
A BILL FOR AN ACT

RELATING TO BROKER PRICE OPINIONS.

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

1 SECTION 1. Chapter 467, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§467- Broker price opinions. (a) A real estate broker
5 or real estate salesperson licensed pursuant to this chapter may
6 prepare a broker price opinion that meets the requirements of
7 this section relating to the estimated price of a specific
8 parcel of real estate and information of varying levels of
9 detail about the property's condition and relevant market
10 factors, including the property's location, neighborhood, and
11 recent comparable sales for use by:

12 (1) An existing or potential seller to list and sell real
13 estate;

14 (2) An existing or potential buyer of real estate;

15 (3) A third party to determine the estimated potential
16 listing, offering, sale, exchange, option, lease, or
17 acquisition price of real estate; or

18 (4) An existing or potential lienholder;



1 provided that a broker price opinion shall not be substituted
2 for an appraisal by a licensed or certified appraiser if an
3 appraisal is required by applicable law.

4 (b) If a broker price opinion is provided for compensation
5 or valuable consideration by a real estate broker or real estate
6 salesperson licensed pursuant to this chapter, it shall include:

7 (1) A statement of the intended purpose of the price
8 opinion;

9 (2) A brief description of the subject property and the
10 property interest to be priced;

11 (3) The basis of reasoning used to reach the conclusion of
12 the price opinion, including the applicable market
13 data or capitalization computation, or both;

14 (4) Any assumptions or limiting conditions used to
15 determine the price opinion;

16 (5) A disclosure of any existing or contemplated interest
17 of the broker or sales person issuing the opinion;

18 (6) The licensee's name, signature, and license
19 identification number;

20 (7) The date of issuance of the price opinion; and

21 (8) The following disclosure statement:



1 "Notwithstanding any language to the contrary
2 contained in this document or elsewhere, this broker
3 price opinion is not an appraisal. If an appraisal is
4 desired, or if an appraisal is required by law, you
5 must obtain the services of a real estate appraiser
6 licensed or certified pursuant to chapter 466K, Hawaii
7 Revised Statutes."

8 (c) No real estate broker, real estate salesperson, or
9 other person involved for compensation in the sale of a property
10 shall charge additional compensation for a broker price opinion
11 on that property.

12 (d) No real estate broker or real estate salesperson
13 licensed pursuant to this chapter shall knowingly prepare a
14 broker price opinion for use as an appraisal where an appraisal
15 is required by law or otherwise.

16 (e) A broker price opinion prepared under this section
17 shall be in writing and shall conform to the standards and
18 guidelines published by a nationally recognized association of
19 providers of broker price opinions. The commission shall adopt
20 rules consistent with, but not limited to the standards and
21 guidelines of a nationally recognized association of providers
22 of broker price opinions."



- 1 SECTION 2. New statutory material is underscored.
- 2 SECTION 3. This Act shall take effect on January 7, 2059.



Report Title:

Real Estate Brokers and Salespersons; Broker Price Opinion

Description:

Permits a licensed real estate broker or real estate sales person to prepare broker price opinions for use in real estate transactions where an appraisal is not required by law or otherwise. Sets forth requirements and restrictions for broker price opinions. Effective January 7, 2059. (HB320 HD2)

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

