



National Association of Residential Property Managers

February 6, 2024

The Honorable April Tabor
Office of the Secretary
Federal Trade Commission
600 Pennsylvania Avenue, NW,
Suite CC-5610 (Annex C)
Washington, DC 20580

Re: Comment to the Notice of Proposed Rulemaking for the Trade Regulation Rule on Unfair or Deceptive Fees – R207011.

Dear Secretary Tabor:

I am writing to share our views in response to the Federal Trade Commission's ("FTC") Notice of Proposed Rulemaking and Request for Public Comment for the Proposed Trade Regulation Rule on Unfair or Deceptive Fees – R207011 ("NPRM").

We are concerned that the one-size-fits-all approach the NPRM suggests applying to residential rental transactions is misguided as presented in this proposal. The reality is that it is virtually impossible to predict and disclose the total price of a rental transaction in an advertisement, including any mandatory fees that the resident could incur during the lease term. These transactions vary from consumer to consumer and are oftentimes based on the actions of the consumer that may or may not be known up front. For example, a mandatory fee may not have been disclosed by the housing provider because the resident did not disclose their pet or a resident decided to request reserved parking at a later time.

Housing providers do not charge "junk fees." Rather, they charge fees for legitimate business reasons and to help cover the costs of concierge-type services or benefits the resident or property owner opts into. These fees are disclosed in the lease before a tenant signs.

In summary, the proposal, intended for broad industry regulation, lacks practicality in the rental housing sector. State-specific landlord-tenant laws address unique issues, including rent, security deposits, lease disclosures, as well as fee and pricing disclosures. The broad scope of the FTC's proposed rule, requiring businesses to disclose "Total Price," is unfit for the heavily regulated rental housing industry. State laws already cover diverse fee requirements, limiting a one-size-fits-all approach. Furthermore, the NPRM lacks statistical support for its claims on rental-related fees, relying on anecdotal evidence. Imposing onerous regulations without substantial justification risks driving rental housing providers out of the market.

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For those reasons, I urge the FTC to exempt the rental housing industry from this proposed rulemaking.

Thank you for the opportunity to share our views. If you have any questions, please feel free to reach out to our Governmental Affairs Director Troy Garrett at tgarrett@narpm.org or at (202) 918-1134.

With kind regards, I am

Sincerely,

A handwritten signature in black ink that reads "Gail S. Phillips". The signature is written in a cursive style with a large, looped initial "G".

Gail Phillips, CAE
NARPM[®] CEO