

Major Rental Companies Continue To Profit Off Higher Rates As Housing Affordability Crisis Continues

Summary: On March 12, 2024, the Senate Banking Committee will hold a [hearing](#) aimed at addressing the housing affordability crisis in America as shelter costs continue to rise, with shelter ["contributing over two thirds of the monthly all items increase"](#) in January 2024. Rental companies, offering both multi- and single-family homes, have been found to ["minimize maintenance costs and maximize rents and fees"](#) while ["contributing to the racial wealth and homeownership gaps"](#) and ["adopt\[ing\] policies and practices that do not benefit renters."](#) In 2023, Invitation Homes and AMH, the two largest single-family rental companies, made a combined \$953.1 million in profit, a 37% increase from 2022. Meanwhile, Equity Residential, the third largest publicly traded apartment owner, reported increased profits while spending millions to acquire new properties.

Invitation Homes

- In July 2022, Invitation Homes—which [owns](#) 80,000 homes as of February 2024—was [found](#) to have "engaged in abusive tactics to remove tenants from their homes" during the COVID-19 pandemic as reporting found the company had a history of renovating homes without permits, leading to ["shoddy repairs and maintenance"](#) putting tenants at risk, as the company raised rents and engaged in ["fee-stacking"](#) to maximize profits.
- During FY 2023, Invitation Homes [saw](#) its net income increase 35% YoY to over \$521 million as it [acquired](#) 2,877 homes, while its CEO boasted of its ["information advantage"](#) that would benefit the company's potential future acquisitions.
- Since January 2023, Invitation Homes has [paid at](#) least \$10.8 million in civil penalties and redress over allegations the company broke California state tenant protection and price-gouging laws and illegally charged "exorbitant" late fees. Meanwhile, tenants across Charlotte, NC [protested](#) outside its Charlotte office over living conditions, with one tenant even being [forced](#) to start a GoFundMe to help with moving expenses after a rental unit was deemed "uninhabitable" by code enforcement officials.

AMH

- AMH, or American Homes 4 Rent, is the [second largest single-family rental company](#) as of February 2024 with over 59,000 homes owned.
- During 2023, AMH [saw](#) its net income climb by nearly 40% YoY to over \$432.1 million, with the company spending \$13.9 million on shareholder dividends and \$12.8 million on acquisitions.
- AMH's Q4 2023 revenue [climbed](#) by 5.5% YoY, "driven by a 6.1% increase in average monthly realized rent."
- In 2023, AMH paid two outside firms \$130,000 total to lobby against legislation aimed at addressing the housing affordability crisis, including [S. 3402](#), the End Hedge Fund Control of American Homes Act, and [S.2224](#), the Stop Predatory Investing Act.

Equity Residential

- According to the National Multifamily Housing Council (NMHC), Equity Residential is the [fifth largest owner of multifamily units](#), identified by Accountable.US as the third largest publicly traded landlord owning nearly 80,000 units in 2023.
- During FY 2023, Equity Residential's net income [climbed](#) to over \$868 million, with its Q4 2023 results climbing by 95% YoY to over \$322 million, [using](#) \$179.9 million to acquire 634 units in Atlanta, GA, and an [additional \\$49.1 million on stock buybacks](#) during Q4 2023.
- In 2023, Equity Residential was named in [two suits](#) over allegedly participating in a scheme with other landlords to illegally raise prices through the third-party company RealPage, in what a class action lawsuit dubbed a "cartel" of price-setting.

On March 12, 2024, The Senate Banking Committee Will Hold A Hearing Aimed At Addressing The Housing Affordability Crisis In America, As Shelter Costs Continue To Rise.

The U.S. Senate Committee On Banking, Housing, And Urban Affairs Will Hold A Hearing On March 12, 2024 Titled: "Examining Proposals To Address Housing Affordability, Availability, And Other Community Needs," As Shelter Costs Continued To Rise In The January 2024 Consumer Price Index Report.

On March 12, 2024, The Senate Banking Committee Will Hold A Hearing Titled: "Examining Proposals To Address Housing Affordability, Availability, And Other Community Needs." [U.S. Senate Committee on Banking, Housing, and Urban Affairs, accessed [03/08/24](#)]

In January 2024, Shelter Rose By 0.6 Percent According To The Consumer Price Index (CPI) Report, "Contributing Over Two Thirds Of The Monthly All Items Increase." "The index for shelter continued to rise in January, increasing 0.6 percent and contributing over two thirds of the monthly all items increase. [...] The index for owners' equivalent rent rose 0.6 percent over the month, while the index for rent increased 0.4 percent." [January 2024 Consumer Price Index Report, [02/13/24](#)]

Real Estate Daily News Dubbed The CPI's Shelter Data "More Volatil[e] Than Expected" As Shelter Cost "Ma[de] Up More Than 40% Of The 'Core' CPI." "January's Consumer Price Index (CPI) exhibited more volatility than expected and showed consumer prices picking up again. Core prices remained elevated, especially housing costs; the index for shelter was up 0.6% in January, following a 0.4% increase in December. That continued to put upward pressure on inflation because the index for shelter makes up more than 40% of the 'core' CPI." [Real Estate Daily News, [02/14/24](#)]

The Largest Single-Family Rental (SFR) Companies—Relying On A Business Model That Encourages Them To "Minimize Maintenance Costs And Maximize Rents And Fees"—Were Found To Have "Contribute[d] To The Racial Wealth And Homeownership Gaps," While "Adopt[ing] Policies And Practices That Do Not Benefit Renters."

The Single-Family Rental (SFR) Industry—With Four "Mega-Landlords," Including Invitation Homes, Progress Residential, AMH, And Tricon Residential—Has Been Accused Of "Egregious Practices" Facilitated By A Business Model That Encourages Them To "Minimize Maintenance Costs And Maximize Rents And Fees" To "Keep Payments To Bond Investors Rolling."

After A "Flurry Of Corporate Mergers," Four "Mega-Landlords" Have Emerged—Invitation Homes, Progress Residential, AMH, And Tricon Residential—Owning Over 225,00 Single-Family Houses In The United States. "The mega-landlords grew even more prominent through a flurry of corporate mergers. Today, four mega-landlords —Invitation Homes, Progress Residential, American Homes 4 Rent, and Tricon Residential—own more than 225,000 single-family houses in the U.S." [The Hill, [05/10/22](#)]

- **January 12, 2023: American Homes 4 Rent Rebranded To AMH.** "AMH, a leading single-family rental operator and top U.S. homebuilder previously known as American Homes 4 Rent, today

unveiled a new corporate brand identity that embraces its DNA with a modern outlook." [AMH, [01/12/23](#)]

These Mega-Landlords Have Been Accused Of "Egregious Practices," With Tenants Complaining Of "Neglected Maintenance, Excessive Rent Increases, And Capriciously Non-Renewed Leases." "But as the mega-landlords have exploded in size, so has the legion of families who rent single-family homes from them. And renters are calling attention to neglected maintenance, excessive rent increases, and capriciously non-renewed leases by the mega-landlords. While we must attend to their stifling effect on homeownership, we must also take this moment to protect the growing contingent of renters from mega-landlords' egregious practices." [The Hill, [05/10/22](#)]

Single-Family Rental (SFR) Companies Finance Their Growth "By Selling Billions Of Dollars In Bonds," Which Forces Them To "Minimize Maintenance Costs And Maximize Rents And Fees" In Order To "Keep Payments To Bond Investors Rolling." "These companies have financed their growth by selling billions of dollars in bonds – the rental-market equivalent of the mortgage-backed securities that led to the financial crisis – to pension funds and other big institutions. Industry critics say that to keep payments to bond investors rolling, companies like Invitation Homes must minimize maintenance costs and maximize rents and fees." [Reuters, [07/27/18](#)]

In June 2022, The House Financial Services Subcommittee On Oversight And Investigations Held A Hearing Where It Found That SFR Companies "Accelerate[d] Gentrification," And "Contribute[d] To The Racial Wealth And Homeownership Gaps," While "Adopt[ing] Policies And Practices That Do Not Benefit Renters."

June 28, 2022: The House Financial Services Subcommittee On Oversight And Investigations Hosted A Hearing Entitled: Where Have All The Houses Gone? Private Equity, Single Family Rentals, And America's Neighborhoods. [U.S. House Committee on Financial Services Democrats, [06/28/22](#)]

The Committee Conducted A Survey Of The Five Largest SFRs And Found That The Companies "Accelerate[d] Gentrification In Low-Income Neighborhoods And Communities Of Color, Displacing Longtime Residents" And "Dr[ove] Up Home Prices, And Contribute[d] To The Racial Wealth And Homeownership Gaps." "The business practices that allow the single-family rental home industry to operate effectively and at-scale have been shown to accelerate gentrification in low-income neighborhoods and communities of color, displacing longtime residents. Furthermore, the financial dominance of these large investment firms allows them to outcompete first-time homebuyers for affordable starter homes, drives up home prices, and contributes to the racial wealth and homeownership gaps. As the U.S. faces a worsening housing crisis, the Committee's survey data shows that these five companies are not affordably serving the households most acutely affected by the housing crisis." [The U.S. House of Representatives Committee on Financial Services, [06/28/22](#)]

The Survey Concluded That SFRs "Adopt[ed] Policies And Practices That Do Not Benefit Renters," Finding That "Tenant Rent Arrears Nearly Doubled" From 2018 To 2021, Along With Increasing Fees—"Including Late Fees, Despite Their Tenants Accruing Rental And Fee Arrears." "The Committee's survey also confirmed research that shows single-family rental home investors adopt policies and practices that do not benefit renters. The Committee's survey showed that tenant rent arrears nearly doubled and fee arrears more than doubled between 2018 and 2021; the survey also showed that these five companies proceeded to increase their fees on tenants during that same time, including late fees, despite their tenants accruing rental and fee arrears." [The U.S. House of Representatives Committee on Financial Services, [06/28/22](#)]

Invitation Homes

In July 2022, Invitation Homes—Which Owns 80,000 Homes As Of February 2024—Was Found To Have "Engaged In Abusive Tactics To Remove Tenants From Their Homes" During The COVID-19 Pandemic As Reporting Found The Company Has A History Of Renovating Homes Without Permits, Leading To "Shoddy Repairs And Maintenance" Putting Tenants At Risk, As The Company Raised Rents And Engaged In "Fee-Stacking" To Maximize Profits.

According To RentalRealEstate.Com, Invitation Homes Is The Largest Single-Family Rental Company In The U.S., Owning Over 80,000 Homes As Of February 2024 With A Market Capitalization Of Approximately \$21 Billion.

According To RentalRealEstate.com, Invitation Homes Is The Nation's Largest Single-Family Rental Company With Over 80,000 Homes As Of February 2024 And A Market Capitalization Of Approximately \$21 Billion:

1. Invitation Homes



Invitation Homes Key Statistics:

- Founded: 2012
- Headquarters: Dallas, Texas, USA
- Number of Homes: Over 80,000
- Geographic Reach: Western United States, Florida, and Southeast United States
- Market Capitalization: Approximately \$21 Billion+ (January 2024)

[RentalRealEstate.com, accessed [03/07/24](#)]

A July 2022 Select Subcommittee On The Coronavirus Crisis Investigation Found That Invitation Homes "Engaged In Abusive Tactics To Remove Tenants From Their Homes" During The COVID-19 Pandemic, Including "Downplay[ing] The Impact Of Its Pandemic Eviction Filings" To Its Government-Backed Creditor, Filing Eviction Notices "Even When A Tenant Had Applied For Rental Assistance," And Declining To Participate In Rental Assistance Programs As An Alternative To Eviction Filings.

July 28, 2022: The Select Subcommittee On The Coronavirus Crisis Found That Invitation Homes, Along With Three Other Companies, "Engaged In Abusive Tactics To Remove Tenants From Their Homes," With These Companies Filing A Total Of 14,744 Evictions In The First Months Of The Pandemic, All While Displaying "Evidence Of Financial Stability." "The Select Subcommittee found that the four companies under investigation—Pretium Partners (through its companies Progress Residential and Front Yard Residential) (Pretium), Invitation Homes, Ventron Management (Ventron), and The Siegel Group

(Siegel)—engaged in abusive tactics to remove tenants from their homes. The investigation revealed that these companies filed a total of 14,744 eviction actions between March 15, 2020, and July 29, 2021—nearly three times more than previously known. At the same time, these companies each displayed evidence of financial stability: Invitation Homes reported record profits, Pretium invested in significant expansions, Siegel experienced almost no revenue decline, and both Ventron and Siegel each received more than \$2 million in forgiven Paycheck Protection Program funds." [The Select Subcommittee on the Coronavirus Crisis, [07/28/22](#)]

Invitation Homes "Downplayed The Impact Of Its Pandemic Eviction Filings" To Fannie Mae, Its Major Government-Backed Creditor, Claiming That Only 6% Of Its Evictions Led To "Residents Losing Their Housing," While The Company's Own Data Showed That Around 27% Of Evictions Resulted In Tenants Losing Housing. "Invitation Homes downplayed the impact of its pandemic eviction filings to its major government-backed creditor. Invitation Homes responded to inquiries from representatives of Fannie Mae—the government-sponsored enterprise that supported Invitation Homes with \$1 billion in financing in 2017—about its pandemic eviction practices by downplaying their impacts. Invitation Homes told a Fannie Mae representative in March 2021 that only 6% of the company's eviction filings in the previous six months resulted in 'residents losing their housing,' but the company's own data for October 2020 through March 2021 show that approximately 27% of tenants whom it filed to evict in that period lost their housing either through court-ordered eviction or because they vacated or moved out of their homes after the eviction case was filed." [The Select Subcommittee On The Coronavirus Crisis via Web Archive, [July 2022](#)]

Invitation Homes Filed Eviction Notices "Even When A Tenant Had Applied For Rental Assistance And Was Waiting For Aid," Putting Tenants At Risk Of Losing Their Homes And Potentially Harming "Their Ability To Obtain Housing In The Future." "Ventron, Invitation Homes, Siegel, and Pretium had policies or practices that allowed filing eviction cases even when a tenant had applied for rental assistance and was waiting for aid. [...] While not unlawful in most states, these companies' decision to file such actions put tenants—very few of whom generally have legal representation—at risk of losing their homes while waiting for assistance and saddled tenants with records of public eviction filings that could harm their ability to obtain housing in the future." [The Select Subcommittee On The Coronavirus Crisis via Web Archive, [July 2022](#)]

In Addition, Invitation Homes Declined To Participate In Rental Assistance Programs As An Alternative To Eviction Filings, Claiming That The Programs Were "Insufficiently Generous." "Pretium and Invitation Homes had policies and practices of turning down rental assistance offers as an alternative to eviction filing under circumstances where the companies deemed rental assistance programs to be insufficiently generous. Invitation Homes declined to participate in a rental assistance program operated by Orange County, Florida and other programs that the company believed imposed unacceptable conditions or offered too little rental assistance to make participation worthwhile, such as Orange County's original \$4,000 maximum payment." [The Select Subcommittee On The Coronavirus Crisis via Web Archive, [July 2022](#)]

A July 2022 Washington Post Story Found That While Invitation Homes Claims To Provide "Top-Quality Homes," The Company Renovated Homes Without Building Permits, Which Can Lead To "Shoddy Repairs And Maintenance That Puts Tenants At Risk."

July 12, 2022: *The Washington Post* Published An Investigation Into Invitation Homes, Finding That Despite Its Claims Of Providing "Top-Quality Homes," The Company Renovated Homes Without Building Permits. "Top-quality homes,' it promises prospective renters, 'maintained by top-level professionals.' Yet some of the company's homes have missed basic quality checks: Renovations at the company's rapidly assembled collection of 80,000 homes often were made without building permits, according to a review of Invitation Homes properties in several states, a California lawsuit and a Washington Post analysis of building data in three cities." [Washington Post, [07/12/22](#)]

By Skipping Building Permits, Invitation Homes Was Able To "Avoid Costly Delays And Save Millions In Fees" But Has "Led To Shoddy Repairs And Maintenance That Puts Tenants At Risk." "Skipping building permits may have allowed the company to avoid costly delays and save millions in fees, according to estimates based on the number of company homes. But forgoing the permits, which are required by city codes to ensure quality and safety, has led to shoddy repairs and maintenance that puts tenants at risk, renters said." [Washington Post, [07/12/22](#)]

A 2018 Reuters Story Found That On Top Of Suffering From "Leaky Pipes, Vermin, Toxic Mold, Nonfunctioning Appliances And Months-Long Waits For Repairs," Invitation Homes Has Been Accused Of "Fee-Stacking" And "Excessive Rent Increases."

A Series Of Interviews Conducted By Reuters Revealed That Tenants Of Invitation Homes Suffer From "Leaky Pipes, Vermin, Toxic Mold, Nonfunctioning Appliances And Months-Long Waits For Repairs." "Invitation Homes pitches itself as a singular landlord providing unprecedented ease and comfort for renters of its tens of thousands of single-family homes. But in interviews with scores of the company's tenants in neighborhoods across the United States, the picture that emerges isn't as much one of exceptional service as it is one of leaky pipes, vermin, toxic mold, nonfunctioning appliances and months-long waits for repairs." [Reuters, [07/27/18](#)]

In A May 2018 Class-Action Lawsuit Filed In The U.S. District Court For Northern California, Tenants Accused Invitation Homes Of "Fee-Stacking," All While Experiencing "Excessive Rent Increases." "Tenants also complain about excessive rent increases and fees that can add up to hundreds of dollars a year. In a proposed class-action lawsuit filed in May in the U.S. District Court for Northern California, renters accuse the company of 'fee-stacking.' They allege that Invitation Homes charges tenants \$95 if their rent is one minute late – even if the late payment is due to the company's own nonfunctioning online payment portal – and then files an eviction notice to add more fees, penalties and legal costs if the tenant wants to stay in the home." [Reuters, [07/27/18](#)]

- **Some Tenants Reported Seeing Their Rent Increase By As Much As 50% Over Three Years.** "Some renters, like Willie Jean Brister in Los Angeles, have seen their rent increase by as much as 50 percent over three years." [Reuters, [07/27/18](#)]

During FY 2023, Invitation Homes Saw Its Net Income Increase 35% YoY To Over \$521 Million As It Acquired 2,877 Homes, While Its CEO Boasted Of Its "Information Advantage" That Would Benefit The Company's Potential Future Acquisitions.

In Q4 2023, Invitation Homes Saw Its Net Income Increase By 28% YoY To Nearly \$130 Million As Its FY 2023 Income Jumped By 35% YoY To Over \$521 Million.

In Q4 2023, Invitation Homes Saw Its Net Income Climb By 28% YoY To Nearly \$130 Million, While Its FY 2023 Jumped By 35% YoY To Over \$521 Million:

	<u>Q4 2023</u> (unaudited)	<u>Q4 2022</u> (unaudited)	<u>FY 2023</u> (unaudited)	<u>FY 2022</u>
Net income	129,941	100,862	521,028	384,799

[Invitation Homes, [02/13/24](#)]

In 2023, Invitation Homes Acquired 2,287 Homes Spending Over \$842 Million As Its CEO And Co-Founder Dallas Tanner Boasted During Its Q4 2023 Earnings Call The Company Held "An Information Advantage" For Potential Future Acquisitions.

During 2023, Invitation Homes Acquired 2,877 Homes. "Acquisition spend increased by \$405.0 million from period to period due to an increase in the number of homes acquired from 1,423 during the year ended December 31, 2022 to 2,877 homes acquired during the year ended December 31, 2023." [Securities and Exchange Commission, [02/21/24](#)]

This Included The Company Acquiring 2,257 Homes For \$842 Million In Q3 2023, Including A Previously Announced Acquisition Of 1,870 Homes In July 2023. "Invitation Homes acquired 2,257 homes in the third quarter for \$842 million, which is nearly twice the company's prior record for acquisition volume in a single quarter. This includes a previously announced acquisition of a portfolio of 1,870 homes in July but also includes 387 homes purchased through other deals that match the general volume of acquisition activity the company normally executes." [Morning Star, [10/31/23](#)]

February 2024: During Its Q4 2023 Earnings Call, Company CEO And Co-Founder Dallas Tanner Boasted The Company Holds "An Information Advantage" For Potential Future Acquisitions. "Most importantly, as in other REIT subsectors, we expect professional management can help us create a pipeline of potential future acquisition opportunities for homes about which we'll have an information advantage." [Seeking Alpha, [02/14/24](#)]

Since January 2023, Invitation Homes Has Paid At Least \$10.8 Million In Civil Penalties And Redress Over Allegations The Company Broke California State Tenant Protection And Price-Gouging Laws And Illegally Charged "Exorbitant" Late Fees—Meanwhile, Tenants Across Charlotte, NC Protested Outside Its Charlotte Office Over Living Conditions, With One Tenant Even Being Forced To Start A Go Fund Me To Help With Moving Expenses After A Rental Unit Was Deemed "Uninhabitable" By Code Enforcement Officials.

In January 2024, Invitation Homes Agreed To Pay \$3.72 Million, Including Over \$2 Million In Civil Penalties And Over \$1.6 Million In Redress After California Attorney General Rob Bonta Accused The Company Of Violating Tenant Protection And Price-Gouging Laws After Illegally Raising Rent On 1,900 Homes From October 2019 To October 2022.

January 2024: Invitation Homes Agreed To Pay \$3.72 Million In Civil Penalties After California Attorney General Rob Bonta Accused The Company Of Violating Tenant Protection And Price-Gouging Laws After Unlawfully Raising Rents On 1,900 Homes From October 2019 To October 2022. "Invitation Homes, the largest owner of single-family homes in the Bay Area, has agreed to pay \$3.72 million in civil penalties and refunds to resolve allegations that it illegally raised the rents on hundreds of homes. The payment settles a lawsuit filed by California Attorney General Rob Bonta against the Dallas-based company, alleging it violated the tenant protection and price-gouging laws by unlawfully raising rents on some 1,900 homes between October 2019 and October 2022." [The San Francisco Standard, [01/10/24](#)]

As Part Of The Settlement, Invitation Homes Agreed To Pay Over \$2 Million In Penalties And Refund Or Credit Tenants For \$1.68 Million. "As part of the settlement, Invitation Homes is paying \$2.04 million in civil penalties and has also pledged to refund or credit tenants the amount it collected in excess of state rent caps plus 5%, totaling more than \$1.68 million." [The San Francisco Standard, [01/10/24](#)]

In November 2023, A Texas Judge Approved A \$7.5 Million Class Action Settlement With Invitation Homes Over Its Practice Of Charging "Exorbitant" Late Fees, With Some Amounting To The Equivalent Of A 642% Annual Interest Rate.

November 2023: A Texas Judge Approved A \$7.5 Million Class Action Settlement With Invitation Homes Over What Tenants Called "Unjustified Fees." "A Texas federal gave preliminary approval to a \$7.5 million settlement in a class action brought by single-family home tenants against Invitation Homes Inc. over what they said were unjustified fees." [Law360, [12/01/23](#)]

Members Of The Class Action Lawsuit Alleged Invitation Homes Charged "Exorbitant" Fees That Were Well Above The Cost Of Living In A Particular State, Such As A \$95 Late Fee In The State Of Colorado Which Amounted To A 642% Annual Interest Rate On A \$2,699 Rent. "Per the lawsuit, the late fees charged by Invitation Homes are exorbitant when considered in relation to the cost of living in a particular state. For instance, the suit says, a typical rent payment in Colorado could be \$2,699 per month. If a tenant were to pay their rent to the defendant just two days late, the company could charge the individual a minimum \$95 penalty, which amounts to 'a 642% annual interest rate on that \$2,699 original balance,' the case states." [ClassAction.org, accessed [03/06/24](#)]

The Settlement Covered Residents In 10 States Including Arizona, Colorado, Florida, Georgie, Illinois, Nevada, North Carolina, Tennessee, Texas, And Washington State. "The lawsuit looks to cover 10 state-specific classes comprised of Invitation Homes tenants in Arizona, Colorado, Florida, Georgia, Illinois, Nevada, North Carolina, Tennessee, Texas and Washington who were charged penalties or fees for paying rent deemed by the defendant as late or deficient." [ClassAction.org, accessed [03/06/24](#)]

In January 2023, Tenants Of Invitation-Owned Properties In Charlotte, NC Staged Protests Outside Its Charlotte Office Over Poor Living Conditions, With A November 2023 Story By The Charlotte Observer Covering A Single-Mother Who Was Forced To Start A Go Fund Me After Having To Vacate A Home Owned By Invitation Deemed "Uninhabitable" By Code Enforcement.

January 2023: Invitation Home Tenants In Charlotte, NC Protested Poor Living Conditions At The Company's Offices In Charlotte. "Tenants are making it clear they're not happy. 'No accountability from the landlords...that ain't right!' chanted demonstrators. They are protesting what they call poor living conditions, pointing the finger at a corporate landlord that owns property they call home. Invitation Homes has properties in Charlotte and throughout the country, so protestors were at their Charlotte Office from far and wide." [WBTV 3 News, [01/25/23](#)]

Neighborhood Assistance Corporation Of America (NACA) Executive Director Erick Exum Told WBTV That Companies Like Invitation Homes Are "Widening The Wealth Disparity Gap In Black And Latino Communities" As Tenants Raised "Foundational Issues, Plumbing Issues And AC Issues" Of Rented Properties. "Erick Exum, the National Director for the Neighborhood Assistance Corporation of America or 'NACA' said, 'they're widening the wealth disparity gap in Black and Latin American communities through intentional greed and it's absolutely unacceptable.' Housing advocates and tenants took their concerns to the

office doors of Invitation Homes, expressing bad living conditions. 'Foundational issues, plumbing issues, ac issues,' said Lineberger." [WBTB 3 News, [01/25/23](#)]

November 2023: The Charlotte Observer Covered A Story Of A Single Mother Who Was Living In A Property Owned By Invitation Homes That Was Deemed "Uninhabitable" By Charlotte Code Enforcement, Paying \$2,600 Month In Rent. "Tiffany Fitzgerald was paying \$2,600 a month for a five-bedroom rental house she didn't live in. The single mother of a teenage boy and girl lived in Charlotte-area Airbnb properties for weeks because of a gaping hole in the ceiling and other issues with the property. There is extensive water damage in one bathroom. Mold is present. The home has little working electricity, and the kitchen is not functional for cooking. The Invitation Homes-owned property has been in disrepair for months and Charlotte code enforcement recently deemed the house uninhabitable." [The Charlotte Observer, [11/21/23](#)]

After Contacting The Charlotte Observer, Invitation Homes Agreed To A Settlement With The Tenant, Who Was Also Forced To Start A Go Fund Me To Help With Moving Expenses. "After contacting The Charlotte Observer and what she described as a 'nightmare over the last three weeks,' she was able to secure a rental home in Matthews not associated with Invitation Homes and was freed from her lease. She and the company agreed to a financial settlement, and Fitzgerald said she's sharing her story so other families don't experience the same issue. [...] A GoFundMe was started for Fitzgerald to help cover moving expenses. As of Monday, \$2,215 had been donated toward a \$3,000 goal. In posts on the fundraising page, she describes trying to navigate "this nightmare over the last three weeks." [The Charlotte Observer, [11/21/23](#)]

AMH (Formerly American Homes 4 Rent)

According To RentalRealEstate.Com, AMH Or American Homes 4 Rent, Is The Second Largest Single-Family Rental Company As Of February 2024 With Over 59,000 Homes Owned.

AMH, Formerly American Homes 4 Rent, Is The Second Largest Single-Family Rental Company In The U.S, Owning Over 59,000 Units Across The Country.

According To RentalRealEstate.com, AMH—Formerly Known As American Homes 4 Rent—Owns Over 59,000 Homes Across The Southeast, Midwest, Southwest And Mountain West Regions As Of February 2024:

2. AMH (American Homes 4 Rent)

AMH Key Statistics:

- Founded: 2012
- Headquarters: Las Vegas, Nevada, USA
- Number of Properties Owned: Over 59,000
- Geographic Reach: Southeast, Midwest, Southwest and Mountain West regions of the United States.
- Number of Employees: 2,000+



[RentalRealEstate.com, accessed [03/07/24](#)]

AMH, Formerly Known As American Homes 4 Rent, Violated The Fair Housing Act In 2017 And Was Accused Of "Driv[ing] Up Housing Costs For Millions Of American Families."

AMH, Previously Known As American Homes 4 Rent, Is The Second Largest Single Family Home Rental Company, Owning Around 59,000 Properties.

January 12, 2023: American Homes 4 Rent Rebranded To AMH. "AMH, a leading single-family rental operator and top U.S. homebuilder previously known as American Homes 4 Rent, today unveiled a new corporate brand identity that embraces its DNA with a modern outlook." [AMH, [01/12/23](#)]

December 3, 2015: AMH Acquired American Resident Properties For \$1.5 Billion, Becoming The Second Largest Single Family Home Rental Company At The Time. "American Homes 4 Rent agreed Thursday to combine with American Residential Properties in a \$1.5 billion acquisition, among the biggest deals yet in a year ripe with single-family home-rental consolidation. The combined company will own more than 47,000 homes in the United States, just shy of the 50,000 homes that the Blackstone Group rents through its Invitation Homes, which is the largest owner of single-family rental homes in the country." [The New York Times, [12/03/15](#)]

In January 2017, The U.S. Department Of Housing And Urban Development (HUD) Filed A Charge Of Discrimination Against American Homes 4 Rent For "Violat[ing] The Fair Housing Act," with HUD Ordering AMH To Pay A Civil Penalty Of \$16,000 For Each Violation Of The Fair Housing Act.

January 29, 2017: The U.S. Department Of Housing And Urban Development Filed A Charge Of Discrimination Against American Homes 4 Rent For "Violat[ing] The Fair Housing Act," Discriminating Based On Disability, And Retaliation "By Refusing To Make Maintenance Repairs In A Timely Matter."

I. JURISDICTION

On or about July 16, 2015, [REDACTED] ("Complainant [REDACTED]") filed a verified complaint with the United States Department of Housing and Urban Development alleging Respondents American Homes 4 Rent Management Holdings, LLC; AH4R Management – OK, LLC; AMH 2015-1 Borrower, LLC; Sarah Khoury ("Respondent Khoury"); and Tony Chesser¹ violated the Fair Housing Act, as amended, 42 U.S.C. §§ 3601 *et seq.* (the "Act"), based on disability² by failing to grant his reasonable accommodation request to waive the pet deposit fee for his emotional support animal and by retaliating against him by refusing to make maintenance repairs in a timely manner. On or about July 20, 2015, Complainant [REDACTED] amended his complaint to update registered agent information. On or about January 29, 2016, Complainant [REDACTED] amended his complaint to include allegations that Respondents imposed discriminatory terms, conditions, privileges, or services and facilities in violation of 804(f)(2). Complainant [REDACTED] amendments also included the removal of American Homes 4 Rent, LP, as a

[U.S. Department Of Housing And Urban Development, [01/27/17](#)]

HUD Ordered AMH "Take All Affirmative Steps Necessary To Remedy The Effects Of Illegal Discrimination," Compensate The Complainant For Damages, And Pay A Civil Penalty Of \$16,000 For Each Violation Of The Fair Housing Act.

III. CONCLUSION

WHEREFORE, the Secretary of the U.S. Department of Housing and Urban Development, through the Office of the General Counsel, and pursuant to 42 U.S.C. § 3610(g)(2)(A) of the Act, hereby charges Respondents with engaging in discriminatory housing practices in violation of § 3604(f)(2), as defined by §3604(f)(3)(B), of the Act, and prays that an order be issued that:

1. Declares that the discriminatory housing practices of Respondents, as set forth above, violate the Fair Housing Act, 42 U.S.C. § 3601, *et seq.*;
2. Enjoins Respondents and their agents, employees, successors, and all other persons in active concert or participation with her, from discriminating because of disability in

any aspect of the sale, rental, use, or enjoyment of a dwelling pursuant to 42 U.S.C. § 3612(g)(3);

3. Mandates Respondents and their agents, employees, successors, and all other persons in active concert or participation with it, take all affirmative steps necessary to remedy the effects of the illegal, discriminatory conduct described herein and to prevent similar occurrences in the future;
4. Requires Respondents to attend training that addresses the Fair Housing Act's prohibitions against disability discrimination;
5. Awards such damages pursuant to 42 U.S.C. § 3612(g)(3) as will fully compensate Complainant for damages caused by Respondents' discriminatory conduct;
6. Awards a civil penalty of \$16,000 against each Respondent for each violation of the Act, pursuant to 42 U.S.C. § 3612(g)(3) and 24 C.F.R. § 180.671; and
7. Awards such additional relief as may be appropriate under 42 U.S.C. § 3612(g)(3).

[U.S. Department Of Housing And Urban Development, [01/27/17](#)]

In January 2022, Senator Elizabeth Warren (D-MA) Authored a Letter To AMH's CEO Regarding Its Role In "Driv[ing] Up Housing Costs For Millions Of American Families" All While Seeing A "History Of Complaints Made Against You By Your Tenants For Cutting Corners On Maintenance Requests And Excessive Fees."

January 13, 2022: U.S. Senator Elizabeth Warren Wrote A Letter To The CEO Of AMH Regarding Her "Concern That Your Business Practices Have Driven Up Housing Costs For Millions Of American Families." "I write regarding my concern that your business practices have driven up housing costs for millions of American families, and to request information regarding your company's recent activities in the housing market. Our country faces an unprecedented affordable housing supply shortage." [U.S. Senator Elizabeth Warren, [01/13/22](#)]

Warren Expressed Her "Particular Concern" That AMH's CEO Touted A National Housing Shortage As Providing The "Backdrop For Continued Long-Term Rental Demand Growth." "I am particularly concerned with the role your company, American Homes 4 Rent, has played in keeping affordable housing out of reach out of reach for American families. In a recent earnings call, you noted that '[t]oday, the national housing shortage sits at more than 4 million homes,' and that '[t]his coupled with our single-family rental value proposition provides the backdrop for continued long-term rental demand growth.'" [U.S. Senator Elizabeth Warren, [01/13/22](#)]

Warren Added That "The History Of Complaints Made Against You By Your Tenants For Cutting Corners On Maintenance Requests And Excessive Fees" Has Added To AMH's Increased Net Income From Single Family Rentals In 2021. "Taking advantage of this shortage, your company has increased its net income from single family rentals by over 63% over the last year, increasing rents by over 10%. Considering

the history of complaints made against you by your tenants for cutting corners on maintenance requests and excessive fees, I fear that these poor business practices have also contributed to your increased revenue.”
 [U.S. Senator Elizabeth Warren, [01/13/22](#)]

During 2023, AMH Saw Its Net Income Climb By Nearly 40% YoY To Over \$432.1 Million, With The Company Spending \$13.9 Million On Shareholder Dividends And \$12.8 Million On Acquisitions.

During FY 2023, AMH's Net Income Climbed Nearly 40% YoY To Over \$432.1 Million, Spending \$13.9 Million On Shareholder Dividends And \$12.8 Million On Acquisitions.

During FY 2023, AMH Saw Its Net Income Climb To Over \$432.1 Million, A Nearly 40% Increase YoY From \$310 Million In 2022:

	For the Three Months Ended		For the Years Ended	
	December 31,		December 31,	
	2023	2022	2023	2022
Net income	90,937	103,791	432,142	310,025

[AMH, [02/22/24](#)]

During 2023, AMH Spent \$13.9 Million On Shareholder Dividends:

	For the Three Months Ended		For the Years Ended	
	December 31,		December 31,	
	2023	2022	2023	2022
	(Unaudited)	(Unaudited)	(Unaudited)	
Dividends on preferred shares	3,486	3,486	13,944	17,081

[AMH, [02/22/24](#)]

According To Its Press Release, AMH's Q4 2023 Revenue Climbed By 5.5% YoY, "Driven By A 6.1% Increase In Average Monthly Realized Rent." "For the Company's Same-Home portfolio, core revenues increased 5.5% to \$302.7 million for the fourth quarter of 2023, compared to \$286.9 million for the fourth quarter of 2022, which was driven by a 6.1% increase in Average Monthly Realized Rent per property, partially offset by a 70 basis point decrease in Average Occupied Days Percentage." [AMH, [02/22/24](#)]

According To Its 2023 Annual Report, AMH Spent \$12.8 Million Acquiring 47 Single-Family Properties In 2023. "For the year ended December 31, 2023, the Company purchased 47 single-family properties treated as asset acquisitions for accounting purposes for a total purchase price of \$12.8 million, net of holding costs, which was included in cash paid for single-family properties within the consolidated statement of cash flows." [Securities and Exchange Commission, [02/23/24](#)]

In 2023, AMH Paid Two Outside Firms \$130,000 To Lobby Against Pieces Of Legislation Aimed At Addressing The Housing Affordability Crisis, Including S. 3402, The End Hedge Fund Control Of American Homes Act, And S.2224, TheStop Predatory Investing Act.

In 2023, AMH Paid Outside Firms At Least \$130,000 To Lobby On Affordable Housing Issues, Including Against Two Pieces Of Legislation Aimed At Addressing The Housing Affordability Crisis.

During 2023, AMH Paid Outside Firms At Least \$130,000 To Lobby Against Two Pieces Of Legislation Aimed At Addressing The Affordable Housing Crisis, Including S. 3402 End Hedge Fund Control Of American Homes And S.2224 Stop Predatory Investing Act:

Registrant	Client	Period	Relevant Issues	Amount
Fierce Government Relations	American Homes 4 Rent	Q4 2023	H.R. 6608- End Hedge Fund Control of American Homes Act, S. 3402- End Hedge Fund Control of American Homes Act	\$30,000
Fierce Government Relations	American Homes 4 Rent	Q3 2023	General Housing Issues, S.2224 - Stop Predatory Investing Act	\$30,000
Winning Strategies Washington	American Homes 4 Rent	Q4 2023	Issues related to affordable housing	\$20,000
Winning Strategies Washington	American Homes 4 Rent	Q3 2023	Issues related to affordable housing	\$20,000
Winning Strategies Washington	American Homes 4 Rent	Q2 2023	Issues related to affordable housing	\$20,000
Winning Strategies Washington	American Homes 4 Rent	Q1 2023	Issues related to affordable housing	\$10,000
TOTAL:				\$130,000

- **S. 2224, TheStop Predatory Investing Act, Was Introduced By Sen. Sherrod Brown (D-OH) And Would Amend The Internal Revenue Service (IRS) Code Of 1986 "To Deny Interest And Depreciation Deductions For Taxpayers Owning 50 Or More Single Family Properties."** [Congress.gov, accessed [03/07/24](#)]
- **S. 2224 Is Endorsed By Numerous Consumer And Renter Advocacy Groups Including Americans For Financial Reform, The National Housing Resource Center And The National Low Income Housing Coalition, Among Others.** [Senate Banking Committee, accessed [03/07/24](#)]
- **S. 3402, The End Hedge Fund Control Of American Homes Act, Was Introduced By Sen. Jeff Merkley (D-OR) And Would "Impos[e] An Excise Tax On Hedge Fund Taxpayers That Own A Certain Number Of Single-Family Residences."** "This bill imposes an excise tax on hedge fund taxpayers that own a certain number of single-family residences in excess of a specified amount. The bill establishes the Housing Downpayment Trust Fund into which tax revenues from this bill shall be deposited to provide grants for down payment assistance to taxpayers purchasing a single-family residence." [Congress.gov, accessed [03/07/24](#)]

Equity Residential

According To The National Multifamily Housing Council (NMHC), Equity Residential Is The Fifth Largest Owner Of Multifamily Units, Identified By Accountable.US As The Third Largest Publicly Traded Landlord Owning Nearly 80,000 Units In 2023.

According To The National Multifamily Housing Council (NMHC), Equity Residential Is The Fifth Largest Owner Of Multifamily Units, Operating Nearly 80,000 Units In 2023.

Chicago-Based Equity Residential Is The Fifth Largest And Third Largest Multifamily Company Based On Units Owned, Operating Nearly 80,000 Units In 2023:

Owner Rank 2023	Owner Rank 2022	Company Name	Units Owned 2023	Units Owned 2022	Corporate Officer	HQ City	HQ State
		[...]					
5	6	Equity Residential	79,594	80,407	Mark Parrell	Chicago	IL

[National Multifamily Housing Council, accessed [03/06/24](#)]

During FY 2023, Equity Residential's Net Income Climbed To Over \$868 Million, With Its Q4 2023 Results Climbing By 95% YoY To Over \$322 Million, Using \$179.9 Million To Acquire 634 Units In Atlanta, GA And An Additional \$49.1 Million On Stock Buybacks During Q4 2023.

During FY 2023, Equity Residential's Net Income Increased By 7% YoY To Over \$868.4 Million As It Spent \$49.1 Million On Stock Buybacks In Q4 2023.

During FY 2023, Equity Residential Saw Its Net Income Jump 7% YoY To Over \$868.4 Million:

	Year Ended December 31,		Quarter Ended December 31,	
	2023	2022	2023	2022
Net income	868,488	806,995	322,269	165,354

[Equity Residential, [01/30/24](#)]

During Q4 2023, Equity Residential Spent \$49.1 Million On Stock Buybacks, With Its Board Of Trustees Approving An Additional Repurchase Of 13 Million Shares:

- During the fourth quarter of 2023, the Company repurchased and retired 864,386 of its common shares, at a weighted average purchase price of \$56.79 per share, for an aggregate purchased amount of approximately \$49.1 million. Following this repurchase activity, the Company's Board of Trustees approved replenishing the Company's share repurchase program authorization back to its original 13.0 million shares.

[Equity Residential, [01/30/24](#)]

During Q3 2023, Equity Residential Spent \$179.7 Million Acquiring Two Atlanta Properties, Adding 634 Units To Its Portfolio.

According To Its Q3 2023 Earnings Report, Equity Residential Acquired Richmond Row Apartments In Atlanta, GA For \$98 Million, Adding 344 Units To Its Portfolio With Its Monthly Rents Ranging From \$1,355 To \$2,990. "Like its REIT peer Arlington, Virginia-based AvalonBay Communities, Equity Residential has designs on bulking up its apartment portfolio in the Sun Belt. And as more properties come online in the region in the next couple of years, the Chicago-based REIT should have plenty of opportunities to make acquisitions. EQR got a head start in the third quarter with the acquisition of the Richmond Row apartment property in Suwanee, Georgia, for \$98 million, according to its third-quarter earnings report. The 344-unit asset has access to Interstate 95 and the median household income in the area and among its residents is around \$100,000. Its monthly rents range from \$1,355 to \$2,990, according to Apartments.com." [Multifamily Dive, [12/21/23](#)]

Equity Residential Also Purchased The Baxter, A 290-Unit Complex In Decatur, Georgia For \$81.7 Million Where Monthly Rents Average \$1,560 To \$3,480. "In addition, EQR bought The Baxter, a 290-unit property built in 2019 in Decatur, Georgia, for approximately \$81.7 million at an acquisition cap rate of 5.1%. The REIT assumed low-cost debt on the transaction. The four-story property has rents between \$1,560 and \$3,480, according to Apartments.com." [Multifamily Dive, [12/21/23](#)]

In 2023, Equity Residential Was Named In Two Suits Over Allegedly Participating In A Scheme With Other Landlords To Illegally Raise Prices Through The Third-Party Company RealPage, In What A Class Action Lawsuit Dubbed A "Cartel" Of Price-Setting.

In November 2023, Equity Residential Was One Of 14 Landlords Named In A Lawsuit Filed By D.C. Attorney General Brian Schwalb Alleging That Landlords Gave Price-Setting Authority To RealPage In A Scheme To Raise Rent For Tens Of Thousands Of D.C. Residents, Costing Renters Millions Of Dollars.

November 2023: D.C. Attorney General Brian Schwalb Launched A Lawsuit Against RealPage, Inc. And 14 Corporate Landlords For Allegedly "Scheming To Illegally Raise Rent For Tens Of Thousands Of Renters" By "Delegating Price-Setting Authority To RealPage" Costing Renters Millions Of Dollars. "A lawsuit has been launched against RealPage, Inc. and 14 of the largest residential landlords across the District by the attorney general for scheming to illegally raise rent for tens of thousands renters. According to Attorney General Brian Schwalb, the lawsuit states that the scheme involves them collectively delegating price-setting authority to RealPage, which used a centralized pricing algorithm to inflate prices, costing renters millions of dollars." [WUSA9 News, [11/01/23](#)]

- **RealPage Is A Technology Services Company That Offers Property Managers "Revenue Management Products That Employ Statistical Models That Use Data—including Non-Public, Competitively Sensitive Data—to Estimate Supply And Demand For Multifamily Housing."** "RealPage offers a variety of technology-based services to real estate owners and property managers including revenue management products that employ statistical models that use data—including non-public, competitively sensitive data—to estimate supply and demand for multifamily housing that is specific to particular geographic areas and unit types, and then generate a "price" to charge for renting

those units that maximizes the landlord's revenue." [Office of the Attorney General for the District of Columbia, [11/01/23](#)]

Equity Residential Was One Of The 14 Landlords Named In The Suit. "The 14 landlords named in the lawsuits are Avenue5 Residential, LLC, AvalonBay Communities, Inc., Bell Partners, Inc., Bozzuto Management Company, Camden Summit Partnership L.P., Equity Residential Management, LLC, Gables Residential Services, Inc., GREP Atlantic, LLC, Highmark Residential, LLC, JBG Smith Properties, LP, Mid-America Apartments, LP, Paradigm Management II, LP, UDR, Inc., and William C. Smith & Co., Inc." [WUSA9 News, [11/01/23](#)]

Equity Residential Was Also Named In An April 2023 Class Action Lawsuit Alleging RealPage "Allowed Formation Of A Cartel" After Landlords Conspired With The Third-Party To Keep Rent Prices Higher Across Multiple States In The Country.

April 2023: Equity Residential Was Named In A Class Action Lawsuit Filed Across Multiple States Alleging Landlords Had Conspired With RealPage, Inc. In Order To Keep Rent Prices Higher. "A class action lawsuit in multiple states accuses some of the nation's largest leasing companies of colluding with a third party to keep rent prices high. [...] Other companies being sued include RealPage Inc., Greystar Real Estate Partners, Lincoln Property Management, Avenue5 Residential, Equity Residential, Essex Property Trust, Thrive Communities Management and Security Properties. [...] At the center of the allegations made in the suit is RealPage. The lawsuit states that until 2016, the companies (described as 'Lessors') were trying to gain a renters business by offering attractive prices." [ABC15 News, [04/26/23](#)]

The Lawsuit Alleges RealPage "Allowed For The Formation Of A Cartel Where The Companies Could 'Collude And Avoid Competition,'" Raising Rents For Renters. "That third party is RealPage, which the suit claims allowed for the formation of a cartel where the companies could "collude and avoid competition, increasing lease prices to Plaintiffs and other members of the proposed Class." [ABC15 News, [04/26/23](#)]