

## Procedural History: Executive Order to Proposed Legislation

On January 20, 2026, President Donald Trump issued an executive order titled “Stopping Wall Street From Competing With Main Street Homebuyers” (the “[EO](#)”), aimed at preserving the supply of single-family homes for American families and increasing the paths to homeownership. The EO directs certain federal agencies to begin taking steps to limit federal support of “large institutional investors” purchasing “single-family homes.” Notably, the executive order does not define the terms “large institutional investor” or “single-family home,” and instead directs the secretary of the treasury to provide those definitions within 30 days of the order’s issuance.

Nearly three months have passed since the EO was issued, and the treasury has not released further guidance on these critical definitions. However, Congress has moved to address this gap.

On March 10, 2026, the Senate passed the 21st Century ROAD to Housing Act (the “[Senate Bill](#)”) with significant bipartisan support. Section 901 of the Senate Bill, titled “Homes Are For People, Not Corporations,” responds to the EO’s legislative demand to prohibit institutional investors from purchasing single-family homes and proposes language for the missing definitions. The Senate Bill was sent to the House of Representatives on March 16, 2026, and remains subject to further consideration and amendments. Given its incorporation of the EO’s framework, the Senate Bill also appears to have the support of the Trump administration.<sup>1</sup>

## The Senate Bill’s Institutional Investor Definition

At its core, the Senate Bill prohibits “large institutional investors” from directly or indirectly purchasing single-family homes. Whether an entity qualifies as a “large institutional investor” under the Senate Bill turns on the following three-part statutory definition.

First, the entity must be a for-profit entity that “is engaged, in whole or in part, in the business of investing in, owning, renting, managing or holding single-family homes.” Second, the entity must, “alone or in concert with one or more other entities, beginning after the date of enactment of this act, directly or indirectly [have] investment control<sup>2</sup> of not less

than 350 single-family homes in the aggregate,” excluding homes acquired through certain “excepted purchases.” Third, the entity must not be a governmental body.<sup>3</sup>

For purposes of the Senate Bill, a “single-family home” is defined as “a structure that contains two or fewer dwelling units that are each intended for residential occupancy by a single household; and does not include a manufactured home, as defined in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974.”<sup>4</sup>

## Implications for Family Offices

As currently drafted, the Senate Bill’s definition of a large institutional investor should exclude most family offices, as it is premised on investment control over “350 or more single-family homes.” That said, the EO and the Senate Bill are still relevant for family offices in several important ways:

First, both the EO and the Senate Bill are forward-looking. Neither requires large institutional investors to sell existing holdings. This means that existing portfolios are not subject to forced divestiture, and that prior investment decisions are not being revisited under a new regulatory regime. For family offices with existing exposure to residential real estate, this substantially reduces the potential for near-term disruption and allows time for thoughtful planning as the policy landscape evolves.

Second, the combined effect of the EO and the Senate Bill is already [influencing the single-family housing market](#) and is likely to continue doing so if the Senate Bill is enacted. Together, these actions have introduced uncertainty in certain investment strategies, particularly those involving aggregation of existing single-family home portfolios or partnerships with large institutional sponsors that have significant single-family home portfolios. This uncertainty is likely to impact deal flow, pricing and exit assumptions. For family offices, this means that some opportunities to partner with private equity sponsors holding significant single-family home portfolios may come under increased regulatory scrutiny, while other strategies, particularly those aligned with new construction, redevelopment or renter-to-homeowner strategies, may become more attractive.

<sup>1</sup> Luke Baynes, [Despite White House and Senate Attention, Single-Family Investor Activity Remains Muted](#), *Scotsman Guide* (Mar. 4, 2026).

<sup>2</sup> As defined in section 901(a)(4)(B) of the Senate Bill, “an entity has direct or indirect investment control over a single-family home if the entity- (i) owns, or has primary authority or fiduciary responsibility to make material investment or management decisions relating to, the single-family home; (ii) is, or directly or indirectly controls, the general partner or managing member of the entity that owns the single-family home; (iii) is or controls the investment manager, management company or investment advisor of the entity that owns the single-family home; (iv) owns or controls more than 25% of any class of equity interests of the entity that owns the single-family home, unless such entity is a passive investor or (v) otherwise controls the entity that owns the single-family home.”

<sup>3</sup> Senate Bill (Section 901(a)(4)).

<sup>4</sup> Senate Bill (Section 901(a)(3)).

Third, family offices contemplating future investments involving single-family homes should closely review any control rights. While many family office investments can take the form of passive limited partner interests, the Senate Bill's definition of "investment control" is broad.<sup>5</sup> Control may arise not only from ownership, but also from veto rights, appointment or removal rights or other rights that influence management decisions. In practice, even minority investors could be viewed as exercising control if their contractual rights extend beyond those of a traditional passive investor. As a result, family offices should be attentive to how control rights are allocated in partnership, co-investment and joint venture arrangements involving single-family housing.

Finally, as the Senate Bill advances in the House, it remains subject to change, especially given controversial provisions unrelated to housing such as those in Section 1001, which restrict the creation of a federal digital currency.<sup>6</sup> We will continue to monitor legislative developments, including any changes to the definitions of "large institutional investor" or "single-family home," and will provide updates as the process unfolds.

## Contacts



**Daniel G. Berick**  
Partner, Cleveland  
T +1 216 479 8374  
E [daniel.berick@squirepb.com](mailto:daniel.berick@squirepb.com)



**Evan Ernst**  
Associate, Cleveland  
T +1 216 479 8507  
E [evan.ernst@squirepb.com](mailto:evan.ernst@squirepb.com)

---

<sup>5</sup> See footnote 2.

<sup>6</sup> Senate Bill (Section 1001).