



<http://www.hawaii.gov/hirec>

May 2005

Real Estate Education—change is in the wind

By the time this is published, the revised salesperson's prelicensing curriculum will be up for approval by the Real Estate Commission. Based on the first and second drafts of the revised curriculum, the minimum hours required will be increased from the current 45 hours to a minimum of 60 hours of prelicense study. Ethics will be emphasized throughout the curriculum, as opposed to comprising a separate section of study, as in the past.

The Hawaii Academy of Real Estate, LLC (HARE) is the contractor hired by the Commission to develop the revised curriculum. In its Overview, HARE states, "... The Commission may wish to consider the Salesperson's Curriculum as a floor level of knowledge and competency which is reinforced and increased over time. ... The Brokers' Curriculum could then be revised to build upon, rather than include, the Salesperson's Curriculum. Broker prelicensing candidates would be expected to know and apply salesperson competencies as a given (a base) while learning broker material which builds upon that base. This would mean that the Broker's Curriculum would not contain the material required for a salesperson. Certain broker candidates may find it necessary to retake or restudy the salespersons' material in addition to taking the brokers' prelicensing course."

Up until the broker's curriculum was revised and upped to 80 hours (approved July, 2004), the two curricula were essentially the same course, with only one (1) additional hour added to the broker's prelicense course.

HARE met with the Commission's Education and Evaluation Task Force (EETF) to obtain feedback on the revised curriculum. Feedback resulted in a recommendation that math be sprinkled throughout the curriculum in appropriate places such as working with and understanding closing statements, as well as include a specific "math" module. The condominium and time share and subdivision sections may be scaled down as these are "specialty" areas and the new salesperson may not be ready to focus on these areas of interest. There will be an expanded focus on standard HAR forms, especially the listing agreement, the DROA, and the Counter-Offer forms.

Also in progress is the Commission's Notice of

Procurement of Professional Services of Contractor to Develop the Online Prelicense Courses for Real Estate Salespersons and Brokers. The deadline for proposals was Friday, May 13,

Continued on page 2

A familiar face will be back

Stanley M. Kuriyama will be joining the Real Estate Commission on July 1, 2005. He is one of two gubernatorial appointees to the Commission for 2005. The second appointment has not been made yet.

Mr. Kuriyama was previously the vice-chair of the Real Estate Commission, chair of the Laws and Rules Review Committee, and chair of the Condominium Review Committee, from 1989 to 1997. He has held an active real estate broker's license since 1982. He is currently executive vice president for A & B Properties, Inc., a property development and management subsidiary of Alexander and Baldwin, Inc., the State's fifth largest private landowner. Mr. Kuriyama is an attorney who previously practiced in the areas of real estate sales and purchases, condominium and subdivision development, commercial leases, and real estate financing.

Mr. Kuriyama graduated from Punahou High School in Honolulu, the University of Hawaii - Manoa with a BA in Economics, and received his law degree from Harvard Law School. He was a law clerk for U.S. District Court Judge Dick Yin Wong, in Honolulu, and was a partner for the law firm, Cades Schutte Fleming & Wright, before joining Alexander & Baldwin in 1992.

Welcome aboard!



Kuriyama

2006 Program of Work will help in reaching goals

The 2006 Program of Work for each of the Real Estate Commission's three standing committees, the Laws and Rules Review Committee, the Education Review Committee, and the Condominium Review Committee was recommended for approval by the committees as committee draft #2, at their monthly meetings held on May 11, 2005.

The Program of Work is a working guide to achieve the goals of the Commission.

The Program of Work is developed from recommendations from the real estate community, consumers, and government officials received at monthly meetings, during the legislative session, from the Professional and Vocational Licensing Division, DCCA, and other interested parties.

While there are some carry-over items for each of the committees, the priorities and new programs for the new fiscal year include increasing electronic delivery of information relative to all aspects of the Commission's administrative responsibilities, rule amendments, and education on the successful recodification of Chapter 514A, the condominium property regimes law.

The Laws and Rules Review Committee (LRRC) will be working on collection of outstanding real estate recovery fund judgments with the assistance of a private investigator, reviewing the feasibility of providing appropriate services at exam sites to include provisional licensing and records management, rule amendments, reviewing the processing of license applicants with criminal and other legal background issues, educating licensees and the general public regarding the recodification of the condominium property regimes law, and presenting a statewide symposium on consumer relationships and "agency."

The Education Review Committee (ERC) will be working jointly with the LRRC on the education program for the recodification of the condominium property regimes law, and the statewide symposium on consumer relationships and "agency."

Additionally, the ERC will continue its efforts to contract with a consultant for the electronic delivery of the new salesperson's and broker's curricula in a modular format, develop a new salesperson's license exam with the Commission's test administrator, Promissor, study the feasibility of the test administrator providing appropriate services to assist in licensing at the exam site, including an online reference file for prelicense school certificates, prelicense education equivalency certificates, equivalency to the uniform section of the license exam certificates, broker experience certificates, that will eliminate the submission of certificates at the exam site and submission of the certificates to Licensing Branch.

The ERC will be considering post-license requirements for new salespersons and brokers, and special requirements for principal brokers and brokers-in-charge, and expanding the evaluation of courses and instructors to include CE providers.

The ERC will study the feasibility of electronic delivery

of education materials to applicants and licensees, including the Bulletin, with an increase in number of issues on a timely basis, and special periodic electronic messages to principal brokers, etc.

The Condominium Review Committee will be primarily involved in post-legislation programs for the new condominium law, including the development of a statewide, multifaceted, low cost educational program on the recodification of the condominium property regimes law, including seminars, distribution of educational materials, and other forms of outreach across the state; examining and amending all affected forms, instructions, and informational documents; reviewing and amending all relevant educational materials and redistribution; and working with the condominium community on any possible recodification related legislation.

The CRC will be reviewing and providing recommendations on alternative dispute resolution programs, including mediation, arbitration, and the administrative hearing process.

Change is in the wind

Continued from page 1

2005. The Commission hopes to select a contractor to develop its prelicense salesperson's and broker's curricula in an online, modular format.

These modules would then be available to the certified prelicense schools that may integrate them into their own courses on an as-needed basis, or offer the prelicense course in a full, online format.

The Commission hopes to have the prelicense online courses available in late 2005.

The Education Evaluation Task Force (EETF), an advisory subcommittee of the Education Review Committee, and made up of real estate industry members, is continuing its review and discussion on licensee education.

Matters under consideration include, among others, increasing continuing education hours from the present 10 hours each licensing biennium to 16 hours each biennium, changing the mandatory 4 hour biennial laws/rules/ethics course to an annual 2 hour mandatory course, and post-licensing education requirements for new salespersons and brokers.

The EETF will be making its recommendations to the Education Review Committee in the near future.

Presently, it is the Commission's position that any legislation to increase hours for continuing education must be introduced under the leadership of REALTOR organizations and supported collaboratively by the real estate industry and consumers.

Any legislation introduced will require justification and must be administratively viable for the Real Estate Branch and the Professional and Vocational Licensing Division.

The Chair's Message

Aloha! It is hard to believe, but this will be my final Chair's Message to you all. During the past eight years as a member and Chair of the Real Estate Commission, I was extremely fortunate and honored to be associated with a hard working and quality group of people.



I wish to acknowledge all of the former commissioners that I had the great pleasure to work with. I appreciate all of their hard work and sacrifice of both time and resources, to benefit the public and the local real estate industry.

To the Real Estate Branch staff and the Department of Commerce and Consumer Affairs administration, I thank you for all of your help and support in furthering the programs that the commission has sought to implement.

I also want to acknowledge the many volunteers who helped develop three continuing education Commission core courses, who worked tirelessly for the successful passage of the condominium re-codification bill, and those volunteers who are members of the Commission's subcommittee, the Education Evaluation Task Force, the group that is the impetus behind the new broker's curriculum, the soon to be approved new salesperson's curriculum, and the project to develop both curricula in an online format. I extend to you my warm and heartfelt Mahalo. You are making a difference.

To the current commissioners, I wish you the best of luck and hope that you are able to continue the outstanding job that you are currently doing to help service both the real estate industry in Hawaii, and the general public.

The efforts of the Real Estate Commission go largely unnoticed by the public and the real estate industry. However, in the past eight years, the Commission has quietly made tremendous and historic changes in real estate, that have positively impacted the general public, as well as the industry. During the past eight years that Mitchell Imanaka, the Vice-Chair of the Commission, and I have been on the Real Estate Commission, the Commission successfully amended the real estate licensing laws and rules, opened up continuing education to nationally accredited courses as well as courses for different disciplines of real estate, developed three core courses for continuing education, revised the broker's curriculum and licensing exam, successfully worked for the passage of the condominium re-codification bill, passed a license recognition bill, and continues to work on revising the salesperson's curriculum and licensing exam, an agency bill in concert with major industry organizations, the development of the salesperson's and broker's courses in an online format, and revamping continuing education requirements.

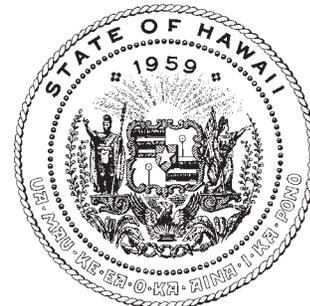
Working actively with the Hawaii Association of

REALTORS, the Honolulu, Kauai, Big Island, and Kona Boards of REALTORS, the REALTORS Association of Maui, the Condominium Association Institute, and other industry organizations, we have been able to keep the Hawaii real estate industry in step with a fast-changing global industry. It is my hope that the Commission, under its new leadership, can continue to move in sync with the changes that occur, and maybe even be in the forefront of upcoming changes.

The Commission will be in good hands and I hope that all who read this will contribute towards the efforts of the Commission in whatever way that you can, for this will benefit all real estate licensees in the long run, and make the real estate community in Hawaii stronger and better. Aloha!

Mahalo!

John Ohama



State of Hawaii Real Estate Commission

Telephone 586-2643

Website: www.hawaii.gov/hirec

© Copyright Hawaii Real Estate Commission 2005. All rights reserved. Funded by the Real Estate Education Fund and provided as an educational service to Hawaii real estate licensees. This publication is designed to provide general information on the subject matter covered and is not a substitute for professional services to address specific situations. If legal advice or other expert assistance is required, please seek the services of a competent professional.

This material can be made available to individuals with special needs. Please call the Senior Real Estate Specialist at 586-2643 to submit your request.

Administrative Actions

Thomas F. Schmidt, dba Tom Schmidt Realtors— REC 1998-121-L; REC 1999-54-L, REC 1999-73-L

On August 7, 2001, RICO filed a petition for disciplinary action against Thomas F. Schmidt, dba Tom Schmidt Realtors. Prior to a March 5, 2002, hearing, the parties entered into a settlement agreement. At its March 22, 2002 meeting, the Commission considered and accepted the agreement “with the understanding the license suspension is effective immediately as it protects the interest of the consuming public.” RICO subsequently notified the Hearings Officer and Respondent that the Commission had granted Respondent’s request to void the settlement agreement and requested that a new hearing date be set.

On January 10, 2005, the Hearings Officer submitted her findings of fact, conclusions of law and recommended order in the matter to the Commission, and the parties subsequently filed written exceptions. At its February 25, 2005 meeting, the Commission heard oral arguments from representatives of both parties and found that the exceptions did not warrant a modification or reversal of the Hearings Officer’s findings of fact or conclusions of law. Accordingly, the Commission adopted the Hearings Officer’s proposed decision as the Commission’s Final Order and concluded that Respondent violated HRS §§467-14(13) (violating this chapter, chapter 484, 514A, 514E, or 515; section 516-71; or the rules adopted pursuant thereto), 436B-19(7) (professional misconduct, incompetence, gross negligence, or manifest incapacity in the practice of the licensed profession or vocation), and 436B-19(9) (conduct or practice contrary to recognized standards of ethics), and HAR §§16-99-3(j) (a licensee shall transmit immediately all written offers in any real estate transaction as defined in section 16-99-3.1 to the listing broker who has a written unexpired exclusive listing contract covering the property), and 16-99-3(l) (a licensee shall not place any sign or advertisement indicating a property is for sale, rent, lease or exchange without the written authorization of the owner or seller and approval of the principal broker or broker in charge).

The Commission ordered that Respondent’s real estate broker’s license be suspended for one year. The Commission also ordered Respondent to pay a \$2,500 fine and complete a continuing education course chosen by the Commission.

Francine D. Sapla, dba Real Isle Properties— REC 2003-318-L

In 2003, RICO received a complaint that Respondent may have violated Hawaii’s licensing laws or rules related to failure to submit to the Commission, in a timely fashion, an executed Experience Certification Statement. RICO investigated the complaint and alleged that Respondent failed to act on a request for an Experience Certification Statement within the time limit prescribed by HAR §16-99-3(q). Under terms of a Settlement Agreement Prior to Filing of Petition for Disciplinary Action, Respondent agreed to pay a \$500 fine.

The Commission approved the Settlement Agreement on February 25, 2005.

Marlene Iwalani Lindsey—REC 2003-211-L

In 2003, RICO received information that Respondent may have violated Hawaii’s licensing laws or rules affecting real estate brokers. RICO investigated and found that in 2002, a U.S. district court in Nevada found Respondent guilty of filing a false tax return and sentenced her to six months of incarceration. Based on its investigation, RICO alleged that Respondent was adjudged guilty of a crime involving dishonesty by knowingly and willfully underreporting her income substantially and by making a false representation. RICO asserted that the allegations, if proven at an administrative hearing, would constitute violations of at least eight statutes governing the conduct of real estate salespersons in Hawaii. Under terms of a Settlement Agreement Prior to Filing of Petition for Disciplinary Action, Respondent agreed to pay a \$3,000 fine. The Commission accepted the Settlement Agreement on February 25, 2005.

Anini Beach Vacation Rentals, Inc., dba Cequis, Kauai—REC 2002-39-L; REC 2002-44-L; REC 2002-54-L; REC 2002-65-L; REC 2002-128-L; REC 2002-155-L; REC 2002-157-L; REC 2002- 159-L; REC 2002-163-L

On September 27, 2004, RICO filed a petition for disciplinary action against the real estate broker’s license of Respondent. Respondent failed to appear at a February 17, 2005, hearing, either in person or through a representative. Having considered the evidence and arguments presented by RICO, the Hearings Officer rendered the following findings of fact, conclusions of law, and recommended order. Respondent’s real estate broker’s license expired December 31, 2004, and has been forfeited. At all times relevant hereto, Celeste Miranda was president of Respondent. Count I: In September 2001, a long-time client of Respondent learned that Anini Beach Vacation Rentals had sold its business to Respondent. The client decided to retain another property management company, Prosser Realty, and gave Respondent notice of termination on October 10, 2001. At the time of termination, Respondent had booked future rentals totaling about \$52,000 and had collected deposits for those reservations. Respondent, however, did not turn those deposits over to the client despite repeated requests. Prosser Realty subsequently allowed one booking by Respondent to be fulfilled at this client’s property. However, Respondent did not pay the client the rental income collected for that booking and still owes this client \$9,271.28. Count II: Frank Harrington was principal broker of Respondent between December 2001 and January 2002. In December 2001, Harrington discovered that Respondent’s client trust account was overdrawn and that Respondent had transferred the funds from the trust account to another account. Although Harrington advised Respondent that the removal of the funds from the trust account was illegal, Respondent did not return the funds to the trust account. As a result, Harrington resigned as Respondent’s principal broker. Count III: Between November 2001 and February 2002, Respondent failed to

Administrative Actions

compensate a couple for the rental of their beach house in the amount of \$4,478.92. In addition, the owners of the house received complaints that Respondent had failed to refund a tenant's deposit, that cleaning services had not been paid for, and that although Respondent had collected State and accommodations taxes, those taxes were never paid or turned over to the house owners. Count IV: In April 2002, a prospective renter of a home paid Respondent \$3,788 to rent a home on Kauai from April 20 to April 28, 2002. On April 15, 2002, Respondent notified the prospective renter that the property was no longer available for rent. Notwithstanding that, Respondent failed to secure another property for the prospective renter or to return the \$3,788 paid by the prospective renter. Count V: On January 15, 2002, an individual deposited \$913 with Respondent for rental of a Kauai home April 6-15, 2002. However, on March 15, 2002, Respondent informed this person that the property had been "double-booked" and was no longer available. Notwithstanding that, Respondent failed to return the deposit or locate another property for the client to rent. Count VI: Respondent failed to turn over to the owners of a vacation rental property any part of the \$11,554.41 rental income Respondent had collected from December 2001 through June 2002. Count VII: In June 2002, a Los Angeles travel agent sent Respondent a deposit of \$500 for the rental of a vacation home June 14-24, 2002. On June 7, the travel agent discovered that Prosser Realty had taken over management of the property and had never received the deposit from Respondent. Consequently, the travel agent was forced to rebook with Prosser Realty and pay an additional \$500 deposit. Count VIII: Respondent rented out a vacation home February through March 2002 but failed to deliver the rental monies totaling \$18,200 to the home's owner. In addition, Respondent was responsible for paying excise and accommodation taxes on the home in the amount of \$3,824, but according to the Department of Taxation those taxes were never paid. Count IX: On January 28, 2004, a felony complaint filed in the Superior Court of California, San Diego County, charged Celeste Miranda with 54 felony counts, including grand theft of money and personal property and forgery in connection with her failing to provide accommodations and rental monies for the vacation homes of several victims. In December 2004, Celeste Miranda entered a plea of guilty in the criminal case and was sentenced to 6 years and 8 months imprisonment. RICO charged Respondent with violating the following: §467-14(1) (making any misrepresentation concerning any real estate transaction), (2) (making any false promises concerning any real estate transaction); (3) (pursuing a continued and flagrant course of misrepresentation); (7) (failing to account for any monies belonging to others); (8) (any other conduct constituting fraudulent or dishonest dealings); (15) (commingling the money or other property of the licensee's principal with the licensee's own); (20) (failure to maintain a reputation for competency, honesty, truthfulness, financial integrity, and fair dealing); HAR §16-99-3 (a) (failure to protect the general public in its real estate transactions), (b) (failure to protect the public against fraud, misrepresentation, or unethical practices in the real estate field.) The Hearings Officer recommended that Respondent's license

be revoked, that Respondent be fined \$15,000, and pay restitution of \$52,529.61. The Commission accepted the Hearings Officer's recommendation on April 29, 2005.

Frank Simutis Realty, Inc., Frank W. Simutis and Helen U. Simutis—REC 2004-10-L; 2004-23-L; 2004-28-L

On December 3, 2003, RICO received a complaint against Respondents in which Complainant alleged that Respondent failed to refund to her the initial \$500 security deposit and an additional \$500 she paid to the new owner of the building in which she rented an apartment through Respondents' firm. On December 23, 2003, RICO received a complaint in which Complainant alleged he hired Respondents to manage his property but Respondents failed to forward to him rental money totaling \$5,670 from May through November 2003. On December 18, 2003, RICO received a complaint from a couple who alleged they hired Respondents to manage their property but that Respondents failed to forward the \$1,200 security deposit, \$1,080 in rental monies, and the extra keys for their property. RICO alleges that Respondents used the trade name "S & L Realty" but did not register the trade name with the Commission. The foregoing allegations, if proven, would constitute violations of the following statutes: HRS §§467-1.6(b)(3) (principal broker responsible for all contracts and associated salespersons), (7) (failing to account for money of others), (13) (violating HRS chapter 467 and applicable rules), and HAR §16-99-19.1(2)(b)(2) (trade name not approved by the Commission). Respondents entered into a Settlement Agreement Prior to Filing of Petition for Disciplinary Action in which Respondents admit to the veracity of the allegations and that their acts constitute violations of statutes and/or regulations. Respondents agree to surrender their real estate broker and salespersons' licenses. They further agree not to apply or re-apply for such licenses in Hawaii in the future. The Commission accepted the Settlement Agreement on April 29, 2005.

Ronald I. Nakatsu and Ron Nakatsu Realty, Inc.—REC 2003-203-L

RICO received information that a Small Claims Court judgment was entered against Respondents for return of a security deposit to tenants of rental property in Honolulu. Respondents failed to disclose the judgment to the Commission within 30 days of entry of the judgment. The allegations, if proven, would constitute violations of HRS §§436B-16(a) (failure to disclose any judgment which adjudges that the licensee is liable for any damage caused by licensee's conduct) and 467-14 (violation of HRS Chapter 467 and/or rules adopted pursuant thereto.) Under terms of a Settlement Agreement Prior to Filing of Petition for Disciplinary Action, Respondents do not admit they violated any law or rule but acknowledge that RICO has sufficient cause to file a petition for disciplinary action against their real estate brokers' licenses. Respondents agree to a \$500 fine. The Commission accepted the Settlement Agreement on April 29, 2005.

Lead-based paint: Disclosure and Renovation

By Tom Lileikis, Hawaii State Department of Health, Lead-based Paint Program

Lead is a highly toxic metal. Lead exposure can be dangerous, especially for children age six or younger and pregnant women. It interferes with some of the body's basic functions by mistakenly absorbing lead instead of calcium.

Lead can cause nervous system and kidney damage, learning disabilities and decreased intelligence, hearing damage, behavior problems, and decreased muscle and bone growth. Even low levels of lead exposure can permanently affect children. Currently, approximately half a million children under the age of six have lead poisoning.

Although lead poisoning is a major environmental health problem, it can be prevented through family lead education. The Environmental Protection Agency (EPA) has introduced the Real Estate Disclosure and Notification Rule to ensure buyers and renters of pre-1978 housing will receive necessary information to protect themselves and their families from lead-based paint hazards. Housing that is not affected by this rule are zero-bedroom dwellings, leases of 100 days or fewer, designated housing for the elderly and handicapped unless children are expected to reside there, and rental housing inspected by certified inspectors that were found to be free of lead-based paint. To be in compliance with the rule, landlords, agents and sellers must complete the following requirements before the lessee or buyer is obligated to enter into a contract agreement:

- Provide a copy of the EPA pamphlet entitled, "Protect Your Family from Lead in Your Home," AND
- Disclose any records, reports or known information pertaining to the presence of lead-based paint and/or lead-based paint hazards, AND
- Complete a disclosure form to confirm that the lessee or buyer has received necessary disclosure materials, AND
- Retain documentation for at least three years, AND
- Offer potential buyers a ten-day opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Congress also enacted the Lead Pre-Renovation Education (PRE) Rule to protect and educate individuals and their families living in pre-1978 residences undergoing renovations that disturb more than two square feet of paint. Hence, this rule applies to work done in pre-1978 housing by general contractors or maintenance staff retained by owners. Thus, any work performed in pre-1978 housing for compensation, must complete the following requirements according to the specific condition:

In owner-occupied or tenant-occupied housing:

- Provide a copy of the EPA pamphlet entitled, "Protect Your Family from Lead in Your Home" to the owner and tenants, AND
- Obtain written acknowledgment of receipt from owner, OR
- Mail the pamphlet to the owner seven days prior to

renovation and document with a certificate of mailing, AND

- Retain documentation for at least three years.
- For work in common areas of multi-family housing (more than four units):
- Distribute initial and updated renovation notices to each tenant regarding the nature, location, and timing of the renovation work, a statement that lead-based paint may be disturbed, and how to obtain a copy of the EPA pamphlet, AND
 - Provide a copy of the EPA pamphlet entitled, "Protect Your Family from Lead in Your Home" to tenants upon request (free of charge), AND
 - Provide owner a copy of the EPA pamphlet entitled, "Protect Your Family from Lead in Your Home" and obtain written acknowledgment, AND
 - Retain all documentation for at least three years.

Exemptions to the Lead PRE Rule include emergency renovations, minor repair/maintenance activities disrupting less than two square feet of painted surfaces, renovations of certified lead-based paint free components, lead abatement activities performed by certified lead abatement contractors, renovations in zero-bedroom dwellings, and renovations in housing for the elderly or handicapped. The harmful effects of lead poisoning are irreversible, but agents and landlords can play an important role in awareness and prevention. EPA has established both the Notification and Disclosure Rule and the Lead PRE Rule to protect families and prevent lead poisoning through education. Non-compliance of either rule may result in criminal fines of up to \$25,000 per day and imprisonment of up to one year. If you have further questions, please contact the Department of Health's Lead Program at 586-5800, or visit EPA's TSCA-Lead website at www.epa.gov/lead.

Committees will meet at Kailua-Kona in June

The Real Estate Commission will convene standing committee meetings at the Natural Energy Laboratory of Hawaii's Conference Room at 73-4460 Queen Kaahumanu Highway, #101, Kailua-Kona, at 9:30 a.m., Tuesday, June 14.

The Commission will also be holding a Specialists' Office of the Day while the meetings are in progress and also by appointment. This will provide real estate licensees, condominium owners, educational providers, or anyone else interested in real estate licensing or condominium issues with an opportunity to meet with the Specialists to discuss their concerns.

The Laws and Rules Review Committee will meet at 9:30 a.m. Meetings of the Education Review Committee and Condominium Review Committee will follow that initial session.

For further information on the Committees, visit the Commission's website at www.hawaii.gov/hirec.

Alaska's Agency Dilemma Defined

This article appears in the Bulletin with the permission of Ms. Deborah Long, DREI, Ed.D., Editor, the Real Estate Educators Association "Journal," Vol. 17, No. 2, Spring 2005 issue.

COLUMBUS V. MEHNER

In 2002, an Alaska real estate case made national headlines. *Columbus v. Mehner* has been described as having the potential to be as shattering as the *Edina* dual agency lawsuit of the early 1990s. In the Alaska suit, Joseph Columbus, a buyer, sued Bonnie Mehner, an agent with Prudential Jack White Company, for a variety of misdeeds, not the least of which was the breach of her dual agency duties. As a member of a special agency task force created to deal with the aftermath of this case, I believe real estate educators should be familiar with the details of the lawsuit as well as its outcome.

Here is how one state regulator summarized the lawsuit:

In the case of *Columbus v. Mehner*, the Alaska court held that the sales associate, Bonnie Mehner, had engaged in undisclosed dual agency and had violated her fiduciary duties to her client. The prospective buyer, Joseph Columbus, wanted to see one of Mehner's listings, but the buyer's agent with whom he was working was out of town at the time.

So, Columbus called Mehner, and she met him at the property. He gave her the card of his buyer's agent and indicated that he was working with this agent. After noting that she usually does not show properties to other people's clients, Mehner agreed to show Columbus this listing. He was not interested in the property. Mehner then offered to show him some of her other listings.

The next day, Columbus viewed the same property again, as well as several other properties, with Mehner. He found one he liked and wanted to make an offer on it. Because his own buyer's agent was still out of town, Columbus asked another agent in the buyer's agent's company to draft up an offer and present it to Mehner. Mehner indicated that the offer "would not fly" and also expressed that she was angry that the buyer was still working with this other agent's firm instead of through her. She indicated that Columbus became her client when he called her the second time.

Mehner contacted Columbus, berated him and told him that she expected to receive both sides of the commission on this sale. She told Columbus the offer price would have to be close to full price in order for Columbus to secure the property. She also told Columbus that the seller did not have to negotiate on the price because his employer would make up any difference between the sales price and the listing price. This statement was false.

Believing that he had to work through Mehner to purchase this property, Columbus had Mehner draft up a full-price offer. For the first time, Mehner brought up the issue of dual agency. She presented Columbus with an agency disclosure form, and he signed it. Columbus then made a full-price offer on the

property, and the seller accepted Columbus's offer.

Columbus and his buyer's agent eventually filed suit against Mehner, alleging that she had breached her fiduciary duties to Columbus and had intentionally interfered with the contractual relationship between Columbus and his agent. The court ruled in favor of Columbus and the buyer's agent and awarded damages to both parties. The buyer received the difference between the price he actually paid for the property and the price he would have paid had Mehner acted in accordance with the law. The buyer's agent received half of the commission.

The court held that Mehner had violated Alaska's dual agency disclosure laws by waiting until Columbus had already seen several of her listings and made an offer on one to even broach the subject of dual agency. In addition, the court found that Mehner had violated her fiduciary duty to the buyer by failing to disclose her dual agency status, since, as a dual agent, her role was limited.

The buyer was also eligible to receive punitive damages because the court found that Mehner's actions were so egregious as to merit such additional damages. A hearing was set to determine the amount of punitive damages, but the parties settled the matter for \$200,000 prior to the court's ruling on the issue.¹

Let's examine some of the ways in which Mehner violated Alaska's dual agency laws. Bonnie:

- ignored the established agency relationship the buyer had with the other agent.
- assumed that the buyer had a level of knowledge of real estate that he did not.
- should have discussed what agency relationship she and the buyer were going to have, if any, and then verified that if he was working with the other agent, she would work with the buyer as a customer rather than as a client. If the buyer had ended that relationship, then Bonnie should have codified the new buyer agency relationship in writing.
- convinced the buyer wrongly that he could not buy the home without her help. She interfered with the other agent's agency relationship and gave him false information about what services she could provide compared to those of another firm.
- told the buyer that there were multiple offers when there were not.
- told the buyer that his initial offer was too low and gave him information that was not accurate as to the relocation company's participation.
- did not tell the seller that the buyer had made a written offer. In Alaska, all written offers must be presented.
- should have disclosed what limitations dual agency placed

Continued on page 8

Alaska's Agency Dilemma Defined

Continued from page 7

on her ability to represent the buyer, as compared to an agent that solely represents the buyer.

- should have obtained written consent to dual agency from the seller prior to proceeding with the offer.
- used dual agency forms developed by her office with terms not recognized by Alaska law, and even then did not follow what the form language said she was going to do in regard to dual agency. (At the time, Alaska did not have state-required dual agency consent forms.)
- needed to disclose to the buyer that the seller was her client and that the seller was paying her compensation in the transaction, but did not do so.
- admitted in court that she did not follow the state law in regard to dual agency as she said the law was “impractical.”

Spurred on by the decision that Bonnie Mehner *did* violate dual agency laws, the Alaska Association of REALTORS® (AAR) formed a statewide task force to look at the statutes and regulations that govern the relationships between real estate licensees and their customers and clients. AAR spent many hours trying to find a quick fix but soon came to the conclusion that the only solution was a complete rewriting of Alaska laws regarding the way licensees work with the public in real estate transactions.

AAR's agency task force next formed a small group of seven experienced agents from around the state and with varied backgrounds. This special task force, aided by the AAR's attorney, Gordon Schadt, and staff from Representative Norm Rokeberg's office, started hammering out the needed changes.

Keep in mind, Alaska is a difficult state in which to form real estate laws that apply equally. Alaska has one large city (Anchorage and the Palmer/Wasilla/Eagle River areas—about 300,000 people total), two medium-sized cities (Fairbanks and Juneau—30,000 and 50,000, respectively) and many small communities. Alaska has significant annual movement of population both within the state and from outside the state. And, Alaska has a mix of real estate companies in each city with large franchisee firms, large independent firms, medium and small independent firms, and boutique firms. In smaller communities, there is a preponderance of one- and two-person firms.

So how do you go about writing a law that meets the needs of both the large firms and the small firms? And works in both big cities and very small towns? How do you write a law that services the needs of the residential, property management, association management and commercial licensees all at the same time?

At last count, the special agency task force spent more than 100 hours just in the writing of the legislation, and that investment does not count the time and energy to get the proposal all over the state for comments and suggestions by the industry, and then the time and energy to get the legislation passed in one session—next to a miracle in Alaska's legislative

landscape. But AAR was successful. Here are the basics of the legislation (HB 29) which was passed in May 2004 and went into effect January 1, 2005. Alaska Statutes 08.88.71 through AS 08.88.695:

- provide for standardized required licensee relationship disclosure form explaining the duties of a licensee in various relationships with the public.
- create a minimum standard of practice in duties owed by a licensee.
- clarify conflict of interest issues and exactly how they are to be disclosed.
- provide for “neutral licensees” and outline their specific duties (no more dual agency) [Note: In our view, the terms “facilitator” and “transaction broker” did not work as well as “neutral licensee” as a description of a practitioner's role].
- provide for “designated licensees” and outline their duties and responsibilities.
- eliminate the vicarious liability the consumer could potentially suffer due to the actions, neglect, or dishonesty of a real estate licensee.
- provide for a mandatory written office policy that identifies and describes the relationships in which the broker and the real estate licensee will work.
- Define when a relationship with a party ends: when a) the licensee completes the representation or specific assistance; b) the relationship term is completed; c) the parties mutually agree to terminate; or d) one party gives notice to the other party to terminate the relationship.

As a member of the special agency task force, I am very proud of the changes that we have made in this difficult area, especially in light of this dual agency lawsuit and the threat of more to come for all real estate professionals. It is my belief that the changes made will now better serve and protect the public, while providing Alaska licensees with clear and consistent guidelines for the practice of real estate in every part of our state and for every type of real estate practice.

¹(Harris, L.B. (2003). Undisclosed Dual Agency in Alaska Could Affect Kentucky Licensees. *Kentucky Real Estate News*, 194, 8-9). For the complete findings of facts on this case, go to www.alaskabar.org/opinions/ACF3DFA.htm.

PeggyAnn McConnochie is the owner and broker of ACH Consulting in Juneau, Alaska, and a member of the special agency task force. ACH Consulting is a real estate consulting and education firm which specializes in mediation, facilitation and strategic planning. She teaches throughout the state of Alaska and in the lower 48 on a variety of topics. PeggyAnn is also a member of her local planning commission and is a 2005 liaison with the National Association of REALTORS®. She can be reached at peggyann@gci.net.

Recodification legislation awaits Governor's action

The 2005 Legislature passed Senate Bill 1132 S.D. 2 H.D. 1 C.D. 1, completing the recodification of the condominium property regimes law begun under Act 164, Session Laws of Hawaii 2004 (Act 164) and delayed the effective date of the Act to July 1, 2006.

The Governor has until June 27, 2005 to notify the legislature whether she will veto the bill or allow it to become law with or without her signature by July 12, 2005.

Highlights of what the 2005 Legislature did in completing the recodification of the condominium property regimes law are summarized here. Readers are advised to read the full text of the bill at http://www.capitol.hawaii.gov/sessioncurrent/bills/sb1132_cd1_.htm. In completing the recodification the legislature did the following:

- Established provisions relating to the creation, alteration, and termination of condominiums; the registration and administration of condominiums; and the protection of condominium purchasers;
- Made effective July 1, 2006 parts I and II of Act 164 (SLH 2004); provisions relating to the governance and management of condominium associations;
- Amended section -149 relating to the handling and disbursement of association funds conditionally passed last year, by basically changing the amendments to reflect the current law as set forth in section 514A-97(c), HRS. The current law appears to require that associations deposit their funds in FDIC insured financial institutions located in this State, have the funds held by trust companies authorized to do business under article 8 of chapter 412, HRS, have the funds held by the United States Treasury; and have funds purchased in the name of the association by securities brokers who are registered with the SEC with offices in this state and. The current law apparently does not prohibit the in state financial institutions, trust companies, and securities brokers from

investing in deposits, investment certificates, savings accounts, and certificates of deposits out of state;

- Clarified that:
 - ✓ the requirement to file an annual update of a developer's public report extends to a developer's successor or assign;
 - ✓ a developer and real estate broker shall keep records of all sales transactions and proceeds in accordance with the requirements of the real estate brokers and salespersons law, chapter 467, Hawaii Revised Statutes, HRS, and the related administrative rules;
- Repealed chapter 514A, HRS;
- Added a standard savings clause provision;
- Clarified the parameters of the savings clause provision relating to condominium developers and purchasers by providing that the legislation does not affect the parties' rights and obligations under a sales contract for a condominium unit in a project registered under chapter 514A, HRS, prior to the effective date of the new condominium law;
- Deleted the appropriation from the condominium education trust fund for the conduct of post bill passage educational activities; and
- Made technical amendments to the bill, correcting statutory and other internal references.

The Commission has included in its Program of Work for Fiscal Year 2006, the implementation of the new condominium law as it relates to the registration of condominium projects, management of condominiums, and an educational program targeted to inform the condominium community, developers, real estate licensees, prospective condominium purchasers, and the general public about the new condominium law.

The educational program is contingent on what the Governor's decides on the passage or veto of the new condominium law, and subject to budget, expenditure restrictions, and procurement law.

Real Estate Commission 2005 Meeting Schedule

Laws & Rules Review Committee

Education Review Committee

Condominium Review Committee

(These committees meet one after another, beginning at 9 a.m.)

Tuesday, June 14, 2005

Wednesday, July 13, 2005

Wednesday, August 10, 2005

Wednesday, September 14, 2005

Real Estate Commission, 9 a.m.

Friday, June 24, 2005

Friday, July 29, 2005

Friday, August 26, 2005

Friday, September 30, 2005

All meetings will be held in the Queen Liliuokalani Conference Room of the King Kalakaua Building, 335 Merchant Street, First Floor, except the June 14, 2005 Committee meetings, which will be held in Kona (see article on page 6.) Meeting dates, locations, and times are subject to changed without notice. Please visit the Commission's website at www.hawaii.gov/hirec or call the Real Estate Commission Office at 586-2643 to confirm the dates, times, and locations of the meetings. This material can be made available to individuals with special needs. Please contact the Executive Officer at 586-2643 to submit your request.

Scheduled Continuing Education

An updated schedule is available at <http://www.hawaii.gov/hirec>. Courses are subject to change or cancellation; please check directly with the provider to confirm date, time and location.

Courses with a (CORE) are approved 2003-2004 core courses and receive 4 hours credit. The 2003-2004 core course will NOT be offered after May 31, 2005. All other courses are electives and receive 3 hours credit. If you are taking courses to reactivate an inactive license this year, you must first satisfy the prescribed continuing education hours of one prior renewal period. In lieu of the core course, licensees who wish to reactivate a license need at least 10 credit hours of continuing education or 4 continuing education elective courses. If you are restoring a real estate license, telephone the Licensing Branch at (808) 586-3000 for specific instructions and information.

HILO

DATE	TIME	COURSE	PROVIDER	LOCATION	CITY	INSTRUCTOR
6/24/2005	09:00am	AT HOME WITH DIVERSITY: ONE AMERICA	HAWAII ASSOCIATION OF REALTORS	HI ISLAND BOARD OF REALTORS	HILO	SYKES
8/26/2005	09:00am	LEGAL ISSUES	HAWAII ASSOCIATION OF REALTORS	HI ISLAND BOARD OF REALTORS	HILO	STONE
9/23/2005	09:00am	FINANCE	HAWAII ASSOCIATION OF REALTORS	HAWAII ISLAND BRD OF REALTOR	HILO	LOVENTHAL
10/14/2005	09:00am	CONTRACTS	HAWAII ASSOCIATION OF REALTORS	HI ISLAND BOARD OF REALTORS	HILO	KUWAHARA
11/7/2005	09:00am	ESSENTIALS OF LISTING	HAWAII ASSOCIATION OF REALTORS	HI ISLAND BOARD OF REALTORS	HILO	GOODALE
11/14/2005	09:00am	ESSENTIALS OF THE DROA	HAWAII ASSOCIATION OF REALTORS	HI ISLAND BOARD OF REALTORS	HILO	BEGIER
11/21/2005	09:00am	ESSENTIALS OF FINANCE	HAWAII ASSOCIATION OF REALTORS	HI ISLAND BOARD OF REALTORS	HILO	LEWIS

KAUAI

DATE	TIME	COURSE	PROVIDER	LOCATION	CITY	INSTRUCTOR
5/23/2005	08:30am	ANALYSIS OF INVESTMENT REAL ESTATE	KAUAI BOARD OF REALTORS	KAUAI MARRIOTT HOTEL	LIHUE	CRIZ
5/25/2005	01:00pm	FOUR STEPS TO AVOID LEGAL CLAIMS	KAUAI BOARD OF REALTORS	KAUAI MARRIOTT HOTEL	LIHUE	STONE
7/28/2005	08:30am	DISCLOSURE	KAUAI BOARD OF REALTORS	RADISSON KAUAI BEACH RESORT	LIHUE	CHONG

KONA

DATE	TIME	COURSE	PROVIDER	LOCATION	CITY	INSTRUCTOR
5/23/2005	09:00am	ESSENTIALS OF THE DROA	HAWAII ASSOCIATION OF REALTORS	THELMA PARKER LIBRARY	KAMUELA	BEGIER
5/27/2005	01:00pm	FOUR STEPS TO AVOID LEGAL CLAIMS	HAWAII ASSOCIATION OF REALTORS	HAPUNA BEACH PRINCE HOTEL	WAIKOLOA	STONE
6/6/2005	09:00am	ESSENTIALS OF FINANCE	HAWAII ASSOCIATION OF REALTORS	THELMA PARKER LIBRARY	KAMUELA	LEWIS
8/8/2005	09:00am	ESSENTIALS OF LISTING	HAWAII ASSOCIATION OF REALTORS	KUAKINI TOWERS BLDG #212A	KAILUA-	GOODALE
8/15/2005	09:00am	ESSENTIALS OF THE DROA	HAWAII ASSOCIATION OF REALTORS	KUAKINI TOWERS BLDG # 212A	KAILUA-	BEGIER
8/22/2005	09:00am	ESSENTIALS OF FINANCE	HAWAII ASSOCIATION OF REALTORS	KUAKINI TOWERS BLDG # 212A	KAILUA-	LEWIS

MAUI

DATE	TIME	COURSE	PROVIDER	LOCATION	CITY	INSTRUCTOR
5/31/2005	01:00pm	FOUR STEPS TO AVOID LEGAL CLAIMS	REALTORS ASSN OF MAUI INC	WAILEA MARRIOTT RESORT	KIHEI	STONE
6/15/2005	08:30am	TITLE INSURANCE AND TITLE REPORT RED FLAGS	REALTORS ASSN OF MAUI INC	REALTORS ASSN OF MAUI, INC.	KAHULUI	NASSER
6/15/2005	12:45pm	CONDOMINIUM PRINCIPLES AND DISCLOSURE LAW	REALTORS ASSN OF MAUI INC	REALTORS ASSN OF MAUI, INC.	KAHULUI	DOUMA
7/5/2005	09:00am	ESSENTIALS OF LISTING	REALTORS ASSN OF MAUI INC	REALTORS ASSN OF MAUI, INC.	KAHULUI	HAY
7/12/2005	09:00am	ESSENTIALS OF THE DROA	REALTORS ASSN OF MAUI INC	REALTORS ASSN OF MAUI, INC.	KAHULUI	HAY
7/15/2005	09:00am	LEGAL ISSUES	REALTORS ASSN OF MAUI INC	REALTORS ASSN OF MAUI, INC	KAHULUI	STONE
7/19/2005	09:00am	ESSENTIALS OF FINANCE	REALTORS ASSN OF MAUI INC	REALTORS ASSN OF MAUI, INC	KAHULUI	HOLIDAY
10/4/2005	09:00am	ESSENTIALS OF LISTING	REALTORS ASSN OF MAUI INC	REALTORS ASSN OF MAUI, INC.	KAHULUI	HAY
10/11/2005	09:00am	ESSENTIALS OF THE DROA	REALTORS ASSN OF MAUI INC	REALTORS ASSN OF MAUI, INC.	KAHULUI	HAY
10/18/2005	09:00am	ESSENTIALS OF FINANCE	REALTORS ASSN OF MAUI INC	REALTORS ASSN OF MAUI, INC.	KAHULUI	HOLIDAY
11/18/2005	09:00am	FINANCE	REALTORS ASSN OF MAUI INC	REALTORS ASSN OF MAUI, INC.	KAHULUI	LOVENTHAL

OAHU

DATE	TIME	COURSE	PROVIDER	LOCATION	CITY	INSTRUCTOR
6/11/2005	01:00pm	FOUR STEPS TO AVOID LEGAL CLAIMS	HAWAII ASSOCIATION OF REALTORS	SHERATON WAIKIKI HOTEL	HONOLULU	STONE
6/6/2005	09:00am	AGENCY, PRACTICAL ETHICS, AND FAIR HOUSING	HONOLULU BOARD OF REALTORS	JAPANESE CULTURAL CENTER	HONOLULU	STONE
6/15/2005	01:00pm	UNDERSTANDING CONTRACTS PART II	ABE LEE SEMINARS	1585 KAPIOLANI BLVD #1530	HONOLULU	LEE
6/15/2005	09:00am	UNDERSTANDING CONTRACTS PART I	ABE LEE SEMINARS	1585 KAPIOLANI BLVD #1530	HONOLULU	LEE
6/16/2005	09:00am	PROPERTY MANAGEMENT AND MANAGING RISK	DOWER SCHOOL OF REAL ESTATE	DOWER SCHOOL OF REAL ESTATE	HONOLULU	WILIA
7/6/2005	01:00pm	STICKS, BRICKS & STEEL UNDERSTANDING PLANS & CONSTRUCTION METHODS	ABE LEE SEMINARS	1585 KAPIOLANI BLVD #1530	HONOLULU	LEE
7/6/2005	09:00am	PERMITS, PERMITS AND MORE PERMITS: RESEARCHING BUILDING PERMITS & 25+ OTHER PERMITS HANDBOOK	ABE LEE SEMINARS	1585 KAPIOLANI BLVD #1530	HONOLULU	LEE
7/15/2005	09:00am	LAND USE AND PERMIT REQUIREMENTS- RESIDENTIAL APPLICATIONS C & C OF HONOLULU	DOWER SCHOOL OF REAL ESTATE	1114 11TH AVENUE	HONOLULU	WILIA

7/18/2005	09:00am	PROPERTY MANAGEMENT & LANDLORD/TENANT	HONOLULU BOARD OF REALTORS	JAPANESE CULTURAL CENTER	HONOLULU	RAMSEY
8/1/2005	09:00am	ESSENTIALS OF LISTING	HONOLULU BOARD OF REALTORS	HBR, HOLOMUA ROOM	HONOLULU	HOWE
8/11/2005	08:30am	CI 102: MARKET ANALYSIS FOR COMMERCIAL INVESTMENT REAL ESTATE	HAWAII CCIM CHAPTER	UNIVERSITY OF PHOENIX	HONOLULU	SMITH
8/11/2005	08:30am	CI 102: MARKET ANALYSIS FOR COMMERCIAL INVESTMENT REAL ESTATE	HAWAII CCIM CHAPTER	UNIVERSITY OF PHOENIX	HONOLULU	SMITH
8/15/2005	09:00am	ESSENTIALS OF FINANCE	HONOLULU BOARD OF REALTORS	HBR, HOLOMUA ROOM	HONOLULU	BOLOSAN
8/22/2005	09:00am	ESSENTIALS OF THE DROA	HONOLULU BOARD OF REALTORS	HBR, HOLOMUA ROOM	HONOLULU	CHONG
8/26/2005	09:00am	LAND USE AND PERMIT REQUIREMENTS- RESIDENTIAL APPLICATIONS C & C OF HONOLULU	DOWER SCHOOL OF REAL ESTATE	DOWER SCHOOL OF REAL ESTATE	HONOLULU	WILIA
8/29/2005	09:00am	LEGAL ISSUES	HONOLULU BOARD OF REALTORS	JAPANESE CULTURAL CENTER	HONOLULU	STONE
8/31/2005	01:00pm	COMPUTERS, INTERNET & THE LICENSEE	ABE LEE SEMINARS	1585 KAPIOLANI BLVD #1530	HONOLULU	LEE
8/31/2005	09:00am	UNDERSTANDING THE LAND USE ORDINANCE: C&C OF HONOLULU	ABE LEE SEMINARS	1585 KAPIOLANI BLVD 1530	HONOLULU	LEE
9/21/2005	01:00pm	WILLS, TRUSTS & REAL ESTATE	ABE LEE SEMINARS	1585 KAPIOLANI BLVD #1530	HONOLULU	LEE
9/21/2005	09:00am	ZONING-ISSUES, PROBLEMS, QUESTIONS, ANSWERS	ABE LEE SEMINARS	1585 KAPIOLANI BLVD 1530	HONOLULU	LEE
9/22/2005	08:30am	CI 101: FINANCIAL ANALYSIS FOR COMMERCIAL INVESTMENT REAL ESTATE	HAWAII CCIM CHAPTER	ALA MOANA HOTEL-CARNATION RM	HONOLULU	HARVEY
9/22/2005	08:30am	CI 101: FINANCIAL ANALYSIS FOR COMMERCIAL INVESTMENT REAL ESTATE	HAWAII CCIM CHAPTER	ALA MOANA HOTEL-CARNATION RM	HONOLULU	HARVEY
9/22/2005	09:00am	PROPERTY MANAGEMENT AND MANAGING RISK	DOWER SCHOOL OF REAL ESTATE	DOWER SCHOOL OF REAL ESTATE	HONOLULU	WILIA
9/26/2005	09:00am	DISCLOSURE	HONOLULU BOARD OF REALTORS	HBR, HOLOMUA ROOM	HONOLULU	STONE
10/3/2005	09:00am	ESSENTIALS OF LISTING	HONOLULU BOARD OF REALTORS	HBR, HOLOMUA ROOM	HONOLULU	HOWE
10/5/2005	01:30pm	1031 EXCHANGES & OTHER TAX ISSUES	ABE LEE SEMINARS	1585 KAPIOLANI BLVD #1530	HONOLULU	LEE
10/14/2005	09:00am	LAND USE AND PERMIT REQUIREMENTS- RESIDENTIAL APPLICATIONS C & C OF HONOLULU	DOWER SCHOOL OF REAL ESTATE	1114 11TH AVENUE	HONOLULU	WILIA
10/17/2005	09:00am	CONTRACTS	HONOLULU BOARD OF REALTORS	JAPANESE CULTURAL CENTER	HONOLULU	CHONG
10/24/2005	09:00am	ESSENTIALS OF FINANCE	HONOLULU BOARD OF REALTORS	HBR, HOLOMUA ROOM	HONOLULU	LOVENTHAL
11/2/2005	01:00pm	UNDERSTANDING CONTRACTS PART II	ABE LEE SEMINARS	1585 KAPIOLANI BLVD #1530	HONOLULU	LEE
11/2/2005	09:00am	UNDERSTANDING CONTRACTS PART I	ABE LEE SEMINARS	1585 KAPIOLANI BLVD #1530	HONOLULU	LEE
11/7/2005	09:00am	ESSENTIALS OF THE DROA	HONOLULU BOARD OF REALTORS	HBR, HOLOMUA ROOM	HONOLULU	CHONG
11/17/2005	09:00am	PROPERTY MANAGEMENT AND MANAGING RISK	DOWER SCHOOL OF REAL ESTATE	DOWER SCHOOL OF REAL ESTATE	HONOLULU	WILIA
12/16/2005	09:00am	LAND USE AND PERMIT REQUIREMENTS- RESIDENTIAL APPLICATIONS C & C OF HONOLULU	DOWER SCHOOL OF REAL ESTATE	1114 11TH AVENUE	HONOLULU	WILIA

OTHER

DATE	TIME	COURSE	PROVIDER	LOCATION	CITY	INSTRUCTOR
5/31/2005		(CORE) REAL LAW REVIEW & UPDATE/ETHICS 2003-2004 (INTERNET)	KAUAI BOARD OF REALTORS	INTERNET COURSE		OTHER
5/31/2005		(CORE) REAL LAW REVIEW & UPDATE/ETHICS 2003-2004 (INTERNET)	ABE LEE SEMINARS	INTERNET COURSE		OTHER
5/31/2005		(CORE) REAL LAW REVIEW & UPDATE/ETHICS 2003-2004 (INTERNET)	HONOLULU BOARD OF REALTORS	INTERNET COURSE		OTHER
5/31/2005		(CORE) REAL LAW REVIEW & UPDATE/ETHICS 2003-2004 (INTERNET)	KONA BOARD OF REALTORS INC	INTERNET COURSE		OTHER
5/31/2005		(CORE) REAL LAW REVIEW & UPDATE/ETHICS 2003-2004 (INTERNET)	AKAHI REAL ESTATE NETWORK LLC	INTERNET COURSE		OTHER
5/31/2005		(CORE) REAL LAW REVIEW & UPDATE/ETHICS 2003-2004 (INTERNET)	CONTINUING-ED-ONLINE.ORG	INTERNET COURSE		OTHER
5/31/2005		(CORE) REAL LAW REVIEW & UPDATE/ETHICS 2003-2004 (INTERNET)	FAHRNI SCHOOL OF REAL ESTATE	INTERNET COURSE		OTHER
5/31/2005		(CORE) REAL LAW REVIEW & UPDATE/ETHICS 2003-2004 (INTERNET)	SEILER SCHOOL OF REAL ESTATE	INTERNET COURSE		OTHER

Continuing Education Providers

PROVIDER	TELEPHONE	PROVIDER	TELEPHONE
ABE LEE SEMINARS	942-4472	HONOLULU BOARD OF REALTORS	732-3000
AKAHI REAL ESTATE NETWORK LLC	331-2008	JOHN REILLY	John@InternetCrusade.com
BOMA-HAWAII	847-0143	KAPIOLANI COMMUNITY COLLEGE	734-9211
BRIAN R THOMAS DBA EDVENTURES	885-2117	KAUAI BOARD OF REALTORS	245-4049
CENTURY 21 REAL ESTATE SCHOOL	263-4074	KONA BOARD OF REALTORS INC	329-4874
COLDWELL BANKER PACIFIC PROPERTIES	738-3926	LORMAN EDUCATION SERVICES	715-833-3940
CONTINUING-ED-ONLINE.ORG	206-523-9801	LYNN W CARLSON	874-4064
DOWER SCHOOL OF REAL ESTATE	735-8838	PACIFIC REAL ESTATE INSTITUTE	524-1505
DOWER SCHOOL OF REAL ESTATE WINDWARD	263-9500	PREMIER REALTY 2000, INC	955-7653
DUPLANTY SCHOOL OF REAL ESTATE	737-5509	PROSCHOOLS, INC.	503-297-1344
EDDIE FLORES REAL ESTATE	951-9888	REALTORS ASSOCIATION OF MAUI INC	873-8585
FAHRNI SCHOOL OF REAL ESTATE	486-4166	RUSS GOODE SEMINARS	597-1111
HAWAII ASSOCIATION OF REALTORS	733-7060	SEILER SCHOOL OF REAL ESTATE	874-3100
HAWAI'I CCIM CHAPTER	528-2246	SERVPRO INDUSTRIES, INC	615-451-0600
HAYLOFT CLIMBERS, LLC dba HTES	753-2003	TERABIZ	540-5400
HOGAN SCHOOL OF REAL ESTATE	1-800-794-1390	UNIVERSITY OF HAWAII AT MANOA	956-8244

Commission joins Realtors in sponsoring Outreach events

The Hawaii Association of REALTORS sponsored Outreach 2005 – Game Plan to Success, its annual outreach to its members and other interested parties, on legislative updates, and other topics of high interest in late May and early June.

The morning session was devoted to explanation of revisions to the Exclusive Right-to-Sell Listing Agreement and Buyer's Representation forms, a brief review of RESPA requirements, and a legislative update.

The afternoon session, co-sponsored with the Hawaii Real

Estate Commission, featured "Four Steps to Avoid Legal Claims" by James Stone, Esq. The afternoon seminar was approved for three elective continuing education credits by the Commission.

Dates and locations of Outreach 2005 were May 25 at the Kauai at the Marriott Resort and Beach Club, May 27 on the Big Island at the Hapuna Beach Prince Hotel, May 31 at the Wailea Marriott Resort, Maui, and June 1 on Oahu at the Sheraton Waikiki Hotel.

**State of Hawaii
Real Estate Commission Bulletin
King Kalakaua Building
335 Merchant Street, Room 333
Honolulu, HI 96813**

**Presorted
Standard
U.S. Postage Paid
Honolulu, Hawaii
Permit No. 516**