

March 11, 2013

The Honorable Rida T.R. Cabanilla, Chair

House Committee on Housing
State Capitol, Room 329
Honolulu, Hawaii 96813

RE: S.B. 1025, Relating to the Housing Loan and Mortgage Program

HEARING: Monday, March 11, 2013 at 9:00 a.m.

Aloha Chair Cabanilla, Vice Chair Woodson, and Members of the Committee:

I am Myoung Oh, Government Affairs Director, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 8,000 members. HAR **supports** S.B. 1025, which updates the Hula Mae Single Family mortgage loan program to allow for broader program participation and adds a downpayment assistance program as a feature.

While housing continues to be one of the brighter spots in Hawaii's economy, affordable housing is still beyond the reach of many kama'aina – and not just the indigent and working poor. Today's face of affordable housing is not just our homeless, but our child's schoolteacher, our firefighter, nurse and police officer as well. Families that work hard to get on the housing ladder and begin building equity can, in the long run, be more self-reliant than those who don't take that step.

HAR therefore continues to support programs such as the Hula Mae Single Family mortgage loan program which will help promote homeownership for Hawaii's working families.

Mahalo for the opportunity to testify.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

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Statement of
Richard C. Lim
Director
Department of Business, Economic Development and Tourism
before the

HOUSE COMMITTEE ON HOUSING

Monday, March 11, 2013
at 9:00 a.m.
State Capitol, Room 329

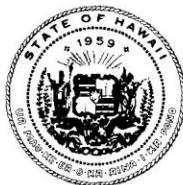
In consideration of
S.B. 1025
RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.

Chair Cabanilla, and Members of the House Committee on Housing.

DBEDT supports S.B. 1025, an Administration bill. S.B. 1025 amends the Hula Mae Single Family mortgage loan program to allow broader participation among potential homeowners statewide by allowing more households to qualify for the loan program and offering downpayment assistance as an optional feature. S.B. 1025 is the counterpart to H.B. 795, which was previously heard by this Committee.

S.B. 1025 also deletes obsolete statutory provisions relating to two inactive programs, the Loans to Lenders and Purchase of Existing Loans Programs.

DBEDT respectfully requests that the Committee pass this bill. Thank you for the opportunity to provide written comments in support of this bill.



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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Honolulu, Hawaii 96813
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IN REPLY REFER TO:

Statement of
Karen Seddon
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

March 11, 2013 at 9:00 a.m.
State Capitol, Room 329

In consideration of
S.B. 1025
RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.

The HHFDC ***supports*** S.B. 1025, an Administration bill. S.B. 1025 is the counterpart to H.B. 795, which was previously heard by this Committee.

S.B. 1025 amends the Hula Mae Single Family mortgage loan program to allow broader participation among potential homeowners statewide. As of June 30, 2012, the Hula Mae Single Family program has helped over 10,000 families purchase their first homes.

The proposed amendments seek to accomplish the following things: (1) allow more households to qualify for the loan program by eliminating superfluous statutory eligibility criteria that are not mandated by the Internal Revenue Code for loans financed by tax-exempt revenue bonds; (2) offer downpayment assistance as an optional feature of Hula Mae Single Family program loans; and (3) delete statutory provisions within this subpart relating to two inactive programs, the Loans to Lenders and Purchase of Existing Loans Programs. This bill also includes minor housekeeping and technical amendments to correct typographical errors.

We respectfully request your favorable consideration of this bill. Thank you for the opportunity to testify.