

A Letter to the Investor Buying Our Apartment Building

Earlier this month, William McHalfey died quietly in his small studio apartment. A few days later, neighbor Janice Harper sent us this letter.

By Janice Harper Tue., Mar 24 2015 at 08:15PM



The Beachwood Apartments in West Seattle. Photo by Kyu Han

Dear Landlord,

Last week they took Bill's body away. You never knew him. He'd lived here for over 25 years, a quarter-century that saw him slowly decline from an excited young man who loved James Joyce, the Seahawks, and a good bottle of beer to a decrepit old man who hobbled on crutches and still loved James Joyce, the Seahawks, and a cheap case or two of beer.

Bill's life wasn't worth much; no one in their right mind would have ever hired him, and few would think to rent to him. He was just this side of homeless, but our landlords, Eve and Charles, couldn't throw him out. They knew he had no options, so year after year, they let him stay on, even though he couldn't pay any rent. They're good-hearted people who had bought the building as an investment, inheriting him from the previous owners, like a quirk in the building you grow to love even if it makes you grumble and groan.

Bill got by on about \$660 a month in disability, some food stamps, and the security of his single small room. He was always happy to see his neighbors, always had a small gift to share, whether a poem he had written, a recipe from his mom, or a flower he'd picked on his walk. He drove us crazy, and we drove him places after bus service was cut in our neighborhood. Year by year, Bill lost what little he had—his ability to walk; the bus that took him to museums, parks, and the grocery store; most recently his food stamps. But he always had his little room, so he felt safe and secure in this unsafe and insecure world.

Until the day Eve and Charles told us they were putting the property up for sale. Who could blame them? The building is a century old and so much work went into maintaining it, especially for a couple of people who, also, are aging. But it's prime real estate, right on the water with a view that would make even Donald Trump drool. So we had a good idea of what would happen after the sale went through. Skyrocketing rents and a landlord we'd never see, much less ever know.

Let's be honest. You aren't just in the real-estate business. You're in the business of creating unaffordable housing.

Our fears were fanned by a recent Seattle Times article noting that old "mom and pop" buildings are being bought up by investors who are raising rents in our area by as much as 130 percent. Another article noted that rents in Seattle are increasing faster than almost any other place in the country. In the last five years, rents have gone up 32 percent in Seattle, a trend that places our city second only to New York. That's good news for you, as a landlord, because it means that investing in buildings like ours will bring you a steady flow of passive income. All you had to do is come up with a down payment and a management company to collect our rents. As our monthly rent checks roll in, we will provide you with the money to pay your mortgage, your taxes, your insurance, and your maintenance, and likely secure a considerable income for you as well.

But for us tenants, the increasing rents tell a different story. If we can't afford high rent increases, we will have to move, regardless of how long we've lived in our homes, or how limited our resources.

Moving, of course, requires not just the cost of renting a truck and workers to move the heavy furniture, but first and last months' rent, fees for credit checks and pets, and non-refundable cleaning and pet deposits. Moving costs us thousands of dollars, which we often don't have. And for those who are unemployed or underemployed, have bad or no credit, high credit-card debt, or are living on disability, as Bill was, there's just no point in a credit check. They're simply out of luck.

That's likely how Bill felt when he killed himself last week, telling me just the day before he did it that he knew the sale, which is scheduled to close on April 15, would not be stopped and that, as Eve had already told him, he'd have to move. Tears rolled down his face as he said that he had lived in his room for 25 years and had no place to go. He said

maybe he'd move back to Wisconsin where he'd grown up as a child—a pipe dream for a man on crutches with not a penny to his name.

As they were cleaning out his apartment, you happened to come by with some of your friends to show them the building. It was then that I told you of his suicide and how he was on disability and had no place else to go. In response, you simply said, “Oh, there’s lots of places for people on disability to go.”

Yet a 2012 report of rents nationwide released by the Consortium for Citizens With Disabilities found that rent for a studio apartment consumes on average 90 percent of the income of a person on disability. “Nowhere in the United States can people with disabilities receiving SSI find a safe, decent place to live,” Kevin Martone, executive director of the Technical Assistance Collaborative, concluded.

So let’s take a look at just what happens to a disabled senior in Seattle making \$660 a month. Where can he go in King County?

The King County Housing Authority offers vouchers for low-income residents like Bill. But their website states, “Because the demand for vouchers is very high, the waiting list is most often closed to new applications.” The good news is that every two or three years they open that list. The bad news is that it stays open only a couple of weeks, and as one housing specialist told me, the last time they opened the list there were nearly 22,000 applications for 2,500 apartments. But just in case, I called them. The recording told me the waiting list is currently closed.

Bill would have had a slightly better chance at getting into low-income senior housing, but according to the website for the Seattle Housing Authority, “Your wait may be as short as two weeks or as long as several years.”

I decided to see whether Bill could have gotten on one of those two-week wait lists, so I called them. I told them I was looking for housing for a friend who was over 60 and disabled. I was told that there were some places in Seattle where the wait list is under a year, but there has been so much recent interest that it will now probably be longer than that. I inquired what might happen if he was given only a 30-day notice of a rent increase—which is all that is currently required by state law—or even 90 days? Could they find anything for him?



William McHalfey in happier times. Photo by Chuck Socha

“For his situation,” I was told, “it would be primarily transitional housing or shelter housing.” Shelter housing, of course, means living in a homeless shelter, where residents must hit the streets at dawn and not return until evening.

But what about that transitional housing? Surely that could have helped Bill. So I called the number and was told, “There’s actually a crisis with affordable housing in King County right now,” and referred to Housing Search Northwest. I called that number, and learned that there is currently one transitional housing unit available in all of Seattle, but it is for women only. There was, however, another one in Burien for men. Undaunted, I called them. Could Bill have found a safe place to stay with them?

The answer, I promptly learned, was no. They would not accept someone on crutches or who required a walker, because the hill leading up to the home is not navigable by anyone with ambulatory problems.

After that point, every number I was referred to and called got me back to a number I’d already called. It was clear that the housing options available to a disabled man in his 60s with no money are nil.

So you were wrong about Bill, dear landlord. But what about the rest of us? Surely we’ll be fine, I’m sure you’ve already concluded.

The truth is that after years of paying rents of \$1,600 to \$2,000 a month, few of us can pay more, nor have we been able to save much money to move. Still, many of us will have to do so now. We will move to smaller, more expensive apartments.

For the younger among us, it's something they'll get over. But what of us who are older? What about the 63-year-old woman on a limited income who has lived in her apartment for 20 years, and has already paid over a quarter-million dollars in rent to do so? How will having to move at this point in her life affect her? What about the 64-year-old woman who is recovering from heart surgery? Do you have any idea what the anxiety of a pending rent increase that she can't afford is doing to her? Did you know she worries whether she'll even be healthy enough to move from the home she has cherished for years? And what would you have done about the 93-year-old man who had lived here more than 25 years if he hadn't died last year? Would you have raised his rent to "market" rates and evicted him if he could not have paid them?

No one begrudges your interest in a profit. After all, spending millions on a building is no small thing; you should indeed expect a sound return on your investment. But if that means that low-income, older tenants who have lived in the same place for decades must leave their homes, and likely their city, in search of affordable rents, then let's be honest. You aren't just in the real-estate business. You're in the business of creating unaffordable housing.

So I am writing to you now to ask you to think long and hard about the assumptions you make and the decisions you make as you buy up older buildings, do some cosmetic repairs, hike up the rents to ensure you'll make a healthy profit, and move existing tenants out, as is your history. When you assume we will be fine, stop yourself. The truth is, the older we are, the more disabled we are, and the lower our incomes, the more likely we will not be fine. Chances are we will suffer severe hardships.

If you assume that there is nothing you can do to change the fact that your tenants will suffer the collateral damage of your investment, think again. Management companies not only provide a service to landlords, they also provide a buffer between you and your tenants so that you can distance yourself not just from them, but from the impact of your actions on their lives. Respect the human impact of your business. Get to know your tenants. We are the ones who pay your mortgage and provide you with an income. Ask about our lives, how long we've lived in our homes you now own, and what our options are. Give long-term, low-income tenants lower rents, but go ahead and increase rents to new tenants. Give tenants who must move at least 90 days' notice so that they have time to pack and find a place and adjust to the drastic change. And consider providing relocation costs to those long-term, low-income tenants who must move so that you can make more money.

If those are actions you won't take because the law doesn't require you to do so, all right. But stop telling yourself the comforting lies that there are plenty of places for us to go, that we'll be fine, that there's nothing else that you can do, and that this is progress. Tell yourself the truth. You're investing in unaffordable housing; you are contributing to homelessness and poverty as you drive rents up and people out, and sometimes those people kill themselves because they have no place else to go.

Sincerely,
Unit 7

Janice Harper is a cultural anthropologist and writer. She is a regular contributor to The Huffington Post and Psychology Today and is the author of Mobbed! A Survival Guide to Adult Bullying and Mobbing. She is a resident of West Seattle, where she has lived in her current apartment for five years.

UPDATE: Read the open letter send by local property manager Brain E. Robinson in response to Janice Harper's letter [here](#).