

# School Files

Hawaii Real Estate Commission

April 2012

[www.hawaii.gov/hirec](http://www.hawaii.gov/hirec)

## *What's in this Issue?*

- **2011—2012 Core Course**
- **Documents to Submit for CE Certification**
- **Standard Forms Use Agreement**
- **Real Estate Education in Hawaii**
- **2012 REC Meeting Schedule**
- **List of CE Providers**
- **List of Prelicense Schools**



## **2011-2012 CORE COURSE 2011 Legislative Update and Property Management**

The Commission's 2011-2012 core course was launched in late February 2012. The core course is available in two 2.5 hour parts or as one 5-hour course. It is up to the continuing education provider to offer the course in the format they desire. Classroom breaks may be taken as necessary, just so long as all rules are followed as they apply to continuing education. Part I contains the 2011 legislative update and the introduction to the core course topic, property management. Part II completes the property management topic. There is a live-classroom version as well as an online version available for offering by registered continuing education providers.

Licensees must sign in and sign out when temporarily leaving the course. The policies of the continuing education provider must be made clear to all registrants regarding attendance, completing the course, and receiving CE credit for the course.

BOTH Part I and Part II of the 2011-2012 core course must be completed in order for the licensee to receive the 5 hours of continuing education credit. Licensees must complete 20 hours of continuing education this biennium, including the 5-hour core course, leaving 15 elective continuing education credits they must obtain via other continuing education elective courses. If a licensee only completes one part of the 2011-2012 core course, NO credit will be received for the core course.

Licensees do not HAVE to take Part I before taking Part II, BUT it is highly recommended that the licensee be encouraged to do so. The licensee may take Part I and Part II from different providers.

The *2012 legislative update* for the core course will be available after the 2012 legislative session is completed, and will be included in the Commission's quarterly "Real Estate Commission BULLETIN", most likely to be distributed about August, 2012.

Part I and Part II both have evaluation forms. The continuing education provider may submit ONE evaluation form for both parts of the core course. Please submit copies of all evaluations received to the Real Estate Branch, 335 Merchant Street, Room 333, Honolulu, HI 96813 (do not email).

Both the live classroom version and the online version of the 2011-2012 core course will be available through 2012, and may continue to be offered through May 31, 2013. Previously, only the online version was available in the odd-numbered year through May 31<sup>st</sup>.

If anyone interested in offering/teaching the core course has NOT viewed the “train-the-trainer” session for the 2011-2012 core course, please go to the following YouTube link <http://www.youtube.com/watch?v=jNL9L2kyCH8> Upon completion of the viewing, please contact the Real Estate Branch, [roster@dcca.hawaii.gov](mailto:roster@dcca.hawaii.gov) to request the “Certification of Instructor” form. Complete the form and mail it to the Real Estate Branch. Upon receipt, the core course pdfs will be emailed to you. The YouTube link will be available until April 30, 2012.

Good luck, and please let us know how the course is and any feedback to improve the core course in the future.



## **DOCUMENTS TO SUBMIT WHEN CERTIFYING AND/OR OFFERING A CONTINUING EDUCATION COURSE**

Courses may be submitted for a minimum of 3 credit hours up to 15 credit hours. DO NOT INCLUDE BREAKS OR NON-INSTRUCTIONAL TIME in the clock hours submitted for approval.

If the Education Review Committee (ERC) determines that certain topics included in the course content do not meet the definition of CE as stated in Hawaii Administrative Rules (HAR) §16-99-100 or are topics included in HAR §16-99-101, “Courses not acceptable for continuing education course certification”, the ERC may reduce the number of credit hours requested, based on the time devoted to topics that do not qualify for CE credit. When submitting a course for approval, please review the course content, topic by topic, so that you may justify the total time requested for CE credit. There is a form attached to the course application for just this purpose. The person submitting the course for certification must provide a list of course topics and time frames for all topics **qualifying for CE credit**.

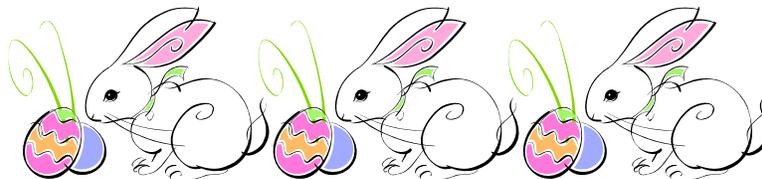
The course certification fees are \$150 for a 3-hour course, and an additional \$50 for each hour applied for. For example, the application fee for a 4-hour course will be \$200. Course certification fees are non-refundable.

For nationally- or ARELLO-certified CE courses, the course certification fees remain at \$25 for a 3-hour course, and \$25 for each additional 3-hour increment, whether it is one (1) hour or three (3) hours over the minimum 3-hour course credit request.

For **re-certification** purposes, you must again provide the Written Authorization to Offer Course form signed by the CE Administrator, and the written permission to offer the course from the author/owner of the course.

**Follow this chart when submitting continuing education courses for certification:**

	Written Authorization to Offer Course Form	Written permission to offer course from author/owner of course	Continuing Education Elective Course Application	Nationally or ARELLO Certified Course Application	Application Fee	
					\$150/3 hours	\$25/3 hours
New Elective Course			<b>X</b> Submitted by author/owner		<b>X</b>	
Elective Course previously certified by author/owner	<b>X</b>	<b>X</b>				
Nationally or ARELLO Certified Course (taught by a nationally certified instructor certified by the NAR or its affiliates)	<b>X</b>	<b>X</b>		<b>X</b>		<b>X</b>
Nationally or ARELLO Certified Course (taught by a nationally certified instructor certified by BOMA, CAI or national organization approved by the Commission)	<b>X</b>	<b>X</b>		<b>X</b>		<b>X</b>
Nationally- or ARELLO-Certified Course ( <b>NOT</b> taught by a nationally or ARELLO certified instructor, live or online)	<b>X</b>	<b>X</b>	<b>X</b>		<b>X</b>	



# STANDARD FORMS USE AGREEMENT

## ATTENTION ALL PRELICENSE INSTRUCTORS, SCHOOLS, CE PROVIDERS, AND CE INSTRUCTORS

If you are using any of the Hawaii Association of REALTORS® (HAR) standard forms in teaching the prelicensing salesperson and/or broker curricula, or using these same forms in any certified continuing elective course, you MUST contact HAR and obtain and sign their “Standard Forms Use Agreement”.

Included in the terms and condition of the “Standard Forms Use Agreement” is the requirement to watermark the forms with SAMPLE in at least 80-point font size across the pages of the forms used. The most current version of all forms must be used.

The agreement is for two years after approval, and must be renewed thereafter.



## HOW GOOD IS REAL ESTATE EDUCATION IN HAWAII?

By Carol Ball, M.Ed., Chair, Real Estate Commission

Maintaining a healthy real estate education program is one of the tasks of the Real Estate Commission. But just how good is real estate education in Hawaii?

The Hawaii real estate salespersons prelicensing curriculum requires 60 hours of education. As a prelicensing instructor I know how rigorous the program is. Ask any student who passes the course, and they will tell you how they put their lives on hold while they prepared for the licensing exam. This education and a passing proficiency required of 70% on the sales licensing exam should allow a person who fulfills these requirements the basic knowledge and skills, with the guidance of a principal broker or broker in charge, to assist those whom they will serve as a licensed real estate professional.

Hawaii broker candidates require three years of full time real estate experience, 80 hours of prelicensing education and a 75% passing score on the brokers licensing exam to become a Hawaii real estate broker. Fulfilling these requisites allows a real estate broker to set up a brokerage and provide real estate services unsupervised by anyone else, as well as providing an opportunity for other licensees to work for the brokerage under the supervision of this broker.

However, according to the Hawaii Real Estate Commission’s 2011 Annual Report, only 46.1% of the broker candidates who took the licensing exam passed the first time and only 48.6% of the sales candidates passed the first time.

All licensing candidates must first pass the schools’ proficiency final exam in order to be eligible to take the state licensing exam. There is no restriction in the Hawaii state law as to the number of times a candidate can take the licensing exam as long as they have passed their prelicensing education requirement. What would help the schools increase their proficiency in preparing their students for the exam and ultimately prepare the candidates to serve the real estate consumer?

Hawaii Administrative Rules, section 16-99-69 states that the commission may revoke or suspend the registration of any real estate school, the approval of any real estate course, or the certificate of any instructor if the school, instructor, or course falls below the minimum requirements established by the commission including a student exam passing percentage. What are the minimum requirements established by the commission? What criteria can be used to determine that a school has adhered to these minimum requirements? Would determining these criteria create an environment of excellence in our prelicensing schools and better prepare licensees to pass the licensing exam? Would it make for better educated licensees?

What if prelicensing education was expanded to include a “real-life” component wherein the candidate would work “mock” real estate transactions in a “mock” real estate brokerage? Would an expanded prelicensing curriculum increase the new licensees chance of serving consumers well? Or are these real life lessons only comprehensible by a licensee after they have become acquainted with the business as a practitioner?

Alternatively, if a new licensee, having just passed the licensing exam is ill prepared to serve the public, should continuing education include an obligatory post licensing requirement where a multi tiered mandate, including a practicum, is required before they are allowed to practice?

Presently, both HRS Chapter 467 and HAR Title16 Chapter 99 require that a CE course be designed to improve a licensee’s competence or professional standards and practice and must be designed to allow students to exceed minimal entry level competency in the subject matter of the course. Can these courses that teach basic skills, but only allow students minimal entry level competency, be approved for CE credit or should another category of mandatory post licensing education be created for this component of real estate education?

### **The Challenge for Regulators**

Uplifting the standards of licensee education is a daunting task but an important part of our agenda if we fully expect to uphold the professionalism required for consumer protection and professional service to real estate clients and customers. Enhancing knowledge and supporting the ethics of the real estate profession are critical if real estate licensees are to be considered true professionals as required in both the preamble and substance of the National Association of Realtors Code of Ethics. This ethical code is the guide for licensing sanctions of all Hawaii real estate licensees as described in HRS section 436B-19(9). As well, education is the basis of competency and skill which is a requirement for licensure.

Creation of a minimum standard of performance for prelicensing schools, holding prelicensing schools accountable for their performance and assuring our licensees quality continuing education courses beyond entry level that enhance this competence are essential to uphold real estate professionalism today. Doing what we must do to provide this avenue for excellence is our challenge as regulators.





## 2012 REAL ESTATE COMMISSION MEETING SCHEDULE

<b>Laws &amp; Rules Review Committee – 9:00 a.m.</b> <b>Condominium Review Committee – Upon adjournment of the Laws &amp; Rules Review Committee Meeting</b> <b>Education Review Committee – Upon adjournment of the Condominium Review Committee Meeting</b>	<b>Real Estate Commission</b> <b>9:00 a.m.</b>
Wednesday, April 11, 2012	Friday, April 27, 2012
Wednesday, May 9, 2012*	Friday, May 25, 2012
Wednesday, June 13, 2012	Friday, June 29, 2012
Wednesday, July 11, 2012	Friday, July 27, 2012
Wednesday, August 8, 2012	Friday, August 24, 2012
Wednesday, September 12, 2012	Friday, September 28, 2012
Wednesday, October 10, 2012	Friday, October 26, 2012
Wednesday, November 7, 2012	Wednesday, November 21, 2012
Wednesday, December 12, 2012	Friday, December 21, 2012

\*The May 9, 2012 meeting will be held at 9:30 a.m. at the Lihue State Office Building, 3<sup>rd</sup> Floor Conference Room, 3060 Eiwa Street, Lihue, Kauai.

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](http://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.*



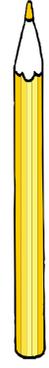
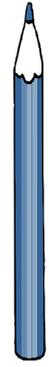
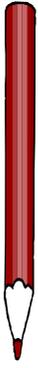
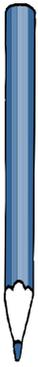
## CONTINUING EDUCATION PROVIDERS

360Training.com  
Abe Lee Seminars  
Akahi Real Estate Network LLC  
All Islands Real Estate School  
Career Webschool Cengage Learning, Inc.  
Carol Ball School of Real Estate  
Continuing Ed Express LLC  
Distressed Properties Institute LLC  
Dower School of Real Estate  
Eddie Flores Real Estate Continuing Education  
ERA School of Real Estate a Division of SRH Inc.  
Great Lakes Institute of Real Estate  
Hawaii Association of Realtors  
Hawaii CCIM Chapter  
Hawaii Institute of Real Estate (HIRE)  
Hawaii Island Board of Realtors  
Hogan School of Real Estate  
Honolulu Board of Realtors  
Kauai Board of Realtors  
Levin & Hu, LLP  
Lorman Education Services  
Lynn W. Carlson  
McKissock, LP  
Pacific Real Estate Institute  
ProSchools, Inc.  
Ralph Foulger's School of Real Estate  
Realtors Association of Maui Inc.  
REMI School of Real Estate  
Richard Daggett School of Real Estate  
Russ Goode Seminars  
Seiler School of Real Estate  
Servpro Industries, Inc.  
Shari S. Motooka-Higa  
The CE Shop, Inc.  
The Seminar Group  
University of Hawaii at Manoa Outreach College  
University of Hawaii Maui College – OCET  
West Hawaii Association of Realtors

## PRELICENSE 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)  
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.





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SCHOOL FILES

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