



Hawai'i Home Advocates

"Understanding Makes All the Difference."™

MILITARY, VETERAN & SURVIVOR

Benefits, Rights & Protections

Protections, benefits & options for active duty, veterans, and survivors in Hawai'i.

"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
hawaiihomeadvocates.com

ACTIVE DUTY PROTECTIONS

SCRA — Servicemembers Civil Relief Act

If you are on active duty and your home is financed with a VA (Department of Veterans Affairs) loan or any other mortgage, the SCRA (Servicemembers Civil Relief Act) is one of the most powerful legal shields available to you as a homeowner. These protections must be invoked — they are not automatic.

■ ■ Foreclosure Protection

- ✓ If your mortgage predates active duty, lender **cannot foreclose without a court order**
- ✓ Applies even in Hawai'i's non-judicial foreclosure system
- ✓ Protection lasts through active duty and **12 months after separation**
- Invoke in writing to your lender with a copy of your military orders

■ ■ 6% Interest Rate Cap

- ✓ Lender must reduce mortgage rate to 6% during service and one year after
- ✓ Applies to all pre-service debts — mortgage, car loans, credit cards
- ✓ Lender must forgive — not defer — interest above 6%
- Submit written request with military orders to invoke

✈ PCS (Permanent Change of Station) & Lease Protections

- ✓ Can terminate a housing lease with 30 days notice with PCS or 90+ day deployment orders
- ✓ Can terminate a vehicle lease penalty-free with PCS or 180+ day active duty orders
- ✓ Protection from default judgments in court while deployed

■ ■ PCS Options for Your Hawai'i Home

- ✓ Sell before you leave — cleanest exit, eliminates long-distance landlord stress
- ✓ Convert to rental — Hawai'i's strong rental market can generate income while property appreciates
- ✓ VA loan assumption — a buyer can assume your VA loan if your rate is below market
- DoD HAP (Homeowners Assistance Program) — financial assistance if PCS is BRAC-related

■ ■ HARPTA & Capital Gains tip: Active duty servicemembers can suspend the 5-year ownership/residency rule for capital gains exclusion for up to 10 years with PCS orders. Total look-back period extends to 15 years. Explore the HARPTA (Hawai'i Real Property Tax Act) withholding waiver before closing.

VETERAN BENEFITS

Benefits You've Earned — Many Go Unclaimed

■ ■ Hawaii Property Tax Exemption

- ✓ 100% service-connected disabled veterans: home fully exempt from property taxes
- ✓ Subject only to minimum tax (~\$300/year on Oahu)
- ✓ Unremarried surviving spouse also qualifies and retains the exemption
- ✓ Honolulu expanding eligibility to veterans with 80%+ disability rating
- File Form BFS-RP-E-10.5 with your county's Real Property Assessment Division
- Oahu: realproperty.honolulu.gov · File by Sept. 30

■ Property tax exemptions take effect the NEXT tax year after approval. You cannot reclaim taxes already paid. If you qualify — apply immediately.

■ ■ VA Loan Resources

- ✓ VA can intervene with your servicer if you're facing foreclosure on a VA-guaranteed loan
- ✓ Free VA financial counselors — call 877-827-3702
- ✓ VA Compromise Sale — similar to short sale, may allow sale for less than owed
- ✓ VA IRRRL (Interest Rate Reduction Refinance Loan) — streamlined refinance, no new appraisal
- BAH (Basic Allowance for Housing) counts as qualifying income for VA loan purchases

■ ■ Additional Financial Benefits

- ✓ Military retirement pay fully exempt from Hawaii state income taxes
- ✓ VA disability compensation is also tax-free in Hawaii
- ✓ SBP (Survivor Benefit Plan), RCSBP, and RSFPP annuities not taxed in Hawaii
- ✓ Specially adapted vehicles provided by VA exempt from all Hawaii vehicle taxes
- ✓ Active duty and dependents qualify for in-state tuition at UH (University of Hawaii) system
- ✓ Hawaii National Guard members may receive up to 100% tuition reimbursement at public community colleges and 50% at public universities through STAP (State Tuition Assistance Program)
- ✓ Veterans receive 5–10 point federal civil service hiring preference

SURVIVING SPOUSE & DEPENDENT BENEFITS

Benefits That Transfer — Many Never Applied For

When a veteran or servicemember passes away, their surviving spouse and dependent children do not lose the benefits their loved one earned. In many cases those benefits transfer — and in some cases expand. Many surviving families never apply for benefits they are fully entitled to simply because no one told them.

■ ■ Property Tax Exemption Transfer

- ✓ Under HRS (Hawaii Revised Statutes) §246-29, exemption transfers to surviving spouse
- ✓ Spouse must continue to own, occupy, and not remarry to retain exemption
- Must notify county and file to maintain — contact Real Property Assessment Division immediately

■ ■ DIC — VA Dependency & Indemnity Compensation

- ✓ Monthly tax-free payments to surviving spouse, children, or parents
- ✓ 2026 base rate: **\$1,699.36/month** for surviving spouse
- ✓ Additional \$360.85/month if veteran was totally disabled for 8+ years before death
- ✓ Additional \$421.00/month per dependent child under 18
- ✓ Surviving spouses who remarry at age 55+ may continue to receive DIC
- PACT Act expanded eligibility — previously denied claims may now qualify

■ ■ SBP — Survivor Benefit Plan

- ✓ Surviving spouse receives up to **55%** of veteran's retired pay monthly
- ✓ SBP payments not taxed in Hawaii
- ✓ As of Jan 1, 2023: SBP-DIC offset eliminated — survivors can receive **both** in full
- Contact DFAS (Defense Finance and Accounting Service) at 800-321-1080 to verify enrollment

■ ■ Additional Survivor Benefits

- ✓ Chapter 35 education benefits — tuition assistance for college or vocational training
- ✓ CHAMPVA (Civilian Health & Medical Program of VA) health coverage if not eligible for TRICARE (military health insurance)
- ✓ 10-point federal civil service hiring preference for surviving spouses
- ✓ Burial in Hawaii State Veterans' Cemeteries on all islands

YOUR ACTION PLAN

Military Homeowner — What to Do Right Now

- 1 Check your property tax exemption status immediately.**
If you are a 100% service-connected disabled veteran, file for your property tax exemption now. You cannot reclaim taxes already paid for prior years.
- 2 If facing foreclosure on a pre-service mortgage — invoke SCRA in writing.**
Send written notice with your military orders to your lender. Your lender cannot proceed with non-judicial foreclosure without a court order. For help, contact your installation's JAG (Judge Advocate General) office or Military OneSource.
- 3 If your mortgage rate exceeds 6% — invoke the SCRA interest rate cap.**
Submit a written request with military orders to your lender. They must reduce the rate and forgive — not defer — the excess interest.
- 4 Contact the VA if your home loan is VA-guaranteed.**
The VA has a financial interest in preventing foreclosure and can intervene with your servicer. Call VA Loan Guaranty at 877-827-3702.
- 5 If receiving PCS orders — understand your options before you leave.**
Sell, rent, or use VA loan assumption — each has different tax and financial implications. Get a current market value estimate before deciding.
- 6 Surviving spouses — apply for DIC and SBP immediately.**
Contact the VA for DIC (va.gov or 800-827-1000) and DFAS for SBP verification (800-321-1080). Do not delay — benefits are not retroactive.
- ! Do not sign anything under pressure without understanding your rights.**
Predatory investors and scammers specifically target military families and surviving spouses. Any legitimate help is free. If someone asks for money upfront — it is a scam.
- 7 Contact Barbara.**
I served over 20 years in the U.S. Army. I understand military life from the inside. I can help you navigate your options — free, no pressure. 808-781-6951

Documents to Gather First

- | | |
|-------------------------------------|--|
| ■ DD-214 (discharge paperwork) | ■ VA disability rating letter |
| ■ Military orders (if active duty) | ■ Mortgage statement |
| ■ Property tax bill | ■ Marriage/death certificate (survivors) |
| ■ VA loan documents (if applicable) | ■ SBP enrollment confirmation |

FREE RESOURCES

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 Office of Veterans' Services

Free assistance applying for property tax exemptions and state benefits. All islands.
808-433-0420 | dod.hawaii.gov/ovs

VA Loan Guaranty Service

VA intervention with servicers, loan options, and foreclosure prevention for VA loan holders.
877-827-3702 | va.gov/housing-assistance

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

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

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 qualifying residents age 60+. Does not cover housing, SCRA enforcement, or foreclosure defense.
808-536-4302 | legalaidhawaii.org

A PERSONAL NOTE

From Barbara Coote — Retired Lt. Colonel, U.S. Army

“Military life is demanding in ways civilians rarely see. Frequent moves, deployments, family separations, and financial pressures create a unique set of homeownership challenges. Some of the people who are reading this booklet are already in distress. But many more just need to know what they’re entitled to — because knowing your benefits and protections before a crisis is what prevents one.”

I spent over two decades serving in the United States Army and retired as a Lieutenant Colonel. The military taught me that service doesn't stop when you take off your uniform. That's what this guide is.

As a logistics officer, my job was never to have all the answers — it was to assess the situation, find the right resources, and get them to the right people at the right time. I bring that same discipline to every homeowner I work with.

If you served this country, this booklet is for you — whether you're facing a problem today or just want to make sure you're protected for whatever comes next. Everything here is free. Nothing is required. And I'll tell you honestly if someone else can serve you better than I can.

Ready to talk through your situation?

808-781-6951 | barbara@hawaiihomeadvocates.com

hawaiihomeadvocates.com

"Informed Decisions are the Best Decisions."™



Barbara Coote

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

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

I want to be that window for you.

*"Informed Decisions are the Best Decisions."*TM

808-781-6951

barbara@hawaiihomeadvocates.com

hawaiihomeadvocates.com

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