

Corporate Wealth vs. Community Health

How corporate landlords' profit-seeking strategies harm health + five critical actions to protect public health

Housing costs, housing instability, and homelessness are at an all-time high. Corporate landlords and Wall Street investors — who now own nearly half of all rental housing stock in the US — have had a hand in creating this situation and profit dramatically from it. Their devotion to their profit margins, the sheer size of their market share, and their unchecked political power are exacerbating the housing crisis and harming health on a mass scale.

Corporate Wealth vs Community Health: How corporate landlords profit-seeking strategies harm health, draws on an analysis of housing code datasets; interviews with government workers, housing researchers, community organizers, tenants, and mobile home residents in Los Angeles, CA, St. Louis, MO, Boulder, CO, and New Orleans, LA; and a comprehensive literature review. Our research found that corporate landlords create harmful housing conditions that lead to poor health for renters, including anxiety and depression, poor birth outcomes, chronic health illnesses, lead poisoning, violence, homelessness, and premature death via **Six Profit Seeking Strategies**:

1. Neglecting upkeep, resulting in substandard housing conditions, including exposure to mold, lead, pest infestation, faulty electrical wiring, compromised infrastructure, and plumbing issues. In Los Angeles, California, of nearly 12,000 environmental health complaints between 2017 and 2020, over 65% took place in properties owned by corporate landlords, although only 50% of buildings are corporate-owned.¹

2. Filing evictions aggressively, driving individuals, families, and communities into debt and housing instability. Both the threat of eviction and actual eviction are linked to poor mental and physical health outcomes. Corporate landlords are much more likely to file for eviction than small landlords. A study in Boston found that large landlords file evictions at 2-3 times the rate of smaller landlords.²

3. Hiking up rents and charging ancillary fees, forcing residents to spend less money on food and sacrifice their medical care needs, and exposing residents to housing instability, eviction, and homelessness, which are directly associated with poor health outcomes. Tenants of private equity-owned single-family home rentals experience higher rent hikes than the national average: Blackstone's Invitation Homes raised rents by 30% in Phoenix, 29% in Las Vegas, and 20% in Atlanta.³

4. Evading taxes, depriving our communities of the resources they need to be healthy, such as funding for public education and public health. Most real estate investment trusts do not pay any corporate taxes, and LLPs, LPs, and LLCs, which own over 40% of rental units, aren't usually subject to federal corporate tax.^{4,5}

5. Dodging accountability by hiding behind a corporate veil and failing to make repairs, exacerbating harmful health conditions. In Boston, researchers found that landlords consolidating multiple properties were most likely to operate under LLC structures, and they also had high concentrations of eviction filings and code violations.⁶

6. Wielding vast influence over policy and undermining democracy to boost profits and weaken tenant power. Real estate lobbies have used their enormous financial means to lobby against tenant protections. The real estate is the largest lobby in the US, spending more than \$84 million in 2022 alone.⁷



MEET ROSA:

Rosa and her family are residents of a Colorado manufactured housing community owned by a corporate landlord that owns over 60 manufactured home communities nationwide. Drastic rent hikes have made it difficult for Rosa and her family to afford necessities. When Rosa lost her job during the pandemic, she was forced to sacrifice necessary medications and doctor appointments in order to pay rent, and ultimately her leg had to be amputated. The heating system in Rosa's home has been unreliable since last winter, leaving her family without heat for several days, and triggering Rosa's arthritis flare-ups.

"When I don't have a heater, I can't move. I can only be in one room where there is warmth. The cold attacks my body and causes severe pain. My body gets rigid, and I am unable to move."

Five critical actions to protect public health from corporate landlords

Local, state and federal government agencies, including public health departments, housing agencies, and elected officials, have an essential role in protecting communities from profit-driven landlords whose actions threaten public health. They should:

- 1. Increase ownership transparency and data access** through rental registries and LLC transparency rules.
- 2. Keep residents safe in their homes** using tools that are effective with corporate landlords like equitable code enforcement and proactive testing programs (e.g. for lead exposure, water quality)
- 3. Protect tenants from landlord retaliation and abuses of power** so that they can stay in their homes and exercise their rights by adopting anti-harassment/retaliation policies and tenant protections like rent control, just cause eviction and right to counsel, and by ending state bans on these tenant protections.
- 4. Address the root cause of the problem by limiting corporate landlords' speculation**, including conditioning federal resources and passing regulations to limit harmful land and housing speculation.
- 5. Resource public options that are permanently affordable and community controlled**, such as public housing, green social housing and tenant/community opportunity to purchase policies.

→ To learn more, contact Will Dominie, HIP's Housing Justice Program Director, at will@humanimpact.org, or Mariana Huerta, HIP's Housing Justice Project Director, at mariana@humanimpact.org, or visit humanimpact.org/corporatelandlords

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