

HOUSE BILL NO. 2077

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MURRAY.

5112H.011

JOSEPH ENGLER, Chief Clerk

AN ACT

To amend chapter 620, RSMo, by adding thereto one new section relating to investor purchase of residential homes, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 620, RSMo, is amended by adding thereto one new section, to be
2 known as section 620.5000, to read as follows:

**620.5000. 1. This section shall be known and may be cited as the "End Hedge
2 Fund Control of American Homes Act".**

3 **2. As used in this section, the following terms mean:**

4 **(1) "Community-based entity", a nonprofit organization, community
5 development corporation, or community land trust whose mission includes affordable
6 housing or resident ownership;**

7 **(2) "Covered residential property", includes:**

8 **(a) A single-family home;**

9 **(b) A two-family duplex, three-family triplex, or four-family quadplex dwelling
10 unit; or**

11 **(c) Any parcel zoned primarily for residential use containing up to four dwelling
12 units;**

13 **(3) "Department", the department of economic development;**

14 **(4) "Individual owner", a natural person who holds title in their own name, or in
15 a revocable trust for their primary residence or family use;**

16 **(5) "Institutional investor", any entity:**

EXPLANATION — Matter enclosed in bold-faced brackets ~~thus~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 (a) Including a hedge fund, private equity firm, real estate investment trust,
18 corporation, partnership, or limited liability company, that owns, directly or indirectly,
19 more than fifty residential properties within the United States; or

20 (b) That manages assets on behalf of others with an aggregate value exceeding
21 one hundred million dollars and engages in real estate investment as part of its business
22 operations.

23 3. (1) No institutional investor shall purchase, acquire, or take title to any
24 covered residential property on or after August 28, 2026.

25 (2) No subsidiary, affiliate, shell company, or special-purpose entity created for
26 the purpose of evading the provisions of this section shall be permitted to hold title to a
27 covered residential property.

28 4. Any transfer of ownership made by an institutional investor or its subsidiary,
29 affiliates, shell company, or special-purpose entity in violation of this section shall be
30 void, and title shall revert to the prior owner for resale to an eligible buyer.

31 5. An institutional investor who currently holds covered residential property or
32 properties as of August 28, 2026, shall:

33 (1) Divest ownership in such properties within three years; and

34 (2) Submit a divestment plan to the department by March first, outlining how
35 the property or properties will be sold to an individual owner or to a community-based
36 entity.

37 6. The provisions of this section shall not apply to:

38 (1) Nonprofit affordable housing providers or land trusts;

39 (2) Public housing authorities;

40 (3) Small businesses or local partnerships owning fewer than fifty residential
41 units statewide; or

42 (4) Financial institutions holding foreclosed properties for resale within twelve
43 months of acquisition.

44 7. The department shall coordinate with each county recorder of deeds in the
45 appropriate county office or use the county's official website portal to:

46 (1) Create and maintain a registry of institutional investors and their residential
47 property holdings in the state; and

48 (2) Review recorded deeds and titles to ensure compliance with this section.

49 8. The attorney general's office is authorized to enforce this section and shall
50 bring a civil action including, but not limited to, forfeiture proceedings in a court of
51 competent jurisdiction in the county where all or part of the real property that is the
52 subject of the violation is located.

53 **9. Any permanent injunction, judgment, or order of the court shall be prima**
54 **facie evidence in an action brought under this section that the defendant used or**
55 **engaged in an action or practice that is contrary to the state's prioritization for**
56 **affordable housing or resident ownership.**

57 **10. An institutional investor or entity that a court determines in an action**
58 **brought under this section by the attorney general's office to have violated the**
59 **provisions of this section is subject to:**

60 **(1) A civil penalty or fines of up to fifty thousand dollars per property; and**

61 **(2) Divestiture of property or properties unlawfully obtained either through sale,**
62 **termination of a leasehold, or other disposition of the interest in property.**

63 **11. Any resident displaced by a violation under this section may bring a private**
64 **civil action in the circuit court where all or part of the real property that is the subject of**
65 **the violation is located, to seek injunctive relief and recover actual damages.**

66 **12. The department shall promulgate all necessary rules and regulations for the**
67 **administration of this section including, but not limited to, the following:**

68 **(1) Define compliance reporting standards;**

69 **(2) Establish verification and audit procedures for institutional ownership; and**

70 **(3) Develop guidelines for the resale of divested homes to individual and**
71 **community-based buyers.**

72 **13. Any rule or portion of a rule, as that term is defined in section 536.010, that**
73 **is created under the authority delegated in this section shall become effective only if it**
74 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
75 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**
76 **vested with the general assembly pursuant to chapter 536 to review, to delay the**
77 **effective date, or to disapprove and annul a rule are subsequently held unconstitutional,**
78 **then the grant of rulemaking authority and any rule proposed or adopted after August**
79 **28, 2026, shall be invalid and void.**

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