Rent regulation overview

Rent regulation policies protect tenants from sharp increases in housing costs by regulating the amount that rents can be raised from year to year.

In cities, towns, and counties where it exists, rent regulation applies to a subset of the housing stock (typically older housing units). In regulated units, annual increases while a tenant remains in the unit are typically limited by a formula or set of criteria related to costs. The rent can also rise based on investments made in the property to improve unit or building conditions. When a tenant moves out of a regulated unit, the rent is also typically allowed to rise more than it can when a tenant stays in place (and in some cases it is permitted to rise to market levels). Rent regulated units do not come with means testing, meaning that tenants are not selected based on their income or assets. In most cases, there is no government subsidy provided to compensate the owner for the loss of rent revenue associated with the restricted units.