



NEIL ABERCROMBIE  
GOVERNOR

BRIAN SCHATZ  
LT. GOVERNOR

STATE OF HAWAII  
OFFICE OF CONSUMER PROTECTION  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
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OFFICE OF CONSUMER PROTECTION

HERBERT M. ROKUTA  
AQUILINO R. IDAO  
SUPERVISING INVESTIGATORS

**Re: Help with mortgage delinquency and foreclosure**

Enclosed is information obtained from the federal Department of Housing and Urban Development ("HUD"), the federal Making Home Affordable program ("MHA"), the Federal Trade Commission ("FTC"), the Office of the Comptroller of the Currency ("OCC") and the Hawaii Attorney General ("AG") regarding:

1. Mortgage foreclosure counseling;
2. The federal Making Home Affordable program to avoid foreclosure;
3. Mortgage foreclosure rescue scams;
4. The joint multi-state federal mortgage servicing settlement with lenders Ally/GMAC, Bank of America, Citigroup, J.P. Morgan Chase and Wells Fargo; and
5. Independent foreclosure review by the OCC (due by December 31, 2012).

The information regarding mortgage foreclosure counseling includes a list of HUD-approved agencies who may be able to help you. We urge you to contact a local HUD counselor in light of the multi-state settlement and Hawaii's receipt of \$71 million for relief to homeowners.

The information includes an article in the Star Advertiser on August 30, 2012 which details plans for specific relief to Hawaii homeowners.

Please note that you may have private remedies available to you. You may want to consult with your own private attorney who can advise you as what actions you may want to take regarding your situation. Please also note that there may be deadlines that affect your ability to obtain any remedies you may seek.

This listing is current as of **08/29/2012**.

## Agencies located in HAWAII

**Agency Name:** LEGAL AID SOCIETY OF HAWAII

**Phone:** 800-499-4302

**Toll Free:** 800-499-4302

**Fax:** 808-969-3983

**Email:**

**Address:** 305 Wailuku Dr

HILO, Hawaii 96720-2488

**Counseling Services:**

- Fair Housing Pre-Purchase Education Workshops
- Financial Management/Budget Counseling
- Home Improvement and Rehabilitation Counseling
- Mortgage Delinquency and Default Resolution Counseling
- Non-Delinquency Post Purchase Workshops
- Pre-purchase Counseling
- Pre-purchase Homebuyer Education Workshops
- Predatory Lending Education Workshops
- Rental Housing Counseling
- Services for Homeless Counseling

**Languages:** - English

**Affiliation:** LEGAL AID SOCIETY OF HAWAII

**Website:** n/a

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**Agency Name:** CATHOLIC CHARITIES HAWAII

**Phone:** 808-527-4673

**Toll Free:**

**Fax:** 808-527-4709

**Email:** info@catholiccharitieshawaii.org

**Address:** 1822 Ke'eaumoku St.

HONOLULU, Hawaii 96822-3001

**Counseling Services:**

- Rental Housing Counseling
- Services for Homeless Counseling

**Languages:** - English

**Affiliation:**

**Website:** <http://www.catholiccharitieshawaii.org>

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**Agency Name:** COUNCIL FOR NATIVE HAWAIIAN ADVANCEMENT

**Phone:** 808-596-8155

**Toll Free:** 800-709-2642

**Fax:** 808-596-8156

**Email:** info@hawaiiancouncil.org

**Address:** 1050 Queen Street

Suite 200

HONOLULU, Hawaii 96814-4130

**Counseling Services:**

- Financial Management/Budget Counseling
- Home Improvement and Rehabilitation Counseling

**Languages:** - English

- Other

**Affiliation:** NATIONAL CAPACD

**Website:** [www.hawaiiancouncil.org](http://www.hawaiiancouncil.org)

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**Agency Name:** HAWAII HOMEOWNERSHIP CENTER

**Phone:** 808-523-9500

**Toll Free:** 877-523-9503

**Fax:** 808-523-9502

**Email:** info@hihomeownership.org

**Address:** 1259 Aala Street Suite 201

HONOLULU, Hawaii 96817-3962

**Counseling Services:**

- Financial Management/Budget Counseling
- Home Improvement and Rehabilitation Counseling
- Mortgage Delinquency and Default Resolution Counseling
- Non-Delinquency Post Purchase Workshops
- Pre-purchase Counseling
- Pre-purchase Homebuyer Education Workshops

**Languages:** - English

**Affiliation:** NEIGHBORHOOD REINVESTMENT CORPORATION

**Website:** <http://www.hihomeownership.org>

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**Agency Name:** HAWAIIAN COMMUNITY ASSETS, INC

**Phone:** 808-587-7886

**Toll Free:** 866-400-1116  
**Fax:** 808-587-7899  
**Email:** info@hawaiiancommunity.net  
**Address:** 1050 Queen St. Suite 201  
HONOLULU, Hawaii 96814-4130

**Counseling Services:** - Financial Management/Budget Counseling  
- Mortgage Delinquency and Default Resolution Counseling  
- Pre-purchase Counseling  
- Pre-purchase Homebuyer Education Workshops

**Languages:** - English  
- Other

**Affiliation:** RURAL COMMUNITY ASSISTANCE CORPORATION  
**Website:** <http://www.hawaiiancommunity.net/>

**Agency Name:** IHS, THE INSTITUTE FOR HUMAN SERVICES, INC.  
**Phone:** 808-447-2900

**Toll Free:**  
**Fax:** 808-537-2697  
**Email:** MindaG@ihs-hawaii.org  
**Address:** 350 Sumner Street  
HONOLULU, Hawaii 96817-5088

**Counseling Services:** - Fair Housing Pre-Purchase Education Workshops  
- Rental Housing Counseling  
- Services for Homeless Counseling

**Languages:** - English

**Affiliation:** INSTITUTE FOR HUMAN SERVICES, INC. (IHS)  
**Website:** [www.ihs-hawaii.org](http://www.ihs-hawaii.org)

**Agency Name:** INSTITUTE FOR HUMAN SERVICES, INC. (IHS)  
**Phone:** 808-447-2900

**Toll Free:**  
**Fax:** 808-537-2697  
**Email:** MindaG@ihs-hawaii.org  
**Address:** 546 Ka'aahi Street  
HONOLULU, Hawaii 96817-4630

**Counseling Services:** - Fair Housing Pre-Purchase Education Workshops  
- Rental Housing Counseling  
- Services for Homeless Counseling

**Languages:** - English

**Affiliation:**  
**Website:** <http://www.ihs-hawaii.org>

**Agency Name:** LEGAL AID SOCIETY OF HAWAII

**Phone:** 808-536-4302  
**Toll Free:** 800-499-4302  
**Fax:** 808-527-8088  
**Email:**

**Address:** 924 Bethel Street  
HONOLULU, Hawaii 96813-4304

**Counseling Services:** - Mortgage Delinquency and Default Resolution Counseling  
- Pre-purchase Counseling  
- Rental Housing Counseling

**Languages:** - English

**Affiliation:**  
**Website:** <http://www.legalaidhawaii.org/>

**Agency Name:** SELF-HELP HOUSING CORPORATION OF HAWAII

**Phone:** 808-842-7111  
**Toll Free:**  
**Fax:** 808-842-7896  
**Email:** selfhelphawaii@gmail.com  
**Address:** 1427 Dillingham Blvd Suite 305  
Suite 305  
HONOLULU, Hawaii 96817-4875

**Counseling Services:** - Financial Management/Budget Counseling  
- Mortgage Delinquency and Default Resolution Counseling  
- Non-Delinquency Post Purchase Workshops  
- Pre-purchase Counseling  
- Pre-purchase Homebuyer Education Workshops  
- Rental Housing Counseling

**Languages:** - English  
- Other

**Affiliation:** MON VALLEY INITIATIVE  
**Website:** <http://n/a>

**Agency Name:** HALE MAHAOLU HOMEOWNERSHIP/HOUSING COUNSELING

**Phone:** 808-242-4377

**Toll Free:**

**Fax:** 808-242-4850

**Email:** mtanji@halemahaolu.org

**Address:** 200 Hina Avenue

KAHULUI, Hawaii 96732-1821

**Counseling Services:**

- Fair Housing Pre-Purchase Education Workshops
- Financial Management/Budget Counseling
- Mortgage Delinquency and Default Resolution Counseling
- Non-Delinquency Post Purchase Workshops
- Pre-purchase Counseling
- Pre-purchase Homebuyer Education Workshops
- Predatory Lending Education Workshops
- Rental Housing Counseling

**Languages:** - English

**Affiliation:**

**Website:** <http://www.halemahaolu.org>

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**Agency Name:** LEGAL AID SOCIETY OF HAWAII

**Phone:** 800-499-4302

**Toll Free:** 800-499-4302

**Fax:** 808-239-3968

**Email:**

**Address:** 47-200 Waihee Rd Ste 104

KANEOHE, Hawaii 96744-4947

**Counseling Services:**

- Fair Housing Pre-Purchase Education Workshops
- Financial Management/Budget Counseling
- Home Improvement and Rehabilitation Counseling
- Mortgage Delinquency and Default Resolution Counseling
- Non-Delinquency Post Purchase Workshops
- Pre-purchase Counseling
- Pre-purchase Homebuyer Education Workshops
- Predatory Lending Education Workshops
- Rental Housing Counseling
- Services for Homeless Counseling

**Languages:** - English

**Affiliation:** LEGAL AID SOCIETY OF HAWAII

**Website:** n/a

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**Agency Name:** LEGAL AID SOCIETY OF HAWAII

**Phone:** 800-499-4302

**Toll Free:** 800-499-4302

**Fax:** 808-553-5809

**Email:**

**Address:** 1923 Ala Malama St

Kaunakakai, Hawaii 96748

**Counseling Services:**

- Fair Housing Pre-Purchase Education Workshops
- Financial Management/Budget Counseling
- Home Improvement and Rehabilitation Counseling
- Mortgage Delinquency and Default Resolution Counseling
- Non-Delinquency Post Purchase Workshops
- Pre-purchase Counseling
- Pre-purchase Homebuyer Education Workshops
- Predatory Lending Education Workshops
- Rental Housing Counseling
- Services for Homeless Counseling

**Languages:** - English

**Affiliation:** LEGAL AID SOCIETY OF HAWAII

**Website:** n/a

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**Agency Name:** LEGAL AID SOCIETY OF HAWAII

**Phone:** 800-499-4302

**Toll Free:** 800-499-4302

**Fax:** 808-246-8824

**Email:**

**Address:** 4334 Rice St Suite 204A

LIHUE, Hawaii 96766-1801

**Counseling Services:**

- Fair Housing Pre-Purchase Education Workshops
- Financial Management/Budget Counseling
- Home Improvement and Rehabilitation Counseling
- Mortgage Delinquency and Default Resolution Counseling
- Non-Delinquency Post Purchase Workshops
- Pre-purchase Counseling

- Pre-purchase Homebuyer Education Workshops
- Predatory Lending Education Workshops
- Rental Housing Counseling
- Services for Homeless Counseling

**Languages:** - English  
**Affiliation:** LEGAL AID SOCIETY OF HAWAII  
**Website:** n/a

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**Agency Name:** LEGAL AID SOCIETY OF HAWAII

**Phone:** 800-499-4302

**Toll Free:** 800-499-4302

**Fax:** 808-696-5809

**Email:**

**Address:** 85-670 Farrington Hwy Ste A  
 WAIANA, Hawaii 96792-2407

- Counseling Services:**
- Fair Housing Pre-Purchase Education Workshops
  - Financial Management/Budget Counseling
  - Home Improvement and Rehabilitation Counseling
  - Mortgage Delinquency and Default Resolution Counseling
  - Non-Delinquency Post Purchase Workshops
  - Pre-purchase Counseling
  - Pre-purchase Homebuyer Education Workshops
  - Predatory Lending Education Workshops
  - Rental Housing Counseling
  - Services for Homeless Counseling

**Languages:** - English  
**Affiliation:** LEGAL AID SOCIETY OF HAWAII  
**Website:** n/a

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**Agency Name:** LEGAL AID SOCIETY OF HAWAII

**Phone:** 800-499-4302

**Toll Free:** 800-499-4302

**Fax:** 808-244-5856

**Email:**

**Address:** 2287 Main St  
 WAILUKU, Hawaii 96793-1655

- Counseling Services:**
- Fair Housing Pre-Purchase Education Workshops
  - Home Improvement and Rehabilitation Counseling
  - Mortgage Delinquency and Default Resolution Counseling
  - Non-Delinquency Post Purchase Workshops
  - Pre-purchase Counseling
  - Pre-purchase Homebuyer Education Workshops
  - Predatory Lending Education Workshops
  - Rental Housing Counseling
  - Services for Homeless Counseling

**Languages:** - English  
**Affiliation:** LEGAL AID SOCIETY OF HAWAII  
**Website:** n/a

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**In foreclosure in 2009 or 2010?  
You may be eligible for compensation or other remedy.**

If your primary residence was involved in a foreclosure process between January 1, 2009 and December 31, 2010, you may qualify for a free Independent Foreclosure Review.

The Independent Foreclosure Review will determine whether individual homeowners suffered financial injury and should receive compensation or other remedy because of errors or other problems during their home foreclosure process.

If you believe you are eligible to participate in the program, you may complete and submit a Request for Review Form. It is important that you complete the form to the best of your ability; all information you provide can be useful. You must have been a customer of one of the mortgage servicers listed below. Not sure who your servicer is?

All Requests for Review Forms must be submitted online or postmarked no later than **December 31, 2012**.

ENGLISH

ESPAÑOL

- Watch Video Now
- Frequently Asked Questions
- Guide to Complete the Form
- Tips to Complete the Form
- Find Out More About Possible Compensation & Other Remedies



Check your eligibility and submit a Request for Review Form online. Get started now!

America's Servicing Co.	Countrywide	National City Mortgage
Aurora Loan Services	EMC	PNC Mortgage
BAC Home Loans Servicing	EverBank/EverHome Mortgage Company	Sovereign Bank
Bank of America	Financial Freedom	SunTrust Mortgage
Beneficial	GMAC Mortgage	U.S. Bank
Chase	HFC	Wachovia
Citibank	HSBC	Washington Mutual
CitiFinancial	IndyMac Mortgage Services	Wells Fargo
CitiMortgage	MetLife Bank	Wishire Credit Corporation

For help completing the form or to have questions answered, call 1-888-952-9105.  
Monday through Friday, 8 am - 10 pm ET or Saturday, 8 am - 5 pm ET

The Independent Foreclosure Review is monitored by federal bank regulators, the Office of the Comptroller of the Currency and the Board of Governors of the Federal Reserve System, to ensure a fair and impartial process.

Llame al 1-888-952-9105 para hablar con un representante que le podrá brindar gratuitamente traducciones de la información que le envió la Revisión Independiente de la Ejecución Hipotecaria y responder a sus preguntas acerca de la Revisión Independiente de la Ejecución Hipotecaria o completar el Formulario de Solicitud de Revisión.

Si usted habla español, tenemos representantes que pueden asistirle en su idioma para darle información sobre la Revisión Independiente de Ejecución Hipotecaria.

Assistance is also available in over 200 languages, including: Chinese, Korean, Vietnamese, Tagalog, Hmong and Russian.  
提供中文幫助。      Trợ giúp hiện có bằng tiếng Việt.      Peh muaj cov neeg hais lus Hmoob pab nej.  
한국어 도움을 제공합니다.      Available ang tulong sa wikang Tagalog.      Помощь на русском языке.

**THE INDEPENDENT FORECLOSURE REVIEW IS FREE.**

Watch out for scams—there is only one Independent Foreclosure Review.  
Beware of anyone who asks you to pay a fee for any foreclosure review service.

For additional information, visit the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Prevent Loan Scams, or the Loan Scam Alert websites.

Her mother, Kathy, shopped with her.

FOR THE INDUSTRY >> B5

TOTAL SPENDING

SPENDING PER PERSON PER DAY

TOTAL ARRIVALS

THURSDAY 8/30/12

# Star Advertiser

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THE PULSE of PARADISE

## MORTGAGE RELIEF

# Leading wave of settlement money buoys homeowners

*Hawaii gets a \$71 million share from the \$25 billion deal with five major lenders*

By Andrew Gomes  
agomes@staradvertiser.com

Relief has begun to arrive for many Hawaii homeowners threatened by foreclosure under a settlement between the five largest U.S. mortgage lenders and the state and federal government.

Some \$40 million in mortgage debt obligations were alleviated for 362 Hawaii homeowners between March and June, according to an initial progress report released Wednesday by the federal Office of Mortgage Settlement Oversight.

The reported relief represents just a leading, and relatively small, edge of what should be a large wave of financial help for homeowners statewide struggling with mortgage payments.

Five lenders — Bank of America, J.P. Morgan Chase & Co., Wells Fargo & Co., Citigroup Inc. and GMAC Mortgage parent Ally Financial Inc. — agreed to a historic \$25 billion national relief package in February to settle foreclosure abuse allegations brought by the federal government and 49 state attorneys general.

The relief may be delivered over three years, though financial incentives encourage lenders to act quickly.

Hawaii's share of the settlement totaled \$71 million, but that figure is misleading in an understated way because of how the value of relief is calculated and reported.

**\$40M**

Total mortgage debt lifted for Hawaii homeowners from March 1 to June 30

**362**

Number of borrowers receiving relief

**\$110,479**

Average amount of relief per borrower

### CONTACTS

>> **Office of Mortgage Settlement Oversight:** mortgage-oversight.com

>> **Attorney General:** hawaii.gov/ag or 586-1500

>> **Settlement info:** nationalmortgage-settlement.com

### LENDERS

>> **Ally/GMAC:** 800-766-4622

>> **Bank of America:** 877-488-7814

>> **Citigroup:** 866-272-1749

>> **J.P. Morgan Chase:** 866-372-6901

>> **Wells Fargo:** 800-288-3212

Please see RELIEF, A8

PHOTO BY AP/WIDEWORLD

# RELIEF: ‘Short sales’ dominate so far over loan modification

Continued from A1

Lenders receive partial or full credits toward the \$71 million depending on what kind of relief they provide. For instance, they get more credit for a principal loan balance reduction. They get less for a “short sale” in which homeowners sell their homes for less than they owe with no obligation to repay the shortfall. Credits can be as little as 5 cents on the dollar.

Steve Levins, a Hawaii deputy attorney general involved with the issue, said the “vast majority” of relief is still on the way.

“This is just the beginning,” he said of the report’s results. “It’s really just an early snapshot.”

According to the report, nearly all of the relief nationally — \$8.7 billion of \$10.6 billion — reflected short sales that can earn lenders credits of 20 cents to 45 cents on the dollar.

Hawaii short-sale relief accounted for \$35 million of the \$40 million in relief through June. But factoring the credit value of short sales, it’s estimated that lenders have satisfied only \$7 million to \$16 million of their \$71 million obligation to Hawaii borrowers.

Levins said the preponderance of short-sale relief is understandable because it’s quicker and easier compared

<b>FIGHT AGAINST FORECLOSURE</b>			
<i>Mortgage alleviation breakdown for Hawaii homeowners:</i>			
RELIEF TYPE	VALUE	BORROWERS	AVERAGE RELIEF
Short sales	\$34.8M	254	\$137,178
Second mortgage forgiveness	\$1.3M	14	\$93,908
First mortgage principal reduction	\$528,045	6	\$88,008
Principal reduction on previously modified loans	\$303,174	5	\$60,635
Second mortgage principal reduction	\$283,100	5	\$56,620
Refinancing	\$156,208	14	\$11,158
Other	\$2.6M	64	\$40,075
<b>Total relief</b>	<b>\$40M</b>	<b>362</b>	<b>\$110,479</b>

*Source: Office of Mortgage Settlement Oversight report for March 1-June 30*

with loan modifications that require underwriting.

Lenders must direct much of their financial relief at loan balance reductions, and can earn credit bonuses for reducing loans before March 1, 2013. There’s also a cap on short sales, while penalties can be imposed for not meeting loan reduction requirements.

At the federal level, about \$10 billion of the \$25 billion must go toward principal loan balance reductions under the settlement.

During the four months covered by the report, only about \$1 billion in principal reductions were made nationally, and the nation’s largest lender, Bank of America, hadn’t done any.

In Hawaii, only \$528,045 in principal reductions were made, representing an average reduction of \$88,008 for six borrowers, the report said. Other types of relief for Hawaii borrowers included forgiving \$1.3 million in second mortgages for 14 borrowers eliminating an average debt of \$93,908, and refinancing 14 loans at lower interest rates providing average borrower relief of \$11,158.

The average short-sale debt forgiveness was

\$137,178 on 254 sales.

Not included in the \$40 million total were 56 trial loan modifications approved or started that could eliminate \$9.3 million in loan debt, or \$165,559 on average per borrower.

Michelle Saito, a Coldwell Banker Pacific Properties agent who directs sale efforts of foreclosed homes, said lenders have become much more proactive with short sales, loan modifications and deed transfers to avoid foreclosure.

It’s not uncommon for lenders to offer \$3,000 to \$4,000 in relocation expenses to a borrower giving up their home to avert foreclosure, she said.

Saito said the settlement is one major reason for foreclosure avoidance, though other factors also are at work, such as changes to Hawaii’s foreclosure law, other federal programs and new guidelines going into effect soon for Fannie Mae and Freddie Mac.

Levins said the five lenders are scheduled to provide a more comprehensive report to states in November that should give a better picture of the broad relief effort.

Of the \$71 million of

Hawaii’s promised relief, \$30 million must go toward principal reduction; \$20 million is for other debt relief including loan modifications and short sales; \$9.3 million is for refinancing loans; \$8.2 million is for assistance programs such as credit counseling and mediation; and \$3.2 million is for one-time direct payments of up to \$2,000 to borrowers who lost their homes to foreclosure from 2008 to 2011.

Levins said claim forms for the direct payments are to be mailed out soon to more than 1,600 eligible homeowners.

For homeowners not current on their mortgage payments or in danger of default, Levins said they should contact their lender about possible relief if their lender hasn’t contacted them. Levins also said people having difficulty with relief issues should contact the Office of Mortgage Settlement Oversight at mortgageoversight.com or the Hawaii Attorney General at 586-1500 or hawaii.gov/ag.

Other information about relief and the settlement, including phone numbers for the five lenders, is available at nationalmortgagesettlement.com.