

EDUCATION REVIEW COMMITTEE
REAL ESTATE COMMISSION
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii
www.hawaii.gov/hirec

MINUTES OF MEETING

The agenda for this meeting was filed with the Lieutenant Governor's Office as required by Section 92-7(b), Hawaii Revised Statutes.

Date: March 6, 2013

Time: Upon adjournment of the Condominium Review Committee meeting, which is upon adjournment of the Laws and Rules Review Committee meeting, which convened at 9:00 a.m.

Place: Queen Liliuokalani Conference Room
King Kalakaua Building
335 Merchant Street, First Floor
Honolulu, Hawaii

Present: Walter Harvey, Chair/ Broker / Honolulu Commissioner
Aileen Wada, Vice Chair / Broker / Honolulu Commissioner
Stanley Kuriyama, Broker/Honolulu Commissioner
Bruce Faulkner, Broker / Maui Commissioner
Nikki T. Senter, Public / Honolulu Commissioner
Scott A. Sherley, Broker / Hawaii Island Commissioner
Frances Gendrano, Broker / Honolulu Commissioner
Rowena Cobb, Broker / Kauai Commissioner
Scott Arakaki, Public / Honolulu Commissioner

Neil Fujitani, Supervising Executive Officer
Miles Ino, Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Amy Endo, Real Estate Specialist
David Grupen, Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Benedyne Stone, Condominium Specialist
Cheryl Leong, Condominium Specialist
Shari Wong, Deputy Attorney General
Lesley Matsumoto, Recording Secretary

Others: Marsha Shimizu, Hawaii Association of REALTORS®
Aron Espinueva, Hawaii Association of REALTORS®
Myoung Oh, Hawaii Association of REALTORS®
Greg Cha, Fidelity National Title
Patsy Saiki, First American Title

Call to Order: The Chair called the meeting to order at 9:33 a.m., at which time quorum was established.

Chair's Report: The Chair stated the Committee may move into Executive Session to consider and evaluate personal information relating to individuals applying for licensure in accordance with section 92-5(a)(1), HRS, and to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities in accordance with section 92-5(a)(4), HRS.

Real Estate
Specialist's Report:

Additional Distributions

6. Administration of Examinations
 - a. PSI
 - 1) Licensing Examination Statistics – February 2013
 - 2) School Pass/Fail Rates – February 2013
 - 3) School Summary by Test Category – February 2013
8. f. Real Estate Seminars
 - h. Instructor's Development Workshop

Minutes of Previous Meeting

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Faulkner, it was voted on and unanimously carried to accept the minutes of the February 6, 2013, Education Review Committee meeting.

Continuing Education: Applications

2013-2014 Continuing Education Providers and Courses Ratification List

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Sherley, it was voted on and unanimously carried to ratify the attached list.

Course – “Real Estate Closing Issues for an Aging Population – Escrow and Title Issues Associated with the Challenges of Aging”; Author/owner: Patsy K. Saiki; Provider: Hawaii Association of REALTORS®; Course Categories: Real Estate Law, Risk Management; Clock Hours: 3

Upon a motion by Commissioner Sherley, seconded by Commissioner Faulkner, it was voted on and unanimously carried to approve "Real Estate Closing Issues for an Aging Population – Escrow and Title Issues Associated with the Challenges of Aging" subject to including a "glossary" of basic terms in the course materials, as a three credit hour continuing education elective course, under the course categories: Real Estate Law, Risk Management.

Course – “Land Use and Permit Requirements – Residential Mini-Subdivisions”; Author/owner: Philip Hale Wilia; Provider: Dower School of Real Estate; Course Category: Real Estate Development; Clock Hours: 3 (Deferred from 8/7/12 and 2/6/13 ERC meetings)

Commissioner Senter stated that the course is much clearer, but suggested on page 1 to include the following language in the "Note" at the bottom: "If a development does not meet subdivision requirements, then a Condominium Property Regime ("CPR") may be considered. A CPR needs to comply with all applicable City and County requirements and Land Use Ordinances."

Upon a motion by Commissioner Senter, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to approve "Land Use and Permit Requirements – Residential Mini-Subdivisions" as a three hour continuing education elective course, under the course category: Real Estate Development. The approval is subject to inserting language at the bottom of page 1, clarifying that when a CPR is considered, the CPR must comply with all applicable City and County requirements and Land Use Ordinances.

Course – “Basic Structures & How to Preserve Wealth Through a 1031 Exchange”;
Author/owner: Investment Property Exchange Services, Inc.; Provider: Investment Property Exchange Services, Inc. and Hawaii Institute of Real Estate; Course Categories: Investment and Real Estate Law; Clock Hours: 3

Upon a motion by Commissioner Sherley, seconded by Commissioner Faulkner, it was voted on and unanimously carried to approve "Basic Structures & How to Preserve Wealth Through a 1031 Exchange" as a three hour elective course, under the course categories: Investment and Real Estate Law.

Course – “Unlucky 13 – the Common 1031 Pitfalls”;
Author/owner: Investment Property Exchange Services, Inc.; Provider: Investment Property Exchange Services, Inc. and Hawaii Institute of Real Estate; Course Categories: Investment and Real Estate Law; Clock Hours: 3

Upon a motion by Commissioner Sherley, seconded by Commissioner Gendrano, it was voted on and unanimously carried to approve "Unlucky 13 – the Common 1031 Pitfalls" subject to including an introduction section on basic 1031 exchanges which will provide a segue to the "Unlucky 13 , , , " examples, as a three hour elective course, under the course categories: Investment, and Real Estate Law.

Continuing Education Core Course

The Committee discussed increasing the continuing education mandatory core course to eight (8) hours, instead of the current 5 hours. After discussion, upon a motion by Commissioner Faulkner, seconded by Commissioner Cobb, it was voted on and unanimously carried to increase the continuing education core course hours to eight (8), to be effective beginning with the 2015-2016 biennium.

Prelicense Education: Evaluation and Education Program

Copies of evaluations of the independent study course from Abe Lee Seminars (4) were distributed to the Commissioners for their information.

Administration of Examinations:

PSI

Licensing Examination Statistics – February 2013

Examination statistics for February 2013 were distributed to the Commissioners for their information.

School Pass/Fail Rates – February 2013

School pass/fail rate statistics for February 2013 were distributed to the Commissioners for their information.

School Summary by Test Category – February 2013

Copies of the February 2013 test category summary reports, by school, were distributed to the Commissioners for their information.

Program of Work: Annual Report, Quarterly Bulletin and School Files

Senior Real Estate Specialist Fujimura reported that the February 2013 issue of the Real Estate Bulletin was distributed and a copy made available on the Commission's website: www.hawaii.gov/hirec.

Real Estate Seminars & Instructor's Development Workshop

Senior Real Estate Specialist Fujimura stated that the Commission procures for a provider to assist the Commission in sponsoring one Instructor's Development Workshop ("IDW") and one Real Estate Seminar each biennium.

Senior Real Estate Specialist Fujimura asked the Commission if they want to continue to sponsor both a Real Estate Seminar and an IDW each biennium or only sponsor one of the events. There appears to be few IDWs generally available for Hawaii instructors, so continuing to sponsor an IDW each biennium is a good idea. For the Real Estate Seminar, it was suggested to consider sponsoring a seminar open to potential real estate buyers, providing tips, red flags, and other important information to be aware of as a real estate buyer. Another suggestion made was to consider a real estate seminar on distressed properties, short sales, etc.

After discussion, upon a motion by Commissioner Faulkner, seconded by Commissioner Gendrano, it was voted on and unanimously carried to procure both a real estate seminar and an IDW for the current biennium.

Ad Hoc Committee on Education ("ACE")

Senior Real Estate Specialist Fujimura stated that the next ACE meeting will be on March 14, 2013 in the King Kalakaua Building, third floor, Examination Room. The ACE is hosting a "focus group" of young licensees, to open discussion on how these newer, younger licensees view the real estate industry, how they do business, and how this may impact future prelicense education and continuing education.

Budget and Finance
Report:

Upon a motion by Commissioner Sherley, seconded by Commissioner Faulkner, it was voted on and unanimously carried to accept the Real Estate Education Fund Financial Report for the period ending December 31, 2012.

Next Meeting: Wednesday, April 10, 2013
Upon adjournment of the Condominium Review Committee Meeting, which is upon adjournment of the Laws and Rules Review Committee meeting, which convenes at 9:00 a.m.

Queen Liliuokalani Conference Room
King Kalakaua Building
335 Merchant Street, First Floor
Honolulu, Hawaii

Adjournment: With no further business to discuss, Chair Harvey adjourned the meeting at 10:09 a.m.

Reviewed and approved by:

/s/ Diane Choy Fujimura
Diane Choy Fujimura
Senior Real Estate Specialist

03/13/2013
Date

[X] Minutes approved as is.
[] Minutes approved with changes, see minutes of _____

**2013-2014 CONTINUING EDUCATION PROVIDERS AND COURSES
RATIFICATION LIST**

EDUCATION REVIEW COMMITTEE

March 6, 2013

<u>Registration/Certification</u>	<u>Effective Date</u>
Provider(s)	
Hawaii Institute of Real Estate LLC	February 8, 2013
Green Building LLC	February 12, 2013
Investment Property Exchange Services, Inc.	February 20, 2013
Course(s)	
“Advocating for Short Sale Clients” (3 credits) (The CE Shop, Inc.)	February 6, 2013
“Sign Here: Contract Law on E-Signatures” (3 credits) (The CE Shop, Inc.)	February 6, 2013
“ASM603 - Investment Real Estate Financing & Valuation, Part 1” (6 credits) (Institute of Real Estate Management)	February 7, 2013
“ASM604 - Investment Real Estate Financing & Valuation, Part 2” (6 credits) (Institute of Real Estate Management)	February 7, 2013
“ASM605 - Investment Real Estate Financing & Valuation, Part 3” (6 credits) (Institute of Real Estate Management)	February 7, 2013
“HRS402 - Leadership & Human Resource Essentials” (6 credits) (Institute of Real Estate Management)	February 7, 2013
“MKL405 - Marketing & Leasing: Multifamily Properties” (6 credits) (Institute of Real Estate Management)	February 7, 2013
“The LEED Certified Home V2” (3 credits) (John Bendon/Green Building LLC)	February 12, 2013
“The Home Energy Audit V2” (3 credits) (John Bendon/Green Building LLC)	February 12, 2013
“Green Home Basics V2” (3 credits) (John Bendon/Green Building LLC)	February 12, 2013

Registration/Certification

Effective Date

Course(s) continued

“Introduction to Brokerage Management” (3 credits)
(ProSchools/Ralph Foulger’s School of Real Estate)

February 15, 2013

School(s)

Hawaii Institute of Real Estate LLC

February 8, 2013