City of Pittsburgh

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Legislation Details (With Text)

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Title:	WHEREAS, the Stop Predatory Investing Act, introduced by Senator Sherrod Brown, seeks to curb the acquisition of single-family rental homes by large investors, denying tax deductions for interest and depreciation on such properties, and;		
Sponsors:	Deborah L. Gross		
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3/25/2024	1	City Council	Adopted	Pass

WHEREAS, the Stop Predatory Investing Act, introduced by Senator Sherrod Brown, seeks to curb the acquisition of single-family rental homes by large investors, denying tax deductions for interest and depreciation on such properties, and;

WHEREAS, a report by the Pittsburgh Community Reinvestment Group indicates a surge in corporate entities and residential property wholesalers purchasing real estate, and;

WHEREAS, Pittsburgh experienced an increase from 15.5% to 24.8% of residential property sales to these types of investors between 2010 and 2021, and;

WHEREAS, institutional buyers of residential homes have increased significantly nationwide, impacting homeownership opportunities, as evidenced by a National Association of Realtors study reporting a rise from under six percent in 2000 to over 13 percent in 2021, and;

WHEREAS, the presence of institutional buyers has led to adverse effects such as offering incentives like "as-is" terms, cash offers, and guaranteed purchases, limiting options for individual homeowners, and;

WHEREAS, homeowners have faced harassment and high-pressure tactics from property wholesalers, resulting in the loss of accrued home equity and contributing to community displacement, and;

WHEREAS, the transactions not only harm individual homeowners but also destabilize communities, with wholesalers often lacking incentives to maintain properties or invest in the community, and;

WHEREAS, these wholesalers operate outside the code of conduct constraints of professions like real estate agents, realtors, or attorneys, necessitating regulatory action to safeguard residents' interests, and;

NOW, THEREFORE BE IT RESOLVED, that the Council of the City of Pittsburgh urges the U.S. Senate to pass Senate Bill 2224 Stop Predatory Investing Act.

BE IT FURTHER RESOLVED, that a copy of this Resolution be distributed to the offices of Senators Bob Casey and John Fetterman and Congresswoman Summer Lee.