



MORE HOMES ON THE MARKET

We are asking Congress to pass the More Homes on the Market Act (H.R. 1340) to unlock existing inventory.

- **The bill will double the capital gains exclusion on the sale of a primary residence** from \$500,000 to \$1,000,000 for married couples and \$250,000 to \$500,000 for individuals, and index the exclusion going forward.
- **The exclusion is outdated.** It was set in **1997** and has never been adjusted for inflation, despite home prices more than **tripling** since then.
- **The current exclusion discourages sales, worsening the housing inventory crisis.**
- **California is especially impacted.** 30% of California homeowners, **nearly 2.3 million households**, would face capital gains taxes if they sold today. MHMA would reduce that number to **947,000 (12%)**, unlocking over **1.35 million homes**.
- **Unlock existing inventory. 3 out of 4** California homeowners say capital gains taxes are a major reason they are not selling their home.

UPLIFTING FIRST-TIME HOMEBUYERS

We are asking Congress to support and pass H.R. 3526 (the Uplifting First-Time Homebuyers Act), to give first-time buyers greater access to their own retirement savings when purchasing a home.

- **The bill will increase the amount of money a first-time buyer may withdraw from their IRA accounts from \$10,000 to \$50,000 with no penalty.**
- **The current \$10,000 limit, which was created in 1997, is outdated** and no longer reflects the cost of purchasing a home in today's housing market.
- **First-time buyers face growing challenges saving** for a down payment and closing costs, especially in high-cost states like California.
- **In 2025, the share of first-time buyers in California was 32.1%, the lowest level in six years.**
- More first-time buyers are using financial assets, including IRAs, towards down payments. According to NAR, in 2024 21% of first-time buyers used financial assets for a down payment. In 2025, it was up to 26%.
- **Raising the limit to \$50,000 gives young families more flexibility** to use their own savings to enter the housing market.
- **The policy simply allows Americans to access their own retirement funds** without penalty to achieve homeownership and begin building long-term wealth.
- **Homeownership remains the primary source of wealth-building** for most American families, and helping first-time buyers access capital is a practical way to expand access to the American Dream.

COMMERCIAL TO RESIDENTIAL CONVERSION

We are asking Congress to pass H.R. 2410, the Revitalizing Downtowns and Main Streets Act, to help the conversion of underused commercial properties into residential and mixed-use housing.

- **H.R. 2410 will create a tax credit to cover 20% of the cost** to convert a qualified commercial building to residential housing.
- **High commercial vacancy rates present a unique opportunity.** Many office buildings remain underutilized, while mortgage delinquencies in the commercial sector are rising.
- **San Francisco and Los Angeles provide a vivid example.** The percentage point gap between office vacancy rates and multifamily rates are in the teens, making the case for conversion from a demand standpoint:
 - San Francisco’s office vacancy rate was 22.8% in Q1 2026, while its multifamily vacancy rate was 4.1%.
 - Los Angeles’s office vacancy rate was 19.6% in Q1 2026. The multifamily vacancy rate was 4.4%.
- **A significant number of property owners are ready to act. 25% of California office property owners** are already planning to repurpose their properties.
- **Conversions could significantly increase housing supply.** A RAND study estimates that repurposing vacant commercial properties could provide **9%–14% of the needed housing in Los Angeles County alone.**

DISASTER RESILIENCY AND COVERAGE ACT

We are asking Congress to pass H.R. 1105 (the Disaster Resiliency and Coverage Act), to ease the cost of fire and natural disaster hardening of homes with grants and tax incentives.

- **About H.R. 1105 – The Disaster Resiliency and Coverage Act:**
 - Provides **grants of up to \$10,000 per household** for designated resilience projects in disaster-prone areas.
 - Offers a **30% federal tax credit** for eligible mitigation expenses, such as installing fire-resistant roofs, ember-resistant vents, or flood barriers.
- **Why This Matters in California:**
 - **Insurers have exited key markets**, forcing thousands of homeowners onto the expensive FAIR Plan or leaving them uninsured.
 - **In 2025, 16.6% of REALTORS® reported transactions falling out of escrow due to the buyer’s inability to secure affordable insurance, up from 13.4% in 2024 and 6.9% in 2023.**
 - **California will begin implementing “zone 0”** requiring homeowners in high-fire hazard areas to remove the flammable vegetation, mulch, wood fence and debris within five feet of their home.
 - **Headwater Economics estimates that adequate fire hardening could cost a minimum of \$23,000 for a single-family home.**