



This photo taken on February 14, 2023 shows a house for rent in Washington, D.C.

(Photo: Aaron Schwartz/Xinhua via Getty Images)

## Corporate Landlords' Profits Soar as Tenants Drown in Rent Hikes and Fees

**"Through-the-roof rent hikes based on greed—not need—have kept many Americans from getting ahead," said one advocate at Accountable.US.**

[Julia Conley](#)

Jun 12, 2024

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With monthly inflation down to its lowest point in more than two years and heading toward the Federal Reserve's target, the Biden administration on Wednesday [celebrated](#) "welcome progress."

But an analysis from Accountable.US showed how more than [100 million people](#) who rent their homes in the U.S. are not seeing the benefits of what one Biden spokesperson called "the great American comeback" in their housing costs, particularly millions of people whose homes are owned by corporate landlords.

The government watchdog found that the six largest corporate landlord companies brought in close to a combined \$300 million in increased profits in the first quarter of 2024, with the profits mostly stemming from rent hikes.

Overall in the U.S., rent prices have skyrocketed by 31.4% since 2019 while wages have increased by just 23%, meaning tenants need to earn nearly \$80,000 per year to keep from being rent-burdened and spending 30% or more of their income on rent.

The six companies included in the Accountable.US analysis on Wednesday have more than rent increases in common: They have all faced lawsuits regarding their use of the property management software company RealPage, which is alleged to have used an algorithm to fix rent prices, impacting about [16 million rental units](#) in the United States.

The largest net income increase Accountable.US found among the six corporate landlords was that of Camden Property Trust, which increased its net income by 97% in the first quarter of this year to \$85.8 million. The company spent \$50 million on stock buybacks that it said were made possible by its "weighted average monthly rental rate," which went up nearly 2% year over year.

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Essex Property Trust increased its net income by 76% year over year to more than \$285 million, also raising rents by 2.1%, while Equity Residential's income jumped 39% to \$305 million as it increased its rental rates by 3.4%, with tenants paying an average of \$3,077.

AvalonBay Communities saw its net income increase 18% to \$173.6 million, apparently owing both to its "rental and other income" revenue going up by 5.6% and its "management, development, and other fees" for tenants soaring by 68.4% to nearly \$1.8 million.

"Big corporate landlords have kept right on raising rent on everyday families regardless of how high their profits have grown. Adding insult to injury, many landlords rewarded a small group of wealthy investors with new handouts at the expense of struggling tenants," said Liz Zelnick, director of the economic security and corporate power program at Accountable.US.

The group's analysis was released weeks after the Federal Bureau of Investigation conducted a raid on an Atlanta-based property management firm in the Department of Justice's antitrust investigation into RealPage regarding "allegations of a nationwide conspiracy to artificially inflate apartment rents."

As *Competition Policy International (CPI)* [reported](#) earlier this month, "RealPage's system, which provides rental price recommendations based on real-time data from landlords, is alleged to be a key tool in manipulating the rental market. The firm's influence covers 70% of multifamily apartment buildings."

"The scheme purportedly operated by encouraging landlords to adopt RealPage's pricing recommendations, a practice they follow 80-90% of the time," reported *CPI*. "This coordinated approach reduces the availability of rental units, driving up prices. One of the architects of RealPage's system reportedly stated that the aim is to prevent landlords from undervaluing their properties, ensuring consistently higher rents across the board."

Zelnick said it was "unsurprising that some of the same companies that needlessly inflated housing costs have worked closely with a software company accused of helping landlords coordinate a massive price fixing scheme. Through-the-roof rent hikes based on greed—not

need—have kept many Americans from getting ahead, which is why Congress must do more to support the Biden administration's affordable housing actions."

President Joe Biden has [urged](#) Congress to pass legislation to stop price gouging by landlords and to build millions of affordable rental units.