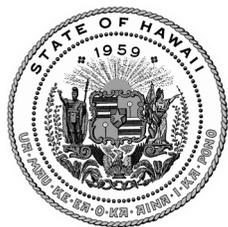


Real Estate Commission Bulletin



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Real Estate Appraiser Law Amended Compensation OK for BPOs by Real Estate Licensees

In 2009, broker price opinions and the rendering of these opinions by Hawaii real estate licensees became an issue of concern in the real estate community. If a Hawaii real estate licensee is charging a fee or other consideration/compensation for a broker price opinion "other than the normal brokerage fee rendered in connection with the sale of the real property," then it appears that the licensee may be found in violation of the rules for Real Estate Appraisers, section 16-114-74(2), Hawaii Administrative Rules (HAR). Other possible violations may also be involved in this situation.

Chapter 467, Hawaii Revised Statutes, and Chapter 99, HAR, do not address BPOs as related to Real Estate Brokers and Salespersons. Based on the apparent reality that many real estate licensees were rendering BPOs, two bills were introduced at the 2011 Hawaii State Legislature, HB 320 and SB 154, to address the rendering of BPOs by real estate licensees by allowing compensation for the BPOs subject to certain conditions.

As of this printing of the Bulletin, it appears that HB 320 HD2 SD1 was passed by the Twenty-sixth Legislature, 2011, but still needs to go to the Governor for signing. Note that the Real Estate Appraiser law, Chapter 466K, Hawaii Revised Statutes (HRS) will be amended to allow real estate salespersons and brokers to render broker price opinions for compensation.

Here is the text of the bill:

Relating to Broker Price Opinions

SECTION 1. Section 466K-4, Hawaii Revised Statutes, is amended to read as follows:

"S466K-4 Practice as a real estate appraiser; uniform standards. (a) No person may practice as a real estate appraiser in this State unless that person has been licensed or certified to practice in accordance with this chapter and rules adopted by the director of commerce and consumer affairs pursuant to chapter 91. All real estate appraisers

who are licensed or certified to practice in this State shall comply with the current uniform standards of professional appraisal practice approved by the director when performing appraisals in connection with a federally or non-federally related real estate transaction.

(b) This section shall not apply to any real estate appraiser employed by any county for purposes of valuing real estate property for ad valorem taxation.

(c) This section shall not apply to a real estate broker or real estate salesperson licensed pursuant to chapter 467 who provides an opinion as to the estimated price of real estate, regardless of whether the real estate licensee receives compensation, a fee, or other consideration for providing the opinion; provided that:

(1) The opinion as to the estimated price of real estate shall state that it is not an appraisal;

(2) The real estate licensee shall not represent that the licensee is a certified or licensed real estate appraiser; and

(3) If the real estate licensee receives compensation related to the sale of property, the licensee shall not receive any additional compensation, fee, or other consideration for providing an opinion as to the estimated price of that property."

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

The Changing Face of the Commission

Trudy Nishihara will be ending two consecutive terms which began July, 2003, with the Hawaii Real Estate Commission. Her term will end on June 30, 2011. Ms. Nishihara served as the Chair of the Education Review Committee (ERC), and from July, 2005 served as the Chair of the Commission.

She is a broker with Realty Group and holds the Certified Residential Specialist (CRS), Certified Real Estate Broker (CRB), and the Certified International Property Specialist (CIPS) designations.

During Ms. Nishihara's tenure on the Commission, the Education Evaluation Task Force (EETF) was created in September 2003, to provide recommendations to the Commission on education matters such as the core course, real estate seminar topics, continuing education hours, etc. The EETF continues to provide valuable recommendations to the ERC on education matters.

In 2005, the hot topic was "agency". The Commission initiated the Consumer-Broker Relationships Ad Hoc Committee (CBRAHC) which met regularly to hammer out what was needed to change Hawaii's rules on agency, if any. After a year of regular meetings, much discussion and feedback, CBRAHC determined that the rules regarding agency in Chapter 99, Hawaii Administrative Rules, were adequate and warranted no changes. The committee recommended that more education was necessary for all licensees regarding agency. Sometimes no change is the best route to a higher level of service to the consumer.

Starting with the renewal year 2006, online renewals were offered, with discount incentives for going the online renewal route. An impressive 86.49% of eligible real estate salesperson licensees, and 81.47% of eligible real estate broker licensees chose to renew online. By the 2010 renewal period, a healthy 96.8% of brokers and 97.7% of salespersons renewed their license online.

The real estate broker's prelicense curriculum was increased from 46 hours to 80 hours effective January 1, 2005. The salesperson's curriculum was also increased from 45 to 60 hours effective January 1, 2006. Where salesperson's and broker's prelicense courses were offered together in one class, with only one (1) hour of difference between the curriculums, the Commission decided that the two prelicense courses would no longer be offered together effective January 1, 2007.

Starting with the 2007-2008 licensing biennium, the Commission's mandatory core course, previously offered as a 4-hour course each biennium, was offered in two, 2-hour parts, A and B. This format is still in effect and as a result, licensees may now obtain the results of the legislative session in a more timely and efficient manner. Topics of high interest round out the core course each year.

In 2009, the issue of Broker Price Opinions (BPOs) became a topic of concern for the real estate community. The real estate laws and rules do not address BPOs. However, in the Real Estate Appraiser rules, specifically section 16-114-74, real estate brokers and salespersons are prohibited from charging any compensation, fee, or other consideration for the BPO, ". . . other than the normal brokerage fee rendered in connection with the sale of the property. . . ."

Also initiated in 2009, was rule-making for Chapter 107, Condominium Property Regimes. After an unexpected delay, rule-making is moving forward with a first draft presented to the Commission for review in July, 2010.

Rule-making for Chapter 99, Real Estate Brokers and Salespersons, was initiated at the end of 2010, and continues to move forward.

The 2011 legislative session entertained House Bill 320 and Senate Bill 154 to address the BPO issue. Based on the latest information prior to printing of this issue of the Bulletin, the Real Estate Appraiser statute, Chapter 466K, Hawaii Revised Statutes (HRS), will be amended to allow real estate salespersons and brokers, licensed under Chapter 467, HRS, to receive compensation for providing a BPO. (See related article on BPOs on page 1)

After having served tirelessly and leaving a positive impact on staff, the Commission, and the real estate community, Ms. Nishihara, although leaving the Commission, still plans to provide valuable input into real estate education matters.

Aloha and best wishes in your continuing real estate career!

Aloha to Donna Apisa, Kauai Broker and Mark Suiso, Public Member

Also leaving the Commission are Donna Apisa, Kauai, and Mark Suiso, O'ahu and public member. Ms. Apisa joined the Commission in November 2010, replacing former commissioner from Kauai, Louis Abrams. Although her tenure will end June 30, 2011, Ms. Apisa was a thoughtful and consistent participant in Commission meetings. Mahalo for your service!

Mark Suiso, Public Member, will also end his "hold-over" status on the Commission. Mr. Suiso completed a full 4-year term as a commissioner last June, 2010, and graciously served an additional year as a public member. Mahalo!

The Chair's Message



It has been an honor serving on the Hawaii Real Estate Commission for the past 8 years. The experience has provided me the opportunity to better understand and appreciate our real estate licensing laws and rules, and all of the discussion and compromise it takes to pass good legislation. I also recognize the importance of having active and experienced practitioners serve on the Commission. Their experience

in the day-to-day world of real estate is invaluable when reviewing disciplinary actions recommended by the Regulated Industries Complaints Office (RICO) to assure that the sanctions equal the violations. Their knowledge of the industry is also critical when determining new paths to follow to safeguard and keep our industry vital.

Participating in making industry changes has broadened my perspective and knowledge and appreciation for the varied components that make up the real estate industry. We can always be better, but like everything else, it takes time, patience, and commitment.

Today we are faced with continuing rapid development and changes in how we do business. The market is a global one, and it is a volatile. The Commission has the task of monitoring the real world to see if current laws apply to the new look of business and what changes to make to streamline and make more efficient the licensing process. The Commission also oversees the integrity of the real estate industry by providing better continuing education opportunities, and by its review of real estate applicants with background issues.

I bid a warm aloha to my fellow Commissioners who have supported and worked with me as the Chair for the past six years. I am always impressed that the commissioners who have served, voluntarily, through the past years, have always been dedicated to the industry. They have shown their commitment by sharing their expertise as attorneys, brokerage firm owners, prelicense and continuing education instructors, and consumers. These diversified viewpoints create an environment of give and take, and have maintained the integrity of the Commission as a body that represents the diversity of the real estate community in general.

Mahalo to the current chairs and vice-chairs of the Commission's standing committees. There is a lot of work and "homework" that goes into chairing a standing committee. Without the consistent effort and time devoted to reviewing and being familiar with the work of the standing committees, very little would be accomplished. The current line up for the standing committees is: Laws & Rules Review Committee: Chair, Frances Gendrano, and Vice-chair, Walt Harvey; Education Review Committee: Chair, Carol Ball, and Vice-chair, Scott Sherley; Condominium Review Committee: Chair, Michele Loudermilk, and Vice-chair, Mark Suiso. Also, mahalos go to Commission Vice-chair Stan Kuriyama for his wisdom and guidance, and to interim Kauai Commissioner, Donna Apisa, for sharing her valuable time.

Hats off to Supervising Executive Officer Neil Fujitani and the Real Estate Branch staff for taking on multiple tasks to support the Commission in accomplishing its Program of Work over the years. It is amazing how much work the Real Estate Branch staff accomplishes. With a limited number of staff, the branch assists and guides the Commission in many different ways that I have learned to greatly appreciate. I also thank the Regulated Industries Complaints Office (RICO), and the DCCA under the current leadership of Director Keali'i Lopez and Deputy Director Everett Kaneshige, for creating an environment that makes it a pleasure to serve on the Commission.

My heartfelt thank you to everyone I've been privileged to work with over these past eight years.

Mahalo,

A handwritten signature in black ink, appearing to read "Trudy I. Nishihara".

Trudy I. Nishihara, Chair

Administrative Actions

January 2011

David V. Huggett

Broker – RB 16052

Case No's:

REC 2008-222-L

REC 2008-315-L

Dated 1/27/2011

Factual Findings: In or around 2004, Respondent purchased Royal Hawaiian Vacations, LLC, a property management business, which included a management contract for property located at 68-3840 Lua Kula Street, Unit B104, Waikoloa, Hawaii 96738 ("Property"). From 2004 through 2008 Respondent managed the Property, on behalf of its owner, Sinclair Brown, without a written management contract. Despite repeated requests from Brown, Respondent failed to provide Brown with any rental proceeds or information regarding the rental of the Property. By letter dated January 30, 2008, Brown notified Respondent that he was terminating Respondent's continued management of the Property. Brown also reminded Respondent that pursuant to Brown's requests of August 29, 2007, September 14, 2007, December 28, 2007, January 23, 2008, and January 28, 2008, Respondent was required to furnish Brown with a copy of the management agreement and current rental agreement. In or around 2007, unbeknownst to Brown, Respondent sold the property management business and transferred all management contracts to Troi Sutton, an individual Respondent knew had no real estate license. Brown did not consent or otherwise authorize Respondent to transfer his management contract to Sutton. On or about April 15, 2008, Respondent's license became inactive with the closing and inactivation of the license of Hawaii Suncoast Realty, LLC. In or about May 2008, while his license was inactive, Respondent asked Lori Beach, a former real estate salesperson employed by Hawaii Suncoast Realty, LLC, to list certain real property owned by Cameron Lopes. At the time, Beach was employed as a real estate salesperson with Pacific Coast Properties, Inc. On May 23, 2008, Beach and Respondent entered into a "Referral Agreement" that provided that in the event the Lopes property was sold, a referral fee of 25% of the seller's commission would be paid to "David Huggett (R), Golden Sands Realty." Golden Sands Realty, LLC is a domestic limited liability company and Respondent is its registered agent and member manager. Golden Sands Realty, LLC does not have a real estate license. The sale of the Lopes property closed escrow on July 17, 2008. Upon closing, escrow mailed a check for the referral fee to Respondent via certified mail which was eventually returned by the Post Office as "unclaimed". About a week or two after the closing, Respondent called escrow requesting for information on his check. Upon learning that Respondent was not properly licensed, Paul Takamatsu, the principal broker of Pacific Coast, contacted escrow and instructed escrow to stop payment on the referral fee check to Respondent.

Order: License revocation and pay a \$2,000.00 fine.

Violations: HRS §§467-7, 467-14(7), 467-14(20); 436B-19(6), (7), and (11); HAR §16-99-3(f)

Administrative Actions (cont. from page 4)

Metropolitan Management, Inc.

Broker-RB 14183

Case No: REC-2006-256-L

Dated 1/27/2011

Factual Findings: Respondent was the managing agent for the Association of Apartment Owners of Waiiau Gardens Kai Unit G-1 ("AOAO"), pursuant to a written management contract ("Contract"). In May 2006, due to the AOAO's dissatisfaction with the performance of Respondent Metropolitan that it had decided to terminate the Contract and requested the return of the AOAO's records, files, documents and funds. Despite several requests for the return of the AOAO's property, Respondent Metropolitan refused. On June 7, 2006, the AOAO filed a Complaint for Damages and for Declaratory and Injunctive Relief with the First Circuit Court, State of Hawaii against Respondent Metropolitan, in a case designated as Civil No. 06-1-0975-06 ("Civil Action"). On June 8, 2006, the Circuit Court issued an Order in the Civil Action granting the AOAO's motion for temporary restraining order against Respondent Metropolitan. By letter dated June 16, 2006, Respondent Metropolitan, through its attorney, informed the attorneys for the AOAO that it had moved the Circuit Court to reconsider its issuance of the temporary restraining order and that therefore, Respondent Metropolitan "shall continue to conduct its duties pursuant to the management agreement pending further order of the court." A hearing was held in the Civil Action before the Circuit Court on June 21, 2006. At the conclusion of the hearing, the Circuit Court granted the AOAO's request for a permanent injunction and ordered Respondent Metropolitan to return the AOAO's property within 48 hours. Pursuant to the court's order, Respondent Metropolitan subsequently returned the AOAO's records and files.

Order: License revocation and pay a \$5,000.00 fine.

Violations: HRS §467-14(13); HRS §436B-19(7) and (12).

Marcia N. Johnson

Broker – RB 17823

Case No: REC 2007-140-L

Dated 1/27/11

Factual Findings: On November 6, 2008, the Circuit Court of the Third Circuit, State of Hawaii, confirmed an arbitration award issued against Respondent in favor of a client. The arbitrator determined that Respondent was liable for damages in the sum of \$53,664.57 caused by Respondent's negligence in a real estate transaction. Respondent did not report the arbitration award to the Commission. Respondent has not satisfied the arbitration award.

Order: License revocation

Violations: HRS §467-14(20); HRS §436B-16

Administrative Actions (cont. from page 5)

February 2011

Roger Salinas

Salesperson

RS 59249

Case No: REC 2009-72-L

Dated 2/25/11

Allegations: On or about 1/11/07, a no contest plea judgment was entered against the Respondent, in the District Court of the Third Judicial Circuit (Kona Division), State of Hawaii, for the crime of driving under the influence. Respondent disclosed the conviction in writing to the Commission via a statement and documents submitted with Respondent's 11/26/08 license renewal application.

Sanction: Pay an administrative fine of \$500.00

Violations: HRS §§436B-19(12), (14), (17)

David L. Turner

dba Turner Realty

Broker – RB 17036

Case No: REC 2008-181-L

Dated 2/25/11

Factual Findings: On May 28, 2008, Respondent was contacted by Mr. & Mrs. Gilson for the purpose of viewing a property at 17-471 Luhi Road, Kurtistown, Hawaii, 96760. On May 28, 2008 Respondent showed the Luhi Property to the Gilsons. On May 28, 2008, at approximately 5:20 p.m., the Gilsons emailed Respondent a Letter of Intent identifying the Luhi Property and offering specific terms and conditions for the purchase of the Luhi Property as a proposal to the seller of the property. On May 28, 2008, the Gilsons requested that the Letter of Intent be transmitted to the seller of the Luhi Property. On May 28, 2008, in the evening, Mrs. Gilson telephoned Respondent to confirm receipt of the Letter of Intent and arranged for the Gilsons to meet with Respondent the following day. On May 29, 2008, the Gilsons met with Respondent at his office with the expectation, pursuant to their instructions, that Respondent would have the necessary paperwork formalizing their offer for presentation to the seller of the Luhi Property. At the meeting on May 29, 2008, Respondent presented the Gilsons with documentation for signature that, but for the purchase price of \$349,000 for the Luhi Property, included virtually none of the terms detailed in the Gilson's offer. Respondent, at the May 29, 2008 meeting, asked the Gilson's for a check in the amount of \$1,000.00 and asked that they sign the documentation presented. Because the documents drafted by Respondent contained none of the terms and conditions reflected in their offer, the Gilsons refused to sign the documents and write a check to Respondent. On May 29, 2008, the Gilsons requested that Respondent redraft all documents to reflect the terms and conditions of their offer. The Gilsons again requested that Respondent give their offer, as detailed in the Letter of Intent, to the seller of the Luhi Property. Respondent refused to redraft the documentation to reflect the terms and conditions of the Gilson's offer and further flatly refused to transmit

the offer to the seller stating that the offer was not good enough and that the seller would never accept it. On May 29, 2008, after meeting with Respondent, Mrs. Gilson contacted the seller's home to relay that Respondent had not forwarded their offer to seller. On or about that same day, Mrs. Gilson mailed their offer to seller. There was no response.

Order: 3 month license suspension. Pay a fine of \$5,000.00. Complete education course or courses to be determined by the Commission.

Violations: HRS §§436B-19(7), (9); HRS §467-14(13); HAR §16-99-3(b), (f), (j)

Administrative Actions (cont. from page 6)

March 2011

Dorothy S. Hirowatari and Maile Realty Corp.

Broker – RB 7462
Broker-Corp.-
RB 7496
Case Nos.
REC 2004-106-L
REC 2005-179-L
Dated 3/24/11

Factual Findings: Beginning in the early 1980s, Respondents served as the property manager for two properties located in Hilo, Hawaii, owned by Kise Miyamoto. Beginning in or around 2000, Respondent began renting the properties without informing Miyamoto of the identity of the tenants or the terms of the rental agreements. On or about May 3, 2002, Miyamoto terminated Respondents as her agent by a letter from her attorney. Miyamoto requested that Respondents return all monies owed, and provide her with an accounting of the income and expenses related to the rental of the two properties, and turnover all keys and rental agreements. Respondent Hirowatari informed Miyamoto for the first time that Respondent Hirowatari was residing in one of the properties. Respondents have not provided Miyamoto with any accounting of the income and expenses claimed for the rental of the properties. Respondents informed Miyamoto that the net rental income for one of the properties was \$150.20 per year for 1999 through 2001, the time period in which Respondent Hirowatari was residing in that property. Respondents continued to deduct management fees from the rental income of the properties even after their termination as property manager. Respondents continued to incur expenses for the properties and to deduct those expenses from the rental income even after their termination as property manager. Respondents did not respond to Petitioner's request for information regarding Respondents' management of the Miyamoto properties. On or about February 12, 2005, Steve B. Bennett submitted an offer for a property listed by Respondents. By its terms, the offer was valid for two days. Respondents did not immediately transmit the offer to the seller by facsimile or express mail; rather Respondents sent the offer to the seller by regular mail. Bennett did not receive a response to the offer within two days and Respondent Hirowatari did not return phone calls from either Bennett or his realtor. On or about February 25, 2005, Respondent Hirowatari informed Bennett that she had received a counter-offer. Bennett, his wife, and their realtor went to Respondents office to review the counter-offer. Respondent Hirowatari was not present at Respondents' office and Bennett received the counter-offer from an individual who refused to identify herself. Bennett, his wife and their realtor were not allowed into Respondents' office to review the counter-offer. Upon review of the counter-offer, Bennett wanted to make changes to the counter-offer and requested a blank counter-offer form from the unidentified individual in Respondents' office. The individual refused

to provide a blank form to Bennett. Bennett obtained a blank counter-offer form from another realtor's office and completed the new counter-offer. Bennett's realtor attempted to deliver the form to Respondents' office; however, the unidentified individual refused to accept the counter-offer and insisted that the form be sent via facsimile to Respondents. Bennett's realtor sent the counter-offer to Respondents via facsimile as instructed, with a provision that the offer would expire in 5 days. Approximately 10 days later, Bennett's realtor was able to contact Respondent Hirowatari who informed the realtor that Bennett's counter-offer had been rejected. Respondent never provided Bennett with a copy of Bennett's counter-offer with the seller's rejected note. Respondent did not respond to Petitioner's request for information regarding the transaction with Bennett.

Order: Licenses are revoked and each must pay a fine of \$5,000.00

Violations: HRS §§467-14(1), (3), (7), (8), (16), (20); HAR §§16-99-3(b), (f), (g), (j).

Administrative Actions (cont. from page 7)

March 2011

David B. Riehle aka

Dave B. Riehle

Salesperson-RS 69591

Case No: REC 2010-171-L

Dated 3/24/11

Allegations: On or about 5/10/06 Respondent completed his application for licensure and answered "no" to question "During the past 20 years have you ever been convicted of a crime where there has not been an order annulling or expunging the conviction?" RICO recently discovered that Respondent had been convicted of various crimes, including failure to appear in court in 2006, criminal contempt of court in 1998, shoplifting in 1996, driving under the influence of liquor, assaulting police, and terroristic threatening in 1994, and theft 4 in 1990. On or about 12/29/09 Respondent completed his renewal application form and answered "yes" to the question "In the past 2 years have you been convicted of a crime in which the conviction has not been annulled or expunged?" Respondent provided information that he had pled no contest to Operating a Vehicle Under the Influence of Intoxicants on 6/3/09.

Sanction: Voluntary revocation of license

Violations: HRS §467-14(20),
HRS §§436B-19(5), (12)

**Baron Scott Graham,
Donald A. Graham and
Graham Realty, Inc.**

Salesperson - RS 66666

Broker – RB 9767

Broker – RB 19393

Case No's: REC 2010-214-L

REC 2010-298-L

Dated 3/24/11

Allegations: Respondent Baron Scott Graham failed to properly renew his license prior to the expiration date of December 31, 2008 and continued to engage in real estate activity. The subject license was restored on 7/26/10. Respondent was unaware that the license had not been properly renewed and he promptly restored the license when he learned of the mistake

Sanction: Donald A. Graham and Graham Realty to pay a \$1,000.00 fine. Baron Scott Graham to pay a \$2,000.00 fine.

Violations: HRS §§467-7, 467-1.6(b)(7)

**West Maui Resort Partners,
L.P., Cynthia J. Mayo**

Broker – RB 17085

Broker – RB 15674

Case No: REC 2008-262-L

Dated 3/24/11

Allegations: RICO received a complaint alleging that Respondents aided and/or abetted an entity in the sale of unregistered time share interests. RICO alleges that in approximately May of 2008, West Maui acted as a sales agent for a time share developer when that developer sold approximately seventeen (17) time share interests to licensees affiliated with West Maui. At the time they were sold, the time share plan was not registered under Hawaii Revised Statutes ("HRS") Chapter 514E, the chapter that regulates time share plans. Respondents have provided RICO with information showing that the time share developer has taken affirmative steps to cancel, transfer or convert the seventeen (17) time share interests to conform to the requirements of HRS Chapter 514E.

Sanction: Each Respondent pays a \$500.00 fine for a total of \$1,000.00.

Violations: HRS §467-1.6(b)(3) and
HRS §436B-19(6)

Settlement Agreement (Allegations/Sanction): The respondent does not admit to the allegations set forth by the Regulated Industries Complaints Office (RICO) and denies having violated any licensing law or rule. The Respondent enters in a Settlement Agreement as a compromise of the claims and to conserve on the expense of proceeding with a hearing on the matter.

Disciplinary Action (Factual Findings/Order): The respondent is found to have violated the specific laws and rules cited, and the Commission approves the recommended order of the Hearings Officer.

Statutory/Rule Violations

HRS §467-1.6(b)(7)	Ensuring that the licenses of all associated real estate licensees and the brokerage firm license are current and active.
HRS §467-7	Licenses required to act as a real estate broker or salesperson.
HRS §467-14 (1)	Making any misrepresentation concerning any real estate transaction.
HRS §467-14 (3)	Pursuing a continued and flagrant course of misrepresentation.
HRS §467-14(7)	Failing to account for moneys belonging to others.
HRS §467-14(8)	Conduct constituting fraudulent or dishonest dealings.
HRS §467-14(13)	Violating this chapter, chapters 484, 514A, 514B, 514E, or 515, or section 5§16-71, or the rules adopted pursuant thereto.
HRS §467-14 (16)	Converting other people's moneys to the licensees own use.
HRS §467-14 (20)	Failure to maintain a reputation for or record of competency, honesty, truthfulness, financial integrity, and fair dealing.
HRS §436B-16	Notice of judgments, penalties.
HRS §436B-19(5)	Procuring a license through fraud, misrepresentation, or deceit.
HRS §436B-19(6)	Aiding and abetting an unlicensed person to directly or indirectly perform activities requiring a license.
HRS §436B-19(7)	Professional misconduct, incompetence, gross negligence, or mani-fest incapacity in the practice of the licensed profession or vocation.
HRS §436B-19(9)	Conduct or practice contrary to recognized standards of ethics for the licensed profession or vocation.
HRS §436B-19(11)	Engaging in business under a past or present license issued pursuant to the licensing laws, in a manner causing injury to one or more members of the public.
HRS §436B-19(12)	Failure to comply, observe, or adhere to any law in a manner such that the licensing authority deems the applicant or holder to be an unfit or improper person to hold a license.
HRS §436B-19(14)	Criminal conviction.
HRS §436B-19(17)	Violations of Chapter §467, HRS, or any other rule or order of the licensing authority.
HAR §16-99-3(b)	Licensee shall protect the public against fraud, misrepresentation, or unethical practices in the real estate field.
HAR §16-99-3(f)	The licensee, for the protection of all parties with whom the licensee deals, shall see that financial obligations and commitments regarding real estate transactions, including real property rental management agreements, are in writing, express the exact agreements of the parties, and set forth essential terms and conditions, and that copies of those agreements, at the time they are executed, are placed in the hands of all parties involved. When working with a seller in a "For Sale By Owner" or a "Courtesy to Broker" situation, the licensee shall disclose who, if anyone, the licensee represents and who will pay a commission, if any.
HAR §16-99-3(u)	The licensee shall not add or modify the terms of a party to a transaction without written consent of all the parties.
HAR §16-99-3.1(e)	Any disclosure required ...shall be confirmed in writing in a separate paragraph titled "AGENCY DISCLOSURE" ...
HAR §16-99-3.1(f)	Unless specifically restricted by the real estate brokerage firm in writing, any real estate salesperson, employed by or associated with a real estate brokerage firm, shall be authorized to make the required disclosures on behalf of the real estate brokerage firm. Failure to make the disclosure required by subsections (b), (c), and (d) or to obtain the written confirmation thereof shall subject the real estate brokerage firm and the real estate salesperson to disciplinary action by the commission.
HAR §16-99-3.1(g)	Received property to be held in trust for the benefit of the depositor, and or for the benefit of third persons, shall be received on behalf of the salesperson's or broker-salesperson's principal broker or broker in charge, and shall be delivered immediately by the next business day after receipt to the salesperson's or broker-salesperson's principal broker or broker in charge, unless the salesperson and broker-salesperson is instructed as to another time in writing by the depositor.

Continuing Education Providers

360Training.com	
Abe Lee Seminars	942-4472
Akahi Real Estate Network LLC	808-331-2008
All Islands Real Estate School	564-5170
Career Webschool Cengage Learning, Inc.	800-532-7649
Carol Ball School of Real Estate	808-871-8807
Continuing Ed Express LLC	866-415-8521
Dower School of Real Estate	735-8838
Eddie Flores Real Estate Continuing Education	951-9888
ERA School of Real Estate a Division of SRH Inc.	808-981-0711
Hawaii Association of Realtors	733-7060
Hawaii CCIM Chapter	528-2246
Hawaii Institute of Real Estate (HIRE)	561-7653
Hawaii Island Board of Realtors	808-935-0827
Hogan School of Real Estate	800-794-1390
Honolulu Board of Realtors	732-3000
Kauai Board of Realtors	808-245-4049
Levin & Hu, LLP	808-270-1096
Lorman Education Services	715-833-3940
Lynn W. Carlson	
McKissock, LP	800-328-2008
Pacific Real Estate Institute	524-1505
ProSchools, Inc.	800-452-4879
Ralph Foulger's School of Real Estate	239-8881
Realtors Association of Maui Inc.	808-873-8585
REMI School of Real Estate	230-8200
Richard Daggett School of Real Estate	923-0122
Russ Goode Seminars	597-1111
Seiler School of Real Estate	808-874-3100
Shari S. Motooka-Higa	457-0156
The CE Shop, Inc.	888-827-0777
The Seminar Group	206-463-4400
University of Hawaii at Manoa Outreach College	956-8244
University of Hawaii Maui College - OCET	
Vitousek Real Estate Schools, Inc.	946-0505
West Hawaii Association of Realtors	808-392-4874

Prelicensure Schools

Abe Lee Seminars
Akahi Real Estate Network LLC
All Islands Real Estate School
Carol Ball School of Real Estate
Dower School of Real Estate
Fahrni School of Real Estate
Hawaii Institute of Real Estate (HIRE)
Hudson Real Estate School
ProSchools, Inc.
Ralph Foulger's School of Real Estate
REMI School of Real Estate
Seiler School of Real Estate
University of Hawaii at Manoa Outreach College
University of Hawaii Maui College - OCET
Vitousek Real Estate Schools, Inc.



State of Hawaii Real Estate Commission

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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.



Foreign Investors Must Report Agricultural Land Ownership to the U.S. Department of Agriculture

Foreign investors who buy, sell, or hold an interest in U.S. agricultural land must report their holdings and transactions to the U.S. Secretary of Agriculture.

Who Must Report

- Foreign Individuals.
- Foreign Organizations.
- Foreign Governments.
- U.S. Organizations – if a significant interest or substantial control is directly or indirectly held by foreign individuals, organizations or governments.

What is Agricultural Land?

- Land used within the last 5 years for farming, ranching, forestry, or timber production of more than 10 acres in the aggregate.
- Land exceeding 10 acres in which 10 percent is stocked by trees of any size, including land that formerly had such tree cover and will be naturally or artificially regenerated.
- Landholding totaling 10 acres or less in the aggregate if producing annual gross receipts in excess of \$1,000 from the sale of farm, ranch, forestry or timber production.

Where to Report

- Report to the county office of the Farm Service Agency, (formerly ASCS) USDA, in which the land is located. Attorneys, real estate brokers, farm managers, banks, holding companies, and agents can report on behalf of foreign investors.

Failure to Report could result in a fine of up to 25 percent of the property's fair market value.

For further information and report forms, contact: Steve Peterson
USDA FSA Hawaii State Office
808-441-2704

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Real Estate Commission
King Kalakaua Building
335 Merchant Street, Room 333
Honolulu, HI 96813

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2011 Real Estate Commission Meeting Schedule

Laws & Rules Review Committee – 9:00 a.m.

**Condominium Review Committee – Upon adjournment of the Laws & Rules
Review Committee Meeting**

Education Review Committee – Upon adjournment of the

Condominium Review Committee Meeting

Wednesday, April 13, 2011

Wednesday, May 11, 2011

Wednesday, June 8, 2011

Wednesday, July 13, 2011

Wednesday, August 10, 2011

Wednesday, September 7, 2011

Wednesday, October 12, 2011

Wednesday, November 9, 2011

Wednesday, December 7, 2011

Real Estate Commission – 9:00 a.m.

Thursday, April 28, 2011

Friday, May 27, 2011

Thursday, June 23, 2011

Friday, July 29, 2011

Friday, August 26, 2011

Friday, September 23, 2011

Friday, October 28, 2011

Wednesday, November 23, 2011

Friday, December 16, 2011

All meetings will be held in the Queen Liliuokalani Conference Room of the King Kalakaua Building, 335 Merchant Street, First Floor.

Meeting dates, locations and times are subject to change without notice. Please visit the Commission's website at www.hawaii.gov/hirec or call the Real Estate Commission Office at (808) 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 (808) 586-2643 to submit your request.