

REFERENCE TITLE: single-family residence purchases; limitations

State of Arizona
House of Representatives
Fifty-seventh Legislature
First Regular Session
2025

HB 2848

Introduced by
Representatives De Los Santos: Abeytia, Aguilar, Austin, Blattman, Cavero,
Connolly, Contreras P, Crews, Garcia, Gutierrez, Hernandez L, Liguori,
Luna-Nájera, Márquez, Mathis, Peshlakai, Simacek, Stahl Hamilton, Travers,
Villegas, Volk

AN ACT

AMENDING TITLE 33, CHAPTER 4, ARTICLE 1, ARIZONA REVISED STATUTES, BY
ADDING SECTION 33-401.01; AMENDING SECTION 41-3955, ARIZONA REVISED
STATUTES; AMENDING TITLE 44, ARIZONA REVISED STATUTES, BY ADDING CHAPTER
14; RELATING TO REAL ESTATE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 33, chapter 4, article 1, Arizona Revised
3 Statutes, is amended by adding section 33-401.01, to read:

4 33-401.01. Single-family residence purchases; corporate
5 buyer; county recorder; deed; requirements;
6 exception; definitions

7 A. IF A CORPORATION OR A LIMITED LIABILITY COMPANY OR AN AFFILIATE
8 OF A CORPORATION OR A LIMITED LIABILITY COMPANY PURCHASES A SINGLE-FAMILY
9 RESIDENCE:

10 1. THE COUNTY RECORDER MAY NOT RECORD THE DEED UNLESS BOTH OF THE
11 FOLLOWING OCCUR:

12 (a) THE DEED THAT CONTAINS THE INFORMATION ABOUT THE OWNERSHIP OF
13 THE CORPORATION OR THE LIMITED LIABILITY COMPANY OR THE AFFILIATE OF THE
14 CORPORATION OR THE LIMITED LIABILITY COMPANY IS REGISTERED PURSUANT TO
15 SECTION 44-4003.

16 (b) THE CORPORATION OR THE LIMITED LIABILITY COMPANY OR THE
17 AFFILIATE OF THE CORPORATION OR THE LIMITED LIABILITY COMPANY SUBMITS TO
18 THE COUNTY RECORDER A COPY OF THE CERTIFICATE OF REGISTRATION ISSUED BY
19 THE CORPORATION COMMISSION PURSUANT TO SECTION 44-4003 AND THE NAME OF THE
20 CORPORATION OR THE LIMITED LIABILITY COMPANY OR THE AFFILIATE OF THE
21 CORPORATION OR THE LIMITED LIABILITY COMPANY ON THE DEED MATCHES THE NAME
22 ON THE CERTIFICATE OF REGISTRATION ACCOMPANYING THE DEED.

23 2. THE DEED MUST CLEARLY STATE THAT THE SINGLE-FAMILY RESIDENCE IS
24 NOT THE PRIMARY RESIDENCE OF THE OWNER.

25 B. SUBSECTION A OF THIS SECTION DOES NOT APPLY TO A CORPORATION OR
26 A LIMITED LIABILITY COMPANY OR AN AFFILIATE OF A CORPORATION OR A LIMITED
27 LIABILITY COMPANY THAT OWNS FEWER THAN TEN SINGLE-FAMILY RESIDENCES
28 LOCATED IN THIS STATE.

29 C. FOR THE PURPOSES OF THIS SECTION:

30 1. "CORPORATION" HAS THE SAME MEANING PRESCRIBED IN SECTION
31 44-4001.

32 2. "LIMITED LIABILITY COMPANY" HAS THE SAME MEANING PRESCRIBED IN
33 SECTION 44-4001.

34 3. "SINGLE-FAMILY RESIDENCE" HAS THE SAME MEANING PRESCRIBED IN
35 SECTION 33-1310.

36 Sec. 2. Section 41-3955, Arizona Revised Statutes, is amended to
37 read:

38 41-3955. Housing trust fund; purpose; annual report

39 A. The housing trust fund is established, and the director shall
40 administer the fund. The fund consists of monies from unclaimed property
41 deposited in the fund pursuant to section 44-313, MONIES DEPOSITED IN THE
42 FUND PURSUANT TO SECTION 44-4003 monies transferred pursuant to section
43 35-751 and investment earnings.

1 B. On notice from the department, the state treasurer shall invest
2 and divest monies in the fund as provided by section 35-313, and monies
3 earned from investment shall be credited to the fund.

4 C. Except as provided in subsection D of this section, fund monies
5 shall be spent on approval of the department for developing projects and
6 programs connected with providing housing opportunities for low and
7 moderate income households and for housing affordability programs.
8 ~~Pursuant to section 44-313, subsection A,~~ A portion of fund monies shall
9 be used exclusively for housing in rural areas.

10 D. Fund monies may be spent on constructing or renovating
11 facilities and on housing assistance, including support services, for
12 persons who have been determined to be seriously mentally ill and to be
13 chronically resistant to treatment.

14 E. For the purposes of subsection C of this section, in approving
15 the expenditure of monies, the director shall give priority to funding
16 projects that provide for operating, constructing or renovating facilities
17 for housing for low-income families and that provide housing and shelter
18 to families that have children.

19 F. The director shall report annually to the legislature on the
20 status of the housing trust fund. The report shall include a summary of
21 facilities for which funding was provided during the preceding fiscal year
22 and shall show the cost and geographic location of each facility and the
23 number of individuals benefiting from the operation, construction or
24 renovation of the facility. The report shall also include the number of
25 individuals who benefit from housing assistance pursuant to subsection D
26 of this section. The report shall be submitted to the president of the
27 senate and the speaker of the house of representatives, and a copy
28 provided to the secretary of state, not later than September 1 of each
29 year.

30 G. Monies in the housing trust fund are exempt from the provisions
31 of section 35-190 relating to lapsing of appropriations.

32 H. An amount not to exceed ten percent of the housing trust fund
33 monies may be appropriated annually by the legislature to the department
34 for administrative costs in providing services relating to the housing
35 trust fund.

36 I. For any construction project financed by the department pursuant
37 to this section, the department shall notify a city, town, county or
38 tribal government that a project is planned for its jurisdiction and,
39 before proceeding, shall seek comment from the governing body of the city,
40 town, county or tribal government or an official authorized by the
41 governing body of the city, town, county or tribal government. The
42 department shall not interfere with or attempt to override the local
43 jurisdiction's planning, zoning or land use regulations.

1 Sec. 3. Title 44, Arizona Revised Statutes, is amended by adding
2 chapter 14, to read:

3 CHAPTER 14
4 SINGLE-FAMILY RESIDENCE PURCHASES
5 ARTICLE 1. GENERAL PROVISIONS

6 44-4001. Definitions

7 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

8 1. "COMMISSION" MEANS THE CORPORATION COMMISSION.

9 2. "CORPORATION":

10 (a) MEANS A CORPORATION THAT IS ORGANIZED PURSUANT TO TITLE 10.

11 (b) DOES NOT INCLUDE A HOUSING AUTHORITY AS DEFINED IN SECTION
12 36-1401.

13 3. "LIMITED LIABILITY COMPANY" MEANS A LIMITED LIABILITY COMPANY
14 THAT IS ORGANIZED BY FILING ARTICLES OF ORGANIZATION WITH THE COMMISSION
15 PURSUANT TO TITLE 29.

16 4. "SINGLE-FAMILY RESIDENCE" HAS THE SAME MEANING PRESCRIBED IN
17 SECTION 33-1310.

18 44-4002. Corporations; limited liability companies;
19 affiliates; single-family residence purchases;
20 limitations; rules; exceptions

21 A. EXCEPT AS PROVIDED IN SUBSECTION C OF THIS SECTION:

22 1. THE TOTAL NUMBER OF SINGLE-FAMILY RESIDENCES LOCATED IN THIS
23 STATE THAT MAY BE PURCHASED BY A CORPORATION OR A LIMITED LIABILITY
24 COMPANY OR AN AFFILIATE OF A CORPORATION OR A LIMITED LIABILITY COMPANY IN
25 ANY COUNTY MAY NOT EXCEED FIVE PERCENT OF THE TOTAL NUMBER OF ANY COUNTY'S
26 SINGLE-FAMILY RESIDENCES.

27 2. THE TOTAL NUMBER OF SINGLE-FAMILY RESIDENCES LOCATED IN A COUNTY
28 WITH A POPULATION OF FOUR HUNDRED THOUSAND PERSONS OR MORE THAT MAY BE
29 PURCHASED BY A CORPORATION OR A LIMITED LIABILITY COMPANY IS ONE HUNDRED
30 UNITS PER CALENDAR YEAR.

31 B. THE COMMISSION SHALL ADOPT RULES NECESSARY TO CARRY OUT THIS
32 SECTION.

33 C. SUBSECTION A OF THIS SECTION DOES NOT APPLY TO THE SALE OR
34 TRANSFER OF SINGLE-FAMILY RESIDENCES WITHIN A CORPORATION OR A LIMITED
35 LIABILITY COMPANY.

36 44-4003. Corporations; limited liability companies;
37 affiliates; single-family residence purchases;
38 registration; limitations; exceptions; civil
39 penalty; rules; attorney general

40 A. A CORPORATION OR A LIMITED LIABILITY COMPANY OR AN AFFILIATE OF
41 A CORPORATION OR A LIMITED LIABILITY COMPANY SHALL REGISTER WITH THE
42 SECURITIES DIVISION OF THE COMMISSION BEFORE PURCHASING A SINGLE-FAMILY
43 RESIDENCE LOCATED IN THIS STATE. THE REGISTRATION MUST INCLUDE THE NAME
44 UNDER WHICH THE CORPORATION OR LIMITED LIABILITY COMPANY OR THE AFFILIATE
45 OF THE CORPORATION OR LIMITED LIABILITY COMPANY CONDUCTS BUSINESS.

1 B. THE COMMISSION MAY CHARGE A FEE FOR THE REGISTRATION IN AN
2 AMOUNT TO BE DETERMINED BY THE COMMISSION.

3 C. THE COMMISSION SHALL ISSUE A CERTIFICATE OF REGISTRATION TO EACH
4 CORPORATION OR EACH LIMITED LIABILITY COMPANY OR AN AFFILIATE OF A
5 CORPORATION OR A LIMITED LIABILITY COMPANY THAT REGISTERS PURSUANT TO THIS
6 SECTION.

7 D. THE REGISTRATION REQUIREMENT DOES NOT APPLY TO ANY OF THE
8 FOLLOWING:

9 1. A CORPORATION OR A LIMITED LIABILITY COMPANY OR AN AFFILIATE OF
10 A CORPORATION OR A LIMITED LIABILITY COMPANY THAT OWNS FEWER THAN TEN
11 SINGLE-FAMILY RESIDENCES LOCATED IN THIS STATE.

12 2. A GOVERNMENTAL ENTITY. FOR THE PURPOSES OF THIS PARAGRAPH,
13 "GOVERNMENTAL ENTITY" MEANS THIS STATE OR ANY COUNTY, CITY, TOWN,
14 MUNICIPALITY OR OTHER POLITICAL SUBDIVISION OF THIS STATE.

15 3. ANY NONPROFIT GROUP THAT IS RECOGNIZED BY THE UNITED STATES
16 INTERNAL REVENUE SERVICE UNDER SECTION 501(c)(3) OF THE INTERNAL REVENUE
17 CODE.

18 4. A LAND TRUST.

19 5. A GROUP HOME. FOR THE PURPOSES OF THIS PARAGRAPH, "GROUP HOME"
20 MEANS A HOME THAT IS CERTIFIED PURSUANT TO TITLE 36, CHAPTER 7.1,
21 ARTICLE 4.

22 6. AN EMPLOYER THAT RENTS SINGLE-FAMILY RESIDENCES TO EMPLOYEES.

23 E. THE SECURITIES DIVISION OF THE COMMISSION SHALL ESTABLISH AND
24 MAINTAIN A REGISTRY OF CORPORATIONS AND LIMITED LIABILITY COMPANIES AND
25 AFFILIATES OF THE CORPORATIONS AND THE LIMITED LIABILITY COMPANIES THAT
26 PURCHASE OR OWN SINGLE-FAMILY RESIDENCES LOCATED IN THIS STATE. THE
27 SECURITIES DIVISION OF THE COMMISSION SHALL MAKE THE REGISTRY AVAILABLE ON
28 THE COMMISSION'S WEBSITE.

29 F. A CORPORATION OR A LIMITED LIABILITY COMPANY OR AN AFFILIATE OF
30 A CORPORATION OR A LIMITED LIABILITY COMPANY THAT DOES NOT REGISTER WITH
31 THE SECURITIES DIVISION IN COMPLIANCE WITH THIS SECTION OR THAT
32 INTENTIONALLY PROVIDES MISLEADING INFORMATION ON THE APPLICATION IS IN
33 VIOLATION OF THIS SECTION, AND THE COMMISSION SHALL PROVIDE NOTICE AND AN
34 OPPORTUNITY FOR A FORMAL HEARING. IF A CORPORATION OR A LIMITED LIABILITY
35 COMPANY OR AN AFFILIATE OF A CORPORATION OR A LIMITED LIABILITY COMPANY IS
36 FOUND TO BE IN VIOLATION OF THIS SECTION AFTER A FORMAL HEARING, THE
37 COMMISSION SHALL IMPOSE A CIVIL PENALTY OF NOT MORE THAN \$20,000 FOR EACH
38 VIOLATION. THE COMMISSION SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND
39 35-147, PENALTIES COLLECTED PURSUANT TO THIS SECTION IN THE HOUSING TRUST
40 FUND ESTABLISHED BY SECTION 41-3955. A VIOLATION OF THIS SECTION DOES NOT
41 APPLY TO EXCUSABLE NEGLECT.

42 G. THE COMMISSION SHALL ADOPT RULES NECESSARY TO CARRY OUT THIS
43 SECTION.

44 H. THE ATTORNEY GENERAL MAY ENFORCE THIS SECTION PURSUANT TO TITLE
45 44, CHAPTER 10, ARTICLE 7.

1 44-4004. Annual report

2 ON OR BEFORE JANUARY 31, 2026 AND EACH YEAR THEREAFTER, THE
3 COMMISSION SHALL SUBMIT A REPORT TO THE GOVERNOR, THE PRESIDENT OF THE
4 SENATE, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE MINORITY LEADER
5 OF THE SENATE AND THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES AND
6 SHALL PROVIDE A COPY TO THE SECRETARY OF STATE. THE REPORT MUST CONTAIN
7 ALL OF THE FOLLOWING:

8 1. THE IDENTIFICATION OF ANY CORPORATION OR ANY LIMITED LIABILITY
9 COMPANY OR ANY AFFILIATE OF A CORPORATION OR A LIMITED LIABILITY COMPANY
10 THAT:

11 (a) PURCHASED A SINGLE-FAMILY RESIDENCE IN THE PREVIOUS YEAR. THE
12 REPORT MUST INCLUDE THE ZIP CODE OF EACH PURCHASE.

13 (b) SOLD A SINGLE-FAMILY RESIDENCE IN THE PREVIOUS YEAR. THE
14 REPORT MUST INCLUDE THE ZIP CODE OF EACH SALE.

15 2. ANY OTHER INFORMATION THAT THE COMMISSION DEEMS NECESSARY.