

Ask the Condominium Specialist

As of this writing, the number of unemployed Americans is 22 million. In the last week, 5.2 million people filed unemployment claims in their state. Because of the pandemic and its economic effects, many people may have difficulty keeping up with rent or mortgages. As the numbers show, many have lost their jobs, while others have had their hours cut back to such an extent that makes it difficult to keep up with bill payment.

For those living in condominium associations, keeping up with monthly maintenance fees is an additional expense. There are also those condominium owners who may currently be paying added penalties or late fees along with their monthly assessments. What should you do if you are now unemployed or you've suffered a significant loss of wages and find yourself unable to keep up with payments to your association?

As much as possible, try to keep up with your monthly maintenance fees. The Hawaii condominium law, Hawaii Revised Statutes Chapter 514B does not contain a provision for the waiver of fees during extraordinary times, and board members have a fiduciary duty to maintain association property, which maintenance benefits all owners. If you are having trouble keeping up with additional association

expenses, such as special assessments, fines or penalties, ask if you can enter into a payment plan with your association. If you are incurring late fees or interest, see if they can be waived during this time and resumed when the economy picks up, or your return to a normal work schedule. Get all agreements you enter into with your association for waivers or payment plans during this period in writing for your records.

Condominium associations rely on maintenance fees for the upkeep of the property. Large associations may have regular expenses such as pool and landscaping maintenance, or cleaning services for the common areas that must be continued during this time. A smaller association must preserve its financial stability even without additional expenses. It may have an outstanding loan that it is repaying or may have plans to apply for a loan in the future. Prospective purchasers of units may be denied mortgages for associations viewed as financially unstable. With open communication and awareness that everyone is affected by this unusual time, owners and associations will come through this.

This information is subject to change. The information contained herein is intended to provide general information and cannot be deemed to provide any specific advice. Readers are advised to seek legal advice or advice from

a health care professional or assistance from other competent professionals to address their particular circumstances.