



NRHC Statement on Senate Banking Committee Hearings

Washington, D.C. (February 10, 2022) – This week the U.S. Senate Committee on Banking, Housing, and Urban Affairs held hearings designed to bring attention to the role of institutional owners in the rental housing industry. While the National Rental Home Council (NRHC) encourages and welcomes constructive engagement with policymakers and government officials at all levels, this week’s hearings neglected to provide a balanced view of the essential role that single-family rental home companies play in today’s housing market.

“There is a greater need for quality, affordably-priced housing in the United States today than there has been in decades, and single-family rental home companies are an important part of the solution,” said David Howard, executive director of NRHC. “The fact is the American housing market is critically undersupplied. By making long-term commitments to the communities in which they invest and build, single-family rental home companies – large and small – are providing families with more options for stable, quality, and affordably-priced housing in neighborhoods that might otherwise not be accessible to them.”

“As for the assertion that ‘large institutional owners’ are somehow influencing local or national housing market dynamics, the data clearly shows this is not the case. NRHC members, which include America’s leading single-family rental home companies, collectively own less than 1.2% of the single-family rental homes in the country, less than 0.6% of the rental housing, and less than 0.2% of the overall housing. Further, the three largest institutional owners in the single-family rental home industry account for less than one percent of the market.”

Demand for single-family rental housing is on the rise:

- There are **870,000 more renter households** today than there were at the beginning of the COVID health pandemic. (Harvard’s Joint Center for Housing Studies)
- In 2020, there were **65,000 entry-level homes built** in the United States. During the 1970s the number of entry-level homes built in the United States routinely surpassed 420,000 annually. (Bipartisan Policy Center)
- Over the last five years, the amount of owner-occupied housing in the United States has increased more than 10% while the amount of **rental housing has increased just over 1%**. (U.S. Census Bureau)
- The COVID health crisis has led to a surge in migration with **1 in 10 Americans moving** to a new market in 2020. Population migration leads to greater demand for rental housing. (Zillow)



At the same time, NRHC member companies have demonstrated a consistent focus on caring for the residents and neighborhoods they serve:

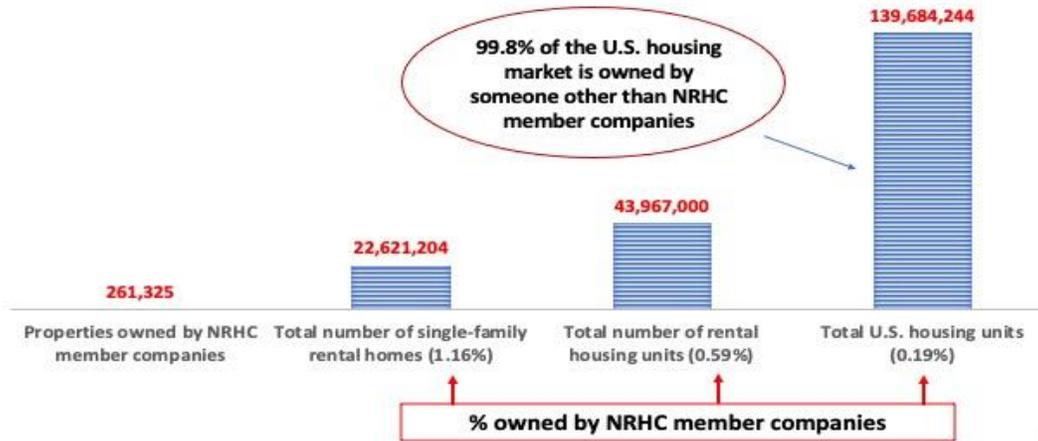
- During the COVID pandemic, NRHC member companies have provided economic assistance to more than **80,000 resident households**.
- NRHC’s five largest member companies each have **A+ ratings** by the Better Business Bureau.
- On average, NRHC member companies invest over **\$35,000 to upgrade newly purchased homes**.
- NRHC member companies hired or contracted with more than **8,000 local businesses** across the country in 2020.
- Many NRHC member companies provide residents with a **pathway to homeownership** by reporting on-time rental payments to credit agencies, offering lease-to-own programs, and partnering with local non-profit organizations to offer credit counseling and financial literacy programs.

“Large institutions” account for a very small share of housing in local markets and do not have the ability to impact home prices, rental rates, or competition among buyers:

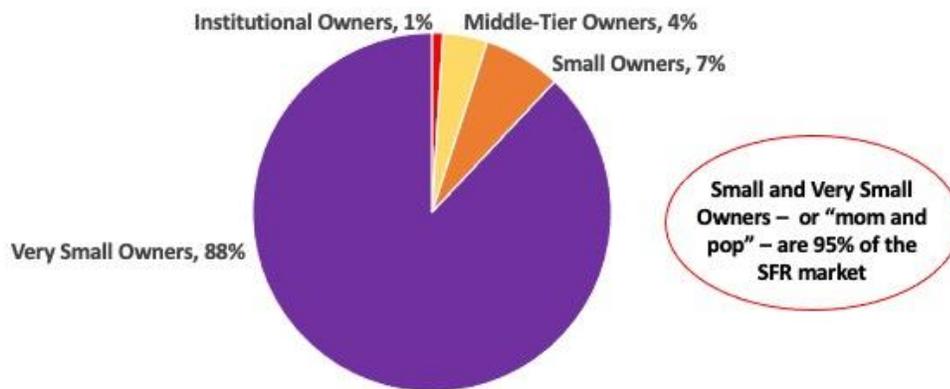
A Cross-Industry Comparison of the Market Share Accounted for by Each Industry’s Three Largest Companies

Industry	Three Largest Companies	Est. Market Share
<i>Single-Family Rental Homes</i>	<i>Invitation Homes, Progress Residential, American Homes 4 Rent</i>	< 1%
Smart Phones	Apple, Samsung, Lenovo	90%
Air Travel	American, Southwest, Delta	52%
Retail Grocery	Walmart, Amazon, Kroger	50%
Consumer Banking	Bank of America, J.P. Morgan, Wells Fargo	31%

Institutional SFR owners account for just **0.2%** of America's housing market



Who owns America's single-family rental homes?



Single-Family Rental: An Evolving Market,
Freddie Mac, December 2018.

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About NRHC

The National Rental Home Council (NRHC) is the nonprofit trade association representing the single-family rental home industry. NRHC members provide families and individuals with access to high-quality, single-family rental homes that contribute to the vitality and vibrancy of neighborhoods and communities. For more information on NRHC or the single-family rental home industry visit www.rentalhomecouncil.org

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