This handbook is intended as general legal information. It is not legal advice about your specific case. If you would like advice about your case, you must contact a lawyer. Contact information for legal aid programs is available at the end of this handbook.

RENTER'S HANDBOOK ON RENT INCREASES

Has your landlord told you that they are going to raise your rent? Do you have questions about a notice of rent increase that you got from your landlord? This handbook has information about the laws that landlords have to follow when raising the rent. If your landlord doesn't follow the law, you may be able to delay or avoid having your rent go up.

These rules apply to all kinds of tenancies in Oregon, including tenancies for manufactured homes, RVs, or floating homes.

It is **very important** that you document and **keep records** of your communications with your landlord. If you have a problem with your housing, it's better not to call or speak to the landlord in person. Instead, *write it down*!

This packet contains the following information:

- Rent Increases for Different Types of Tenancies
- Rent Increase Notices
- Maximum Rent Increase Amount
- Consequences for Violating Maximum Rent Increase Amount
- City of Portland Relocation Assistance Payments
- List of attorneys who represent renters

Rent increases for different types of tenancies

There are three main kinds of tenancies in Oregon: fixed term, month to month, and week to week. If you don't have a written rental agreement that says what kind of tenancy you have, you automatically have a month to month tenancy.

Fixed term tenancies

- One type of tenancy is a fixed-term tenancy (also known as a lease). This type of tenancy continues for a specific amount of time. For example, a one-year lease is a common type of fixed-term tenancy. Generally, the landlord isn't allowed to raise the rent until the end of the lease.
 - An important exception, though, is for some kinds of subsidized or public housing. For these kinds of housing, your landlord can increase the amount of rent that you pay in the middle of a lease if your income changes.
- Once the fixed term ends, one of three things can happen:

- \circ $\;$ the lease can be renewed for another term;
- o you can move out; or
- if neither of those two happen, then the lease becomes a month-to-month tenancy with the same rent amount.
- Unless you live in subsidized housing where the rent is based on your income, the landlord can only raise the rent at the end of your lease, or if the rental agreement has become a month-to-month tenancy. Ay time the landlord raises the rent, they must give you at least 90 days' written notice before the date that your rent goes up (unless you have a week-to-week tenancy).

Month to month tenancies

- Month-to-month rental agreements are the most common type of tenancy in Oregon. Instead of having a fixed term or length of time, the rental agreement automatically renews every month until either the renter or the landlord decides to end the tenancy.
 - After the first year of a month to month tenancy, a landlord isn't allowed to end the tenancy without giving a reason.
 - A renter can end the tenancy at any time by giving 30 days' written notice. The renter doesn't have to give a reason, no matter how long the renter has lived there.
- In a month-to-month tenancy, the landlord isn't allowed to raise the rent during the first year. After the first year of tenancy, the landlord can raise the rent at any time — but the landlord has to give a written notice at least 90 days before the rent goes up, the landlord can only raise the rent once a year, and there's a limit on how much the landlord can raise the rent in any given year.
- There are other requirements for rent increases that we'll talk about more in the next section.

Week to week tenancies

- The other type of tenancy is a week-to-week tenancy. Week-to-week tenancies are less common and must meet specific requirements.
 - First, every week to week tenancy has to have a **written** rental agreement. Other kinds of agreements can be verbal, but not week to week tenancies. If there's no written agreement, then it's not a week to week tenancy.
 - Second, the landlord has to charge and collect the rent on a weekly basis for it to be a week to week tenancy.
 - Third, the landlord cannot charge any fees or security deposits for a week to week tenancy, except for an applicant screening charge.
- A landlord can raise the rent in a week-to-week tenancy at any time with written notice at least 7 days before the date that the rent will go up.

What kind of notice does my landlord have to give before raising the rent?

Any time a landlord wants to raise the rent, they have to tell the renter **in writing**, on a piece of paper. If your landlord tells you the rent's going up in some other way — like a phone call, a text message, an email, or in person — you do not have to pay the new rent.

The landlord also has to deliver the written notice to a renter in the right way. There are three legal ways that a landlord is allowed to deliver a notice to a renter:

- **Personal delivery.** If a landlord hands the renter a piece of paper with the written notice on it, that is a legal way to deliver the notice.
- **By mail.** A landlord is allowed to send a notice in the mail, but it has to be regular, first class mail. If the landlord sends a notice by registered mail, or certified mail, that's not a legal way to deliver the notice.
 - $\circ~$ If the landlord delivers a notice by first class mail, the landlord has to add an extra three days onto the 90 day notice period.
- **By posting + mail.** If the written rental agreement says that the landlord and the renter can both serve notices by posting and mailing, then the landlord can deliver a notice by taping a copy of the notice to your door, and sending you a copy in the mail. **The landlord has to do both.**
- If the landlord tapes the notice to your door in addition to sending the notice in the mail, the landlord doesn't have to add an extra three days.

If the landlord doesn't use one of those three ways to deliver a notice, the rent increase isn't legally valid. Keep in mind, though, the landlord can use other ways to deliver the notice **in addition** to one of those three ways. For example, the landlord can send you a notice by email and also by first class mail.

What information does the landlord have to put in the rent increase notice?

A notice of rent increase has to be in writing, and it has to be on a piece of paper. A landlord isn't allowed to use emails, texts, phone calls, or other types of notice to raise the rent, unless the landlord **also** gives a written notice, on paper.

For a rent increase notice to be legal, it has to include **all** of the following information:

- The amount of the rent increase how much extra rent is your landlord planning on charging?
- The amount of the new rent how much will your rent be after it goes up?
- The date that your rent increase will take effect. Remember, that date must be at least 90 days after the date of the notice.

One other piece of information that may be required is about whether Oregon's limits on rent increases applies. If the notice says that the landlord is allowed to raise the rent more than the amount allowed by Oregon's rent increase limit, then the notice needs to explain why the limit does not apply.

How much is the landlord allowed to raise my rent?

Oregon law limits the amount that a landlord can raise a renter's rent each year to no more than 10%. For most tenancies, during any 12-month period, the most that a landlord is allowed to raise the rent is 7% plus an extra amount that's adjusted for inflation and other factors. This extra amount is called the consumer price index, or "CPI." Every year, Oregon figures out the CPI and posts it on the internet. Then, for the next year, the most that a landlord can raise the rent is 7% plus the CPI. The number will be different every year, but **it can't ever be more than 10%.** To find out the current maximum rent increase percentage go to: https://www.oregon.gov/das/OEA/Pages/Rent-stabilization.aspx

However, there are a few situations where these limits on rent increases don't apply.

- If you're renting a place that has a certificate of occupancy that's less than 15 years old, the landlord can raise the rent in any amount. But the landlord would have to prove that they had a certificate of occupancy (most landlords don't) and that it was less than 15 years old.
- If you live in public or subsidized housing, the landlord can raise the rent in any amount that's allowed by the rules of the housing program. In some subsidized housing, the amount of rent that you have to pay is based on your income, and so it might go up or down if your income changes.
 - This exception **does not apply** if you have a housing voucher. If you have a voucher through Section 8, VASH, or a similar program, your landlord isn't allowed to raise the rent more than the rent increase limits.

How often is the landlord allowed to raise my rent?

A landlord can raise the rent only once in each 12-month period. That means that, for example, if the landlord raises your rent in February, the landlord can't raise the rent again until the next February. Even if the landlord raises the rent in an amount less than the maximum amount, the landlord can't raise it again for another 12 months after the first increase.

What if my landlord doesn't follow the rules for rent increases?

Depending on the situation, if a landlord doesn't follow the law for rent increases, the rent increase isn't legally valid. That means that the renter isn't required to pay the new rent until the landlord gives a valid notice that provides the full 90 days.

If the landlord raises your rent more than the amount allowed by the rent increase limits, you may be able to sue your landlord for a penalty of three months' rent, plus the extra rent that you had to pay.

- This only applies if the landlord **actually raises your rent** (meaning that the notice period goes by and you pay the new rent or the landlord demands that you pay the new rent.)
- If you get a lawyer to help you, your lawyer can get their fees and court costs from your landlord. More information about lawyers who represent renters is at the back of this handbook.

• If you do decide to sue your landlord, you have to do it no later than **one year** after your rent increase goes into effect.

How can I get more legal help?

For free legal help for people with low incomes, you can call Legal Aid Services of Oregon or the Oregon Law Center. To find hours and contact information for your local office, go to http://oregonlawhelp.org//resource/oregon-legal-aid-offices

With a few exceptions, legal services are only available to people whose income is at or below 125% of the federal poverty level, which you can check at https://aspe.hhs.gov/poverty-guidelines For one person in 2021, the income limit is \$18,225 per year. That amount goes up depending on how many people live with you.

Even if your income is higher than 125% of the federal poverty guidelines, you may qualify for legal services if you have other expenses, like childcare, healthcare, or work-related transportation. If you qualify for public assistance, like SNAP (food stamps), TANF, or SSI, you probably qualify for legal services.

If your income is too high to qualify for legal services, you can contact the Oregon State Bar's lawyer referral service at 800-452-7636, or visit their website at <u>www.osbar.org</u>

A list of attorneys who represent low-income renters is included at the end of this packet.

There is also information and assistance available to help you represent yourself in court. For more information, go to your county law library or visit http://www.courts.oregon.gov/help/Documents/civiltrialbrochure.pdf

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