

## **Condominium Development Frequently Asked Questions (FAQs)**

### **1. What are the basic legal requirements for creating a condominium in Hawaii?**

Hawaii's condominium laws require a Developer to submit a detailed Developer's Public Report, a Condominium Declaration, Bylaws, and a Condo Map recorded with the Bureau of Conveyances Regular System or Land Court, and the remaining controlling and supporting required documents, for approval by the Real Estate Commission of the State of Hawaii.

### **2. What zoning regulations apply to condominiums in Hawaii?**

Maui County has strict zoning codes, which may significantly impact what the County will allow you to build on the property, especially for Agriculturally zoned land. Different zoning regulations will vary depending on the property's location and zoning classification.

### **3. How many farm dwellings can be built on Agriculturally zoned land (AG)?**

Maui County allows you to build two farm dwellings, but if the Developer or Unit Owners are able to meet the requirements, one additional farm labor dwelling can be built, per five acres of property area.

**4. How does Hawaii's leasehold vs. fee simple ownership structure affect condominium development?** Many properties in Hawaii are leasehold, meaning the land is leased from an owner rather than owned outright. Leasehold arrangements can add complexity, particularly when structuring the sale of individual units, as they often have expiration dates and lease payment structures to consider.

### **5. When am I allowed to start selling the Units of a Condominium?**

Condominium Units can only be sold once the Developer's Public Report has been approved by the Real Estate Commission and the Condominium has been issued an effective date. It is important to consult with an Attorney when selling Units or making changes to a Condominium's controlling documents, as the penalties for non-compliance can be significant.

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