

ACT 275

H.B. NO. 3100

A Bill for an Act Relating to Mortgage Foreclosures.

Be It Enacted by the Legislature of the State of Hawaii:

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

“§667- Public sale. At any public sale pursuant to section 667-5, the successful bidder at the public sale, as the purchaser, shall not be required to make a down payment to the foreclosing mortgagee of more than ten per cent of the highest successful bid price.”

SECTION 2. Section 667-5.5, Hawaii Revised Statutes, is amended to read as follows:

“§667-5.5 Foreclosure notice. Notwithstanding any law or agreement to the contrary, any person who forecloses on a property within a planned community association, a condominium apartment, or an apartment in a cooperative housing project shall notify, by way of registered or certified mail, the board of directors of the planned community association, the association of apartment owners of the condominium, or [~~the board of directors of~~] the cooperative housing project in which the [~~apartment~~] property to be foreclosed is located, of the foreclosure at the time foreclosure proceedings are begun. The notice, at a minimum, shall identify the property, condominium apartment, or cooperative apartment which is the subject of the foreclosure and identify the name or names of the person or persons bringing foreclosure proceedings. This section shall not apply when the planned community association, condominium association, or cooperative housing corporation is a party in a foreclosure action. This section shall not affect civil proceedings against parties other than the planned community association, association of apartment owners, or cooperative housing corporation.”

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun, before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on September 1, 2006.

(Approved July 5, 2006.)

Note

1. Edited pursuant to HRS §23G-16.5.