

119TH CONGRESS
2D SESSION

H. R. 6962

To strengthen and standardize “first look” protections for covered properties to ensure families and communities have priority access to foreclosed homes, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 7, 2026

Mr. HARRIGAN (for himself and Mr. RILEY of New York) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To strengthen and standardize “first look” protections for covered properties to ensure families and communities have priority access to foreclosed homes, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Families First Housing
5 Act of 2026”.

6 **SEC. 2. FIRST LOOK PROTECTIONS.**

7 (a) IN GENERAL.—Each covered entity shall ensure,
8 when selling an eligible property, that the eligible property

1 is only available for purchase by qualified first look buyers
2 during the 180 day period beginning on the date that the
3 eligible property is listed for sale.

4 (b) PRICING OF ELIGIBLE PROPERTIES.—

5 (1) IN GENERAL.—During the 180 day period
6 beginning on the date that the eligible property is
7 listed for sale during which an eligible property is
8 only available for purchase by qualified first look
9 buyers the eligible property shall be offered by the
10 covered entity at a price that is the fair market
11 value of the property as determined by an inde-
12 pendent third-party appraisal or broker price opinion
13 not more than 60 days before the date on which the
14 property was listed for sale.

15 (2) EXCEPTION.—If the covered entity selling
16 the eligible property determines that the fair market
17 value of the property can not be determined by an
18 independent third-party appraisal or broker price
19 opinion not more than 60 days before the date on
20 which the property was listed for sale the covered
21 entity may offer the covered property at a price
22 based on a standardized valuation model used by the
23 covered entity if the covered entity publically dis-
24 closes the methodology used by such standardized
25 valuation model.

1 (c) LISTING ON PUBLIC WEBSITE.—During the 180-
2 day period beginning on the date that the eligible property
3 is listed for sale during which an eligible property is only
4 available for purchase by qualified first look buyers the
5 eligible property shall be listed on a publically accessible
6 website by the covered entity in a manner that identifies
7 the eligible property as only available for purchase by
8 qualified first look buyers and indicates how many days
9 remain in the 180-day period during which the eligible
10 property is only available for purchase by qualified first
11 look buyers.

12 (d) PROHIBITION ON BUNDLING.—An eligible entity
13 may not bundle eligible properties during the 180 day pe-
14 riod beginning on the date that the eligible property is
15 listed for sale by the eligible entity.

16 (e) PUBLICATION OF INFORMATION.—Each covered
17 entity shall, each quarter, publish on a website of the cov-
18 ered entity, information about—

19 (1) the number of covered properties sold dur-
20 ing the prior quarter;

21 (2) the number of covered properties sold to
22 qualified first look buyers during the prior quarter;

23 (3) the number of covered properties sold to in-
24stitutional investors during the prior quarter;

1 (4) the pricing methodology used by the covered
2 entity when selling covered properties; and

3 (5) for each covered property sold during the
4 prior quarter, the ratio of the sale price to the fair
5 market value of the covered property as determined
6 by an independent third-party appraisal, broker
7 price opinion, or standardized valuation model.

8 (f) ANNUAL REPORT.—

9 (1) IN GENERAL.—The Inspectors General of
10 each covered entity shall, each year, review all sales
11 of covered properties by the covered entity in the
12 prior year and determine whether any provisions of
13 this section were violated during such sale.

14 (2) REPORT.—The Inspectors General of each
15 covered entity shall submit a report to the Congress
16 each year that includes the results of the review con-
17 ducted under paragraph (1).

18 (3) PUBLIC PUBLICATION.—The Inspectors
19 General of each covered entity shall publish the re-
20 port submitted under paragraph (2) on a publically
21 accessible website of the covered entity.

22 (g) VIOLATIONS.—If the Secretary of Housing and
23 Urban Development determines that a covered entity has
24 violated this section, the Secretary of Housing and Urban
25 Development may—

1 (1) require the covered entity to publically dis-
2 close the violation;

3 (2) impose a civil penalty of the greater of
4 \$100,000 or $\frac{1}{3}$ of the price for which the covered
5 property was sold on each employee of the covered
6 entity involved in the violating transaction; and

7 (3) require the covered entity, if practicable
8 without breaching contracts, to reverse or unwind
9 the transaction associated with the violation.

10 (h) RULEMAKING.—Each covered entity shall, not
11 later than 180 days after the date of the enactment of
12 this section, issue such rules are necessary to carry out
13 this section and such rules shall include a process to verify
14 the eligibility of qualified first look buyers.

15 (i) EFFECTIVE DATE.—This section shall take effect
16 180 days after the date of the enactment of this Act.

17 (j) DEFINITIONS.—In this section:

18 (1) COVERED PROPERTY.—The term “covered
19 property” means any single-family residential prop-
20 erty made up of 1 to 4 units, owned, foreclosed
21 upon, or under disposition by a covered entity.

22 (2) COVERED ENTITY.—The term “covered en-
23 tity” means—

24 (A) the Federal Housing Administration;

25 (B) the Federal Housing Finance Agency;

1 (C) the Federal National Mortgage Asso-
2 ciation;

3 (D) the Federal Home Loan Mortgage
4 Corporation; and

5 (E) the Department of Agriculture.

6 (3) INSTITUTIONAL INVESTOR.—The term “in-
7 stitutional investor” means any entity that pur-
8 chases properties for rental, resale, or investment
9 purposes, including trusts, corporations, real estate
10 investment trusts, limited liability companies, and
11 partnerships.

12 (4) QUALIFIED FIRST LOOK BUYER.—The term
13 “qualified first look buyer” means—

14 (A) a natural person intending to occupy
15 the property as their primary residence;

16 (B) a nonprofit housing organization which
17 is an organization described in section
18 501(c)(3) of the Internal Revenue Code of 1986
19 and is exempt from taxation under section
20 501(a) of such Code;

21 (C) a unit of local government; or

22 (D) a community land trust.

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