

Title: ICIJ reports that financiers are buying up homes and to cash in on the foreclosure crisis.

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Summary: leaked documents from ICIJ (group that disclosed Panama Papers) expose a plan by financiers to bid up home prices with the aim of renting to those that will end up foreclosing.

Makes sense. Inflate equity bubble, bid up prices to increase equity on balance sheet, increasing odds of foreclosures, then once foreclosures hit, rent to the same people now in foreclosure. Home equity is protected from inflation due to salary/rent connection. If their home equity depreciates they can scoop up more at firesale prices once defaults begin.

Link: <https://www.icij.org/investigations/pandora-papers/how-a-billion-dollar-housing-bet-upended-a-tennessee-neighborhood/>