



**For Immediate Release:  
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## **Rowlett City Council Passes Resolution Regarding Institutional Investors**

**ROWLETT, TEXAS**— The Rowlett City Council has unanimously approved a resolution calling on the Texas State Legislature to limit and regulate the influence of institutional investors in the single-family housing market. This resolution positions Rowlett as the first city in Texas to take a formal stand against the growing presence of institutional investors in the single-family housing market. Institutional investors have been driving up home prices and making it increasingly difficult for first-time buyers and lower-income families to achieve the American dream of homeownership.

The resolution highlights the significant impact institutional investors have had on local housing markets, particularly in rapidly growing areas like Dallas and Rockwall counties, where such investors accounted for up to 43 percent and 45 percent of home sales in 2021. By outbidding individual homebuyers, these large-scale investors contribute to rising home prices and decreased affordability, which, in turn, exacerbates wealth inequality and threatens community stability.

"Homeownership is a cornerstone of the American dream and a vital means of building wealth for families," said Mayor Blake Margolis. "By passing this resolution, Rowlett is taking a stand to protect our residents and ensure that our communities remain accessible to those who aspire to own a home. We are calling on the Texas Legislature to address this issue, which affects not only Rowlett but cities across the state and the nation."

This resolution also aligns with recent calls from Governor Greg Abbott, who in March of 2024 urged state lawmakers to rein in Wall Street's influence in the Texas housing market. The Rowlett City Council's action underscores the need for state-level regulatory measures that prioritize the needs of Texas families over the profits of large-scale investors.

### **About Rowlett, Texas**

The City of Rowlett is located on the shores of Lake Ray Hubbard, 20 minutes east of Dallas, and is easily accessible from IH 30, the President George Bush Turnpike and the DART light rail. Home to over 68,000 residents, Rowlett offers award-winning schools, unique shopping opportunities, diverse housing opportunities, top-quality health care, an outstanding regional hospital, beautiful lakeside parks, and a wide variety of community, entertainment, and special events. Visit [Rowlett.com](https://www.rowlett.com) for more information.

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**Resolution to Address the Negative Impact of Institutional Investors on the Single-Family Housing Market in Texas**

**WHEREAS**, institutional investors are companies, corporations, or limited liability companies (LLCs) as defined by the National Association of Realtors (NAR); and

**WHEREAS**, institutional investors in some cases are not subject to the same restrictions as individual homebuyers and benefit from tax advantages; and

**WHEREAS**, cities across Texas have observed a significant increase in the acquisition of single-family homes by institutional investors in recent years; and

**WHEREAS**, in 2021, nearly 30% of all single-family homes sold in Texas were purchased by these investors, with certain areas experiencing even higher rates, such as Dallas and Rockwall counties where institutional buyers accounted for up to 43% and 45% of home sales (National Association of Realtors, pg.11); and

**WHEREAS**, institutional investors, often outbidding individual homebuyers, can drive up home prices, making it difficult for first-time buyers and lower-income families to afford homes, thus diminishing opportunities for homeownership, which is a primary means of building wealth for families and a key component of the American dream; and

**WHEREAS**, the dominance of institutional investors in the housing market potentially exacerbates wealth inequality and impacts community stability, as these investors prioritize returns over being good neighbors, leading to potential neglect of property maintenance and reduced civic engagement; and

**WHEREAS**, although in the short term, institutional investment may increase home prices, in the long term the increased presence of institutional investors negatively impacts home values as the rental properties they acquire may deteriorate quicker, which in turn affects cities' property tax revenues that are crucial for funding local services and infrastructure; and

**WHEREAS**, in March 2024, Governor Abbott called on state lawmakers to limit Wall Street's presence in the Texas housing market, acknowledging the need to address this pressing issue (The Texas Tribune); and

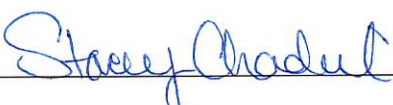
**WHEREAS**, cities across Texas and the United States have been similarly impacted by the rising numbers of institutional investor-owned homes in their communities, threatening the ability of middle and lower-class families to purchase homes and achieve the American dream of homeownership;


**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, THAT:**

**Section 1.** the City Council now adopts a position of support for any legislative efforts aimed at limiting or regulating the acquisition of single-family homes by institutional investors in Texas.

**PASSED AND APPROVED** on the 20th day of August, 2024.

ATTEST:

  
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**Stacey Chadwick, Interim City Secretary**  
City of Rowlett, Texas

  
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**Blake Margolis, Mayor**  
City of Rowlett, Texas

