

Wednesday, November 8, 2023

Philip J. Weiser. Attorney General of Colorado
Attorney General's Office
Colorado Department of Justice
Attn: Antitrust Unit
State Capitol Bldg
200 E. Colfax Ave., Rm. 136,
Denver, CO 80203

Re: Landlord Companies Accused of Illegal Rent-Fixing in Washington D.C. Also Hold Properties in Colorado

Dear Attorney General Weiser:

On behalf of nonpartisan government watchdog Accountable.US, I am writing to encourage you to review the business dealings of major rental companies operating in Colorado that were among the fourteen landlords sued by District of Columbia Attorney General Brian Schwab's office over allegations they ["illegally rais\[ed\] rents for tens of thousands of residents by collectively sharing their data with \[property management software company RealPage\]."](#)

[AvalonBay](#), [Equity Residential](#), [Mid-America Apartments](#), and [Camden Property Trust](#) are among the companies involved in the lawsuit with ties to Colorado that we are especially concerned may be engaging in price-fixing elsewhere given their troubling histories of profiteering and misconduct. In recent years, Accountable.US has documented how too many corporations are motivated by greed and are price-gouging consumers. And the landlord industry is often among the worst offenders. It is critical that enforcers of consumer protection and antitrust laws like yourself stand up for consumers instead of corporations that profit from rising prices.

Earlier this year, Accountable.US released a [report](#) finding AvalonBay Communities Inc.—the third largest publicly-traded apartment company—saw its same store operating results jump 11% and its net income climb 13.2% to over \$1.1 billion thanks to a “double-digit rent increase.” These massive rent hikes helped AvalonBay spend \$536 million acquiring over 1,300 rental units in 2022.

Going further, the [report](#) found Mid-America Apartment Communities (MAA)—the second biggest publicly-traded apartment owner—benefited from “higher fee income” and “continued growth in average rent per unit,” resulting in its FY 2022 net income climbing nearly 19% to over \$654 million and its dividends and distributions climbing 14% million to nearly \$555 million the same year.

In a separate report [released last year](#) that received national attention [from CBS News](#), we found similar greedy practices by Camden Property Trust and Equity Residential. Notably, Equity Residential touted its "pricing power" as it talked about increased rents while reporting that its FY 2021 net income jumped by 45% to almost \$1.4 billion while being sued by 135,000 applicants for "unlawful conduct" in its fee practices. Meanwhile, the company CEO's compensation increased by 11% to nearly \$8.5 million.

In that same report we found Camden Property Trust touted rent increases while calling rent caps "impediments to running our business" after seeing FY 2021 net income grow by nearly 143% to \$312 million. Meanwhile, its CEO's compensation rose by almost \$420,000 to over \$4.2 million.

Securities and Exchange Commission records indicate that AvalonBay operates 1,539 units across six properties in Colorado, as of January 31, 2023. Equity Residential runs 2,498 units across eight properties in the state, as of December 31, 2022. Mid-America Apartments operates 1,118 units across four properties in Colorado. And Camden Property Trust operates 2,873 units across nine properties in Colorado, as of December 31, 2022.

As we have documented, these companies have shown their recent rent hikes were based on greed, not need, after reporting massive increased profits over the previous year while generously rewarding their executives. Now the same companies fueling the housing affordability crisis have allegedly stooped to illegal price-fixing and collusion to pad their profits – making matters worse for many struggling renters in Washington D.C.

The question is: If these companies were willing to allegedly engage in rent fixing surrounded by federal and local regulators in the nation's capital, why not in Colorado as well? In our view, it is worth looking into whether Colorado tenants dealing with these same companies are not also victims of illegal practices that further drive housing costs through the roof.

As you know, the U.S. Labor Department's latest Consumer Price Index (CPI) report found that shelter was by far ["the largest contributor" to inflation in September](#). We know corporate profiteering played a major role in that. You may be able to answer whether illegal price collusion also contributed to the problem in Colorado. If you agree this matter merits a serious review, we look forward to hearing about the results of your office's findings.

Sincerely,



Caroline Ciccone
President, Accountable.US

