

CO-SPONSORSHIP MEMORANDUM

To: All Legislators

From: Senators Sarah Keyeski and Brad Pfaff

Representatives Kalan Haywood and Karen DeSanto

Date: Wednesday, March 26, 2025

RE: **Co-sponsorship of LRB 2448/1; relating to:** prohibiting hedge funds from acquiring single-family homes in this state.

Deadline: **Wednesday, April 9th at 4 PM**

In recent years, hedge funds and large corporate investors have significantly increased their acquisitions of single-family homes across the country. By leveraging their vast financial resources, these entities often purchase properties in bulk, outbidding prospective homeowners (especially young, working families) and driving up home prices. This practice has worsened housing affordability, pushing countless working families out of the home buying market and increasing rental costs in impacted communities.

LRB-2448/1 will prohibit hedge funds from purchasing single-family residential properties within Wisconsin. By limiting such acquisitions, this bill hopes to:

- **Preserve Homeownership Opportunities:** Preventing institutional investors from dominating the market will empower our state's working families to secure stable housing, fostering stable communities.
- **Curb Rising Housing Costs:** With fewer corporate entities competing for properties, home prices can stabilize, improving affordability for everyday residents.
- **Strengthen Local Economies:** Homeownership contributes to wealth building for families, increased civic engagement, and more stable school districts and neighborhoods.

This bill would only limit the purchase of future homes, there is no enforcement included for those that have been purchased in the past.

This bill is based off of a proposal introduced by a Republican State Senator in Virginia, who saw the need for better affordability in his own community and understood that this is an issue that defies party lines. We hope you will join us in working towards a solution on this important issue.

If you would like to co-sponsor LRB-2448/1 please reply to this email or call Sarah in Senator Keyeski's Office at 6-0751, or call Adrian in Rep. Haywood's Office at 9116, by **Wednesday, April 9th at 4 PM.**

Analysis by the Legislative Reference Bureau

This bill prohibits a hedge fund from acquiring a single-family home in this state. The bill provides that an ownership interest in a single-family home acquired or owned by a hedge fund in violation of the bill is forfeited to the state and that the attorney general is responsible for enforcement.