



February 9, 2026

Hon. French Hill, Chairman  
House Committee on Financial Services  
Washington, D.C. 20515

Hon. Maxine Waters, Ranking Member  
House Committee on Financial Services  
Washington, D.C. 20515

Dear Chairman Hill and Ranking Member Waters:

The undersigned national associations represent for-profit and non-profit owners, operators, developers, lenders, property managers and housing cooperatives involved in the provision of rental housing, both affordable and conventional. We are committed to addressing the housing affordability crisis facing many Americans today. These challenges are driven by demand exceeding supply, resulting in a decades-long shortage of homes for sale and rent across all housing types. As the Committee considers solutions to housing availability and affordability needs, we urge you to recognize that the only way to lower rent is by encouraging, not hindering, investment in and construction of the housing that individuals and families can build lives upon.

While recent years have brought some improvement at the higher end of the income spectrum—particularly in areas where development has been able to move forward—these gains have not been universal. New construction takes time to filter other homes down to expand affordable options, leaving lower-income households facing persistent shortages. As a result, the gap between housing costs and what many families can afford continues to drive instability and hardship nationwide.

We appreciate this Committee's ongoing commitment to reducing housing costs and broadening housing opportunity by exploring solutions that will expand the number of homes available—the only real way to make housing affordable for more Americans. Passage of the Housing for the 21<sup>st</sup> Century Act is a significant step in laying the foundation for new housing supply nationwide. Yet, there is no single policy solution, and we know it will require public and private partnerships collaborating with communities nationwide to build the housing America needs.

As the Financial Services Committee is aware, President Trump on January 20 issued an Executive Order (EO) focused on restricting institutional-investor participation in the single-family rental market. The (EO) tasks the Treasury Department with defining institutional investor and a single-family home along with asking certain federal agencies to restrict bulk sales of single-family homes to institutional investors. Significantly, this latter restriction was affirmatively intended to exclude properties that qualify as build-to-rent (BTR).

To assist the Financial Services Committee in its examination of issues surrounding housing, we write to offer our views regarding the important role BTR and institutional investors play in the housing marketplace and addressing our critical shortage of supply. We also note that while not a core focus of all of our memberships, the single-family rental industry plays an important part in providing housing across the nation. As the Committee considers legislative action, we urge you to proceed carefully in this area and ensure that housing supply is not inadvertently constrained.

Along with debt capital provided by banks, Fannie Mae and Freddie Mac, life companies, debt funds, and the commercial mortgage-backed securities market, among others, investors and the investment capital they provide play a vital role in the multifamily industry. Among the many providers of investment capital are institutional investors who play a key role in building, owning, and operating larger multifamily properties, those defined as 50 units and above. Significantly, these types of investors include pension funds, life companies, and REITs, which enable middle-income Americans to invest in U.S. real estate and both earn returns — that in many cases help ensure a secure retirement — and provide meaningful benefits to communities receiving their dollars. In contrast, individual or small proprietors own a small share of multifamily properties with more than 50 units. These larger multifamily buildings meet the housing needs of many families while providing the density necessary in many urban and suburban settings. Notably, these properties also require significant capital, both for development and operation, which smaller owners simply cannot provide. Institutional investors represent a critical source of the capital our industry requires to meet the housing needs of so many. Any restriction on this capital would harm our industry's ability to house over 40 million Americans, contributing \$4.0 trillion annually to the economy.

BTR properties are part of the solution for increasing housing supply and addressing our housing affordability crisis. BTR housing refers to residential properties specifically designed, constructed, and managed for long-term rental rather than owner occupancy. Often appearing as suburban single-family home communities or “horizontal apartments,” these developments are professionally managed, feature high-quality amenities, and offer a cohesive, renter-focused, community-oriented living experience. In contrast to “scattered-site” single-family rentals, BTR units are located in new communities, and have emerged in the past few years as an affordable option for families and households desiring more space and the traditional amenities that one may find in a single-family home (a backyard, garage, patio) that are not available in an apartment, but with the conveniences and flexibility that renting offers. Put another way, BTR is part of the housing continuum for many households by both serving as a launching pad for Americans who one day aspire to home ownership or enabling retirees to free up their home for another purchaser while maintaining the lifestyle benefits of their former home. Finally, it must be noted that BTR represents a small portion of the overall number of single-family homes built each year—Fannie Mae [estimated in 2024](#) that they represented less than 10 percent of all single-family completions.

In sum, as President Trump's EO explicitly recognizes, BTR homes are fundamentally different than both traditional single-family homes and scattered-site rentals. They are purpose-built rental housing, not owner-occupied homes that were later converted to rentals. As a result, many professionally managed companies that never became involved in scattered site single-family rentals now include BTR units in their rental housing portfolio because they function operationally and economically like multifamily properties. Each new BTR home represents a net addition to both the rental housing supply and the overall housing supply, and restricting this important source of supply would undermine the industry's ability to deliver the desperately needed homes communities across the country require.

As a coalition, we urge policymakers of both parties and at all levels of government to embrace solutions that will have the greatest positive impact on housing supply and make a meaningful difference in Americans' lives by building the housing our nation needs.

Sincerely,

Council for Affordable and Rural Housing  
Institute of Real Estate Management  
Manufactured Housing Institute  
Mortgage Bankers Association  
National Affordable Housing Management  
Association

National Apartment Association  
National Association of Home Builders  
National Leased Housing Association  
National Multifamily Housing Council

Cc: Members of the House Committee on Financial Services