

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

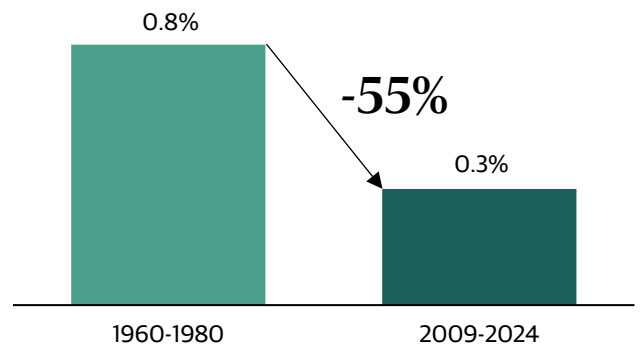
Prevailing narrative is activist fiction: institutional acquisitions have declined sharply

- 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. BX expected to be the largest preserver of affordable housing in 2025 upon completion of ~3k units 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.

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