



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

MEMORANDUM

February 1, 2025

TO: Kate Stewart, President
Montgomery County Council

FROM: Marc Elrich, County Executive *Marc Elrich*

SUBJECT: Voluntary Rent Guideline for 2025

Today, the County will announce the 2025 Voluntary Rent Guideline (VRG) consistent with the requirements of County law. The Voluntary Rent Guideline is updated annually to represent the prior year's increase in the rental component of the Consumer Price Index for the Washington Metropolitan Area.

Based on that calculation, the Voluntary Rent Guideline will be set at 3.3%, effective March 1, 2025. The Voluntary Rent Guideline for 2024 was 2.6%.

While Montgomery County Council passed regulations implementing rent stabilization on July 23, 2024, with the intent of promoting affordability, the Department of Housing and Community Affairs continues to highly encourage all landlords of licensed residential rentals to refrain from increasing rents by more than the 2025 VRG

This change of the Voluntary Rent Guideline will be communicated by March 1, 2025, with the publication of the County Executive's annual letter in the County register and on the DHCA webpage, a press release announcing the change, and an email from DHCA to all licensed landlord and property management contacts. DHCA will also include this information on its website and tenant and landlord outreach activities.

If you have any questions, please contact Scott Bruton, DHCA Director at 240-777-3619.

Enclosure



Marc Elrich
County Executive

February 1, 2025

Dear Owner/Manager:

The Voluntary Rent Guideline (VRG) system helps provide a framework for rental property owners who are not subject to the rent stabilization law to acknowledge regional inflationary pressures and avoid price gouging. The figures from the U.S. Department of Labor, on which the VRGs are based, show the increase in the rent component of the 2024 Consumer Price Index for the Washington-Metropolitan area to be 3.3%.

While Montgomery County's new rent stabilization law was implemented on July 23, 2024, when the Montgomery County Council approved the implementing regulations, the Department of Housing and Community Affairs (DHCA) strongly encourages all properties to voluntarily limit rent increases to the 3.3% VRG. Your cooperation in keeping rent increases affordable and within the guidelines is appreciated.

Please direct any questions or observations about the implementation of the rent stabilization law and regulations to the Office of Rent Stabilization in the Department of Housing and Community Affairs at (240) 777-0311.

Sincerely,

Marc Elrich
County Executive