

**Apartment REITS, Asymmetric Information, and the Consumer Interest: Measuring Dichotomous Outcomes in Tenant Satisfaction**

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The explosive growth of Real Estate Investment Trusts (REITs) is changing the ownership structure of rental housing in the U.S. and across the world. This paper reports the impact of REIT ownership on renter satisfaction by analyzing nearly one-half million ratings posted on the largest U.S. consumer comment website for apartments. Descriptive statistics and ordered logit analyses (both with and without zip code fixed effects) indicated that REITs following an aggressive branding strategy had positive effects on residential satisfaction, while non-branding REITs had negative effects. This dichotomous outcome is consistent with an asymmetric-information model of consumer choice in apartment rentals.

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