UPTOWN, EDGEWATER, ROGERS PARK

Rogers Park Tenants Forced Out By Big Rent Hike As Area Faces 'Heartbreaking' Housing Crisis

After a classic Rogers Park courtyard building was sold this year, tenants were given rent hikes that even the new landlord admitted were "steep." It's a textbook example of how Chicago has landed in a housing affordability crisis, experts say.



By Madison Savedra 3 hours ago



Tenant DeAnna Bastin poses for a portrait in her unit at the apartment building at the corner of Hermitage and North Shore avenues in Rogers Park on July 19, 2024. Credit: Colin Boyle/Block Club Chicago

ROGERS PARK — After more than eight years of living in her Rogers Park garden unit, DeAnna Bastin has made the apartment a well-decorated and much-loved home.

It has its flaws, like many century old Chicago apartment buildings do. There's the chipped wood in the front door, the bathtub that feels like it's sinking into the ground and the occasional decaying rat in the wall, she said.

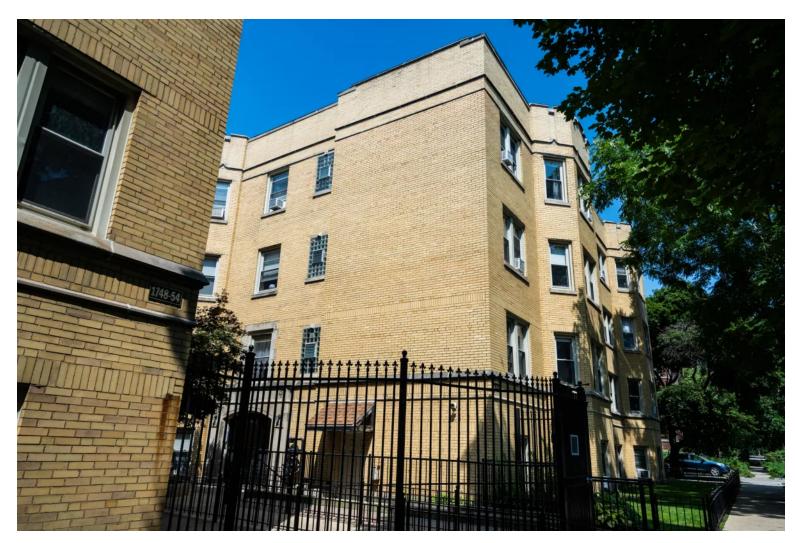
But Bastin loves her apartment and, even more than the unit itself, she cares deeply for her neighbors and the community they've built.

Bastin, however, has to pack up her things and leave after being priced out of her building.

The courtyard building at 1740 W. North Shore Ave. changed ownership earlier this year, and the new landlord is increasing Bastin's rent by 20 percent and introducing new fees on utilities, internet and pets.

Unable to accommodate the price hikes, Bastin and some of her neighbors will have to leave once their leases are up. But first, they'll have to clean a lot. Tenants were then given an extensive cleaning list to tackle before moving — with hundreds of dollars in fines to be levied if their units are not properly cleaned.

The ones who will stay at the building, meanwhile, are frustrated by the financial strain it's going to put on their lives, multiple tenants said.



The apartment building at the corner of Hermitage and North Shore avenues in Rogers Park on July 19, 2024. Credit: Colin Boyle/Block Club Chicago

This isn't the only building in Rogers Park seeing these changes. The Far North Side neighborhood has struggled for years with displacement and gentrification driving up the cost of living.

The area including Rogers Park, Edgewater and Uptown saw a 12.5 percent decline in the amount of apartments affordable for low-income renters between 2012 and 2021, according to a **2023 study** by the Institute for Housing Studies at DePaul University. That is the third biggest drop in affordable apartments of any area of the city during that period, trailing only Logan Square and Avondale (15.3 percent decrease in affordable apartments) and West Town/Near West Side (14.6 percent decrease).

The Far North Side neighborhoods also saw a 9.5 percent increase in the amount of low-income renters living in unaffordable apartments over the same period, one of the biggest jumps in number of rent-burdened residents of any neighborhood, according to the study.

Bastin wants to stay in Rogers Park, but there aren't many options that fit her budget of \$1,250, she said. She works full-time earning enough to live comfortably — or so she thought.

"The rental market is insane," she said. "You either find something that is just completely unlivable — like, 'Why does this have a half stove?' — or they're like, 'It's a one bedroom,' but it's really just like an alcove and there's not even a door."

Annual rent increases are an understandable part of being a renter, but when they're this steep and come without any major improvements to the apartment, Bastin and her neighbors said they can't willingly accept it.

"To me, they're price gouging because they can," one of Bastin's neighbors said. "It's like they have no compassion towards people. It's just all about money."





Tenant DeAnna Bastin poses for a portrait in her unit at the apartment building at the corner of Hermitage and North Shore avenues in Rogers Park on July 19, 2024. Credit: Colin Boyle/Block Club Chicago

'That's Not Inflation, That's Just Greed'

When Bastin first moved into the apartment, her rent was around \$950, she said. Her rent increased \$25 a year under the building's previous owners.

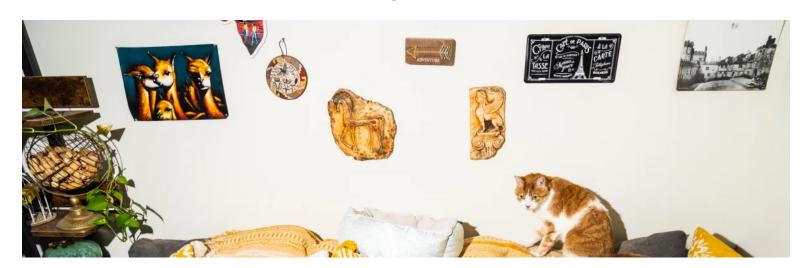
This spring, Bastin and her neighbors received a notice from building owner DLG Management that the complex had been purchased by Casey Capital, a real estate company founded in 2020. Casey Capital bought the building for \$4 million, property records show.

A few months later, Bastin received word from Casey Capital about her apartment's rent going forward. If she renewed her lease, her rent would go from \$1,125 to \$1,350 per month, according to a copy of the lease renewal shared with Block Club.

Casey Capital also introduced new fees: an \$85 monthly utility fee covering water, heat, sewer and trash removal, and pet rent of \$25 a month per pet, according to the lease renewal. These were utilities that were previously included in tenants' rent, Bastin and her neighbors said.

Beginning in October, the company is also instituting a required, bulk internet service for an additional \$40 a month.

If Bastin resigned, the total cost of her same apartment going forward would be \$1,475. The company is waiving an initial year of pet rent for current tenants, according to the lease renewal — which would cost another \$75 a month for Bastin, since she has two dogs and a cat.





Tabatha the cat and Kaylee the dog lounge in tenant DeAnna Bastin's unit at the apartment building at the corner of Hermitage and North Shore avenues in Rogers Park on July 19, 2024. Credit: Colin Boyle/Block Club Chicago

In their lease offering to Bastin, Casey Capital acknowledged the price change was "steep" and said "smaller and more predictable" rent increases — about 3-5 percent — could be expected going forward. To offset the steep increase, Casey Capital offered tenants a 20-month lease that would bypass one year's worth of rent hikes.

"It's frustrating to be forced out of your home when I have a perfectly good apartment that I clearly have been able to afford and maintain," Bastin said.

Bastin isn't aware if any major repairs or renovations are being planned for her apartment, she said.

"I feel like letting somebody come in and charge [hundreds] more for the same unit — that's not inflation, that's just greed," she said.

Casey Capital didn't respond to multiple requests for comment.

'All About The Almighty Dollar'

Some of Bastin's neighbors are going to absorb the increased cost of their apartments, but they aren't happy about it.

One woman said she's anxious about the cost increase she'll get with her renewal offer after hearing about what her neighbors were getting. The neighbor, who asked to remain anonymous over fear of retribution from management, said she's lived in the building for a few years.

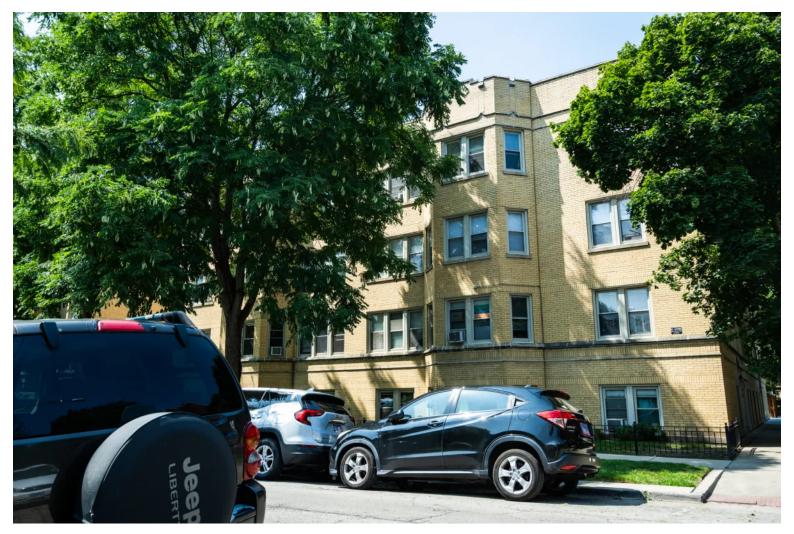
"I don't want to move," she said. "I moved around a bunch my whole life, so this is the first place I ever lived longer than two years."

The woman has been unable to work in the past because she has autism and struggles with autistic burn-out,

but the worry about being financially burdened has her contemplating going back to work regardless of the effects it may have on her mental health, she said.

Her husband is also now looking for a higher-paying job, but she knows many of her neighbors aren't in the same position to do so, she said.

"They know what they're doing," she said of the company. "They know they're forcing people out."



The apartment building at the corner of Hermitage and North Shore avenues in Rogers Park on July 19, 2024. Credit: Colin Boyle/Block Club Chicago

Another neighbor who's lived in the building for nearly 20 years is still figuring out whether she'll be able to stay in her apartment. This neighbor also asked not to be named while her lease renewal was up in the air.

The woman has a fixed income and a housing voucher, so dramatic changes in rent and associated fees are difficult to manage, she said. She was also frustrated by the required internet service through the building, because it's a provider she's had issues with in the past.

Longtime Residents In Gentrifying Areas Battle Huge Property Tax Increases: 'We Don't Want To Leave'

"It's just too much, especially when you have good tenants that have been in the building for years and years, and you see that they keep up your property," she said. "But it's all about the almighty dollar."

Aside from the financial strain people are facing, "it's heartbreaking" to see neighbors they've grown close to have to move, she said.

"We're like family here in the building, everyone looks out for each other," the woman said.

'Emblematic' Of A City-Wide Issue

The displacement these tenants are experiencing is a microcosm for housing issues seen across the neighborhood and the city, particularly with the loss of naturally occurring affordable housing, said Arieh Venick, a community organizer with the nonprofit ONE Northside.

Many of Chicago's naturally occurring affordable housing (that is, units that are not required by the city to be earmarked as affordable) is in buildings that tend to be older, owned by smaller landlords and may not be in top condition, Venick said.

Companies buy these buildings and "slap a fresh coat of paint on and try to rent it to a college student or a young urban professional who's looking for cheaper housing in a hip neighborhood," he said.

Historically, Rogers Park has had many such buildings. Diversity of building ownership, like mom-and-pop landlords or neighbors who own the three-flat they live in and rent the other two units, has helped provide affordable places to stay, said Ald. Maria Hadden (49th).

But in recent years, building turnover in the neighborhood has increased. And "with the concentration of wealth and capital," large management companies are the only players in the market who can buy these buildings, the alderwoman said, speaking anecdotally.

When companies take ownership and raise rents, it can also have a ripple effect on other buildings, Hadden said. In a neighborhood where 75 percent of residents are renters, the loss of affordability is having a "devastating" effect on the neighborhood, Hadden said.

"It's a big challenge in the 49th Ward right now," she said. "Because rents are going up at some of these properties that are changing hands. The other thing that you see is properties that aren't changing hands, those landlords are taking advantage to also raise their rents just because."



Apartments next to Hartigan Beach in Rogers Park on July 11, 2023. Credit: Colin Boyle/Block Club Chicago

Situations like what's happening at Bastin's building "are one of the top situations fueling a growing homeless and housing precarious population in the city," Venick said.

Tenants are required to be given 60-120 days notice of a rent increase, but for people living paycheck to paycheck, it isn't enough time to find an alternative, he said.

"I think Rogers Park is really emblematic about some of the stuff we're seeing across the city, and we'll continue to see on the North Side if these landlords are not able to be brought to heel, and more tenant protections and organizations don't pop up," Venick said.

Forming <u>tenants' unions</u> is one of the best ways to combat exploitative practices by landlords, according to Venick. There are limited ways in which local government can address the situation, Hadden said.

For example, there's currently a ban on rent control in Chicago that was made at the state level, meaning Hadden and her colleagues can't do much on their own, she said.

"I'm very supportive of rent control," the alderwoman said. "Unfortunately, with so many thing around real estate, we find ourselves at an impasse."

Aside from rent control, Venick said the city should also pass policies like <u>the Just Cause Ordinance</u> — which supporters say would protect tenants from no-cause evictions — and allocate more money toward the creation of public, affordable housing.



Tenant DeAnna Bastin poses for a portrait in her unit at the apartment building at the corner of Hermitage and North Shore avenues in Rogers Park on July 19, 2024. Credit: Colin Boyle/Block Club Chicago

'Are They Just Insane With Power?'

Shortly after Bastin let Casey Capital know she wouldn't be resigning, she was emailed a two-page list of move-out instructions and the fees she'd be charged if the place wasn't up to snuff.

This included things like \$15 for each light fixture she didn't clean, \$25 if the smoke detector batteries needed replacing and \$25 if the area under the microwave was left dirty, according to a copy of the document shared with Block Club. There's also a \$35-\$75 fee if she didn't mow the lawn — which confused her, as she doesn't have a lawn to mow.

The listing for Bastin's apartment is already on Casey Capital's website.

Rent is advertised as \$1,350, but the total cost of the apartment with a one-time \$50 application fee, a \$750 move-in fee and the monthly utility and internet fee of \$125, it comes to \$1,542 a month, according to the listing.

If a new tenant had pets, like Bastin does, it's an additional one-time fee of \$250 with \$25 monthly pet rent

per dog or cat.

As Bastin looks for new apartments, the prospect of staying in Rogers Park — where she's lived for 14 years — is unclear.

"You just wonder like, what are these landlords doing? Are they just insane with power? I don't understand," Bastin said.

Support Local News!

<u>Subscribe to Block Club Chicago</u>, an independent, 501(c)(3), journalist-run newsroom. Every dime we make funds reporting from Chicago's neighborhoods. Already subscribe? <u>Click here to gift a subscription</u>, or you can support Block Club with a <u>tax-deductible donation</u>.

Listen to the Block Club Chicago podcast: