



# HAWAIIAN PROPERTIES, LTD.

*Building Relationships That Last*



**HP Holiday Luncheon**

## **HAWAII BUILDINGS, FACILITIES & PROPERTY MANAGEMENT EXPO**



**Visit Us at Booth #548**



**Wednesday, March 4 - Thursday, March 5, 2026**



**Exhibition Hall Open: 9 a.m. - 4 p.m.**



**Neal Blaisdell Center - 777 Ward Avenue  
Honolulu, HI 96814**

This is a great opportunity to connect with industry professionals, discover the latest products and services, and attend informative seminars led by industry experts. You'll gain valuable insights, learn about current trends and best practices, and explore solutions to better support your association!



## The Importance of Effective Communication

Wesley Kawakami, CMCA®  
Vice President / Sr. Community Portfolio Manager

Effective communication is the foundation of a strong, safe, and resilient community association. Especially during incidents or unexpected events, timely and transparent communication plays a critical role in ensuring safety, maintaining trust, and minimizing confusion or concern among residents. When incidents occur—whether related to safety, infrastructure, weather, or other community matters—clear communication allows residents to stay informed, take appropriate action if necessary, and understand the steps being taken by the association. Prompt updates help prevent misinformation, reduce anxiety, and reinforce a shared sense of responsibility and cooperation.

In the afternoon on July 29, 2025, the state of Hawaii was under a tsunami warning after a magnitude 8.8 earthquake off the east coast of Russia. If you were present in Hawaii at that time, you probably soon learned about the potential threat through local news outlets, social media, or the emergency warning sirens. Thank goodness, there was no major impact from the tsunami waves.

But, if you were an owner outside of the state of Hawaii at that time, you probably didn't learn about it until the national or international news outlets picked up on the story and began to wonder about what may be going on at your property. During events like this, it's crucial for on-site managers and/or Board of Directors to communicate to their community to provide warnings, updates, and any remedial actions needed.

TownSq is a communication software platform that helps facilitate this type of timely communication and is available free of charge to communities managed by Hawaiian Properties. In addition to community-wide messaging, TownSq allows residents to submit maintenance work orders, reserve amenities, and participate in polls. It also serves as a centralized repository for association records that owners can access at their convenience.

Some communities prefer to use other software platforms like Condo Control or BuildingLink. Whichever one you choose to use, they are excellent tools to assist on-site managers and/or Board of Directors open the lines of communication and better manage their communities. Regularly using your communication platform and encouraging owners to sign up to receive communications from the association will help strengthen trust between the association's leadership and the residents. By providing accurate information, acknowledging concerns, and outlining responses or resolutions, the association demonstrates accountability and commitment to the well-being of all residents. This trust is essential not only during incidents, but also in the everyday functioning of our community.

## Spreading Holiday Cheer at HUGS House!



Our annual gift-wrapping event at the HUGS House was a heartwarming success! Although space limited us to a small team of "elves" this past year, the spirit of giving was bigger than ever. For more than 40 years, HUGS (Help Understanding Group Support) has supported Hawai'i families with seriously ill children. We are proud to partner with HUGS through our annual toy drive, during which Hawaiian Properties staff collect and deliver up to 200 gifts and gift cards to help brighten the holidays for HUGS families.



# Annual Meeting - Notices and Proxy Explanations

Laurie Sokach, AMS®, PCAM®  
Senior Community Portfolio Manager (Kona)



The Annual Meeting season is now underway, and notices and proxies can be confusing due to how they must be written.

The **Informal Notice** is based on specific language in your community's governing documents and is typically provided 45 days from the date of the annual meeting. This lets owners know the date, time and location of the annual meeting. It also informs owners interested in volunteering to serve as a board member to submit a short statement of introduction (bio) by a specific date, explaining your willingness to serve, and qualifications or what you have to offer as a board member, either professional skills or your vision for the future of the community. Although your contact information is not required, it may be included for fellow owners who want to ask you questions. Be sure to follow the specific requirements on the notice.

The notice also allows owners who plan to attend the annual meeting in person to solicit proxies from owners who will not attend the meeting. Owners will provide the managing agent with a statement soliciting proxies, requesting owners to write their names on the proxy line which will be included in the proxy mailing. This gives the proxy holder that owner's voting power.

The **Formal Notice** is written based on specific language in your community's governing documents and is mailed 30 days from the date of the meeting, but not less than 14 days.

This notice includes additional information, the official annual meeting notice, current financials, prior annual meeting minutes, insurance summary, audit from prior year if available, and sometimes will include information on a pending vote to be taken at the annual meeting and meeting rules. It also includes the Proxy form.

The **Proxy Form** can appear complicated, but it cannot be changed. It is detailed in both the Hawaii Revised Statutes - 514B and 421J that govern Condominiums and Homeowner Associations and must be followed.

It is important that owners understand that the proxy form is powerful. It carries with it the voting power for making decisions at the stated annual meeting and electing the board members who will run the association and make important decisions concerning the community.

It is also an important tool for an association to even be able to hold the annual meeting.

Most associations require a majority of the owners to hold the annual meeting. Some have different requirement levels.

Be sure to check your governing document Bylaws for what the requirement is for your community.



Consider the following before submitting your proxy, but please submit your proxy. As a community manager, nothing is more frustrating than having to remind owners to submit the proxy form so we can ensure the meeting will be able to take place. If a quorum is not met, business cannot be conducted.

There are 4 required options at the top of the form for who will have your voting power during the stated meeting.

**1. Board Majority** - check this box if you want to allow the board to vote as a group on your behalf.

**2. Equal Percentage of the Board** - check this box if you want the board to vote on your behalf, and the percentage "value" of your unit/lot (PCI) is divided by the number of board members in person at the meeting.

**3. Blank Line** - this allows you to write in the name of someone specific who will represent you at the meeting and vote on your behalf. This should not be your name. This is the line you would write in the name of a neighbor or friend – or a spouse who is not on title to the unit/lot.

**4. Quorum Only** - this means that no one will be voting on your behalf, but you do want to assist the annual meeting to be held by supporting the quorum percentage required.

Continued on page 7.



# 2025 Legislative Highlights

John A. Morris, Attorney at Ekimoto & Morris LLLC

In 2025, the legislature made a number of changes to the condominium law (Chapter 514B) and passed other acts that may affect condominiums and planned community associations law (Chapter 421J). The text of the acts listed below can be found at: <http://www.capitol.hawaii.gov/> (under the “Reports & Lists” section).

## Act 157 (HB 70, HD1, SD1, CD1). Signed 06/03/2025, (Gov. Msg. No. 1257), [Effective upon approval.] RELATING TO CONDOMINIUMS.

The purpose of this act is to emphasize the importance of compliance with the requirements enacted by Acts 62 and 199. (Act 62, (SLH 2022) provides for periodic review of a reserve study by an independent reserve study preparer and also lengthens the study period from twenty to thirty years. Act 199, (SLH 2023), requires that a budget summary be prepared, with additional detail, to better inform owners of the financial condition of their association. For those reasons, Act 157 amends section 514B-148 to:

1 Specify that the budget summary must contain all required information without referring the reader to other portions of the budget; and

2 Clarify a unit owner’s ability to enforce compliance with budget summary and replacement reserves requirements.

More specifically, section 514B-148(a) already requires that: a budget summary must be made available to owners and must include eight specific categories of information. Act 157 adds the following requirement to section 514B-148(a): *“The budget summary shall contain all required information without referring the reader to other portions of the budget.”*

In other words, the budget summary will probably become longer and more complicated because it must include information that it refers to, rather than simply referring the reader to another part of the budget for that information. Owners who just want a summary may find more than they expected.

Act 157 also clarifies an owner’s enforcement authority, found in section 514B-148(g), by replacing the current wording of subsection (g) with the following:

*“(g) Any unit owner shall have standing to bring an action alleging a violation of this section against an association that the unit owner is a member of, and may seek an injunction to enforce compliance with this section by the association’s board.”*

## Act 161 (SB 385, SD1, HD1, CD1). Signed 06/03/2025, (Gov. Msg. No. 1261), [Effective upon approval.] RELATING TO CONDOMINIUMS

This act adds a new section to the condominium law that 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. For purposes of this act, the term “governing documents” means *“the declaration; bylaws; covenants, conditions, and restric-*

*tions; and house rules.”* The law already provides that the association “may” make copies of other documents available to owners electronically *“if the owner or owner’s authorized agent requests such in writing,”* but does not require that for other documents.

Note that the association only has to provide the documents at “no cost” to unit owners or their authorized agents. Thus, if a buyer of an owner’s unit requests copies, they would have to pay (but of course, the owner could provide these documents to his or her buyer).

The act also amends section 51B-154.5(b) to repeal the authority of condominium associations to charge a reasonable fee for “administrative costs” - as opposed to copying costs - associated with the handling of a request for association documents listed in section 514B-154.5(a). Instead, for those documents, associations can only charge a *“reasonable fee for duplication, postage, and stationary”* when providing those documents. The act also indicates that associations can charge for copies of the governing documents only if the owner or authorized agent requests printed copies of those documents.

As far as copying costs, sections 514B-154 and 514B-154.5 provide that any fee charged to a member to obtain copies of association records under this section *“shall be reasonable; provided that a reasonable fee shall include administrative and duplicating costs and shall not exceed \$1 per page, or portion thereof, except the fee for pages exceeding eight and one-half inches by fourteen inches may exceed \$1 per page.”*

Both the changes made by Act 161 and the existing language in the statute allow a “reasonable fee” to be charged for copies. Nevertheless, the association will still have the burden of showing that \$1 per page is “a reasonable fee” under Act 161.

# 2025 Legislative Highlights

Continued from page 2

## Act 296 (SB1044, SD2, HD2, CD1). SIGNED 07/07/2025, (GOV MSG. NO. 1407), [EFFECTIVE UPON APPROVAL.] RELATING TO THE STABILIZATION OF PROPERTY INSURANCE.

Act 296 has two main purposes, hurricane insurance and funding for repairs that will help reduce insurance costs.

**Hurricane insurance.** Act 296 expands the powers of the Hawai'i Property Insurance Association and reactivates the Hawai'i Hurricane Relief Fund ("HHRF") to help stabilize the property insurance market in the State. Applications are now being accepted by the HHRF for condominium and townhouse associations of apartment owners (AOAOs) seeking to obtain hurricane commercial property insurance coverage.

To be eligible to apply for hurricane insurance under the HHRF, an AOAO must:

- (1) have been previously denied hurricane coverage by at least two state-licensed insurance companies operating in Hawai'i; and
- (2) have buildings with a total insured value exceeding \$10 million.

Commercial property insurance policies offered under the HHRF are limited to hurricane coverage only, and this is excess coverage that only can cover the portion of losses above \$10 million. AOAOs must purchase separate primary insurance to cover hurricane losses up to \$10 million. All applications must be submitted through a licensed insurance provider. For more information about the HHRF, including frequently asked questions ("FAQs"), application and other forms are available at <https://hhrf.hawaii.gov>.

**Funding For Repairs.** Act 296 also establishes the Condominium Loan Program and the Condominium Loan Revolving Fund, to be administered by the Hawai'i Green Infrastructure Authority on behalf of the Department of Business, Economic Development, and Tourism. Act 296 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, in the hope of reducing insurance costs. For more information, associations can email [dbedt.c-pace@hawaii.gov](mailto:dbedt.c-pace@hawaii.gov) or call 808-587-3868. (Act 296 calls for the condominium loan revolving fund to be abolished on June 30, 2047.)

## Act 110 (SB 752, SD1, HD1, CD1). Signed 05/29/2025, (Gov. Msg. No. 1210), [Effective January 1, 2026.] RELATING TO INSURANCE.

The purpose of this act is to increase the notice period for a property insurer to notify a policyholder of a cancellation of a policy of insurance on property used for residential purposes, *including multi-family residential purposes*. The intent is to emphasize the importance of consumer protection while fostering transparency, accountability, and fairness in the insurance industry.

The legislature determined that while insurers doing business in the State are required to provide written notice to their customers on cancellation, the current notice requirement of ten days is unrealistic given the state of the property casualty insurance market in Hawai'i. Requiring insurers to give notice at least twenty days before policy cancellation ensures that policyholders have sufficient time to secure alternative coverage and mitigates potential disruptions. For nonrenewal of a policy, insurers must give at least thirty days' notice before nonrenewal of the policy. Note, however, that in the case of a cancellation of a policy due to "*non payment of premium or material misrepresentation*," the property insurer need only give written notice to the insured not fewer than ten days before the effective date of cancellation.

## Act 308 (HB420, HD3, SD2, CD1). Signed 07/09/2025, (Gov. Msg. No. 1421), [Effective July 9, 2025] RELATING TO REMEDIES.

The intent of the Contractor Repair Act, Chapter 672E, HRS, was to foster a cooperative, good-faith process between builders and homeowners to address legitimate construction defects. The legislature determined, however, that the existing system was not fulfilling that original intent.

Instead, the rising costs of insurance for developers and improvers of real property has contributed to the increased cost of housing, and the increase is a direct result of litigation for construction defects. In particular, excessive legal claims against new developments have had far-reaching consequences, including increased construction costs, higher insurance premiums, and more restrictive lending conditions.

Act 308 is intended to deter broad and frivolous claims by requiring evidence of the defect and limiting recovery if an offer is unreasonably rejected. The act also intends to restore a fair dispute resolution process for resolving construction defects, which will promote a more sustainable and affordable housing market in Hawaii.

Continued on page 7.

# 2025 Manager's Training & Appreciation Luncheon

Hawaiian Properties hosted its annual Manager's Training & Appreciation Luncheon to honor its Resident, Site and General Managers. The event featured inspiring talks, expert presentations, amazing food, great prizes, and time to connect with colleagues. Thank you to everyone who joined and helped make the day special!



"I love these functions where we get to meet others in the field and have different professionals explain some things to us in layman's terms. Plus, we get a chance to put a face to a name and helps to strengthen relationships."

- Julie Robley, Pearl Ridge Terraces

"Hawaiian Properties seminars are very professional and informative. The speakers are knowledgeable and the topics address current issues facing our industry."

- Michael Gill, Azure Ala Moana



## BUILDING LASTING ROOTS WITHIN OUR COMMUNITIES

Hawaiian Properties demonstrated our core value of Community Minded by volunteering at The Pantry, dedicating both time and resources to support our local community. Our team ran orders, loaded fresh produce, dairy, and bread into shopping carts, stocked shelves in the warehouse, and carefully bagged produce for distribution. Through hands-on effort and teamwork, we helped ensure that nutritious food reached those in need, showing our commitment to serving and strengthening the community we call home.





# 2025 Legislative Highlights

Continued from page 5

**Act 088 (SB321 SD1 HD2 CD1). Signed 05/27/2025, (Gov. Msg. No. 1188), [Effective July 1, 2027; Sunsets 7/1/2032.] RELATING TO TRANSPORTATION.**

Act 88 provides that in any county with a population of less than 250,000 (currently any county other than the City and County of Honolulu), fee simple absolute title of a privately owned highway, road, alley, street, way, lane, bikeway, bridge, or trail is deemed transferred to a community association consisting of the owners of property contiguous or adjacent to the road, etc., if certain conditions are met.

**Act 172 (SB 1216, SD1, HD2, CD1). Signed 06/03/2025, (Gov. Msg. No. 1272), [Effective June 3, 2025.] RELATING TO TRANSPORTATION.**

For associations that are plagued by noisy vehicles, this act: (i) only permits the issuance of a certificate of inspection for a vehicle or moped that is not equipped with a noisy muffler or exhaust system and (ii) clarifies the types of mufflers that are prohibited. The act requires the director of transportation to adopt rules regarding safety check inspections to ensure that a vehicle, motorcycle or moped is not equipped with a noisy muffler or exhaust system. The director of transportation may also suspend, revoke, or refuse renewal of a permit for an official inspection station for repeatedly violating any rule regarding inspecting a noisy muffler or exhaust system within a certain period. The act also (i) increases the maximum fine for motor vehicle owners who violate noisy muffler laws and (ii) makes repairing or installing a noisy muffler or exhaust system a prohibited practice for motor vehicle repair companies.

## Annual Meeting - Notices and Proxy Explanations

Continued from page 3

Please Remember: Voting power means not just for the election of the directors but also voting on anything that comes up at the meeting that requires a vote of the owners to implement.

The Annual Owners Meeting is a very important meeting and owner participation is critical. If you can't participate in anything else in your community - participate in this meeting! Even if it is only to submit your proxy form. Even if you mark the Quorum Only box.

The election of the Board who will run the business of the association is one of the most important roles the owners have. Get involved. Get to know members in your community, at a minimum your neighbors. If you have any questions about the process specifically for your community, reach out to your association manager. They can walk you through the specific requirements for your community.

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