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# 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) A broker price opinion shall include:

5 (1) A statement of the intended purpose of the price  
6 opinion;

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

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

12 (4) Any assumptions or limiting conditions used to  
13 determine the price opinion;

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

16 (6) The licensee's name, signature, and license  
17 identification number;

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

19 (8) The following disclosure statement:

20 "Notwithstanding any language to the contrary  
21 contained in this document or elsewhere, this broker  
22 price opinion is not an appraisal. If you want an



1           appraisal, or if an appraisal is required by law, you  
2           must obtain the services of a real estate appraiser  
3           licensed or certified pursuant to chapter 466K, Hawaii  
4           Revised Statutes."

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

9           (d) A real estate broker or real estate salesperson  
10          licensed pursuant to this chapter shall not knowingly prepare a  
11          broker price opinion for use as an appraisal where an appraisal  
12          is required by law or otherwise.

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

20          SECTION 2. New statutory material is underscored.

21          SECTION 3. This Act shall take effect on July 1, 2011.



**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. Effective July 1, 2011. (HB320 HD1)

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

