



**HB 2837 RELATING TO Mortgage Foreclosures**  
House Committee on Consumer Protection & Commerce  
Committee on Judiciary

February 21, 2008  
325

2:00 pm

Room

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The Office of Hawaiian Affairs supports the purpose and intent of HB 2837.

We have had beneficiaries who were first time homebuyers within the last 5 years call asking for assistance on their sub prime loans that were used to complete their first time purchase. These beneficiaries were led to believe the purchase of the real estate with the high cost of financing was doable and was the only option they had with the high cost of housing in Hawaii.

These beneficiaries may be faced with foreclosure in the near future and need government assistance in this process for their protection, especially when their mortgage has been sold to lenders on the continental United States. Hawai'i's reputation in the court system as a consumer oriented system has helped our residents when dealing with situations they do not understand and having time limits with notices allows an individual time to handle their responsibilities.

We recognize that physical solutions by themselves will not solve social and economic problems, but neither can economic vitality, community stability, and environmental health be sustained without a coherent and supportive physical framework.

Mahalo nui loa for the opportunity to provide this testimony.

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February 21, 2008

Rep. Robert N. Herkes, Chair,  
and members of the House Committee on Consumer Protection & Commerce  
Rep. Tommy Waters, Chair,  
and members of the House Committee on Judiciary  
Hawaii State Capitol  
Honolulu, Hawaii 96813

Re: **House Bill 2837 (Mortgage Foreclosures)**  
**Hearing Date/Time: Thursday, February 21, 2008, 2:00 P.M.**

I am the attorney for the Hawaii Financial Services Association ("HFSA"). The HFSA is the trade association for Hawaii's financial services loan companies.

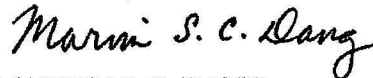
The purpose of this Bill is to amend certain sections of the mortgage foreclosures law to ensure that consumers and others receive important information regarding a foreclosure in a timely manner.

The HFSA supports this Bill.

Occasionally, a financial services loan company has a second mortgage on property that is the subject of a non-judicial foreclosure by a mainland lender which has a first mortgage on the property. There have been instances where the financial services loan company has had difficulty in getting information from the mainland lender about the loan balance or the status of the foreclosure.

The approach in this Bill will enable lenders, including financial services loan companies, to obtain such information from mainland lenders.

Thank you for considering this testimony.



MARVIN S.C. DANG  
Attorney for Hawaii Financial Services Association

(MSCD/hfsa)

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Members: American General Financial Services of Hawaii, Inc./American International Group • Beneficial Hawaii, Inc./HSBC North America • Citifinancial, Inc./Citigroup • House of Finance, Inc. • Kauai Island Finance, Inc. • Maui Industrial Loan & Finance Company, Inc. • Safety Loan Company, Ltd. • Wells Fargo Financial Hawaii, Inc./Wells Fargo Financial, Inc.

00008