



Learn more about the Real Estate Branch (REB) of the Department of Commerce and Consumer Affairs

Check out the REB website www.hawaii.gov/hirec for more information and some frequently asked questions.

- What services does the REB provide to the condominium community?
- Where can I get help with association disputes?
- What laws apply to my condominium association?
- How do I get a copy of my association documents?
- How do I obtain a real estate license?
- What are the laws and rules for real estate licensees?

Real Estate Branch

About Us

The Real Estate Branch, as part of the Professional and Vocational Licensing Division, assists the Real Estate Commission in carrying out its responsibility for the education, licensure and discipline of real estate licensees; registration of condominium projects, condominium associations, condominium managing agents, and condominium hotel operators; and intervening in court cases involving the real estate recovery fund.

Subscribe

Receive emails on relevant condominium educational materials. Sign up now at <http://cca.hawaii.gov/reb/subscribe/>

Contact Us

Condominium Hotline: 808-586-2644
Hours: 9:00 AM – 3:00 PM
Email: hirec@dcca.hawaii.gov
Web: www.hawaii.gov/hirec

This brochure is for informational purposes only and not intended for the purpose of providing legal advice. Information provided is subject to change.



CONDOMINIUM: INFORMATION FOR DEVELOPERS POST CHAPTER 514A, HRS

Real Estate Branch
335 Merchant Street #333
Honolulu, HI 96813

CONDOMINIUM:

INFORMATION FOR DEVELOPERS POST CHAPTER 514A, HRS

*Real Estate Branch
Department of Commerce and
Consumer Affairs*

July 2019



I Made the Deadline, Now What?



Congratulations on making the transfer to chapter 514B, HRS! You may be wondering what exciting life awaits

you in a post chapter 514A, HRS, world.

As a developer, chapter 514B differs from chapter 514A, HRS, in a variety of ways. This Hawaii Real Estate Commission (“Commission”) brochure will detail new benefits, new obligations, and new forms associated with the transfer.

New Benefits

The major change for developers transferring to chapter 514B, HRS, is that reports no longer expire, which under chapter 514A, HRS, would stop sales. Furthermore, **if** developers inform buyers of a pertinent or material change and promptly file an amendment with the Commission, they may continue sales.

Developers may now amend their developer’s public reports to register additional units created from previously registered units.

Developers may sell units as “spatial,” which means units that are undeveloped and without structures. Spatial units were not available under chapter 514A, HRS, which previously required developers to sell units with tents, sheds, or greenhouses. This should simplify developer disclosures and eliminate the need to maintain unwanted structures.

New Developer Obligations

You are now required to file a developer’s annual report, pursuant to §514B-58, HRS. This simple two-page report lets the Commission know of any changes to your project or if you’ve sold all units, after which all your updating requirements end. It also reminds developers to update their reports with amendments for any changes which may reduce liability from omissions in disclosure to buyers. This annual report is due no later than 30 days after the last effective date issued.

New Forms

Should any pertinent or material change occur **after** your project has been transferred to chapter 514B, HRS, the developer is required to file a superseding amended developer’s public report. The legislature balanced giving developer’s

the capacity to transfer over without restating with new obligations to conform older projects to the newer law.

Subsequent updates must also be filed on the chapter 514B, HRS, forms, via either amendment or amended developer’s public reports.

What About Governance?

Part VI of chapter 514B, HRS, governance has been in effect for all condominiums since July 1, 2006 (§§514B-21, 101, HRS).

Anything Else?

As a developer, you’re responsible for all the unsold units, regardless if you live in them or not.

Read up on [chapter 514B, HRS](#), and [Act 223, SLH 2019](#).

Chapter 514B, HRS, dictates both development and governance, and Act 223, SLH 2019, clarifies the process of transferring to chapter 514B, HRS, and any new responsibilities.

