

March 10, 2026

The Honorable Tim Scott
U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Elizabeth Warren
U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Scott and Ranking Member Warren,

Thank you for the extensive work you and the Senate Committee on Banking, Housing, and Urban Affairs have done to develop and advance the ROAD to Housing Act and now the 21st Century ROAD to Housing Act. We strongly support the Committee's efforts to address the nation's housing challenges and expand supply. The Committee deserves significant credit for advancing a bipartisan legislative package focused on improving housing availability and affordability.

As you work to finalize the legislation, we want to flag one potential unintended consequence of Section 901 of the 21st Century ROAD to Housing Act (Homes Are for People, Not Corporations) that could result in a significant reduction in housing supply related to the production of build-to-rent (BTR) housing.

Our work on housing policy focuses primarily on supply because research consistently shows that increasing housing supply helps moderate rent growth, reduce homelessness, and improve affordability. The Pew Charitable Trusts' (Pew) research finds that new housing [slows rent growth](#) most for older, more affordable units, meaning that increases in supply tend to benefit lower-income renters the most.

BTR housing has become a meaningful source of new housing supply. Approximately [70,000](#) to [130,000](#) BTR homes have been built annually in the last several years, representing an estimated 7-13% of [single-family housing starts](#), including townhomes. Because these homes are built as rentals, they expand the housing stock rather than competing with potential homebuyers for existing homes. Analysts have [noted](#) a large share of single-family home renters would not be likely to qualify for mortgages under current lending standards, and nearly half of all renters believe it would be [very difficult](#) for them to obtain a mortgage.

While Section 901 includes carve-outs intended to preserve some BTR activity, the provision requiring disposition of homes after 7.5 years would likely make the BTR model financially unworkable. BTR developments are typically financed with long-term rental horizons and rely on stable rental income over many years. A mandatory disposition timeline of 7.5 years could complicate project financing and make many developments infeasible, including the roughly 100,000-150,000 homes in the pipeline. Specifically, a portfolio of 345,000 completed BTR homes show that about 62% are financed by investors that own more than 350 single-family homes, meaning a majority of these homes would be affected by the provision.

Because BTR housing now represents a meaningful share of single-family construction, policies that unintentionally disrupt the model could remove close to 1 in 10 new single-family homes from the annual construction pipeline. Further, build-to-rent housing is concentrated in [high-growth markets](#) such as Texas, Florida, and the Southeast—regions where new supply is most needed to accommodate population growth. Pew’s research has found that supply increases that are the same size as the BTR market have sharply [slowed](#) rent growth in [metro areas](#) and [cities](#) that have added more housing, while markets adding [little supply](#) have experienced [rapid](#) rent growth.

At a time when the country faces a significant housing shortage, even relatively small reductions in new housing supply can have meaningful effects on affordability. We wanted to raise this issue as the Committee continues to evaluate the legislation. If you explore other options, we would be happy to help evaluate the supply implications in more detail.

Thank you for all your work on this vital piece of legislation.

Sincerely,

Tara Roche

A handwritten signature in black ink that reads "Tara Roche". The signature is written in a cursive, flowing style.

Director, Housing Policy Initiative
The Pew Charitable Trusts

Alex Horowitz

A handwritten signature in black ink that reads "Alex Horowitz". The signature is written in a cursive, flowing style.

Director, Housing Policy Initiative
The Pew Charitable Trusts