



**SUZANNE  
NAKANO**

REALTY, INC.

Integrity, Excellence, Knowledge

# Invest Aloha

## WHAT EVERY HAWAII REAL ESTATE INVESTOR SHOULD KNOW

### New Property Tax Filing Requirement

The Honolulu Real Property Assessment Division is requiring owners of certain mixed-use condominiums, such as the Ilikai and Ritz Carlton to declare their units as commercial or residential by September 1<sup>st</sup>.

If owners fail to file by this deadline, their property will be classified at the higher commercial rate of \$12.90 per \$1,000 of valuation for the 2018 tax year and thereafter. The residential rate is \$3.50 per \$1,000 of valuation.

“Residential use” is defined in the Honolulu Revised Ordinance Section 8-7.5 as the use of a unit by occupants for compensation for 30 or more consecutive days, by the unit owner personally, or by the unit owner’s guests without compensation.

General property tax exemption filing is due to the Real Property Assessment Division by September 30th.

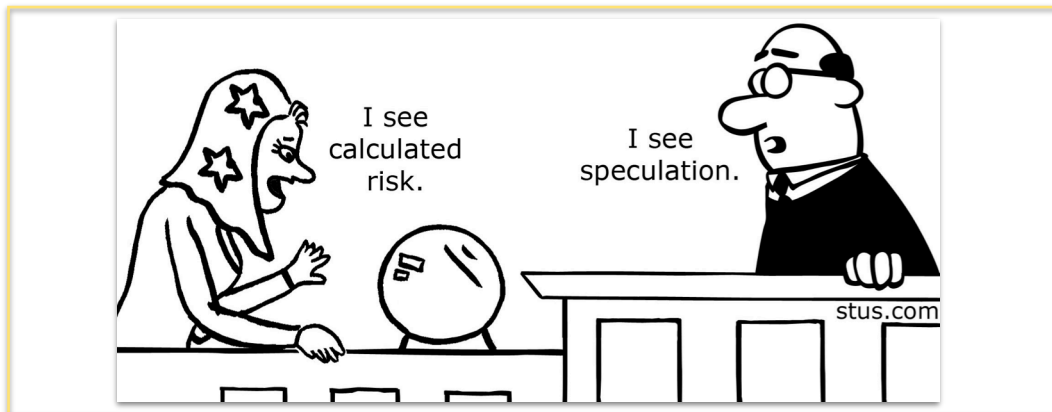
For more information, see Real Property Assessm. Div. <https://www.realpropertyhonolulu.com/> or call 808-768-3799.

### Can you make money buying foreclosure property?

Yes, but as with all investments, you must study the market and know what you are doing. There are two types of foreclosures in Hawaii, judicial and non-judicial. The points herein refer to judicial foreclosures.

- Foreclosure property notices are listed in the newspaper.
- Bidding is at the Honolulu Court lanai.
- Cashiers check or cash at 10% of bid price is required with your bid. Winning bid is subject to court confirmation, six weeks to several months after bidding.
- Bidding can be reopened starting at 5% over the winning bid. Judge confirms final bid price.
- Judge issues a written order after confirmation hearing. This takes one to several months.
- Closing is 35 days after Judge’s written order. Caution: You can lose your 10% deposit if closing doesn’t occur within 35 days.
- Transaction expenses: all escrow fees, costs of eviction, and maintenance fees.

There are pitfalls to avoid. Please contact Suzanne Nakano for details.



### Fire Sprinkler Regulation for Residential High-rises

With the recent loss of three lives and \$100 million in damages in the Marco Polo Condominium fire, many are hoping that a fire sprinkler law for existing high-rise residential buildings will be enacted. In May 2005, the Fire Safety Advisory Committee provided possible incentives to mitigate the costs of residential high-rise building sprinkler retrofitting to the City Council. Yet no law has been established since then. On July 17, 2017, Mayor Caldwell introduced a bill that would require retrofitted sprinkler systems to be installed in all high-rise residential buildings over 75 feet tall built before sprinkler systems were required in 1975. There are approximately 300 high-rise residential buildings on Oahu that do not have a fire sprinkler system.

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