

Insecure in Your Own Home

What It Means To Rent in Illinois



Findings and Recommendations from the Illinois Renters Survey

January 2006

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Sponsoring Organizations

Housing Action Illinois

Housing Action Illinois' mission is to increase and preserve the supply of decent, affordable, accessible housing in Illinois for low-and moderate-income households. Housing Action Illinois' three program areas are Training and Technical Assistance, Organizing, and Policy Advocacy. Our membership consists of more than 150 community-based organizations and individuals.

Lawyers' Committee for Better Housing

Lawyers' Committee for Better Housing (LCBH) is 25-year-old non-profit specializing in legal and public advocacy for low-income tenants in the private market. Through a variety of direct service programs, policy and advocacy work, we strive to make safe, decent and affordable housing accessible to all.

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Executive Summary

The goal of the Illinois Renters Survey was to understand the experience of renters in Illinois in order to determine how best to improve the landlord-tenant relationship and, ultimately, the quality of life for Illinois renters.

Three-hundred and ninety-six Illinois residents from across the state responded to the survey. The typical respondent lived in an unsubsidized property that was not owner-occupied. They had a family size between two and three and made \$10,000 per year or less. Over 80% of tenants paid their landlord a security deposit for their rental unit.

The survey asked individuals whether they had ever experienced specific situations during their time as a renter. The experiences reported in the survey show that a lack of education, resources and basic consumer protections have forced an untenable number of families to live in unstable, unsafe housing.

A majority (57%) had security deposit problems, ranging from being unable to afford the deposit to not being able to get it returned. One-third of all respondents lived in poor housing conditions because the landlord either refused or neglected to do basic repairs. One in four households had a landlord enter their unit without their permission. One in six experienced a retaliatory action, either in the form of an eviction or an increase in rent.

Most notably, one in eleven households had a landlord threaten to shut off the utilities to the property and one in twelve had a landlord actually lock-out – illegally evict – the respondent from their apartment.

Outside the City of Chicago the rate of these egregious activities is almost doubled. Those that made \$10,000 or less and lived outside of Chicago had a much higher rate of both of these experiences, with one in seven being locked-out and close to one in six threatened with a utility shut off.

In addition, a high percentage of respondents did not know the rights and responsibilities of tenants (37%) and landlords (42%).

Based on these findings, we make the following recommendations for Illinois:

- 1) Adopt a comprehensive Residential Landlord-Tenant Act;
- 2) Expand protections against retaliatory evictions;
- 3) Adopt and enforce a statewide property maintenance code;
- 4) Expand education on the rights and responsibilities of landlords and tenants
- 5) Increase resources for alternative dispute resolution and legal representation; and
- 6) Expand the amount of safe, decent and affordable housing available.

The Illinois Renters Survey is a project of Housing Action Illinois, Lawyers' Committee for Better Housing and Sargent Shriver National Center on Poverty Law as part of the Tenants' Rights Working Group. The Tenants' Rights Working Group is a collection of individuals and organizations concerned about Illinois tenants that works to improve the landlord-tenant relationship.

Introduction

"I need affordable housing that doesn't take up your entire paycheck."

Tenant in Chicago, Cook County

In Illinois, one-third of the housing units are renter-occupied (approximately 1.5 million households). These households are in every community, from Chicago to Effingham to Wheaton to Silvis.

In all of these communities, the less money a household makes, the more likely it is that the rent. While individuals from all income levels rent, 60% of the renter population is very low-income, making 50% or less of the median income for the state of Illinois. Moreover, 68% of households making less than \$10,000 a year are renters.

Despite the high proportion of low-income households in the rental market, the 2000 census shows the aggregate residential rent for Illinois is over \$958 million. As consumers of housing, renters play a pivotal role in the economy of our state.

This report shows renters lack basic consumer protections, with low-income households bearing the brunt of tenant problems. The combination of having too little money to afford a decent home and having some unprincipled landlords taking advantage of that fact forces too many families to live in deplorable conditions or on the streets. In order to rectify this ongoing problem, policies need to be changed and resources need to be increased to educate landlords and tenants alike on what their rights and responsibilities are.

Who Responded?

"The biggest problem I have here is that the owner doesn't want to spend the money to properly fix problems around here."

Tenant in Rochelle, Ogle County

Three-hundred and ninety-six Illinois residents responded to the survey. Of these respondents, 86% were renting their home at the time they filled out the survey and 70% were living in the private market without any type of rental assistance. Almost all of the households (89%) reported living in buildings that were not occupied by the owner of the property. In addition, four out of five respondents reported paying a security deposit for their current home.

A comparison between those that responded to the survey and the general tenant population in Illinois¹ shows that the survey respondents are typical Illinois tenants (see Table 1). The buildings in which they live, the size of their households and the amount they pay in rent all line up well with the broader tenant population.

The area where the overall tenant population and the survey respondents diverge is in income. Just under 47% of the survey respondents made less than \$10,000 a year, whereas approximately 18% of the overall tenant population makes that amount. Due to the fact that survey respondents were, on average, paying the same amount for rent as all Illinois renters, the percentage of their income going to their rent is dramatically higher, with over half of their monthly income needed to pay rent.²

Table 1 – Survey Comparison to Census Data

	All of Illinois	Survey Respondents
Average household size	2.29	2-3
Household income	76% of Illinois renters make less than \$50,000 a year	94% of survey respondents make less than \$50,000 a year
Percentage of households making less than \$10,000 a year	18%	47%
Average Monthly Rent	\$605	\$551
Percentage of renters paying more than 30% of their income towards rent	35%	51%
Number of units	9% in buildings over 50 units 17% in one unit buildings	14% in buildings over 50 units 21% in one unit buildings

1 Data from 2000 U.S. Census.

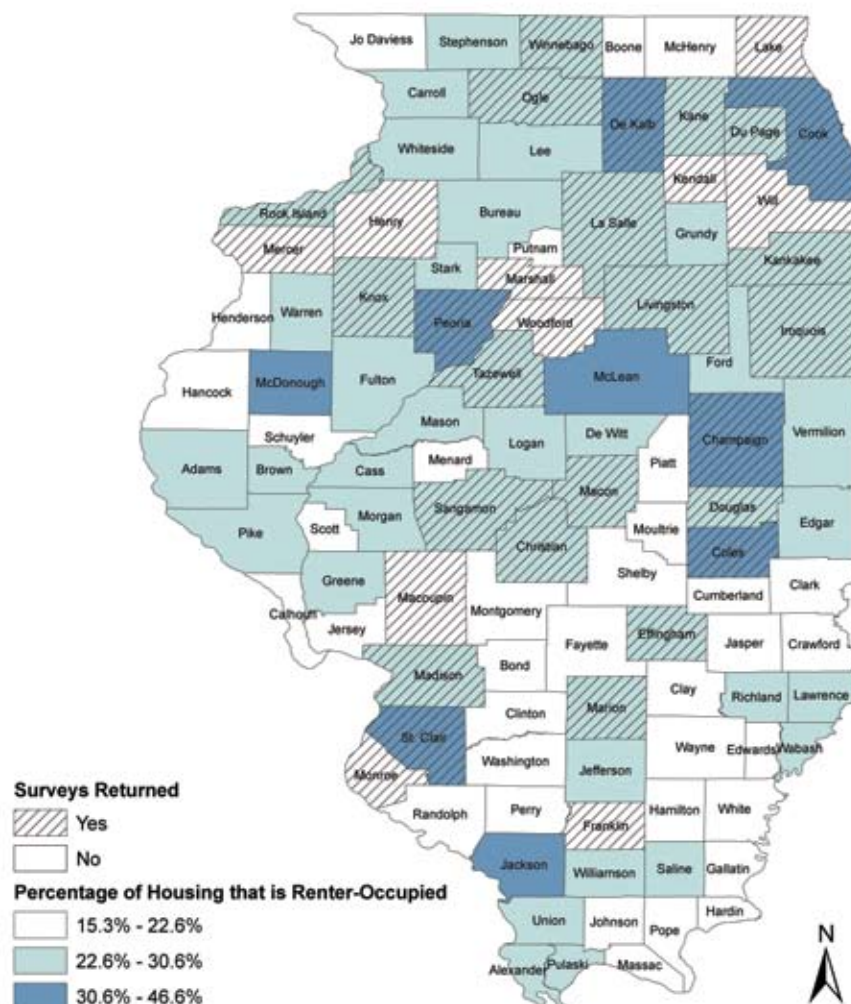
2 Respondent data may include rents that are lowered by rent subsidies.

While the income of the survey respondents deviates from the norm, a very high percentage of households making less than \$10,000 a year are renters, with over 68% of all households at that income level living in renter-occupied housing. Moreover, the majority of tenants in Illinois are low-income, with 59% of them making less than \$35,000 a year, which is just over half of the median income for the state of Illinois.¹ Consequently, to have a conversation about Illinois renters is to talk primarily about low-income households.

In terms of geography, the survey respondents came from all parts of the state (See Map). Only 10% of the surveys came from individuals living in Chicago, with the rest coming from a mix of suburban Chicago, small metro and rural areas. Thirty-four different counties and eighty-seven different communities throughout Illinois are represented in the survey.

¹ According the U.S. Census Bureau, the median income in Illinois in 2000 was \$68,117.

Where Did Survey Respondents Come From?



Nathalie P. Voorhees Center for Neighborhood and Community Improvement

What Was Their Experience?

"After living in my apartment for over a year, I told my landlord I was thinking about moving. My landlord responded by saying I had to either sign a new lease that day or immediately move out. I tried to negotiate a compromise, but my landlord put a device on my door that made it impossible for me to get back into my apartment. The police said they couldn't help me, and if I broke the device they would arrest me. When the landlord finally let me back in for a brief time, I discovered half of my possessions were missing. Again the police could not help me. No attorney was willing to take the case to court. I lost my home and half my worldly possessions and no one could do anything to stop it."

Tenant in Wheaton, DuPage County

The experiences reported in the survey show that the lack of education, resources and basic consumer protections have forced a large percentage of families to live in unstable, unsafe housing (see Chart 1).

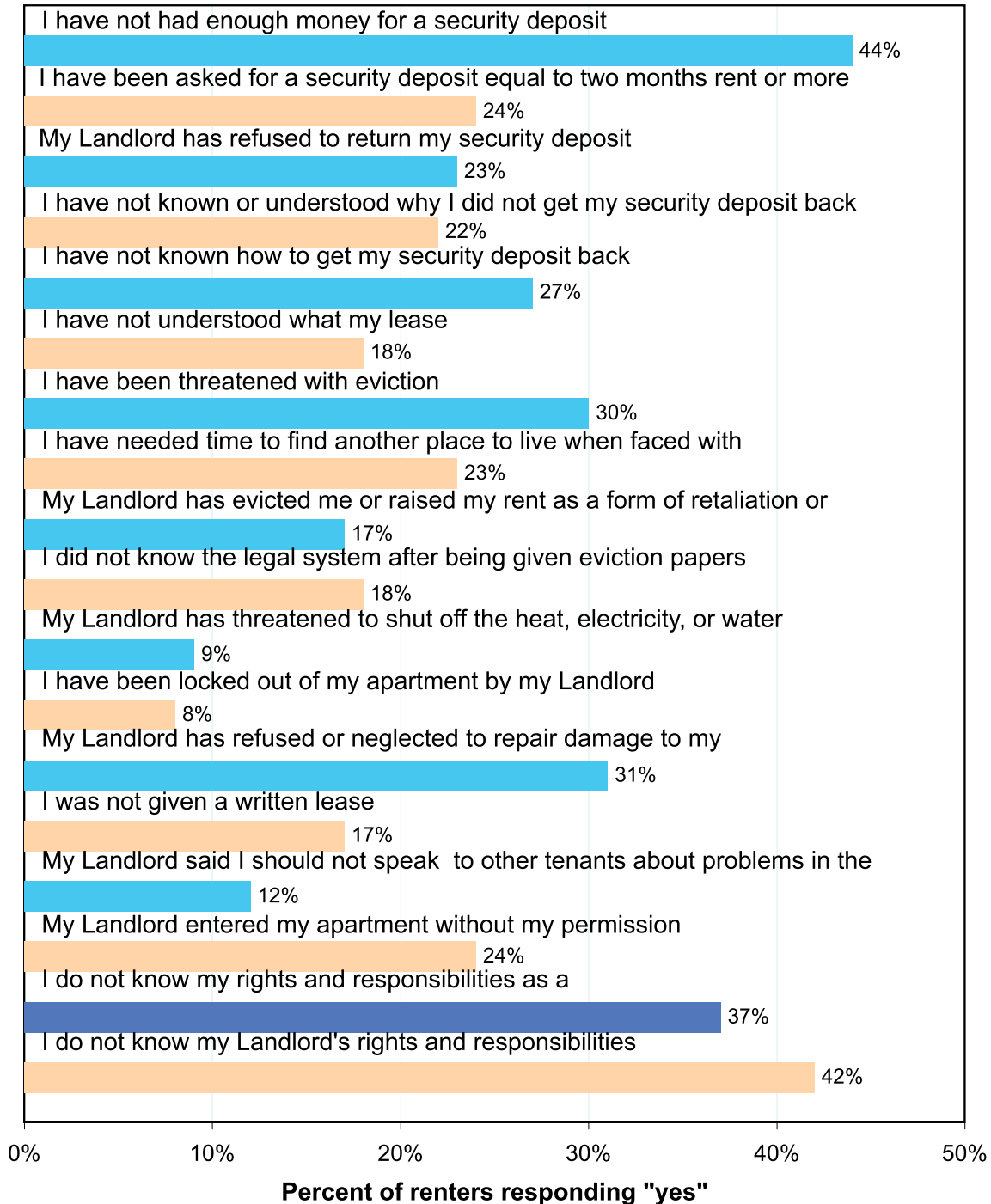
Security deposit issues reveal just how difficult it is for the respondents to afford decent housing. Fifty-seven percent of respondents had some form of security deposit problem, with close to half of the respondents reporting having experienced not having enough money to pay the security deposit on an apartment. Moreover, roughly one in four respondents had been asked to pay a security deposit equal to at least twice their monthly rent. When the households are reporting, on average, paying \$551 a month in rent, this request translates into a security deposit of over \$1,100. With almost half of the survey participants making less \$10,000, such a request means asking for over 10% of their income for the year. These figures make the close to one in four rate at which landlords refused to return a tenant's security deposit all the more alarming.

While this survey did not reveal whether the landlord had legitimate grounds for keeping a security deposit, the fact that 22% of respondents did not know why they had deductions from their deposit and 27% did not know how to get their deposit returned to them shows that the lack of education and lack of tenant-landlord communication is a major issue.

The instability in the respondents' housing situations are also evidenced in their answers to questions regarding eviction. Nearly a third had been threatened with eviction at some point, while 23% reported being threatened with eviction and needing time to find a place to live. While threatened eviction action may have been based on legitimate issues, the fact that respondents have found themselves in this situation at such a high rate is indicative of the troubles low-income renters face in maintaining stable housing.

Too often unscrupulous landlords take advantage of this instability, as shown by the 17% – one in six – of respondents that have either been evicted or had their rent raised as a form of retaliation or harassment. While these property owners make up a small percentage of landlords in Illinois, they have a dramatic impact on the lives of some tenants. Low-income households have very few housing options, thus the fear of such retaliatory acts can keep them from exercising their rights as tenants. Equally troubling is the number of tenants who have been threatened with utility shut-offs. In Illinois, shutting off utilities is an illegal act, but one in eleven respondents still had experienced this type of threat.

Chart 1 - The Rental Experience in Illinois



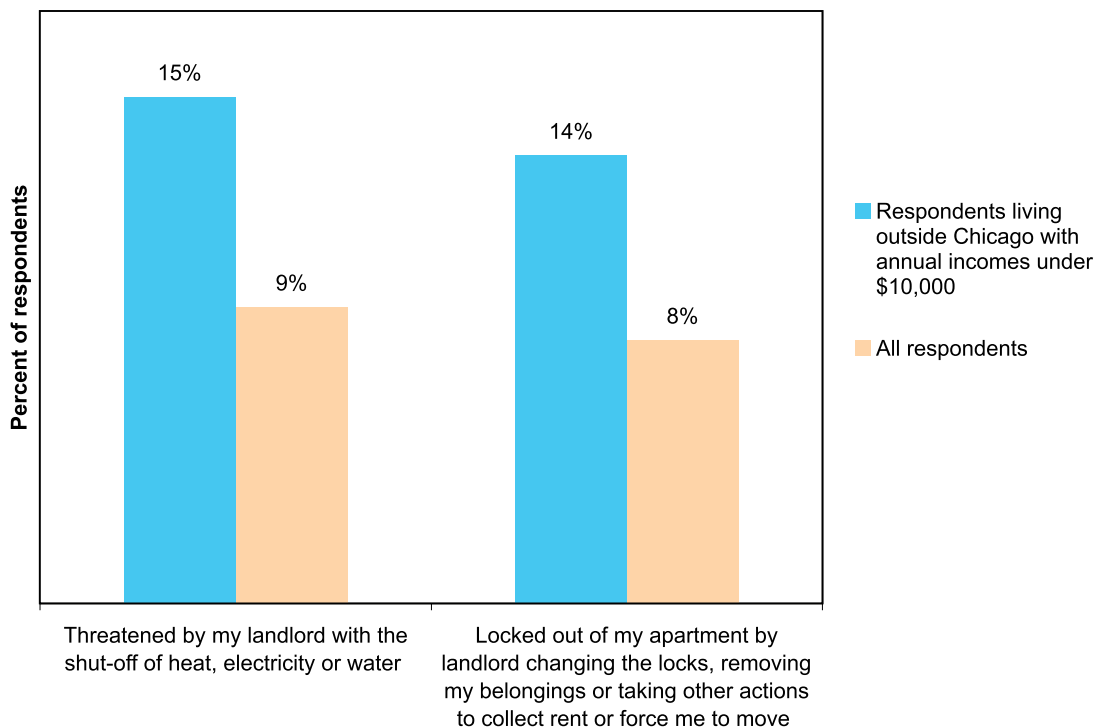
The most appalling statistic is the number of people that have been “locked-out” of their home. Lockouts are illegal evictions where landlords take the law into their own hands and oust tenants from their homes without notice or their day in court. One in twelve of the respondents had been locked-out at some point (see Chart 2).

These numbers get worse when looking only at respondents who make less than \$10,000 a year and live outside of Chicago. The threat of utility shut off jumps to close to one in six and the lock-out rate jumps to one in seven. In both instances, the rate of these activities comes close to doubling for extremely low-income families outside of Chicago. While some legal services attorneys report being able to seek legal redress to lock-outs after the fact, it is a very difficult and time-consuming process. They also report that police departments often do not know what to do when faced with an illegal lock-out and tell the tenant it is a civil matter. When police fail to interfere with the lockout it gives the landlord’s actions an appearance of legitimacy. Additionally, with thirty-seven percent of individuals reporting that they do not understand their rights as tenants, many individual renters who are illegally locked out are probably not seeking legal recourse.

For a large percentage of the survey respondents, getting repairs done and having landlords enter their apartment without permission were major issues. One third of respondents stated that their landlord refused or neglected to make repairs to the apartment. One in four had experienced their landlord entering their apartment without their permission.

When five of the worst experiences – being evicted or having rent raised as form of retaliation, being threatened with a utility shut-off, being locked-out, the landlord entering your apartment without permission, and repairs not being done – are looked at together, an analysis shows nearly half (48%) of all respondents experienced at least one of these issues.

Chart 2 - Renters Locked Out in Illinois



Finally, the biggest issue reported in this portion of the survey was the incredible need for more education. Thirty-seven percent of respondents stated they did not know their rights and responsibilities, while 42% did not know the landlord's rights and responsibilities. Without the financial resources to "vote with their feet" when having problems with their landlord, tenants need to have a solid grasp of the rights and responsibilities of all parties to be able to address the landlord-tenant issues that arise.

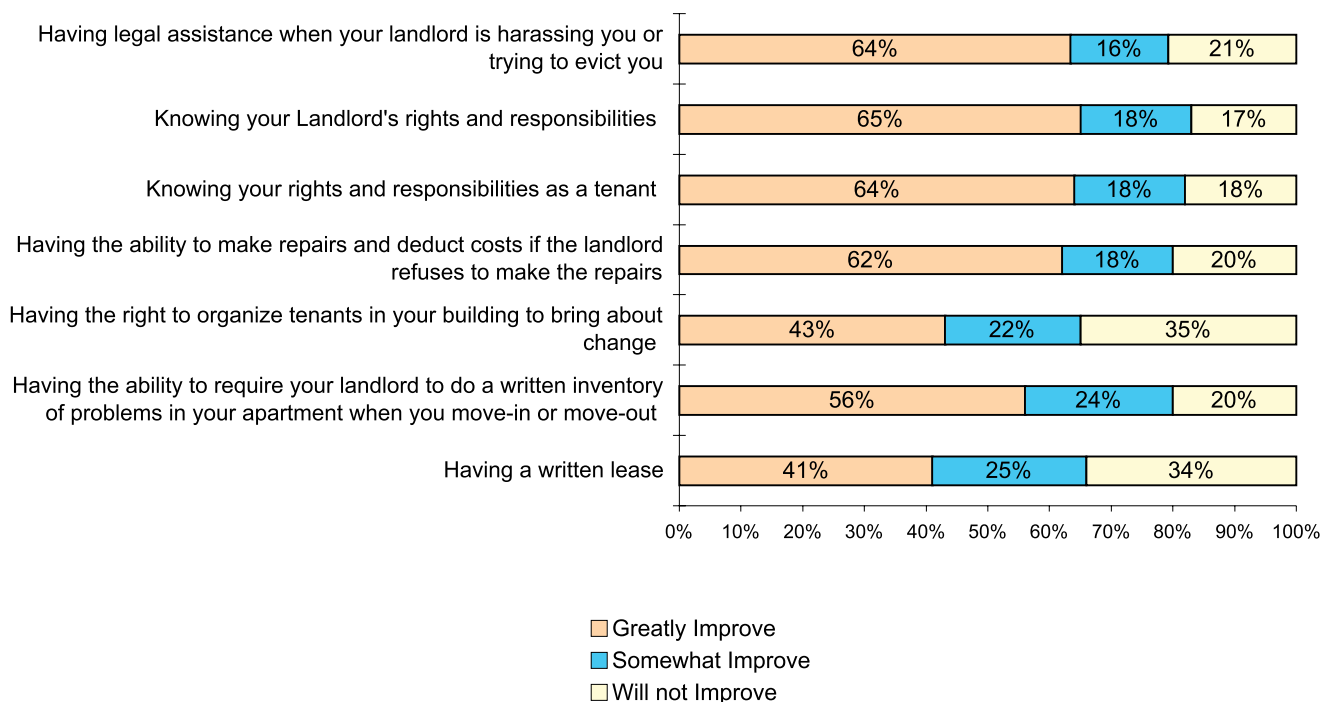
What Would Improve The Quality Of Life For Renters?

"There is no heat, growing mold in the apartments, leaking water or no hot water, no managers or maintenance people."

Tenant in East Moline, Rock Island County

Survey respondents were asked to indicate whether seven different suggested changes would improve their quality of life as a renter (see Chart 3). The overwhelming majority felt the changes would improve their quality of life. Respondents were especially hopeful that knowing the rights and responsibilities of both tenants and landlords would have a positive impact on their lives.

Chart 3 - What Will Improve Your Quality of Life as a Renter?



Recommendations

"Also, police departments need to understand the rights of tenants. Often they understand landlord rights, and will enforce them, but will do nothing to an unscrupulous landlord."

Tenant in Alton, Madison County

As our study shows, because of a lack of basic consumer protections, low-income renters are especially vulnerable to the small number of unprincipled landlords inclined to take advantage of them through excessive fines and security deposits, failing to make repairs, retaliatory evictions and leases with unfair clauses. In a few Illinois municipalities, such as Chicago, Evanston, Mount Prospect, and Urbana, some protections already exist to protect renters from the small but troubling number of landlords who take advantage of their tenants, but these cover less than half of Illinois renters. The rest of Illinois must rely on the limited protections in existing Illinois laws. For example, Illinois statutes contain little protection for tenants from retaliatory conduct, no clear definitions of either the tenant's or landlord's responsibilities, and limited methods for a tenant to remedy unsafe building conditions. Perhaps worst of all, state law fails to provide any real protection against lock-outs.

In order to ensure that there is a comprehensive understanding of the landlord-tenant relationship and that all families have access to and stability in safe, decent and affordable housing, we offer the following recommendations:

1) Adopt a comprehensive Residential Landlord-Tenant Act

Over 25 states, including Kentucky, Tennessee, Kansas, Montana and Arizona, have enacted similar legislation that gives tenants stronger protections than exist in Illinois, and most of these protections have been in place for close to 30 years. At a minimum, we recommend that Illinois legislation contain the following provisions:

- Requiring landlords to provide adequate written contact information to the tenant;
- Requiring landlords to provide a written summary of the tenant's rights and responsibilities;
- Prohibiting landlords from locking tenants out of their units and clarifying that only a sheriff acting pursuant to a court order can remove a tenant from a rental unit;
- Setting limits on the amount of security deposit that a landlord can charge;
- Allowing tenants greater flexibility in assuring that needed repairs are made when a landlord refuses to do so;
- Clarifying the landlord's right to entry of the premises;
- Allowing the tenant to cure non-rent related breaches of the lease such as removing an unwanted pet;
- Requiring written inventory checklists upon move-in and move-out to protect both the landlord and tenant in attempts to determine whether the tenant damaged the unit;
- Allowing tenants to meet with other tenants or form tenants' organizations without fear of reprisal; and
- Limiting fees and charges to the landlord's actual costs.

2) Expand protections against retaliatory evictions

The current Illinois Retaliatory Eviction Act provides that an eviction is retaliatory only if the landlord is evicting because “the tenant has complained to any governmental authority of a bona fide violation of any applicable building code, health ordinance, or similar regulation” (765 ILCS 720). However, tenants are evicted for many retaliatory reasons. We recommend that the current law be amended to prohibit eviction when a tenant, in good faith:

- Threatens to complain or complains to a government agency, public official or elected official about a problem;
- Threatens to complain or complains to a community organization or the news media;
- Requests that needed repairs be made to their apartment;
- Testifies in court or administrative proceeding about the landlord or about the condition of the apartment; and
- Refuses any unwanted sexual advance.

3) Adopt and enforce a statewide property maintenance code

Currently, Illinois renters in some parts of the state have no guarantee of decent living conditions. This reality is made worse by the affordable housing crisis. Currently, a full-time worker would have to earn \$15.43 an hour in order to afford a two-bedroom unit at Illinois’ fair market rent. Because of the shortage of affordable housing, many households resort to substandard housing. The recent Illinois Legal Needs study reported that over 34% of those tenants surveyed said they had a serious conditions problem.¹ We recommend passage of a statewide rental property maintenance code to ensure apartments are habitable. We propose that the code also contain a provision that would require a landlord who willfully fails to comply with the act to pay the tenant’s reasonable relocation costs.

4) Expand education on the rights and responsibilities of landlords and tenants

In our survey, 37% of tenants reported not knowing what their rights and responsibilities were as tenants and 42% reported not knowing their landlord’s rights and responsibilities. We recommend that there be increased resources for educating landlords and tenants about their rights and responsibilities and the court process. However, we caution that without adequate tenant protections, education will do very little to address the issues discussed above.

5) Increase resources for alternative dispute resolution and legal representation

We recommend increased alternative dispute resolution resources, such as mediation, so that landlords and tenants can resolve disputes prior to court intervention. We believe that it is equally important that tenants have adequate legal representation. We recommend increased legal resources for tenant representation in court proceedings. For example, the Illinois Legal Needs survey found that fifty-six households faced a problem getting a security deposit on a rental unit returned. Only one of those households had legal assistance – meaning that 98.2% did not. Additionally, over 89% of those surveyed with housing problems did not have legal assistance.²

¹ *The Illinois Legal Needs Study II* was sponsored by The Chicago Bar Association, the Illinois State Bar Association, The Chicago Bar Foundation, the Illinois Bar Foundation and the Lawyers Trust Fund of Illinois, which also served as fiscal agent for the project. p. 22.

² *The Illinois Legal Needs Study II*, pps. 43-44.

6) Expand the amount of safe, decent and affordable housing available

Finally, as recognized by Governor Blagojevich in his Executive Order 2003-18, there is a shortage of affordable housing, especially for underserved populations including low-income persons, low-income seniors, low-income persons with disabilities, homeless persons, and those at risk of homelessness. We commend the Illinois legislature on passage of the Rental Housing Support Program, a state rental housing subsidy program. However, we recommend that additional state resources be directed at increasing the supply of adequate, affordable rental housing for low-income persons. Furthermore, we recommend that funding for the highly successful Homelessness Prevention Program be increased to \$11 million annually.

Acknowledgements

Special thanks to the following individuals and organizations for making this survey and report possible:

- Hannah Avellone
- John Bartlett
- Rob Breymaier
- Rikeesha Cannon
- DuPage County Department of Human Services
- Martha Glas
- Yuri Gottesman
- IllinoisLegalAid.org
- State Senator Iris Martinez
- Raj Nayak
- Bob Palmer
- Project Now – Rock Island
- Rebekah Ray Nguyen
- Melissa Ross
- Metropolitan Tenants Organization
- Traci Sanders
- Janet Smith
- Leah Staub
- University of Illinois-Chicago Nathalie P. Voorhees Center for Neighborhood and Community Improvement
- State Representative Karen Yarbrough

Methodology

The Tenants’ Rights Working Group (TRWG) designed the survey and utilized an on-line survey tool to collect the results. Respondents came to the survey from links on the websites of the TRWG members, IllinoisLegalAid.org – a free, legal information website for Illinois residents – or through social service agencies that distributed the survey to their clients. The survey results are biased towards respondents who were seeking some type of assistance at the time of filling out the survey.

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