

# Institutional Owners of Single-Family Homes: The Facts

Institutions own only 0.5% of all single-family homes in the United States and purchases have declined by ~90% since 2022

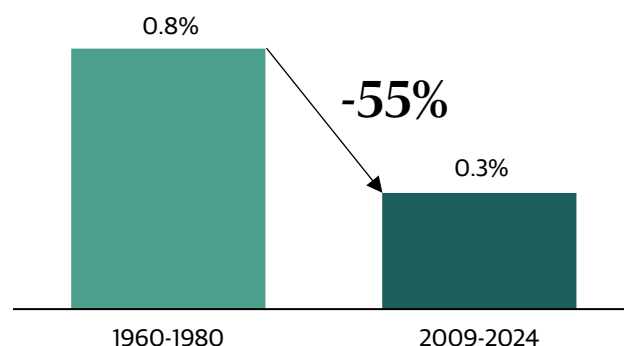
## Prevailing narrative is activist fiction: institutional acquisitions have declined sharply

- Institutional owners acquired **only 0.3%** of the \$2 trillion of U.S. homes sold in 2024, **down ~90%** since 2022 and at lowest levels since 2012
- Three of the largest institutional owners were net sellers of existing single-family homes in 2024

## Higher home prices are the direct result of a supply shortage, not of institutional ownership

- Fewer housing starts today vs. the 1960s, despite the population being nearly double
  - This has contributed to a **4M-5M unit** (and growing) deficit of housing
- New supply is constrained by elevated mortgage rates (7%+), construction cost inflation (+40% since 2020), development fees and zoning / environmental restrictions
- Total home sales have declined 32% since 2021 due to the lock-in effect from existing mortgages that average 4%

## Average Annual Housing Starts as a % of Population



## Investors provide valuable access and affordability to residents, who have materially lower incomes than homeowners

- Today, it would be 45% more expensive for Blackstone Real Estate portfolio company Tricon's residents to own than rent, and these residents would have to earn \$51k more (+53%) to buy in the same neighborhoods
- Single-family rental home construction up 2x since 2022 thanks to institutional capital

## Blackstone's Commitment to Residents and Affordability

Blackstone owns only 0.06% of single-family homes and less than 1% in any market

**#1**

owner and expected preserver of affordable LIHTC housing in the U.S.

**Zero**

evictions for non-payment of rent for two years during COVID-19

**#1**

resident satisfaction rates among single-family for rent owners

**~58k**

SFR homes and home sites being developed through Blackstone's Tricon platform

Note: All information as of January 2025, unless otherwise mentioned. Represents Blackstone's view of the current market environment as of the date appearing in this material only. See "Important Disclosure Information" including "Opinions" and "Trends". Please refer to Page 2 for endnotes including additional disclosure information.

---

## Endnotes

1. Institutional SFR ownership and purchase stats per John Burns Real Estate Consulting ("JBREC"), as of Nov'24 and Q3'24 respectively.
2. Institutional owners as net sellers of existing individual homes based on data from BX portfolio (as of Jan'25), American Homes for Rent (Q3'24 filings), and Invitation Homes (Q3'24 filings).
3. U.S. housing starts data through 2023 per U.S. Census, as of 2024. New and existing U.S. home sales data per U.S. Census and NAR, respectively, as of 2023. 2024 projections per JBREC, as of Dec'24.
4. Housing deficit stat based on annual average for single family and multifamily seasonally adjusted monthly completions less the pre-GFC average. Pre-GFC average reflects Jan'98 – Dec'07. Cumulative shortfall reflects the past decade of completions less the pre-GFC average, using the methodology outlined above. Data per U.S. Census as of Nov'24.
5. Mortgage rate based on 30-year fixed rate mortgage per Freddie Mac, as of Jan'25.
6. Construction cost inflation per U.S. Bureau of Labor Statistics, as of Oct'24.
7. Rising development fees and zoning/environmental restrictions per NAHB, as of Jan'25 and Nov'25.
8. Average existing homeowner mortgage rate per JBREC, as of Q3'24.
9. Monthly cost-to-own based on average home value (as of Oct'24), 3.5% down payment, 7.0% 30-year fixed rate mortgage, 3.5% amortized loan closing costs, 1% annual maintenance costs, insurance, HOA dues, and real estate taxes (as of Oct'24). Monthly cost-to-rent based on Tricon in-place rents (as of Oct'24).
10. Required income to buy based on average Tricon home value (as of Dec'24), and comparison of Tricon median new resident income (as of Oct'24) and income required to buy based on 36% DTI ratio, 7.0% 30-year fixed rate mortgage, 3.5% down payment, and average SFR resident monthly non-housing costs per Green Street Advisors as of Jun'24.
11. April Housing expected to be the largest preserver of affordable housing in 2025 upon completion of the units currently in resyndication pipeline.
12. Tricon platform SFR home and home sites reflect recently delivered or under development units, as of January 2025.
13. Resident satisfaction based on Tricon Google rating (4.7/5), compared to Progress, INVH, AMH, as of January 2025.

---

## Important Disclosure Information

This document (together with any attachments, appendices, and related materials, the "Materials") is not, and may not be relied on in any manner as legal, tax, investment, accounting or other advice or as an offer to sell, or a solicitation of an offer to buy, any security or instrument in or to participate in any trading strategy with any Blackstone fund, account or other investment vehicle (each a "Fund"), nor shall it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision. If such offer is made, it will only be made by means of an offering memorandum (collectively with additional offering documents, the "Offering Documents"), which would contain material information (including certain risks of investing in such Fund) not contained in the Materials and which would supersede and qualify in its entirety the information set forth in the Materials. Any decision to invest in a Fund should be made after reviewing the Offering Documents of such Fund, conducting such investigations as the investor deems necessary and consulting the investor's own legal, accounting and tax advisers to make an independent determination of the suitability and consequences of an investment in such Fund. In the event that the descriptions or terms described herein are inconsistent with or contrary to the descriptions in or terms of the Offering Documents, the Offering Documents shall control. None of Blackstone, its funds, nor any of their affiliates makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein and nothing contained herein should be relied upon as a promise or representation as to past or future performance of a Fund or any other entity, transaction, or investment. All information is as of January 2025 (the "Reporting Date"), unless otherwise indicated and may change materially in the future. Capitalized terms used herein but not otherwise defined have the meanings set forth in the Offering Documents.

**Blackstone Proprietary Data.** Certain information and data provided herein is based on Blackstone proprietary knowledge and data. Portfolio companies may provide proprietary market data to Blackstone, including about local market supply and demand conditions, current market rents and operating expenses, capital expenditures, and valuations for multiple assets. Such proprietary market data is used by Blackstone to evaluate market trends as well as to underwrite potential and existing investments. While Blackstone currently believes that such information is reliable for purposes used herein, it is subject to change, and reflects Blackstone's opinion as to whether the amount, nature and quality of the data is sufficient for the applicable conclusion, and no representations are made as to the accuracy or completeness thereof.

**Third Party Information.** Certain information contained in the Materials has been obtained from sources outside Blackstone, which in certain cases have not been updated through the date hereof. While such information is believed to be reliable for purposes used herein, no representations are made as to the accuracy or completeness thereof and none of Blackstone, its funds, nor any of their affiliates takes any responsibility for, and has not independently verified, any such information.

**Trends.** There can be no assurances that any of the trends described herein will continue or will not reverse. Past events and trends do not imply, predict or guarantee, and are not necessarily indicative of, future events or results.

**RE2025013005**