

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: <u>www.hawaii.gov/hirec</u>

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



CONDOMINIUM: UPDATING THE GOVERNING DOCUMENTS Paal Estate Branch

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

CONDOMINIUM:

UPDATING THE GOVERNING DOCUMENTS

Real Estate Branch Department of Commerce and Consumer Affairs

May 2023



Old Governing Documents

Is your declaration as old as the dinosaurs? Are your bylaws from Babylon? Was Herbert Hoover President when your house rules were drafted? You may need to bring your governing documents into the modern era.

Why Should We Update?

Times have changed since Stegosauruses wandered the Earth. Your association likely isn't that old, but its governing documents have likely not kept pace with the changes in technology, the updates to the laws, and cultural shifts.

For example, does the declaration discuss the permitted and prohibited use of each unit? Does it accurately describe the common elements, unit boundaries, and the common interest per unit?

Do the bylaws discuss the mandatory notice periods for meetings, or modern technology such as email? Is there an appeals process written into them as mandated by chapter 514B, HRS? Do they provide guidance on cumulative voting, the number of board members and their required qualifications? Do they have provisions on pets and emotional support animals? If you answer no to any of these, it's time to update your documents.

The governing documents provide a framework for additional guidance on how to operate the condominium association. Having a framework that is silent on many important matters, including issues explicitly required to be defined in those documents by the condominium property act will likely only lead to confusion and conflict.

How Do We Do This?

The first step is to review what your governing documents currently state and compare them to chapter 514B, HRS, to see what needs to be removed, added, or updated. Your association may want to form a committee of owners and board members to do this.

This committee will, with the help of professional legal counsel,



draft updated documents incorporating new methods of communication, electronic voting, the mandatory appeals process, and rules of cumulative voting, among other changes.

Circulate the draft documents to all owners and hold a vote to amend the declaration and bylaws in a special or regular association meeting.



For an amendment to pass, it must meet the current required vote percentage located in your declaration and bylaws. Some older associations still have the required 75% for the declaration, which was the norm under the prior condominium law, chapter 514A, HRS.

Once the voting requirement has been achieved, record the amendments to the declaration and bylaws at either the Bureau of Conveyances or Land Court to make them enforceable and let the community know. House rules do not need to be recorded, only distributed.