

# Trump signs executive order to block large investors from single-family home market

The current lack of a definition for ‘large institutional investors’ makes it difficult to gauge the order’s impact

- Daniel Banta
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President Donald Trump signed an executive order Tuesday aimed at prohibiting large institutional investors from purchasing single-family homes, a move the administration asserts will prioritize individual homebuyers over corporate interests.

The [order](#), titled “Stopping Wall Street from Competing with Main Street Homebuyers,” directs federal agencies to restrict federal financing and the sale of government-held properties to large investors. It represents a significant intervention in the housing

market, addressing longstanding complaints that deep-pocketed corporate buyers are outbidding U.S. families for starter homes.

The executive order tasks the Treasury Department with defining exactly what constitutes a “large institutional investor” and a “single-family home” within the next 30 days. Once defined, large investors will be barred from utilizing federal financing programs to acquire single-family properties, though the lack of firm definitions makes it hard to ascertain the impact of the president’s policy at present.

Furthermore, the order instructs the Department of Housing and Urban Development (HUD), the Department of Veterans Affairs and the Department of Agriculture to ensure that homes sold from their inventories are prioritized for individual buyers rather than corporate landlords.

To enforce market fairness, the president also directed the Department of Justice and the Federal Trade Commission to investigate potential anticompetitive practices within the rental market, specifically targeting price-fixing schemes that drive up costs for tenants.

The administration argues that institutional buyers have “crowded out” first-time buyers by snapping up inventory with all-cash offers that regular families cannot compete with. By removing these competitors, the White House believes homeownership will become more accessible for the middle class.

However, the order includes notable exceptions. It specifically exempts “build-to-rent” communities — new subdivisions constructed explicitly for leasing purposes — arguing that these projects add necessary supply to the housing stock rather than subtracting from the inventory available for purchase.

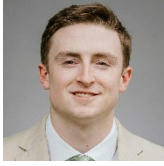
Reaction from the housing and mortgage industries has been mixed, with experts debating the potential efficacy of the ban.

When reached for comment, a National Rental Home Council spokesperson referred Scotsman Guide to the group’s recent public statement, which emphasized that “professional single-family rental providers own far less than 1% of homes and are not the cause” of the housing crisis.

As Scotsman Guide recently reported, Trump’s plan to limit institutional investment may struggle to address the underlying affordability issue because [more than 95% of investor-owned homes are held by small investors](#) owning fewer than 11 properties, not the so-called mega-investors seemingly targeted by Trump’s executive order.

The White House and HUD did not immediately respond to Scotsman Guide’s request for comment.

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