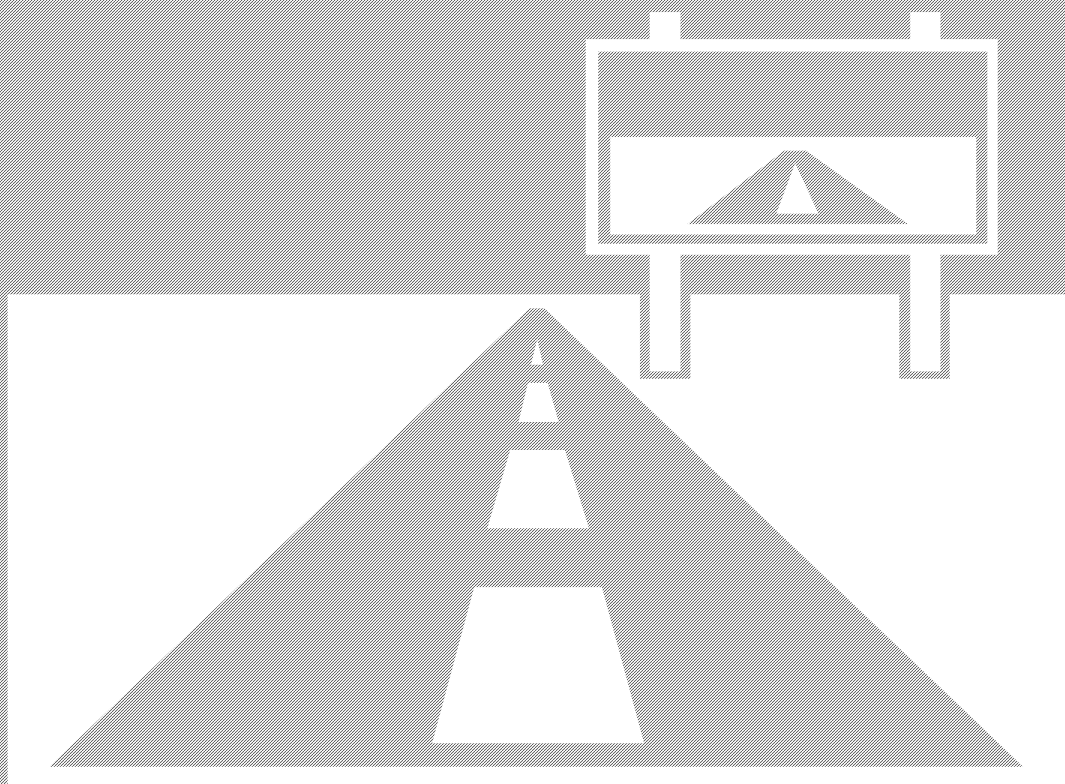

REAL ESTATE COMMISSION
REAL ESTATE ADVERTISING GUIDELINES

At-a-Glance Hawaii State Guidelines for Real Estate Advertising

Summer 2004



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What Constitutes Advertising?

Advertising is the use of any medium of promotional materials and activities. In real estate, advertising materials include business cards, stationary, letterhead, signage, brochures and property information sheets, media announcements including press releases, faxes, classified ads, oral presentations, billboards, direct mail, multiple listing services, newspaper, magazine, radio, video and television advertising, websites, web banners or any other technological devices.

In all forms of advertising:

The Advertisement MUST

Use full name as licensed by the REC. [HAR 16-99-11(e)(1)]

Show license status. [HAR 16-99-11(c)]

- (B) for licensed a broker . [HAR 16-99-11(e)(3)]
- (S) for a licensed salesperson [HAR 16-99-11(e)(3)]
- (R) for a licensed broker & REALTOR® [HAR 16-99-11(e)(3)]
- (RA) for licensed salesperson & REALTOR® [HAR 16-99-11(e)(3)]

Show the legal or previously registered trade name of the brokerage [HAR 16-99-11(1)]

- Show the name of the employing broker or entity [HAR 16-99-11(e)(2)]
- Type of business entity may be abbreviated in the brokerage name [HAR 16-99-11(a)(1)]
- Use "dba" in conjunction with the licensed name and trade name [HAR 16-99-11(a)(2)]

Designate the land tenure.

- All leasehold property shall be identified by the word "leasehold." [HAR 16-99-11(d)]

Must show the HUD logo, slogan, or statement. [Federal Fair Housing Act]

The Advertisement MUST NOT

Licensees may not: [HAR 16-99-11(b)]

- Advertise "for sale by owner"
- Advertise "for rent by owner"
- Advertise "for lease by owner"
- Advertise "for exchange by owner"

May not use copy that may promote discrimination, such as: [Federal Fair Housing Act]

Able bodied	Couple	Latino	Oriental
Adult living	Couples only	Married	Physically fit
Adult community	Crippled, no	Mature couple	Polish
Adults only	Deaf, no	Mature individual	Puerto Rican
African	Drinkers, no	Mature person(s)	Retarded, no
Agile	Employed, empty nesters	Membership approval req'd	Seasonal worker, no
Alcoholics, no	(Ethnic reference)	Mentally handicapped, no	Shrine
Asian	Handicapped, not for	Mentally ill, no	Singles only
Bachelor	Healthy only	Mexican-American	Single person
Blacks, no	Hispanic	Mormon Temple	Smoker(s), no
Board approval required	Impaired, no	Mosque	Soc. Sec. Ins., no
Catholic	Independent living	(Nationality)	Tenant (description of)
Caucasian	Indian	Newlyweds	Unemployed, no
Chicano	Irish	(#of) children	White
Chinese	Integrated	Older person(s)	White only
Children, no	Jewish	One child	
Colored	Landlord (description of)	One person	

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In condominium advertising: [HAR 514A-102]

The Advertisement MUST

Include the name, address and phone number of the developer or broker.
 Provide a statement of the estimated issuance of the REC public report effective date and the intention of offering apartments for sale upon that date.
 Describe the location and number of apartments, the number of residential units – at least 50% of which will be owner-occupied.
 Disclose the price range of the units.
 Disclose whether the units will be fee simple or leasehold.
 Disclose the size and use of any non-residential units.
 Give the estimated offering date.
 Give the dates of 10-day window for owner-occupant buyers only.
 Disclose whether reservations will be made on a chronological or lottery basis.
 Describe the number and availability of ADA accessible or adaptable units.
 Describe affidavit and earnest money requirements.
 Disclose that, "No public report has been issued by the Commission."

Trigger Requirements:

<i>If your advertisement:</i>	<i>Then it must also:</i>
Provides contact information that differs from that of the registered place of business... Mentions:	Provide the identification and designation of such contact information. [HAR 16-99-11 (f)] Disclose: [TILSRA]
<ul style="list-style-type: none"> ▪ Percent of down payment, or ▪ Amount of down payment, or ▪ Amount of any payment, or ▪ Amount of any finance charge, or ▪ Number of payments, or ▪ Period of repayment... 	<ul style="list-style-type: none"> ▪ Percent of down payment, and ▪ Amount of down payment, and ▪ Terms of repayment, and ▪ Annual percentage rate (APR), and ▪ Whether the APR may be increased.
Uses human models...	Human models should reflect minority and majority ethnic groups, protected classes, and families. [Federal Fair Housing Act]
Provides directions to the property...	Use of racial, ethnic, or religious landmarks in the directions is prohibited. [Federal Fair Housing Act]

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Time Share Trigger Requirements:

<i>If your advertisement:</i>	<i>Then it must also:</i>
Offers: <ul style="list-style-type: none"> ▪ Entertainment and/or ▪ Prizes and/or ▪ Gifts and/or ▪ Food or beverages and/or ▪ Other inducements... 	Disclose: [HAR 514E-11 (3)] <ul style="list-style-type: none"> ▪ Cash value of the gift item, and ▪ Terms & conditions of receipt, and ▪ Whether attendance is required, and ▪ Identification of the project, including type of ownership, cost, and exchange privileges.
Uses written or printed material to solicit the sale of time share interests...	"THIS IS A TIME SHARING SALES PRESENTATION. ANY PURCHASER HAS, UNDER THE LAW, A SEVEN-DAY RIGHT OF RESCISSION OF ANY TIME SHARING SALES CONTRACT" must be printed on 24-point bold-face type (or at least as large as the largest font in the material). [HAR 514E-9 (a)(7)]
Includes promotional material...	The material must be file with the DCCA Director at least 15 days prior to its use. [HAR 514E-9]

Condominium Trigger Requirements:

<i>If:</i>	<i>Then it must also:</i>
Reservations will be made through a lottery system...	The date, time, and location of the drawing must be advertised and the lottery must be held within 15 days of the last published announcement. [HAR 514A-104(b)]

Sources for Additional Information

Hawaii Real Estate Guide to Advertising <http://www.hawaii.gov/hirec/forms/ADVERT.PDF>

Americans with Disabilities Act <http://ada.gov>

Fair Housing Act Pamphlet http://www.hsh.com/pamphlets/fair_housing_act.html

Fair Housing Library <http://hud.gov/library/bookshelf09/index.cfm>

US HUD: Fair Housing <http://www.hud.gov/groups/fairhousing.cfm>

West Legal Directory <http://lawyers.findlaw.com/lawyer/splash2.html>