Mr. David C. Benson  
President and Interim Chief Executive Officer  
Federal National Mortgage Association  
Midtown Center  
1100 15th Street, N.W.  
Washington, D.C. 20005

Dear Mr. Benson:

For the past year, the Select Subcommittee on the Coronavirus Crisis has been investigating four large corporate landlords that filed a large number of eviction actions during the first 16 months of the coronavirus pandemic. One of these corporate landlords was Invitation Homes, a recipient of significant financing from the Federal National Mortgage Association (Fannie Mae).1 Today the Select Subcommittee is releasing the enclosed staff report on our findings. Included in this report is evidence that Invitation Homes may have misleadingly downplayed to Fannie Mae the impact of its pandemic eviction practices.

As the report details, in a March 2021 email, a Fannie Mae representative inquired about Invitation Homes’ pandemic eviction practices in light of allegations that the company had “created a workaround to coerce tenants who aren’t able to pay to leave their homes” despite the CDC eviction moratorium. An Invitation Homes executive responded that “eviction filings do not equal actual eviction,” and that “in the last six months,” the company had “resolved 94% of eviction notices without any residents losing their housing,” meaning that just six percent of eviction notices had either resulted in residents losing their housing or remained unresolved.2

---

1 Letter from Chairman James E. Clyburn, Select Subcommittee on the Coronavirus Crisis, to Dallas Tanner, Invitation Homes (July 19, 2021) (online at https://coronavirus.house.gov/news/letters/clyburn-investigate-pandemic-evictions-corporate-landlords); Through Fannie Mae, US Taxpayers Provide Backing for Some Rental Home Giants, ABC News (Nov. 16, 2017) (online at https://abcnews.go.com/US/fannie-mae-us-taxpayers-provide-backing-rental-home/story?id=51194097). The other three were the Siegel Group, Pretium Partners, and Ventron Management. These investigative targets were identified based on publicly available data, news reports, and court records indicating that they filed to evict tenants aggressively during the pandemic and may have failed to cooperate with rental assistance programs or to comply with the Centers for Disease Control and Prevention (CDC) eviction moratorium.

2 Email from Chief Operating Officer, Invitation Homes, to Senior Vice President for Operations Support, Invitation Homes (Apr. 24, 2021) (online at https://coronavirus.house.gov/sites/democrats.coronavirus.house.gov/files/IH%20chain%20re%20Fannie%20Mae.pdf). It is not clear whether the 94% figure was referring to the percentage of resolved eviction notices that had not resulted in tenants losing housing or the percentage of all eviction notices that had been resolved without tenants
However, the Select Subcommittee obtained an Invitation Homes spreadsheet tracking the company’s eviction filings that indicates approximately 27 percent of tenants subject to eviction filings during the timeframe referenced in the executive’s email lost their housing, a rate more than four times higher than Invitation Homes represented to Fannie Mae.\(^3\) Even after the Fannie Mae representative raised concerns that Invitation Homes was forcing tenants out of their homes without formally evicting them, the company appears to have based its misleading characterization of the portion of “residents losing their housing” by limiting that figure only to an estimate of those formally evicted from their homes following an eviction filing and subsequent court ordered eviction.\(^4\) Fannie Mae’s concerns appear to be borne out by Invitation Homes’ internal data—data wholly inconsistent with what the company shared in an attempt to allay those concerns.

In light of these findings, I respectfully request that Fannie Mae evaluate the accuracy of these and any other representations it received from Invitation Homes regarding the company’s pandemic eviction practices. Additionally, given Fannie Mae’s public mission of providing financing to promote housing affordability as a government-sponsored enterprise, I ask that Fannie Mae consider Invitation Homes’ conduct and representations about its pandemic eviction practices before acting as a significant creditor to the company in the future.

Sincerely,

__________________________
James E. Clyburn
Chairman

\(^3\) This spreadsheet compiles data about 3,305 eviction filings between March 2020 and July 29, 2021, and includes information about the result of concluded cases, including where the tenant was “evicted” following a court judgment as well as where the tenant moved out or vacated the unit after filing. Approximately 27 percent of the concluded cases in the October 2020 to March 2021 period resulted in tenants losing their housing when those tenants who left the property after the eviction case was filed are included, in addition to those who were formally evicted following a court order. Invitation Homes Eviction Filing Data (July 29, 2021) (SSCC-IH-025510) (online at https://coronavirus.house.gov/sites/democrats.coronavirus.house.gov/files/SSCC-IH-025510%20IH%20eviction%20data.pdf).

\(^4\) Invitation Homes developed a spreadsheet, which was circulated internally around the time of the Invitation Homes’ executive’s March 30 email responding to Fannie Mae, showing approximately seven percent of its January and February 2021 eviction filings resulted in “Residents Set Out,” (“set out” is the term used in many jurisdictions for a tenant’s ultimate removal following a court order or writ in an eviction action). Invitation Homes, Evictions Filed and Set Out Spreadsheet (online at https://coronavirus.house.gov/sites/democrats.coronavirus.house.gov/files/SSCC-IH-023842_CONFIDENTIAL.pdf).
Enclosure

cc: The Honorable Steve Scalise, Ranking Member