

Atlanta Multifamily Rental Market Impacted by DOJ Antitrust Price Fixing Lawsuit Against RealPage

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The Department of Justice (DOJ) has identified Atlanta as a multifamily rental market affected by the alleged anticompetitive practices of RealPage, a revenue management technology company.¹ On August 23, 2024, the DOJ filed a civil antitrust lawsuit against RealPage, Inc., claiming the company is involved in an "unlawful scheme to decrease competition among landlords in apartment pricing and to monopolize the market for commercial revenue management software that landlords use to price apartments."²

According to the DOJ, "RealPage develops, markets, and sells [commercial revenue management software] to enable landlords to sidestep vigorous competition to win renters' business."³

RealPage itself reports controlling at least 80 percent of the commercial revenue management software market.⁴ The DOJ describes RealPage as an "algorithmic intermediary" that collects, synthesizes, and exploits landlords' competitively sensitive information, enriching itself and compliant landlords at the expense of renters who face inflated prices and honest businesses that would otherwise compete.⁵

The RealPage software reportedly enabled owner-

operators to disregard market conditions and occupancy rates⁶, as it facilitated the daily exchange of "nonpublic, competitively sensitive data" among landlords.⁷ The DOJ alleges that "RealPage invites each landlord to share this information so that it can be pooled to generate pricing recommendations for the landlord and its competitors."⁸

The nonpublic information shared with RealPage includes, among other details, "a landlord's rental prices from executed leases, lease terms, and future occupancy."⁹

Attorney General Merrick B. Garland stated, "Landlords know what their arrangement with RealPage entails. As one remarked, 'I always liked this product because your algorithm uses proprietary data from other subscribers to suggest rents and terms. That's classic price fixing.'"¹⁰

The FBI recently raided the offices of Atlanta-based property management company Cortland, which manages tens of thousands of units across the U.S.¹¹ At the time, Cortland stated that the raid was part of a criminal investigation into "potential antitrust violations in the multifamily housing industry."¹²

¹ Page 79-81, Complaint

² [Office of Public Affairs | Justice Department Sues RealPage for Algorithmic Pricing Scheme that Harms Millions of American Renters | United States Department of Justice](#)

³ Page 7 Complaint

⁴ Page 10, Complaint

⁵ Page 10, Complaint

⁶ [Claims against Atlanta landlords and rent prices in spotlight after FBI raid \(ajc.com\)](#)

⁷ Page 86, Complaint

⁸ Page 86, Complaint

⁹ Page 7 Complaint

¹⁰ [Office of Public Affairs | Attorney General Merrick B. Garland Delivers Remarks on the Justice Department's Lawsuit Against RealPage for Algorithmic Pricing Scheme that Harms Millions of Americans | United States Department of Justice](#)

¹¹ [FBI raids Atlanta corporate landlord in probe of rental market price fixing \(ajc.com\)](#)

¹² [RealPage faces new antitrust claims from DOJ \(ajc.com\)](#)

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In response to the antitrust lawsuit, RealPage issued a press release on September 5, 2024, announcing that its revenue management software customers now have the option to exclude the use of nonpublic competitor data when calculating rent recommendations.¹³

The antitrust lawsuit was filed in collaboration with Attorneys General from Minnesota, California, Oregon, Washington, North Carolina, Tennessee, Colorado, and Connecticut.

In conclusion, the ongoing investigation and lawsuit against RealPage highlight significant concerns regarding competition and pricing practices in the multifamily rental market. As the case unfolds, it may lead to greater scrutiny of revenue management technologies and their impact on rental prices nationwide. The outcome could potentially reshape the landscape of the rental market, ensuring fairer practices for renters and promoting healthy competition among landlords. For further details, the full complaint can be accessed [here](#).

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¹³ [RealPage Offers its Revenue Management Software Customers the Ability to Remove Use of Nonpublic Data | RealPage News](#)
