

LFC Requester:	Antonio Ortega
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AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO [AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)  
*(Analysis must be uploaded as a PDF)*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

**Date Prepared:** 1/26/2026 *Check all that apply:*  
**Bill Number:** SB 114 Original  Correction   
 Amendment  Substitute

**Sponsor:** Harold Pope **Agency Name** 992 – New Mexico Mortgage  
**Short** INVESTMENT OWNERSHIP OF **and Code** Finance Authority  
RESIDENTIAL PROPERTY **Number:** (Housing New Mexico | MFA)  
**Person Writing** Robyn Powell  
**Phone:** 505-757-2271 **Email** rpowell@housingnm.org

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
NA	NA	NA	NA

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
NA	NA	NA	NA	NA

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected

<b>Total</b>	NA	NA	NA	NA	NA	NA
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(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: NA

Duplicates/Relates to Appropriation in the General Appropriation Act: NA

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

Senate Bill 114 prohibits a hedge fund, private equity firm, corporation or any other business entity from purchasing a single-family residence.

This bill exempts limited liability companies organized under the Limited Liability Company Act from this provision.

#### **FISCAL IMPLICATIONS**

Senate Bill 77 does not appropriate state funds or generate revenue for the state.

#### **SIGNIFICANT ISSUES**

In January 2026, the federal administration announced an Executive Order, “Stopping Wall Street from Competing with Main Street Homebuyers,” that instructs federal agencies to prevent large investors from purchasing single-family homes. In 2025, New York instituted Assembly Bill A3009C which restricts certain institutional investors from purchasing single and two-family homes; and requires a waiting period. In Georgia, the “Protect the Dream Act” was introduced to prohibit businesses owning more than 25 homes in a single county from purchasing additional residences.

#### **Potential benefits of this bill include:**

- Limits competition from large financial entities that can often outbid individual homebuyers, ensuring more homes are available for families and individuals.
- Reduces speculative investment in residential properties, which can lead to inflated prices and housing bubbles.
- Discourages absentee ownership, which can negatively affect neighborhood cohesion and maintenance.
- Increases opportunities for first-time buyers and low- to middle-income families to purchase homes, potentially addressing housing affordability concerns.

#### **Potential drawbacks include:**

- Reduced demand from institutional buyers could lead to lower home prices, negatively impacting homeowners looking to sell or refinance.
- Determining compliance and identifying prohibited entities may require additional resources and regulatory oversight, which would be a cost to the state.
- Institutional buyers often convert purchased homes into rentals; restricting their activity may reduce rental property availability, potentially increasing rental prices.

- Institutional investors sometimes fund new housing developments; this prohibition might discourage investment in building new single-family homes, worsening supply issues.

**PERFORMANCE IMPLICATIONS**

**ADMINISTRATIVE IMPLICATIONS**

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

**TECHNICAL ISSUES**

**OTHER SUBSTANTIVE ISSUES**

**ALTERNATIVES**

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

**AMENDMENTS**