



March 25, 2026

The Honorable Bryan Steil  
Chairman  
Subcommittee on Digital Assets, Financial  
Technology, and Artificial Intelligence  
House Committee on Financial Services  
2129 Rayburn House Office Building  
Washington, DC 20515

The Honorable Stephen Lynch  
Ranking Member  
Subcommittee on Digital Assets, Financial  
Technology, and Artificial Intelligence  
House Committee on Financial Services  
2129 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Steil and Ranking Member Lynch:

On behalf of the members of the National Multifamily Housing Council (NMHC), the National Apartment Association (NAA), and the Real Estate Technology and Transformation Center (RETTCC), we write ahead of your hearing entitled “Innovation at the Speed of Markets: How Regulators Keep Pace with Technology.” Thank you for the opportunity to share how rental housing providers and their technology partners are currently utilizing financial technology (FinTech) and emerging technologies to make rental housing more affordable. Emerging technologies and new financial products are improving renters’ experiences and fueling transformation within rental housing. It has the potential to make housing more affordable and accessible for millions of Americans seeking rental housing.

As the subcommittee considers how federal financial regulators are supporting the use of new technologies, we urge you to support a balanced framework that safeguards innovation. The existing legal landscape in housing already offers strong protections, and any new regulations should build on that foundation without undermining technological progress. As our organizations have consistently said in the past, a fragmented regulatory approach in data management, security and technology risks stifling innovation and increasing compliance costs. This ultimately undermines the benefits these systems and technologies offer to renters and housing providers alike.

### **AI is Fueling FinTech Innovations**

AI is revolutionizing FinTech platforms and renters are benefiting. Rental housing providers are taking advantage of AI’s improvement of FinTech products to reshape business operations, improve housing affordability and benefit millions of American renters. While commonly perceived to be new technologies, AI and related technologies in rental housing have already led to significant gains in meeting resident expectations and demand.

These tools offer benefits to housing providers and residents by driving modernization of historic practices, maximizing operational efficiency and improving housing outcomes. They are also subject to robust internal controls, existing legal protections, and regulatory requirements at the federal, state and local level that should be considered before overlaying any additional regulations.

### **Proven Success in Key Areas**

Rental housing owners, operators and lenders leverage FinTech platforms to improve efficiency, underwrite lending, offer flexible payment options for renters, identify investment opportunities to meet growing rental demand and work towards improving housing affordability. They have seen success in key areas of their business, including:

- **Lending and Underwriting:** Underwriting is a critical part of the lending process, and its accuracy is highly dependent on the quality of the available information. Incorporating AI enhances housing owners' and financiers' ability to effectively underwrite lending and ultimately improve housing supply and lower housing costs as a result. In addition, empirical evidence suggests that while AI systems are far from perfect, they appear to result in less bias than human beings and may be taught to mitigate bias, including in underwriting. For example, renewing or enforcing leases, helping to inform rental pricing, screening applicants for rental housing and taking other resident-facing actions can be time-consuming, costly and inconsistent, despite the best efforts of property owners and managers. Some housing providers use, or are considering using, technology to address these issues that arise within their own communities. Industry practices include providing for human, individualized oversight of decisions recommended by AI systems so that the automated recommendation is just one component in a process that gives humans the best information on which to make a decision.
- **Flexible Rental Payment Options:** FinTech products offer renter-focused solutions for longstanding challenges, specifically for renters whose income does not match traditional monthly rent due dates. Powered by FinTech platforms, housing providers can offer residents the ability to split their rent into smaller payments aligned more closely with their paychecks. Products like this can immediately improve resident stability, lessen delinquencies and therefore support housing affordability and outcomes. Many flexible payment platforms also report on-time rent payments to credit bureaus, helping residents build their credit history and their financial future.
- **Security Deposit Alternatives:** Rental housing providers are increasingly leveraging security deposit alternatives to expand housing access and improve affordability for millions of renters. These products allow renters to move into a home without the upfront expense of a full cash security deposit, which can be a barrier for households living paycheck to paycheck. By offering flexible, lower-cost options that spread risk efficiently, security deposit alternatives help renters preserve savings for other essential expenses while still providing housing providers with appropriate financial protections. These tools are already delivering tangible benefits in the rental housing market by promoting choice, reducing move-in costs, and supporting housing stability without undermining consumer protections.
- **Fraud Prevention:** The benefits of AI and FinTech innovations also extend to property level operations. Rental housing operators use AI-enabled platforms for more transparent and accurate resident screening and leasing to improve housing opportunity and prevent rising rental housing fraud. The rise in fraud in the application and leasing process presents a notable case study on the benefits of AI-powered FinTech. An NMHC/NAA survey found staggering increases in application fraud, with a vast majority of respondents (93.3%) experiencing fraud in recent months and most (70.7%) experiencing an increase in fraudulent applications and payments where the person utilized fraudulent documentation, financial statements and even identities<sup>1</sup>. Individuals who submit fraudulent applications and subsequently fail to pay rent accounted for roughly 1 in 4 (23.8%) of eviction filings in the survey. This also drives up housing costs broadly due to nonpayment, with apartment

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<sup>1</sup> [NMHC | NMHC Pulse Survey: Analyzing the Operational Impact of Rental Application Fraud and Bad Debt](#)

owners, developers and managers forced to write off an average of roughly \$1 million in bad debt stemming from nonpayment due to fraudulent applications. By integrating FinTech tools and other AI enabled technologies into the screening process, housing providers are pursuing new avenues to better identify and combat application fraud. Over time, this will reduce evictions, lower costs, and help improve housing affordability and access for renters.

## Conclusion

We appreciate the subcommittee's focus on fostering innovation and ensuring a coherent, forward-looking approach to financial policy. We urge the subcommittee to continue its bipartisan work to achieve federal policy that protects consumers, allows business uses of AI and other emerging technologies to continue and avoid a duplicative and complex regulation that could inadvertently drive housing costs higher. NMHC, NAA and RETTC stand ready to work with the Committee to support responsible innovation that improves efficiency, resilience, and affordability in rental housing.

Sincerely,



Sharon Wilson Géno  
President  
National Multifamily Housing Council



Bob Pinnegar  
President and Chief Executive Officer  
National Apartment Association



Kevin Donnelly  
Executive Director and Chief Advocacy Officer  
Real Estate Technology & Transformation Center