

## Communication from Public

**Name:** Iris Craige

**Date Submitted:** 12/03/2025 10:51 AM

**Council File No:** 23-0840

**Comments for Public Posting:** In 2023, the Housing and Homelessness Committee directed the Los Angeles Housing Department (LAHD) to study the concentration of housing stock in LA over the last 5 years, including the transfer of residential property from natural persons to corporate entities and the development of policy tools that could help genuine mom-and-pop landlords retain their properties. The Concentration of Ownership report released by LAHD directly answers this call for clarity. We appreciate the Committee making this instruction and we submit this comment to strongly support action to instruct LAHD to advance all five research options outlined in the report. LAHD's Concentration of Ownership report confirms what SAJE has been reporting for years: Rental housing stock in the City of Los Angeles has become increasingly corporatized, with entity ownership expanding across rent-stabilized properties, especially in the smaller multifamily buildings that once anchored neighborhood affordability. The report also highlights a pattern often ignored or misunderstood in ownership narratives: major landlords aren't always institutional firms. Individuals operating through multiple LLCs may present as small owners even though they control portfolios worth tens or hundreds of millions. Finally, the report challenges policymaking that seeks to create exemptions in tenant protection laws for small landlords by showing the limitations of the city's enforcement capacity: LAHD does not have the resources to investigate the growing number of complex financial structures that govern rental housing in order to identify fraudulent small-owner claims. LAHD concludes its report with five "options for further study." SAJE believes that city council members should instruct LAHD to move forward with all five.

**Option 1, Linking Ownership Growth to Displacement Risk:** Analyzing these data sets can reveal clear patterns of illegal landlord behavior while identifying the entities driving housing inequality in the City of Los Angeles. The city already possesses the data needed to identify bad actors, but must provide LAHD the mandate to analyze data towards maximizing its enforcement capacity.

**Option 2, Property Flipping:** LAHD proposes studying how property flipping impacts tenants and neighborhoods using permit data and sales trends. Despite how flipping is represented in popular culture, it impacts who is able to live in Los Angeles

and where they are able to live while artificially inflating housing costs across the city. Examining resales would allow the city to see how flipping contributes to gentrification, the loss of rent-stabilized housing, the skyrocketing cost of single family homes, and the consolidation of housing ownership into investor networks.

**Option 3, Acquiring Properties from Distressed Landlords:** LAHD recommends studying the extent to which distressed small landlords and homeowners lose properties to large actors via short sales or foreclosures. According to LAHD's data of 2024 Registered Foreclosure Properties, from January 2024 to January 2025, there were 2,009 foreclosures; 1,609 were single-family homes. Relevant data include the city's Foreclosure Registry Program and First American foreclosure data. If the city does not track how many of these move into institutional portfolios, they cannot create policies to deter these practices, nor create alternative solutions to creating affordable housing in an unaffordable city (e.g., direct acquisition of distressed properties toward building CLTs or first-time home buyers).

**Option 4, Use of LLCs by Small Landlords:** As city council members increasingly see small landlords as vital to maintaining housing equity in Los Angeles, studying recent trends that landlords use to obscure ownership dynamics will help LAHD discourage fraud and protect tenants and small landlords alike. Doing so would help the city distinguish between genuine mom-and-pop landlords and property owners who masquerade as small or mom-and-pop landlords through LLC fragmentation. As the example of Owner #23 shows, a "natural person" can hold dozens of LLCs registered to a single home address. They may appear as one LLC per building, therefore could appear as a four-unit owner in every data set. In reality, they control hundreds of units and should not be eligible for tenant protection policy exemptions.

**Option 5, Countywide Portfolio Mapping:** Though this would be the most complex and resource intensive option, creating a database capable of tracking rental housing market dynamics across Los Angeles County's myriad jurisdictional boundaries is foundational to enforcing every tenant protection policy. While the city may be limited in its capacity to punish illegal behavior beyond its boundaries, it must be able to track ownership across city boundaries in Los Angeles County. However, a countywide view allows us to better understand the true scale of ownership at the local level and will strengthen enforcement capacity based o



**TO:** Los Angeles City Council, Housing and Homelessness Committee

**FROM:** Iris Craige and Kyle Nelson, SAJE (Strategic Actions for a Just Economy)

**IN RE:** LAHD's [Concentration of Ownership Report \(CF 23-0840\)](#) and Its Implications for Policy Development and Enforcement in the City of Los Angeles

**DATE:** December 3, 2025

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In 2023, the Housing and Homelessness Committee directed the Los Angeles Housing Department (LAHD) to study the concentration of housing stock in LA over the last 5 years, including the transfer of residential property from natural persons to corporate entities and the development of policy tools that could help genuine mom-and-pop landlords retain their properties. The Concentration of Ownership report released by LAHD directly answers this call for clarity. We appreciate the Committee making this instruction and we submit this comment to strongly support action to instruct LAHD to advance all five research options outlined in the report.

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By adopting all five LAHD research options, the City can develop the infrastructure required to distinguish genuine small landlords from large multi-entity operators, improve tracking of displacement, and hold landlords accountable at scale. Understanding ownership is no longer optional, it is the prerequisite for an equitable rental market.

Thank you,

Iris Craige

[icraige@saje.net](mailto:icraige@saje.net)

Kyle Nelson

[knelson@saje.net](mailto:knelson@saje.net)