HUDSON COOK

FTC's $49.75 Million Progress Residential Settlement Broadens Rental-Housing Enforcement Beyond Fee Transparency

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The Federal Trade Commission, joined by enforcement authorities from Arizona, Colorado, Indiana, and Utah, reached a sweeping $49.75 million settlement Friday with Progress Residential and Pretium Partners concerning their single-family rental operations. The stipulated order requires $48.5 million to be paid to the FTC, potentially available for consumer redress, and $1.25 million to Arizona for attorneys' fees and costs. It also imposes extensive prospective requirements affecting rental advertising, mandatory fees, security deposits, property condition representations, payment systems, customer service, resident complaints, and reviews.

For national rental-housing providers and their technology and services vendors, the significance is broader than another "junk fee" settlement. The case builds on *FTC v. Greystar* and *FTC v. Invitation Homes,* illustrating how the FTC now applies long-established Section 5 unfairness and deception principles across the entire resident lifecycle, from marketing and leasing through payments, maintenance, customer service, reviews, and move-out.

The composition of the enforcement coalition is itself noteworthy. The alliance among the FTC, Arizona, Colorado, Indiana, and Utah powerfully shows continuing bipartisan interest in the rental housing market at both the federal and state levels. The *Greystar* case was brought jointly by the FTC and the Colorado Attorney General at a time when both authorities were led by members of the same party (though the FTC vote notably was unanimous), then later resolved after control of the FTC had changed hands. The *Progress Residential* matter – in which a single-party FTC collaborated with two Democratic and two Republican Attorneys General – is an even clearer example of the trend toward bipartisan cooperation in this area. For national operators and vendors, the broad coalition underscores that rental fee transparency and related resident-protection issues are not confined to a single administration, political party, or enforcement agency. The combination of federal Section 5 authority with multiple states' consumer-protection statutes also creates a potentially durable model for coordinated rental-housing enforcement.

Legal authorities

The settlement resolves federal claims under Section 5 of the FTC Act, the Consumer Review Fairness Act (CRFA), and the Gramm-Leach-Bliley Act, as well as state statutes enforced by Arizona, Colorado, Indiana, and Utah. The defendants do not admit or deny the substantive allegations.

While most of the Complaint recites alleged deceptive and unfair practices that would violate

general consumer protection statutes, do not overlook the federal CRFA claim when it comes to lease drafting. The statute prohibits specified provisions in standardized consumer contracts that restrict consumers from communicating honest reviews or performance assessments, penalize them for doing so, or improperly transfer intellectual-property rights in their reviews. The FTC previously has used the CRFA against property-management businesses, including a 2019 action against Staffordshire Property Management, LLC.

Fee transparency remains central

As in *Greystar* and *Invitation Homes*, price transparency is an important component of the settlement. The order generally requires the "Total Monthly Rental Price," including recurring mandatory fees and charges, to be displayed clearly and conspicuously and more prominently than other pricing information when covered advertisements state a rental price. Before accepting an initial payment or deposit, Progress Residential also must provide specified disclosures concerning fees, including their amount, purpose, timing, frequency, mandatory or optional nature, and refundability.

That relief closely tracks *Greystar*. In December 2025, Greystar agreed to pay $24 million, consisting of $23 million to the FTC and $1 million to Colorado, to resolve allegations centered on advertised rents that excluded mandatory fees. Its order likewise requires prominent total-monthly-price disclosure and disclosure of mandatory fees before accepting consumer payments.

The Arizona Attorney General's *Greystar* settlements, announced by Attorney General Kris Mayes earlier this year, reinforced the same transparency principles under the Arizona Consumer Fraud Act. Arizona's general settlement adopted the injunctive requirements negotiated in the federal Greystar matter, while two property-specific settlements involving The Julia Apartments and Avana Gilbert provided an additional combined $100,000 in consumer restitution for allegedly undisclosed charges.

Beyond fees: marketing and security deposits

The *Progress Residential* order is substantially broader than *Greystar*. It prohibits misrepresentations concerning property inspections, cleanliness and safety, and the functionality of structural, plumbing, electrical, HVAC, and appliance systems. Representations concerning the quality, nature, availability, or safety of rental homes and services also must have a reasonable basis supported by comprehensive and accurate information.

The order also imposes detailed security deposit and move-out controls, addressing charges for ordinary wear and tear, pre-existing conditions, inspections, repairs, and improvements, while requiring supporting inspection records and photographs, resident access to specified documentation, employee training, and itemized move-out statements.

These theories are not entirely new. *Invitation Homes* is pertinent precedent. That 2024 settlement imposed a $48 million monetary judgment following allegations involving undisclosed fees, misleading inspection and maintenance representations, unfair security-deposit withholding, charges for normal wear and tear and pre-existing damage, and conduct concerning eviction protections. The FTC subsequently announced more than $47.2 million in consumer refunds.

A significant focus on customer service and payment systems

Where *Progress Residential* particularly expands the enforcement model is operational customer service.

The order prohibits pursuing late fees, eviction, or other remedies when a resident's nonpayment results from a defective or inaccessible payment portal. It also prohibits preventing residents from paying rent merely because they dispute another charge. For complaints, work orders, and maintenance requests, Progress Residential cannot simply close the matter without communicating that it has been resolved or explaining why it remains unresolved and providing an estimated resolution date. Residents must receive 48 hours to object and contact information for personnel capable of addressing the issue.

This new order is an important compliance signal for payment, resident portal, CRM, maintenance, resident communications, and property management software providers. Portal availability, ledger rules, payment blocking, dispute flags, ticket-closing logic, resident notifications, and escalation workflows can become components of an operator's Section 5 (and corresponding state law) compliance architecture.

Lease nondisparagement clauses create a separate CRFA risk

As noted above, the settlement also highlights consumer-review rights. The order prohibits standardized lease provisions that unlawfully restrict resident reviews, impose penalties for protected reviews, or improperly transfer rights in resident communications.

Operators therefore should review lease provisions addressing nondisparagement, online reviews, complaints, social media, confidentiality, liquidated damages, and ownership or licensing of resident-created content.

How the case fits within the FTC's evolving rental-housing agenda

The major FTC rental-housing settlements are a guide to key issues:

- *Greystar*: principally total-price advertising and hidden mandatory fees, pursued jointly by the FTC and Colorado.
- *Invitation Homes*: fees plus inspection and maintenance representations, security deposits, move-out charges, and eviction-related practices.
- *Progress Residential*: combines many of those theories while adding particularly prescriptive requirements concerning marketing substantiation, payment-system failures, disputed-charge handling, customer service workflows, complaint closure and escalation, and CRFA-protected resident reviews, backed by a broader bipartisan federal-state enforcement coalition.

The settlement also arrives while the FTC is considering broader regulation of rental housing fees. Its 2026 rental housing fee ANPRM seeks information concerning total advertised rent, mandatory fees, application fees, security deposits, billing problems, informed consent, and practices that impede consumer choice throughout the lease lifecycle. Assuming the agency continues forward with the rulemaking process, expect to see issues identified in these three actions reflected in a proposed rule.

Compliance takeaway

National operators should treat these developments collectively as grounds for a review of practices under Section 5, state UDAP, and CRFA review, not merely a “junk fee” audit. That broader review should cover advertised prices on operator websites and third-party listing channels; PMS fee configurations; application and deposit flows; assertions concerning property condition and amenities; inspection and move-out documentation; security-deposit deductions; payment-portal functionality; resident ledgers and disputed charges; CRM and work-order closure logic; escalation procedures; and lease provisions affecting reviews and resident criticism.

For rental-housing vendors, the lesson is equally important: technology that determines what price is advertised, when fees are disclosed, whether rent can be accepted, how disputes are coded, when work orders close, what notifications residents receive, and what records are retained increasingly belongs within the operator’s consumer-protection compliance framework.

And the expanded government coalition adds another dimension to that risk. The move from the FTC-plus-one-state model in *Greystar* to the FTC-plus-four-state coalition in *Progress Residential* provides a potential template for future rental housing investigations involving national portfolios. Operators and vendors therefore should assess their practices not only against the FTC Act, but also against the state UDAP statutes that state attorneys general may invoke alongside federal enforcement. These new enforcement theories, together with new statutory obligations, may make 2027 a busy year for rental operations compliance.