

JAN 21 2011

A BILL FOR AN ACT

RELATING TO DEFICIENCY JUDGMENTS.

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 be appropriately designated
3 and to read as follows:

4 "§667- Deficiency judgment prohibited. No court shall
5 issue a judgment against a mortgagor of residential real
6 property for the unpaid balance of a mortgage debt after a short
7 sale of the property pursuant to a foreclosure by action or
8 foreclosure by power of sale under this chapter.

9 For purposes of this section, "short sale" means the sale
10 of residential real property where the mortgagee or lender
11 agrees to release the lien that is secured by the property upon
12 receipt of a lesser amount than is owed on the mortgage."

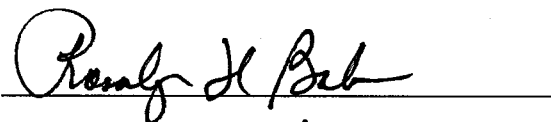
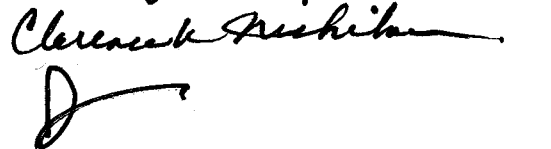
13 SECTION 2. New statutory material is underscored.

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

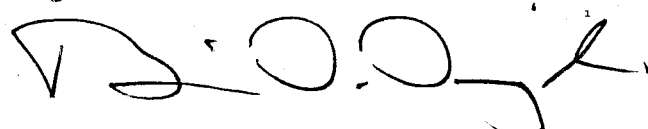
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INTRODUCED BY:


S.S.A.





Report Title:

Mortgage Foreclosure; Deficiency Judgment Prohibited

Description:

Prohibits deficiency judgment against a mortgagor after a short sale of residential real property pursuant to a foreclosure by action or foreclosure by power of sale.

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

