LEGISLATIVE BRIEF · NO. 01 / 2026

TITLE · ESCROW · SETTLEMENT SERVICES

MONARCH
TITLE COMPANY

SIGNED INTO LAW — JULY 11, 2026

THE 21ST CENTURY ROAD TO HOUSING ACT

H.R. 6644
119TH CONGRESS
12 TITLES · 60 SEC.

The largest federal housing package in decades — written to expand supply, cut red tape, and keep large institutional investors out of the single-family market. Here is what it changes at the closing table.

JUL 11, 2026
Enacted — H.R. 6644 signed

FALL 2026
HUD / agency rulemaking & underwriter bulletins

JAN 7, 2027
Institutional purchase ban effective

ANNUALLY
Institutional holder reporting to HUD

350
Homes under investment control defines a "large institutional investor"

180 days
Until the purchase ban takes effect — on or about Jan. 7, 2027

$1M
Civil penalty per violation, or 3× the price — whichever is greater

11
Excepted purchase categories, including build-to-rent and foreclosure

WHAT THE LAW DOES

+ Bars entities controlling 350+ single-family homes from buying more, with enumerated exceptions
+ Creates FHA small-dollar mortgages; raises FHA multifamily and Title I loan limits
+ Adds an Innovation Fund for communities that measurably increase housing supply
+ Streamlines environmental review for infill, rehab, and projects of 15 units or fewer
+ Drops the permanent chassis requirement for manufactured homes; reforms modular production
+ Leaves local zoning intact — HUD publishes guidance and best practices only

WHAT IT MEANS FOR TITLE & ESCROW

01 NEW BUYER-SIDE DILIGENCE
Entity buyers of 1–2 unit residential property should expect investor-status certifications and affidavits in the closing file.

02 EXCEPTIONS MUST BE DOCUMENTED
Build-to-rent, nonprofit, and homeownership-program purchases stay lawful — but the exception relied upon should be recited and evidenced.

03 UNDERWRITING GUIDANCE IS COMING
A prohibited purchase carries civil penalties rather than automatic invalidity, but watch for new underwriter bulletins, requirements, and endorsements.

04 REO AND FORECLOSURE KEEP MOVING
Acquisitions by lenders and servicers through foreclosure, deed in lieu, or other enforcement of a security interest are expressly excepted.

05 A DIFFERENT MIX OF FILES
Small-dollar, infill, manufactured and modular closings should rise — bringing affixation affidavits and title-conversion work with them.

06 ESCROW INSTRUCTIONS EVOLVE
Institutional parties face annual HUD reporting and renter-notice duties; expect those representations to surface in escrow instructions.

HOW MONARCH IS PREPARING

+ Tracking underwriter bulletins and Treasury/HUD rulemaking through the 180-day runway
+ Updating entity-buyer intake, certification forms, and escrow instruction templates
+ Briefing agent, builder, and lender partners — on site, at no cost