



April 28, 2026

The Honorable French Hill  
Chairman, House Committee on Financial  
Services

The Honorable Tim Scott  
Chairman, Senate Committee on Banking,  
Housing, and Urban Affairs

The Honorable Maxine Waters  
Ranking Member, House Committee on  
Financial Services

The Honorable Elizabeth Warren  
Ranking Member, Senate Committee on  
Banking, Housing, and Urban Affairs

Dear Chairman Hill, Ranking Member Waters, Chairman Scott, and Ranking Member Warren,

I write to you on behalf of a diverse coalition of Qualified Opportunity Fund managers, financial institutions, community intermediaries, non-profits, and service providers involved in the production of market-rate, workforce, and affordable housing in Opportunity Zones (OZs). We applaud the Committees' efforts to address the nation's growing affordability crisis by expanding the supply of housing. We are deeply concerned, however, that a provision in Section 901 of the Senate's *21st Century ROAD to Housing Act* threatens to undermine this work by severely limiting the production of built-to-rent (BTR) single-family homes.

The U.S. faces a persistent housing shortage, which has driven up housing costs for American families. BTR has become an increasingly important source of new housing supply in recent years. According to the [National Association of Realtors](#), BTR units accounted for nine percent of new single-family housing starts in 2024 — up significantly compared to a decade ago. BTR is an important source of “missing middle” housing. For renters with growing families, new construction of BTR rental properties gives families room to expand. Conversely, for couples who are “overhoused” — meaning they own a larger home but no longer need that much room — research shows they may be more willing to downsize if they can move to a professionally managed BTR community. This downsizing process increases the supply of existing single-family homes on the market, which at the margin provides more choices for prospective homebuyers.

For this reason, the President's January 20 Executive Order, “Stopping Wall Street from Competing with Main Street Homebuyers,” wisely carved out BTR developments, protecting them as a key source of new housing supply. The Senate bill includes no such exception, instead requiring investors to dispose of applicable properties within seven years.



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OPPORTUNITY ZONES  
COALITION

Many BTR developments are not structured in a manner conducive to the sale of individual units. For example, a BTR development that complies with the requirements of the President’s Executive Order and is entitled, built, and operated as a multifamily property, may not be able to obtain local approvals seven years from now to re-zone the property from “multifamily rental” to “for sale residential”; without these approvals the BTR owner may not be allowed to divide the BTR property into individual home parcels to facilitate sales. But even in cases where BTR units can be individually sold, it is essential to allow transactions to take place whenever market conditions are favorable and without artificial timing constraints. By imposing a fixed disposition timeline, Section 901 would introduce significant market risk, restrict capital formation, and severely deter new BTR development. According to the Urban Institute, this provision could conservatively result in an estimated [72,000 fewer homes](#) being built each year.

The effects of Section 901 of the Senate bill would be especially harmful in the over 8,700 low-income communities nationwide designated as Opportunity Zones. Investors must hold an investment for at least 10 years to receive the most important OZ tax benefits. Section 901 would therefore unintentionally — but, nevertheless, fundamentally — preclude OZ investment in BTR housing developments, thereby eliminating a powerful source of funding for badly needed housing supply. This is an immediate concern as the current uncertainty about whether BTR will be subject to Section 901 is causing developers and investors to pause or cancel construction of new BTR housing supply.

Since being enacted in 2017, the OZ incentive has become one of the most powerful pro-supply housing policies in the federal toolkit. Research demonstrates that the incentive is directly responsible for the creation of an estimated [416,000](#) new units of housing nationwide. We believe it is crucial to ensure that the housing bill that is ultimately sent to the president’s desk does nothing to undermine policies that are already working — especially in low-income communities that had struggled with a lack of housing investment for decades. Unfortunately, Section 901 would disproportionately erode the usefulness of the OZ incentive in rural and suburban communities where more spacious, affordable rental options are in demand, and largely confine OZ investment in housing to more urban areas that can support multi-family buildings.

We urge you to eliminate these restrictions on BTR and preserve the ability for OZ capital to help finance such projects.

Please reach out to Catherine Lyons, Senior Director of Policy and Coalitions, at [catherine@eig.org](mailto:catherine@eig.org) should you have any questions.



Sincerely,

John W. Lettieri  
President and CEO  
Economic Innovation Group