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Trump Moves to Bar Institutional Investors From Buying Single-Family Homes Amid Affordability Push

The administration will pursue executive action to ban institutional investors from buying single-family homes, citing housing affordability concerns and rising prices, while urging Congress to codify the policy and outlining enforcement led by HUD.

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President Donald Trump announced Wednesday that his administration is moving to bar institutional investors from purchasing single-family homes, a step he said is intended to address housing affordability and limit corporate influence in the residential housing market as prices continue to rise nationwide.

Trump said the proposal is aimed at ensuring homeownership remains accessible to families rather than large financial firms. In a post on Truth Social, he wrote, “People live in homes, not corporations,” framing the initiative as a measure to protect what he described as the American dream of homeownership.

The policy would target large institutional investors that have amassed significant portfolios of single-family homes in recent years. Trump specifically pointed to firms such as Blackstone, which have acquired tens of thousands of properties, a trend critics say has intensified competition for individual buyers and driven up prices in certain markets. Shares of Blackstone (BX) fell up to 5% in midday trading on Wednesday following comments by President Trump.

The president revealed the plan after signaling last month that he was preparing what he described as “some of the most aggressive housing reform plans in American history,” indicating a broader effort to address cost-of-living pressures. He said the proposed ban would initially be implemented through executive action, while also calling on Congress to codify the policy into law to make it permanent.

Administration officials said the policy would likely focus on entities that own more than a specified number of single-family homes. They said the approach could involve tax penalties or outright restrictions on future purchases, though specific thresholds and enforcement mechanisms have not yet been announced.

The proposal aligns with Trump’s campaign promises to curb corporate influence in the housing market. According to reports cited by the administration, institutional buyers currently own about 1 percent of single-family homes nationwide, though their presence is more concentrated in certain metropolitan areas, including cities such as Atlanta and Phoenix.

Trump said he plans to discuss the housing proposal, along with other cost-of-living initiatives, during a speech at the World Economic Forum in Davos later this month, presenting it as part of his economic agenda for a second term.

Housing advocates have welcomed the focus on affordability, arguing that corporate buying has made it harder for families to compete in some markets. At the same time, some economists have cautioned that restricting institutional investment could reduce the supply of rental housing or discourage investment in new construction.

While details of enforcement have not been finalized, the Department of Housing and Urban Development is expected to play a central role in implementing the policy. Officials said HUD could coordinate with the Treasury Department on potential tax-related measures tied to the restrictions.

Trump administration spokespeople emphasized that the proposal is designed to target what they described as “predatory” corporate practices, while leaving small landlords and individual investors unaffected.

Reaction on Capitol Hill has been mixed. Congressional Republicans have expressed support for the initiative, while Democrats have called for broader housing reforms, including incentives to expand affordable housing development.

The announcement builds on recent executive actions taken by the administration to address housing costs, including efforts to ease zoning regulations for builders and provide tax credits for first-time homebuyers.

Real estate industry groups, including the National Association of Realtors, have urged caution, arguing that institutional investment has helped stabilize some housing markets. Legal challenges are also anticipated, as similar efforts at the local level have faced court scrutiny over property rights.

No specific timeline for the rollout of the ban was provided. Administration officials said it could take effect within months through regulatory changes, following required public comment periods.

The proposal comes amid broader debates over corporate consolidation in the housing sector, as national home prices have risen approximately 50 percent since 2020. Economists have noted that while institutional purchases account for a relatively small share of the overall market, they can significantly influence prices and availability in high-demand areas.