available. The demand for rentals has resulted in aggressive multifamily construction, with 169,376 buildings with 40+ units projected to be delivered in 2014, compared to 135,342 buildings in 2013. The units will be absorbed into the market as the economy grows and more Gen Y renters enter the rental marketplace. However, slow wage growth will limit how much landlords can realistically raise rent. Combined with the all-time high apartment supply and new construction, cities like New York and Boston won't see the aggressive rent growth they've experienced in the past few years.

Decrease in Home Affordability Means Competition in Rentals

While rental activity will pick up as a result of seasonality, rising mortgage rates and home prices will also be factors that will push more renters into the rental marketplace. Home affordability decreases as mortgage and home prices rise, shutting more would-be home buyers out of the housing market. Home affordability will be an issue in markets like California that saw huge appreciation rates in 2013. Additionally, Generation Y is still seeing high unemployment and low wages, which will reduce the number of first-time homebuyers in 2014. The housing market is still normalizing, and growth is strong with all but three of the 35 largest metro markets tracked by Zillow showing annual appreciation in 2013. Home prices will continue to rise, but at slower, more steady pace.

Take a look at the map below of Zillow's housing outlook for 2014.





Taxes When Landlords Sell

Rental Real Estate

Learn about taxes you will have to pay when you sell rental property at a profit or loss.

By: Stephen Fishman, J.D.

When you sell rental property, you'll have to pay tax on any gain (profit) you earn ("realize," in tax lingo). If you lose money, you'll be able to deduct the loss, subject to important limitations.

Your gain or loss for tax purposes is determined by subtracting your property's adjusted basis on the date of sale from the sales price you receive (plus sales expenses, such as real estate commissions).

Your basis in property (the amount of your total investment in a property for tax purposes) is not fixed. It changes over time to reflect the true amount of your investment. This new basis is called the adjusted basis because it reflects adjustments from your starting basis.

Reductions in basis can increase your tax liability when you sell your property because they will increase your gain. Increases in basis will reduce your gain and therefore your tax liability.

Reductions in Basis

Each year, you must subtract from the property's basis, the amount of depreciation allowed for the property—this is true regardless of whether you actually claimed any depreciation on your tax return. If you hold on to your property for the full recovery period—27.5 years for residential rental property—your adjusted basis will be reduced to zero, and there will be nothing left to depreciate.

Your starting basis in property must also be reduced by any items that represent a return of your cost. These include:

- the amount of any insurance or other payment you receive as the result of a casualty or theft loss
- any deductible casualty loss not covered by insurance, and
- any amount you receive for granting an easement.

Your basis is also reduced if you took the wrong amount of depreciation on your tax return. If you claimed too little depreciation, you must decrease the basis by the amount you should have taken.

If you took too much depreciation, you must decrease your basis by the amount you should have deducted, plus the part of the excess you deducted that actually lowered your tax liability for any year.

Increases in Basis

You must increase the basis of any property by:

- the cost of any additions or improvements
- amounts spent to restore property after it is damaged or lost due to theft, fire, flood, storm, or other casualty
- the cost of extending utility service lines to the property, and
- legal fees relating to the property, such as the cost of defending and perfecting title.

In addition, assessments for items that tend to increase the value of your property, such as streets and sidewalks, must be added to its basis. For example, if your city installs curbing on the street in front of your rental house, and assesses you for the cost, you must add the assessment to the basis of your property.

Example

Viola bought a small apartment building and sold it six years later for \$300,000. Her starting basis was \$200,000. During the time she owned the property she took \$43,000 in depreciation deductions and paid \$13,000 for a new roof. Her depreciation deductions reduced the property's basis, but the roof repair increased it. Her basis at the time of the sale is \$170,000. Viola calculates her taxable gain on the property by subtracting her adjusted basis from the sale price: $\$300,000 - \$170,000 = \$130,000$.

As you can see, when you sell your property, you effectively give back the depreciation deductions you took on it. Since they reduce your adjusted basis, they increase your taxable gain. Thus, Viola's taxable gain was increased by the \$43,000 in depreciation deductions she took. The amount of your gain attributable to the depreciation deductions you took in prior years is taxed at a single 25% rate. Viola, for example, would have to pay a 25% tax on the \$43,000 in depreciation deductions she received. The remaining gain on the sale is taxed at capital gains rates (usually 15%).



WAA Contact Information



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WAA RENTAL HOUSING CERTIFICATION CLASSES

Rental Housing Certification 100 Series

The Basics, is devoted to keeping rental property owners informed and education on new laws. Comprised of seminars on basic property management aimed at the new rental property owner, property manager, leasing agent; it is also suggested as a refresher series for those who have been in the business a number of years. Classes in this module are:

- * 101 The Law and the Landlord I: Wisconsin Statute Chapter 704
- * 102 The Law and the Landlord II: Consumer Protection (ATCP) Chapter 134
- * 103 Fair Housing Laws
- * 104 Lead Paint Awareness
- * 105 Credit Reports
- * 106 Basic Recordkeeping
- * 107 Screening Your Applicants
- * 108 Screening Workshop
- * 109 Nuts and Bolts of Eviction
- * 110 Bonding and Garnishment

NEW for 2014: "Landlord & Tenant Law in Wisconsin" by John H. Fischer – This is a 8-hour educational session that takes an in-depth look at Wisconsin-specific landlord-tenant regulations and also covers some of the most important federal regulations that deal with rental housing."

Why Join WAA?

The WAA is your portal to the rental housing business in Wisconsin. Membership gives you access to what you need to know and what you need to do to run your rental properties successfully, ethically, and responsibly.

10 things every successful landlord needs to know. Do you?

- Fair housing information
- Applicant screening and processing
- Eviction procedures
- Rental forms specific to Wisconsin
- Lead based paint requirements
- Rental disclosures required by law
- Bills and rental housing policies under discussion at the Capitol.
- Best rental housing management practices
- Document storage, security, and disposal
- Property marketing techniques



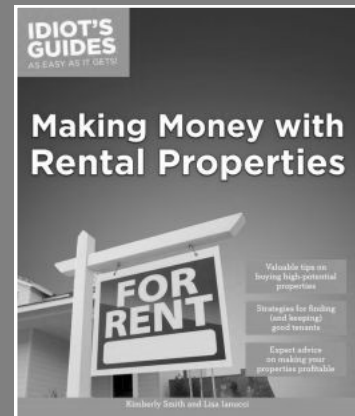
Idiot's Guides: Making Money with Rental Properties

By Kimberly Smith and Lisa Iannucci

Overview

It takes an incredible amount of know-how to be a successful landlord. *Idiot's Guides: Making Money with Rental Properties* is written by experts who have made the mistakes and learned the lessons.

They have become successful at spotting high-rent properties, buying them at the right price and time, and finding tenants who pay on time and stay for the long haul. Loaded with practical tips for the new or prospective landlord, you will quickly learn what to do and what not to do when getting into the rental property game.



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