

## MHCO Form 49: 90-Day Rent Increase Notice For Park Rentals and RV Spaces

Revised 3-2019 | This form is exclusively licensed to: Name of Community/Park: Address: DATE OF THIS NOTICE (Insert the date this Notice is personally served, deposited in the mail, or mailed and attached to the main entrance of the Resident's residence, in accordance with the box checked below.) Resident: Address/Space # This is notice that your current base rent ("CURRENT RENT") of \$\_\_\_\_\_ will be increased by \$\_\_\_ ("RENT INCREASE"). Your NEW RENT will be \$\_\_\_\_\_ (i.e. CURRENT RENT + RENT INCREASE). Please begin paying \$\_\_\_\_\_ ("NEW MONTHLY RENT") on \_\_\_\_\_ ("EFFECTIVE DATE").

Instructions: If this Notice is mailed by regular first class mail, it must be given at least 93 full calendar days (i.e. 90 days plus 3 days for mailing) before the EFFECTIVE DATE. In calculating the 93 days, do not count the day of mailing or the EFFECTIVE DATE.

## **SUMMARY OF OREGON RENT CONTROL LAW (2019)**

<u>Definitions</u>: (a) **Current Rent** is the existing monthly base rent exclusive of any other fees or charges payable by the tenant under the rental agreement; (b) Rent Increase is the amount that Current Rent may be increased as calculated under the Rent Cap Formula; (c) Rent Cap Formula is the maximum combined percentage increase over Current Rent that may be charged to tenants under a Rent Increase, unless exempted under Oregon Law; (d) New **Rent** is the Current Rent plus the Rent Increase.

A Rent Increase may always be less than the Rent Cap Formula but may not be *more*. Exceeding the Rent Cap Formula would result in making the landlord being liable to the tenant in an amount equal to three months' rent plus actual damages suffered by the tenant.



Calculating The Rent Cap Formula: (a) Current Rent may not be increased during the first year of a tenant's tenancy; (b) There is no limit on the number of times Current Rent may be increased within any subsequent 12-month period; (c) No Rent Increase may exceed the sum of: (i) Seven percent (7.00%) above the Current Rent (7% X Current Rent) plus (ii) The percentage change in the consumer price index ("CPI") times the Current Rent (% of CPI Change X Current Rent), hereinafter collectively referred to as the "Rent Cap Formula").

<u>Consumer Price Index ("CPI")</u>: This refers to the annual 12-month average change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor ("BLS") in September of the prior calendar year.

According to the BLS, in September 2018, the 12-month average change was 3.4%. This figure should always be used when calculating the maximum CPI percentage change figure under the Rent Cap Formula until the September 2019 CPI figure is formally issued. [For information on the 12- month average changes go to MHCO.org.]

Example: Assume Current Rent is \$400 per month. The annual 12-month average change in the CPI for All Urban Consumers, West Region (All Items) in September 2018 was 3.4%. Therefore, a Rent Increase notice issued on or after February 28, 2019 (the Effective Date of SB 608) may not exceed the sum of (a) 7.00% X \$400 (\$28.00) plus (b) 3.4% X \$400 (\$13.60) = \$41.60. Thus, commencing on the Effective Date, the New Rent may not exceed \$441.60 (\$400 +\$28.00+\$13.60)

<u>Exclusion From Rent Cap Formula</u>: The above Rent Cap Formula does not apply if LANDLORD is providing reduced rent to TENANT as part of a federal, state or local program or subsidy.

<u>Communities Located In City of Portland</u>: If a Community is located within the City of Portland, a Rent Increase of ten percent or more can result in the landlord having to pay a tenant's "relocation assistance" of thousands of dollars. If your community is located in Portland, you should consult with your attorney before issuing a rent increase notice.

Owner/Agent:	Phone:
Community Name and Address:	

