



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.

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

Contact Us

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



CONDOMINIUM: COMMON DELAYS IN DEVELOPMENT
Real Estate Branch
335 Merchant Street #333
Honolulu, HI 96813

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?

CONDOMINIUM:

COMMON DELAYS IN DEVELOPMENT

*Real Estate Branch
Department of Commerce and
Consumer Affairs*

October 2024



Common Delays

An application for a developer's public report can be delayed for many reasons. Some of these are within the developer's control and can be avoided with proper planning.

Conflicting Records

It is common that county records will conflict with the developer's disclosures, such as differing square footage, bedrooms, and bathrooms. The review process will require the developer to confer with the county to address the conflicting information. It is advised to first check with the respective county real property and permit offices to ensure that the records properly reflect what is permitted and what exists prior to submitting a developer's public report to reduce review delays.



County Letters

Part of the development process often requires one or two specific letters from the respective county the project is in.

The conversion letter is a requirement for all projects that have buildings built more than a year prior to being submitted to the condominium property regime. The county

reviews the permits for the project to assert that the buildings were up to code at the time they were built. The county will then issue a conversion letter signed by an appropriate county official.

Developers for agriculturally zoned projects are required to submit the governing documents to their respective county for review to verify that nothing in the governing documents of a project restricts agricultural activities. If the project contains more than five units, then an expanded agricultural letter is required. The county will review and then issue a verification letter signed by an appropriate county official.



Both letters may take several months for the county to issue. It is highly advised that developers with projects that have either conversions or agricultural zoning, or both, request these letters early in the condominium process. The Real Estate Branch cannot process a project that requires such letter(s) if the developer fails to include the required letter(s).

Mandatory Reserve Study

Developers are required as of January 1, 2023, pursuant to [ACT 62, SLH 2022](#) to

include a mandatory reserve study detailing the cost of repair and replacement of common elements and the amount dedicated to reserves in the maintenance fee as part of the application. Failure to include the study will halt processing. Developers may self-conduct the study.

Title Reports

The Commission requires that a title report be no older than 60 days from the day of submission. Should a title report be older than 60 days, a developer will be required to submit a more recent report.

Errors On the Report

Very common errors that must be corrected are failure to capitalize the name of the project, adding in a developer created registration number, contradictory box checks such as using purchaser's deposits while also checking that the developer will self-fund, putting spatial in zoning, and missing the words "substantially as built" on the surveyor/architect/engineer's report.

Please review the "[Developer's Guide - Avoiding Common Errors: Chapter 514B, HRS, Developer's Public Reports](#)" on the [Forms](#) page to avoid these and other common errors. Also check out the "[Developer's Best Practices](#)" brochure in the [Resources for Developers](#) page as well to ensure the application goes as smoothly as possible.