
A BILL FOR AN ACT

RELATING TO REAL PROPERTY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 480E, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§480E-A Exempt agreements and persons. This chapter
5 shall not apply to:

6 (1) A person admitted to practice law in this State, while
7 performing any activity related to the person's regular practice
8 of law in this State;

9 (2) A person who holds or is owned as an obligation
10 secured by a lien on any residence in foreclosure for which the
11 person performed services in connection with the obligation or
12 lien, if the obligation or lien did not arise as a result of a
13 foreclosure reconveyance;

14 (3) A person doing business under any law of this State or
15 the United States that regulates banks, trust companies, savings
16 and loan associations, credit unions, insurance companies, title
17 insurers, or insurance companies authorized to conduct business



1 in this State, while the person performs services as part of the
2 person's normal business activities;

3 (4) A person originating or closing a loan in a person's
4 normal course of business if, as to that loan:

5 (A) The loan is subject to the requirements of the
6 federal Real Estate Settlement Procedures Act, 12
7 U.S.C. §2601 to §2617; or

8 (B) With respect to any second mortgage or home
9 equity line of credit, the loan is subordinate to
10 and closed simultaneously with a qualified first
11 mortgage loan under subparagraph (A) or is
12 initially payable on the face of the note or
13 contract to an entity included in paragraph (3);

14 (5) A judgment creditor of the homeowner, if the judgment
15 creditor's claim accrued against a residence before the
16 residence became a residence in foreclosure;

17 (6) A title insurer authorized to conduct business in this
18 State while performing title insurance services;

19 (7) A person licensed as a mortgage broker or mortgage
20 lender under chapter 454 while acting under the authority of
21 that license;



1 (8) A person license as a real estate broker or real
2 estate salesperson under chapter 467 while the person engages in
3 any activity for which the person is licensed; or

4 (9) A nonprofit organization that offers counseling or
5 advice to homeowners in foreclosure or loan default, if the
6 organization is not directly or indirectly related to and does
7 not contract for services with for-profit lenders or foreclosure
8 purchasers."

9 SECTION 2. New statutory material is underscored.

10 SECTION 3. In codifying the new sections added by section
11 1 of this Act, the revisor of statutes shall substitute
12 appropriate section numbers for the letters used in designating
13 the new sections in this Act.

14 SECTION 4. This Act shall take effect upon its approval.

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Report Title:

Real property; mortgage foreclosure

Description:

Amends Act 137, Session Laws of Hawaii 2008, to include exemption language for certain professionals and agreements consistent with purpose of Act.

