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## A BILL FOR AN ACT

RELATING TO MORTGAGE FORECLOSURES.

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

1           SECTION 1. Chapter 667, Hawaii Revised Statutes, is  
2 amended by adding a new section to part III to be appropriately  
3 designated and to read as follows:

4           "§667- Foreclosure counseling. (a) No less than  
5 forty-five days prior to initiating any foreclosure under this  
6 chapter, the mortgagee shall provide to an individual consumer  
7 mortgagor written notice of default and the mortgagee's right to  
8 foreclose by first class mail at the address of the mortgaged  
9 property and, if different, at the address designated by the  
10 mortgagor by written notice to the mortgagee as the mortgagor's  
11 address for receipt of notice.

12           (b) Written notice required under this section shall  
13 advise the mortgagor of the availability of counseling through  
14 mortgage counseling agencies approved by the United States  
15 Department of Housing and Urban Development, or its successor,  
16 and the toll-free telephone number and website address  
17 maintained to provide information regarding no-cost mortgage  
18 counseling services provided in the State and approved by the



1 United States Department of Housing and Urban Development or its  
 2 successor. No later than June 1, 2011, the department of  
 3 commerce and consumer affairs shall adopt a form of written  
 4 notice meeting the requirements of this section for use by  
 5 mortgagees. Counseling shall be provided at no cost to the  
 6 mortgagee.

7 (c) Failure of the mortgagee to provide notice to the  
 8 mortgagor as provided in this section shall render the  
 9 foreclosure void; without limitation of the right of the  
 10 mortgagee to re-exercise its power of sale or other means of  
 11 foreclosure upon compliance with this section. The mortgagee  
 12 shall include in the foreclosure deed an affidavit of compliance  
 13 with this section."

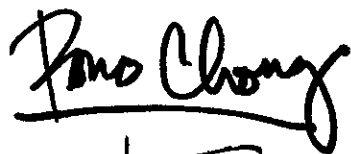
14 SECTION 2. New statutory material is underscored.

15 SECTION 3. This Act shall take effect on July 1, 2010.

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INTRODUCED BY: 

Side Antonio II a



JAN 20 2010



**Report Title:**

Mortgages; Foreclosure; Mediation

**Description:**

Requires foreclosing lenders to notify their mortgagors about mortgage counseling. Makes foreclosure void if notice not provided.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

