September 18, 2026

The Honorable Donald S. Beyer Jr.
1226 Longworth House Office Building
U.S. House of Representatives
Washington, D.C.

Dear Congressman Beyer:

Re: Supporting the More Homes on the Market Act

We are writing to urge you to support the **More Homes on the Market Act**, bipartisan legislation that would help address Northern Virginia's persistent housing-supply challenges by encouraging long-term homeowners to sell homes they may otherwise continue to hold.

If you know anyone who has tried to buy a home in Arlington, Alexandria, Falls Church, or elsewhere in Northern Virginia lately, you already know there aren't enough homes on the market. While inventory has improved in some segments in recent months, the housing supply numbers tell a more nuanced story. There are more condos and attached homes available than there was a year ago, but detached-home inventory has actually declined. The Northern Virginia market remains tight, leaving buyers competing for a limited pool of options.

As leaders representing Northern Virginia's business and real estate communities, we see housing availability as more than a real estate issue. It is increasingly an economic development and workforce issue. Our region's employers need to attract and retain talented workers, and those workers need attainable housing options within the communities where they live and work.

Much of the conversation about housing supply appropriately focuses on building more homes and addressing zoning, permitting, and other barriers that can slow new development. All of that is important. But there is another factor that receives far less attention: an outdated federal tax rule that's making long-term homeowners think twice about selling homes they'd otherwise be ready to leave. As a result, there are fewer homes on the market for the next generation of buyers

Since 1997, homeowners have been able to exclude up to $250,000 in gains from the sale of their primary residence from federal capital gains taxes, or $500,000 for married couples. Those thresholds have not changed in nearly 30 years, despite dramatic increases in home values.

That is particularly significant in Northern Virginia, where home values have risen substantially over the years. Many longtime homeowners now have gains that exceed thresholds established when our region and its housing market looked very different.

Today, this outdated tax provision puts homeowners who want to sell in a difficult position. Many bought their homes decades ago and are ready to downsize, relocate, or move into a home that better fits their current needs. But selling means facing a significant capital gains tax bill. For homeowners counting on the value of their home to help fund retirement or purchase their next home, that potential cost can affect their decision-making. Staying put starts to look like the better financial option.

In a housing market already short on inventory, those individual decisions add up. When longtime owners remain in homes they would otherwise sell, there is one less home available for another family. That constrains inventory, limits housing mobility, and makes it harder for workers and families to find housing that meets their needs.

The **More Homes on the Market Act** would double the current capital gains exclusion to $500,000 for individuals and $1 million for married couples, while also adjusting the cap for inflation in the future. By updating a federal tax provision that has remained unchanged for nearly three decades, the legislation would remove a significant financial barrier for homeowners considering a move and would help unlock more existing homes for buyers.

For Northern Virginia's business community, the consequences extend well beyond the real estate market. Housing availability and affordability directly affect our region's ability to attract workers, support employers, grow businesses, and remain economically competitive.

No single policy will solve Northern Virginia's housing challenges on its own. We need more housing construction, smart land-use policies, and continued efforts to address affordability throughout the region. But when homes are already in short supply, we should not allow an outdated federal tax provision to become another barrier keeping existing homes off the market.

We respectfully ask that you support the **More Homes on the Market Act** and work with your colleagues in Congress to advance this bipartisan proposal. Helping more longtime

homeowners move when they are ready can create additional opportunities for the families and workers who want to make Northern Virginia their home.

Thank you for your consideration.

Sincerely,

Ryan Mclaughlin
Chief Executive Officer
Northern Virginia Association of Realtors®

Joseph Haggerty
President & CEO
Alexandria Chamber of Commerce

Kate Bates
President & CEO
Arlington Chamber of Commerce