

Anxieties rise as rents increase; Some Montgomery residents are being priced out of homes, says a report suggesting rent-control law

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For 14 years, Dalila Bounou has rented a one-bedroom apartment in Silver Spring that she describes as cramped but safe. But when her monthly rent jumped to \$865 in August -- a 7 percent increase -- the payment combined with her [electricity bill](#) of up to \$300 a month began to feel like too much.

"I like Montgomery, but Montgomery now is very expensive," said Bounou, 40, who lives with her 9-year-old daughter and works at an in-home child-care center. "Maybe only rich people can stay in this area."

It is a sentiment that Montgomery County tenants' advocates say is becoming more common in a costly housing market where rent increases often soar beyond growth in personal income, according to a report released Friday by the county's first "tenants work group," which held four public meetings and commissioned a [survey](#) of Montgomery renters conducted by Salisbury University. Montgomery Executive Isiah Leggett (D) appointed the group, made up of tenants and government officials, in 2008.

The group's report concludes that Montgomery residents living in about 95,000 apartments, townhouses and rental houses are often priced out of their homes, lose security deposits with little explanation and face eviction for no reason.

Tenant protections are likely to become a more pressing issue nationwide over the next several years, said John McIlwain, a housing expert at the Urban Land Institute, a nonprofit organization in Washington. That's because the demand for [rental housing](#) is expected to increase as the job market rebounds and large demographic groups that often prefer to rent -- young adults, immigrants and senior citizens -- can afford to move out of relatives' homes or sell their houses. Rents are expected to rise as that demand exceeds a supply of apartments that will not have kept up during the recession-induced construction crunch, McIlwain said.

The Montgomery group's recommendations include instituting a rent-control law, requiring landlords to have "just cause" before ending a lease and informing tenants about county services that could help them.

Montgomery landlords can raise rents only once per year. But there is no limit on the amount of the increases, and the county's "guidelines" for rent increases, which are linked to the consumer price index, are voluntary. Montgomery property owners can also evict a tenant after a lease ends without explanation.

"Why can a landlord kick me out for no apparent reason, or why can my rent be jacked up by 7 to 10 percent when my neighbor's [rent] increases by 5 percent?" asked Matt Losak, 48, a public relations consultant and Silver Spring renter who chaired the group.

The 48-page report now goes to Leggett. Some of its recommendations face tough political hurdles. Although Leggett said he is "very sympathetic to the challenges of rent increases," he said he opposes rent control.

"People won't invest in building apartments if you have rent control," Leggett said.

However, Leggett said, Montgomery's rent-increase guidelines could be more effective, such as by requiring landlords to justify why they want to exceed them.

Richard Y. Nelson Jr., director of the county's Department of Housing and Community Affairs, said that the county's landlord [surveys](#) show that average rent increases in five of the past six years have been within those guidelines. Although a 3 percent increase on a hefty rent can be "painful" for a tenant, Nelson said, "we've done a lot of work to make sure landlords stay within the guidelines."

Shaun Pharr of the Washington area Apartment and Office Building Association, which represents property owners and managers, said the work group's survey of Montgomery tenants shows no need for rent control. Overall, about a quarter of those surveyed said their rent had not gone up in the past five years, and among those who saw increases, most said the average annual increases were 7 percent or less. Pharr said that many of the increases could be attributed to owners incurring higher energy rates and property taxes.

"Incomes are clearly a problem for some renters in the county," Pharr said. "But if you look at what tenants experience as far as their rent increases go, it's not at all unreasonable."

Virginia does not have rent control, and in most cases, landlords are not required to renew a lease, lawyers said. The District's rent-control law, which applies to larger apartment buildings built before 1978, is up for renewal this year, as it is every five years. Apartment leases in the District are automatically renewed after they expire unless the landlord has a legal reason to evict or the tenant wants out, lawyers said.

But Montgomery tenant advocates said the group's renter survey revealed problems, including that 43 percent of the respondents think their rent will be unaffordable in five years. Nearly 20 percent said their rent had increased an average of 8 percent or more at least once in the previous five years.

Senior citizens on fixed incomes are hit particularly hard, the report says, with many spending half their incomes on rent.

Hermoine Freeman said that rent for her one-bedroom Silver Spring apartment, which is \$1,590 a month, has increased 3 to 7 percent each year since 2001. Residents pay different rents for the same type of units, she said, and some have complained of 9 percent increases.

"If you get a big increase, then you figure in the cost of moving and the cost to you emotionally, and it's not easy," said Freeman, 78, treasurer of her building's tenant association. "If you're on a fixed income and the rent gets to be too much, where are you going to go?"

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The report is available at www.montgomerycountymd

