
A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 514A-90, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§514A-90 Priority of lien.** (a) All sums assessed by the
4 association of apartment owners but unpaid for the share of the
5 common expenses chargeable to any apartment constitute a lien on
6 the apartment prior to all other liens, except:

7 (1) Liens for taxes and assessments lawfully imposed by
8 governmental authority against the apartment; and

9 (2) All sums unpaid on any mortgage of record that was
10 recorded prior to the recordation of notice of a lien
11 by the association of apartment owners, and costs and
12 expenses including attorneys' fees provided in such
13 mortgages;

14 provided that a lien recorded by an association of apartment
15 owners for unpaid assessments shall expire six years from the
16 date of recordation unless proceedings to enforce the lien are
17 instituted prior to the expiration of the lien; provided further
18 that the expiration of a recorded lien shall in no way affect



1 the association of apartment owners' automatic lien that arises
2 pursuant to this subsection or the declaration or bylaws. Any
3 proceedings to enforce an association of apartment owners' lien
4 for any assessment shall be instituted within six years after
5 the assessment became due; provided that if the owner of an
6 apartment subject to a lien of the association of apartment
7 owners files a petition for relief under the United States
8 Bankruptcy Code (11 U.S.C. §101 et seq.), the period of time for
9 instituting proceedings to enforce the association of apartment
10 owners' lien shall be tolled until thirty days after the
11 automatic stay of proceedings under section 362 of the United
12 States Bankruptcy Code (11 U.S.C. §362) is lifted.

13 The lien of the association of apartment owners may be
14 foreclosed by action or by nonjudicial or power of sale
15 foreclosure procedures set forth in chapter 667, by the managing
16 agent or board of directors, acting on behalf of the association
17 of apartment owners and in the name of the association of
18 apartment owners; provided that no association of apartment
19 owners may exercise the nonjudicial or power of sale remedies
20 provided in chapter 667 to foreclose a lien against any
21 apartment that arises solely from fines, penalties, legal fees,



1 or late fees, and the foreclosure of any such lien shall be
2 filed in court pursuant to part IA of chapter 667.

3 In any such foreclosure, the apartment owner shall be
4 required to pay a reasonable rental for the apartment, if so
5 provided in the bylaws or the law, and the plaintiff in the
6 foreclosure shall be entitled to the appointment of a receiver to
7 collect the rental owed by the apartment owner or any tenant of
8 the apartment. If the association of apartment owners is the
9 plaintiff, it may request that its managing agent be appointed as
10 receiver to collect the rent from the tenant. The managing agent
11 or board of directors, acting on behalf of the association of
12 apartment owners and in the name of the association of apartment
13 owners, unless prohibited by the declaration, may bid on the
14 apartment at foreclosure sale, and acquire and hold, lease,
15 mortgage, and convey the apartment. Action to recover a money
16 judgment for unpaid common expenses shall be maintainable without
17 foreclosing or waiving the lien securing the unpaid common
18 expenses owed.

19 (b) Except as provided in subsection [~~(g)~~] (h) when the
20 mortgagee of a mortgage of record or other purchaser of an
21 apartment obtains title to the apartment as a result of
22 foreclosure of the mortgage, the acquirer of title and the



1 acquirer's successors and assigns shall not be personally liable
2 for the share of the common expenses or assessments by the
3 association of apartment owners chargeable to the apartment that
4 became due prior to the acquisition of title to the apartment by
5 the acquirer. The unpaid share of common expenses or assessments
6 not reimbursed pursuant to subsection (c) shall be deemed to be
7 common expenses collectible from all of the apartment owners,
8 including the acquirer and the acquirer's successors and assigns.
9 The mortgagee of record or other purchaser of the apartment shall
10 be deemed to acquire title and shall be required to pay the
11 apartment's share of common expenses and assessments beginning:

- 12 (1) Thirty-six days after the order confirming the sale to
13 the purchaser has been filed with the court;
- 14 (2) Sixty days after the hearing at which the court grants
15 the motion to confirm the sale to the purchaser;
- 16 (3) Thirty days after the public sale in a nonjudicial
17 power of sale foreclosure conducted pursuant to
18 chapter 667; or
- 19 (4) Upon the recording of the instrument of conveyance,
20 whichever occurs first; provided that the mortgagee of record or
21 other purchaser of the apartment shall not be deemed to acquire
22 title under paragraph (1), (2), or (3), if transfer of title is



1 delayed past the thirty-six days specified in paragraph (1), the
2 sixty days specified in paragraph (2), or the thirty days
3 specified in paragraph (3), when a person who appears at the
4 hearing on the motion or a party to the foreclosure action
5 requests reconsideration of the motion or order to confirm sale,
6 objects to the form of the proposed order to confirm sale,
7 appeals the decision of the court to grant the motion to confirm
8 sale, or the debtor or mortgagor declares bankruptcy or is
9 involuntarily placed into bankruptcy. In any such case, the
10 mortgagee of record or other purchaser of the apartment shall be
11 deemed to acquire title upon recordation of the instrument of
12 conveyance.

13 (c) Notwithstanding any other provision of law to the
14 contrary, an association of apartment owners, through its board
15 or managing agent, may collect on a monthly basis from each
16 apartment owner an amount that does not exceed ten per cent of
17 regular monthly common assessments as defined in subsection (j)
18 chargeable to the apartment. This amount may be collected
19 monthly until the total amount collected from each apartment
20 owner is equal to the total of regular monthly common
21 assessments chargeable to the apartment for a twelve-month
22 period. All amounts collected pursuant to this subsection shall



1 be deposited into an interest-bearing account to be maintained
2 and managed by the association's board or managing agent.

3 Funds collected pursuant to this subsection shall be used
4 only for the purpose of reimbursing the association for any
5 unpaid regular monthly common assessments chargeable to the
6 apartment that remain outstanding after foreclosure of a lien
7 pursuant to subsection (a), foreclosure of the apartment's
8 mortgage, or sale or transfer of the unit. Any funds, including
9 principal and interest amounts, remaining in the account after
10 reimbursement of the association shall revert to the apartment
11 owner or the apartment owner's successors or assigns.

12 [~~e~~] (d) No apartment owner shall withhold any assessment
13 claimed by the association. An apartment owner who disputes the
14 amount of an assessment may request a written statement clearly
15 indicating:

- 16 (1) The amount of common expenses included in the
17 assessment, including the due date of each amount
18 claimed;
- 19 (2) The amount of any penalty, late fee, lien filing fee,
20 and any other charge included in the assessment;
- 21 (3) The amount of attorneys' fees and costs, if any,
22 included in the assessment;



1 (4) That under Hawaii law, an apartment owner has no right
2 to withhold assessments for any reason;

3 (5) That an apartment owner has a right to demand
4 mediation or arbitration to resolve disputes about the
5 amount or validity of an association's assessment;
6 provided the apartment owner immediately pays the
7 assessment in full and keeps assessments current; and

8 (6) That payment in full of the assessment shall not
9 prevent the owner from contesting the assessment or
10 receiving a refund of amounts not owed.

11 Nothing in this section shall limit the rights of an owner to
12 the protection of all fair debt collection procedures mandated
13 under federal and state law.

14 [~~(d)~~] (e) An apartment owner who pays an association the
15 full amount claimed by the association may file in small claims
16 court or require the association to mediate to resolve any
17 disputes concerning the amount or validity of the association's
18 claim. If the apartment owner and the association are unable to
19 resolve the dispute through mediation, either party may file for
20 arbitration under part VII; provided that an apartment owner may
21 only file for arbitration if all amounts claimed by the
22 association are paid in full on or before the date of filing.



1 If the apartment owner fails to keep all association assessments
2 current during the arbitration, the association may ask the
3 arbitrator to temporarily suspend the arbitration proceedings.
4 If the apartment owner pays all association assessments within
5 thirty days of the date of suspension, the apartment owner may
6 ask the arbitrator to recommence the arbitration proceedings.
7 If the owner fails to pay all association assessments by the end
8 of the thirty-day period, the association may ask the arbitrator
9 to dismiss the arbitration proceedings. The apartment owner
10 shall be entitled to a refund of any amounts paid to the
11 association which are not owed.

12 [~~e~~] (f) As an alternative to foreclosure proceedings under
13 subsection (a), where an apartment is owner-occupied, the
14 association of apartment owners may authorize its managing agent
15 or board of directors to, after sixty days' written notice to the
16 apartment owner and to the apartment's first mortgagee of the
17 nonpayment of the apartment's share of the common expenses,
18 terminate the delinquent apartment's access to the common elements
19 and cease supplying a delinquent apartment with any and all
20 services normally supplied or paid for by the association of
21 apartment owners. Any terminated services and privileges shall be
22 restored upon payment of all delinquent assessments.



1 ~~[(f)]~~ (g) Before the board of directors or managing agent
2 may take the actions permitted under ~~[subsection (e),]~~
3 subsections (c) or (f), the board shall adopt a written policy
4 providing for such actions and have the policy approved by a
5 majority vote of the apartment owners at an annual or special
6 meeting of the association or by the written consent of a
7 majority of the apartment owners.

8 ~~[(g)]~~ (h) Subject to this subsection, and subsections ~~[(h)~~
9 ~~and (i),]~~ (i) and (j), the board of an association of apartment
10 owners may specially assess the amount of the unpaid regular
11 monthly common assessments for common area expenses against a
12 person who, in a judicial or nonjudicial power of sale
13 foreclosure, purchases a delinquent apartment; provided that:

14 (1) A purchaser who holds a mortgage on a delinquent
15 apartment that was recorded prior to the filing of a
16 notice of lien by the association of apartment owners
17 and who acquires the delinquent apartment through a
18 judicial or nonjudicial foreclosure proceeding,
19 including purchasing the delinquent apartment at a
20 foreclosure auction, shall not be obligated to make,
21 nor be liable for, payment of the special assessment
22 as provided for under this subsection; and



1 (2) A person who subsequently purchases the delinquent
2 apartment from the mortgagee referred to in paragraph
3 (1) shall be obligated to make, and shall be liable
4 for, payment of the special assessment provided for
5 under this subsection; provided that the mortgagee or
6 subsequent purchaser may require the association of
7 apartment owners to provide at no charge a notice of
8 the association's intent to claim a lien against the
9 delinquent apartment for the amount of the special
10 assessment, prior to the subsequent purchaser's
11 acquisition of title to the delinquent apartment. The
12 notice shall state the amount of the special
13 assessment, how that amount was calculated, and the
14 legal description of the apartment.

15 ~~[(h)]~~ (i) The amount of the special assessment assessed
16 under subsection ~~[(g)]~~ (h) shall not exceed the total amount of
17 unpaid regular monthly common assessments that were assessed
18 during the six months immediately preceding the completion of
19 the judicial or nonjudicial power of sale foreclosure.

20 ~~[(i)]~~ (j) For purposes of subsections ~~[(g) and (h)]~~, (h)
21 and (i), the following definitions shall apply:

22 "Completion" means:



1 (1) In a nonjudicial power of sale foreclosure, when
2 the affidavit after public sale is recorded
3 pursuant to section 667-33; and

4 (2) In a judicial foreclosure, when a purchaser is
5 deemed to acquire title pursuant to subsection
6 (b).

7 "Regular monthly common assessments" shall not include:

8 (1) Any other special assessment, except for a special
9 assessment imposed on all apartments as part of a
10 budget adopted pursuant to section 514A-83.6;

11 (2) Late charges, fines, or penalties;

12 (3) Interest assessed by the association of apartment
13 owners;

14 (4) Any lien arising out of the assessment; or

15 (5) Any fees or costs related to the collection or
16 enforcement of the assessment, including attorneys'
17 fees and court costs.

18 (k) The cost of a release of any lien filed pursuant to
19 this section shall be paid by the party requesting the release.

20 (l) After any judicial or non-judicial foreclosure
21 proceeding in which the association acquires title to the
22 apartment, any excess rental income received by the association



1 from the apartment shall be paid to existing lien holders based
2 on the priority of lien, and not on a pro rata basis. For
3 purposes of this subsection, excess rental income shall be any
4 net income received by the association after paying, crediting,
5 or reimbursing the association or a third party for:

- 6 (1) The lien for delinquent assessments pursuant to
7 subsections (a) and (b);
8 (2) Any maintenance fee delinquency against the apartment;
9 (3) Attorney's fees and other collection costs related to
10 the association's foreclosure of the apartment; or
11 (4) Any costs incurred by the association for the rental,
12 repair, maintenance, or rehabilitation of the
13 apartment while the association is in possession of
14 the apartment including monthly association
15 maintenance fees, management fees, real estate
16 commissions, cleaning and repair expenses for the
17 apartment, and general excise taxes paid on rental
18 income;

19 provided that the lien for delinquent assessments under
20 paragraph (1) shall be paid, credited, or reimbursed first."

21 SECTION 2. Section 514B-146, Hawaii Revised Statutes, is
22 amended to read as follows:



1 "§514B-146 **Association fiscal matters; lien for**
2 **assessments.** (a) All sums assessed by the association but
3 unpaid for the share of the common expenses chargeable to any
4 unit shall constitute a lien on the unit with priority over all
5 other liens, except:

6 (1) Liens for taxes and assessments lawfully imposed by
7 governmental authority against the unit; and

8 (2) All sums unpaid on any mortgage of record that was
9 recorded prior to the recordation of a notice of a
10 lien by the association, and costs and expenses
11 including attorneys' fees provided in such mortgages;
12 provided that a lien recorded by an association for unpaid
13 assessments shall expire six years from the date of recordation
14 unless proceedings to enforce the lien are instituted prior to
15 the expiration of the lien; provided further that the expiration
16 of a recorded lien shall in no way affect the association's
17 automatic lien that arises pursuant to this subsection or the
18 declaration or bylaws. Any proceedings to enforce an
19 association's lien for any assessment shall be instituted within
20 six years after the assessment became due; provided that if the
21 owner of a unit subject to a lien of the association files a
22 petition for relief under the United States Bankruptcy Code (11



1 U.S.C. §101 et seq.), the period of time for instituting
2 proceedings to enforce the association's lien shall be tolled
3 until thirty days after the automatic stay of proceedings under
4 section 362 of the United States Bankruptcy Code (11 U.S.C.
5 §362) is lifted.

6 The lien of the association may be foreclosed by action or
7 by nonjudicial or power of sale foreclosure procedures set forth
8 in chapter 667, by the managing agent or board, acting on behalf
9 of the association and in the name of the association; provided
10 that no association may exercise the nonjudicial or power of
11 sale remedies provided in chapter 667 to foreclose a lien
12 against any unit that arises solely from fines, penalties, legal
13 fees, or late fees, and the foreclosure of any such lien shall
14 be filed in court pursuant to part IA of chapter 667.

15 In any such foreclosure, the unit owner shall be required
16 to pay a reasonable rental for the unit, if so provided in the
17 bylaws or the law, and the plaintiff in the foreclosure shall be
18 entitled to the appointment of a receiver to collect the rental
19 owed by the unit owner or any tenant of the unit. If the
20 association is the plaintiff, it may request that its managing
21 agent be appointed as receiver to collect the rent from the
22 tenant. The managing agent or board, acting on behalf of the



1 association and in the name of the association, unless
2 prohibited by the declaration, may bid on the unit at
3 foreclosure sale, and acquire and hold, lease, mortgage, and
4 convey the unit. Action to recover a money judgment for unpaid
5 common expenses shall be maintainable without foreclosing or
6 waiving the lien securing the unpaid common expenses owed.

7 (b) Except as provided in subsection [~~(g)~~] (h) when the
8 mortgagee of a mortgage of record or other purchaser of a unit
9 obtains title to the unit as a result of foreclosure of the
10 mortgage, the acquirer of title and the acquirer's successors
11 and assigns shall not be personally liable for the share of the
12 common expenses or assessments by the association chargeable to
13 the unit that became due prior to the acquisition of title to
14 the unit by the acquirer. The unpaid share of common expenses
15 or assessments not reimbursed pursuant to subsection (c) shall
16 be deemed to be common expenses collectible from all of the unit
17 owners, including the acquirer and the acquirer's successors and
18 assigns. The mortgagee of record or other purchaser of the unit
19 shall be deemed to acquire title and shall be required to pay
20 the unit's share of common expenses and assessments beginning:

21 (1) Thirty-six days after the order confirming the sale to
22 the purchaser has been filed with the court;



1 (2) Sixty days after the hearing at which the court grants
2 the motion to confirm the sale to the purchaser;

3 (3) Thirty days after the public sale in a nonjudicial
4 power of sale foreclosure conducted pursuant to
5 chapter 667; or

6 (4) Upon the recording of the instrument of conveyance;
7 whichever occurs first; provided that the mortgagee of record or
8 other purchaser of the unit shall not be deemed to acquire title
9 under paragraph (1), (2), or (3), if transfer of title is
10 delayed past the thirty-six days specified in paragraph (1), the
11 sixty days specified in paragraph (2), or the thirty days
12 specified in paragraph (3), when a person who appears at the
13 hearing on the motion or a party to the foreclosure action
14 requests reconsideration of the motion or order to confirm sale,
15 objects to the form of the proposed order to confirm sale,
16 appeals the decision of the court to grant the motion to confirm
17 sale, or the debtor or mortgagor declares bankruptcy or is
18 involuntarily placed into bankruptcy. In any such case, the
19 mortgagee of record or other purchaser of the unit shall be
20 deemed to acquire title upon recordation of the instrument of
21 conveyance.



1 (c) Notwithstanding any other provision of law to the
2 contrary, an association, through its board or managing agent,
3 may collect on a monthly basis from each unit owner an amount
4 that does not exceed ten per cent of regular monthly common
5 assessments as defined in subsection (j) chargeable to the unit.
6 This amount may be collected monthly until the total amount
7 collected from each unit owner is equal to the total of regular
8 monthly common assessments chargeable to the unit for a twelve-
9 month period. All amounts collected pursuant to this subsection
10 shall be deposited into an interest-bearing account to be
11 maintained and managed by the association's board or managing
12 agent.

13 Funds collected pursuant to this subsection shall be used
14 only for the purpose of reimbursing the association for any
15 unpaid regular monthly common assessments chargeable to the unit
16 that remain outstanding after foreclosure of a lien pursuant to
17 subsection (a), foreclosure of the unit's mortgage, or sale or
18 transfer of the unit. Any funds, including principal and
19 interest amounts, remaining in the account after reimbursement
20 of the association shall revert to the unit owner or the unit
21 owner's successors or assigns.



1 ~~(e)~~ (d) No unit owner shall withhold any assessment
2 claimed by the association. A unit owner who disputes the
3 amount of an assessment may request a written statement clearly
4 indicating:

- 5 (1) The amount of common expenses included in the
6 assessment, including the due date of each amount
7 claimed;
- 8 (2) The amount of any penalty, late fee, lien filing fee,
9 and any other charge included in the assessment;
- 10 (3) The amount of attorneys' fees and costs, if any,
11 included in the assessment;
- 12 (4) That under Hawaii law, a unit owner has no right to
13 withhold assessments for any reason;
- 14 (5) That a unit owner has a right to demand mediation or
15 arbitration to resolve disputes about the amount or
16 validity of an association's assessment, provided the
17 unit owner immediately pays the assessment in full and
18 keeps assessments current; and
- 19 (6) That payment in full of the assessment does not
20 prevent the owner from contesting the assessment or
21 receiving a refund of amounts not owed.



1 Nothing in this section shall limit the rights of an owner to
2 the protection of all fair debt collection procedures mandated
3 under federal and state law.

4 ~~(d)~~ (e) A unit owner who pays an association the full
5 amount claimed by the association may file in small claims court
6 or require the association to mediate to resolve any disputes
7 concerning the amount or validity of the association's claim.
8 If the unit owner and the association are unable to resolve the
9 dispute through mediation, either party may file for arbitration
10 under section 514B-162; provided that a unit owner may only file
11 for arbitration if all amounts claimed by the association are
12 paid in full on or before the date of filing. If the unit owner
13 fails to keep all association assessments current during the
14 arbitration, the association may ask the arbitrator to
15 temporarily suspend the arbitration proceedings. If the unit
16 owner pays all association assessments within thirty days of the
17 date of suspension, the unit owner may ask the arbitrator to
18 recommence the arbitration proceedings. If the owner fails to
19 pay all association assessments by the end of the thirty-day
20 period, the association may ask the arbitrator to dismiss the
21 arbitration proceedings. The unit owner shall be entitled to a



1 refund of any amounts paid to the association which are not
2 owed.

3 ~~[(e)]~~ (f) In conjunction with or as an alternative to
4 foreclosure proceedings under subsection (a), where a unit is
5 owner-occupied, the association may authorize its managing agent
6 or board to, after sixty days' written notice to the unit owner
7 and to the unit's first mortgagee of the nonpayment of the
8 unit's share of the common expenses, terminate the delinquent
9 unit's access to the common elements and cease supplying a
10 delinquent unit with any and all services normally supplied or
11 paid for by the association. Any terminated services and
12 privileges shall be restored upon payment of all delinquent
13 assessments but need not be restored until payment in full is
14 received.

15 ~~[(f)]~~ (g) Before the board or managing agent may take the
16 actions permitted under ~~[subsection (e)]~~ subsections (c) or
17 (f), the board shall adopt a written policy providing for such
18 actions and have the policy approved by a majority vote of the
19 unit owners at an annual or special meeting of the association
20 or by the written consent of a majority of the unit owners.

21 ~~[(g)]~~ (h) Subject to this subsection, and subsections ~~[(h)~~
22 ~~and (i)]~~ (i) and (j), the board may specially assess the amount



1 of the unpaid regular monthly common assessments for common
2 expenses against a person who, in a judicial or nonjudicial
3 power of sale foreclosure, purchases a delinquent unit; provided
4 that:

5 (1) A purchaser who holds a mortgage on a delinquent unit
6 that was recorded prior to the filing of a notice of
7 lien by the association and who acquires the
8 delinquent unit through a judicial or nonjudicial
9 foreclosure proceeding, including purchasing the
10 delinquent unit at a foreclosure auction, shall not be
11 obligated to make, nor be liable for, payment of the
12 special assessment as provided for under this
13 subsection; and

14 (2) A person who subsequently purchases the delinquent
15 unit from the mortgagee referred to in paragraph (1)
16 shall be obligated to make, and shall be liable for,
17 payment of the special assessment provided for under
18 this subsection; and provided further that the
19 mortgagee or subsequent purchaser may require the
20 association to provide at no charge a notice of the
21 association's intent to claim lien against the
22 delinquent unit for the amount of the special



1 assessment, prior to the subsequent purchaser's
2 acquisition of title to the delinquent unit. The
3 notice shall state the amount of the special
4 assessment, how that amount was calculated, and the
5 legal description of the unit.

6 ~~[(h)]~~ (i) The amount of the special assessment assessed
7 under subsection ~~[(g)]~~ (h) shall not exceed the total amount of
8 unpaid regular monthly common assessments that were assessed
9 during the six months immediately preceding the completion of
10 the judicial or nonjudicial power of sale foreclosure.

11 ~~[(i)]~~ (j) For purposes of subsections ~~[(g) and (h)]~~, (h) and
12 (i), the following definitions shall apply, unless the context
13 requires otherwise:

14 "Completion" means:

15 (1) In a nonjudicial power of sale foreclosure, when the
16 affidavit after public sale is recorded pursuant to
17 section 667-33; and

18 (2) In a judicial foreclosure, when a purchaser is deemed
19 to acquire title pursuant to subsection (b).

20 "Regular monthly common assessments" does not include:



1 (1) Any other special assessment, except for a special
2 assessment imposed on all units as part of a budget
3 adopted pursuant to section 514B-148;

4 (2) Late charges, fines, or penalties;

5 (3) Interest assessed by the association;

6 (4) Any lien arising out of the assessment; or

7 (5) Any fees or costs related to the collection or
8 enforcement of the assessment, including attorneys'
9 fees and court costs.

10 [~~(j)~~] (k) The cost of a release of any lien filed pursuant
11 to this section shall be paid by the party requesting the
12 release.

13 (1) After any judicial or non-judicial foreclosure
14 proceeding in which the association acquires title to the unit,
15 any excess rental income received by the association from the
16 unit shall be paid to existing lien holders based on the
17 priority of lien, and not on a pro rata basis. For purposes of
18 this subsection, excess rental income shall be any net income
19 received by the association after paying, crediting, or
20 reimbursing the association or a third party for:

21 (1) The lien for delinquent assessments pursuant to
22 subsections (a) and (b);



- 1 (2) Any maintenance fee delinquency against the unit;
2 (3) Attorney's fees and other collection costs related to
3 the association's foreclosure of the unit; or
4 (4) Any costs incurred by the association for the rental,
5 repair, maintenance, or rehabilitation of the unit
6 while the association is in possession of the unit
7 including monthly association maintenance fees,
8 management fees, real estate commissions, cleaning and
9 repair expenses for the unit, and general excise taxes
10 paid on rental income;
11 provided that the lien for delinquent assessments under
12 paragraph (1) shall be paid, credited, or reimbursed first."

13 SECTION 3. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 4. This Act shall take effect on July 1, 2112.



Report Title:

Condominiums; Assessments; Liens

Description:

Amends procedures for reimbursement for common assessments by condominium associations after delinquency or foreclosure. Authorizes collection of specified amounts for deposit into a reserve account to pay for unpaid common assessments in the event of foreclosure, or unit sale or transfer. Effective July 1, 2112. (HB21 HD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

