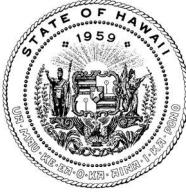


DEPT. COMM. NO. 132



JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
cca.hawaii.gov

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

DEAN I HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

December 17, 2025

TRANSMITTED VIA LEGISLATIVE WEBSITE

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

Enclosed is a copy of the 2025 Annual Report of the Real Estate Commission, as required by section 467-4(5), Hawaii Revised Statutes (HRS). This report includes fund information pertaining to the Condominium Education Trust Fund, as required by section 514B-73(d), HRS.

In accordance with section 93-16(a), HRS, a copy of this report will be transmitted to the Legislative Reference Bureau Library and viewable electronically at cca.hawaii.gov/reb/reports/. Copies will also be transmitted to the State Publications Distribution Center and the University of Hawaii pursuant to section 93-3, HRS.

Sincerely,

A handwritten signature in black ink that reads "Nadine Y. Ando".

NADINE Y. ANDO
Director

Enclosure

c: Legislative Reference Bureau Library (1 hard copy)
State Publications Distribution Center (2 hard copies, 1 electronic copy)
University of Hawaii (1 hard copy)



2025 Annual Report

Real Estate Commission

Real Estate Branch
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii

The 2025 Hawaii Real Estate Commission

Derrick Yamane

Chair

Honolulu, Real Estate Broker

Nikki Senter

Vice Chair

Chair, Laws and Rules Review Committee

Public Member

Sean S. Ginoza

Vice Chair, Laws and Rules Review Committee

Hawaii Island, Real Estate Broker

Audrey Abe

Chair, Education Review Committee

Honolulu, Real Estate Broker

Russell Kyono

Vice Chair, Education Review Committee

Kauai, Real Estate Broker

John Love

Chair, Condominium Review Committee

Public Member

P. Denise La Costa

Vice Chair, Condominium Review Committee

Maui, Real Estate Broker

Richard Emery

Honolulu, Real Estate Broker

Jennifer Andrews

Honolulu, Real Estate Broker

The purposes of the Commission are to:

- Protect the general public in its real estate transactions;
- Promote the advancement of education and research in the field of real estate for the benefit of the public and those licensed under Hawaii Revised Statutes (HRS) chapter 467 and the improvement and more efficient administration of the real estate industry; and
- Promote education and research in the field of condominium management, condominium registration, and real estate for the benefit of the public and those required to be registered under HRS chapter 514B.



The Honorable Josh Green, Governor, State of Hawaii,
Members of the Thirty-Third State Legislature and Nadine
Ando, Director, Department of Commerce and Consumer
Affairs (DCCA):

Have a plan. Best to be prepared and ready for whatever challenges lie ahead.

Real estate is dynamic. The industry is constantly changing. How business is conducted is forever evolving. Some changes were already anticipated while others were complete surprises. From the Sitzer v. Burnett Settlement to natural disasters like the Maui wildfire to the use and adoption of artificial intelligence ("AI"), the reasons for change have been diverse. Each change brought unique challenges with it. Licensees are now required to use Buyer Representation Contracts to justify their compensation. Licensees need to explain how insurance issues may have translated to higher costs for consumers. AI can be beneficial and disadvantageous. Licensees need to know the boundaries of AI and their responsibilities in using AI.

Proudly, I can say, the Real Estate Commission was ready for these changes. We were able to address most of the concerns that arose from the changing times and we will continue to do so for the protection of the consumer.

Similarly, the Real Estate Branch ("REB") is running smoothly, like a well-oiled machine. The REB is ready for the public from 7:45 am – 4:30 pm, Monday – Friday. Even with a challenging environment, real estate licenses are being issued. In-person license testing is doing well. The REB keeps up with technology. Many activities can be done in-person and virtually. The public has options that did not exist previously. Licensees have more options too. Publications are distributed timely. The Real Estate Commission Bulletin, the School Files (for real estate educators), and the Condominium Bulletins were distributed to all recipients on schedule. The Real Estate Commission meetings are held in-person every month and are streamed live by 'Olelo Community Media. I commend the REB. Keep up the good work.

The Real Estate Commission ("Commission") is one of the more active commissions in the State. It demands much time from its members, but these dedicated volunteers give unselfishly to protect the public and enrich our local real estate industry. This past year was no different and I respectfully present the Annual Report of the Real Estate Commission for FY 2025.

The Commission currently oversees 17,963 licenses statewide of which 14,181 are active. Additionally, the Commission oversees approximately 1,766 registered condominium associations and 30 condominium hotel operators. There were 112 new conversion project filings for FY 2025.

The Commission is a nine-member, Governor-nominated, and Governor-appointed quasi-judicial body. Presently, it is comprised of seven industry members and two public members. If confirmed by the Senate, each commissioner serves a four-year term. The main purpose of the Commission is the “protection of the general public in its real estate transactions” (HRS § 467-4(2)). The Commission oversees the licensing of real estate salespersons and brokers, including brokerages, and the maintenance and renewal of these licenses every two years.

The Commission is responsible for the Real Estate Recovery Fund. As its trustee, the Commission has a fiduciary duty and obligation to administer the trust properly and transparently. There was one payment made from the fund for FY 2025.

Other state agencies work closely with the Commission such as the Regulated Industries Complaints Office (RICO). The Commission reviews and approves settlement agreements involving real estate licensees that have violated real estate licensing laws and rules by RICO.

The Commission is comprised of three standing committees:

- (1) The Laws and Rules Review Committee;
- (2) The Education Review Committee; and
- (3) The Condominium Review Committee.

The three committees are working committees where commissioners take on leadership roles and work towards accomplishing the goals set forth in those specific areas. Funding for these programs is crucial for the Commission. Funding the Commission is of utmost importance. Proper funding allows the Commission to achieve its objectives and reach its goals as set forth by law.

The Commission registers pre-license education schools and instructors and is responsible for developing the prelicensing curriculum for salespersons and brokers. The Commission also registers continuing education (CE) providers and certifies CE courses.

The Education Review Committee, under the leadership of Audrey Abe, Oahu Commissioner, and Vice Chair Russell Kyono, Kauai Commissioner, worked closely with an Ad Hoc Committee on Education. This committee, comprised of veteran industry volunteers, collaborated and created the Commission’s 2025 mandatory core course, Part A – “Advertising, Agency and Accountability – it’s your *kuleana*.”

Regarding condominiums, the Commission registers condominium projects, condominium associations, condominium hotel operators (CHO), and condominium managing agents. The Commission’s Outreach Program provides information and education on general condominium topics for all interested owners. This program services all islands and is an excellent resource for any condominium homeowner.

The Condominium Review Committee, under the leadership of John Love, Esq., Public Commissioner and Vice Chair P. Denise La Costa, Maui Commissioner, oversaw the activities of Commission staff relating to condominium project development, condominium governance, and condominium education. Under their guidance, the Commission staff created and updated informational brochures and FAQs for condominium owners and developers. Their focus was to educate the condominium community. Informational materials were also made available on the REB website. This committee successfully planned well-received informational events – Condorama XI and Condorama XII. The events provided valuable information to condominium owners. The events' attendance has grown each year. The Commission looks forward to participating in future community events.

While the Commission is a State body, it does not limit its awareness to a local level. To maintain high standards of excellence for Hawaii's real estate industry, the Laws and Rules Review Committee keeps abreast on matters of importance outside our State. In addition to local information, this committee keeps the Commission informed about national activities, including national law changes and anticipated new rules. This invaluable Laws and Rules Review Committee is headed by Nikki Senter, Esq., Honolulu Public Commissioner, and supported by Vice Chair, Jennifer Andrews, Oahu Commissioner. This committee worked tirelessly to monitor national and State issues. They kept a keen eye out for legislation that could affect our licensees. Additionally, they are active and committed members of the Association of Real Estate License Law Officials ("ARELLO"). Keeping abreast of controversial issues and concerning items has been invaluable to the Commission. This information keeps Hawaii ahead of the curve and out of trouble. These two ladies plan.

I congratulate the REB and I want you to know how hard they worked. It was a busy year. Staff had numerous new issues, residual assignments, and a constant influx of daily work that needed to be promptly addressed. They had a smaller staff due to retirement, yet they accomplished all that was required. Bravo, staff, job well done!

At REB, the working environment is collaborative. Cooperation is evident between the leadership of the Supervising Executive Officer, Neil Fujitani, and the staff. Mr. Fujitani treats his staff fairly. Everyone continues to work well together, which is rare. They treat each other as equals – no one looks down on anyone. REB is a well-managed branch. Kudos to Mr. Neil Fujitani!

Personally, I want to sincerely thank my fellow Commissioners for serving on the Commission. They are busy people, yet they give so freely of their time. They are committed to protecting the people of Hawaii. The Commission addressed all mandates and reached our annual goals. The people of Hawaii are fortunate to have this dedicated group of individuals working tirelessly on their behalf.

2025 will bring more work and new challenges. I can confidently say that the Real Estate Commission of the State of Hawaii is prepared and ready. We pride ourselves as being prepared and ready for the challenges ahead. With continued kouua and support from DCCA Director, Nadine Ando, Licensing Administrator, Cindy Matsushita, RICO, the Attorney General's Office, Supervising Executive Officer, Neil Fujitani, and the dedicated REB staff, the Commission will improve the professionalism, competency, and integrity of Hawaii's real estate industry.

Respectfully submitted,

Derrick T. Yamane

Chairperson, State of Hawaii Real Estate Commission



Real Estate Commission
Real Estate Branch
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii



Nadine Ando, Director
Dean Hazama, Deputy Director
Cindy A. Matsushima, Licensing Administrator

Real Estate Branch:

Neil K. Fujitani, Supervising Executive Officer
Miles Ino, Executive Officer
Kristen Kekoa, Senior Real Estate Specialist
Amy Endo, Real Estate Specialist
Nohelani Jackson, Real Estate Specialist
Colleen Mar, Office Assistant
Charisa Flores, Office Assistant
Hidemi Sato, Office Assistant
Kedin Kleinhans, Senior Condominium Specialist
Dathan Choy, Condominium Specialist
Rochelle Araki, Condominium Specialist
Lorie Sides, Condominium Education Specialist
Tammy Norton, Administrative Assistant
Jon Gasper, Office Assistant
Dorothy Aquino, Office Assistant

335 Merchant Street, Room 333
Honolulu, Hawaii 96813
Telephone: (808) 586-2643
Web: www.hawaii.gov/hirec/
Email: hirec@dcca.hawaii.gov

Copyright: Hawaii Real Estate Commission 2025. All rights reserved. Funded by the Real Estate Education Fund and the Condominium Education Trust Fund and provided as an educational service to real estate licensees and the condominium community. This publication is designed to provide general information on the subject matters covered and is not a substitute for professional services to address specific situations. If legal advice or other expert assistance is required, please seek the services of a competent professional.

This material can be made available for individuals with special needs. Please call the Senior Real Estate Specialist at (808) 586-2643 to submit your request.

Table of Contents

Laws and Rules Review Committee Report	9-17
FY 2025 Program of Work	10
Chart 1 Recovery Fund Notices	11
Chart 2 Recovery Fund—Claims Paid	11
Chart 3 Condominium Hotel Operator (CHO) Registration	12
Chart 4 Disciplinary Action	14
Table 1 Administrative Action	14
Chart 5 Administrative Actions—Sanctions	14
Chart 6 RICO Complaints (Real Estate)	15
FY 2026 Program of Work	17
Education Review Committee Report	18-25
FY 2025 Program of Work	18
Chart 7 Inquiries and Application	18
Table 2 Real Estate Licensing Examinations	19
Chart 8 Licensing Examination Candidates	20
Chart 9 New Real Estate Licenses Issued	23
Chart 10 Total Real Estate Licensees	24
Table 3 Current Real Estate Licensees by Type and Island	24
Chart 11 Real Estate Licensees by Island	25
FY 2026 Program of Work	25
Condominium Review Committee Report	26-42
FY 2025 Program of Work	27
Chart 12 Condominium Advice, Education, and Referral	28
Chart 13 Developer's Public Reports Effective Dates Issued	29
Chart 14 New and Conversion Project Filings of Developer	29
Chart 15 New Residential Project by Size	30
Table 4 Condominium Project Filings	30
Chart 16 Facilitative Mediations	31
Chart 17 Evaluative Mediations	31
Chart 18 Condominium Association Registration	32
FY 2026 Program of Work	38
Fund Information	43-45
Real Estate Education Fund	43
Real Estate Recovery Fund	44
Condominium Education Trust Fund	45

LAWS AND RULES REVIEW COMMITTEE REPORT

For FY 2025, the Laws and Rules Review Committee, led by Chair Nikki Senter and Vice Chair Sean Ginoza, continued with actively reacting to and monitoring the legislative process, licensing programs, and the Real Estate Recovery Fund administration.

LEGISLATIVE

Act 013 – Establishes uniform provisions for the assessment of administrative penalties under the State Ethics Code and Lobbyist Law.

Act 088 – Provides that in any county with a population of less than 250,000, fee simple absolute title of a privately owned highway, road, alley, street, way, lane, bikeway, bridge, or trail is deemed transferred to adjacent property owners or the community association if certain conditions are met. Takes effect July 1, 2027.

Act 105 – Prohibits sellers of mortgaged properties in a power of sale foreclosure from bundling properties at a public sale and requires each mortgaged property to be bid on separately. Specifies that the sale of a foreclosed property is not final until the earliest of either fifteen days after the public sale, unless an eligible bidder submits a subsequent bid or written notice of intent to submit a subsequent bid, or forty-five days after the public sale. Takes effect July 1, 2025.

Act 110 – Amends the notice period for a property insurer to notify a policyholder of a cancellation, including cancellation due to nonpayment, or nonrenewal of a policy of property insurance. Takes effect January 1, 2026.

Act 157 – Requires budget summaries to contain all required information without referring the reader to other portions of the budget. Clarifies a unit owner's ability to enforce compliance with budget summary and replacement reserves requirements.

Act 161 – Requires condominium associations to provide electronic copies of their governing documents, as amended or restated, to unit owners or their authorized agents, upon request, at no cost. Repeals the authority of condominium associations to charge a reasonable fee for administrative costs associated with the handling of a request for association documents.

Act 169 – Requires board packets to be posted at least three full business days before a public meeting. Requires boards to provide notice to persons who have requested notification of meetings at the time the board packet is made available for public inspection.

Act 293 – Amends the definition of "historic property" to require that the property is over fifty years old and meets the criteria for inclusion in the Hawaii Register of Historic Places. Excludes proposed projects on existing residential property and proposed projects that are in nominally sensitive areas from the State's Historic Preservation Program review, under certain circumstances.

Act 296 – Expands the powers of the Hawaii Property Insurance Association and reactivates the Hawaii Hurricane Relief Fund to help stabilize the property insurance market in the State. Establishes the Condominium Loan Program and the Condominium Loan Revolving Fund, to be administered by the Hawaii Green Infrastructure Authority on behalf of the Department of Business, Economic Development, and Tourism, for the purpose of providing financing for essential repairs and deferred maintenance to condominium associations. Abolishes the Condominium Loan Revolving Fund on 6/30/2047. Establishes the Condominium Loan Loss Reserves Program to incentivize lenders to provide loans at competitive rates and terms to allow condominium associations to make necessary maintenance and repairs. Requires the Insurance Commissioner to conduct a study to develop long-term solutions to help stabilize the property insurance market in the State. Requires reports to the Legislature. Authorizes the issuance of reimbursable general obligation bonds to facilitate the initial issuance of policies to condominium associations. Appropriates funds. Takes effect July 1, 2025.

Act 303 – Requires the Department of Land and Natural Resources to establish an independent program relating to the prevention, control, and extinguishment of wildland fires within forest reserves. Authorizes the Administrator of Forestry and Wildlife to establish and maintain facilities for the performance of fire protection, fire prevention, pest control, and forest and range protection and enhancement activities. Allows the State Fire Council to amend the State Fire Code to require certain owners and occupants of properties and holders of easements located in hazardous fire areas to maintain effective firebreaks and to practice other fire prevention activities. Requires the Department of Land and Natural Resources to establish and implement the Community Fuels Reduction Project. Requires reports to the Legislature. Appropriates funds.

HCR 102 / HR 098 – Strongly urging the Real Estate Commission to allow for the administration of the real estate salesperson's examination in the Japanese language for purposes of issuing a limited real estate salesperson's license, for the sale of timeshare products in Hawaii, to Japanese national visitors for the purpose of enhancing Japan's involvement in and support of the Hawaii tourism industry.

LICENSING

For FY 2025, the total number of licensees was 17,963 compared to 19,839 in FY 2024. This represents a decrease of 9.5% from the previous FY. The number of real estate licensees has always been cyclical, with the all-time high of 26,090 licensees in 1990 and the lowest count in the past 26 years of 13,033 licensees in 1999.

FY 2025 PROGRAM OF WORK

Real Estate Recovery Fund (RERF) – The Commission administered the statutory requirements, contracts with consultant attorneys, notice of claims, court orders for payouts, dissemination of information, financial responsibilities of the RERF, records management, and the development of reports.

The Commission is the trustee of the RERF, which is intended to provide a measure of compensation to consumers injured by the fraud, misrepresentation, or deceit of real estate licensees. One of the primary statutory requirements for obtaining payment from the fund is notifying the Commission of the filing of a court action that may result in payment from the RERF.

During FY 2025, the Commission received one notification for claim on the fund (see, Chart 1) and made one payout in the amount of \$25,000 that came out of the recovery fund for FY 2025 (see, Chart 2). Since its inception in 1967, the RERF has paid out over two million dollars.

CHART 1. RECOVERY FUND NOTICES

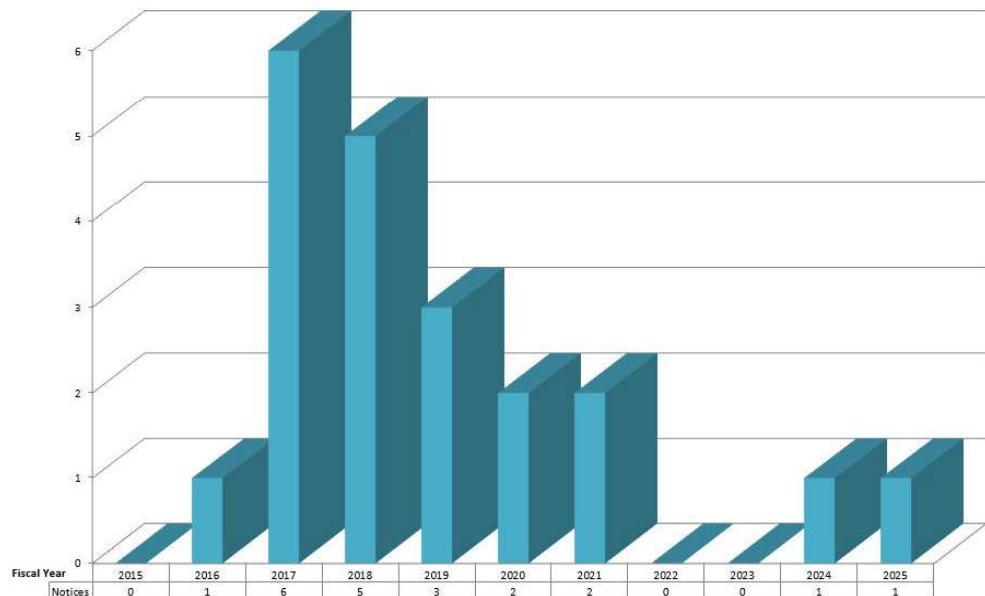


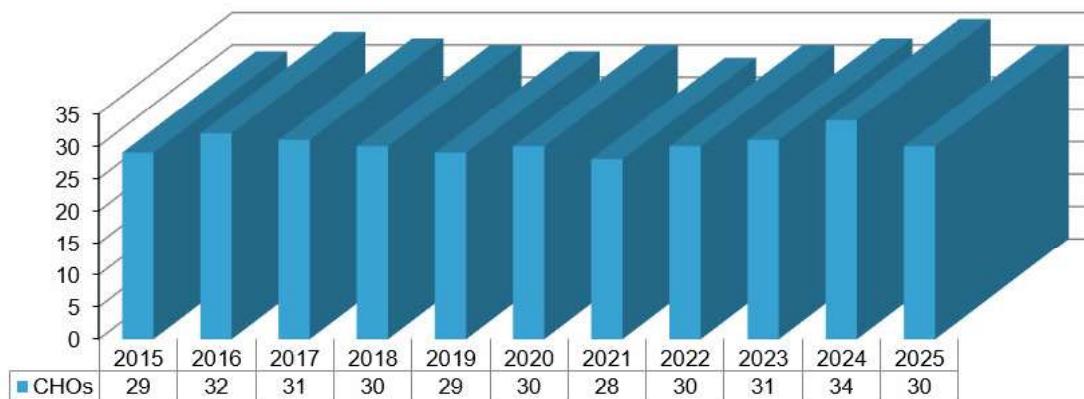
CHART 2. RECOVERY FUND- CLAIMS PAID



Real Estate Licensing Registration, and Certification – The Commission administered the licensing, registration, and certification requirements, including applications review and updates, policies, procedures, appeals, subpoenas, and requests for records under the Uniform Information Practice Act (UIPA), laws, rules, and procedures.

CHO Registration – Staff administered the registration, and certification requirements, including applications review, policies, procedures, appeals, subpoenas, and requests for records under the UIPA. Staff continued the administration of the registration program with the Licensing Branch. This FY, the Commission registered 30 CHOs (see, Chart 3).

CHART 3. CHO REGISTRATION



Advice, Education, and Referral – Staff responded and provided information to inquiries received via telephone, walk-ins, faxes, written correspondence, emails, and the Commission's website; printed and distributed Commission developed information; and responded to inquiries from government officials and the media.

Rulemaking, Hawaii Administrative Rules (HAR) Chapter 99 – The Commission is proceeding with the Legislative Reference Bureau's recommendation to separate the rules into three separate chapters. To address strong concerns raised by industry stakeholders, amendments to certain advertising rules are being developed and reviewed separately.

Meetings – The Commission, with support from staff, administered LRRC committee meetings as part of its monthly Commission meeting, as well as subcommittee and ad hoc committee meetings virtually.

Licensing Renewals – Staff continued implementation of the paperless renewal system and worked closely with the Licensing Branch to ensure its continued success.

Legislative and Government Participation – The Commission participated in the legislative session, provided briefings, and acted as a resource to legislators, government officials, and staff; researched and submitted testimony on bills and resolutions, including oral testimony; and assisted legislators and government officials in responding to the community.

Interactive Participation with Organizations – The Commission, as well as staff, actively participated with the Association of Real Estate License Law Officials (ARELLO) and local, Pacific Rim, national, and international organizations, and government agencies to exchange information and concerns, as well as share educational and research efforts, joint projects of mutual concern, and training.

Legislative Acts and Resolutions – The Commission reviewed, reported, and developed summaries of all related Acts and resolutions and implemented requirements of directly related Acts and resolutions.

Neighbor Island Outreach – Interested parties on the island of Hawaii was afforded the opportunity to actively participate in the Commission meeting in October as part of the Commission's monthly in-person meeting. Further, in collaboration with 'Olelo Broadcasting, the Commission broadcasted their monthly meetings through this public television station.

Review of Services and Organization – Staff analyzed and initiated steps to improve services, provided for effectiveness and efficiency, amended laws, rules, forms, and systems, and improved staffing, equipment, and organization. Staff also conducted meetings and exchanges with Licensing Branch personnel and the Professional and Vocational Licensing Division.

Application Processing and Forms – Staff studied and evaluated the processing of applications, evaluated, and amended forms and instructions, and assisted in mainframe computer programming issues. Staff also studied, reported on, and continued researching other electronic or computerized methods to improve application processing.

ARELLO National Disciplinary Action Data Bank – Staff continued participating in the ARELLO National Disciplinary Action Data Bank to assist in the background review of applicants and consumer protection in other jurisdictions.

Case Law Review Program – The Commission monitored, collected, and reported on case law, disciplinary actions, judgments, and decisions in Hawaii court cases, federal court cases, and other state court cases. The Commission further studied material cases to be considered for the Real Estate Commission Bulletin and the Commission website.

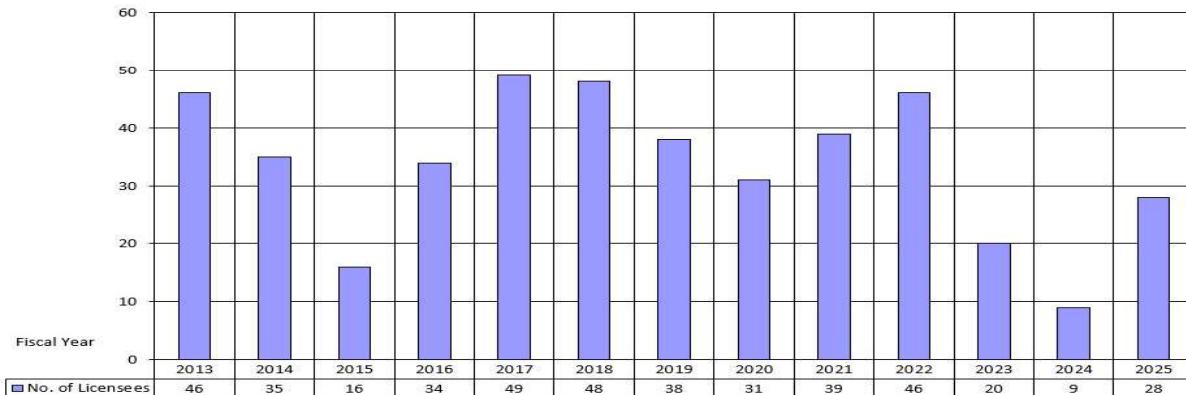
Commissioners Education Program – Staff researched and provided reference materials to commissioners and conducted periodic workshops for all commissioners.

Division and Department Programs – The Commission coordinated and worked with the Professional and Vocational Licensing Division (PVL), the DCCA, and others on programs of mutual concern through a joint program with the Education Review Committee and the Condominium Review Committee.

ADMINISTRATIVE ACTIONS

Disciplinary Actions – The Commission took disciplinary action against 28 licensees from July 2024 to June 2025. This number of licensees nearly tripled from the 9 licensees that were disciplined in FY 2024. Chart 4 provides historical information on the number of licensees disciplined by the Commission.

CHART 4. DISCIPLINARY ACTIONS

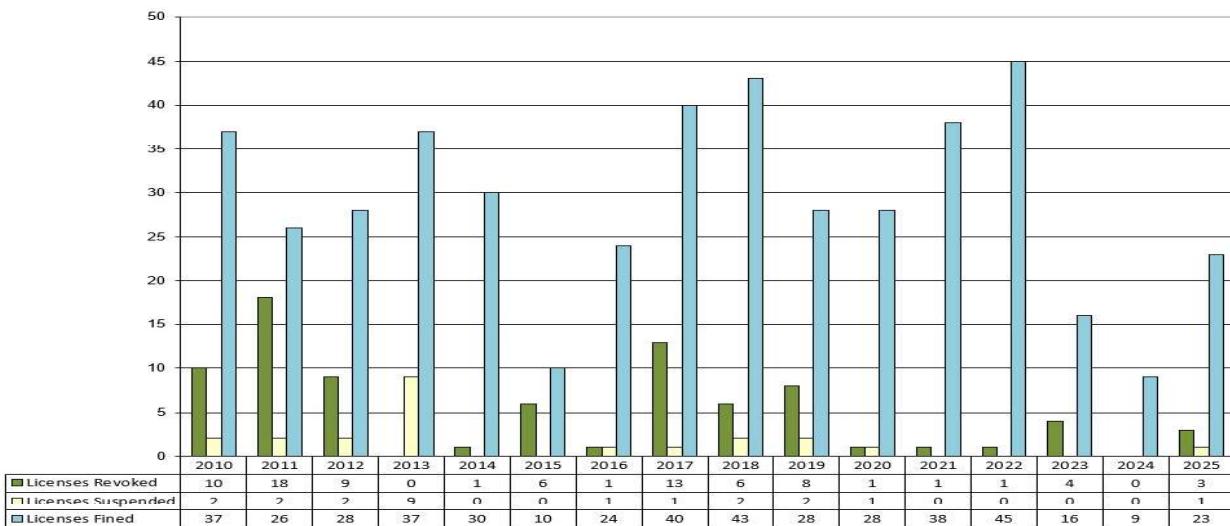


Fines totaling \$116,400 were assessed against licensees 28 (See, Table 1 & Chart 5).

Table 1 - Administrative Actions - FY 2025

No. of Licensees Disciplined	28
Licenses Revoked	3
Licenses Suspended	1
Licenses Fined	23
Licenses Voluntarily Surrendered	1
Total fines	\$116,400

CHART 5. ADMINISTRATIVE ACTIONS - SANCTIONS



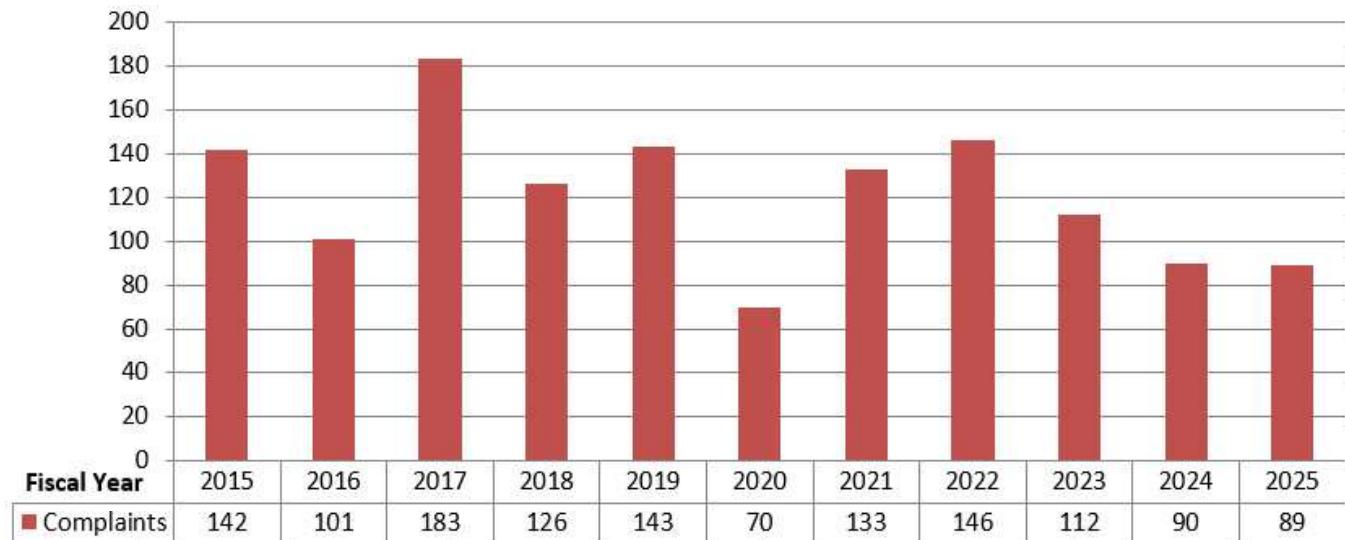
REGULATED INDUSTRIES COMPLAINTS OFFICE (RICO)

RICO receives, investigates, and prosecutes complaints against real estate licensees for violations of laws and rules. Complaints have fluctuated over the past 10 years with a 1% decrease in FY 2025. RICO received 89 real estate complaints in FY 2024, compared to 90 in FY 2024 (see, Chart 6).

Twenty- eight complaints are pending, and sixty-one complaints were addressed as follows:

- 22 Warning Letters
- 13 Insufficient Evidence
- 16 Legal Action
- 2 Unable to Proceed- Respondent deceased or unlocatable
- 1 No Violation
- 3 Education Contact
- 2 Withdrawn
- 2 Prior Action Taken

Chart 6. RICO COMPLAINTS (REAL ESTATE)



The top 5 alleged HRS Chapter 467 violations in RICO complaints:

1. §467-14(13) - Violating chapter 467; chapters 484, 514B, 514E, or 515; §516-71; or the rules adopted pursuant thereto.
2. §467-1.6(a) - The principal broker shall have direct management and supervision of the brokerage firm and its real estate licensees.
3. §467-14(8) – Any other conduct constituting fraudulent or dishonest dealings.

4. §467-7- No person within the purview of this chapter shall act as real estate broker or real estate salesperson, or shall advertise, or assume to act as real estate broker or real estate salesperson without a license previously obtained under and in compliance with this chapter and the rules and regulations of the real estate commission.
5. §467-14(1) – Making any misrepresentation concerning any real estate transaction.

The top 5 alleged HAR Chapter 99 violations in RICO complaints:

1. §16-99-3(b) - Licensee shall protect the public against fraud, misrepresentation, or unethical practices in the real estate field.
2. §16-99-3(f) - The licensee, for the protection of all parties with whom the licensee deals, shall see that financial obligations and commitments regarding real estate transactions, including real property rental management agreements, are in writing, express the exact agreements of the parties, and set forth essential terms and conditions, and that copies of those agreements, at the time they are executed, are placed in the hands of all parties involved.
3. §16-99-2- Definition- "Place of business" means the physical place where business is conducted other than a post office box, telephone, telephone answering service, letter or mail drop service, or motor vehicle within the State, and may include a home occupation office. The place of business shall conform with the permitted use under the zoning code of the county in which the place of business is situated and with any declarations, bylaws, house rules, recorded restrictions, or covenants that may govern the place of business. The commission may use as guidelines, but is not limited to, the following factors in finding that a brokerage firm is maintaining a place of business: physical presence of the broker during reasonable scheduled office hours; on-site maintenance of confidential clients' files which shall be immediately accessible to the commission upon request; the prominent display of the brokerage firm's name or trade name as licensed by the commission and the listing of the brokerage firm name where permissible in the building directory; the operation of the brokerage firm at a place of business directly accessible to the public; and the on-site maintenance of personnel and compensation records for all real estate salespersons and broker-salespersons employed by or associated with the brokerage firm. Client files as used in this definition include but is not limited to: real estate contracts, escrow records, trust account records, and confidential client data. "Place of business" does not include the operation of a place of business designed to evade the requirements of the definition as set forth in this paragraph. Each brokerage firm shall have one, and only one, principal place of business.
4. §16-99-3(n) - A brokerage firm shall maintain a principal place of business in this State at a business address registered with the commission from which the brokerage firm conducts business and where the brokerage firm's books and records are maintained.
5. §16-99-3(o) - Prior to the time the principal broker or the broker-in-charge is absent from the principal place of business for more than thirty calendar days, and

no other broker-in-charge is registered for the principal place of business, the principal broker shall submit to the commission a signed, written notification of the absence designating a temporary principal broker or temporary broker-in-charge, who shall acknowledge the temporary designation by signing the notification. In case of prolonged illness or death where the principal broker or broker-in-charge is unable to act, another broker shall be designated as the temporary principal broker or broker-in-charge within thirty days of the illness or death with appropriate notification and statement of a licensed medical doctor certifying to the commission the inability of the broker to practice.

FY 2026 PROGRAM OF WORK

- Real Estate Recovery Fund
- Real Estate Licensing, Registration & Certification Administration
- CHO Registration
- Education and Referral
- Rulemaking, HAR Chapter 99
- Subcommittees
- Meetings
- Licensing Renewals
- Legislative and Government Participation
- Interactive Participation with Organizations
- Legislative Acts and Resolutions
- Neighbor Island Outreach
- Review of Services and Organization
- Application Processing and Forms
- ARELLO National Disciplinary Action Data Bank
- Case Law Review Program
- Rulemaking, HAR Chapter 53
- Commissioners Education Program
- Division and Department Programs
- Housing and Urban Development/ ARELLO Fair Housing Agreement

EDUCATION REVIEW COMMITTEE REPORT

The Education Review Committee, for FY 2025, under the leadership of Chair Audrey Abe and Vice Chair Russell Kyono, continued to address important and varied education issues.

FY 2025 PROGRAM OF WORK

Continuing Education (CE) Core Course – The Commission researched and developed its core course and legislative updates for 2025-2026 Core Course, Part A – “Advertising, Agency, and Accountability – it’s your kuleana!” for the first year of the licensing biennium. Licensees have the option to take the core course in a traditional classroom format, remote/live format, where the instructor teaches the course in real time via webinar-type platforms, and independent study/online format.

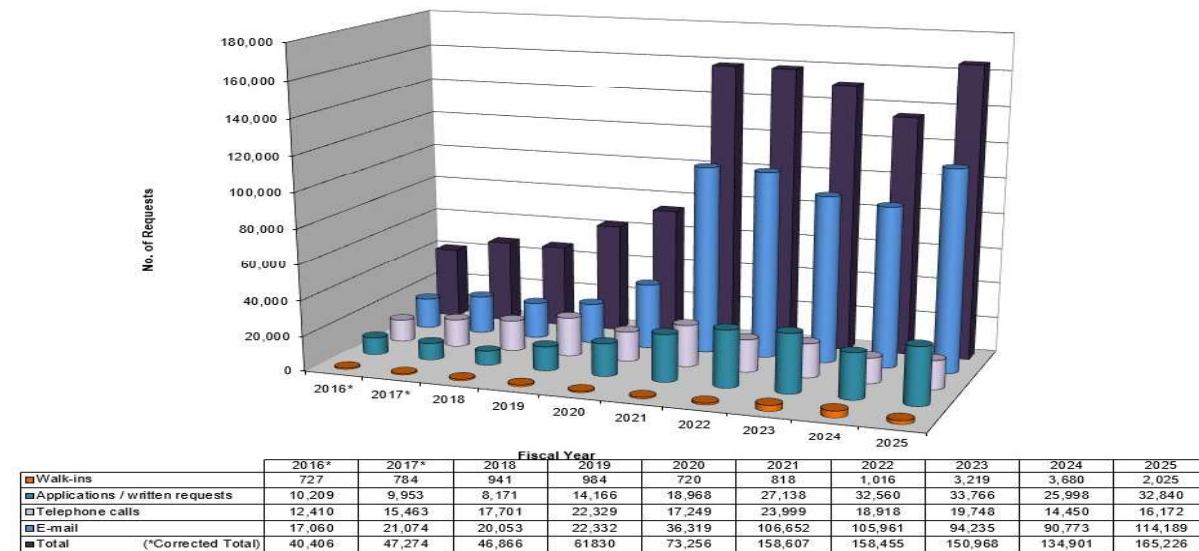
Salesperson Curriculum and Resources – The salesperson’s curriculum continued to be offered in the live classroom, remote/live, and independent study/online format.

Broker Curriculum and Resources – The current broker curriculum continued to be offered in the live classroom, remote/live, and independent study/online format.

Advice, Education, and Referral – Staff continued to provide advice, education, and referral to applicants, licensees, government officials, consumers, public, and organizations, including the research, reproduction of materials, and mailings. Staff developed a distribution system of educational and informational products for each principal broker and broker-in-charge. Staff also published and distributed educational and informational materials through the Commission’s website.

Staff continued to field a high number of telephone calls, walk-ins, written inquiries, faxes, and emails. For real estate, the FY produced 2,025 walk-in inquiries; 32,840 applications and written inquiries/requests; 16,172 telephone inquiries; and 114,189 emails (see, Chart 7).

CHART 7- INQUIRIES AND APPLICATIONS



Administration of Prelicense Education Program, Schools, and Instructors – The Commission provided administrative review and an approval process for applications, disseminated information regarding renewals and certification, and provided appropriate records management. It coordinated the instructor's examination program with its test administrator, PSI. The Education System provides electronic access to student registration, course completions, course schedules, and the ability to issue electronic school completion certificates.

Staff researched, developed, printed, and distributed School Files, a quarterly newsletter for educators. It provided schools, instructors, and CE providers' information on administrative procedures, changes in licensing laws, and other articles relevant to the delivery of real estate education. As with the Real Estate Commission Bulletin, School Files was published in print and electronic format. This was a joint program with the CE Program.

Administration of Examinations – The Commission administered the real estate licensing examination program, including contract administration with its test administrator, PSI, and provided information regarding the exam process, reviewed amendments to test candidate booklets, evaluated periodic examinations and reports and kept abreast of daily exams.

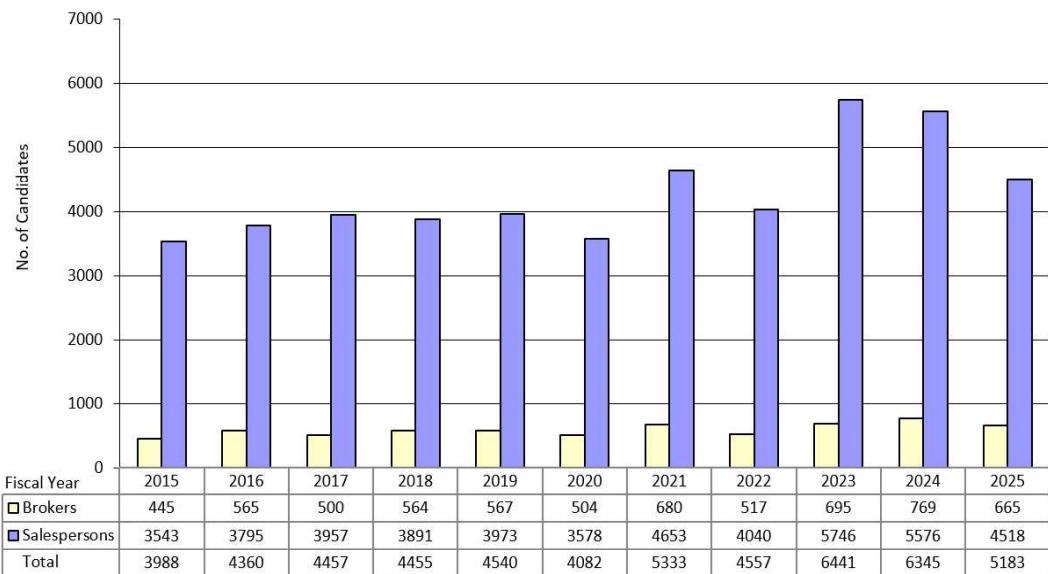
The annual PSI Industry Day took place virtually on September 6, 2024.

The Commission approved remote proctoring or remote testing and it successfully launched on January 21, 2021. The availability of remote proctoring was beneficial for license candidates, as testing could be accomplished in the candidates' own home, assuming the technology available was compatible with the PSI testing requirements. This FY, we saw a decrease of about 18.3% of candidates who took the examination compared to last fiscal year as shown in Table 2 and Chart 8 (see, page 20).

TABLE 2. REAL ESTATE LICENSING EXAMINATIONS

	FY 2024	FY 2025	% Change
Brokers Tested*	769	665	-13.5%
Salespersons Tested*	5576	4518	-19.0%
Total Tested	6345	5183	-18.3%
Brokers Passed**	304	258	-15.1%
Salespersons Passed**	1795	1497	-16.6%
Total Passed	2099	1755	-16.4%
% Brokers Pass*	39.5%	38.8%	
% Salespersons Pass*	32.2%	33.1%	
*First time and Retakers			
**National and/or State Portion			

CHART 8. LICENSING EXAMINATION CANDIDATES



Staff periodically monitors the examination administration on each island to assure facilities and procedures comply with PSI and Commission policies.

190 applications were approved for equivalency to the uniform section of the examination based on passage of the uniform section of another state's exam. This represents a 5.8% decrease from last FY's total of 201 approvals.

Administration of CE Program, Providers, and Courses – The Commission administered the CE program, including the registration of providers and certification of courses, and provided timely information and records management, as appropriate. The Commission also published a quarterly newsletter, School Files, exclusively for the real estate education community. It provided schools, instructors, and CE providers information on administrative procedures, changes in licensing laws, and other articles relevant to the delivery of real estate education. As with the Real Estate Commission Bulletin, School Files was published in print and electronic format.

Administration of CE Elective Courses – As a result of the COVID-19 pandemic, many previously approved classroom CE courses switched to a live webinar-based platform which was welcomed with much success. In addition, as restrictions eased up this fiscal year, CE providers were able to resume with in-person classroom offerings of CE courses.

The Commission provided administrative information to elective course providers and licensees, assisted providers in submissions, reviewed submitted applications, reviewed submitted curriculum, made recommendations, and assisted with records management. The new Education System continues to provide real estate licensees with the ability to view the number of CE hours required and earned for the current licensing period, their CE history, and the ability to search for future CE courses offered by approved CE providers. Real estate licensees are also able to access and reprint their own course completion certificates for the current and previous biennium.

Additionally, real estate principal brokers and brokers-in-charge can monitor and view current CE hours, CE history, and the license status of all licensees associated with the brokerage. This system is updated daily and allows principal brokers to stay accountable for their associated licensees.

Ad Hoc Committee on Education (ACE) – The Commission’s ACE reviewed, recommended, assisted in developing, updating, and administering education-related projects and CE. There were three ACE meetings during the fiscal year: February 14, April 17, and May 14, 2025. ACE assisted in developing the topic for the Commission’s 2025-2026 Core Course, Part A, “Advertising, Agency, and Accountability – it’s your kuleana!” All meetings were held via Zoom.

Meetings and Symposium – The Commission, with support from staff, administered the Education Review Committee (ERC) meetings as part of its monthly Commission meeting, as well as subcommittee and ad hoc committee meetings virtually.

Annual Report and Quarterly Bulletin – Staff researched, developed, and distributed the Commission’s Annual Report and quarterly Real Estate Commission Bulletin and continued contract administration with consultant and procurement code management.

The Commission continued to publish the Real Estate Commission Bulletin in a traditional newsletter format that was mailed to all current licensees, legislators, government officials, ARELLO jurisdictions, and other interested parties. It was also available in electronic format on the Commission’s website at www.hawaii.gov/hirec/. In contrast to the Real Estate Commission Bulletin, the Commission’s Annual Report is primarily an electronic publication. A limited number of printed copies were distributed to the Legislature and to the Governor. Interested licensees and members of the public can download and print the report from the Commission’s website.

Real Estate Education Fund – The Commission maintained and reviewed the budget, finance, and records for the Real Estate Education Fund; prepared quarterly and annual financial statements; prepared annual and biennial budgets, including contract administration and procurement code management.

Neighbor Island Outreach – The Commission conducted its October 25, 2024, meeting at the Hilo State Office Building, Department of Accounting and General Services conference room. Staff is exploring the option of in-person and virtual outreach meetings.

Interactive Participation with Other Organizations – The Commission continued its participation in events sponsored by local and national organizations. On a national level, the Commission continued its active participation with ARELLO and the Real Estate Educators Association (REEA). Participation in local, national, and international organizations offers an opportunity to learn about the latest issues, trends, and solutions in the industry, exchange information and concerns, share education and research efforts, joint projects of mutual concern, and training.

Instructors Development Workshops - This FY the Commission approved, “Gold Standard Instructor Development Workshops” by the Real Estate Educators Association, and “Training 101,” “Training 201,” “Training 301” or “Training 401” by Carmel Streater Courses, as fulfillment of an Instructor’s Development Workshop (IDW).

Legislative Participation, Research, and Report – The Commission researched, participated, and reported on requests by the Legislature, including resolutions, agreements, and issues of mutual concern.

Evaluation and Education System for CE and Prelicensing Instructors, Courses, Providers, and Schools – Currently, course and instructor evaluations are the responsibility of each CE Provider and Prelicense School. Record-keeping is required by each CE Provider and Prelicense School. As the new licensing education system continues to be developed, the hope is that the new system will allow for the evaluations to be electronically submitted.

Real Estate Specialists’ Office for the Day – The Real Estate Specialists’ Office for the Day provides staff the opportunity to meet in person with licensees, applicants, prospective licensees, and members of the public. Staff offered Office for the Day at the Commission’s October 25, 2024, meeting at the Hilo State Office Building, Department of Accounting and General Services conference room.

Real Estate Speakership Program – Subject to state government approvals and priorities, the Commission and staff honored requests to provide a speaker, a resource person, or an active participant in functions related to real estate education.

Prelicensing Education Equivalency Administration – The Commission administered applications for prelicensing education equivalencies, including consultation with ARELLO.

Uniform Section Equivalency for Licensing Examination – The Commission administered applications for equivalency to the uniform portion of the examination based on passage of the uniform portion of another state’s exam.

Technology and Website – Staff maintains the design and content of the Hawaii Real Estate Branch’s website (www.hawaii.gov/hirec/). The website is updated frequently to provide both licensees and the public the most current real estate information. The Commission’s website is available 7 days a week, 24 hours each day for information, forms, and applications.

Records Management – Staff evaluated, planned, reorganized, and implemented a computerized glossary of existing and future records and files that is centralized, consistent, and user-friendly.

Information Distribution System – Staff researched, developed, and implemented a centralized information distribution system for all education products produced by the Commission. Staff standardized policies and procedures for distribution, purchasing, copyright, specific permission copying, and generic permission copying of brochures, reports, and videotapes.

Cooperative Education, Research, and Administration Program – The Commission actively participated in and sponsored cooperative education, research, and administrative programs for branches and divisions and the Department of the Attorney General, all of which provided direct or indirect services to the Commission or were part of a real estate-related program.

Division and Department Programs – The Commission coordinated activities and programs of mutual concern with the PVL and DCCA.

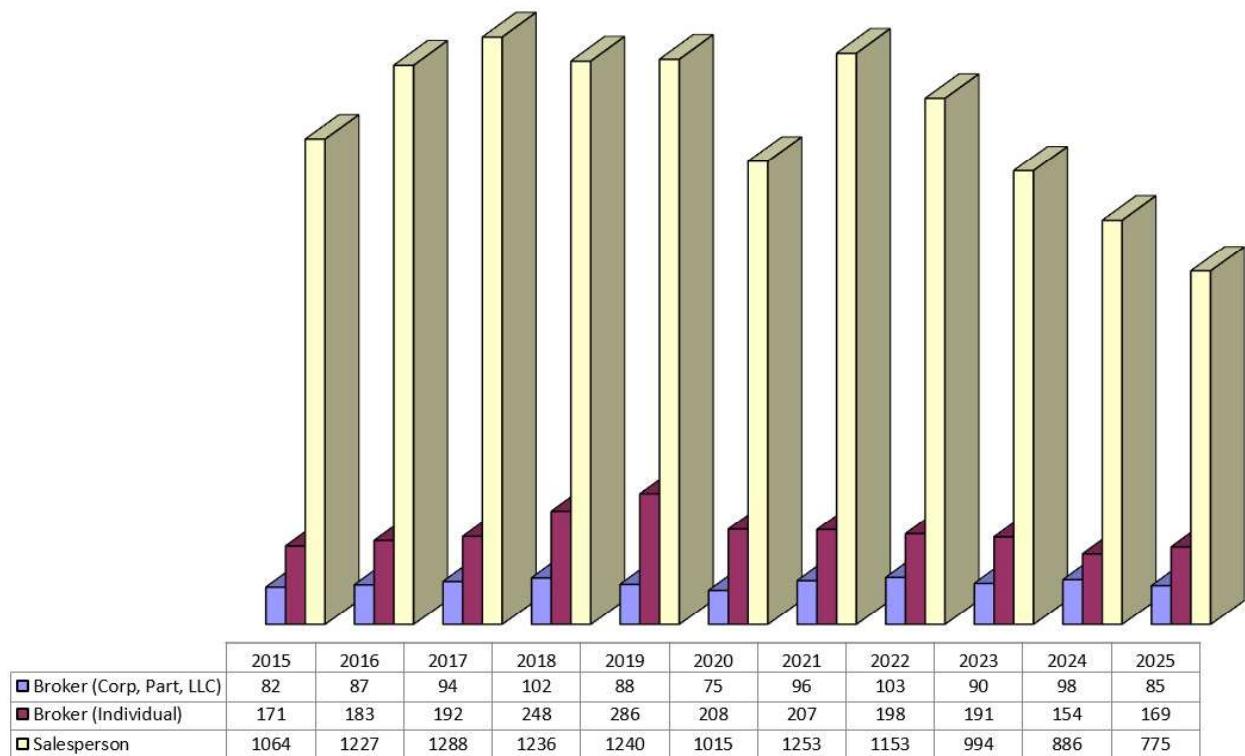
Staff and Commissioners Development – Staff developed and trained both staff and commissioners for better administration of the real estate programs. Commissioners and staff participated in training and educational opportunities provided by the REEA, ARELLO, Condominium Associations Institute, Council on Licensure, Enforcement and Regulation, and other organizations.

Real Estate Reference Library – The Commission subscribed and purchased real estate reference materials for public review.

LICENSEES

New Licenses – During FY 2025, 1,029 new licenses were issued, representing a decrease of 9.6% over the prior FY. New individual broker licenses increased by 9.7%, new salesperson licenses decreased by 12.5%, and new entity licenses decreased by 13.3% (see, Chart 9).

CHART 9. NEW REAL ESTATE LICENSES ISSUED



Current Licenses – The overall number of current real estate licenses decreased by 9.5% by the end of FY 2025. The number of active licenses decreased by 4.8%. The number of inactive licenses decreased by 23.5% in comparison to last FY. (See, Chart 10, Table 3, and Chart 11).

CHART 10. TOTAL REAL ESTATE LICENSEES

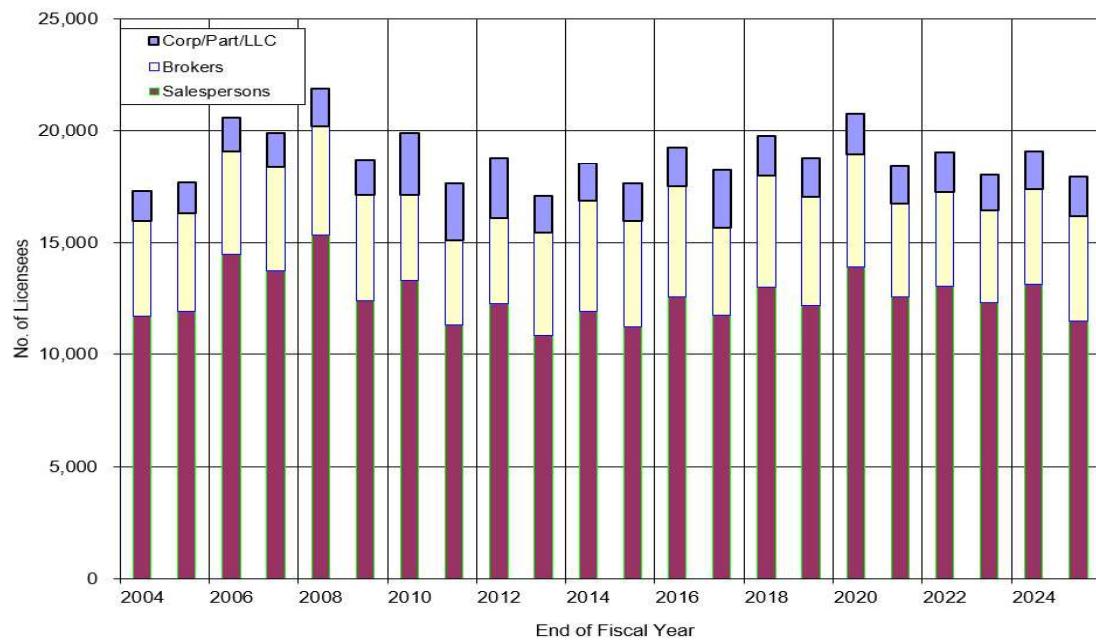
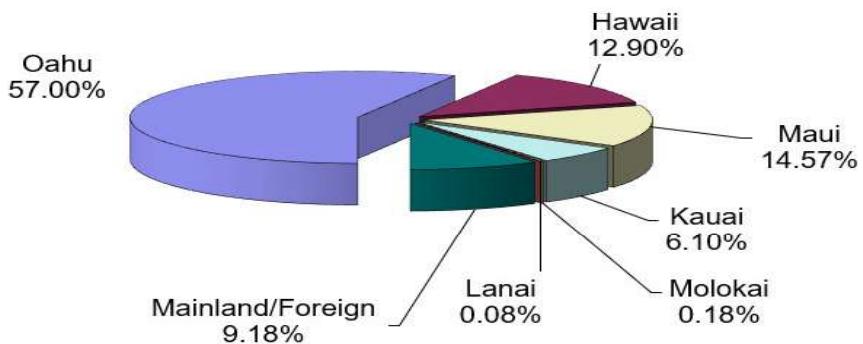


TABLE 3. CURRENT REAL ESTATE LICENSEES BY TYPE AND ISLAND

	Oahu	Hawaii	Maui	Kauai	Molokai	Lanai	Other	Total
Active								
Broker	2,017	526	515	233	7	3	233	3,534
Salesperson	4,932	1,125	1,338	499	14	7	441	8,356
Sole Proprietor	340	82	59	30	3	0	78	592
Corporation, Partnership, LLC	985	245	243	125	5	2	94	1,699
Total Active	8,274	1,978	2,155	887	29	12	846	14,181
Inactive								
Broker	211	34	44	20	0	0	236	545
Salesperson	1,721	301	408	185	3	2	557	3,177
Sole Proprietor	2	1	0	0	0	0	2	5
Corporation, Partnership, LLC	31	3	10	3	0	0	8	55
Total Inactive	1,965	339	462	208	3	2	803	3,782
Active and Inactive								
Broker	2,228	560	559	253	7	3	469	4,079
Salesperson	6,653	1,426	1,746	684	17	9	998	11,533
Sole Proprietor	342	83	59	30	3	0	80	597
Corporation, Partnership, LLC	1,016	248	253	128	5	2	102	1,754
Total	10,239	2,317	2,617	1,095	32	14	1,649	17,963

CHART 11. REAL ESTATE LICENSEES BY ISLAND



FY 26 PROGRAM OF WORK EDUCATION REVIEW COMMITTEE

- CE Core Course
- Salesperson Curriculum and Resources
- Broker Curriculum and Resources
- Education and Referral
- Administration or Prelicense Education Program, Schools, and Instructors
- Administration of Exams
- Administration of CE Elective Courses
- Ad Hoc Committee on Education
- Meetings and Symposium
- Annual Report and Quarterly Bulletin
- Real Estate Education Fund
- Neighbor Island Outreach
- Interactive Participation with Organizations
- Real Estate Seminars
- Legislative Participation, Research, and Report
- Instructor's Development Workshop
- Evaluation and Education System for CE and Prelicensing Instructors, Courses, Providers, and Schools
- Real Estate Specialists' Office for the Day
- Real Estate Speakership Program
- Prelicensing Education Equivalency Administration
- Uniform Section Equivalency of Prelicensing Examination
- Technology and Website
- Records Management
- Information Distribution System
- Cooperative Education, Research and Administration Program
- Division and Department Programs
- Staff and Commissioner Development
- Real Estate Reference Library

CONDOMINIUM REVIEW COMMITTEE REPORT

Under the leadership of Chair John Love and Vice Chair P. Denise La Costa, the Condominium Review Committee (CRC) oversaw the jurisdiction of condominiums governed by HRS chapter 514B, and the administration of condominium-related Programs of Work.

The CRC is a standing committee that holds monthly public meetings in which condominium issues are presented, discussed, examined, and considered. It is a working committee that handles various “nuts-and-bolts” issues affecting condominium living in Hawai‘i, ranging from the proper registration of condominium projects by developers, condominium association registration, the self-governing philosophy of condominium associations, and the ongoing education of unit owners.

Various members of the condominium community, including unit owners, board members, managing agents, developers, attorneys, educators, government officials, and others with condominium concerns participate in CRC meetings. Since the COVID-19 pandemic, CRC meetings have been held jointly with the monthly Commission meetings, where all condominium issues are discussed and considered.

The Commission is required to submit to the Legislature annually: (1) a summary of the programs funded during the prior fiscal year with monies from the Condominium Education Trust Fund (CETF) and the amount of money in the CETF, including a statement of which programs were directed specifically at the education of condominium owners; and (2) a copy of the budget for the current fiscal year, including summary information on programs that were funded or will be funded, the target audience for each program, and a line item reflecting the total amount collected from condominium associations.

Pursuant to HRS §514B-71, monies may be expended from the CETF for educational purposes, including financing or promoting:

1. Education and research in condominium management, condominium project registration, and real estate, to benefit the public and those required to be registered under HRS chapter 514B;
2. The improvement and more efficient administration of associations;
3. Expedited and inexpensive procedures for resolving association disputes;
4. Support for mediation of condominium-related disputes; and
5. Support for voluntary binding arbitration between parties in condominium-related disputes, pursuant to HRS §514B-162.5.

FY 2025 PROGRAM OF WORK

Condominium Laws and Education – With the assistance of stakeholder organizations, procured providers, and volunteers Statewide, educational programs will continue to be offered through electronic platforms, allowing remote participation by residents of all islands. The Commission continued its Statewide promotion and delivery of Commission-subsidized and procured seminars online, with videos of its past Condorama events available on its website for convenient viewing.

Among the Commission's recent offerings are 15 brief educational videos covering a variety of topics important to condominium unit owners and prospective purchasers. With continuous sales of condominiums in the real estate sales market, these videos provide unit owners and prospective purchasers an overview of communal living in condominiums. The videos, collectively titled the "Hawaii Condo Living Guide," are available on YouTube, the Commission's website, and the DCCA's social media accounts.

To keep current with new laws and policies, the Commission updated its existing educational materials, modified existing forms as necessary, reviewed instructions, informational sheets, procedures, evaluative processes, created new forms and brochures, and made improvements to instruction, curriculum, and other materials related to all aspects of condominiums.

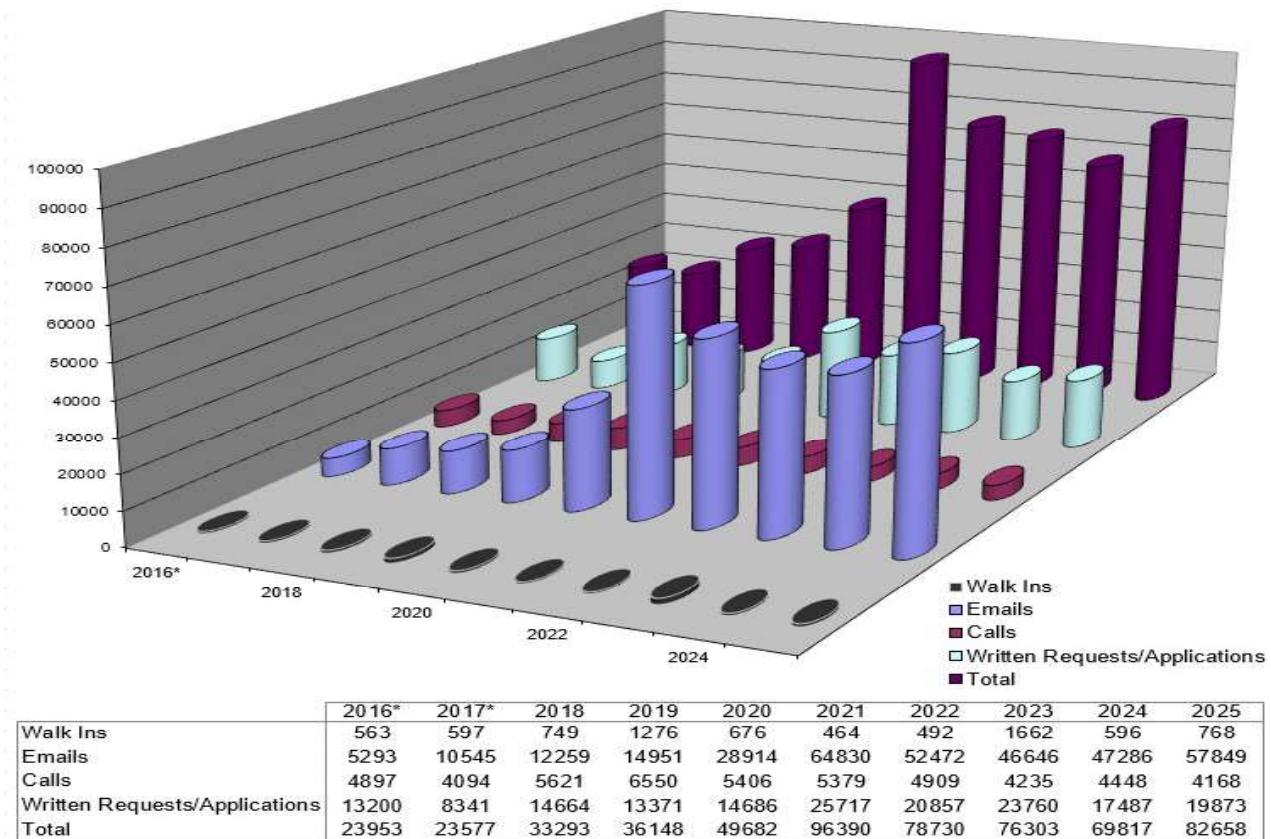
In the implementation of HRS chapter 514B, the CRC appreciates the continuing support of the condominium governance and development communities, practicing condominium attorneys, the Hawaii State Bar Association – Real Property Section, and members of the real estate industry. To these committed organizations and groups, the Commission extends a sincere mahalo.

Hawaii Condominium Bulletin – The Commission publishes a quarterly online bulletin for the condominium community. Through the procurement process, staff contracted for the design and online layout of the bulletin. This FY, the bulletins offered valuable information on topics involving condominium self-governance, such as obtaining association documents, participating in meetings of the association and board, the stabilization of the condominium insurance market through Act 296, SLH 2024, including tips for prospective purchasers to better understand the overall financial health of the condominium they plan to buy into. The bulletins also offered current reporting from the CRC chair, legislative updates, a calendar of upcoming meetings, and a quarterly summary of condominium mediations and arbitrations conducted.

Education and Referral – The Commission provided educational information to inquirers via telephone, in-person office visits, electronic communications, the Hawaii Condominium Bulletin, a variety of educational materials on the Commission's website, quarterly email subscriptions, procured seminars, and community outreach. Targeted recipients of educational efforts were condominium unit owners, prospective owners and purchasers, developers, real estate licensees, government officials, and other interested parties.

Staff continued to respond to a high number of requests for information, guidance, and referral from condominium owners and other interested persons. In FY 2025, Chart 12 shows the number of requests fielded by Commission staff to be 82,658.

CHART 12. CONDOMINIUM ADVICE, EDUCATION, AND REFERRAL



Condominium Project and Developer's Public Reports – Staff implemented and administered the condominium project registration program pursuant to HRS chapter 514B. With the assistance of its procured consultants, stakeholder organizations, volunteers, State and County agencies, and interested attorneys, the Commission evaluated and developed new processes, records, forms, informational documents, and considered rules relevant to the condominium project registration process. Commission staff assisted its consultants with condominium project registration issues and related tasks. Developer's public reports were made available and continue to be accessible for public viewing and copying via the Commission's website.

In FY 2025, the condominium consultants reviewed 203 condominium project files for issuance of effective dates for a developer's public report.

Staff planned for the electronic management of condominium project files, including the scanning of documents. The Commission worked alongside the condominium consultants to oversee the registration of condominium projects and issuance of effective dates for developer's public reports, which are mandated for public sales of condominium units (see Charts 13 through 15. and Table 4).

CHART 13. DEVELOPER'S PUBLIC REPORTS EFFECTIVE DATES ISSUED

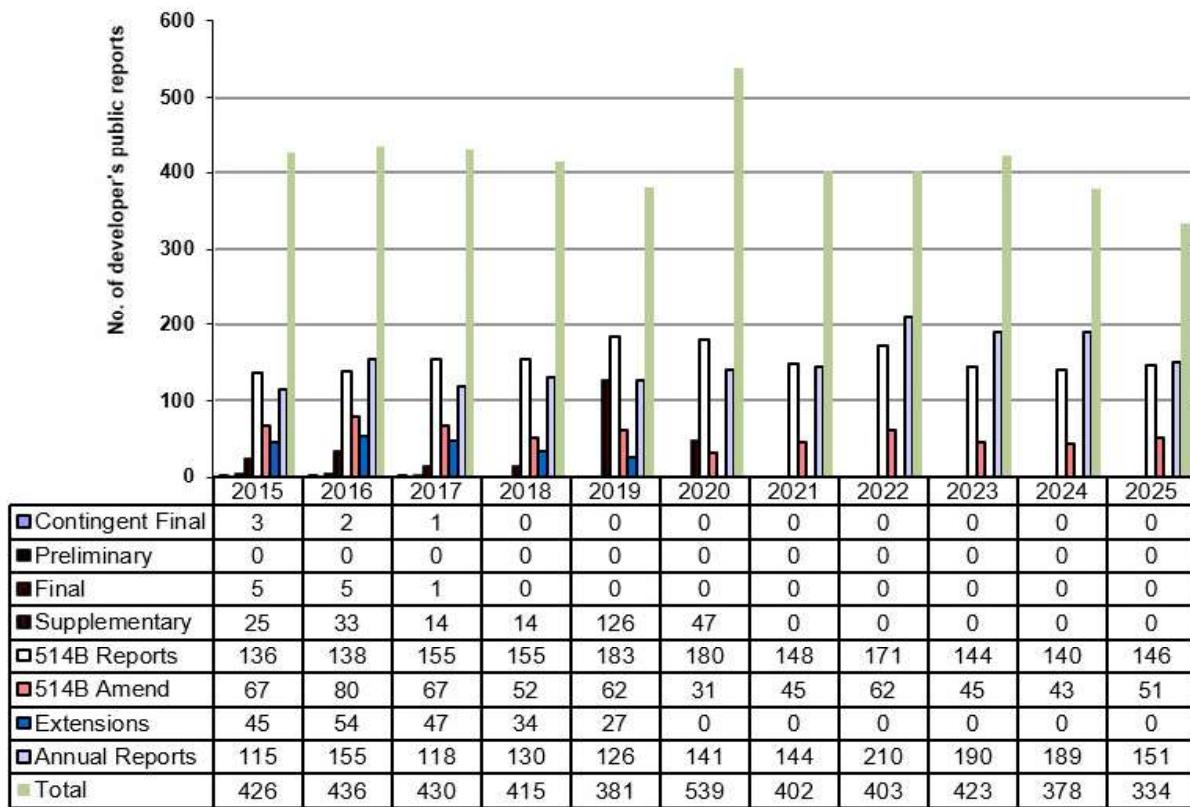


CHART 14. NEW AND CONVERSION PROJECT FILINGS OF DEVELOPER

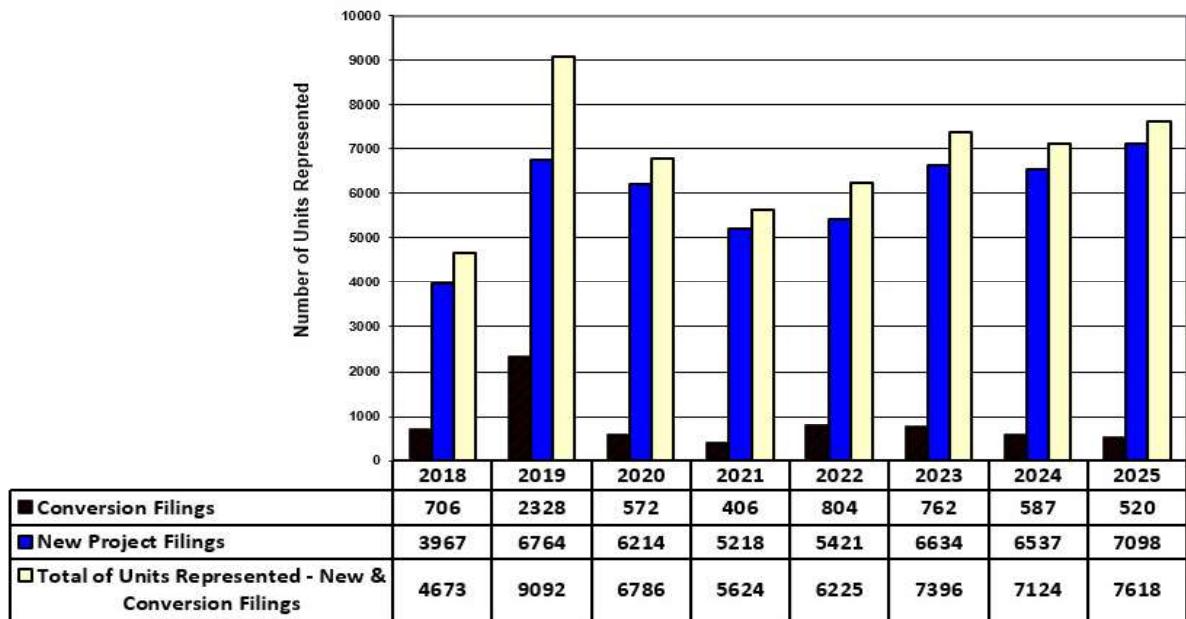


CHART 15. NEW RESIDENTIAL PROJECT BY SIZE

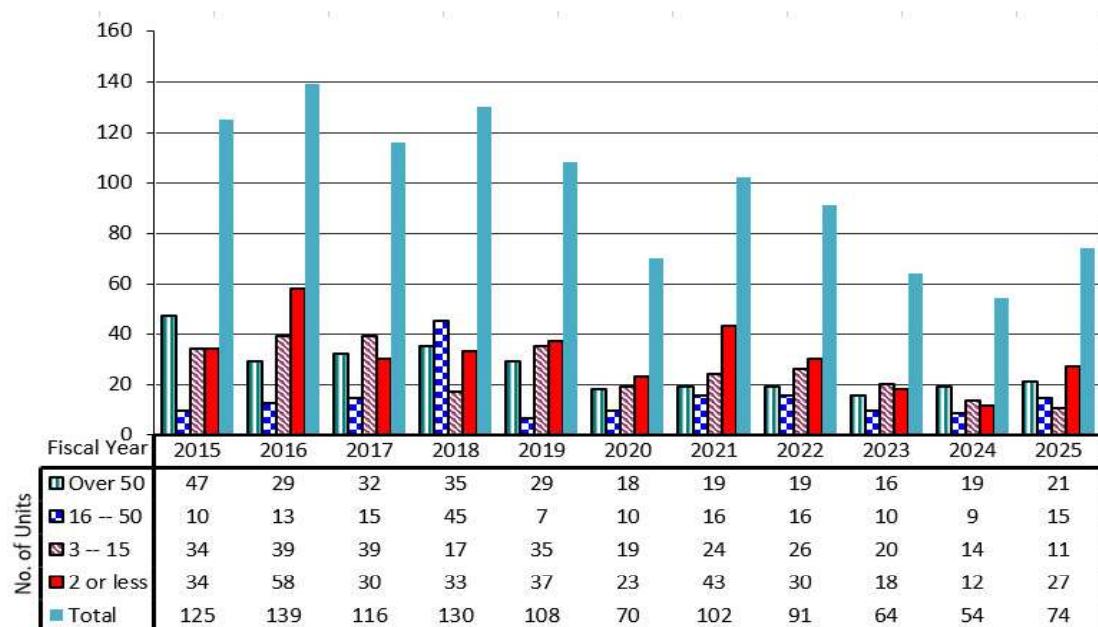


TABLE 4. CONDOMINIUM PROJECT FILINGS

New Projects	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Residential	125	139**	116	110	108	74	102	92	63	60	75
No. of Units Represented	8,175	5,374	6,978	3,583	5,629	5,417	4,885	4,547	6,081	6,012	6,432
Commercial and Other	9	4	4	4	9	7	4	8	5	3	7
No. of Units Represented	1,485	1,030	145	232	833	674	148	506	328	425	379
Agricultural	26	20	19	27	58	44	27	38	42	33	30
No. of Units Represented	55	123	211	152	302	123	185	368	225	100	287
Total New Projects	160	163	139	141	175	125	133	138	110	96	112
Total No. of Units Represented	9,715	6,527	7,334	3,967	6,764	6,214	5,218	5,421	6,634	6,537	7,098
<hr/>											
Conversions											
Residential	71	76	62	91	110	75	59	68	58	66	57
No. of Units Represented	596	365	332	481	1,532	386	331	456	244	532	140
Commercial and Other	3	4	4	4	4	2	1	3	3	1	3
No. of Units Represented	264	320	247	192	570	48	2	284	448	19	310
Agricultural	19	34	27	15	70	53	31	26	28	17	31
No. of Units Represented	77	110	58	33	226	138	73	64	70	36	70
Total Conversion Projects	93	114	93	110	184	130	91	97	89	84	91
Total No. of Units Represented	937	795	637	706	2,328	572	406	804	762	587	520
Combined New & Converted Project Filing:	253	277	232	251	359	255	244	235	199	180	203
Combined No. of Units Represented	10,652	7,322	7,971	4,673	9,092	6,786	5,624	6,225	7,396	7,124	7,618

* Total includes one (1) project that was either withdrawn or returned.

** Correction to the 2016 Annual Report

Note 1: Numbers and totals may differ from those reported in prior annual reports due in part to the change in the database management software.

Note 2: In mixed use condominium projects, the predominant use is reported. This is done to prevent the multiple counting of a project filing.

Condominium Mediation and Arbitration Program – Through the CETF, the Commission subsidizes mediation and voluntary binding arbitration programs on all islands for registered condominium associations and works with the various mediation and arbitration providers to provide information on alternative dispute resolution and mediation for unit owners, boards of directors, and condominium managing agents (see Charts 16 and 17). Brochures describing the types of mediation and arbitration, including provider contact information, are available on the Commission’s website. Each mediation or arbitration conducted provides disputing parties a neutral perspective on the issues in dispute, which parties do not receive through the adversarial process of litigation.

CHART 16. FACILITATIVE MEDIATIONS

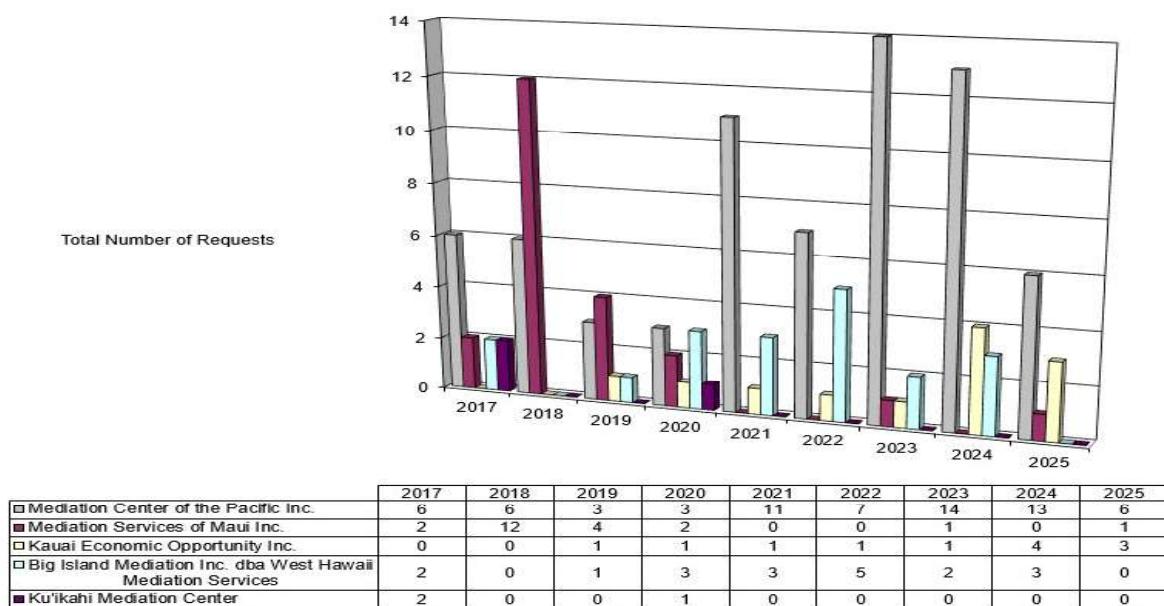
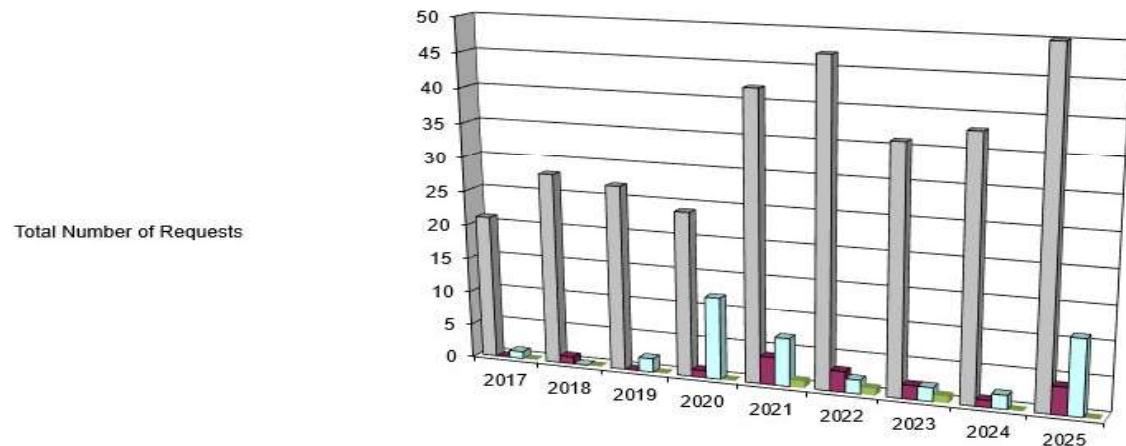


CHART 17. EVALUATIVE MEDIATIONS



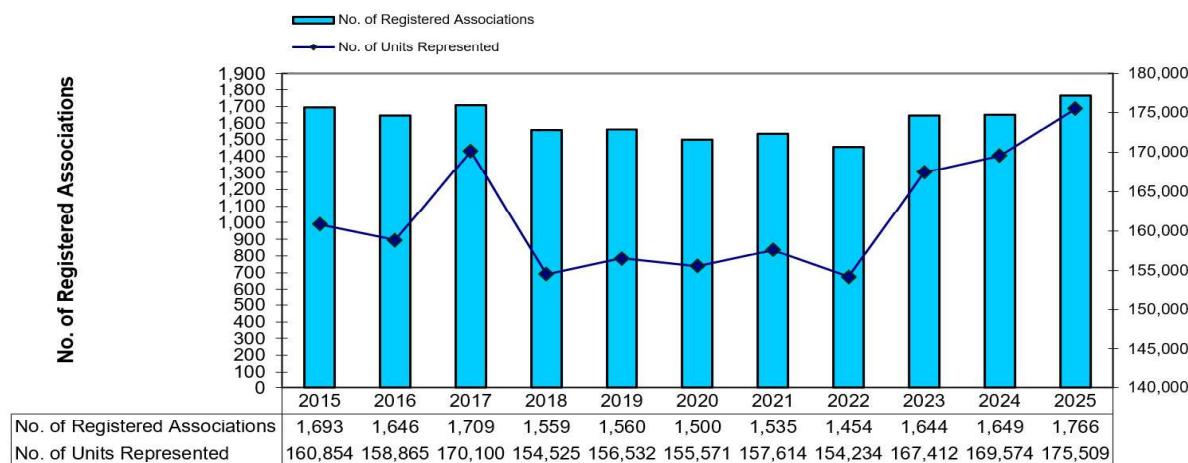
	2017	2018	2019	2020	2021	2022	2023	2024	2025
Dispute Prevention and Resolution	21	28	27	24	42	47	36	38	50
Lou Chang, A Law Corporation	0	1	0	1	4	3	2	1	4
Mediation Center Of The Pacific, Inc.	1	0	2	12	7	2	2	2	11
Charles Crumpton, Crumpton Collaborative Solutions LLC	0	0	0	0	1	1	1	0	0

Condominium Association Registration – The Commission conducted the condominium association registration program, pursuant to HRS §514B-103, which involves the review of submitted applications for compliance with statutory requirements and the Commission’s policies and procedures for registration. Registration requirements apply to condominium associations with six or more units. The Commission also considered appeals, subpoenas, and requests for records and copies of association registrations pursuant to HRS chapter 92F, and the Office of Information Practices’ (OIP) rules and procedures.

FY 2025 saw staff cure association registration deficiencies and contact unregistered condominium associations to assist them in completing the registration process.

Chart 18 shows the total number of registered condominium associations (1,766), including the number of representing units and their owners (175,509). The Commission continues to administer its association registration process online and compiled a list of all public contact information for registered associations on its website. In addition, the Commission responded to requests for registration lists, including neighbor island and/or zip code-specific requests, from various government agencies, industry groups, private companies, and individuals. Targeted lists were also provided to the Governor’s Executive and Legislative Condo and Property Insurance Task Force.

CHART 18. CONDOMINIUM ASSOCIATION REGISTRATION



Condominium Seminars and Symposiums – The Commission subsidized educational seminars for the condominium community using Commission staff, procured providers, and volunteer professionals from the condominium governance, development, and real estate community. For FY 2025, the Commission used CETF subsidies on:

- August 2024 – Reserves and Budgets
- September 2024 – Employment/Labor Law - Hiring, Firing, and Supervising
- October 2024 – Covenant Enforcement: Case Law Update
- January 2025 – Meetings, Meetings, and More Meetings, Oh My
- March 2025 – Major Project Management

- May 2025 – Where’s the Money - Association Funding
- June 2025 – Board Leadership Development - Full Day Program

In November 2024, Condorama XIII was held virtually for all interested owners in registered condominium associations. Over 384 persons registered for this free educational event, and an additional number of viewers watched the video of the event after its online posting. The featured topics for Condorama XIII were: “Types of Claims and Tips to Avoid Complaints,” and “Dealing with Violence in Associations.”

Furthermore, in April 2025, Condorama XIV was held virtually for all interested owners in registered condominium associations. Approximately 394 persons registered for this free educational event, and an additional number of viewers watched the video of the event after its online posting. The featured topics for Condorama XIV were: “Basics of Flood Insurance,” and “California Wildfires: Community Association Risk Management and Insurance in Hazardous Times.”

Condorama presenters are individuals recognized in the condominium community for their expertise in condominium law, property management, dispute resolution, parliamentary procedure, and condominium association insurance. Videos and handouts for these events, including past Condoramas, remain on the Commission’s website for handy review or printing

Ad Hoc Committee on Condominium Education and Research – The CRC administers this informal group of recognized individuals in the condominium community for the review, recommendation, and assistance in the review, development, and improvement of condominium educational programs on an as-needed basis.

Ad Hoc Committee on Condominium Association and Board Education – The CRC administers this informal group of recognized individuals in the condominium community for the review, recommendation, and assistance in compiling topics to comprise targeted educational curricula for condominium board members, unit owners, and prospective purchasers on an as-needed basis.

Ad Hoc Committee on Condominium Affairs and Solutions – The Commission and CRC created a new informal group comprised of condominium unit owners, board members, and industry professionals to assist the Commission, on an as-needed basis, in discussing and determining potential solutions on issues concerning condominiums in the State.

Condominium Managing Agent Registration – Staff continued to implement and update policies and procedures for condominium managing agent registration, pursuant to HRS §514B-132.

Rulemaking, HAR Chapters 107 and 119 - The Commission published notice and held a public hearing on its proposed rules. Following the public hearing, the Commission reviewed and thoroughly considered all received testimony. To address concerns raised in testimony, the Commission moved to adopt a revised draft of its proposed rules.

Meetings – The Commission plans, coordinates, and conducts CRC meetings as a part of its monthly Commission meetings. All meetings and agendas are posted on the Commission’s website. Meetings are open to public participation and provide a forum for the condominium community to bring issues before the Commission and CRC, as well as to learn about the variety of issues affecting condominium living in Hawai‘i. Meetings of the Commission and the CRC are streamed live and interested residents may watch the meetings through ‘Ōlelo Community Media.

Government and Legislative Participation and Report – The Commission participated in all aspects of the legislative process, including the review and research of proposed legislation and resolutions relevant to condominium association governance and condominium project development; responding to, and meeting with legislators; and attending hearings and providing testimony, as appropriate. Staff also monitored and tracked all condominium-related bills for report to the Commission.

Assigned Commission staff continue to participate in the Condominium Property Regime Task Force and the Planned Community Association Oversight Task Force established by Act 189, SLH 2023. Commission staff also participated and attended meetings of the Governor’s Executive and Legislative Condo and Property Insurance Task Force.

The Commission distributed its Annual Report to the Legislature on CETF programs and funds and posted the report to the Commission’s website.

Legislative Acts and Resolutions – The enactment of Acts pertaining to condominiums impact the CRC’s Advice, Education, and Referral Program of Work. The 2025 legislative session adjourned with several condominium bills enacted into law see below and on pages 9-10:

Act 224 – Allows an individual wastewater system to serve up to five bedrooms, regardless of the number of dwellings, dwelling units, or accessory units, whether attached or detached, with certain exclusions.

The Commission prepared revised, unofficial copies of HRS chapter 514B, as amended, and related administrative rules for posting on its website. A limited number of hard copies of the statute and rules were printed for distribution.

Interactive Participation with Organizations – The Commission participated in education and research efforts with local and national organizations, and government agencies through joint training and meetings with condominium groups including the Hawai‘i State Bar Association, CAI Hawaii, CAI National, the Hawaii Council of Community Associations, and property management companies. Participation with agencies and organizations helped to disseminate information to unit owners about the Commission’s educational programs, as well as directly educating the condominium community on HRS chapter 514B.

Neighbor Island Outreach – The switch to remote training events due to the pandemic allowed all interested persons on the neighbor islands the opportunity to participate in

all meetings and educational offerings sponsored by the Commission and outside condominium groups. Residents of all islands are also able to watch live streams of Commission meetings through 'Ōlelo Community Media.

In October 2024, the Commission physically conducted its scheduled meeting in Hilo.

CETF – This FY, the Commission administered the CETF for educational purposes, pursuant to HRS §514B-71. The Commission prepared, maintained, and reviewed quarterly and annual financial statements, budget and finance reports of the CETF.

Consumer Education – The education of prospective purchasers, new unit owners, and existing unit owners of condominiums is an ongoing priority for the Commission. To provide education to these groups, the Commission posted on its website informational videos, subject-specific brochures, owner and board member handbooks, the quarterly Hawaii Condominium Bulletin, a quarterly newsletter emailed to subscribers, and a link to frequently asked questions.

The Commission also reached out to the real estate industry and property management companies for additional outreach. This FY, Commission staff also participated in town halls and outreach events before condominium industry groups, property management firms, and the Hawai'i State Bar Association. Appearances included panel and solo presentations on topics such as condo governance, encouraging owner participation, board training, managing disputes, and legislative updates.

The Commission's statutory mandate is primarily focused on educating consumers on condominium self-governance issues, which is the basis of the Hawai'i condominium law. The Commission accomplishes this by procuring presenters for Commission-sponsored seminars, creating educational materials such as short informative videos, quick-read brochures for online and hardcopy availability, and producing no-fee educational seminars. Additionally, the Commission responds to telephone, email, and written inquiries from the public and the Legislature on behalf of their constituents.

The Commission continues to provide quality condominium-related education and outreach consistent with current public health guidelines.

Rulemaking, HAR Chapter 53 – The Commission is working with the PVL Licensing Administrator in the review and update of HAR chapter 53 fees relating to condominium project registration, condominium association registration, and the CETF.

Condominium Property Regime Project Workshop and Meetings – Through individual meetings with Commission staff, memoranda, and individual conferences, the condominium consultants are kept current with laws and Commission policies. The consultants assist the Commission in reviewing condominium project registration documents for Commission issuance of an effective date for a public report at which time developer sales to the public may begin. Consultants also share and discuss with Commission staff about common issues they face in their document review and in their dealings with the various counties.

Condominium Specialists' Office for the Day - Condominium Specialists will maintain their contact with neighbor island condominium owners and respective RICO staff through telephone and email. Commission meetings are now livestreamed by 'Ōlelo

Community Media and may be viewed by residents of all islands; however, the Commission is re-examining specialists' attendance in the neighbor islands.

Condominium Speakership Program – Subject to administrative approvals and priorities, the Commission honors requests to provide a speaker, resource person, or participant in a function related to condominium education in the areas of condominium governance or condominium project registration. This FY, Real Estate Branch staff appeared at diverse condominium forums to discuss topics related to HRS chapter 514B.

Technology and Website - The Commission maintained its website for public interaction and education, which remains vital in a post-pandemic environment. The website is regularly updated for ease of navigation and to include up-to-date information.

The Commission's email subscription service was created in 2015 and has over 1,712 subscribers at this time. Each quarter, the service provides consumers with current information on the condominium law, legislative updates, links to educational materials, events in the condominium community, and other pertinent news on the Commission website.

The Commission also maintained and updated the electronic storage of materials, which provides online access to the developer's public reports, condominium association registration data, and other information. The Commission uploads electronic and fillable forms on its website for condominium developers, association registration, condominium hotel operator and condominium managing agent registration to complete. These forms are evaluated and amended to meet current statutory requirements.

To accomplish the Commission's long-range goal of providing all condominium information online, staff continues to study the feasibility of establishing a central depository for all association governing documents on the Commission's website, including minutes of association meetings.

Case Law Review Program – The Commission monitors, collects, and reports on relevant state and federal case law, administrative decisions, and policies and procedures. Staff reports to the Commission on relevant governance and project development case law affecting the condominium community.

Start-up Kit for New Association of Unit Owners and New Condominium

Managing Agents – Newly registered Associations of Unit Owners received start-up kits developed by Commission staff. The kits include unofficial copies of HRS chapter 514B, administrative rules, and guides on topics pertinent to the condominium community, such as the importance of having sufficient reserves and the rights and obligations of board members and condominium owners.

Records Management – Commission staff evaluated, planned, and implemented a centralized electronic glossary of existing and future educational materials, records, developer's public reports, and related files. Staff continues to maintain and update the scanning and electronic storage of records.

Cooperative Education Research and Administrative Program – The Commission considered requests to participate in, or sponsor, joint educational research and outreach with persons or groups providing direct or indirect services to the Commission's condominium association governance and project registration programs.

Division and Department Program – The Commission participated and helped coordinate activities and programs of mutual concern with the DCCA Director's Office, PVL, and RICO.

Staff and Commissioners Development – Materials were developed to train Commissioners and staff in the administration of the Commission's ongoing condominium programs. Training and educational opportunities were provided by Commission staff, local condominium and real estate industry groups, and their national counterparts.

Condominium Reference Library – Staff maintained at the Real Estate Branch office and on the Commission's website a catalog of reference materials provided to the Hawaii State Public Library System in areas with a high concentration of condominiums.

NOTE: This fiscal year, the following previously summarized programs benefited condominium owners and/or educated condominium owners:

- Condominium Laws and Education
- Advice, Education, and Referral
- Hawaii Condominium Bulletin
- Rulemaking, Chapters 107 and 119
- Meetings
- Government and Legislative Participation and Report
- Legislative Acts and Resolutions
- Interactive Participation with Organizations
- Neighbor Island Outreach
- CETF
- Consumer Education
- Condominium Specialists' Office for the Day
- Technology and Website
- Start-up Kit for New Association of Unit Owners and New Condominium Managing Agents
- Cooperative Education, Research, and Administrative Program
- Condominium Reference Library
- Condominium Mediation and Arbitration Program
- Condominium Association Registration
- Condominium Seminars and Symposiums

FY 2026 PROGRAM OF WORK

Condominium Laws and Education – The Commission will continue to offer its educational programs and events through electronic platforms providing residents of all islands opportunities to learn and participate in a safe environment.

The Commission will continue to update the condominium community on relevant changes to the condominium law through its educational programs and post information on its website, quarterly email notices, and in the Condominium and Real Estate Bulletins on current events affecting the condominium community. With input from stakeholder organizations and volunteers, the Commission will also revise its forms, instructional and informational sheets, and educational materials, as appropriate.

Education and Referral – On behalf of the Commission, staff will provide educational information to the condominium community via telephone, in-person office visits, email and written correspondence, the Hawaii Condominium Bulletin, quarterly subscriber emails, and educational videos and materials on the Commission's website.

Through procured providers delivering education remotely, the Commission will continue educating condominium consumers. With these ongoing efforts, the Commission will maintain its educational emphasis on the condominium law and the law's guiding philosophy of self-governance and majority rule by the owners.

Condominium Project and Developer's Public Reports – The Commission will assist developers and the condominium development community in processing documents for the issuance of effective dates on developer's public reports so units may be legally sold to the public, pursuant to HRS chapter 514B. With input from stakeholders and other government agencies, staff will refine the electronic fillable developer's public report forms and develop new processes, records, forms, information documents, and rules relating to condominium project registrations, as appropriate. Where necessary, the Commission will procure additional condominium consultants to assist with the review of documents and information submitted to the Commission in conjunction with condominium project registration requirements. Staff will conduct orientation sessions for all new consultants, including yearly informational meetings for all consultants. The Commission will monitor consultants' performance under their contracts.

Staff will make developer's public reports available for public viewing and copying via the Commission's website. Commission decisions related to developer's public reports and condominium project development issues will continue to be made available to the public, consultants, and other interested persons. Staff will respond to subpoenas and requests for viewing condominium project files in accordance with HRS chapter 92F. For condominium project registrations, the Commission will study and research an evaluation and review process that includes the electronic administration of developer's public reports and scanning of documents. The Commission will monitor all legislation relevant to condominium project registration, including regulations of land and agricultural use on neighbor islands for any potential impact upon condominium developers and the public report process.

Hawaii Condominium Bulletin – The Commission will continue the online publication of its quarterly bulletin dedicated to educating condominium owners and interested persons on current issues relevant to condominium living in Hawai‘i. Staff will continue the management and administration of this program with a procured independent contractor assisting in the layout and design of the bulletin.

Condominium Mediation and Voluntary Binding Arbitration Program – Through the CETF, the Commission will subsidize and monitor the ongoing delivery of its mediation and voluntary binding arbitration programs by private providers. Staff will monitor the contracted mediation and arbitration providers and collect statistics on its use for educational and annual report purposes. The Commission will promote mediation and voluntary binding arbitration as a primary means of dispute resolution.

Condominium Association Registration – Staff will continue processing deficiencies and incomplete applications from the 2025-2027 registration period and administer the online registration of condominium associations. In preparation for the 2027-2029 biennial registration period, staff will review registration policies, procedures, forms, and appeals for appropriate updates. The Commission will respond to subpoenas and requests for records relating to association registration, consistent with OIP laws, rules, and procedures. The Commission will continue to respond to requests for data-specific lists of association registrations.

All public association registration and appropriate contact information will continue to be posted on the Commission’s website, with pre-printed lists available upon request.

Condominium Seminars and Symposiums – The Commission will produce seminars for the condominium community through procured contracts with various providers and will procure additional providers on timely and relevant topics as needed. Presentations will be provided on electronic video platforms for neighbor-island accessibility. Where funds are available, the Commission will continue to administer CETF subsidies for Commission-approved seminars, provided public health requirements can be met. The Commission will consult with its CRC educational ad hoc advisory group to provide recommendations and input on CRC educational programs as needed.

Ad Hoc Committee on Condominium Education and Research – The Commission will continue to administer and consult with this group, on an as-needed basis, for recommendations and input to create new CRC educational materials and programs.

Ad Hoc Committee on Condominium Association and Board Education – The Commission will continue to administer and consult with this group, on an as-needed basis, for recommendations on educational course topics for targeted education, including the development and administration of course curricula.

Ad Hoc Committee on Condominium Affairs and Solutions – The Commission will continue to administer and consult with this group, on an as-needed basis, for dialogue on potential solutions for issues concerning condominiums in the State.

Condominium Managing Agents Registration – Pursuant to HRS §514B-132, the Commission will administer the registration requirements for condominium managing agents and evaluate its policies and procedures for appropriate updates.

Rulemaking, HAR Chapters 107 and 119 – The Commission’s revised draft rules will be reviewed by the Small Business Regulatory Review Board (post-public hearing), Department of the Attorney General, Department of Budget and Finance, Department of Business, Economic Development and Tourism, and lastly, by the Governor.

Meetings – With support from staff, the Commission will plan, coordinate, and conduct monthly meetings to allow interested persons to participate. The schedule of meetings and agendas will be posted on the Commission’s website, and meeting minutes will be stored as a searchable PDF format.

Government and Legislative Participation and Report – The Commission will participate in all aspects of the legislative process, including the review and research of proposed legislation and resolutions relevant to condominium association governance and condominium project development; responding to, and meeting with legislators; and attending hearings and providing testimony, as appropriate.

Act 149 (2023) – The Commission will continue working with its Ad Hoc Committee on Condominium Association and Board Education to develop and administer an educational curriculum for leadership training to condominium board members, including a separate educational curriculum for condominium unit owners and prospective purchasers.

Act 189 (2023) – Assigned Commission staff will continue participating in the Planned Community Association Oversight Task Force and Condominium Property Regime Task Force as established by this Act.

Legislative Acts and Resolutions – The Commission will review, report, and develop summaries on all relevant legislation proposed in the 2026 legislative session and implement any required changes to the Commission’s policies and procedures as a result of new legislation.

Interactive Participation with Organizations – The Commission and staff will participate with local and national organizations and government agencies to exchange and share information, research, and educational efforts, including joint projects, of mutual concern. Staff will attend in-person and virtual meetings with organizations, including ARELLO, CAI National, CAI Hawaii, HCCA, the Hawaii State Bar Association, property management companies, and other state agencies, as funding allows.

Neighbor Island Outreach – All interested persons on the neighbor islands will be able to watch live streams of Commission meetings through 'Ōlelo Community Media.

CETF – Pursuant to HRS §514B-71, the Commission will administer the funds for educationally defined purposes. The Commission prepares, maintains, and reviews quarterly and annual financial statements, and budget and finance records for the CETF.

Consumer Education – In addition to its existing focus on condominium governance issues, the Commission will work to strengthen a consumer education program about initial project sales and re-sales targeting prospective purchasers of condominium units. The Commission will maintain and update its existing educational materials

online at its website. As appropriate, educational seminars will be administered virtually using electronic platforms to consider the health and safety of all participants.

Rulemaking, HAR Chapter 53 – The Commission will monitor, review, research, and make recommendations on rule amendments for fees through coordination with the DCCA and the Licensing Administrator.

Condominium Property Regime Project Workshop and Meetings – This FY, staff will conduct sessions and forums for condominium consultants for the purposes of orientation and information, including a review of issues presented in project file reviews. Forums will be conducted in hybrid format (virtual and in-person), and will cover issues raised by developers, attorneys, and condominium consultants regarding the ongoing implementation of HRS chapter 514B, relating to the issuance of developer's public reports.

Condominium Specialists' Office for the Day – Condominium Specialists will maintain their contact with neighbor island condominium owners and respective RICO staff through telephone and electronic mail. Commission meetings will continue to be livestreamed by 'Olelo Community Media and may be viewed by residents of all islands, however, in consideration of the lifting of State travel restrictions, the Commission will re-examine specialists' physical attendance in the neighbor islands.

Condominium Speakership Program – The Commission honors requests to provide a speaker or resource person, or to participate in a function related to condominium education in accordance with HRS chapter 514B. Through the Condominium Education Specialist position, the Commission has the ability to reach more condominium community members and groups in fulfillment of its educational mandate.

Technology and Website – The Commission will maintain and update its website for public interaction and education, including the electronic storage and public availability of developer's public reports and condominium association registration data.

Staff will post and make the developer's public report form and other related forms electronically downloadable and fillable. The forms will be evaluated and amended throughout this FY to meet implementation challenges that may arise. The Commission will assess its long-range goal of providing all public condominium information online and the feasibility of providing associations with a central depository for all governing documents on the Commission's website, including minutes of association meetings.

The Commission will continue to post all completed association registrations at its site for public viewing and provide quarterly condominium updates through its online email subscription service to maintain the educational focus of its website.

Case Law Review Program – The Commission will monitor relevant state and federal case law and administrative decisions, policies, and procedures, including relevant governance and project development case law.

Start-up Kit for New Association of Unit Owners and New Condominium Managing Agents – Staff will distribute start-up kits to newly registered Association of Unit Owners and Condominium Managing Agents, including unofficial copies of HRS

chapter 514B, administrative rules, and guides pertaining to owner rights and responsibilities, board of directors and budgets and reserves.

Records Management – Staff will evaluate, plan, reorganize, and implement a centralized, consistent, user-friendly, and computerized glossary of existing and future educational materials, records, developer's public reports, and project files. Meeting minutes and developer's public reports will be electronically scanned and stored.

Cooperative Education, Research, and Administrative Program – The Commission will actively participate and sponsor cooperative education, research, and administrative programs for the DCCA and the Department of the Attorney General, all of which provide direct and indirect services to the Commission, its CETF, or condominium project registration responsibilities.

Division and Department Program – The Commission will coordinate activities and programs of mutual concern within DCCA for the PVL, RICO, and the Director's Office, including positions on HRS chapters 436B, 467, and 514B, and monitor the interaction and effect of other regulatory laws and rules on HRS chapter 514B.

Staff and Commissioners Development – Training for staff and commissioners will be conducted as funds and health and safety protocols allow to maintain the efficient provision of services to the condominium community. Staff and commissioners will take advantage of virtual training and educational opportunities provided by the Real Estate Educators Association, ARELLO, CAI Hawaii, HCCA, and Council of Licensure, Enforcement, and Regulation, and other organizations.

Condominium Reference Library – Staff will maintain and update the Commission's website catalog of all public reference materials. As appropriate, the Commission will provide relevant materials to the State Library System when materials are available (especially in highly concentrated condominium property regime areas), at mediation provider offices, and at the Real Estate Branch office. Where feasible, the Commission will provide information in conjunction with condominium laws and educational programs.

Staff will research and study the cost of updating and maintaining all condominium library reference materials, and consider including these updates as part of any five-year strategic educational plan for condominium education.

REAL ESTATE EDUCATION FUND		
Fund Balance		
As of June 30, 2025		
(Estimated)		
ASSETS		
Cash		
In State Treasury		\$2,865,000
Short term cash investments		
Total Assets		\$2,865,000
LIABILITIES AND FUND BALANCE		
Liabilities		
Payables		
 Fund Balance		
Reserve for Encumbrances		\$43,206
Unreserved		\$2,821,794
 Fund Balance		
		\$2,865,000
Total Liabilities and Fund Balance		\$2,865,000
REAL ESTATE EDUCATION FUND		
Revenues and Expenditures		
For the Month Ending June 30, 2025		
(Estimated)		
Revenues		
Fees		\$1,300,365
Interest		\$66,580
Total Revenues		\$1,366,945
Expenditures		
		\$690,212
Excess (Deficit) of revenues over expenditures		\$676,733
 Fund Balance		
Beginning of Year		\$2,188,267
Year to Date		\$2,865,000

REAL ESTATE RECOVERY FUND

**Fund Balance
As of June 30, 2025
(Estimated)**

ASSETS

Cash	
In State Treasury	1,044,424
Short term cash investments	
Total Assets	\$1,044,424

LIABILITIES AND FUND BALANCE

Liabilities	
Payables	
Investment income due to Real Estate Education Fund	0
Total Liabilities	0
Fund Balance	
Reserve for encumbrances	
Unreserved	1,044,424
Total Fund Balance	1,044,424
Total Liabilities and Fund Balance	\$1,044,424

REAL ESTATE RECOVERY FUND

**Revenues and Expenditures
For the month ending 6/30/25
(Estimated)**

Revenues	
Fees	\$117,704
Expenditures	
Operations	95,284
Legal Services	16,585
Claims	25,000
Total Expenditures	136,869
Excess (deficiency) of revenues over expenditures	(19,165)
Fund Balance	
Beginning of year	1,063,588
Year to Date	\$1,044,424

CONDOMINIUM EDUCATION TRUST FUND

**Fund Balance
As of June 30, 2024
(Estimated)**

ASSETS	
Cash	
In State Treasury	\$1,472,499
Cash Invested	
Total Assets	\$1,472,499
LIABILITIES AND FUND BALANCE	
Liabilities	
Payables	
Fund Balance	
Reserve for Encumbrances	13,010
Unreserved	1,459,489
Fund Balance	1,472,499
Total Liabilities and Fund Balance	\$1,472,499

CONDOMINIUM EDUCATION TRUST FUND

Revenues and Expenditures
For the Month Ending June 30, 2024
(Estimated)

Revenues	
Fees	617,935
Interest	44,520
Total Revenues	662,456
Expenditures	
	725,000
Excess (Deficit) of revenues over expenditures	(62,544)
Fund Balance	
Excess (Deficit) of revenues over expenditures	(62,544)
Fund Balance	
Beginning of Year	\$1,535,043
Year to Date	\$1,472,499