



New Senate Bill Aims to Stop Hedge Funds from Squeezing Out Families Trying to Buy a Home

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MEMPHIS, Tenn. — It's a tough time to be on the market for a new home as families face rising costs and increased competition from large corporations.

Now a new Senate bill is aimed at stopping hedge funds from squeezing out everyday Americans looking to buy a home.

"The American dream is being deeply damaged," said Sen. Jeff Merkley (D-OR), the sponsor of the bill. "We need to get the hedge funds out of the business of single-family housing."

According to Merkley's office, last year we saw the fastest increase in hedge fund home purchases in the previous 16 years.

As examples of the impact, Merkley said data shows large hedge fund investors bought 42.8% of homes for sale in the Atlanta metro area and 38.8% of homes in the Phoenix area in 2021.

"These hedge funds are driving up the prices," said Merkley. "They're taking so many houses off the market."

The language of the **End Hedge Fund Control of American Homes Act** currently limits hedge funds from buying no more than 100 homes but Merkley says he wants to bring that number down to zero when he reintroduces it in January.

Since this session of Congress ends in just a few weeks, the bill would not make it to a vote this session, but Merkley said he introduced it now to get attention to the matter and to gather feedback for when he reintroduces it next session.

The measure could face opposition.

Last year, a financial expert testified before a Senate committee and argued investors help reduce housing vacancy rates and increase local construction employment.

“We should instead embrace private investors in housing markets and not fall victim to the notion that investing itself is a harmful zero-sum game,” said Norbert Michel from the Cato Institute during the 2021 Senate hearing.

We asked Merkley how he would respond to critics who may argue against Congress’s restrictions on the free market.

“Well, I’ll say this. If you want an America that a few people completely own, that’s where we’re headed,” said Merkley. “I want an America where every family has the opportunity to thrive, and you can’t thrive if you can’t afford the rent and you can’t afford to buy a house.”