

6 MYTHS

about Rent Control in Illinois

Advocates for Rent Control would have you believe the policy will magically fix a lack of affordable housing in Illinois. **Here's why they are wrong:**



MYTH 1

Rent Control will make affordable housing more attainable.

FACT: Locking in the amount property owners can charge renters will actually lead to FEWER available housing options. In other cities, Rent Control policies resulted in apartments being converted into condos. That's because government-set rental rates can't keep pace with the cost of maintenance, upgrades, utilities and taxes for rental properties.

MYTH 2

Investors will continue to build new and affordable rental units in areas with Rent Control.

FACT: Chicago is one of the costliest cities in the U.S. to develop rental property because of overly restrictive building codes and zoning regulations. Faced with these costs, property investors will avoid areas with Rent Control. After all, if investors can't afford to make basic upgrades due to restrictive price controls, why would they make additional long-term investments?

MYTH 3

Your taxes will not be adversely affected by Rent Control policies.

FACT: Under Rent Control, property values are depressed since property owners can't get a fair return on their investment. Property valuations and rental income are factors in determining tax assessments, so if both decrease that means governments take in less in taxes. The result: Policymakers will have to raise property taxes to provide basic services. And let's not forget, Rent Control will come with a massive and costly bureaucracy to inspect rental units and set pricing, further adding to public funding burdens.

MYTH 4

Rent Control will keep property owners from making excessive profits.

FACT: Market demand sets rental rates now. If a property owner charges too much in rent, tenants will look elsewhere. The law of supply and demand actually keeps housing more affordable.



MYTH 5

Rents are out of control in Illinois and Rent Control would fix the problem.

FACT: Overall, rents have decreased the past few years in many parts of Illinois. A handful of Chicago neighborhoods are seeing increases, but there are still available supplies of affordable rental housing. If the market is already addressing the problem, adding layers of government overreach would just make the issue worse for hard-working state residents.

MYTH 6

Rent Control will immediately fix housing affordability.

FACT: Rent Control would have serious, adverse long-term effects for renters. Policymakers can have a more immediate impact on the issue by altering restrictive building codes which do nothing to ensure life and safety, or by creating areas where development is encouraged through sound fiscal policy.

Did you know: The city of Chicago has an estimated 579,000 rental properties which could fall under Rent Control policies. Economists estimate that available rental housing could actually decrease **10 PERCENT** over a decade.



REMEMBER: EVERYBODY LOSES UNDER RENT CONTROL!
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