

119TH CONGRESS
1ST SESSION

H. R. 6511

To exempt small seller financiers from certain licensing requirements.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 9, 2025

Mr. BARR (for himself and Mr. VICENTE GONZALEZ of Texas) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To exempt small seller financiers from certain licensing requirements.

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 “Affordable Homeown-
5 ership Access Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) Real-estate owner financing is a transaction
9 in which the owner of a real estate property provides
10 financing for the buyer of that property and the
11 buyer makes some form of a down payment to the

1 owner, receives the deed or title to the home and
2 then makes installment payments to the owner over
3 a defined period of time.

4 (2) Owner financiers provide financing in lieu of
5 the buyer choosing to obtain a loan from a bank.

6 (3) The owner finance industry consists of
7 small business owners who own real estate and pro-
8 vide financing on those properties to underserved
9 buyers who cannot or would prefer not to obtain tra-
10 ditional bank or loan based financing.

11 (4) Owner financiers are governed by real estate
12 and consumer protection laws (including, but not
13 limited to, ability to repay, deceptive trade practices,
14 and usury laws) of each State, as well as State and
15 Federal fair housing and equal opportunity laws.

16 (5) Using owner financing will benefit home
17 values, increase neighborhood stabilization, and as-
18 sist with family wealth creation through increased
19 homeownership as more homes are sold with owner
20 financing.

21 (6) None of the amendments made by this Act,
22 are applicable to transactions known as Contracts
23 for Deed or Land Installment Contracts that are not
24 lawfully recorded, Lease Options, Lease with Option
25 to buy and Rent to Own.

1 **SEC. 3. EXCEPTION FOR OWNER FINANCERS WITH RE-**
2 **SPECT TO LOAN ORIGINATOR LICENSE OR**
3 **REGISTRATION REQUIREMENTS.**

4 Section 1504 of the S.A.F.E. Mortgage Licensing Act
5 of 2008 (12 U.S.C. 5103) is amended by adding at the
6 end the following:

7 “(c) EXCEPTION FOR OWNER FINANCERS.—The re-
8 quirements of this title shall not apply to any person
9 (other than a depository institution) who—

10 “(1) extend credit with respect to not more
11 than 24 residential mortgage loans in a 12-month
12 period; and

13 “(2) only extend credit with respect to residen-
14 tial mortgage loans that are with respect to property
15 that is owned by such person.”.

16 **SEC. 4. EXCEPTION FOR OWNER FINANCERS IN THE DEFINI-**
17 **TION OF MORTGAGE ORIGINATOR.**

18 Subparagraph (E) of section 103(dd)(2) of the Truth
19 in Lending Act (15 U.S.C. 1602(dd)(2)) is amended—

20 (1) by redesignating subparagraphs (F) and
21 (G) as subparagraphs (G) and (H), respectively;

22 (2) by amending subparagraph (E) to read as
23 follows:

24 “(E) does not include, with respect to a
25 residential mortgage sale, a person or entity
26 (including a corporation, partnership, propri-

1 etorship, association, cooperative, estate, or
2 trust) if—

3 “(i) such a person or entity provides
4 owner financing, in a 12-month period, for
5 the sale of 24 properties; and

6 “(ii) each piece of real property de-
7 scribed under clause (i) is owned by such
8 a person or entity and serves as security
9 for the loan or extension of credit, provided
10 that such loan or extension of credit—

11 “(I) is not made by a person or
12 entity that has constructed, or acted
13 as a general contractor for the con-
14 struction of, a residence on the prop-
15 erty in the ordinary course of business
16 of such person, corporation, associa-
17 tion, estate, or trust;

18 “(II) is fully amortizing;

19 “(III) is with respect to a sale
20 for which the owner determines in
21 good faith and documents that the
22 buyer has a reasonable ability to pay
23 the owner;

24 “(IV) has a fixed rate or an ad-
25 justable rate that is adjustable after 5

1 or more years, subject to reasonable
2 annual and lifetime limitations on in-
3 terest rate increases; and

4 “(V) meets any other criteria the
5 Bureau may prescribe by rule;”; and

6 (3) by inserting after subparagraph (E) the fol-
7 lowing:

8 “(F) does not include, with respect to a
9 residential mortgage loan or extension of credit,
10 a person or entity (including a corporation,
11 partnership, proprietorship, association, cooper-
12 ative, estate, or trust) if—

13 “(i) the loan or extension of credit is
14 owner financed and is a consumer loan or
15 extension of credit secured by a security
16 interest on a manufactured home (as de-
17 fined under section 603 of the National
18 Manufactured Housing Construction and
19 Safety Standards Act of 1974); and

20 “(ii) each home described under
21 clause (i) is owned by such a person or en-
22 tity and serves as security for the loan or
23 extension of credit, provided that such loan
24 or extension of credit—

1 “(I) is not made by a person or
2 entity that has manufactured the
3 manufactured home;

4 “(II) is fully amortizing;

5 “(III) is with respect to a sale
6 for which the owner determines in
7 good faith and documents that the
8 buyer has a reasonable ability to pay
9 the owner;

10 “(IV) has a fixed rate or an ad-
11 justable rate that is adjustable after 5
12 or more years, subject to reasonable
13 annual and lifetime limitations on in-
14 terest rate increases; and

15 “(V) meets any other criteria the
16 Bureau may prescribe by rule;”.

17 **SEC. 5. REPORT ON OWNER FINANCING.**

18 (a) STUDY.—The Secretary of Housing and Urban
19 Development and the Secretary of the Treasury shall
20 jointly carry out a study on—

21 (1) the number of homes bought for under
22 \$150,000 or 60 percent of the median home value
23 in a given community, whichever is lower, in the
24 United States by utilizing owner financing;

1 (2) the number of homes described under para-
2 graph (1) financed by licensed mortgage brokers;

3 (3) the potential number of homes described
4 under paragraph (1) which could be sold but aren't,
5 because owner financiers are unwilling, or from a
6 practical standpoint unable, to comply with mort-
7 gage broker rules; and

8 (4) the potential benefit to home values and
9 wealth creation if more homes were to be sold uti-
10 lizing owner finance.

11 (b) REPORT.—Not later than the end of the 1-year
12 period beginning on the date of the enactment of this Act,
13 the Secretary of Housing and Urban Development and the
14 Secretary of the Treasury shall jointly issue a report to
15 the Committee on Financial Services of the House of Rep-
16 resentatives and the Committee on Banking, Housing, and
17 Urban Affairs of the Senate containing—

18 (1) all findings and determinations made in car-
19 rying out the study required under subsection (a);
20 and

21 (2) data on the number of transactions utilizing
22 owner financing 20 years, 15 years, 10 years, and
23 5 years prior to the date of the enactment of this
24 Act.

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