

HB 4128 A STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

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Meeting Dates: 2/24

WHAT THE MEASURE DOES:

The measure creates restrictions on the purchase of single-family residences by certain large institutional real estate investors and related entities, requiring that the residence be publicly listed for sale for at least 90 consecutive days immediately preceding the covered entity's offer or acceptance of an offer. The measure authorizes any person, without a showing of harm, to bring a civil action within five years of a sale or acquisition for violations of the measure and to seek injunctive relief. The measure applies to offers to purchase or acquire a single-family residence conveyed by a covered entity on or after the measure's effective date.

Detailed Summary:

- Defines "institutional real estate investor" as an entity, subsidiary, or combined group of entities that directly or indirectly owns or holds at least a 10 percent ownership interest in 2,500 or more single-family residences, serves as a fiduciary of pooled investor funds, and manages \$1 billion or more in net value or assets in the current tax year, adjusted annually for inflation
- Defines "covered entity" to include such investors and entities funded by them to purchase single-family residences, and excludes specified entities, including certain nonprofit organizations, creditors acquiring property through secured debt, entities receiving publicly available mortgage loans, community land trusts, land banks, public housing authorities, and resident-owned cooperatives
- Prohibits a covered entity from purchasing, acquiring, or offering to purchase or acquire any interest in a single-family residence unless the residence meets specified conditions, including being used as the principal residence of a person with an ownership interest in the covered entity or developed or operated with government funds
- Requires a covered entity that makes an offer to purchase a residence pursuant to the 90-day listing provision to provide a completed and notarized disclosure form to the seller and, within three days, to submit a copy to the Department of Justice
- Requires the Department of Justice to publicly post the disclosure forms on its website for at least five years
- Provides for statutory damages of reasonable attorney fees plus \$250,000 for acquiring or purchasing property in violation of the purchase restrictions, or \$10,000 for failure to submit a required disclosure form

Fiscal impact: Minimal fiscal impact

Revenue impact: No revenue impact

HOUSE VOTE: Ayes, 38; Nays, 16

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

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In the United States, residential real estate has historically been owned primarily by individuals or families and either occupied by those owners or rented at a relatively small scale. In recent decades, however, corporate ownership of housing has increased, with a range of entities, including limited liability companies and large institutional investors such as private equity firms, pension funds, and real estate investment trusts, acquiring substantial numbers of single-family homes, multifamily properties, and manufactured housing communities. According to a [2025 analysis by the Lincoln Institute of Land Policy and the Center for Geospatial Solutions](#), corporate entities now own an estimated 8.9 percent of residential parcels across 500 counties nationwide. While corporate ownership represents roughly 1 in 11 residential parcels at the national level, the share is significantly higher in certain local markets, where corporations own more than 20 percent of residential parcels.