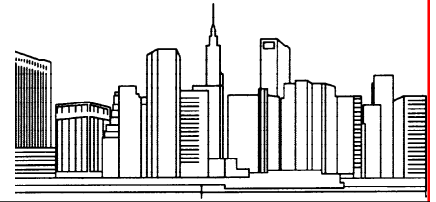
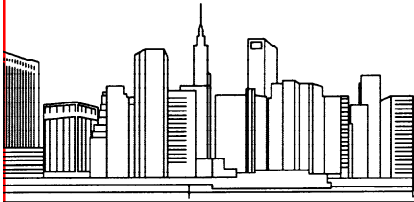


HAWAII CONDOMINIUM BULLETIN



VOLUME 8 NO. 1

SEPTEMBER 1999

Funded through the Condominium Education Fund

Association, Managing Agent, and Hotel Operators Registration Updates

As of the date of writing of this article, approximately 1,000 associations of apartment owners (AOAO) have successfully registered with the Real Estate Commission for the 1999-2001 biennium. Several AOAO registration applications remain deficient. Associations of apartment owners, which have not registered for the 1999-2001 biennium, have no standing to maintain any action or proceedings in the courts of this State until they register. Among other things, this

may mean that these unregistered associations cannot bring in any courts of this State, any foreclosure actions for any unpaid assessments for common expenses or to seek redress, in court, for any claims they may have. Call a condominium clerk at 586-2646 to obtain a preprinted registration application if your association of apartment owners is not currently registered with the Commission.

See Registration on pg. 7

Condominium Apartment Owners Participate In New Educational Opportunities

The last issue of this bulletin reported that the Commission authorized payment from the Condominium Education Fund (CEF) to provide subsidized seminar registration fees for condominium apartment owners who attend a Commission pre-approved seminar. Condominium apartment owners attending these seminars must be from a registered association of apartment owners. The subsidy pays a portion of a condominium apartment owner's registration fee and is limited to apartment owners who have contributed to the CEF. The approved seminars are targeted to educate condominium apartment owners about condominium governance and management.

Fifty-seven percent of those who attended the first subsidized seminar, held on May 27, 1999, entitled "Almost Free Legal Advice," used the

See Subsidy on pg. 7

Condominium Specialists to Hold Office Hours for The Day on the Neighbor Islands

Commission's condominium specialists will be setting up offices for a day at various neighbor island locations. Condominium apartment owners, board members, managing agents, and other interested parties are invited to schedule an appointment or come by to meet with the specialists about condominium concerns and information. The dates, locations, and times for the days are:

| | | |
|---|---------------|--|
| October 15, 1999—Friday 8:30 a.m.—3:30 p.m. | Kauai, Hawaii | Kauai Board of Realtors 4359 Kukui Grove #103 Lihue, Hawaii 96766 Phone: 245-4049 |
| November 5, 1999—Friday 8:30 a.m.—3:30 p.m. | Hilo, Hawaii | Hawaii Island Board of Realtors 14 Waiianuenue Avenue Hilo, Hawaii 96790 Phone: 935-4924 |
| November 12—Friday 8:30 a.m.—3:30 p.m. | Maui, Hawaii | Maui Board of Realtors 33 Lono Avenue, #450 Kahului, Hawaii 96732 Phone: 873-8585 |

To schedule an appointment call a condominium specialist on Oahu at 586-2646. Toll free numbers from the neighbor islands are as follows: Hawaii 974-4000 ext. 6-2646; Kauai 274-3141 and Maui 984-2400 (same ext. #).

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (808) 586-2644 to submit your request.

ALSO IN THIS ISSUE

| | |
|--|---|
| Letter from the Chair | 2 |
| Ask the Condominium Specialist | 2 |
| Covenant Enforcement Updates | 3 |
| Administrative Actions | 5 |
| Legislative Update 1999 | 6 |
| Commission Meetings | 7 |
| Education Calendar | 8 |

The Hawaii Condominium Bulletin is funded by the Condominium Education Fund, Real Estate Commission, Professional and Vocational Licensing Division, Department of Commerce and Consumer Affairs, State of Hawaii.



Letter from the Chair . . .

Dear Condominium Owners, Board Members, and Managing Agents:

The intent of the condominium law in the governance areas is self-governance. As such, as the millenium approaches, the Commission is increasing its efforts to minimize government involvement in condominium governance matters. The article "Association, Managing Agent, and Hotel Operators Registration Updates" on page 1 is illustrative of this direction. "Ask the Condominium Specialist," "Reference File," standing features of this bulletin, also provide some self-help information for resolving condominium governance issues and adopting house rules.

In the last bulletin, the Commission reported that it approved payment from the Condominium Education Fund to provide subsidized seminar registration fees for any Commission approved condominium seminar. The subsidy is used to pay a portion of a condominium apartment owner's seminar registration fee. Since that reporting, the Commission has approved more seminars. These educational offerings provide the condominium community with valuable self help information and skills. Other educational offerings are listed on the Education Calendar on the last page of this bulletin.

On page 6 of this bulletin, find an update on the bills reported in the last bulletin that were awaiting Governor's action. These new laws impact the condominium's collection of delinquencies for common expenses, permit added options for investment of association of apartment owner's funds, provide clarifying procedures for voluntary condominium lease fee conversions, permit child care homes in condominiums and other legislation.

In closing, a few reminders to associations of apartment owners and their boards that the January 1, 2000 reserves deadline is fast approaching and that the association's registration deadline has passed. Included in this bulletin on page 1 is an article about the results of the immediate past registration of associations.

Finally, I want to again extend an invitation to the condominium community to participate in the Commission's ongoing planning of its program of work. The program of work is always discussed at the Commission's monthly standing Condominium Review Committee Meetings. See page 7 for the dates, times, and location of the meetings. In addition, the Commission has scheduled a number of condominium specialist office for the day on the neighbor islands. This is an opportune time for condominium board members, owners, and managing agents to get questions answered and obtain any needed information directly from a condominium specialist who will be present at a neigh-

bor island site. The dates, times, and locations for the condominium specialist of the day appear on page 1.

Sincerely,

Alfredo Evangelista, Chair
Condominium Review Committee

Ask the Condominium Specialist

Q We have been owners of our condominium apartment for over three years. We have familiarized ourselves with the condominium's declaration, bylaws, house rules and even looked through the book of board resolutions. It appears that the board is not following nor enforcing several provisions of the declarations, bylaws, and house rules especially in the use of the common areas like the pool, guest parking, recreation deck area, and trash chutes. What can we do?

A Before mapping out a plan of action, make sure you have the latest version of the declaration, bylaws, house rules, and board resolutions and carefully re-read these documents. Sometimes, in haste we all misread. Consult with other owners to determine whether they share your concerns, and if so, whether they desire to get involved and would like to pool resources to address this matter. Then inform the board in writing of your collective concerns. Work with the board towards a consensus solution. A consensus solution may not be 100 percent what each party wants, but a solution that each can live with. After all, all parties must continue to live in close proximity to each other in the same condominium project. A consensus solution may include, among other things, amending the rule if the rule no longer serves its purpose. Where a consensus cannot be reached, involving an impartial third party through mediation or arbitration may bring closure to the situation. CEF subsidized mediation services are available through the Neighborhood Justice Center, Honolulu, Hawaii, telephone 521-6767, and the Mediation Services of Maui, Wailuku, Maui, telephone 244-5744. The condominium education fund is used to defray a good portion of the cost of mediating qualified cases. Condominium apartment owners and developers contribute to the condominium education fund.

Unlike mediation, arbitration is mandatory when one party makes a request to arbitrate a qualified dispute. Arbitration services are available through the: American Arbitration Association: telephone: 531-0541; and Dispute Prevention & Resolution, 1001 Bishop Street, Suite 1150, Honolulu, Hawaii 96813, telephone 523-1234. Arbitration involves some costs. The amount arguably is less than filing a court proceeding. However, without an agreement that the arbitration be binding, arbitration is subject to a "trial de novo" (being presented again in a court of law necessitating additional costs). *See Q&A on pg. 5*

Covenant Enforcement Updates

The condominium law (sections 514A-82(a)(9), (10), and (b), HRS) requires that an association of apartment owners' (AOAO) bylaws minimally contain provisions relating to the adoption of house rules. The law (section 514A-88, HRS) also requires apartment owners, tenants, and employees of an owner, and other persons using the condominium property to comply strictly with the bylaws and related house rules, and with the covenants, conditions, and restrictions as set forth in the declaration.

This article is included here to provide general information, specific to Hawaii's condominium community, about covenant enforcement and house rules. Associations and their boards may find the information helpful to drafting and amending house rules, and enforcement of restrictions and covenants. It is not intended to provide legal, accounting, or other professional advice on the subject. Neither does it represent the official position or interpretation of the Real Estate Commission or the State of Hawaii. The information is informal and non-binding on the Commission. AOAOs and their boards and other readers are advised to consult with competent professionals on the subject matter.

COVENANT ENFORCEMENT—RECENT HAWAII DECISIONS

By: M. Anne Anderson, Esq.
Neeley & Anderson

The Hawai'i Supreme Court recently rendered opinions in two separate cases involving the issue of covenant enforcement in Hawai'i. The decisions in both cases are important and will undoubtedly affect the way the Hawai'i courts will view covenant enforcement in the future. A brief discussion of important aspects of both cases is set forth below.

I. *Hiner v. Hoffman*

In *Hiner v. Hoffman*,¹ the Hawai'i Supreme Court decided the issue of whether a restrictive covenant prohibiting dwellings which "exceed two stories in height" was enforceable. In that case, suit was filed against an owner for constructing a three-story residence. The covenant sought to be enforced read:

No dwelling shall be erected, altered, placed or permitted to remain on any lot other than one detached single family dwelling, which contains a floor area, exclusive of open porches, garages and carports, of less than 800 feet, and which exceeds two stories in height.

The covenant did not prescribe, in feet or by some other numerical measure, the maximum "height" of a "story." The Supreme Court found that the covenant was ambiguous and unenforceable (finding that the covenant failed to provide any dimensions for the term "story" making it impossible to determine whether the owners' three-story structure exceeded "two stories in height"). The significance of the decision goes beyond the finding that the restriction was ambiguous. The decision reinforces a policy of strictly construing covenants and resolving ambiguities against the person seeking enforcement. Thus, the court stated:

Today's decision merely reinforces this court's long-standing policies favoring (1) careful drafting of covenants in order to reduce uncertainty and litigation and (2) unrestricted use of property where, as here, the language of a covenant is ambiguous.²

* * *

As noted previously, established precedent requires this court to resolve substantial doubts or ambiguity in restrictive

covenants against the person seeking enforcement. [citation omitted]. Put another way, "[t]he prevailing rule is that restrictive covenants are to be liberally construed in favor of the grantee[.]" [citation omitted]. Courts strictly construe restrictive covenants in favor of the grantee to reinforce the policy favoring careful drafting of covenants and because "it is not too much to insist that [restrictive covenants] be carefully drafted to state exactly what is intended--no more and no less." [citation and some brackets omitted].

Moreover, our decision today comports with the long-standing policy favoring the unrestricted use of property. Indeed, "[i]t is a well-settled rule that in construing deeds and instruments containing restrictions and prohibitions as to the use of property conveyed[,] all doubts should be resolved in favor of the free use thereof for lawful purposes in the hands of the owners of the fee." [Citation and internal quotations marks omitted]³

II. *Pelosi v. Wailea Ranch Estates*

In *Pelosi v. Wailea Ranch Estates*,⁴ a Hawai'i general partnership named Wailea Ranch Estates ("WRE") purchased a lot ("Lot 29") in a residential subdivision known as the Maui Meadows Unit III Subdivision ("MMIII"). Rather than building a single-family dwelling on Lot 29 as required by the restrictive covenants, WRE built a roadway and tennis court. The roadway provided access to 9 residential lots in a neighboring subdivision known as Wailea Ranch Estates which was being developed by WRE. WRE subsequently conveyed the 9 lots in Wailea Ranch Estates. The purchasers of those 9 lots each received an interest in Lot 29. Angelo Pelosi ("Pelosi") an owner of a lot in MMIII filed suit to enforce the restrictive covenant which required Lot 29 to be used for residential purposes and prohibited the construction of any building other than a single-family dwelling (and accessory buildings) on the lot. Pelosi sought injunctive relief prohibiting the use of Lot 29 as a roadway and a tennis court. The case was appealed twice. The Hawai'i Supreme Court rendered a decision in the second appeal on July 8,

1999.

One of the issues on appeal was whether the relative hardships to the parties should be considered when deciding whether to grant requests for mandatory injunctive relief. The Hawai'i Supreme Court stated that the relative hardships test *will not* be applied "where a property owner 'deliberately and intentionally violates a valid express restriction running with the land or intentionally 'takes a chance' "5 However, the Supreme Court held that the relative hardships test *does apply* "when a prior landowner has violated a restrictive covenant and a subsequent purchaser, who took no action regarding the initial violation, is asked to bear the burden of a mandatory injunction to remove the violation."6 The Court did rule, however, that in order to protect the rights of the neighbor, the state of mind of the purchaser may be weighed in the balancing of equities.

The Hawai'i Supreme Court ruled that the relative hardships test did apply with respect to Pelosi's request for mandatory injunctive relief against the purchasers of the lots in Wailea Ranch Estates (the "individual defendants") because they did not actually construct the unauthorized improvements and therefore could not be said to have engaged in a deliberate and intentional violation or taken a chance regarding the violation. In balancing the relative hardships, the court found that without the roadway, Wailea Ranch Estates would be an illegal landlocked subdivision and that the removal of the roadway would render the homes in Wailea Ranch Estates essentially worthless. The court found that "[a]lthough substantial harm had been done to Pelosi and to the MMIII restrictive covenant by the building of a roadway on Lot 29, removal of the roadway would mean a complete loss for the individual defendants. Removal of the roadway would entail a gross disproportion between the harm to the individual defendants and the benefit to Pelosi." The Supreme Court therefore concluded that mandatory injunctive relief was not appropriate--meaning that the roadway would be permitted to remain even though it was in violation of the covenant.7

The court came to a different conclusion under the relative hardships test with respect to the tennis court. The Supreme Court found that the removal of the tennis court would create a significantly greater benefit to Pelosi than harm to the individual defendants, noting that many of the defendants purchased their lots before the tennis court was completed and that while Pelosi had presented evidence that the tennis court had caused him harm, the individual defendants had not shown that the removal of the tennis court would represent a hardship to them. As such, the Supreme Court held that a mandatory injunction was appropriate requiring the removal of the tennis court.

III. Conclusion

Courts consider a number of factors when deciding issues related to covenant enforcement (including a number of factors not discussed in this article). While the courts have refused to enforce restrictive covenants in certain cases,

overall, community associations have met with much success in covenant enforcement actions. Understanding how the courts view covenant enforcement cases is an important aspect of the enforcement process.

Boards of directors should remember that each case must be decided on its own merits. While the Supreme Court did not require the removal of the roadway in the *Pelosi* case, it did hold that a mandatory injunction was appropriate requiring the removal of the tennis court, demonstrating that covenants may be successfully enforced even if the relative hardship test is applied. It should also be noted that the final draft of the Restatement (Third) of Property (Servitudes) is soon to be published. The restatement may strengthen the ability of community associations to enforce restrictive covenants in the future.

Finally, a few tips for boards of directors of community associations are provided below related to the issue of covenant enforcement.

- When drafting covenants and rules, special attention should be given to the wording to avoid ambiguities.
- Consider having your existing covenants and rules reviewed by your association's attorney to determine whether any changes are needed and/or recommended.
- Don't delay--take prompt and reasonable action when you discover a violation.
- Enforce covenants and rules in a fair, reasonable, and impartial manner.
- Discuss with your association's attorney the steps that you might be able to take to place prospective purchasers on notice of existing covenant violations.

¹ 90 Hawai'i 188, 977 P.2d 878 (1999)

² *Id.*, at 883

³ *Id.*, at 885

⁴ 1999 WL 460884 (Hawai'i). (See earlier decision at 10 Haw. App. 424, 876 P.2d 1320, *reconsideration denied*, 10 Haw. App. 631, 879 P.2d 591, *cert. denied*, 77 Haw. 373, 884 P.2d 1149 (1994)).

⁵ *Id.*, at 10, quoting *Sandstrom v. Larsen*, 59 Haw. 491, 500, 583 P.2d 971, 978 (1978)

⁶ *Id.*, at 10.

⁷ It should be noted that the intermediate Court of Appeals had concluded that Pelosi waited too long to bring his claim related to the roadway lot and was barred from obtaining a mandatory injunction under the doctrine of laches. However, the Supreme Court disagreed. The Supreme Court noted that in order for the doctrine of laches to apply, there must have been a delay in bringing the legal action and the delay must have been unreasonable under the circumstances. The Supreme Court found that Pelosi did not "slumber" on his rights during the construction of the roadway. However, this did not change the outcome of the case.

Note about the author:

M. Anne Anderson is a partner in the law firm of Neeley & Anderson. Ms. Anderson practices primarily in the areas of community association law, real estate law, civil litigation, and landlord-tenant law. She represents a number of community associations in the State of Hawaii.

Administrative Actions

In the Matter of the Real Estate Broker's Licenses of CASTLE RESORTS & HOTELS, INC., and SANDRA-LEE JANE RARICK—REC 99-34-L

RICO received a complaint alleging that Respondent Castle Resorts & Hotels, Inc. and Respondent Sandra-Lee Jane Rarick (collectively, "Respondents") aided and abetted an unlicensed person by utilizing an unlicensed carpet installation contractor at the Kamaole Sands property. At all times relevant, Respondent Castle was licensed as a real estate broker (RB 165459), condominium hotel operator (CHO 143), and condominium managing agent (CMA 212) while Respondent Rarick, the principal broker of Respondent Castle, was licensed under RB 12541. Respondents **admit** the violation and wished to settle the matter without a hearing. Pursuant to the terms of the Settlement Agreement, Respondents agreed to pay an administrative fine in the amount of \$2,000.00 within 30 days of Commission's approval of the settlement agreement. There were no issues of restitution. In the event respondents failed to comply with any terms of the agreement, their licenses would be subject to revocation without further hearing.

The Commission approved the settlement agreement on June 25, 1999.

Editor's note: On July 22, 1999 respondents paid the administrative fine of \$2,000.

A condominium managing agent and a condominium hotel operator must register with the Real Estate Commission prior to

engaging in condominium managing agent activities and condominium hotel operations. Failure to maintain the requirements of registration, subjects a condominium managing agent, and a condominium hotel operator to disciplinary action by the Real Estate Commission. Such disciplinary actions are being reported in this section of the bulletin.

Those interested in reviewing the public documents filed for any of the reported cases may make arrangements with the Office of Administrative Hearings, Department of Commerce and Consumer Affairs by calling or writing. The phone number is: (808) 586-2828. The address is: 250 S. King Street, Penthouse, Honolulu, Hawaii 96813. The mailing address is: P.O. Box 541, Honolulu, Hawaii 96809.

The acronyms used in this section and what each represents are as follows:

RICO—Regulated Industries Complaints Office—by law, this office receives, investigates, prosecutes consumer complaints for over 40 professions, occupations, and programs including real estate licensees (brokers and salespersons) and limited sections of the condominium property regime.

REC#—Case number relating to real estate complaints.

CPR#—Case number relating to condominium property regime complaints.

Q&A from pg. 2

Another option always available is consultation with an attorney familiar with condominium law and issues.

Q Where can an owner go for information about procedures for conducting a board election if the condominium law and project documents provide no specific procedures for such?

A This information can usually be found in your bylaws and declarations and in some cases the house rules. Apparently, there is no such information in your bylaws, declarations, or house rules. Thus, consult with your condominium managing agent who may have some information on the subject. Consult with the most current edition of Robert's

Rules of Order. The condominium law requires the conduct of all association and board of directors meetings in accordance with the most current edition of Robert's Rules of Order (sections 514A-82 (a) (16), 514A-82 (b), HRS). If your association of apartment owners desires additional procedures than what Robert's provides, have the board adopt a resolution specifying the additional procedures for conducting a board election, and provide for an amendment to the bylaws, declarations, house rules, etc. to include these additional procedures. To be valid, any amendments to the bylaws, declarations etc. must be recorded accordingly in the bureau of conveyances or land court. Disseminate any new amendments to the condominium owners.

Legislative Update 1999

In the last issue of the bulletin, Volume 7, No. 4, several bills of interest to the condominium community awaiting final action by the Governor were summarized. A number of those bills have now become law. The Act number, effective date, and a short description of those bills are reported here. Interested readers may consult the Volume 7, No. 4 issue and the legislature's Website, www.capitol.hawaii.gov, for more details of the Acts.

Act 236 (SB 36, SD 2, HD 1, CD 1)

This Act, in summary, affects two condominium governance areas — collection of delinquent assessments for common expenses and investment of the association of apartment owners' funds. Subject to certain provisions, the Act allows collection of the apartment's share of the common expenses from the owner's tenant. Effective date: July 2, 1999.

Act 241 (SB 285, SD1, HD 1, CD 1)

The purpose of this Act is to facilitate the association of apartment owners' efforts to acquire on a voluntary basis the lease fee interest at a more affordable price. Among other provisions, the Act prohibits any condominium apartment owner from being excused from paying common expenses incurred in acquiring the lease fee interest to the land, or to service any related debt (i.e. mortgage) even when the condominium apartment owner elects not to purchase the lease fee interest. Effective date : July 2, 1999.

Act 242 (SB 513, SD 2, HD 2, CD 1)

This Act, subject to certain conditions, allows family

childcare homes in condominium projects and planned communities with the approval of a majority of the owners. Subject to certain conditions, this Act allows family childcare homes in townhouse projects (including condominium townhouses). Effective date: July 2, 1999.

Act 240 (SB 238, SD 1, HD 2, CD 1)

This Act makes numerous changes to the real estate licensing law. Of note, the Act changes the broker licensure experience requirement to experience as a full-time Hawaii licensed salesperson under a Hawaii broker for three years prior to the examination. Effective date : July 2, 1999.

Act 161 (SB 949, SD1, HD 2)

Among other provisions, establishes uniform unincorporated nonprofit association law to provide for acquisition, encumbrance, or transfer of real and personal property by unincorporated nonprofit associations. Effective date : June 28, 1999.

Act 301 (SB 1016 SD1, HD 1)

Among other provisions, establishes provisions relating to fee for copies and limitation. Provides that any agency may establish and charge fees for copies of proposed rules, rule amendments, adopted rules, statutes or agency rules, provided that the fees shall reflect actual reproductions costs and in any case not exceed the rate of 10 cents a page plus actual mailing costs. Effective date : July 6, 1999.

Note: SB 777, SD2, HD1, CD1 (previously summarized). Among other provisions, amended provisions relating to the alternate power of sale foreclosure process. Vetoed May 27, 1999.

Condominium Laws & Rules On Line

A version of the condominium law (Chapter 514A, Hawaii Revised Statutes) and rules (Chapter 107, Hawaii Administrative Rules) are on line at:

Condominium law—www.capitol.hawaii.gov/hrs1998html/Hrs4/hrs4d/

Condominium rules—www.state.hi.us/dcca, (click on "dcca.html", then under "General Information" click on "DCCA Administrative Rules").

The Real Estate Commission is not the webmaster for these sites. Information provided by these websites are time sensitive and may not be current. Users are advised to check and compare the information provided by these sites with the most current versions which may be available at:

| | |
|---|---|
| Hawaii State Library and branch libraries | Hawaii Revised Statutes (Chapter 514A, HRS) \$.15 per page Hawaii Administrative Rules (Chapter 107,HAR) \$.15 per page |
| Department of Commerce and Consumer Affairs (DCCA) Cashier, 1010 Richards Street, 3rd Floor <i>Call for availability and the latest cost: 586-2832</i> | Hawaii Administrative Rules (Chapter 107, HAR) \$1.00 Hawaii Revised Statutes Chapter 514A, HRS-- unofficial version) \$1.75 |
| Lieutenant Governor's Office | Hawaii Revised Statutes (Chapter 514A, HRS) \$.50 per page Hawaii Administrative Rules (Chapter107, HAR). \$.50 per page |

Registration from pg. 1

New developments: In keeping with the spirit and intent of the condominium law of self governance and minimum government involvement, the Real Estate Commission (Commission) has decided the following:

- It will no longer send a courtesy notice to AOAOs, CMAs and CHOs of any impending or past fidelity bond expiration date. It has always been and continues to be the responsibility of the AOA, and the CMA's and CHO's principal broker to ensure compliance with the laws and rules. The failure to maintain and provide evidence to the Commission of a continuous fidelity bond will result in the automatic termination of the registration **without further notice**.

- To waive Hawaii Administrative Rule section 16-99-148(b)(1) and decided that the Commission shall no longer be the certificate holder of the AOAOs', CMAs', and CHOs' fidelity bonds and that each registrant shall become the certificate holder. Obtaining and maintaining a fidelity bond is one of the requirements, essential to continuing registration as an AOA, CMA, and CHO.

Commission's decision on the "certificate of holder," requires the board of directors to be ever vigilant of the procedures and dates for maintaining their respective fidelity bonds and whether their respective CMAs have appropriately maintained the required fidelity bond.

Subsidy from pg. 1

subsidy. The provider, CAI-Hawaii, developed and delivered this seminar. Answers to the following questions provide a sampling of the information presented:

- Does the board have a fiduciary duty to inform owners about legislative changes?
- Can you hold an election by consensus if the bylaws require an election to be conducted by ballot?
- Are dinner meetings considered compensation to board members?
- How long do we wait to get owners approval for a bylaw change?
- Can the owner's responsibility be delegated to tenants?
- If a list of bylaw amendments is sent out with a ballot sheet and the sheet comes back with some of the amendments approved by 75% of the owners, can the board continue to solicit approval of the bylaw amendments?
- How long does the board have to obtain the required percentage of owner approval for a bylaw amendment?
- What can you do about criminal activity in the condominium?
- Can the owner give a key to a guest where the guest is a former employee?
- Can the board require an owner to provide a local contact in the event that it needs to get into an apartment?

REAL ESTATE COMMISSION MEETING SCHEDULE 1999

Laws & Rules Review Committee - 9:00 a.m.
Education Review Committee - 10:00 a.m.
Condominium Review Committee - 1 p.m.

Wednesday, October 13, 1999

Wednesday, November 10, 1999

Wednesday, December 8, 1999

Real Estate Commission--9:00 a.m.

Friday, September 24, 1999

Thursday, October 28, 1999

Wednesday, November 24, 1999

Thursday, December 9, 1999

All meetings (unless specifically noted) will be held in the *Kapuaiwa Room, Second Floor, HRH Princess Victoria Kamamalu Building, 1010 Richards Street, Honolulu, Hawaii.*

Meeting dates, locations and times are subject to change without notice. Please call the Real Estate Commission Office, at 586-2643, to confirm the dates, times and locations of the meetings. This material can be made available for individuals with special needs. Please call the Executive Officer at 586-2643 to submit your request.

Since May, the Commission has subsidized more seminars. Sixty-eight percent of those who attended the second subsidized CEF seminar entitled "Balancing the Budget" were condominium apartment owners of registered associations. The provider, CAI—Hawaii, reported that amongst other information, apartment owners who attended gained information about their lawful obligations in connection with budget preparation, suggestions for improving operating costs, and the value of a reserve study. Participants left armed with information for tackling next year's budget.

Other CEF approved subsidized seminars include the "Legislative Update, Collections, Foreclosures and Bankruptcy (Honolulu—September 16, Maui November 20, 1999). Subject to availability of space, the next bulletin will report on these seminars.

Owners and board members should be on the lookout for flyers and other advertisements announcing the offering of these approved subsidized seminars. **Look for them and take advantage of these seminars.**

Y2K Announcement

The Professional and Vocational Licensing Division reports that Licensing Branch's computer licensing system is fully Y2K compliant.

Condominium Education Calendar

This calendar lists upcoming educational events of interest to the condominium community. The publishers express **no opinion** about the quality or content of any event they do not sponsor. This listing should not be construed as an endorsement or sponsorship of any event, unless expressly indicated. Events may be subject to change; please check directly with the provider to confirm each event.

| Date | Time | Event Title | Location | Provider |
|-------------|--------------|---|---|----------|
| 10/8 - 10/9 | 8:30 - 5:00 | HRS 201 "Basic Human Resource Tools for Real Estate Managers" | Tokai University 2241 Kapiolani Blvd | IREM |
| 10/21/99 | 11:30 - 1:30 | Ask the Experts Speaker: Milton Motooka | Hale Koa Hotel | CAI-H |
| 11/05/99 | Morning | ADA Program | Wailea Outrigger | CCM |
| 11/18/99 | 11:30 am | Educational Meeting | Hale Koa Hotel | HCAAO |
| 11/20/99 | 9:00 - 12:00 | Leg. Update, Collections, Foreclosures, Bankruptcy | Wailea Outrigger | CAI-H |
| 01/15/00 | TBA | Board Duties Speaker: Richard Ekimoto | Hale Koa Hotel | CAI-H |

For full information on the above-listed courses, please call the provider.

| | Provider | Phone | Address |
|--------|--|--------------------|--|
| ADT | Association Development Technologies | 947-7078 (Oahu) | 1164 Bishop St, Ste 124 Honolulu, HI 96813 |
| CAI | Community Associations Institute (National) | (703)548-8600 | 1630 Duke Street Alexandria, VA 22314 |
| CAI-H | Community Associations Institute - Hawaii Chapter | 488-1133 (Oahu) | P.O. Box 976 Honolulu, HI 96808 |
| CCM | Condominium Council of Maui | 879-5266 (Maui) | P.O. Box 647 Kihei, HI 96753 |
| HAC | Oahu Arm Committee | 523-6096 (Oahu) | 1571 Piikoi St, #506 Honolulu, HI 96822 |
| HCAAO | Hawaii Council of Associations of Apartment Owners | 533-2528 (Oahu) | 677 Ala Moana Blvd, #701 Honolulu, HI 96813 |
| HICLE | Hawaii Institute For Continuing Legal Education | 537-1868 (Oahu) | 1136 Union Mall, PH 1 Honolulu, HI 96813 |
| IREM | Institute of Real Estate Management Hawaii Chapter No. 34 | 737-4000 (Oahu) | 1136 12th Ave, Ste 220 Honolulu, HI 96816 |
| UH-SPP | Special & Professional Programs, College of Continuing Education, University of Hawaii | 956-8244 (Oahu) | 2530 Dole Street Honolulu, HI 96822 |

Real Estate Branch and Real Estate Commission's web page at: <http://www.state.hi.us/hirec>

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