
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 ~~(3)~~ (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 ~~(4)~~ (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~~] sixty-seven per cent of the residential
19 units being marketed shall be offered only to
20 prospective owner-occupants;



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

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

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

12 "(a) The developer of any project containing residential
13 units shall designate at least [~~fifty~~] sixty-seven per cent of
14 the units for sale to prospective owner-occupants pursuant to
15 section 514B-98. The designation shall be set forth either in
16 the developer's public report or in the announcement or
17 advertisement required by section 514B-95.5, and may be set
18 forth in both. The units shall constitute a proportionate
19 representation of all the residential units in the project with
20 regard to factors of square footage, number of bedrooms and



1 bathrooms, floor level, and whether [~~or not~~] the unit has a
2 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~~] sixty-
7 seven per cent of the units being sold shall be offered for sale
8 only to prospective owner-occupants; provided that,
9 notwithstanding this subpart, in the case of a project that
10 includes one or more existing structures being converted to
11 condominium status, each residential unit contained in the
12 project first shall be offered for sale to any individual
13 occupying the unit immediately prior to the conversion and who
14 submits an owner-occupant affidavit and an earnest money deposit
15 in a reasonable amount designated 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 upon its approval.



S.B. NO. 799
S.D. 1

Report Title:

Condominiums; Residential Units; Time Share Units; Sale; Owner-occupants

Description:

Makes condominium laws regarding sales to owner-occupants inapplicable to time share units. Increases the minimum number of residential units 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 the condominium from fifty per cent to sixty-seven per cent. (SD1)

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

