

May X, 2023

The Honorable Sandra Thompson  
Federal Housing Finance Agency  
Washington, D.C.

To Director Thompson,

We, the undersigned X organizations, call on the Federal Housing Finance Agency (FHFA) to take bold action to create clear, strong, and enforceable renter protections for households living in rental properties with federally backed mortgages. Given the broad reach of FHFA's work, any renter protections created by FHFA should cover a significant share of renters across the nation and put America on a pathway towards stronger protections for all renters.

More than ever, bold policies are needed to ensure that people with the lowest incomes and the most marginalized people have stable, accessible, affordable homes. Renters across the nation are in crisis: high rents are putting more of America's lowest-income and most marginalized renters at risk of losing their homes and, in the worst cases, becoming homeless. Eviction filing rates are surpassing pre-pandemic averages, and in many communities, homelessness is increasing, with more people living in tents, cars, or shelters. America's housing crisis demands urgent action, and federal policymakers, including FHFA, must use every tool available to provide housing stability.

Federal renter protections are critically needed to address the power imbalance between landlords and renters that puts renters at greater risk of housing instability, harassment, and homelessness and fuels racial and gender inequity. Broad and robust tenant protections are needed to rebalance the power that currently tilts heavily in favor of landlords at the expense of low-income and marginalized tenants.

At a minimum, FHFA should center its effort to create renter protections on the need for racial and social equity as an explicit goal, set mandatory requirements for all landlords and all rental properties with federally backed mortgages, and pair protections with strong enforcement. All actions by FHFA should be informed by continued engagement with renters and directly impacted people.

To help ensure greater housing stability, FHFA should create new renter protections for households living in properties with federally backed mortgages, including: (1) source of income protections to prohibit landlords from discriminating against households receiving housing assistance, and to give families greater choice about where to live; (2) "just cause" eviction standards and the right to renew leases to help protect renters from housing instability; (3) anti-rent gouging protections to stop landlords from dramatically raising rents; and (4) requirements to ensure housing is safe, decent, and healthy for renters and their families.

#### Source-of-Income Protections

In many states, there are no federal protections against arbitrary, retaliatory, or discriminatory evictions, or other abusive practices by landlords. Many low-income tenants who use housing subsidies like housing vouchers, emergency rental assistance, and other forms of public assistance struggle to find or maintain safe, quality, affordable housing due to source-of-income discrimination – the practice of denying an individual the full and equal access to housing based on their lawful source of income. Discrimination by landlords against renters can prevent households from effectively using federal, state,

or local rental assistance and is often a pretext for illegal discrimination against renters of color, women, and people with disabilities.

### “Just Cause” Eviction Standards

In most states and localities across the country, landlords are not required to provide a reason for evicting a tenant at the end of the lease term or for evicting a tenant without a lease. Landlords who are unable to evict a tenant during their lease term may choose not to renew the tenant’s lease and use the lease holdover as grounds for eviction. A tenant at the end of their lease is also at risk of unreasonable rental increases. When a tenant receives an eviction notice, faces rent hikes, or fears displacement, they may choose to leave their unit – or “self-evict” – rather than go to court. Those who pursue legal action often find that no laws exist to protect them from eviction at the end of a lease term and that having an eviction judgment on their record creates further barriers to obtaining and maintaining future housing.

### Anti-Rent Gouging Protections

While several states have in place laws to prevent price or rent gouging after natural disasters, many renters have few protections against exorbitant rent increases. Recent rent increases are driven by several factors, including a growing demand for rental housing, limited supply, and high inflation. Rent increases can also be attributed to a mostly unregulated rental market that permits landlords to raise rents as high as the market will allow, without regard to the impact on tenants with low incomes. Further, real estate investors have been purchasing low-cost homes at an increasing rate, leading to further increases in rental prices and putting low-income renters at greater risk of eviction. The lack of anti-rent gouging measures places tenants at risk of unjust treatment, housing instability, and evictions.

### Safe, Decent, Accessible and Healthy Housing

Housing is a social determinant of health, and as such, has an enormous impact on health and well-being, particularly for young children. Too often, however, low-income housing is plagued with issues related to air quality, pests, flooding, mold, lead, and water quality, leaving families with low incomes few options for housing that is both affordable and safe. In the absence of safe, decent, healthy housing, children from low-income families who live in substandard housing are more likely to develop asthma and experience hospitalization, and adults are more likely to report poor mental health, including depression and anxiety.

People with disabilities struggle to find homes that are both affordable and accessible. Despite the tremendous need, less than five percent of housing nationwide is accessible for people with moderate mobility difficulties, and less than one percent is accessible for wheelchair users. The lack of accessible homes harms millions of renters and their families.

We urge FHFA to take bold action to implement these protections for all households living in properties with federally backed mortgages. These protections are necessary – along with to large-scale, sustained investments and anti-racist reforms – to ensure that the lowest-income and most marginalized renters have an affordable place to call home.

Sincerely,