



# Hawai'i Home Advocates

*"Understanding Makes All the Difference."™*

## FACING FORECLOSURE

# What You Need to Know

A plain-English guide for Hawai'i homeowners facing or at risk of foreclosure.

*"Understanding Makes All the Difference."™*

### ONE MISSION · THREE GOALS

One Mission: To educate homeowners.

Three Goals: To help Hawai'i homeowners —

1. Understand their situation,
2. Learn their rights and options, and
3. Navigate toward the best possible outcome.

Everything here is free. Nothing is required.

And every path leads to your best interest.

Barbara Coote | Retired Lt. Colonel, U.S. Army  
Licensed Hawai'i REALTOR® & Real Estate Investor  
808-781-6951 | [barbara@hawaiihomeadvocates.com](mailto:barbara@hawaiihomeadvocates.com)  
[hawaiihomeadvocates.com](http://hawaiihomeadvocates.com)

## Facing Foreclosure -- What You Need to Know

**WARNING:** Time is critical. Hawaii uses primarily non-judicial foreclosure -- lenders can foreclose without going to court. The window shrinks every day.

### HAWAII FORECLOSURE TIMELINE

Stage	What Happens	Your Window
1 -- NOD Filed	Formal notice recorded with county. Foreclosure clock starts.	Act immediately. Clock is running.
2 -- Mediation	Request Hawaii's FREE state mediation (MFDR). Pauses the process.	14 days from NOD -- strict deadline.
3 -- Notice of Sale	Property scheduled for public auction. Very limited time remains.	30+ days before auction. Options narrowing fast.
4 -- Auction	Home sold at public auction. No right of redemption in Hawaii.	No options remain after this point.

[!] In Hawaii there is NO post-sale right of redemption -- once the auction happens, the home is gone. Act before the auction, not after.

### TYPES OF FORECLOSURE IN HAWAII

- >> Non-Judicial (NJF) -- most common; lender forecloses without going to court
- >> Judicial -- lenders increasingly using this to bypass free MFDR mediation

For housing legal help, contact:  
 Volunteer Legal Services: 808-528-7046 (O'ahu) | vlsh.org  
 HSBA Lawyer Referral (free consult): 808-537-9140

## Facing Foreclosure — What You Need to Know

**YOUR OPTIONS**

Act Early — More Options Remain Open

A Notice of Default is not the end. The earlier you act, the more of these options remain available to you.

**Request Free State Mediation ★ First Step**

- ✓ Hawaii's MFDR program is completely free — call DCCA at 808-586-2877
- ✓ Pauses non-judicial foreclosure and forces lender to negotiate
- Must request within 14 days of NOD — this deadline is strict

**Loan Modification or Forbearance**

- ✓ Permanently change loan terms or temporarily pause payments
- ✓ Best if hardship is temporary — job loss, medical, etc.
- Process takes time — apply immediately with your loan servicer

**Short Sale**

- ✓ Sell for less than owed with lender approval — better than foreclosure on credit
- Requires lender approval — typically 3–9+ months
- May have tax consequences — consult a CPA (Certified Public Accountant)

**List on the Open Market**

- ✓ Best way to maximize proceeds if you have equity
- ✓ Can close fast enough to stop foreclosure if listed immediately
- Requires time — if auction date is close, act immediately

**Direct Cash Sale ★ Fastest Exit**

- ✓ Can close in 7–14 days — stops foreclosure before auction
- ✓ No repairs, no showings, walk away with any remaining equity
- Price typically 70–85% of market value — weigh against time

**Chapter 13 Bankruptcy ★ Last Resort**

- ✓ Automatic stay immediately halts all foreclosure proceedings
- Remains on credit report 7–10 years — serious long-term consequences
- Complex — requires a bankruptcy attorney

## YOUR ACTION PLAN

## Facing Foreclosure — What to Do Right Now

- 1 Find your NOD date and calculate your 14-day window.**

In Hawaii's non-judicial foreclosure, the clock starts the day the NOD is filed. Calculate exactly how many days you have.
- 2 Request state mediation within 14 days — call DCCA at 808-586-2877.**

Free Mortgage Foreclosure Dispute Resolution program pauses the process and forces your lender to negotiate. Your most important right.
- 3 For housing legal help, contact:**  
**Volunteer Legal Services: 808-528-7046 (O'ahu) | 808-537-9140**  
 808-536-4302 or legalaidhawaii.org. Free legal help for qualifying homeowners. Do not wait.
- 4 If active duty military — invoke SCRA immediately.**

Your lender cannot foreclose without a court order. Contact your JAG (Judge Advocate General) office today.
- 5 Do not move out of your home.**

You have the right to remain until the process is legally complete. Moving out early can waive certain rights.
- 6 Explore every exit before the auction date.**

Loan modification, short sale, or cash sale — all are faster than waiting for auction and better for your credit.
- ! Do not pay anyone who promises to stop foreclosure for an upfront fee.**

Foreclosure rescue scams are common in Hawaii. Any legitimate help is free. If someone asks for money upfront — it is a scam.
- 7 Contact Barbara.**

I can review your exact timeline and tell you honestly what options remain open. No obligation, no pressure. 808-781-6951

## Documents to Gather First

- |                                    |                                     |
|------------------------------------|-------------------------------------|
| ■ Notice of Default (NOD)          | ■ Original loan documents           |
| ■ All lender correspondence        | ■ Last 3 months bank statements     |
| ■ Last 2 years tax returns         | ■ Proof of hardship (if applicable) |
| ■ Military orders (if active duty) | ■ Property deed                     |

## FREE RESOURCES

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*About free legal help in Hawai'i: Free legal representation for housing matters is very limited. Most free resources provide information or referrals, not an attorney who will represent you.*

### **Hawai'i HomeOwnership Center (HHOC)**

HUD-approved nonprofit — free foreclosure prevention counseling and one-on-one coaching statewide.  
808-523-9500 | [hihomeownership.org](http://hihomeownership.org)

### **DCCA — Mortgage Foreclosure Dispute Resolution (MFDR)**

Free state mediation. Request within 14 days of Notice of Default. Pauses foreclosure while you negotiate.  
808-586-2877 | [cca.hawaii.gov](http://cca.hawaii.gov)

### **Volunteer Legal Services Hawai'i**

Free civil legal help for qualifying low-income residents — housing, landlord-tenant, bankruptcy, and more. Apply online or call for intake.  
808-528-7046 (O'ahu) | 1-800-839-5200 (Neighbor Islands) | [vlsh.org](http://vlsh.org)

### **Hawai'i State Bar — Lawyer Referral Service**

Get matched with a licensed Hawai'i attorney. Many offer a free or reduced-fee first consultation. Available Mon–Fri 8:30 a.m.–4:30 p.m.  
808-537-9140 | [hawaiilawyerreferral.com](http://hawaiilawyerreferral.com)

### **Legal Aid Society of Hawai'i — Elder Law Services Only (age 60+)**

Confirmed services: Advance Health Care Directive, Power of Attorney, and Simple Wills for residents 60+. Does not cover housing or foreclosure.  
808-536-4302 | [legalaidthawaii.org](http://legalaidthawaii.org)

### **Consumer Financial Protection Bureau (CFPB)**

File complaints against your lender. Free mortgage guides. CFPB complaints often get faster lender responses.  
855-411-2372 | [consumerfinance.gov](http://consumerfinance.gov)



## **Barbara Coote**

Retired Lt. Colonel, U.S. Army  
Licensed Hawai'i REALTOR® RS-81245  
Military Relocation Professional (MRP)

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*"When God closes a door, He opens a window."*

I want to be that window for you.

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*"Informed Decisions are the Best Decisions."*<sup>TM</sup>

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barbara@hawaiihomeadvocates.com

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Free. No sign-up. No obligation. Ever.