

HOUSING INDUSTRY TALK THE TALK

Get your bearings in the housing industry by checking out this glossary of common terms.

Rental

Portfolio

All of the properties that a person or management company owns.

Housing Cooperative (Co-Op)

Residents either own shares reflecting their equity in the co-operative's real estate, or have membership and occupancy rights in a not-for-profit co-operative, and they underwrite their housing through paying subscriptions or rent.¹

Market Rate Rental Housing

The unit is privately owned, and the amount of rent paid by the tenant is set by the landlord. The rent amount is typically guided by the "market rate" and demand in the housing's area.

Owner-Occupied Unit

Typically, the resident of the unit is its owner. Includes town homes, condominiums, housing cooperatives (co-op), and other homeowner associations.¹

Renter-Occupied Unit

The resident of the unit is a non-owner tenant.

Tenant

A "person occupying, or entitled to . . . occupancy of a dwelling unit under a rental agreement." [Wis. Admin. Code Ch ATCP 134.02(12)]

Fixed-Term Lease

A rental agreement that has specific start and end date, usually for a period of six months or one year. When the lease expires and the property manager accepts rent for the next month without making a new lease agreement, the renter automatically begins a month-to-month tenancy.¹

- **"Phase-in" Policy Method:** Typically used under fixed-term leases to change lease terms, this process takes the length of the longest lease period. New residents who move into the building sign the new lease addendum or policy. The policy change is announced to current residents and as their leases renew, they sign the new lease addendum or policy.

Month-to-Month Tenancy/Periodic Lease

A tenancy without a specific ending date. The tenancy usually continues from month-to-month until the property owner/manager or renter gives proper notice.¹

- **"Quit-date" Policy Method:** This process works well to change lease terms for month-to-month leases and may only take a couple of months. A date is decided for the new policy to take effect. Residents are given notice of the policy change and must sign a lease addendum or policy by a certain date (a few weeks before the policy change).

Legal

Covenant of Quiet Enjoyment

An expressed or implied term of a lease, by the landlord to the tenant, which insures that the dwelling unit will be suitable for the purpose for which it is leased and that there will be no serious interference with the tenant's enjoyment of the unit.¹

Nuisance

A condition or situation (such as loud noise or foul odor) that interferes with the use or enjoyment of property.¹

Warranty of Habitability

In a residential lease, a warranty from the landlord to the tenant that the leased property is fit to live in and that it will remain so during the term of the lease; also termed covenant of habitability.¹

Housing Agencies

Housing and Redevelopment Authority (HRA)

Provides (may own and/or manage) affordable multi-housing to residents through federal, state, or local resources. HRA buildings may accept residents based on income levels, housing vouchers, or other qualifications. HRAs often serve a particular geographic region such as a county or city. Also known as a Public Housing Authority.¹

US Department of Agriculture (USDA) Rural Development www.rd.usda.gov

Similar to HUD, offers subsidized rental housing and other housing support through its programs. For example, its rural rental housing program (Section 515) focuses on rental housing for rural residents. For more information, see [Rural Development Multi-Family Housing Rentals](#).

US Department of Housing and Urban Development (HUD) www.hud.gov

Offers programs to assist renters, landlords, and communities in areas of housing, and administers many housing vouchers and public housing programs.¹ Refer to [HUD in Wisconsin](#) if needed.

Wisconsin Association of Housing Authorities (WAHA) www.wahaonline.org

Provides information and links about local Public Housing Agencies.

WI Council for Affordable and Rural Housing (WICARH) www.wicarh.org

Offers education and resources for affordable, rural housing. WICARH is a state chapter of the non-profit Council for Affordable and Rural Housing.

WI Department of Administration, Division of Housing housing.wi.gov

Manages federal and state housing programs and provides useful guides with relevant information, agencies, and contact information.

WI Housing and Economic Development Authority (WHEDA) www.wheda.com

Offers assistance for low-cost rental and ownership of housing. While not considered a government agency, it was created by the state legislature. WHEDA assists in the administration of the Housing Choice Voucher Program in Wisconsin counties that do not have their own community programs.

Affordable Housing

Affordable Housing

Commonly understood as housing that costs no more than 30-40% of a household's annual income.¹

▪ Subsidized Rental Housing

The amount of rent paid by the tenant is adjusted by a government program so that the tenant pays a reduced amount, often a percentage of the family's monthly. The subsidy can apply to either the specific unit itself or to the tenant. Subsidized housing is offered to low income families, the elderly, and those with disabilities. Well-known programs include public housing and Housing Choice (Section 8).

○ Assistance Programs

Organizations and agencies (e.g., Public Housing Agencies [or Authorities] [PHAs]) that distribute and administer subsidized rental housing.

○ Public Housing

Offers reduced rent for government-owned property. Public housing receives government funding, such as federal Housing and Urban Development funding, and is typically administered by a government entity, such as PHAs. For more information, see HUD's [What is Public Housing](#), [PHAs in Wisconsin](#), [Wisconsin PHA websites](#), and [Affordable Apartment Search for Wisconsin](#).

○ Privately Owned Subsidized Rental Housing

Offers reduced rent for privately-owned property. The Housing Choice (Section 8) program is a well-known example.

Subsidy Programs

Section 8 (Housing Choice) (HC(\$8))

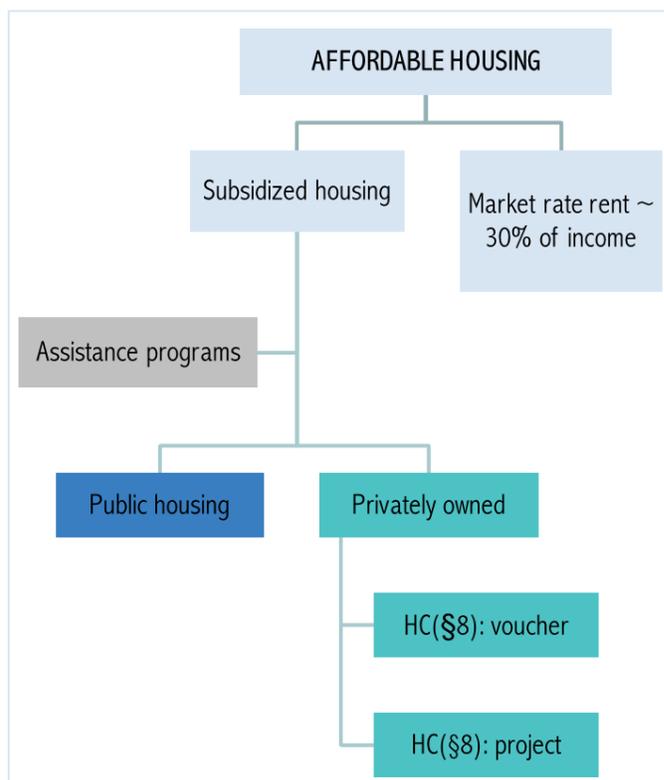
A HUD program that offers subsidized rent for privately owned property. How much the tenant pays is determined by the tenant's income, and the program pays the balance of the rent. Generally, it is run by local public housing agencies.

▪ Project-Based (HC(\$8): project)

The subsidy is attached to specific rental units. The property owner offers a subsidized rent to qualified tenants. When the tenant moves, the subsidy remains with the property for the next qualifying tenant.

▪ (Tenant-Based) Vouchers (HC(\$8): voucher)

The subsidy is attached to the tenant and moves with the tenant. The tenant is given a voucher and can find rental housing on the market. The property goes through a qualification process to receive the subsidy.



Section 42 Housing/Low Income Housing Tax Credit

A federal tax code that benefits those who invest in low-income rental housing. Residents at tax-credit properties whose income qualifies pay a less than market-rate rent for units.¹

Section 202 Housing (Seniors)

A HUD-funded rental housing program that provides housing for seniors. Applicants at Section 202 properties must meet age and income requirements.¹

Section 236 Housing

A HUD-funded program that provides rental housing for families, elderly, disabled, handicapped, and individuals under age 62. Residents pay the greater of rent or 30% of adjusted gross income, but not more than market rent.¹

Section 515 (Rural)

A government program that supports housing in rural areas. Offers loan subsidies for the development of and investment in affordable rental housing in rural communities. It is run by Rural Housing Service, part of the US Department of Agriculture's Rural Development division.

Section 811 Program (Disabilities)

Provides rental housing for persons with disabilities. Funded by HUD and administered by a nonprofit agency. Eligible residents pay 30% of their adjusted gross income. At least one member of the household must be at least 18 years old and have a disability, such as a physical or developmental disability or chronic mental illness.¹