

Real Estate Branch

Aloha Condominium Owners and Other Interested Individuals,

The Real Estate Commission wishes you a happy and prosperous New Year! The Commission continues to appreciate your desire to educate and inform yourselves regarding condominium matters. In this first email of 2021, the Commission wishes to highlight the December 2020 Hawaii Condominium Bulletin, upcoming educational webinars, and governance and developer reminders.

If you missed an email, all of the prior topics covered in prior informational emails are available here.

December 2020 Hawaii Condominium Bulletin

The December Hawaii Condominium Bulletin has recently been published. The December bulletin covers topics such as dispute resolution, an update on the latest 12th edition of Robert's Rules of Order, and governance during the pandemic. A link to the December 2020 Condominium Bulletin in PDF can be reached here.

Condorama VII

The Hawaii Real Estate Commission is proud to host the first webinar Condorama being presented by CAI Hawaii from **12:00 PM to 1:30 PM** on **Thursday January 28, 2021**. Topics include the ABC's of Reserves, Do's and Don'ts of Construction Contracts, What Insurance Contractors Should Know Before You Hire Them, and Annual Meeting Blunders To Avoid. Please visit <u>CAI Hawaii to register</u> or the <u>Real Estate Branch's Condorama</u> webpage for more information.

Community Associations Institute Hawaii Chapter (CAI) - Virtual Educational Event

CAI Hawaii is an organization that serves the educational, business, and networking needs of associations ranging from condominiums and cooperatives to planned associations. The Condominium Education Trust Fund (CETF) partially subsidizes a select number of CAI Hawaii condominium educational events procured by the Commission for members of registered condominium associations. These educational events are open to anyone who wishes to attend, including directors, owners, property managers, attorneys, and the general public. Please contact CAI Hawaii for attendance fees.

CAI Hawaii has upcoming virtual Webinar educational events "Pandemics I – A Whole New Can of Worms for Community Associations" on Thursday, January 14, 2021, and "Pandemics II – Budgeting and Finances, Employment Issues" on Thursday February 18, 2021, both from 12:00 PM to 1:30 PM. Visit CAI Hawaii's website and contact them for registration here. Please be aware that CAI Hawaii may change the contents of their educational events and host new events.

Hawaii Council of Community Associations (HCCA) - Educational Event

HCCA is a nonprofit that since October 1975 has provided educational and legislative efforts on behalf of condominiums, cooperative housing, and planned community associations. The Commission does not endorse the views or activities of HCCA and has not procured any contracts with HCCA. The Commission is merely informing interested parties of their events. Please see their website at http://hawaiicouncil.org/ for more information.

HCCA has an upcoming virtual Zoom educational event, "Annual Meetings In 2021" on Saturday, January 23, 2021, from 9:00 AM to 11:00 AM. Visit HCCA's seminar website here. Please be aware that HCCA may change the contents of their educational events and host new events.

Condominium Governance – Reminder

While the COVID-19 pandemic has created hardships and difficulties in conducting meetings, boards must adhere to the requirements of board meetings and conduct their publicly noticed meetings either via group telephone calls or via online video teleconference open to all members of the association.

Pursuant to §514B-125, HRS, "<u>all meetings of the board</u> other than executive sessions, shall be open to all members of the association, and association members not on the board shall be permitted to participate in any deliberate or discussions, other than executive sessions, pursuant to owner participation rules adopted by the board." [Emphasis added]

The Commission has heard complaints of secret "meetings of the whole" or "work meetings" where board members deliberate, discuss and otherwise decide association matters without notice, minutes, or owner participation. The Commission would strongly advise against such practices as <u>all meetings of the board</u> are governed by Part VI of chapter 514B, HRS.

Developer Reminders

For condominium developers who missed the chapter 514A, HRS, repeal, <u>additional guidance has been</u> <u>released</u> about how to re-register their projects to engage in legal sales, along with updated fees and procedures applicable to all projects. Developers and their agents may wish to review all 2020 issued developer memos.

Don't forget to do <u>your annual report!</u> The annual report serves to remind developers to promptly update their developer's public reports as changes occur to their projects. The annual report is due no later than 30 days prior to the anniversary of the most recent developer's public report or amendment to developer's public report's effective date. These continuous updates help to protect the developer from accusations of fraud and omission in a later sale by providing an up-to-date and standardized disclosure document to buyers. Developers who submit an amended developer's public reports or amendments to the developer's public report may use those filings to satisfy that specific year's annual report requirement.

If you found any of this information helpful, please spread the word and invite other interested parties to subscribe to the email list <u>here</u>. Also, please visit our website at http://www.hawaii.gov/hirec for assistance in answering any questions concerning the Hawaii Real Estate Branch and all licensing issues.

If there are any further questions, please contact our office at (808) 586-2643, between the hours of 7:45 a.m. and 4:30 p.m., Hawaiian Standard Time.

This information has been provided to you pursuant to §16-201-92, Hawaii Administrative Rules. The information provided herein is for informational and for educational purposes, and is informal and non-binding on the Real Estate Commission and the Department of Commerce and Consumer Affairs.

CEB - January 2021