

Biden Administration Issues Call for Action on Junk Fees in Rental Housing

President Biden and the [U.S. Department of Housing and Urban Development](#) (HUD) Secretary Marcia L. Fudge [announced new commitments](#) by several of the biggest rental housing search platforms to increase transparency of housing fees, and released new research that highlights and summarizes state and local innovation to address junk fees.

Rental fees can increase cost burdens for renter households, who are often already spending a growing share of their income on rent due to a limited housing supply across the country.

On March 8, 2023, Secretary Fudge [penned an open letter](#) to the housing industry calling for action on junk fees that renters face and joining President Biden's call to eliminate these hidden fees, charges, or add-ons across the economy. These fees weaken market competition, raise costs for consumers, and hit the most vulnerable Americans the hardest.

"Too often, renters are hit with unexpected fees on top of their rent," said HUD Secretary Marcia L. Fudge. "Today's announcement shows the Biden-Harris Administration's commitment to lower costs for renters and build a fairer, more transparent rental housing marketplace."

Such fees can also be a serious burden on renters. For example, rental application fees can be up to \$100 or more per application, and, importantly, they often exceed the actual cost of conducting the background and credit checks. Given that prospective renters often apply for multiple units over the course of their housing search, these application fees can add up to hundreds of dollars.

Three of the largest online rental platforms—[Zillow](#), [Apartments.com](#), and [AffordableHousing.com](#)—answered that call and today announced that they will provide new tools to help renters determine the all-in price of a desired unit and comparison shop more easily.

For instance, Zillow is launching a Cost of Renting Summary on its active apartment listings, Apartments.com is announcing that this year it will launch a new calculator on its platform that will help renters determine the all-in price of a desired unit, and AffordableHousing.com, the nation's largest online platform dedicated solely to affordable housing, will require owners to disclose all refundable and non-refundable fees and charges upfront in their listings.

In addition, HUD's Office of Policy Development and Research [released a new brief](#) that highlights state, local, and private sector strategies to encourage fairness and transparency in the rental market, including actions to reign in excessive or unfair application fees and limit allowable fees and deposits at the time of move-in or lease signing.