



June 22, 2026

The Honorable Aisha Wahab  
California State Senate  
1021 O Street, Suite 8530  
Sacramento, CA 95814

**RE: SB 880 (Wahab) - Sale of One to Four Residential Dwelling Units – as amended June 11, 2026 - Oppose**

Dear Senator Wahab:

On behalf of the California Apartment Association (CAA) and the California Building Industry Association (CBIA), we are writing to inform you that our organizations have taken an oppose position on SB 880, as amended June 11, 2026. SB 880 would impose a new and highly prescriptive sales process on “institutional investors,” broadly defined to include corporations, limited liability companies, limited liability partnerships, real estate investment trusts, and other entities that directly or indirectly own or have investment control of residential real property.

Among other provisions, the bill would require these owners to give tenants at least 90 days’ written notice before marketing a property for sale and to advise tenants of their right to remain throughout the end of their lease. For sales of one- to four-unit residential properties, SB 880 would also require the owner to accept offers only from prospective owner-occupants, including tenants in possession, during the first 30 days after the property is listed. Prospective purchasers would be required to submit affidavits or declarations under penalty of perjury, and owners would face new recording obligations, civil penalties, criminal exposure, enforcement actions by public prosecutors and tenants, and potential injunctive relief.

We appreciate your interest in expanding homeownership opportunities. However, SB 880 creates a complicated and punitive process that will not meaningfully address California’s housing affordability crisis and may instead discourage investment in rental housing, delay legitimate transactions, and increase costs of existing housing supply.

Existing law already protects tenants’ right to remain in possession during the lease term and requires notices when an owner seeks to terminate a tenancy in connection with a sale or other lawful reason. SB 880 overlays a new and different notice regime on top of existing law. Duplicative and inconsistent notice requirements increase the likelihood of technical violations without providing tenants with any materially different protection.

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**The bill interferes with the normal sale of private property** by restricting the pool of eligible buyers during the first 30 days of a listing. This mandatory preference period would delay sales, reduce normal market competition, depress offers, complicate financing timelines, and make transactions less predictable. In a state where many owners already face rising insurance, maintenance, tax, financing, and compliance costs, the Legislature should not add new barriers that make residential property transactions more difficult or less stable.

**SB 880 also goes well beyond the federal policy discussion around institutional ownership.** The federal 21st Century ROAD to Housing Act is primarily aimed at limiting future acquisitions of single-family homes by large institutional investors as part of a broader national housing package. SB 880, by contrast, regulates the sale of existing California residential property, imposes a state-mandated marketing process, requires recorded certifications, and creates overlapping civil, criminal, public, and private enforcement remedies. Those California-specific penalties and procedural traps are not necessary to further any federal objective and would make ordinary real estate transactions more expensive, uncertain, and litigation-prone.

Finally, the bill creates substantial compliance burdens and **disproportionate penalties**. SB 880 would turn ordinary sale-process issues into potential enforcement matters by combining a recorded certification under penalty of perjury with civil penalties, criminal exposure, private tenant enforcement, public enforcement by multiple agencies, and injunctive relief. A missed notice date, good-faith misunderstanding, or documentation error should not expose a property owner to layered penalties and litigation. Policies that make rental ownership riskier ultimately reduce housing options for renters.

The bill is overly broad, duplicative of existing tenant protections, punitive in its enforcement structure, and will likely create new costs and uncertainty without addressing the underlying shortage of housing. For these reasons, our organizations must oppose SB 880. Thank you for hearing our concerns.

Sincerely,



**Debra Carlton**, Executive Vice President State Public Affairs  
California Apartment Association



**Karim Drissi**, Senior Vice President of Legislative Affairs  
California Building Industry Association

cc: Assembly Judiciary Committee