



Condominium Project Registration

Reminders Real Estate Commission Memorandum 2020-5 (8/07/20)

The information provided here is intended to provide developers, including where applicable, their attorneys and agents, as well as interested others with supplemental information in the form of reminders about the condominium project registration process.*

The repeal of chapter 514A, HRS, concluded with the June 30, 2020 sunset of the extension granted under [Act 223, SLH 2019](#). Developers who did not take action to file reports to qualify for automatic transfer into chapter 514B, HRS, must now follow the process set forth under [Act 223, SLH 2019](#) which amended [Act 181, SLH 2017](#) in order to offer for sale or sell condominiums. It states in pertinent part:

" . . . On July 1, 2020, condominium property regimes created prior to July 1, 2006, that were not issued an effective date pursuant to sections 514A-40 and 514A-41, Hawaii Revised Statutes, did not file a notice of intent pursuant to section 514A-1.5(2)(B), Hawaii Revised Statutes, or have effective dates expired prior to January 1, 2019, **shall revise their governing documents and register under chapter 514B, Hawaii Revised Statutes, for a developer to offer for sale or sell condominiums.**" [emphasis added]

Thus, the process is:

1. The developer(s) must revise the governing documents to chapter 514B standards.
2. The developer(s) must submit a chapter 514B application and current fees to register as a chapter 514B project. The application must comply with all chapter 514B requirements, including the condominium map and conversion letters for unsold developer units. Sold units do not require conversion letters or any detail beyond the minimum statutory requirements. The map and declaration must be up to date for the project as a whole. Prior to the issuance of an effective date under chapter 514B, the developer must submit the [withdrawal form available on the REB website withdrawing the registration from chapter 514A](#).
3. The application is handled like any other chapter 514B application.
4. Once an effective date is issued, the unsold units are treated as chapter 514B.

Note: The application must comply with all chapter 514B requirements, including the condominium map and conversion letters for unsold developer units. Sold units do not require conversion letters or any detail beyond the minimum statutory requirements. The map and declaration must be up to date for the project as a whole.

Section 514B-33(a)(2), HRS, mandates that condominium maps contain, *inter alia*, elevations and floor plans of all buildings in the condominium property regime.

Section 514B-34, HRS, sets forth the certification requirements for the map by the named professionals.

Condominium maps must be accurate; thus, whether a map is accurate and protects prospective purchasers and purchasers will be a fact specific determination by the assigned consultant.

Developers can and have obtained the cooperation of subsequent owners to fulfil their responsibilities of condominium ownership.

If owners failed to take appropriate action to update unbeknownst to the developer, the developer must at a minimum work with the subsequent owners on conformance with the governing documents, sufficiently comply with sections 514B-33 and 514B-34, HRS, and provide an adequate disclosure in the registration to prospective buyers and buyers of unsold units that the condominium map may not be accurate as to elevations and/or floor plans of sold units. The map will also be dependent upon what the professional will certify which is a matter for their expertise.

**** The provided information is unofficial, informal, and non-binding on the Real Estate Commission and is being provided pursuant to §16-201-92, Hawaii Administrative Rules. Please contact the Real Estate Commission at (808) 586-2643 or at hirec@dcca.hawaii.gov between 7:45 AM and 4:30 PM, Monday through Friday and your attorney for more information.***