

SB-2765-SD-1

Submitted on: 3/13/2026 1:17:51 PM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Idor Harris	Honolulu Tower	Support	Written Testimony Only

Comments:

Honolulu Tower is a fee simple sprinklered 396 unit condominium located at Maunakea and Beretania Streets. At its meeting on February 2, 2026, the Board of Directors of the Association of Apartment Owners of Honolulu Tower unanimously voted its support of this bill. This bill clarifies that associations that have obtained title through foreclosure may retain rental income received prior to appointment of a commissioner in subsequent foreclosure provided association may be required by a court to remit rental income received after appointment of a commissioner.

The association has in the past obtained title through foreclosure and understands the importance of this bill. When funds are not received, all the owners see increases in their maintenance bills.

That is not fair or equitable.

The Board asks you to move this bill forward.

Idor Harris
Resident Manager



Mortgage Bankers Association of Hawaii
P.O. Box 4129, Honolulu, Hawaii 96812

March 13, 2026

The Honorable Scot Matayoshi, Chair
The Honorable Tina Grandinetti, Vice Chair
Members of the House Committee on Consumer Protection & Commerce

Hearing Date: March 17, 2026
Hearing Time: 2:00 pm
Hearing Place: Hawaii State Capitol, Conference Room 329

Re: SB 2765 SD1 Relating to Condominiums

I am Victor Brock, representing the Mortgage Bankers Association of Hawaii (“MBAH”). The MBAH is a voluntary organization of individuals involved in the real estate lending industry in Hawaii. Our membership consists of employees of banks, savings institutions, mortgage bankers, mortgage brokers, financial institutions, and companies whose business depends upon the ongoing health of the financial services industry of Hawaii. The members of the MBAH originate and service, or support the origination and servicing, of the vast majority of residential and commercial real estate mortgage loans in Hawaii. When, and if, the MBAH testifies on legislation or rules, it is related only to mortgage lending and servicing.

The MBAH is **OPPOSED TO SB 2765 SD1** (the “Bill”).

The Bill clarifies that condominium associations that have obtained title to a unit through foreclosure may retain rental income received prior to the appointment of a commissioner in a subsequent foreclosure; provided that the association may be required by a court to remit rental income received after the appointment of a commissioner.

The Bill would amend Section 514B-146, Hawaii Revised Statutes, which currently requires an association that acquires title to a condominium unit through judicial or nonjudicial foreclosure to turn over rental income from the unit to existing lien holders, in order of priority of each lender’s lien, **for the benefit of the former unit owner** whose unit was foreclosed on by the association.

The Bill would allow the association to retain rental income until a foreclosure commissioner is appointed in a subsequent foreclosure filed by an existing lien holder. The Bill would, in essence, provide the association with a windfall in the form of rental income that would otherwise be paid to an existing lien holder and applied to the existing loan of the borrower whose unit was foreclosed on by the association.

The MBAH strongly opposes the Bill. The Bill's revision of Section 514B-146, Hawaii Revised Statutes is not only harmful to the borrower through the loss of rental income that would otherwise be applied to the outstanding balance of the borrower's loan, but is also inconsistent with the language of the mortgage, which includes a security interest in all rents from the condominium unit subject to the mortgage. The Bill would allow an association to retain rental income in contravention of the superior lien and to the detriment of the borrower.

Thank you for the opportunity to present this testimony.

Victor Brock
Mortgage Bankers Association of Hawaii

SB-2765-SD-1

Submitted on: 3/14/2026 9:26:52 AM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jane Sugimura	Hawaii Council of Community Assn's	Support	Written Testimony Only

Comments:

SB2765 SD1 support with comment

Hawaii Council of Community Associations supports the intent of SB2765, however we offer a comment related to the "the unit owner" in Section 2.

If the unit was purchased by the Association via the Association foreclosure, the Association is now the unit owner.

Please consider deleting the "or the unit owner" in this bill.

Thank you for the opportunity to submit testimony on SB2765 SD1

Jane Sugimura, President

Hawaii Council of Community Associations (HCCA)

SB-2765-SD-1

Submitted on: 3/15/2026 2:55:52 PM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mike Golojuch, Sr.	Palehua Townhouses Associaation	Oppose	Written Testimony Only

Comments:

Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee,

Our association opposes SB2765 because of the language on page 4, Line 10, “or the unit owner.” The former unit owner is the reason for the foreclosure action, but those four words could be interpreted to mean that the funds go to that former unit owner. Monies received by the association as rent are needed to pay back delinquent maintenance fees and associated costs, such as real property taxes, attorney fees, HO6 insurance for the unit, and current monthly maintenance fees.

Some foreclosure cases may require the association to clean up or perform required unit repairs before listing it as a rental, as has occurred in our association.

I am aware that a lender foreclosure can take years to commence court actions. The rental funds should be retained by the association until a commissioner is appointed.

Please strike “or the unit owner” or defer the bill. Thank you.

Mike Golojuch, Sr., President

Palehua Townhouses Association



DATE: March 16, 2026
TO: Representative Scot Matayoshi, Chair
Committee on Consumer Protection & Commerce
FROM: Mihoko Ito / Tiffany Yajima
RE: **SB2765, SD1 – Relating to Condominiums**
Hearing Date: Tuesday, March 17, 2026 at 2:00 p.m.
Conference Room: 329

Dear Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee:

HBA submits this testimony in **opposition** to SB2765, SD1, which allows a condominium association who has acquired a unit through foreclosure to retain rental income collected from the unit prior to the appointment of a commissioner in a subsequent foreclosure action.

While we understand the challenges associations face when units become delinquent, the bill raises concerns for mortgage lenders and the overall stability of condominium lending. The bill allows a junior lienholder to retain rental income generated by collateral that secures a senior mortgage. This would disrupt long-standing lien priority principles and create uncertainty regarding entitlement to rents during foreclosure proceedings. The bill effectively shifts financial risk from associations to mortgage lenders, and in doing so, creates uncertainty and increased risk for lenders.

Mortgage loans are underwritten based on the expectation that a lender's senior mortgage lien and associated rights to the property and its income are preserved in a foreclosure proceeding. This proposal may have a chilling effect on a lender's willingness to lend and may ultimately lead to higher borrowing costs, tighter underwriting standards, or reduced lending availability for condominium units in Hawaii. These impacts would make it more difficult for residents to obtain financing to purchase condominium homes.

For these reasons, the Hawaii Bankers Association respectfully opposes this measure and requests that the Committee to defer the bill.

Thank you for the opportunity to testify.



LATE

SB-2765-SD-1

Submitted on: 3/17/2026 9:42:58 AM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dallas Walker	Community Associations Institute	Comments	Written Testimony Only

Comments:

Aloha. The intent of this bill is important. It clarifies some confusion in the Circuit Courts, which is badly needed. It would be better to remove the words "or the unit owner" to avoid potential litigation between associations and unit owners in court. CAI would support it with this change. Mahalo.

SB-2765-SD-1

Submitted on: 3/13/2026 9:47:58 AM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Julie Sparks	Individual	Support	Written Testimony Only

Comments:

I strongly support his bill as it provides needed clarification regarding rental proceeds.

SB-2765-SD-1

Submitted on: 3/13/2026 11:51:19 AM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
lynne matusow	Individual	Support	Written Testimony Only

Comments:

I am an owner occupant of a high rise condominium in Honolulu. I respectfully ask that you support this bill.

Costs are increasing. My maintenance skyrocketed this year because of circumstances beyond our control, including rising insurance costs. Meanwhile, delinquent owners means the rest of us have to cover their fees. This bill would help an association recover funds and reduce the maintenance others have to pay.

Lynne Matusow

SB-2765-SD-1

Submitted on: 3/13/2026 4:04:33 PM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Philip Nerney	Individual	Support	Written Testimony Only

Comments:

SB 2765 SD1 generally provides a needed clarification of law. The words "or the unit owner" should, however, be omitted.

The intent of the bill is to provide needed clarity. Those four words detract from the intended clarity.

SB-2765-SD-1

Submitted on: 3/13/2026 4:22:53 PM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Emery	Associa	Support	Written Testimony Only

Comments:

A fair and logical approach to the issue.

SB2765 SD1 support the intent with comment to clarify “the unit owner”, used in this bill.

Clarifies that condominium associations that have obtained title to a unit through foreclosure may retain rental income received prior to the appointment of a commissioner in a subsequent foreclosure; provided that the association may be required by a court to remit rental income received after the appointment of a commissioner to be held until an order of distribution is entered by the court.

HRS 514B – 146

used for the benefit of the association **or the unit owner**; provided that a court may require that rental income received after the appointment of a commissioner in a subsequent foreclosure of a lien against the unit shall be remitted to the court-appointed commissioner to be held until an order of distribution is entered by the court."

As a condominium owner since 1990, unit owner foreclosures have always been a financial drain on the Association as a whole. When one owner fails to pay their share of the maintenance fees it impacts the Association as a whole. Now all the other owners need to make up the difference with increase to the maintenance fees.

Once the Association forecloses on the unit and obtains title to the unit, the existing mortgage lender is still in play with the existing mortgage.

I am aware that a lender foreclosure can take years to commence court actions. In the meantime, the Association has title to the property and often will rent out the unit with the proceeds to be applied towards the back and current maintenance fees, any real property taxes, attorney fees and the HO6 insurance for the unit. Oh, and in some cases may require the association to cleanup or to do required repairs to the unit prior to listing it as a rental. These are real costs and similar costs to any ordinary individual taking possession of a unit and complying with the Landlord Tenant law.

Reasons to allow the Association to retain the rental income:

- Legal fees ahead once the mortgage lender initiates their court action.
- Fees to maintain the unit while being rented to comply with landlord tenant law.
- Monthly maintenance fees still need to be paid from the rental income
- Special Assessment, if any, needs to be paid from the rental income

As provided in testimony from Condo industry professionals the wording “**or the unit owner**” needs to be clearer. If the Association purchased the unit at the foreclosure process, it is the unit owner and should be able to retain the rental income for the benefit of the Association.

Thank you for the opportunity to submit this testimony.

Raelene Tenno

Condominium owner since 1990

SB-2765-SD-1

Submitted on: 3/14/2026 4:26:32 PM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joe M Taylor	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee:

1. I support the intent of S.B. 2765 S.D.1 as stated in SECTION 1 of the bill, I oppose and strongly object to the words “or the unit owner” found on page 4, line 10 because they are ambiguous and could serve to undermine the very purpose of the bill. Condominium associations should be treated like any other landlord and be allowed to use rents received from units that they own for their own benefit. I join in the testimony of M. Anne Anderson. I urge the committee to delete the words “or the unit owner.” If those four words cannot be removed, I urge the committee to defer the bill.

March 14, 2026

RE: Opposition to S.B. 2765 S.D.1

Dear Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee:

While I support the intent of S.B. 2765 S.D.1 as stated in SECTION 1 of the bill, *I am opposing the bill because it no longer is consistent with its purpose.* The addition of the words “or the unit owner” found on page 4, line 10 have undermined the purpose of the bill and made it worse than the existing law. I would support the bill without the four words and urge the committee to delete them.

A. The Purpose of S.B. 2765.

SECTION 1 of the bill very clearly states the intent of the bill. Among other things, it recognizes that:

- “[I]ncreasing delinquencies, related enforcement expenses, and lengthy delays in the judicial foreclosure process exacerbate the financial burden on association owners.” (Page 1, lines 14-17).
- Condominium “associations are treated differently from other parties that acquire title through foreclosure, and ... this treatment burdens association members who pay their share of common expense assessments on time. In particular, associations that have acquired title to a unit through a judicial or nonjudicial foreclosure face additional administrative and financial burdens of accounting for rental income.” (Page 2, lines 1-8).
- “[M]any associations do not obtain “excess rental income” as defined by section 514B-146(n), Hawaii Revised Statutes. However, in cases where another lienholder is foreclosing on a unit acquired by an association, associations with excess rental income are also unfairly burdened by the requirement to disgorge “excess rental income” received prior to the appointment of a commissioner in a subsequent foreclosure.” (Page 2, lines 9-16).

SECTION 1 states that “*the purpose of this Act is to clarify that condominium associations that have acquired title through foreclosure may retain rental income received prior to the appointment of a commissioner*, provided that the association may be required by a court to remit rental income received after the appointment of a commissioner to be held until an order of distribution is entered by the court.” (Page 2, lines 17-21; page 3, lines 1-2) (Emphasis added). I support this purpose.

B. Objections to the Words “or the unit owner” Found on Page 4, Line 10.

The original draft of S.B. 2765 contained language consistent with its purpose as stated in SECTION 1. However, the bill was amended to add “or the unit owner” in the following sentence:

After any judicial or nonjudicial foreclosure proceeding in which the association acquires title to the unit, any rental income received by the association from the unit may be used for the benefit of the association or the unit owner; ...

See page 4, line 10 of S.B. 2765 S.D.1. I object to the addition of the words “or the unit owner” on page 4, line 10 for the reasons set forth below.

First, the words “or the unit owner” are ambiguous and will likely lead to litigation. If the association purchased the unit at foreclosure and holds title via a deed, then the association is the unit owner. That being the case, it is not clear what the words “or the unit owner” mean. The word “or” between the reference to the “association” and the “unit owner” creates an ambiguity because it implies that the unit owner is someone other than the association, thus leaving one to wonder what the words “unit owner” are intended to mean.

Second, if the words “or the unit owner” are intended to refer to the former owner, then not only is it a misnomer to refer to the former owner as “the unit owner” when he no longer holds an interest in the unit, but such interpretation is at odds with the purpose of the bill which is to allow a condominium association to use rental proceeds, received on a unit owned by the association prior to the appointment of a commissioner, for the benefit of the association. If the words “or the unit owner” mean the former owner then this bill could be construed as requiring associations to use all rental proceeds for the benefit of the prior owner, who defaulted in the payment of assessments, without allowing the associations to apply even one cent of the rental proceeds to the delinquency caused by the defaulting owner. *This is fundamentally unfair and goes against the purpose of the bill which is to treat associations like all other landlords and allow them to keep the rental proceeds on units that they own.*

Third, if the reference to the “unit owner” means the former delinquent unit owner, this could present a windfall to the former delinquent unit owner because the words “for the benefit of” are broad enough to allow the rental proceeds to be used for anything that benefits the former delinquent unit owner. It is conceivable that a former delinquent unit owner would argue that he will benefit from a new car or an extended vacation and that the association must share rental proceeds with him for these purposes. The words “or the unit owner” were added without careful consideration of their meaning and how they could be construed as used in this bill. ***They simply must be stricken. If they cannot be stricken, the bill should be deferred.*** An owner who has defaulted in the payment of assessments should not be rewarded for his default by reaping the benefit of the rental income received after he no longer owns the unit.

Fourth, if the words “or the unit owner” are intended to refer to the former unit owner, then the wording will serve to deprive the association of a right of ownership (*i.e.*, the right to receive rents) if it is required to use the rental proceeds collected from the rental of its own property for the benefit of a former owner. Taking away the right of a property owner to receive rents is not only fundamentally unfair, but it constitutes an unlawful “taking” without just compensation.

Fifth, this bill leaves open the issue of what an association may do with rental proceeds collected on a unit owned by the association prior to the appointment of a commissioner because of the uncertainty for whose benefit the rental proceeds may be used. Lenders can sometimes take years

to foreclose on their liens. What is an association to do after its takes title to a unit after foreclosure while it is waiting for the lender to foreclose its superior lien against the unit? Is it required to deposit the rental proceeds collected in a separate account for safe keeping until the lender finally gets around to foreclosing and a court decides what is to be done with the rental proceeds?

For the reasons stated herein, I urge the committee to remove the words "or the unit owner" found on page 4, line 10 and if that cannot be done, then I urge the committee to defer this bill.

Sincerely,

A handwritten signature in black ink, appearing to be 'M. Anne Anderson', written in a cursive style.

M. Anne Anderson

SB-2765-SD-1

Submitted on: 3/14/2026 4:31:20 PM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carol Walker	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee:

I support the intent of S.B. 2765 S.D.1 as stated in SECTION 1 of the bill, I oppose and strongly object to the words “or the unit owner” found on page 4, line 10 because they are ambiguous and could serve to undermine the very purpose of the bill. Condominium associations should be treated like any other landlord and be allowed to use rents received from units that they own for their own benefit. I join in the testimony of M. Anne Anderson. I urge the committee to delete the words “or the unit owner.” If those four words cannot be removed, I urge the committee to defer the bill.

Carol Walker

SB-2765-SD-1

Submitted on: 3/16/2026 7:03:25 AM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lance S. Fujisaki	Individual	Support	Written Testimony Only

Comments:

Dear Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee:

I **conditionally** support S.B. 2765 S.D.1. I oppose and strongly object to the words “**or the unit owner**” found on page 4, line 10 because they are **ambiguous** and could serve to undermine the very purpose of the bill. Condominium associations should be treated like any other landlord and be allowed to use rents received from units that they own for their own benefit. I join in the testimony of M. Anne Anderson. I urge the committee to delete the words “**or the unit owner.**” If those four words are not removed, the bill is highly problematic and I would urge the committee to defer the bill.

Thank you,

Lance Fujisaki

SB-2765-SD-1

Submitted on: 3/16/2026 9:00:32 AM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Paul A Ireland Koftinow	Individual	Comments	Remotely Via Zoom

Comments:

Dear Representative Matayoshi, Chair, Representative Grandinetti, Vice Chair, and Members of the Committee:

I have supported this measure, however, it contains language that will undercut the purpose of the measure. Therefore, I am providing the following comments, with a suggested revision.

This measure should address the unfair treatment of condominium associations as landlords after foreclosure. There is no good reason to force associations to disgorge rental income received prior to a mortgage foreclosure, and this measure is intended to end that requirement.

Unfortunately, the words “or the unit owner”, in page 4, line 10, could lead to an absurd result: It could result in associations being required to disgorge all rental income to a former owner who did not pay their share of common expense assessments and who still owes the association money. By analogy, this would be like requiring a landlord to disgorge all of their rental income to a former tenant who the landlord obtained a judgment for possession against after nonpayment of rent, and who still refuses to pay the landlord past-due rent plus damages. This language must be a mistake, and should be removed to prevent such an inequitable absurdity. Alternatively, if the words "or the unit owner" remain, I would oppose this measure moving forward.

Respectfully Submitted,

Paul A. Ireland Koftinow

WRITTEN TESTIMONY IN STRONG OPPOSITION

House Committee on Consumer Protection & Commerce (CPC)

S.B. No. 2765, S.D. 1 — A Bill Relating to Condominiums

Hearing: March 17, 2026 | Chair: Rep. Scot Z. Matayoshi

Submitted by: A Constituent Unit Owner & Owner Advocate — Oahu, Hawaii

CRITICAL NOTICE TO THIS COMMITTEE: SB 2765, SD1, if enacted, would create a dangerous incentive for AOA condominium associations. This committee must recognize the potential for abuse inherent in SB 2765, SD1 and consider the long-term consequences for Hawaii condominium owners. When people get scared, they are susceptible to getting scammed. It does not matter how many AOA entities comply with the law when the law does nothing to deal with those who do not.

My Personal Experience & Strong Opposition

I represent and advocate for my family currently living in a townhome in central Oahu. We have not missed a single payment in the 30 years we have lived here and have no amenities to speak of. We are merely one home in a 107-unit slush fund with an annual revenue of over \$1.1 million, all of it spent behind hidden doors and closed secret meetings recorded in anemic minutes with no easy access to the general ledgers. We have seen our monthly assessments increase 3-fold since they managed by Associa Hawaii.

A lawless mentality has left the owners choosing to become landlords in the hopes of holding onto their equity and simply surviving. The hidden tax of the assessments on condominium owners is the real problem. This burden is baked into the rent paid by Hawaii's renters. To address the cost-of-living crisis, I urge the committee to stop this economic exploitation and regulate the industry effectively.

Amending this mistake into permanent law would be an absolute disregard to logical repercussions.

What SB 2765 Actually Does

The bill's stated purpose is to relieve condominium associations of an alleged accounting burden when they acquire title to a unit through foreclosure. What it does is legally protect rental income collected from any subsequent proceeding — a window of time with zero judicial oversight.

In plain terms: an association can foreclose on an owner's home, immediately begin collecting rent from it, and keep that income — with no obligation to account for it to anyone — until and unless a court specifically orders otherwise. This is not technical clarification. It is a statutory grant of protection for unsupervised profit-taking from seized residential property.

An AOA creates the assessment obligation. It sets the amount. It enforces the collection. It forecloses on the lien. It then becomes the landlord. And under SB 2765, it keeps the rental income before any court can review it. The association is simultaneously the rule-maker, the creditor, the enforcement mechanism, and the beneficiary. That is not governance. That is a closed financial loop with no exit for the owner.

The committee should also note a structural absurdity at the core of this arrangement: condominium associations do not pay the assessments they create and impose. The financial burden flows entirely to unit owners. The association creates the debt, owners bear it, and when an owner falls behind — potentially because of the same association's mismanagement — the association acquires the unit and collects rent from it. SB 2765 asks this legislature to protect that income stream from judicial scrutiny.

Mahalo for your time and consideration.

Shawn Andrews

Submitted for the Record — March 17, 2026

House CPC Committee: cpctestimony@capitol.hawaii.gov; SB 3225 § 15 (JHA, 3/17/26)

SB-2765-SD-1

Submitted on: 3/16/2026 10:24:29 AM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mark McKellar	Law Offices of Mark K. McKellar, LLC	Oppose	Written Testimony Only

Comments:

Dear Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee:

While I support the intent of S.B. 2765 S.D.1 as stated in SECTION 1 of the bill, I oppose and strongly object to the words “or the unit owner” found on page 4, line 10 because they are ambiguous and could serve to undermine the very purpose of the bill. Condominium associations should be treated like any other landlord and be allowed to use rents received from units that they own for their own benefit. I join in the testimony of M. Anne Anderson. I urge the committee to delete the words “or the unit owner.” If those four words cannot be removed, I urge the committee to defer the bill.

Sincerely,

Mark McKellar

SB-2765-SD-1

Submitted on: 3/16/2026 12:28:46 PM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rachel Glanstein	AOAO Lakeview Sands	Oppose	Written Testimony Only

Comments:

Aloha Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee:

The intent of S.B. 2765 S.D.1 as stated in SECTION 1 of the bill is worthwhile.

However, I oppose and strongly object to the words “or the unit owner” found on page 4, line 10 because they are ambiguous and could serve to undermine the very purpose of the bill. Condominium associations should be treated like any other landlord and be allowed to use rents received from units that they own for their own benefit.

I join in the testimony of M. Anne Anderson and I urge the committee to delete the words “or the unit owner.” If those four words cannot be removed, I urge the committee to defer the bill.

Mahalo,

Rachel Glanstein

Dear Senator Keohokalole, Chair, Senator Fukunaga, Vice Chair, and Member of the Committee:

I support SB 2765 and join in the testimony of Paul Ireland Koftinow.

I have represented condominium owners associations in foreclosure of their liens for unpaid assessments and have witnessed the care and maintenance the associations have performed with respect to the property, to the benefit of the mortgage lender and, therefore, the owner of the property, since the protection of the asset cannot help but result in a higher sale price in a subsequent foreclosure.

Only rarely could the association re-sell the property encumbered by the mortgage but at least the association benefits by taking the lead in terminating the former owner's ownership - and non-payment of assessments – and maintaining the property until it may finally come out of foreclosure status.

For these reasons, I urge the committee to pass SBB 2765.

SB-2765-SD-1

Submitted on: 3/16/2026 2:00:06 PM

Testimony for CPC on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Julie Wassel	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee:

While I support the intent of S.B. 2765 S.D.1 as stated in SECTION 1 of the bill, I oppose and strongly object to the words “or the unit owner” found on page 4, line 10 because they are ambiguous and could serve to undermine the very purpose of the bill. Condominium associations should be treated like any other landlord and be allowed to use rents received from units that they own for their own benefit. I join in the testimony of M. Anne Anderson. I urge the committee to delete the words “or the unit owner.” If those four words cannot be removed, I urge the committee to defer the bill.

Respectfully submitted,

Julie Wassel