ARGENTUM
EXPANDING SENIOR LIVING

November 23, 2026

The Honorable Scott Bessent
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Ave NW
Washington, DC 20220

RE: Restrictions on Large Institutional Investor Purchases of Single-Family Homes; Docket No. TREAS-DO-2026-0529; RIN 1505-AC96

Dear Secretary Bessent:

On behalf of Argentum, the leading national association representing senior living communities and the older adults and families they serve, we appreciate the opportunity to comment on the Department of the Treasury's notice of proposed rulemaking implementing Section 1001 of the 21st Century ROAD to Housing Act (the "Act"). Argentum supports Congress's objective of protecting homeownership opportunities for individuals and families, but we are concerned that restrictions for institutional investors could result in unintended consequence for service-enriched senior living communities that are fundamentally different from single-family homes.

We request that the Department of the Treasury use its rulemaking authority to expressly exclude senior living communities from the scope of the Act, including communities developed through new construction, conversion, renovation, or adaptive reuse. The exclusion should apply regardless of whether a community is licensed, its residences are purpose-built or converted, or ownership and operations are held in separate entities, provided the property continues to operate as an integrated senior living community. Without this clarification, the Act could disrupt acquisitions, recapitalizations, preservation transactions, and new development, with significant short- and long-term consequences for the seniors our members serve, the senior living industry, and American taxpayers.

Summary

- Section 1001 was directed at institutional competition for single-family homes available to individuals and families.
- Senior living communities are a distinct housing and care asset class. Even when a campus contains cottages, villas, duplexes, or other residential-style structures, those units typically function as part of an integrated community and are not marketed or legally configured for individual sale or the transfer of title to real property.
- Congress directly addressed the potential unintended impact on senior living. House Financial Services Committee Chairman French Hill stated in the Congressional Record on June 23, 2026, that purchases of homes used in senior living communities should be exempt because they are unrelated to the problem addressed by the Act, and the Committee's Ranking Member Maxine Waters agreed with that description of congressional intent.
- Eligibility should be based on the property's continuing use and integrated operation, not on whether the residences were purpose-built, converted, renovated, or adapted from another use; whether independent living is licensed under state law; or whether the real estate owner and community operator are separate entities.

- The need for senior housing investment is urgent with independent analyses projecting that annual demand will soon exceed 100,000 new senior housing units.
- Treasury should expressly exclude qualifying senior living and residential-care communities from the purchase prohibition. In the alternative to the extent an express exemption is impossible, Treasury should establish a clear exception that covers acquisitions, transfers, recapitalizations, preservation transactions, and development involving both existing and future communities.

Argentum and the Role of Senior Living

Argentum is the leading national association dedicated to supporting professionally managed, resident-centered senior living communities and the older adults and families they serve. Senior living includes independent living, assisted living, memory care, and continuing care retirement communities that allow residents to transition among levels of care as their needs change within a single campus. Senior living communities combine housing with services, amenities, supervision, and personal assistance, and they also facilitate healthcare-related support. Independent living is not uniformly subject to state licensure, but it remains a core component of the senior living continuum and often shares a campus, services, branding, and operating platform with licensed care settings. Across senior living, the residential character is central to their mission, but their purpose, operating model, financing, and consumer market differ materially from conventional single-family rental portfolios.

A senior living campus may include detached cottages, villas, duplexes, townhome-style residences, converted apartment buildings, former hospitality properties, small residential buildings, or other adapted structures. Those structures may resemble single-family homes in form, but they are typically integrated into a larger campus through common ownership, shared amenities, service packages, licensing or regulatory requirements, and a unified operating model. Upon entering a senior-living community, residents generally acquire a right to occupy a unit and receive services—they do not acquire title to real property in the way a homeowner does when purchasing a single-family home. Treating these structures as ordinary single-family homes for purposes of Section 1001 would elevate physical form over economic and functional reality.

The Statute and Proposed Rule Could Unintentionally Negatively Impact Senior Living

The rule should expressly exempt senior living communities from the scope of the Act as (i) Congress did not intend for the Act to apply to senior living communities or otherwise restrict senior living transactions; (ii) the application of the Act to senior living is likely to exacerbate existing misalignment between supply and demand for senior living units to the detriment of America's seniors and America's taxpayers; and (iii) the implementation of the proposed rule without further clarification would create unintended outcomes for existing senior living communities.

1. **Congress Did Not Intend to for the Act to Apply to Senior Living**

The purpose of Section 1001 is to preserve single-family homes for purchase by individuals and families. Senior living transactions do not implicate that concern. Whether newly built or created through conversion or adaptive reuse, senior living residences are part of integrated, service-enriched communities, they are not conventional homes being removed from the market for individual buyers.

The Congressional Record of June 23, 2026,[1] confirms this distinction. House Financial Services Committee Chairman and the primary legislative sponsor of the 21st Century ROAD to Housing Act, French Hill stated, "Purchases of homes used to provide residential care for individuals with disabilities or developmental disabilities, or in senior living communities, should be exempt, as these are unrelated to the problem being addressed by the Act." Financial Services Ranking Member Maxine Waters responded that she agreed with Chairman Hill's description of congressional intent for Section 1001. This bipartisan colloquy squarely addresses the issue now before Treasury and should guide the final rule.

2. The Application of The Act to Senior Living is Likely to Exacerbate Existing Misalignment Between Supply and Demand for Senior Living Units to the Detriment of America's Seniors

The nation is entering a period of unprecedented growth in the population most likely to use senior housing. NIC MAP reports that the first Baby Boomers turned 80 in 2026 and that the 80 and older population is expected to add more than one million people per year by the early 2030s.[2] NIC MAP projects that maintaining current availability will require more than 100,000 new units in most years between 2025 and 2035, with a cumulative need of approximately 576,000 additional units by 2030 and more than $1 trillion in investment through 2050. These demand and investment estimates should be read separately from pipeline measures: NIC MAP reports that annual construction starts fell approximately 67 percent from more than 30,000 units in 2021 to roughly 10,000 units in 2025. Construction starts are not completed deliveries; starts enter the development pipeline and generally become available only after construction and lease-up.

The following table depicts the projected supply and inventory gaps through 2050.

Market indicator	NIC MAP finding
Annual unit need	More than 100,000 new senior housing units needed in most years between 2025 and 2035.
Construction starts	Approximately 10,000 units started in 2025, down about 67% from 2021. Starts measure projects entering the pipeline, not units delivered; starts and delivered units should not be used interchangeably.
Projected supply gap	Approximately 576,000 additional units needed by 2030 and more than 1 million by 2035.
Long-term capital need	More than $1 trillion in cumulative investment through 2050 to maintain current availability.
Existing asset needs	More than 40% of existing senior housing is over 25 years old, underscoring renovation, repositioning, and reinvestment needs.

These conditions make access to debt and equity capital essential. Investment supports land acquisition, construction, renovation, life-safety improvements, technology, energy efficiency,

accessibility, and the preservation of aging communities. It also enables ownership transitions when an operator or investor seeks to exit.

In the absence of the express exemption of senior living communities from the scope of the Act's applicability, we anticipate negative impacts to the availability of capital and the pool of potential purchasers. This can reduce liquidity, increase financing costs, delay improvements, and suppress new development precisely when that capital is needed to respond to accelerating demographic demand. In the absence of new supply, the market will dictate that prices for existing units will increase to the detriment of those seniors that occupy them. It is reasonable to anticipate that this may lead to calls for increased government spending to direct or indirectly offset the impact on seniors.

3. **Implementation of the Proposed Rule Without Further Clarification Would Create Unintended Outcomes for Existing Senior Living Communities**

The proposed rule clarifies several exceptions and related terms in Section 1001, but it does not expressly address senior living or similar residential-care communities. That omission creates uncertainty because (i) some senior living campuses include structures that could fall within a literal reading of "single-family home" and (ii) ownership and investment structures common in senior housing could satisfy elements of the large-institutional-investor definition. Eligibility should not depend on a single entity both owning the real estate and operating the community.

The risk is greatest for existing communities. The proposed build-to-rent framework generally requires a home to be purchased within 18 months after receiving a certificate of occupancy and to have not previously been occupied by an owner-occupant. An existing senior living community with cottages or villas may be far older than 18 months and may not fit within the other proposed exceptions. Yet its transfer would not remove a home from the owner-occupied market because the residences are already dedicated to a senior living use and ordinarily are not available for individual sale.

The consequences could extend beyond a prohibited direct acquisition. Uncertainty may affect portfolio transactions, entity-level acquisitions, recapitalizations, lender remedies, joint ventures, and changes in control. Parties may delay or abandon transactions rather than risk civil penalties of up to the greater of $1 million or three times the purchase price. Reduced transaction liquidity would impair the ability of communities to obtain new capital, change ownership, preserve operations, or invest in improvements.

Recommended Regulatory Clarifications:

1. **Express exclusion for senior living and residential-care communities**

   Treasury should state that the purchase prohibition does not apply to a property principally used as an integrated, service-enriched senior living community used to provide housing, hospitality, personal care, supervision, memory support, or related services to older adults. The clarification should expressly encompass independent living whether or not licensed under state law, assisted living, memory care, continuing care retirement communities, life plan communities, and comparable state-regulated residential-care settings.

2. **Functional, property-level eligibility standard**

   Eligibility for the exemption should focus on continuing use and integrated operation rather than the architectural form of individual structures. Relevant, nonexclusive indicators may include common ownership or control; operation as a unified campus; shared services or

amenities; age or care-related occupancy criteria; state licensure or regulation; restrictions preventing separate sale; and marketing to residents as part of a senior living or residential-care community. No single indicator should be required, and the absence of state licensure for independent living should not be disqualifying.

3. **Protection for existing and future communities**

   The clarification must apply to existing properties as well as those properties that are newly constructed, renovated, converted, repositioned, or adaptively reused. Limiting relief to newly constructed or recently completed residences would leave the principal problem unresolved and disadvantage established communities and projects that add needed senior housing through conversion rather than ground-up construction.

4. **Coverage of ordinary capital and ownership transactions**

   The final rule should cover direct and indirect acquisitions, entity-level transactions, portfolio sales, recapitalizations, joint ventures, sale-leasebacks, leases, management agreements, lender or investor remedies, and changes in control when the property continues to operate as a qualifying senior living community. Treasury should also clarify that routine financing rights, protective covenants, lease rights, and governance rights do not transform a passive capital provider into a prohibited purchaser absent actual control over the acquisition or disposition of single-family homes outside the qualifying community.

5. **Administrable documentation and safe harbor**

   Treasury should provide a nonexclusive safe harbor based on reasonable, contemporaneous documentation showing that the property is operated as an integrated senior living or residential-care community and that individual residences are not being acquired for separate resale to or rental as conventional single-family homes partitioned from and unrelated to the senior living community. Acceptable documentation could include operating agreements, licenses, land-use approvals, declarations or covenants, resident agreements, service plans, campus maps, and restrictions on separate conveyance.

6. **Coordination with HUD and other agencies**

   Treasury should consult with HUD, FHFA, and the SEC, as contemplated by the Act, and should recognize established federal and state classifications for senior housing and residential care. Consistent definitions across agencies will reduce compliance cost, avoid market disruption, and help ensure that financing programs and private capital remain available to meet growing demand.

Suggested Regulatory Text

Argentum recommends that Treasury add a provision substantially as follows:

> ***Senior living and residential-care communities.*** *A purchase is not prohibited under this part to the extent the purchase is of a property, or an interest in an entity owning a property, that is principally operated for the purpose of providing housing and supportive services to adults over the age of 55, including independent living whether or not subject to state licensure, assisted living, memory care, continuing care retirement communities, life plan communities, and comparable residential-care settings. A qualifying property may be purpose-built, newly developed, renovated, converted, repositioned, or adaptively reused, and may be owned and operated by separate affiliated or unaffiliated entities. This provision*

applies to existing and future communities and to direct and indirect acquisitions, entity-level and portfolio transactions, recapitalizations, joint ventures, sale-leasebacks, leases, management transitions, lender or investor remedies, and changes in control, provided that the property continues to be used for a qualifying purpose and the residences are not acquired for partitioning from the community and separate sale as conventional single-family homes.

Conclusion

Argentum supports the Administration's work to expand homeownership and appreciates Treasury's effort to provide timely clarity before Section 1001 takes effect. The final rule should distinguish conventional institutional purchases of single-family homes from transactions involving purpose-built or converted senior living communities. That distinction should protect converted and adaptively reused properties, unlicensed independent living, and common structures in which separate entities own and operate the community. Doing so would honor the bipartisan congressional intent reflected in the Congressional Record, avoid unnecessary market disruption, and preserve the capital investment required to house and serve a rapidly growing population of older Americans.

We look forward to working with Treasury and other federal partners on a clear, durable solution that protects homeownership without adversely affecting seniors, residents, families, or senior living communities.

Sincerely,

James Balda
President & CEO
Argentum

[1] U.S. Congress. (2026). *Congressional Record* (Vol. 172, No. 105, p. H4151). Congress.gov. https://www.congress.gov/congressional-record/volume-172/issue-105/house-section/article/H4151-3

[2] NIC MAP, Senior Housing Market Outlook, Second Edition (Aug. 26, 2026); NIC MAP, "Senior Housing Supply Gap Creates More Than $1 Trillion Investment Need Through 2050" (Aug. 26, 2026) https://www.nicmap.com/news/nic-map-senior-housing-supply-gap-creates-more-than-1-trillion-investment-need-through-2050/