



National Association of Residential Property Managers

April 13, 2026

The Honorable April Tabor
Office of the Secretary
Federal Trade Commission
600 Pennsylvania Avenue NW
Mail Stop H-144 (Annex R)
Washington, DC 20580

Re: Advance Notice of Proposed Rulemaking, Rule on Unfair or Deceptive Rental Housing Fee Practices, Project No. R207011, Docket No. FTC-2026-0266

Dear Secretary Tabor:

The National Association of Residential Property Managers (NARPM®) respectfully submits these comments in response to the Federal Trade Commission's Advance Notice of Proposed Rulemaking (ANPRM) on Unfair or Deceptive Rental Housing Fee Practices, published in the Federal Register on March 13, 2026. NARPM is the nation's leading professional association for residential property managers, representing thousands of members who collectively manage millions of single-family and small multifamily rental homes on behalf of individual property owners across every state in the country.

We are writing at this critical early stage of the rulemaking process because the decisions the Commission makes now—about whether to promulgate a rule, what it should cover, and how it should be structured—will have lasting consequences for the residential rental housing industry, for millions of American renters, and for the individual property owners whose real estate investments depend on professional management. We come to this proceeding as engaged and constructive participants, not as opponents of transparency.

NARPM supports the Commission's goal of ensuring that renters can access clear, accurate information about the true cost of housing before they make any financial commitment. We share Chairman Ferguson's concern that hidden and misleading fees harm consumers and distort competition. At the same time, we urge the Commission to approach this rulemaking with a full understanding of the diversity of the residential rental housing market—its many business models, its complex fee structures, its existing regulatory framework, and the very real operational constraints that prevent any single disclosure formula from working uniformly across all housing providers. A rule that fits the nation's largest institutional landlords does not necessarily fit the small professional

property management firms that serve the vast majority of rental property owners and their tenants.

I. About NARPM and the Members We Represent

NARPM was founded in 1988 and today represents residential property management professionals throughout the United States and internationally. Our members hold professional designations, including the Residential Management Professional (RMP®), Master Property Manager (MPM®), Certified Residential Management Company (CRMC®), and Certified Support Specialist (CSS®) designations, earned through rigorous education, examination, and demonstrated professional competence.

NARPM members are not institutional investors, corporate landlords, or large real estate investment trusts. They are small and mid-size professional property management firms that serve individual property owners—retirees living on fixed incomes who rely on rental revenue to supplement Social Security, working families who have invested in a rental home as a long-term financial asset, and small investors who own one to ten properties and have neither the time nor the expertise to manage them alone. NARPM members act as fiduciaries to these individual owners, managing their properties in trust, disclosing all financial activity, and protecting their clients' interests and investments.

This fiduciary relationship is not merely a legal characterization. It is the defining feature that distinguishes NARPM members from the operators targeted by the Commission's recent enforcement actions. Invitation Homes and Greystar are self-directed entities that own or control the properties they manage and design fee structures to maximize their own investor returns. NARPM members, by contrast, are agents. Fees charged to tenants must be authorized by the property owner. The property manager earns a management fee—typically eight to twelve percent of collected rent—and has no financial incentive to inflate tenant charges beyond what covers actual costs and what the property owner has approved. Understanding this distinction is essential to crafting a rule that addresses real consumer harm without imposing disproportionate burdens on a segment of the market that is already operating responsibly.

NARPM's Code of Ethics and Standards of Professionalism already contains provisions directly relevant to the Commission's concerns. Article 1-9 prohibits members from exaggerating, misrepresenting, misinforming, or concealing pertinent facts in the advertising, leasing, and management of property. Article 10 on Truth in Advertising requires that all advertising be clear, forthright, and contain only accurate and truthful statements. These obligations are not merely aspirational—they are enforced through NARPM's professional standards process and, in most states, through real estate licensing laws that impose additional duties of honesty and disclosure on licensed property managers.

II. The FTC’s Concerns Are Legitimate—But the Enforcement Record Points to Institutional Actors

NARPM acknowledges the Commission’s documented record of concern. More than seventy percent of renters report paying at least one mandatory fee or charge beyond base rent. Consumer surveys consistently rank upfront, comprehensive fee disclosure as among the most important information renters need when evaluating housing. The Commission’s enforcement settlements with Invitation Homes (\$48 million in consumer redress, September 2024) and Greystar (\$24 million in consumer redress and penalties, December 2025) reflect genuine, documented harm caused by deliberate concealment of mandatory fees from consumers who had paid non-refundable application fees based on artificially low advertised rents.

We also acknowledge Chairman Ferguson’s observation that case-by-case enforcement alone has not resolved systemic issues in the rental market. We take these observations seriously and we do not contest the Commission’s authority to address unfair and deceptive practices in this market.

What we urge the Commission to recognize is that the fee practices documented in the Invitation Homes and Greystar enforcement actions—systematically excluding fixed mandatory fees from advertised rent, structuring internal systems to obscure true costs from prospective tenants, and directing employees to maximize fee revenue per unit—are not characteristic of how NARPM members operate. The Commission should not design a federal rule around the worst practices of a few actors and then apply it uniformly to the thousands of small, professional property management firms that are already operating with transparency and good faith.

III. The Core Problem: One-Size-Does-Not-Fit-All in a Diverse Market

The residential rental housing market is extraordinarily diverse. It encompasses single-family homes managed by one-person firms, large apartment communities managed by national corporations, condominiums with complex homeowner association fee structures, rural properties served by utility systems that bill on annual reconciliation cycles, and urban high-rises with dozens of optional amenities. No single disclosure formula can apply with equal practicality to all of these contexts.

The Commission’s ANPRM asks whether rental housing providers should be required to advertise a “total rent” that includes all mandatory fees and charges, displayed more prominently than any other pricing information. NARPM supports the underlying goal of this question—we want renters to know the true cost of housing—but we must be direct: a rigid “total price” mandate applicable to all providers without qualification would, in many practical circumstances, be impossible to implement accurately and could actually produce less consumer clarity rather than more.

A. The Problem of Genuinely Variable Fees

Many fees charged by residential property managers are genuinely variable and depend on individual tenant circumstances that are simply unknown at the time of advertising. These include:

- Pet fees and monthly pet rent, which vary based on whether a tenant has a pet, the number of pets, the species, size, and breed—and which may be zero for a tenant without pets;
- Parking fees, which in many properties are optional and tiered, with different rates for covered, uncovered, reserved, and unreserved spaces;
- Storage unit rental fees, which are available in some properties but not mandatory and not applicable to tenants who do not use them;
- Utility charges billed through Ratio Utility Billing Systems (RUBS), which fluctuate monthly based on the entire building's aggregate consumption, seasonal patterns, and rate changes by third-party utility providers that the property manager cannot predict or control;
- Government-imposed fees and local taxes, which are set by external authorities and change on their own schedules;
- Optional services such as smart home technology packages, valet trash collection, and renters' insurance administered through the landlord.

Mandating that all these charges be rolled into a single “total rent” figure published in every advertisement would not produce a more accurate number—it would produce a less accurate one. A landlord who lists a pet fee in the advertised total rent is misrepresenting costs to the majority of applicants who do not have pets. A property that includes an estimated RUBS charge in its advertised total may accurately predict the October charge but misrepresent the July charge by forty percent due to summer air conditioning usage. Forcing a single number when genuine variability exists does not serve transparency; it replaces one form of potential confusion with another.

B. The Existing State Law Patchwork Creates Real Compliance Burdens

More than twenty states have already enacted or are actively considering legislation addressing rental fee disclosure and transparency. These state laws vary significantly in their definitions, timing requirements, and scope. For NARPM members who manage properties in multiple states, each of these regimes requires separate compliance programs, separate advertising templates, and separate staff training. A federal rule that duplicates, conflicts with, or imposes requirements different from the state laws already in effect will not simplify compliance—it will add another layer to an already complex patchwork. The Commission should structure any federal rule as a uniform national standard that fully preempts state and local laws addressing the same subject matter..

IV. NARPM's Affirmative Proposal: A Collaborative, Phased Disclosure Standard

NARPM does not come to this proceeding merely to oppose regulation. We come with a constructive alternative that we believe would better achieve the Commission's consumer protection goals while being practically implementable across the full diversity of the residential rental housing market. Our proposal has five core elements.

A. A Tiered Disclosure Framework Keyed to What Is Knowable

Rather than requiring a single all-inclusive "total rent" figure in all advertising, the Commission should establish a tiered disclosure framework that recognizes what can reasonably be known at different stages of the rental transaction:

Tier One—In All Advertising: All advertising for a rental unit or property must include, with equal or greater prominence than any other pricing information, a "Total Monthly Leasing Price" (TMLP) that includes base rent plus all mandatory recurring fees that are fixed and applicable to all tenants regardless of individual circumstances. This would include, for example, mandatory amenity fees, mandatory technology fees, mandatory pest control fees, and any other fee that every tenant in the unit must pay every month. It would not include tenant-specific optional charges such as pet fees or parking, nor would it include variable utility charges subject to RUBS. Those would be separately disclosed.

Tier Two—Before Any Application Fee Is Collected: Before a prospective tenant pays any application, holding, or reservation fee, the rental housing provider must disclose in writing all fees that will apply to the tenancy, categorized as mandatory (applicable to all tenants), conditional mandatory (applicable if the tenant meets certain circumstances, such as having a pet), and optional. For variable charges such as RUBS-based utilities, the provider must disclose the billing methodology and, where available, a twelve-month average or range from the prior lease year.

Tier Three—In the Lease: The lease agreement must contain a complete itemized schedule of all fees, their amounts, the conditions under which they apply, whether they are refundable, and the identity of any third-party provider for whom the fee is collected. This itemized schedule must appear on the first page of the lease or as an attached addendum clearly referenced on the first page.

This tiered approach respects the genuine limitations of advertising while ensuring that consumers receive comprehensive information before making any financial commitment. Critically, it ensures that no prospective tenant pays a non-refundable application fee without knowing the true scope of what they will be required to pay if their application is approved—which is the stage at which consumers are most vulnerable to the harms documented in the Commission's enforcement actions.

B. Industry Collaboration to Develop Standardized Disclosure Language

The Commission should work with NARPM and other industry stakeholders to develop standardized disclosure language and formats that can be used uniformly across the residential rental housing market. A mandatory disclosure form or addendum—similar

in concept to a mortgage loan estimate or a truth-in-lending disclosure—would give consumers a consistent, easily comparable summary of the fees and charges applicable to any rental unit they are considering.

Standardization has multiple benefits. It makes comparison shopping easier for renters by creating a consistent framework that works across different landlords and property types. It gives providers clear guidance about what they must disclose and in what format, reducing uncertainty and compliance costs. It enables property management software platforms to build disclosure functionality directly into their systems. And it ensures that the disclosure requirement is achievable without demanding a precise number that, in many cases, simply does not exist at the time of advertising.

NARPM commits to working collaboratively with the Commission, with consumer organizations, and with technology providers to develop such a standardized framework. We are prepared to convene working groups of our members to provide operational expertise, model disclosure forms, and feedback on proposed regulatory text.

C. Proportionate Compliance Requirements for Small Businesses

The Commission's ANPRM specifically asks, in Question 56, how a rule should be crafted to maximize consumer benefits while minimizing costs to businesses, including small businesses. The answer requires honest acknowledgment that small businesses bear a disproportionate burden from new federal regulatory requirements. According to research by the Small Business Administration and the National Association of Manufacturers, small businesses incur regulatory compliance costs approximately thirty-six to forty-seven percent higher per employee than large firms—not because they are less efficient, but because they cannot spread fixed compliance costs across large employee populations.

Additionally, the Commission should make clear that compliance obligations extend to third-party technology providers—property management software companies, listing platforms, and online rental marketplaces—that are better positioned than small property managers to implement system-wide disclosure functionality. A small property management firm managing fifty homes should not be held solely responsible for the disclosure limitations of the national listing platform through which it advertises.

D. Clear Focus on Disclosure Standards, Not Fee Prohibitions or Caps

NARPM strongly opposes any rule provision that would prohibit or cap specific categories of rental housing fees. The fees charged by professional residential property managers are legitimate, cost-based charges for real services. Screening fees reflect the actual costs of background checks, credit reports, and staff time to review applications and verify employment and rental history. Administrative fees cover the processing costs of lease preparation, utility coordination, and move-in inspections. Pet fees reflect higher cleaning, maintenance, and wear-and-tear costs associated with animal occupancy. Maintenance coordination fees reflect the cost of managing vendor relationships, emergency response, and quality oversight.

If the Commission were to prohibit or cap these fees, the costs they cover would not disappear—they would simply be shifted into base rent. The net effect on consumer costs would be zero or negative, while the transparency of pricing would actually decrease, since the component costs would no longer be separately identified. This outcome would harm the very renters the Commission is trying to protect.

The Commission should draw a clear line between fees that function as genuine cost recovery or service pricing and fees that function as revenue extraction through deception. The former are legitimate and should be disclosed clearly; the latter are already prohibited under existing FTC Act authority as unfair or deceptive acts or practices. A disclosure-focused rule can achieve the Commission's transparency goals without improperly regulating the pricing of legitimate services.

E. Harmonization with State and Local Law

Any federal rental fee disclosure rule should operate as a uniform national standard that fully preempts state and local laws addressing the same subject matter. Where a state law imposes disclosure requirements that differ from or go beyond the federal standard — whether in scope, timing, format, or specificity — the federal rule should displace those requirements, leaving the federal standard as the sole applicable obligation. Providers who comply with the federal rule should be deemed compliant for all disclosure purposes, without regard to any additional or inconsistent state requirement. The goal of this approach is not to reduce consumer protections, but to replace a fragmented, state-by-state compliance patchwork with a single, predictable national standard that housing providers and tenants can rely on in every market.

V. Response to Specific ANPRM Questions

The following responses address selected questions from the ANPRM that are of particular relevance to NARPM's membership.

Questions 2-9: Advertised Rent and Total Price Disclosure

NARPM supports the Commission's goal of ensuring that advertised rent clearly communicates the true mandatory cost of occupying a rental unit. We support a requirement that all advertising include a TMLP—base rent plus all mandatory recurring fees fixed and applicable to all tenants—displayed at least as prominently as any other pricing figure.

We oppose any requirement that advertising include a single all-inclusive price that encompasses variable, optional, or tenant-specific charges, because such a requirement cannot be met accurately. Advertising that must include an estimated pet fee for a tenant who may not have a pet, or an estimated parking charge for a tenant who may not want parking, does not improve consumer understanding—it produces a price that is incorrect for the majority of applicants.

The appropriate solution is the tiered disclosure model described in Section IV.A: a TMLP in advertising, followed by comprehensive itemized disclosure of all fee

categories—mandatory, conditional mandatory, and optional—before any application fee is collected.

Questions 13-16: Mandatory and Optional Fees

NARPM recommends that any rule clearly define “mandatory” fees as those applicable to all tenants in a unit or property as a condition of occupancy, without regard to individual tenant circumstances. “Conditional mandatory” fees—such as pet fees, parking fees, or storage fees—are required if and when the tenant meets the specified condition but are not applicable to all tenants. “Optional” fees are for services that are genuinely elective and that the tenant may decline without affecting their right to occupy the unit.

This three-category framework is more precise than a binary mandatory/optional distinction and would better capture the real structure of residential rental fee schedules. It would also provide clearer guidance to providers about which fees must be included in the TMLP, and which may be separately disclosed.

Questions 30-35: Application Fees

NARPM supports clear disclosure of application fees and the components they cover before any application is submitted. Prospective tenants should know, before completing an application, the amount of the application fee, whether it is refundable and under what conditions, what the fee covers (screening report costs, staff processing time, verification costs), and the provider’s policy on processing multiple simultaneous applications for the same unit.

We caution the Commission against applying to residential property managers the same concerns raised by the Invitation Homes enforcement action, in which application fees were charged based on a deceptively low advertised rent that excluded mandatory monthly fees. The harm in that case was not the application fee itself—it was the false pricing context in which the fee was collected. Address the false pricing context through the disclosure requirements described above, and the application fee problem largely resolves itself.

NARPM does not support categorical bans on application fees or caps that would prevent providers from recovering the actual costs of tenant screening. Effective tenant screening protects both property owners and other tenants in multi-unit properties from the harm caused by poor tenancy decisions. The cost of that screening is a legitimate component of the rental transaction.

Questions 36-43: Security Deposits

Security deposit practices are already extensively regulated at the state level. Almost every state establishes limits on security deposit amounts, timelines for return, required documentation for deductions, and penalties for wrongful withholding. NARPM supports clear pre-lease disclosure of the conditions under which security deposit

deductions may be made, the documentation requirements the provider will use, and the timeline for return after move-out.

NARPM supports a federal requirement that security deposit deductions be supported by documentation of actual tenant-caused damage beyond normal wear and tear, with documentation provided to the tenant, consistent with existing state landlord-tenant law. We caution, however, that the Commission should not establish a federal standard for what constitutes “normal wear and tear” that conflicts with the varying standards established by state law. This is an area where state-specific variation reflects genuine differences in housing types, climate conditions, and local housing market practices.

Questions 70-71: Exemptions and Interaction with State Law

Any rule should provide that providers who comply with the federal disclosure standard are deemed fully compliant for all purposes, without obligation to satisfy any additional or inconsistent state requirement addressing the same subject matter. Compliance should be demonstrated through use of a Commission-approved standardized disclosure form and delivery of a complete itemized fee schedule to prospective tenants prior to the collection of any application fee.

VI. NARPM’s Commitment to Engage

NARPM has mobilized its membership to participate in this rulemaking process. The members who submitted individual comments represent only a portion of the professionals who are watching this proceeding and who will be affected by its outcome. We are committed to participating constructively at every stage of the process.

We recognize that some of the practices targeted by the FTC—hidden fees charged by large institutional landlords who deliberately obscure the true cost of renting from consumers who have already paid non-refundable application fees—are real, harmful, and indefensible. We do not defend them. What we defend is a proportionate, workable regulatory response that addresses those practices directly without imposing compliance burdens on thousands of small professional property management firms that are already operating with honesty, professionalism, and transparency.

The Commission has an opportunity, through this rulemaking, to engage the residential property management industry as a partner in developing practical disclosure standards that will genuinely improve the information available to renters. NARPM stands ready to provide member data, operational expertise, model disclosure forms, and direct participation in any workshops, working groups, or informal hearings the Commission convenes. We are not merely commenters in this proceeding—we are practitioners who understand, better than anyone, how rental housing fees actually work, why they exist, and how they can be disclosed clearly and accurately to the consumers they serve.

VII. Summary of Recommendations

Based on the foregoing, NARPM respectfully urges the Commission to take the following actions in any rulemaking that proceeds from this ANPRM:

- Adopt a tiered disclosure framework that requires: (1) a Total Monthly Leasing Price in all advertising; (2) complete itemized fee disclosure before any application fee is collected; and (3) a comprehensive fee schedule in every lease agreement.
- Collaborate with NARPM and other industry stakeholders to develop standardized disclosure forms and formats that can be implemented uniformly across the residential rental housing market and built into property management software platforms.
- Extend compliance obligations explicitly to third-party property management software providers, listing services, and online rental platforms, requiring them to support and transmit complete fee information.
- Focus the rule on disclosure standards and transparency requirements, not on fee prohibitions or caps, which would shift legitimate costs into base rent rather than reducing them.
- Structure the rule as a uniform national standard that preempts inconsistent or more burdensome state disclosure requirements, with federal compliance deemed sufficient for all purposes.
- Engage the Commission's Small Business Ombudsman and convene industry workshops before advancing to a Notice of Proposed Rulemaking, to ensure that the rulemaking record reflects the full operational complexity of the residential rental housing market.

NARPM appreciates the Commission's consideration of these comments and the opportunity to contribute to the development of a regulatory framework that serves renters, property owners, and the professionals who manage their homes. We are committed to the goal of a rental housing market in which every prospective tenant has the information they need to make informed housing decisions—and we are committed to working with the Commission to make that goal a reality.

With kind regards, I am

Sincerely,

A handwritten signature in black ink, appearing to read "Troy Garrett". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Troy Garrett
NARPM® CEO