

**EDUCATION REVIEW COMMITTEE**  
**REAL ESTATE COMMISSION**  
Professional and Vocational Licensing Division  
Department of Commerce and Consumer Affairs  
State of Hawaii  
[www.hawaii.gov/hirec](http://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: July 11, 2018

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: Bruce Faulkner, Chair / Broker / Maui Commissioner  
Aileen Wada, Vice Chair / Broker / Honolulu Commissioner  
Scott Arakaki, Public Member / Honolulu Commissioner  
John Love, Public Member / Honolulu Commissioner  
Laurie A. Lee, Broker / Honolulu Commissioner  
Michael Pang, Broker / Honolulu Commissioner  
Aleta Klein, Broker / Honolulu Commissioner  
Sean Ginoza, Broker / Hawaii Island Commissioner  
Russell Kyono, Broker/ Kauai Commissioner

Neil K. Fujitani, Supervising Executive Officer  
Miles Ino, Executive Officer  
Diane Choy Fujimura, Senior Real Estate Specialist  
Amy Endo, Real Estate Specialist  
David J. Grupen, Real Estate Specialist  
Carole Richelieu, Senior Condominium Specialist  
Lorie Sides, Condominium Education Specialist  
Benedyne Stone, Condominium Specialist  
Dathan Choy, Condominium Specialist  
Shari Wong, Deputy Attorney General  
Dorothy Aquino, Recording Secretary

Others: Richard Emery, Hawaii First Realty  
Matt Eagle, Abe Lee Seminars  
Elisia Flores, Eddie Flores Real Estate CE

Absent: None

Call to Order: The Chair called the meeting to order at 10:08 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: Minutes of Previous Meeting

Upon a motion by Commissioner Lee, seconded by Commissioner Ginoza, it was voted on and unanimously carried to accept the minutes of the June 13, 2018, Education Review Committee meeting.

Continuing Education: Administrative Issues

**2018-2019 Continuing Education Providers and Courses Ratification List**

Upon a motion by Commission Arakaki, seconded by Commissioner Ginoza, it was voted on and unanimously carried to ratify the following:

<u>Registration/Certification</u>	<u>Effective Date</u>
<b>Course(s)</b>	
"Hawaii 6 Hour Real Estate Financing" (6 credits) (At Your Pace Online, LLC/ARELLO)	06/04/2018
"Accredited Buyer's Representative Designation Course" (12 credits) (The CE Shop, Inc./ARELLO)	06/28/2018
"Real Estate Investing: Build Wealth Representing Investors and Becoming One Yourself" (6 credits) (The CE Shop, Inc./ARELLO)	06/28/2018

Applications

**Course – "2018 Hawaii Economic and Real Estate Forecast"; Author/Owner: Eddie Flores and Elisia Flores; Provider: Eddie Flores Real Estate Continuing Education; Course Category: Other – Economy and Housing Market; Clock Hours: 3**

Ms. Elisia Flores was present to answer any questions or concerns the Commissioners may have.

Executive Officer Ino inquired if the course information is drawing a parallel to what's going on in Kakaako.

Ms. Flores commented the New York example shows how the mainland luxury markets are slowing down and potentially indicate what could happen in Hawaii, not specifically Kakaako.

Chair Faulkner commented the course title refers to Hawaii, though the data in the course is Honolulu-centric, there is no data on the other islands.

Ms. Flores commented most of the data does reflect the Oahu economy, but the statistics and charts reflect all islands. Ms. Flores stated she will include some information to reflect the different islands.

Commissioner Pang moved to approve "2018 Hawaii Economic and Real Estate Forecast" as a 3-credit hour continuing education elective course, under the course categories Other – Economy and Housing Market, subject to amending course content to include information on islands other than Oahu. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

**Course – "Basics of Condo Governance, Owners' Rights, Dispute Resolution, & Document Production"; Author/Owner: Richard Emery; Provider: Hawaii First Realty LLC; Course Categories: Contracts Finance, Real Estate Law, Property Ownership and Development, Dispute Resolution, Property Management, Broker Management; Clock Hours: 3**

Commissioner Pang recused himself from discussion and decision making.

Mr. Richard Emery was present to answer any questions or concerns the Commissioners may have. Mr. Emery informed the commission he is proposing a course with basic concepts and terminology for the real estate licensees to understand the condominium management industry.

Condominium Specialist Choy informed Mr. Emery that HB 1873 did pass and changes the priority of legal payments for condominium associations and unit owners. The "pay first-dispute later" procedure is no longer valid.

Mr. Emery informed the commission he was involved with the writing of HB 1873, and will make adjustments to the course content.

Commissioner Lee moved to approve "Basics of Condo Governance, Owners' Rights, Dispute Resolution & Document Production" as a 3-credit hour continuing education elective course, under the course categories Contracts Finance, Real Estate Law, Property Ownership and Development, Dispute Resolution, Property Management, Broker Management, subject to amending the course information based on the passage of HB 1873 HD1 SD1 CD1. Commissioner Arakaki seconded the motion. The motion was voted on and unanimously carried.

**Course – "Understanding Condo Financial Information"; Author/Owner: Richard Emery; Provider: Hawaii First Realty LLC; Course Categories: Contracts, Finance, Real Estate Law, Property Management; Clock Hours: 3**

Commissioner Pang recused himself from discussion and decision making.

Condominium Specialist Choy asked if an example of the financial balance sheets will be used in the course.

Mr. Emery replied he'll have a sample of the balance sheet with tutorials. The course is not on accounting course, it is a basic course to understand financial terminology for the licensee.

Chair Faulkner asked if the course will be available on the neighbor islands?

Mr. Emery commented he is currently working with the Honolulu Board of Realtors® (HBR) and HBR is reaching out to the affiliated boards on the neighbor islands.

Upon a motion by Commissioner Wada, seconded by Commissioner Lee, it was voted on and unanimously carried to approve "Understanding Condo Financial Information" as a 3-credit hour continuing education course, under the course categories Contracts, Finance, Real Estate Law, Property Management.

**Course – "Inspections, Maintenance & Warranties"; Author/Owner: Matt Eagle; Provider: Abe Lee Seminars; Course Categories: Property Ownership and Development, Property Management; Clock Hours: 3**

Mr. Matt Eagle was present to answer any questions or concerns the Commissioners may have.

Commissioner Pang asked what is the attendance for his previously approved class?

Mr. Eagle commented attendance has been between 30 – 40 students and the evaluations are being used to rate the course.

Commissioner Arakaki suggested splitting the course into two parts, as the maintenance section is quite dense.

Mr. Eagle commented he thought about splitting the course. Maintenance can be a course by itself focusing on preventive measures.

Commissioner Wada suggested including a disclaimer for the agents to make them aware they are not inspectors.

Mr. Eagle commented he informed the students they are not inspectors and should refer their clients to the experts.

Chair Faulkner suggested spelling out acronyms when using for the first time, and thereafter, use the acronym as needed. Also, on page 18 clarify "you" in the last paragraph. He noted as examples "MMI and "DoD" on pages 17 and 31, respectively.

Commissioner Arakaki moved to approve "Inspections, Maintenance & Warranties" as a 3-credit hour continuing education elective course, under the course categories Property Ownership and Development, Property Management, subject to corrections of the course. Commissioner Pang seconded the motion. The motion was voted on and unanimously carried.

#### Continuing Education Core Course

Report of the Train-the-Trainer, Core B 2017-2018 was distributed to the Commissioners prior to the meeting for their information.

Administration of  
Examinations:

#### PSI

#### **Licensing Examination Statistics – June 2018**

Examination statistics for June 2018 were distributed to the Commissioners for their information.

**School Pass/Fail Rates – June 2018**

School pass/fail rate statistics for June 2018 were distributed to the Commissioners for their information.

**School Summary by Test Category – June 2018**

Copies of the June 2018 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 Specialist Fujimura reported that the July 2018 School Files will be distributed shortly and a copy will be made available on the Commission's website: [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec).

Real Estate Specialist' Office for the Day

Real Estate Specialist Office for the day will be held in Kauai at the Grove Farm Building on Wednesday, September 12, 2018, Lihue, HI.

Budget and Finance Report: Upon a motion by Commissioner Ginoza, seconded by Commissioner Wada, it was voted on and unanimously carried to accept the Real Estate Education Fund report for the fiscal period ending December 31, 2017 and March 31, 2018.

Next Meeting: Wednesday, August 8, 2018  
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.  
King Kalakaua Building  
Queen Liliuokalani Conference Room  
335 Merchant Street, 1<sup>st</sup> Floor  
Honolulu, Hawaii

Adjournment: With no further business to discuss, Chair Faulkner adjourned the meeting at 10:38 a.m.

Reviewed and approved by:

/s/Diane Choy Fujimura

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Diane Choy Fujimura  
Senior Real Estate Specialist

July 19, 2018

\_\_\_\_\_  
Date

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

DCF:da