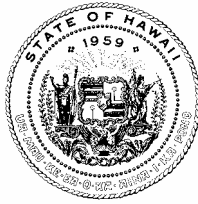


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April 20, 2005

MEMORANDUM

TO: Condominium Developers, Their Attorneys, and Interested Others

FROM: Real Estate Commission

SUBJECT: Change in Compensation Paid to Private Consultants – Effective May 16, 2005

Effective May 16, 2005, the agreed compensation paid to the private consultants for each review of documentation submitted to the Real Estate Commission in connection with registering condominium projects will **increase to \$900 and \$75 for review of developer's short form supplementary public report**. Consultant review is pursuant to §514A-38, HRS, and §16-53-16.8(1)(G), HAR. Since December 1990, for each review, the agreed compensation paid to private consultants has been \$700.

The increase is due to in part to the following: 1) Required termination of all existing consultant contracts, having to RFP for consultants and negotiate new contracts; and 2) In the past fourteen years, the review process has become more complex and time consuming.

All other fees for project registration and public reports remain the same as currently assessed as follows:

§16-53-16.8 Condominium property regimes. The fees for condominium property regimes shall be as provided in this section:

(1) Project registration and public reports:

- (A) Application fee \$250
- (B) Notice of intention registration fee \$ 250 (the application fee shall be credited to this registration fee)
- (C) Subsequent public report fee \$150
- (D) Supplementary public report fee \$75
- (E) Public report extension fee \$50
- (F) Two apartment no expiration; exception \$100
- (G) Condominium consultant fee for the examination of a project and the preparation of a public report shall be determined by an agreement between the director and the condominium consultant.

...

(4) Condominium management education fund:

...

- (C) Developer fee per apartment \$5

...

Any questions about the compensation amounts and fees may be directed to Senior Condominium Specialist Cynthia Yee at 586-2643.