Tenant FAQ

1. What is the allowable rent increase for 2023?

The allowable rent increase for 2023 is 4.475%. Each year by October 15th the Department of Code Enforcement will publish on the Borough's website or in hard copy at Borough Hall the new <u>allowable rent increase rate</u> for the following year. This number will the lesser of the following two options:

- The average of the Consumer Price Index (CPI) for All Urban Consumers over the previous 12-month period; OR
- Five percent (5%)
- 2. What if my landlord is trying to raise my rent more than the allowable amount?

If your landlord is attempting to raise your rent more than the allowable amount outlined in the Rent Control Ordinance, we recommend first showing them the <u>Department of Code Enforcement memo.</u> If they insist on an increase higher than the allowable amount outlined in this ordinance, then a tenant or group of tenants may alert the Borough Administrator through a <u>complaint form</u> available on the Borough's website or in hard copy at Borough Hall.

The Borough Administrator will review the situation and determine whether the rent is permitted based on this ordinance. A landlord does have the ability to appeal a decision by the Borough Administrator with the Rent Control Board. Please note that tenants are expected to pay the increased rent amount during the time a challenge is being considered.

3. What if I already signed my lease but it was for more than the allowable amount?

Signed before December 20, 2022: This ordinance did not apply and there were no restrictions on rent control increases. However, moving forward your landlord may only increase the rent by the amount calculated by the Department of Code Enforcement and outlined in their <u>annual memo</u>.

Signed after December 20, 2022: This ordinance did apply and you may be eligible for a refund from your landlord. Please first consider approaching your landlord and requesting the excess rent be paid back or credited to an upcoming rent payment. If your landlord denies this request, you may file a <u>complaint form</u> available on the Borough's website or in hard copy at Borough Hall with the Borough Administrator who will review the situation.

- 4. How much advanced notice does my landlord need to give prior to increasing the rent? Landlords must notify tenants at least 30 days in advance of an increase taking effect.
- 5. How often can my landlord increase the rent?

Landlords are only permitted to raise the rent once annually.

6. I have a month-to-month lease agreement. Does the rent control ordinance still apply to me?

Yes. The duration of your lease agreement does not matter. If you have been paying a consistent amount in rent that would be your base rent for all matters relating to rent control.

7. What other resources are available for renters?

Tenant's Rights in New Jersey Handbook

Landlord-Tenant Information

Landlord FAQ

1. Do I have to register my rental property?

Yes, all rental properties – including single-, two-, three-, and four-family dwellings – should be registered with the Department of Code Enforcement using their <u>rental checklist</u> which is available on the Borough's website or in hard copy at Borough Hall. No rental properties are eligible for a rent increase or hardship award unless the property is registered.

2. What is the allowable rent increase for 2023?

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- The average of the Consumer Price Index (CPI) for All Urban Consumers over the previous 12-month period; OR
- Five percent (5%)
- 3. What if the maximum allowable rent increase doesn't cover my expenses in operating my rental(s)?

If you are unable to meet your mortgage payments, expenses, and maintenance costs for your rental(s) you are eligible to apply for a hardship increase to the Borough Administrator, the <u>forms</u> for which are available on the Borough's website or in hard copy at Borough Hall. You will be required to notify your tenants of the application.

4. I am planning major capital improvements for my rental(s). Am I able to raise the rent more than the allowable amount in order to cover these costs?

There is a possibility of charging the tenant(s) a surcharge to cover the cost of a planned major capital improvement and the major capital improvement must benefit the tenants. In order to apply to impose this surcharge, a landlord most notify tenants of their application for surcharge at least 30 days prior to the hearing date by the Rent Control Board. The application for a capital improvement surcharge can be found on the Borough's website or in hard copy at Borough Hall.

5. If a tenant moves out of my rental, am I able to raise the rent more than the allowable rent increase?

Yes. Vacancy decontrol is permitted according to the Rent Control Ordinance. If a tenant vacates their apartment willingly, you may raise the rent based on market conditions.

6. What constitutes vacancy decontrol?

If all tenants previously residing in the rental vacate the unit, then that unit is considered vacant and vacancy decontrol applies. However, if one individual from the group of tenants remains, then the apartment would still be under rent control.

7. What is considered base rent?

Base rent is the amount of rent your tenant(s) are currently paying, regardless of whether they're on a month-to-month or yearly lease agreement. Even if they don't have an official lease agreement, the rent they have been paying you consistently should be considered their base rent.

8. When is the new allowable rent increase rate calculated?

The new allowable rent increase rate will be published in October for the following calendar year. For example, the 2024 allowable rent increase rate will be published in October 2023.