



Mililani Town Association

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March 1, 2009

Representative Jon Karamatsu, Chair
Representative Ken Ito Vice-Chair
Committee on Judiciary
State Capitol
Honolulu, HI 96813

VIA EMAIL: JUDtestimony@Capitol.hawaii.gov

Re: H.B. No. 355 HD 1 – Relating to Condominiums

Hearing: Tuesday, March 3, 2009, 2:00 pm, Conf Room 325

Dear Chair Karamatsu, Vice-Chair Ito and Committee Members:

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

We support this bill, as amended. The amendment, HD 1, has clarified that the 20% maximum delinquent fees may be charged for each month's delinquency. This change to the bill is proper and reasonable, since monthly assessments are the primary source of revenues for associations to perform their functions.

We urge this bill be passed as amended.

Sincerely yours,

Eric M. Matsumoto
Vice-President, Board of Directors

Cc: Sen Kidani, Sen Bunda
Rep Lee, Rep Yamane

House Committee on Judiciary
Tuesday, March 3, 2009 at 2:00 pm CR 325
In support of HB 355-Realting to Condominiums

Aloha Chair Karamatsu, Vice Chair Ken Ito and members of the Judiciary Committee

I am Dr. Inam Rahman, a medical doctor practicing in the State of Hawaii for 15 years, testifying in strong support of House Bill 355.

There are two measures that this bill will address. One is to limit the late charge of monthly maintenance fee to twenty percent, and requires homeowners association to give notice of delinquency to unit owners within ten business days.

In this tough economic times heading to a recession, when condominium owners are struggling to make ends meet, this dilemma of getting behind in maintenance fees is hitting them hard. After a month or two being behind in arrears, condominium owners will be referred to an attorney who will charge them with high attorney's fees. This will give condominium owners tremendous difficulty to try and catch up with maintenance fees, late fees and attorney's fees.

Also, given condominium owners at least ten days notification will provide them ample time to look for solutions to the problem and prevent foreclosure that's forthcoming.

House Committee on Judiciary
Tuesday, March 2, 2009 at 2:00pm CR 325
In Support of HB 355- Relating to Condominiums

Aloha Chair Jon Riki Karamatsu, ViceChair Ken Ito, and members of Judiciary committee

I am Ilalo Parayno. I have worked with DOE for 41 years as a teacher and administrator. I am here to testify in support of HB 355

A twenty percent cap on monthly assessment fee for delinquent maintenance fee is reasonable especially in this time of economic crisis when people are struggling to cope up with too much bills to pay. Placing back maintenance fee in arrears and attorney's fees will put condominium owners in a tremendous difficulty to catch up with their fees.

Providing notices in any form of communication at least ten days when monthly assessment becomes delinquent before forwarding matter to an attorney will provide condominium owner better position to solve the problem before foreclosure proceedings take place.

Thank you for the opportunity to testify.

House Judiciary Committee
Tuesday, March 3, 2009 at 2:00PM CR-325
In **Support** of HB 355 – Relating to Condominiums

Aloha Chair Karamatsu and members of CPC.

My name is Netra Halperin. I previously owned a condominium. I am here to testify in support of HB 355, HD1

This bill simply asks for two measures. First, the bill asks that late fees cannot exceed more than 20% of the monthly maintenance fee. There are associations in Hawaii that currently charge a fine of as much as fifty percent of association fees if the condominium owner is more than ten days late. With these difficult economic times, this added fee can place untenable hardship on the owner.

The second provision of this bill is to require associations to give owners ten days notice of an action or possible action to turn matters over to an attorney. This should be done by both postal and electronic mail - in the event that the owner is out of town. Attorney's fees are very expensive, and adequate notice would often prevent the need for such drastic measures.

Chair and members, these are simple measures to place in the statute, however they will increase fairness to condominium owners. I ask for its passage.

Thank you for the opportunity to testify.