

The 194th General Court of the Commonwealth of Massachusetts
2025-2026
Bill Summary

Bill No: H1106

Title: *An Act relative to home investments*

Sponsor: Representative Daniel Cahill

Committee: Financial Services

Hearing Date: November 18th, 2025

Reporting Date: January 17th, 2026

Similar Matters: S705

Prior History: New file

Current Law: New law

Summary:

This bill establishes regulations for a new home financing option in Massachusetts called a Shared Equity Investment (SEI), where homeowners receive cash upfront in exchange for giving investors a share of their home's future value. Unlike a traditional mortgage, there are no monthly payments or interest—investors are paid when the home is sold or refinanced. To protect consumers, SEI companies must be licensed (unless exempt), provide clear disclosures, and follow strict state oversight. The bill caps total costs at 20% per year, ensures homeowners retain at least 10% ownership, and allows a three-day cancellation period. It also bans unfair practices like early payment penalties or using biased appraisals, giving the Commissioner of Banks authority to enforce rules and penalties.