



Hawai'i Condominium Bulletin

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Artificial Intelligence & The Condominium Community By Hawai'i Real Estate Branch Staff

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Hawai'i's condominium community and industry are increasingly adopting Artificial Intelligence ("AI") in operational practices and for researching legal obligations. AI tools are now seeing widespread adoption by condominium boards and managing agents. These platforms can quickly summarize complex governing documents and various statutes including Hawai'i Revised Statutes ("HRS") [chapter 514B](#), the condominium law, [chapter 414D](#), HRS, the nonprofit corporation act, and Hawai'i Administrative Rules ("HAR").

While these new technological tools promise quick results and efficiency, they are not official sources of law and absolutely should not replace professional legal advice. AI-generated summaries of condominium declarations, bylaws, contracts, the condominium law and other documents must be treated as preliminary information and not as final arbiters of facts. Errors or hallucinations in interpretations and citations can result in significant governance and compliance issues as well as lawsuits over actions taken using incorrect information.

The Real Estate Branch ("REB") has documented recent instances where AI responses included fabricated statutory citations or referenced repealed laws as currently applicable. Examples include a non-existent section labeled §514B-105(b)(8), HRS, and references to chapter 514A, HRS, which was repealed in 2020. Reliance on inaccurate or outright false information may lead to invalid board actions, conflict among owners, lawsuits, and declining confidence in association governance. Although AI systems do not appear to intentionally mislead, their outputs may appear authoritative even when incorrect.

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Funded through
the Condominium
Education Trust Fund

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (844) 808-3222, select option 1, then select option 8 to submit your request.

Message from the Chair

Aloha,

Spring is around the corner and a fresh clear start is often what people are looking for after a cold, cloudy, windy, and wet Winter. In this Spring Edition, you'll find a variety of topics including condominium views, the difference between a homeowner's association ("HOA") and a condominium association of unit owners ("AOUO"), an infographic update on Hawaii's insurance market, a reminder about DCCA's updated contact number, and a comprehensive article on the role of Artificial Intelligence in condominiums.

The "Ask the Condo Specialist" provides a brief understanding of the difference between a chapter 421J, HRS, homeowners association, and a chapter 514B, HRS, association of unit owners, or condominium association. While they share some similarities, they are legally quite different in how owners own their properties and the laws that govern them.

The Akamai Buyer reminds prospective buyers to review any agreements, if any, that protect their clear majestic views of the island from a condominium they're interested in. Condominium units are often sold with a view in mind, but that view may be blocked in the future. Get educated about what you're really buying.

We've also included summaries of condominium mediations that were conducted in the last few months.

Keep up with the current condo news, issues, legislative action affecting condos, and educational events being held for the condo community by visiting our website: <https://cca.hawaii.gov/reb/>.

To view any of our short and informative educational videos on various aspects of condo living, click the link here <https://cca.hawaii.gov/reb/hawaii-condo-living-guide/>.

A calendar of the Real Estate Commission's 2026 meeting schedule is also included inside. All are welcome to attend any of the monthly meetings which are now held in-person, primarily in the Queen Liliuokalani Conference Room of the King Kalakaua Building, 335 Merchant Street, First Floor. Click the link here https://cca.hawaii.gov/reb/agendas_minutes/ to visit our website to get the upcoming agenda and to review the minutes from prior meetings.

John R. Love
Chair, Condominium Review Committee



Artificial Intelligence & The Condominium Community

(cont. from page 1)

To ensure accuracy, all AI-generated inquiries and content should be verified against official sources. The Hawai'i Real Estate Commission ("REC") provides the current version of chapter 514B, HRS, and related administrative rules on its website. The Hawai'i State Legislature publishes the Hawai'i Revised Statutes on the Capitol website, including chapter 514B, HRS. These free resources should serve as the primary reference for matters such as governance procedures, proxies, meeting notice timeline, owner's access to documents, and insurance requirements. AI can be used to quickly find a specific summary of the topic, but the condominium community should always review the official statutes and rules before taking any action.

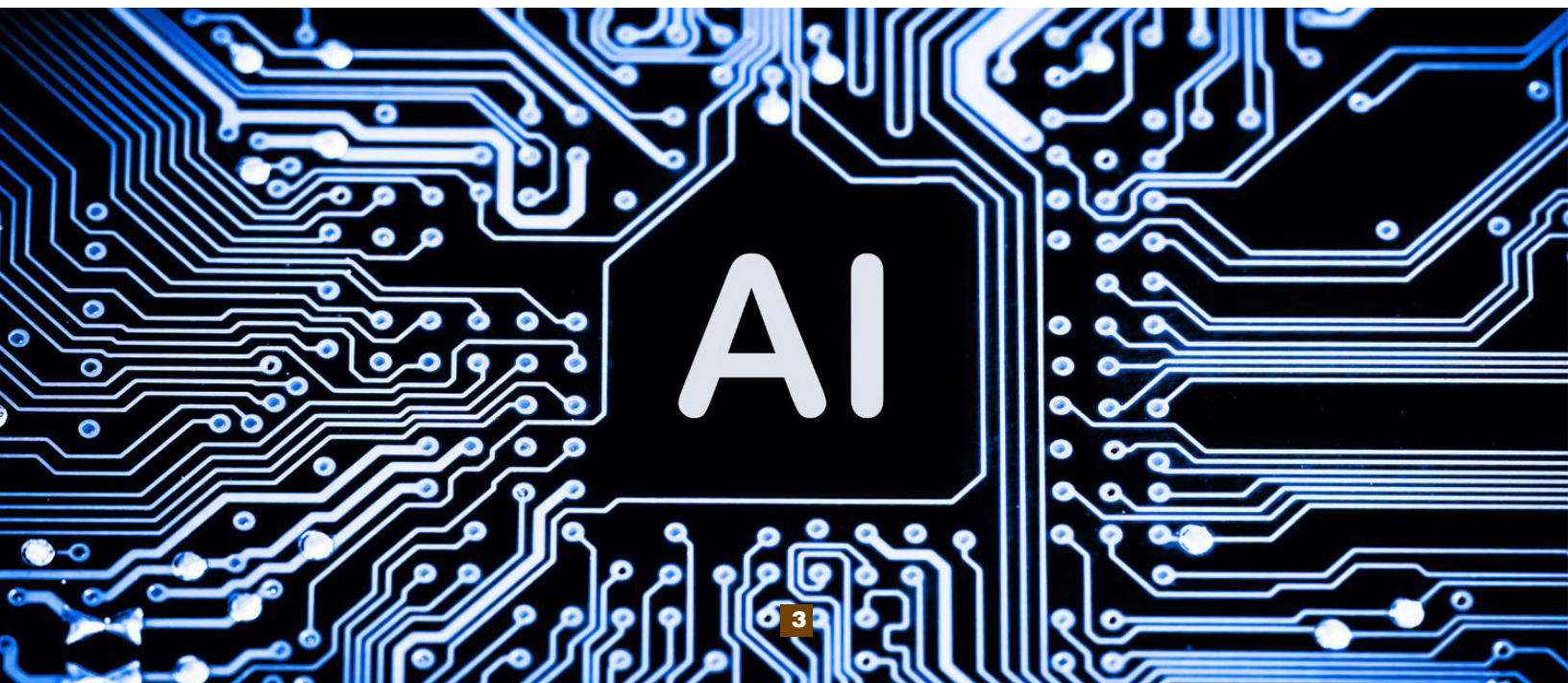
A recent practical example illustrates the importance of verification. One AI-generated response stated that meeting notices must be provided at least ten days in advance. In reality, [§514B-121\(d\), HRS](#), requires a minimum of fourteen days. Conversely, AI correctly summarized [§514B-143\(a\), HRS](#), which mandates that associations maintain property insurance, commercial general liability coverage, and a fidelity bond unless otherwise specified in governing documents. These inconsistencies demonstrate that AI should be regarded as an initial research tool rather than a definitive source.

Ethical responsibility is fundamental when implementing AI in document analysis. Boards frequently handle sensitive data, including owner information and financial records, and safeguarding this data is imperative for association and owner security. Documents uploaded for analysis by AI generally do not remain confidential or private and are often used by the companies that operate AI to train their future systems. Boards have potentially limitless liability if they upload sensitive owner data for analysis.

Bias in AI results is another concern, as recommendations based on incomplete or skewed data can lead to poor outcomes. A certified reserve specialist will have a better understanding of what is missing in the documents than an AI and will refuse to complete a reserve study report until the omitted information is provided. An AI has no similar hesitation providing a report on needed repairs based on incomplete data.

Transparency is, as always, critical for maintaining trust in condominium associations. Owners should be informed when the board incorporates AI tools in decision-making and should be assured that sensitive data is not being shared with AI systems. Ultimately, responsibility for decisions rests with the board, regardless of whether AI contributed to the process. Ethical use of AI requires oversight, fairness, and adherence to privacy standards.

Artificial Intelligence offers opportunities for improving efficiency in condominium governance. However, its application in the condominium community must be accompanied by diligence and accountability. Boards and owners should verify all legal references, review current applicable statutes, and seek professional advice when necessary.



Mediation Case Summaries

From December of 2025 through February of 2026, the following condominium mediations or arbitrations were conducted pursuant to Hawai'i Revised Statutes §§ 514B-161 and 514B-162.5 and subsidized by the Real Estate Commission ("Commission") for registered condominium associations. The Mediation Center of the Pacific conducted additional condominium mediations through the District Courts while mediation providers conducted community outreach in their respective communities.

Mediation exists not only to facilitate conflict resolution, but to also educate the parties involved as to the intricacies of the condominium law, their association's governing documents, and the strengths and weaknesses of their respective arguments. While the Commission strives for every mediation to resolve the conflicts, not every mediation will come to an agreement. That does not necessarily mean mediation has failed, as it also serves to reduce costly litigation.

The Commission subsidizes up to \$600 for qualified facilitative mediations and up to \$3,000 for qualified evaluative mediations for qualified associations. Should a mediation not come to an agreement once that subsidy money is exhausted, no agreement is noted in Commission records. However, the Commission is aware that parties often come to agreements through continued unsubsidized mediation.

Dispute Prevention and Resolution, Inc.

Owner vs AOUO	Dispute over the interpretation of the declaration and bylaws related to fines, elections, and alleged defamation	No Agreement
Owner vs AOUO	Dispute over the interpretation of the bylaws regarding change of use of guest parking	On-going mediation
Owner vs AOUO	Dispute over the interpretation of the house rules regarding emotional support animals and related fines	Mediated to Agreement
AOUO vs Owner	Dispute over the interpretation of the bylaws and house rules regarding common area smoking, waste disposal, and emergency exit blocking	No Agreement
AOUO vs Owner	Dispute over the interpretation of the bylaws and house rules regarding accessing common area electrical utilities	No Agreement

Mediation Center of the Pacific

AOUO vs Owner vs contractor	Dispute over the interpretation of the declaration and bylaws over leaks and related fees and fines.	Mediated to Agreement
Owner vs AOUO	Dispute over the interpretation of the bylaws regarding plant height	Mediated to Agreement
Owner vs AOUO	Dispute over the interpretation of the bylaws and house rules regarding non commercial use of the common area	No Agreement

To consult with any of our subsidized private mediation services, contact one of the following providers:

Mediation Center of the Pacific, Inc.

1301 Young Street, 2nd Floor
Honolulu, HI 96814
Tel: (808) 521-6767
Fax: (808) 538-1454
Email: mcp@mediatehawaii.org

Ku'ikahi Mediation Center

101 Aupuni St. Ste. 1014 B-2
Hilo, HI 96720
Tel: (808) 935-7844
Fax: (808) 961-9727
Email: info@hawaii-mediation.org

Dispute Prevention and Resolution

1003 Bishop Street, Suite 1155
Honolulu, HI 96813
Tel: (808) 523-1234
Website: <http://www.dprhawaii.com/>

Real Estate Branch's New Phone Number!

The Real Estate Branch, along with other DCCA offices, has moved to a centralized call center. To reach the Real Estate Branch **and for ALL CONDOMINIUM-RELATED INQUIRIES**, please call **1-844-808-DCCA (3222)**, and select option 1, then option 8.

All previous Real Estate Branch phone numbers have been phased out. Thank you for your understanding and patience as we transition to this new call center system.

Ask the Condominium Specialist

Q: What is the difference between an HOA and an AOA/AOUO?

A: Homeowner's associations ("HOA") govern planned community subdivision developments under chapter 421J, HRS. Condominium associations, formerly known as associations of apartment owners ("AOAO"), and now referred to as associations of unit owners ("AOUO"), govern condominium projects under chapter 514B, HRS. While both involve community living with a board of directors and shared common elements, they are two legally distinct types of property ownership. The term AOOU replaced AOAO because not every condominium unit is an apartment.

A condominium creates units within a parcel or parcels of land. Owners have exclusive use of their units, but maintain common ownership interest in the entire undivided parcel or parcels of land. Under chapter 421J, HRS, HOA owners exclusively own their separately subdivided parcels but have obligations to the HOA property for shared community purposes, such as a recreation center.

Condominium owners in a registered AOOU pay a small fee every two years, which entitles them to State-subsidized alternative dispute resolution. Owners in an HOA may also use alternative dispute resolution, but they must cover the full cost themselves.

[Chapter 514B, HRS](#), provides significantly more guidance to owners regarding their rights and obligations, containing over 160 sections. [Chapter 421J, HRS](#), is much less comprehensive, with fewer than 20 sections. For example, [§514B-121\(e\), HRS](#), covers electronic meetings and voting, whereas chapter 421J, HRS, contains no similar provisions. Chapter 421J, HRS, also does not cover the procedural process for creating a planned community association, while chapter 514B, HRS, has explicit requirements for creating and registering a condominium project for sale.

There is no State government agency with oversight authority for chapter 421J, HRS. In contrast, the Hawai'i Real Estate Commission has limited oversight authority over chapter 514B, HRS.

THE AKAMAI BUYER

Where Did My View Go?

Hawai'i is known for its majestic ocean and mountain views, but many prospective buyers are surprised to learn that views in a condominium are not guaranteed. This issue extends from high-rises to vacant land condominiums, where properties are often marketed for their "sweeping" views. Developers of high-rise towers now commonly use drones to capture what the view from a specific unit may look like, and subsequently incorporate that view into the advertising and sales process. Similarly, the current view of undeveloped agricultural or residential land plays a prominent role in marketing the property. However, unless the condominium project has an agreement with neighboring properties or within the project itself to preserve specific views, buyers should be aware that future construction from their neighbors or neighboring properties may partially restrict or even completely obstruct that gorgeous view.

Prospective buyers should always inquire whether any view preservation agreements exist before deciding if the view that may not be there in a few years is worth their savings.



Under **Governor Josh Green**'s and **the Legislature**'s leadership, Hawai'i undertook a multipronged approach to protect and expand insurance availability for homeowners, communities and consumers statewide.

HAWAI'I IS STABILIZING ITS PROPERTY INSURANCE MARKET

The **Hawai'i Hurricane Relief Fund (HHRF)** was reactivated in July 2025, to provide insurance coverage where the private market fails to do so.



\$1.8 BILLION
in new HHRF
coverage issued



\$7.8 MILLION
in total savings across
reported policies



\$95,029
in average savings
per AOA policy



Established a state Condominium Loan Program for essential repairs and authorized the Hawai'i Property Insurance Authority to provide expanded non-hurricane property insurance coverage options.

HAWAI'I RESIDENTS BENEFITING FROM AFFORDABLE HEALTH INSURANCE



Hawai'i has the **2nd lowest uninsured rate** in the nation.



Hawai'i residents have access to **comprehensive, affordable** health insurance coverage.

HAWAI'I IS PUTTING RESIDENTS FIRST

When private insurance markets tightened, Hawai'i stepped up - expanding coverage, reducing costs and strengthening long-term market stability.

2026 Real Estate Commission Meeting Schedule

Real Estate Commission – 9:00 a.m.

- Friday, March 27, 2026
- Friday, April 24, 2026
- Friday, May 29, 2026
- Friday, June 26, 2026
- Friday, July 24, 2026
- Friday, August 28, 2026
- Friday, September 25, 2026
- Friday, October 23, 2026
- Friday, November 20, 2026
- Friday, December 18, 2026

Until further notice, Laws & Rules Review Committee, Condominium Review Committee, and Education Review Committee Meeting items will be discussed at the Real Estate Commission Meetings. Real Estate Commission Meetings will be held in-person in the Queen Liliuokalani Conference Room of the King Kalakaua Building, 335 Merchant Street, First Floor.

Meeting dates, locations and times are subject to change without notice. Please visit the Commission's website at www.hawaii.gov/hirec or call the Real Estate Commission Office at (844) 808-3222, select option 1, then option 8 to confirm the dates, times and locations of the meetings.