



The Shifting Real Estate Landscape

How Political Attacks are Shaping the
Legislative and Regulatory Environment

STATE OF PLAY

Housing affordability has taken center stage in the 2024 presidential election, rising from a persistent local issue to a national one that's increasingly politicized.



Donald Trump and Kamala Harris Trade Jabs in New Housing Affordability Campaign Ads



Housing's Worst Crisis in Decades Reverberates Through 2024 Race



Trump ads



Harris ads

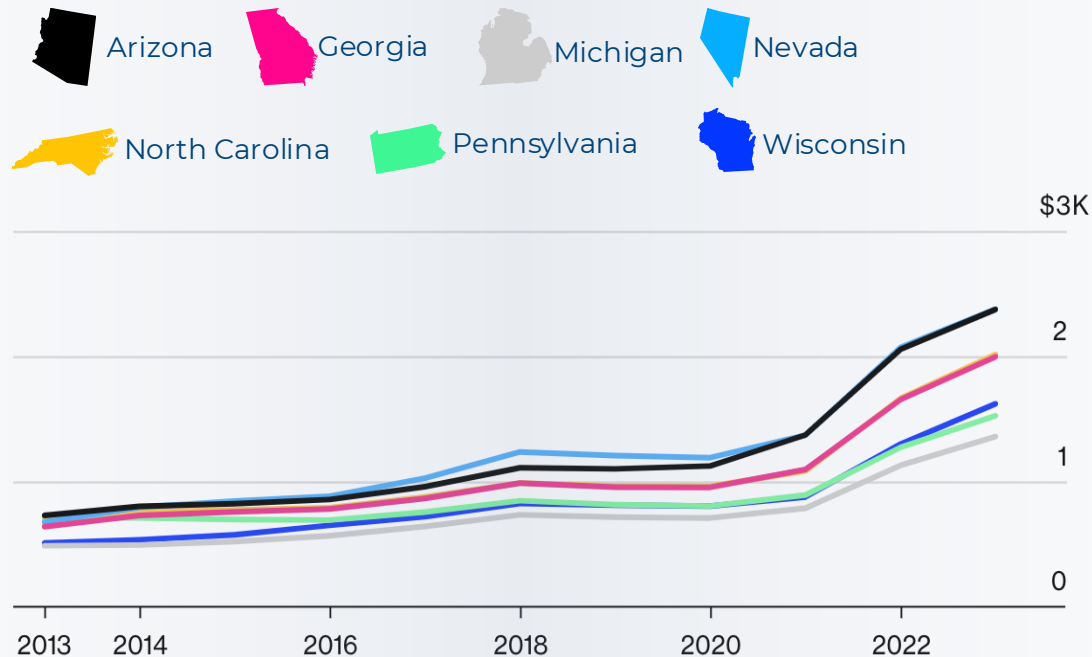
The collage includes the following content:

- WSJ | OPINION**: "The New Housing Inflation Scapegoat" by Alex DeMarban. Subtext: "Biden's antitrust cops spy conspiracy in a price discovery tool."
- ANCHORAGE DAILY NEWS**: "To help address housing crunch, Assembly members seek more data from Airbnb and other hosting platforms" by Alex DeMarban.
- TENNESSEE**: "Tennessee joins other states and DOJ in lawsuit against software company for high rent" by Mark Kelly. Posted: Aug 26, 2024 / 05:18 PM CDT. Updated: Aug 26, 2024 / 07:44 PM CDT.
- Arizona News**: "Arizona attorney general sues RealPage, landlords; accuses them of conspiring to illegally raise rents".
- wbur**: "At mobile home parks, a battle brews between residents and corporate owners on rents" by Simon Rios. June 17, 2024.
- The Washington Post**: "Understaffed and neglected: How real estate investors reshaped assisted living".
- MEMORY INC.**: "Understaffed and neglected: How real estate investors reshaped assisted living".
- THE WALL STREET JOURNAL**: "Florida lawmakers stay quiet as corporations buy thousands of homes". Subtext: "Regulations for corporate landlords are few and far between in the Sunshine State."
- The New York Times**: "The DOJ Asks: Does the Landmark Real-Estate Settlement Go Far Enough?". Subtext: "Justice Department might pursue additional changes to the costs associated with buying and selling a home".
- THE COLORADO SUN**: "White House Plan to Limit Rent Increases Nationwide Reignites Debate".
- FTC chair, Colorado AG pledge to crack down on "abusive and predatory practices" of corporate landlords**.
- Twitter post by Lina Khan (@linakhanFTC)**: "No American should be tricked by their landlord, pay housing junk fees, or face predatory tactics. Appreciated hearing from Colorado residents about the challenges people face when renting. Many thanks to @CoEvictionDef for hosting & @pweiser for the terrific partnership."



WHY IT'S HAPPENING

The median monthly mortgage payment has at least doubled in most swing states since the 2020 presidential election. ([Bloomberg](#) and [Redfin](#))



Graphic sourced from [Bloomberg](#) and [Redfin](#)



Home ownership affordability hit its lowest level since at least 2006 in June. ([Federal Reserve Bank of Atlanta Home Ownership Affordability Monitor](#))



Shelter accounted for more than 70 percent of core inflation's increase over the 12-month period ending in August. ([U.S. Bureau of Labor Statistics](#))

For young voters, housing is a top issue in this election



Amy Scott

Jun 14, 2024

Heard on: MARKETPLACE

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FINANCIAL TIMES



Cost of living crisis + Add to myFT

Concern over housing costs hits record high across rich nations

Surge in mortgage costs and higher rents have combined with chronic shortage of building to stoke crisis



npr

WAMU 88.5
AMERICAN UNIVERSITY RADIO

POLITICS

As millions struggle with home prices, housing becomes a top issue for voters

JUNE 24, 2024 · 12:00 PM ET

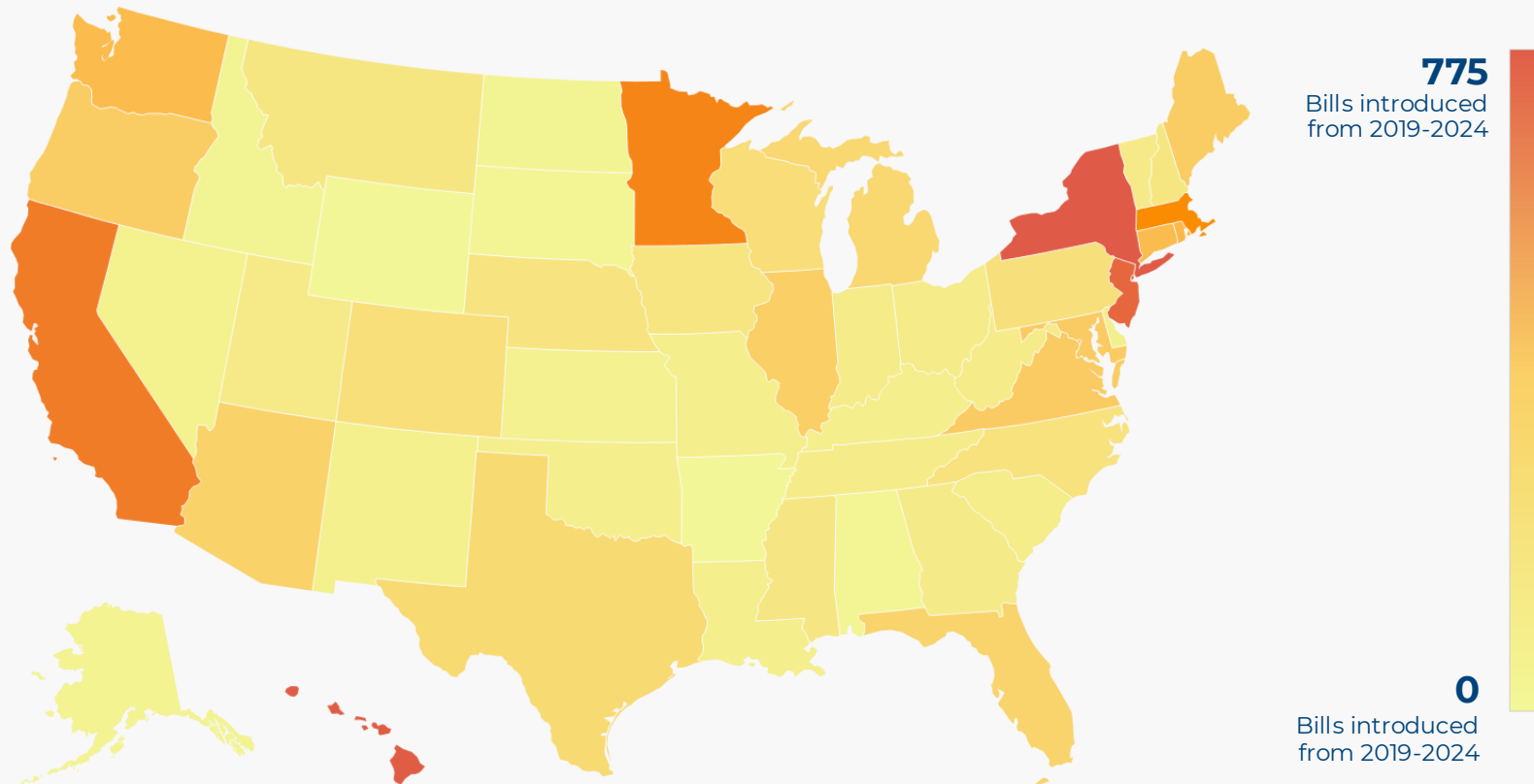


Jennifer Ludden

RISKS FOR CORPORATE ACTORS IN THE REAL ESTATE MARKET ARE INCREASING



- In 2019, **91 bills were introduced** in 31 states and territories related to housing.
- By 2023, this number had climbed to **over 2,200 bills** in 53 states and territories, with 2024 activity trending in the same direction.

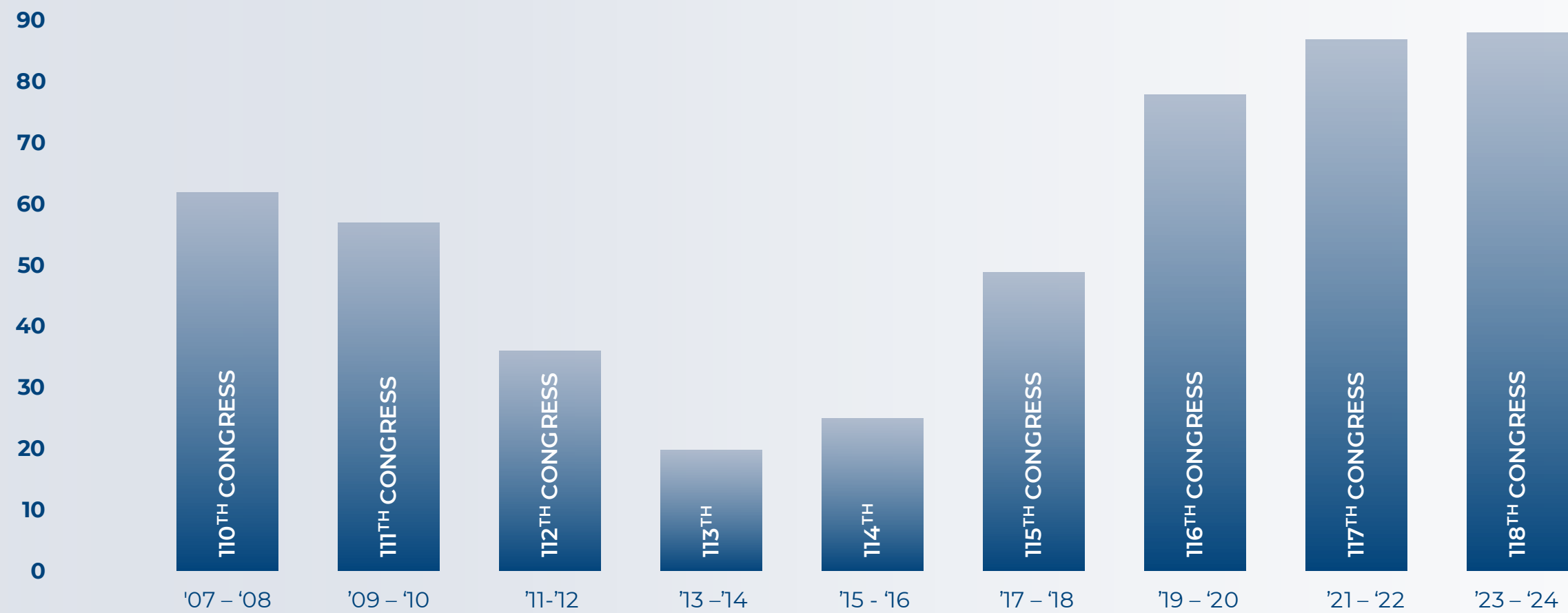


Data sourced from *National Conference of State Legislatures' Housing & Homeless Legislation Database*

RISKS FOR CORPORATE ACTORS IN THE REAL ESTATE MARKET ARE INCREASING



The introduction of federal housing-related legislation over the last five years has **surpassed levels not seen since the 2008 financial crisis.**



Data sourced from Bloomberg Government's Federal Legislation Tracker



TODAY'S THREAT LANDSCAPE

The reality of today's market is that dramatic shifts in mortgage rates coupled with pandemic-era changes in how people live shed a painful light on a **significant lack of supply in housing**.

But federal, state, and local actors are **targeting “corporate interests” as the culprit** in attempts to:

1. Limit ownership of properties
2. Lower housing costs

ACTIVITY AIMED AT LIMITING OWNERSHIP:

ACTIVITY AIMED AT COSTS:

Federal



Meet the Bill To Ban Hedge Funds From Owning Single-Family Homes



Justice Department accuses real estate software company RealPage of scheme to hike rents



Landlords Are Forcing Tenants to Pay Junk Fees

State



New law aims to protect rights of manufactured home owners



California Proposition 33: Letting California cities pass stronger rent controls

Local



SD County Board of Supervisors agrees to look into ways to fight back against mega-corporations buying up San Diego homes



Will Newport ban short-term rentals? Councilors say it's time 'to take the city back'



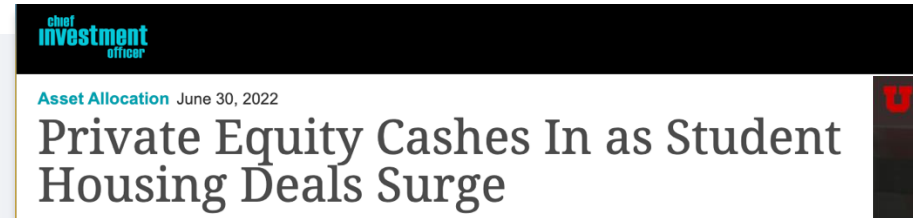
Protesters call out Seacoast landlords as apartment rent surges: 'People will fight back'



EMERGING RISKS TO WATCH

This support for enhanced regulation and increased scrutiny will bleed into other areas of the market.

PRIVATE INVESTMENT IN STUDENT HOUSING



LOCAL COMMERCIAL DEVELOPMENT



PROPTECH PLATFORM OPERATIONS



HOW PROPERTY OWNERS TELL THEIR SIDE OF THE STORY



POINT TO THE REALITY OF THEIR ROLE IN THE MARKET:

B “Mega investors are a very small part of the national single-family rental market—446,000 of 15.1 million, or 3 percent of the total single-family rental market.”

BROOKINGS INSTITUTION, NOV. 2023



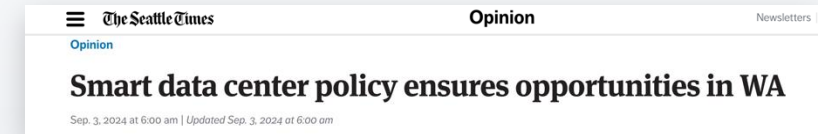
National: Investor Purchases



Source: Redfin analysis of county records

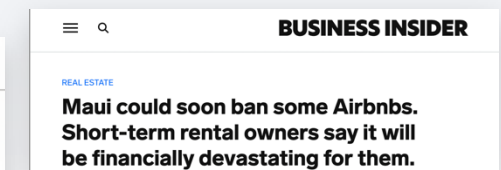
REDFIN

HIGHLIGHT THE VALUE THEY ADD TO COMMUNITIES AND ECONOMIES:



“Our membership has doubled as a result of this [data center] industry in the last seven years. What that does for our economy and what that does for this community is amazing, to have those kinds of six figure blue collar jobs this close to our nation's capital. The kind of stability that brings to our society and our community is unimaginable.” (Loudoun Now, 7/23/24)

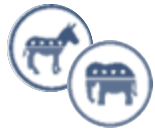
International Brotherhood of Electrical Workers Local 26



WHAT HAPPENS AFTER THE ELECTION?



Regardless of which party takes control of the White House and Congress, we expect increased bipartisan scrutiny and noise surrounding all facets of real estate and housing policy.



Both political parties will take a close look at aspects of the real estate market and housing policy as they prioritize their policy agendas in 2025.



Increased unilateral executive branch action, especially under a Harris administration.



Continued drum beat and potential escalation of congressional investigations, hearings, and political rhetoric.



Increased enforcement actions from the FTC, DOJ, and heightened state AG activity across blue and red states.



Housing mentioned **30+ times** during the presidential and vice-presidential debates

Bottom line: Despite the mounting wave of scrutiny over the past few years, real estate's political moment has not yet reached its peak. **This increase in noise and activity will continue to fuel legislative, regulatory, and legal action at the state and local levels where material threats to operations are likely to occur.**



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