

# NEWS BREAK

**Sunday's News Break selects an article from Sunday, June 19, 2016 of The Seattle Times e-Edition for an in-depth reading of the news. Read the selected article and answer the attached study questions. Please remember to always preview the content of the article before sharing with your students.**

**Article: 'Free lunch is over': Rent soars for some (Main, A1)**

## **Pre-Reading and Vocabulary**

- **What is your prior knowledge about rent increases? Do you think it's a good idea? Why or why not?**

**Vocabulary: Match the words to the numbered definitions in the chart below.**

A. algorithm	1. a state or period of uncontrolled excitement or wild behavior
B. alternative	2. likely to have a strong or far-reaching effect; radical and extreme
C. anecdotal	3. a small remaining quantity of something
D. drastic	4. a fact or situation that is observed to exist or happen, especially one whose cause or explanation is in question
E. enact	5. a person who occupies land or property rented from a landlord
F. frenzy	6. a process or set of rules to be followed in calculations or other problem-solving operations, especially by a computer
G. phenomenon	7. make (a bill or other proposal) law
H. remnant	8. a solution or remedy for all difficulties or diseases
I. panacea	9. one of two or more available possibilities
J. tenant	10. (of an account) not necessarily true or reliable, because based on personal accounts rather than facts or research

## Comprehension

1. Hoping to strike while the housing frenzy is still hot, some eager Seattle-area landlords are enacting what?
2. While much of the focus on Seattle's rental crisis has been on steadily rising rents — an extra hundred bucks here and there — there are a small but seemingly growing number of landlords deciding to do what?
3. Older, traditionally more affordable units are being hit the hardest. Why?
4. Property owners say they're just pushing cheaper units up to around market rate. But those unable to afford the sudden, drastic cost change find themselves where?
5. Because Seattle has no rent control — unlike many other pricey cities, such as New York, Los Angeles and San Francisco — landlords can do what?
6. Figuring out exactly how widespread such large one-time rent hikes have become is tricky. Why?
7. The nonprofit Solid Ground has documented a rise in distressed renters calling their hotline to report getting slapped with oversized rent increases that typically amount to a cost bump of \_\_\_\_\_ percent or more.
8. The anecdotal reports of extreme rent hikes certainly match up with the overall trend in what?
9. Earlier this month, apartment research firm Yardi Matrix said Seattle rent has grown \_\_\_\_\_ percent in the past year, the most of any city in the country and double the national average growth rate.
10. Zillow now pegs the typical Seattle rent across all home types at \$\_\_\_\_\_ a month, up from \$2,220 a year ago and \$1,840 three years ago.
11. What are the laws for rent increases in Seattle and the rest of Washington?

## Additional Activities & Discussion Questions

***In a tiny rental house pushed up against the freeway in Wallingford, landlord Bruce Wilson is looking for his piece of a housing boom that has seen prices zoom sky high across the city.***

***Wilson said he realized he'd been undercharging a pair of retired nurses who have been living there for the past eight years with rent at \$1,460 a month. His solution? Jack up the rent by nearly \$1,000 a month, all at once.***

***"The free lunch is over with," said Wilson, who said he looked only at the cold, hard math of the situation. "This was a business decision."***

***"I put my head in the sand for a number of years," he said, adding that he anticipated a negative reaction to his decision from the public. "You're getting persecuted for doing the correct thing from a business standpoint."***

- How do you feel about this situation? Can you see both points of view? Why or why not?

***Tenants Peggy Haug, 68, and her wife, Juanita Merrifield, 74, said they can't afford the 64 percent rent hike on Social Security and their retirement nest egg. Their pleas for a smaller, phased-in rent hike were rejected.***

- A 64% rental hike is very steep. Should there be legislation to ensure this doesn't happen or should home owners be able to do what they want, in terms of what's happening in the current rental market?

***Most rental property managers seem to be electing to phase in more moderate rent increases to keep the tenants in place, as evidenced by the average annual rent hike hovering around 10 percent throughout the last year or so. Landlords can lose potential revenue when the property is sitting empty and it can be costly to market a unit for new renters.***

***To combat outsized rent increases, tenant advocates have been pushing in Seattle and at the Capitol to repeal the statewide ban on rent control, but that plan is no panacea.***

***While residents in cities with rent control are protected from huge rent hikes in theory, in reality those laws can have limited impact because they prevent only big increases for existing tenants. To get around this, some landlords in pricey cities try to evict longtime tenants so they can install new renters at a much higher rent.***

- What would you do if you were a property owner? Would you choose to phase in moderate price increases or do it all at once? Why or why not?
- Should rent control happen in Washington State? Why or why not?

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### Answer Key to Vocabulary

- A. 6
- B. 9
- C. 10
- D. 2
- E. 7
- F. 1
- G. 4
- H. 3
- I. 8
- J. 5

### Answer Key to Comprehension Questions

1. Supersized rent increases all at once — eliminating some of the region's last remnants of affordable housing.
2. Enact huge rent increases in one fell swoop, often forcing out longtime tenants.
3. Since new buildings typically open with higher rents right out of the gate.
4. Struggling to find an affordable alternative.
5. Raise the rent as much as they want as long as they provide 60 days' notice in the city, or 30 days outside Seattle.
6. Because unlike general rent prices, no one keeps data tracking that specific issue.
7. 30%
8. Rental affordability
9. 12%
10. \$2,480 a month
11. Seattle: Landlords must give 60 days' notice on cost increases of 10 percent or more  
Seattle: Landlords now can't raise the rent on units that don't meet basic maintenance standards  
Rest of Washington: Landlords must give 30 days' notice on rent increases  
Rent control: Illegal under state law