



Regulated Industries Complaints Office
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CONDOMINIUM LIVING IN HAWAII: RENOVATIONS AND REPAIRS

A condominium is typically made up of (1) an individual housing **unit** and (2) **shared common areas**. A condominium may also have **limited common areas**, for example, a balcony, to which an owner may have the exclusive right to use, but cannot make changes without approval from the condominium association.

What work can be performed? While most owners are aware approval may be required to make changes to shared common areas and limited common areas, many owners forget there may be condominium rules which affect work that happens inside a condominium unit.

Therefore, if you're thinking about work that you want to have done in your unit, you need to consider how that work may affect the rest of the building. For example, is the wall you want to remove "bearing" or "non-load bearing"? Load-bearing walls stabilize the structure and support the weight of the building above. Any changes to walls in your unit should be discussed with a licensed professional and the condominium association. Other examples are water pipes, sewer pipes, and drains which typically service more than one unit. You need to know where these are located if you're considering rerouting plumbing to relocate a toilet or to move a kitchen sink. Major renovations like knocking down walls or rerouting plumbing or electrical may require approval from your condominium association.

How will you know what's allowed and what's not? Start by studying the records for your association, including the declaration, by-laws, and house rules. Look for any rules or regulations about work that can be performed in a condominium unit. (And don't forget the master deed you received at closing.)

What materials can be used? A condominium association may also limit the kind of materials that can be used in the unit. For example, some condominium associations specify the type of flooring that may be installed because of noise or weight concerns. Others may require flame-retardant materials, like glass or drywall.

Carefully research any restrictions and remember to get pre-approval if necessary. In addition to reviewing the relevant information from your association, ask if you need approvals from the condominium association or building management before you start. Some associations require owners to submit building plans for approval before work can start. **All associations should require that you use a licensed contractor, electrician or plumber if one is required, and that necessary building permits are obtained.**

If my project is only for minor repairs, can I hire a handyman or handyperson? If the total cost of your project, **including labor and materials** is less than \$1,000, and doesn't require a building permit, you can hire a handyman. "Handymen" usually perform minor repairs and projects that are typically described as "odd jobs" or "fix-up tasks." Without a contractor's license, handymen who do projects that are (1) over \$1,000, or (2) require a building permit, are engaged in unlicensed contracting. The handyman exemption does not apply to electrical and plumbing work. Licensees (including real estate brokers and salespeople) and registrants (including condominium associations), may be prosecuted for aiding and abetting unlicensed contractors, electricians or plumbers.

How or when can work be performed? Association rules or regulations may also specify things like what hours work can be performed, which elevators workers can use, and how construction debris is to be disposed of. Therefore, it's important to work closely with your association board and resident manager on these issues in advance. If your remodel requires accessing the building's main electrical or plumbing systems, you're going to need to make those arrangements in advance.

Insurance. Licensed contractors are required to carry liability insurance and are responsible if a worker is injured on a jobsite. Your association may ask for proof of insurance from your contractor before work starts. If you plan to do the work yourself under an owner-builder permit, you may need additional insurance or a special rider.

START by reviewing any rules or regulations the condominium association may have on work that can be performed in your condominium unit.

TALK to your association board about the work you want to do and possible restrictions on design or materials.

ASK about any other requirements like using a licensed professional, building permits, and insurance. If you need clarification on a specific rule or regulation, don't hesitate to ask your condominium association or get legal advice.

PLAN (in detail) the work to be done. **GET** any final approvals necessary before work starts.

WORK WITH your association board and resident manager on logistics like work hours, access, clean-up, and the like.

There are lots of good reasons why you should strongly consider hiring a licensed contractor:

- ▶ In order to qualify for a contractor's license, applicants must demonstrate they have the necessary training and experience to get a contractor's license.
- ▶ Licensed contractors are required to carry liability insurance and are responsible if a worker is injured on a jobsite.
- ▶ Licensed contractors are able to apply for and obtain building permits.
- ▶ The Contractors Recovery Fund helps to compensate homeowners if something goes wrong with their project and is only available to consumers who have hired a licensed general contractor.

Remember, it's important to hire the right kind of contractor for your particular job. If you're just putting in flooring, a specialty flooring contractor may be for you. But if your job includes more than two specialties, (for example, a kitchen remodel), a general contractor will be licensed to do most of the work and will hire licensed subcontractors to take care of any specialty work for which he/she isn't licensed to do.

Don't forget, any electrical or plumbing work on your project should be done by licensed electricians and licensed plumbers. Only licensed electricians and plumbing persons or companies can apply for electrical or plumbing permits.

If you have questions about what kind of a contractor you may want to hire, call the Contractor's License Board at (808) 586-2700. To check if a contractor, electrician or plumber is licensed, call the Regulated Industries Complaints Office (RICO) at (808) 587-4272.

RESOURCES

The Department of Commerce and Consumer Affairs (DCCA) and RICO offer tools, tips, and services you can use to check out an individual or business. Information is available by calling **(808) 587-4272** or online at cca.hawaii.gov/business_online.

For information about filing a complaint or to report unlicensed activity, call RICO's Consumer Resource Center at **(808) 587-4272** or visit us online at cca.hawaii.gov/rico.

To call Oahu-RICO, dial the following toll free numbers: Kauai 274-3141, extension 74272; Maui 984-2400, extension 74272; Big Island 974-4000, extension 74272; Molokai and Lanai 1-800-468-4644, extension 74272, followed by the # sign.

RICO is the enforcement arm for over 45 professional boards, commissions, and programs that are administratively attached to the DCCA. RICO receives complaints, conducts investigations, and prosecutes licensing law violations. RICO also prosecutes unlicensed activity through the issuance of citations and by filing civil lawsuits in the Circuit Courts. RICO works to resolve consumer complaints where appropriate and provides consumer education about various issues relating to licensing and consumer protection. RICO also administers the State Certified Arbitration Program (SCAP) for "lemon" motor vehicle claims.

This brochure is for informational purposes only and not intended for the purposes of providing legal advice. Information provided is subject to change. Printed material can be made available for individuals with special needs in Braille, large print or audio tape. Submit requests to the RICO Complaints and Enforcement Officer at 586-2666.