
A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

1 SECTION 1. Section 514B-95, Hawaii Revised Statutes, is
2 amended by amending the definition of "residential unit" to read
3 as follows:

4 "Residential unit" means "unit" as defined in section
5 514B-3, but excludes:

6 (1) Any unit intended for commercial use;

7 (2) Any unit in a project in which time share use is
8 permitted under section 514E-6;

9 ~~[(+2)]~~ (3) Any unit designed and constructed for hotel or
10 resort use that is located on any parcel of real
11 property designated and governed by a county for hotel
12 or resort use pursuant to section 46-4; and

13 ~~[(+3)]~~ (4) Any other use pursuant to authority granted by
14 law to a county."

15 SECTION 2. Section 514B-95.5, Hawaii Revised Statutes, is
16 amended to read as follows:



1 " [†] §514B-95.5 [†] Announcement or advertisement;

2 publication. At least once in each of two successive weeks, and
3 at any time following the issuance of an effective date of the
4 first developer's public report for the condominium project, the
5 developer shall cause to be published in at least one newspaper
6 published daily in the State with a general circulation in the
7 county in which the project is to be located, and, if the
8 project is located other than on the island of Oahu, in at least
9 one newspaper that is published at least weekly in the county in
10 which the project is to be located, an announcement or
11 advertisement containing at least the following information:

12 (1) The location of the project;

13 (2) The minimum price of the residential units;

14 (3) A designation as to whether the residential units are
15 to be sold in fee simple or leasehold;

16 (4) A statement that for a thirty-day period following the
17 initial date of sale of the condominium project, at
18 least ~~[fifty]~~ ninety per cent of the residential units
19 being marketed shall be offered only to prospective
20 owner-occupants;



(5) The name, telephone number, and address of the developer or other real estate broker designated by the developer that an interested individual may contact to secure an owner-occupant affidavit, developer's public report, and any other information concerning the project; and

(6) If applicable, a statement that the residential units will be offered to prospective purchasers through a public lottery."

SECTION 3. Section 514B-96, Hawaii Revised Statutes, is amended by amending its title and subsection (a) to read as follows:

"[+] §514B-96 [{}] **Designation of residential units.** (a) The developer of any project containing residential units shall designate at least [~~fifty~~] ninety per cent of the units for sale to prospective owner-occupants pursuant to section 514B-98. The designation shall be set forth either in the developer's public report or in the announcement or advertisement required by section 514B-95.5, and may be set forth in both. The units shall constitute a proportionate representation of all the residential units in the project with regard to factors of



1 square footage, number of bedrooms and bathrooms, floor level,
2 and whether [~~or not~~] the unit has a lanai."

3 SECTION 4. Section 514B-98, Hawaii Revised Statutes, is
4 amended by amending subsection (b) to read as follows:

5 "(b) For a thirty-day period following the initial date of
6 sale of units in a condominium project, at least [~~fifty~~] ninety
7 per cent of the units being sold shall be offered for sale only
8 to prospective owner-occupants; provided that, notwithstanding
9 this subpart, in the case of a project that includes one or more
10 existing structures being converted to condominium status, each
11 residential unit contained in the project first shall be offered
12 for sale to any individual occupying the unit immediately prior
13 to the conversion and who submits an owner-occupant affidavit
14 and an earnest money deposit in a reasonable amount designated
15 by the developer."

16 SECTION 5. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 6. This Act shall take effect on January 1, 2050.



Report Title:

Condominium; Residential Units; Sale; Owner-occupants

Description:

Increases the minimum percentage of residential units, excluding units in a project in which time share use is permitted, in a condominium project that must be offered for sale to prospective owner-occupants in the thirty-day period following the initial date of sale of units in the condominium project from fifty per cent to ninety per cent. Takes effect on 1/1/2050. (SD1)

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

