**Headline:** The Corporate Takeover of Housing

**Teaser:** Corporate ownership remains a relatively small percentage of American housing. But a growing number of financial firms, tech platforms, and institutional landlords, alongside a national housing shortage, is making homeownership even less affordable.

By John P. Ruehl

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**Source:** Independent Media Institute

**Credit Line:** *This article was produced by* [*Economy for All*](https://independentmediainstitute.org/economy-for-all/)*, a project of the Independent Media Institute.*

**Tags:** Economy, Tech, Social Justice, North America/United States of America, News, Trump, Opinion, Time-Sensitive

**[Article Body:]**

The 2025 U.S. housing market presents a paradox. Home sales [are down](https://www.mortgagenewsdaily.com/data/existing-home-sales), and there are far[more sellers](https://www.wsj.com/economy/housing/housing-market-new-supply-prices-210b14f2?gaa_a) than buyers, yet prices continue to hit [record highs](https://www.cbsnews.com/news/us-median-home-sale-record-price-almost-400000-redfin/). Over the past decade, home values have surged nationwide, [including](https://www.theatlantic.com/economy/archive/2025/06/zoning-sun-belt-housing-shortage/683352/) in once-affordable Sunbelt cities.

Policymakers appear ill-equipped to respond to the situation. In a [July 2025 interview](https://www.nytimes.com/interactive/2025/07/03/us/mayors-trump-housing-immigration-republican-democrat.html) with the New York Times, 16 U.S. mayors listed housing as one of their top concerns. During her 2024 presidential campaign, former Vice President Kamala Harris [proposed tax credits](https://nlihc.org/resource/harris-campaign-releases-plans-lower-housing-costs) for first-time buyers to alleviate the crisis, while President Donald Trump has [renewed calls](https://www.thetruthaboutmortgage.com/trump-wants-to-lower-mortgage-rates-without-the-fed/) for interest rate cuts to help lower mortgage rates.

Homeownership remains central to the American dream, and U.S. homeownership rates have [typically hovered](https://tradingeconomics.com/united-states/home-ownership-rate) around 65 percent “from 1965 until 2025,” according to Trading Economics. But the high-water mark came [in 2004](https://www.ibisworld.com/united-states/bed/homeownership-rate/4623/) when it reached 69 percent, and despite a temporary COVID-19-era spike, the rate has [continued to inch downward](https://www.advisorperspectives.com/dshort/updates/2025/04/28/home-ownership-rate-q1-2025). Worryingly, even among those who own homes, equity is shrinking. Many homeowners own less than half of their property’s value today, [with the balance tied up in debt](https://nationalmortgageprofessional.com/news/home-equity-flattens-out-q4-attom).

Many of the pressures are structural. Construction costs have [soared](https://www.multihousingnews.com/how-tariffs-and-labor-shortages-will-thwart-housing-production/), labor is in short supply, and tariffs have raised the price of materials. Zoning laws, tax regimes, and anti-density [regulations](https://www.cato.org/policy-analysis/zoning-land-use-planning-housing-affordability#effects-of-land-use-regulation) have stifled urban growth, while sprawling development is hitting geographic and environmental limits. Mortgage rates remain high, and the national housing shortfall, now estimated [to be more than 4.5 million](https://www.uschamber.com/economy/the-state-of-housing-in-america), continues to worsen.

But the crisis has opened the door for new kinds of investors. A growing cast of corporate actors is [moving](https://jacobin.com/2024/05/single-family-homes-rentals-wall-street#:~:text) into residential real estate, lured by the prospect of stable returns in a tightening market. Though they still own a minority of U.S. housing, these firms are often concentrated in key regions and markets. Increasingly capable of setting the terms of access to housing, their rising influence threatens to reverse the post-World War II surge in widespread homeownership.

**Buildup**

Large-scale corporate ownership of homes and influence over rent prices is a relatively recent development. Before 2008, most institutional investors [stuck to](https://www.theguardian.com/business/2022/sep/29/blackstone-rebellion-how-one-country-worlds-biggest-commercial-landlord-denmark) apartment buildings and urban areas, as single-family homes were seen as too dispersed and costly to manage. That changed after the housing crash, when a wave of foreclosures flooded the market, leading to the availability of deeply discounted homes in the suburbs.

“In the decade since the global financial crisis of 2007-2009, major institutional financial actors have invested heavily in U.S. single-family housing, acquiring anywhere up to three hundred thousand houses, and then letting them out,” [stated](https://journals.sagepub.com/doi/10.1177/00961442211029601) a 2021 article in Sage Journals.

[In 2012](https://www.marketplace.org/story/2012/03/19/wall-street-firms-may-rent-out-fannie-foreclosures), government-backed mortgage giant Fannie Mae began selling thousands of foreclosed homes in bulk to investors, showing single-family housing could be bought, held, and profited from at scale. At the same time, both Fannie Mae and Freddie Mac [expanded support](https://www.housingwire.com/articles/42042-freddie-mac-launches-single-family-rental-financing-pilot-program) for institutional buyers through favorable financing terms and lower rates. Homebuilding, meanwhile, [had collapsed](https://prospect.org/infrastructure/housing/2024-12-11-housing-industry-never-recovered-great-recession/), and a supply shortage began to take hold.

“The crash badly hurt a variety of sectors, but it simply devastated the home construction industry, given that the crisis was directly centered there. … with a glut of foreclosures on the market and prices falling fast, America simply stopped building homes. New private home starts plummeted by almost 80 percent to the lowest level since 1959,” according to a 2024 article in the American Prospect.

Investor interest surged as [home prices recovered in the early 2010s](https://thehill.com/business/3478213-rising-home-prices-a-timeline/). This era brought record-low interest rates and trillions in financial stimulus from the Federal Reserve and government, which helped stabilize the economy and flooded capital markets. With cheap borrowing and rising prices, housing became an attractive asset.

The COVID-19 pandemic [accelerated](https://thehill.com/business/3478213-rising-home-prices-a-timeline/) this trend. Remote work drove people from cities to suburbs, while eviction moratoriums pushed many small landlords to sell, opening the door for larger buyers. Digital platforms made it easier to browse, purchase, and manage properties remotely. Alongside traditional banks, a wide range of financial firms and platforms have been profiting from rising demand and tightening supply.

**Wall Street Landlords**

Blackstone, one of the world’s largest private equity firms, became a pioneer in large-scale housing acquisitions [after 2008](https://www.theguardian.com/business/2022/sep/29/blackstone-rebellion-how-one-country-worlds-biggest-commercial-landlord-denmark). In 2012, it [helped launch](https://www.housingwire.com/articles/blackstone-gets-back-into-the-single-family-rental-game/) Invitation Homes, now the largest owner of single-family rentals in the U.S. Though Blackstone sold its stake in 2019, it reentered the market by acquiring Canadian real estate firm Tricon Residential [in 2024](https://www.reuters.com/markets/deals/blackstone-take-tricon-residential-private-value-35-billion-2024-01-19/), and sold 3,000 homes that year to UK’s largest pension fund [for approximately $550 million](https://www.theguardian.com/society/article/2024/aug/13/blackstone-sells-homes-pension-fund-uss-shared-ownership), showcasing its global influence in housing.

Other major firms have followed suit. Progress Residential, backed by Pretium Partners, has [come under fire](https://pestakeholder.org/reports/new-report-progress-for-who-progress-residential-preys-on-renters-as-it-buys-up-homes-in-tennessee-and-the-u-s-south/) for evictions, maintenance failures, and excessive fees. Amherst Holdings was profiled in [Fortune](https://fortune.com/longform/single-family-home-ai-algorithms/) in 2019 for using early predictive algorithms to identify and acquire homes, and advances in AI have only made this process more efficient.

Real Estate Investment Trusts (REITS), originally designed in the 1960s to give everyday investors access to real estate profits, are now largely dominated by major institutional firms like BlackRock, Vanguard, and private equity funds. Invitation Homes agreed to pay $48 million to the Federal Trade Commission [in 2024](https://www.ftc.gov/news-events/news/press-releases/2024/09/ftc-takes-action-against-invitation-homes-deceiving-renters-charging-junk-fees-withholding-security) for junk fees, unfairly holding security deposits, failing to inspect homes, and using improper eviction tactics. Professor Desiree Fields, in testimony before the Senate Banking Committee in 2021, meanwhile, [singled out](https://pulitzercenter.org/stories/wall-street-landlords-are-finely-tuned-make-profits-can-squeeze-tenants) Invitation Homes and American Homes 4 Rent as “particularly vocal about the use of extraneous fees to increase total revenue,” stated a 2022 article in the Charlotte Observer.

Corporate homebuying continues to climb. Institutional investors bought [15 percent](https://slate.com/business/2021/06/blackrock-invitation-houses-investment-firms-real-estate.html) of U.S. homes for sale in the first quarter of 2021, which climbed to [nearly 27 percent](https://apnews.com/article/real-estate-investors-home-sales-affordability-housing-7aa2bc78c87bfb1f292fe4321fe658cb) by early 2025. In some markets, the footprint is even larger: during the third quarter of 2024, investors accounted for [44 percent](https://www.businessinsider.com/big-investors-purchasing-more-single-family-homes-from-home-flippers-2022-11) of all home flips.

Some firms, like [Rise48 Equity](https://azbigmedia.com/real-estate/rise48-equity-adds-270m-in-new-apartment-acquisitions-in-2024/), focus on acquiring and renovating large multifamily buildings to raise rental income and property value. Others, like Amherst Holdings, are beginning to [enter the rent-flipping space](https://www.wealthmanagement.com/real-estate/amherst-holdings-is-betting-1-billion-on-home-flipping-business) as part of a larger expansion policy. Unlike smaller flippers who tend to cash out quickly, these companies renovate and hold properties long term. A growing number of companies are [focusing](https://realtyschool.com/the-rise-of-build-to-rent-communities-what-agents-should-watch/) on build-to-rent subdivisions, with entire neighborhoods constructed specifically for rentals.

No single company dominates nationally, but corporate influence is unmistakable in certain cities. In Atlanta, private equity owns [more than 30 percent](https://www.gpb.org/news/2025/05/14/metro-atlanta-has-highest-rate-of-corporate-home-ownership-says-georgia-state) of single-family rental properties, with corporate ownership [disproportionately affecting](https://www.ajc.com/news/atlanta-news/gwinnett-tops-atlanta-region-for-most-corporate-owned-rental-homes-analysis-shows/VT6HVH65SFAUDPWINQPHR7UC44/) Black neighborhoods, intensifying housing insecurity and displacement.

Large firms enjoy several structural advantages. They access cheaper institutional financing, often pay in cash, and benefit from early access to listings and local policy influence. Firms can use creative financing tools, like combining many homes into a single investment package and using the expected rent payments as collateral to borrow more money.

Bulk purchases allow them to cut costs on repairs, insurance, and maintenance, while builders are more inclined to sell homes in large blocks at a discount rather than wait for individual buyers, helping firms to avoid bidding wars. Unlike individual homeowners who often sell for financial reasons, institutional landlords can hold assets for years and sell only when market conditions are favorable.

Tax policies further tilt the scales. While individual sellers pay capital gains taxes on home sales, corporate buyers can use the 1031 exchange to defer taxes by reinvesting profits into like-kind properties, pushing tax burdens into the future. Rental property owners also get tax [depreciation benefits](https://www.rocketmortgage.com/learn/rental-property-depreciation), which allow them to deduct part of the building’s value each year, reducing their taxes, which compound over time.

**Tech**

Big Tech, with similar vast financial resources, has also become [essential](https://www.bfp.vc/how-big-tech-companies-are-entering-the-real-estate-market/) to the expansion of corporate housing. It enables investors to scale up, manage properties remotely, and influence markets and consumers to their advantage.

One of the most influential tools is YieldStar, a rent pricing software developed by RealPage, purchased by private equity firm Thoma Bravo [in 2021](https://www.realpage.com/news/thoma-bravo-completes-acquisition-of-realpage/). RealPage gathers extensive rental data from participating landlords and uses algorithms to recommend optimal prices. Landlords who don’t use the technology are often left at a disadvantage. Many property managers [adopt these recommendations](https://thehill.com/policy/technology/4844069-realpage-sued-for-rental-price-manipulation/) automatically, often under performance monitoring that discourages underpricing or offering tenant concessions.

In cities like Seattle, where a handful of property managers control large shares of the market, RealPage’s pricing influence can be especially powerful. [A ProPublica investigation](https://www.propublica.org/article/yieldstar-rent-increase-realpage-rent) found that in one neighborhood, 70 percent of apartments were handled by 10 firms, all using RealPage software. Recommendations by the software included accepting lower occupancy rates if it leads to higher overall rent revenue. Critics argue that RealPage enables coordinated “rent-setting,” effectively encouraging landlords to behave like a cartel. The U.S. Justice Department [opened a lawsuit](https://www.justice.gov/archives/opa/pr/justice-department-sues-realpage-algorithmic-pricing-scheme-harms-millions-american-renters) against the company in 2024 for causing harm to American renters by using its “algorithmic pricing software.” The investigation remains ongoing.

At the same time, short-term rental platforms like Airbnb have also reshaped housing. With vast reach and deep legal resources, Airbnb has helped normalize rental conversions and contributed to higher rents in many cities. [In 2025](https://nypost.com/2025/01/12/us-news/inside-airbnb-stealth-campaign-to-dilute-nycs-new-rental-laws-with-hidden-funding-of-grassroots-groups), the New York Post reported that the company funded $1 million to alleged grassroots groups, such as Communities for Homeowner Choice, to oppose a New York City law requiring hosts to be present during guest stays. It has [also backed](https://www.wired.com/story/inside-airbnbs-guerrilla-war-against-local-governments) tax battles and filed lawsuits across the U.S., challenging occupancy taxes and other local regulations, costing cities millions in legal fees.

In both long- and short-term markets, tech platforms have made large-scale rental operations possible. Through pricing tools, political lobbying, and data leverage, housing is emerging as a more managed commodity. As corporate consolidation deepens and larger landlords become more integrated with tech platforms, these companies, and increasingly the property owners themselves, will exert even greater control over rent markets with less transparency or oversight.

**Addressing the Issue**

Organization for Economic Co-operation and Development countries, including the U.S., now have [some of the lowest](https://ceoworld.biz/2025/05/13/ranked-countries-with-the-most-and-least-home-ownership-rate-2025/) home ownership rates in the world, and the rise of institutional landlords will drive those numbers lower. The core problem remains supply, with Wall Street firms targeting homes precisely because there’s a shortage—something they openly acknowledge and [tout to investors as a profit opportunity](https://pestakeholder.org/wp-content/uploads/2024/07/PESP_Report_Helter_Shelter_2024.pdf).

The city of Austin is a [rare success story](https://teamprice.com/articles/austin-housing-market-forecast-2025-to-2028). After peaking at $550,000 in May 2022, median home prices fell to $409,000 by January 2025, and indicators point to a continual downward trend. The key difference has been that Austin [has built more affordable housing](https://www.kut.org/housing/2025-02-18/austin-tx-affordable-housing-construction-study), providing incentives to ease zoning laws.

Homeownership remains most common in rural areas, while urban centers have been hardest hit by rising investor activity and housing scarcity. Public involvement is critical to reducing the problem. Landlord interests, represented by groups like the National Multifamily Housing Council, carry enormous influence, while tenants rely on thinner support networks like the National Low Income Housing Coalition. Federal agencies like the Department of Housing and Urban Development and the Federal Housing Finance Agency play a role, but lag behind corporate influence. In comparison, Blackstone has [faced greater resistance](https://www.theguardian.com/business/2022/sep/29/blackstone-rebellion-how-one-country-worlds-biggest-commercial-landlord-denmark) in European countries with stronger tenant protections and better-organized renters’ movements.

Policies like taxing the unimproved value of land could encourage development and discourage speculation on vacant or underused properties. Without effective measures, the concentration of land in private hands will only grow, whether through corporate landlords, billionaires like Bill Gates (who owns 250,000 acres [spread out over 17 states](https://landreport.com/land-report-100/bill-gates)), or [creeping attempts](https://www.theguardian.com/commentisfree/2025/may/12/trump-is-laying-the-groundwork-to-privatize-americas-national-parks) to privatize public land. At stake is not just affordability but also whether the public retains any real claim to land and housing or surrenders it entirely to private capital.