



Mililani Town Association

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March 3, 2009

Senator Brian Taniguchi, Chair  
Senator Dwight Takamine, Vice-Chair  
Committee on Judiciary & Government  
Operations  
State Capitol  
Honolulu, HI 96813

VIA E-Mail: [JGOTestimony@Capitol.hawaii.gov](mailto:JGOTestimony@Capitol.hawaii.gov)

Re: S.B. No. 1241 SD 1– Relating to Real Property Transactions  
Hearing: Tuesday, March 5, 2009, 9:45 am, Conf Room 211

Dear Chair Taniguchi, Vice-Chair Takamine and Committee Members:

My name is Eric Matsumoto, Vice-President of the Mililani Town Association (MTA). I have served in MTA leadership capacities for 24 of the last 30 years serving on the board. MTA encompasses 16,000 plus units involving both single family units and townhouse projects.

We support this with the language incorporated in SD 1 that deletes applicability to "... a real property homeowners' association, a condominium association cooperative association, or property owners' association pursuant to a declaration, covenant, or law applicable.;" in SECTION 1, new Section 502(b)(2). The deletion allows for the normal and routine cost associated with processing of new homeowners into the various administrative systems employed by associations.

Sincerely yours,

Eric M. Matsumoto  
Vice-President, Board of Directors

Cc: Senator Kidani  
Senator Bunda  
Representative Lee  
Representative Yamane



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March 4, 2009

**The Honorable Brian T. Taniguchi, Chair**  
Senate Committee on Judiciary and Government Operations  
State Capitol, Room 219  
Honolulu, Hawaii 96813

**RE: S.B. 1241, S.D.1 Relating to Residential Real Property**  
**Decision Making: Thursday, March 5, 2009 at 9:45 a.m., Room 211**

Aloha Chair Taniguchi and Members of the Committee:

I am Gary Slovin with Goodsill Anderson Quinn & Stifel, here to testify on behalf of the Hawai'i Association of REALTORS® (HAR) and its 9,600 members in Hawai'i. HAR **supports** S.B. 1241, S.D.1, which prohibits private transfer fees required by a deed restriction or covenant, with certain exceptions.

Private transfer fees are deed restrictions or covenants imposed by an owner of real property, which require a fee to be paid to a specific individual or entity every time the property is sold. These restrictions run with the land and, oftentimes, are not disclosed to subsequent buyers until the closing of a property sale. Sometimes, such fees may be imposed as part of a new housing development upon the buyer and subsequent purchasers of the property. Presently, there is no regulation over the imposition of such fees, no limitation on the application of the fees, and no accountability or oversight of the recipients of the fees.

HAR believes that private transfer fees may create significant barriers to homeownership, particularly because these fees are typically imposed at the closing of a transaction. This puts a burden on the homeowner, at a critical time when money may already be short.

HAR supports S.B. 1241, S.D.1, which improves upon the original bill by including certain exceptions for customary administrative fees that are collected during property transfer transactions. We believe that this measure will provide needed regulation over private transfer fees, and for this reason urge your support of the bill.

Mahalo for the opportunity to testify on this measure.