Since 2007, millions of American families have lost their homes and the equity therein to foreclosure. In the wake of the foreclosure crisis, rental demand has increased as former homeowners became renters, and economic strain and tightened mortgage credit delay others from buying homes. The combination of increased rental demand and the large inventory of single-family homes under bank ownership has created an opportunity for large, well-capitalized investors to purchase these properties while values are low, and then convert them to rental housing.

Aided by financing from institutional investors like pension funds and credit from many of the same banks (such as JPMorgan Chase and Wells Fargo) that contributed to the foreclosure crisis, private equity firms like Blackstone have poured over $20 billion into the single-family rental market, institutionalizing what has long been a "mom and pop" industry. So far, these new "corporate landlords" have purchased about 200,000 homes, or roughly 1.5% of single-family rental properties, but their presence in the market is expected to expand. Purchasing activity has not been evenly distributed throughout the U.S.; rather, firms have undertaken fast-paced, high-volume purchases, picking selected Sunbelt markets such as Phoenix and Atlanta clean.

Heralded by some as a housing market recovery, the institutionalization of the single-family rental market stands to primarily benefit the same kinds of financial interests that brought down the housing market in the first place.