



Immediate Press Release

June 2026

AOMA-WI is pleased to share that the Wisconsin Supreme Court has issued a significant decision in *Koble Investments v. Marquardt*, providing important clarification regarding tenant damage claims involving lease defects.

The Court ruled that tenants are not automatically entitled to recover all rent paid under a lease simply because the lease contains a prohibited or missing provision. Instead, tenants seeking damages under Wisconsin consumer protection laws must demonstrate an actual financial loss, known as a "pecuniary loss," before recovering damages.

This decision overturns a prior Court of Appeals ruling that had suggested landlords could be required to refund all rent collected under a lease deemed void, potentially along with double damages.

What the Court Decided

The Supreme Court concluded that tenants cannot receive a full rent refund simply because a lease contains a technical defect. The Court emphasized that damages must be tied to actual financial harm and rejected what it described as a potential "rent-free windfall" for tenants who cannot demonstrate measurable monetary losses.

The Court also clarified that while certain lease defects may affect the enforceability of a lease, these situations generally result in a periodic tenancy rather than retroactively voiding the entire financial relationship between landlord and tenant.

What This Means for Housing Providers

Tenants are no longer automatically entitled to recover all rent paid because of a prohibited lease provision.

Claims for double damages under the Wisconsin Consumer Act now require proof of actual monetary harm.

Technical lease defects do not automatically erase the financial obligations that existed during a tenancy. The decision provides greater clarity regarding the remedies available in lease-defect litigation.

AOMA-WI's Perspective

"This is a historic decision for housing providers throughout Wisconsin," said Tom Groskopf, President of AOMA-WI. "The Wisconsin Supreme Court has provided important guidance on the proper application of damages in lease-defect cases and reaffirmed that remedies should be tied to actual financial harm rather than automatic penalties."

Christopher Ruditys, Executive Director of AOMA-WI, added, "This decision provides much-needed clarity and balance in Wisconsin landlord-tenant law. While compliance with Wisconsin's landlord-tenant statutes remains essential, the Court recognized that damages must be based on proven financial loss. The ruling helps ensure a fair and predictable legal framework for both housing providers and residents."

Continued on next page...

AOMA-WI Thanks NAA for Its Support

AOMA-WI extends its sincere appreciation to the National Apartment Association (NAA) for providing financial and legal assistance in support of the apartment industry throughout this case.

"The National Apartment Association's commitment to advocacy and industry leadership continues to benefit housing providers across Wisconsin and the nation," said Groskopf.

"The National Apartment Association's commitment to advocacy and industry leadership continues to benefit housing providers across Wisconsin and the nation," said Groskopf.

As the largest apartment association in Wisconsin affiliated with the National Apartment Association, AOMA-WI remains committed to protecting and advancing the interests of Wisconsin's rental housing providers. Together, AOMA-WI and NAA continue to serve as leading advocates for apartment owners, managers, and housing providers throughout the state.

For additional details, members are encouraged to review the Wisconsin Supreme Court's published decision in [Koble Investments v. Marquardt](#).