

Real Estate Commission Bulletin



On-Time License Renewals are Over

Now that on-time renewals are over, here are a few reminders for licensees:

Visit the Professional and Vocational Licensing Division’s License Search site at mypvl.dcca.hawaii.gov/public-license-search/ or your MyPVL account at mypvl.dcca.hawaii.gov to confirm your license was renewed successfully. Check that your license expiration reflects 12/31/26 and your status reads “CURRENT, VALID & IN GOOD STANDING.”

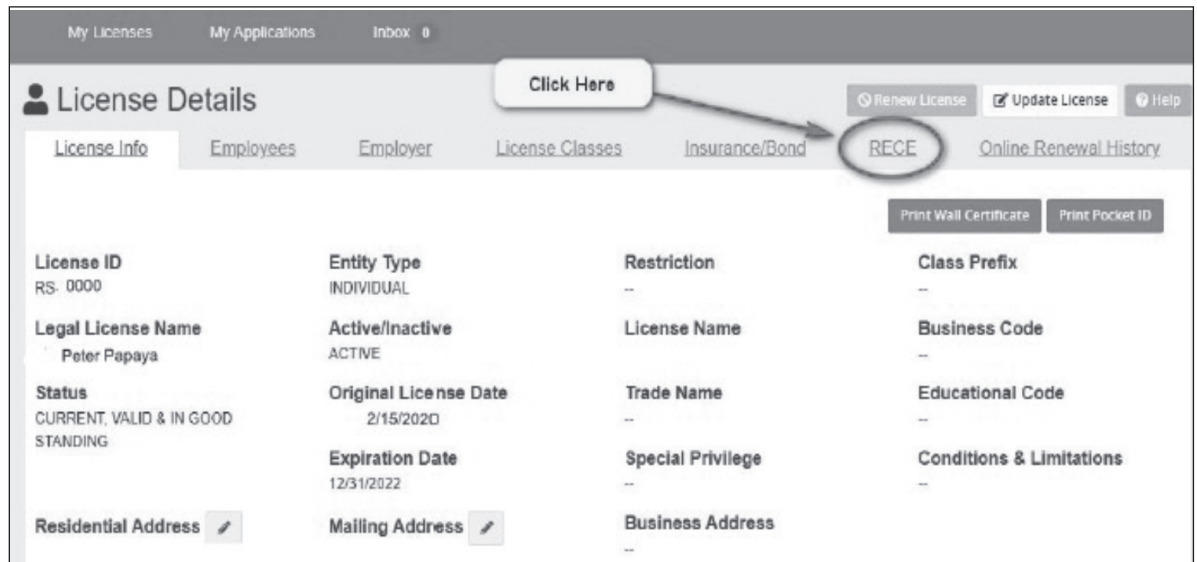
If you intended to renew on an active status but it reads “INACTIVE,” your license is inactive, and you should check why.

If your license was renewed INACTIVE involuntarily, here are a few possible reasons:

1. LACK OF CE HOURS:

Duplicate continuing education credit. Pursuant to Hawaii Administrative Rules, §16-99-95, “Duplicate continuing education hours. Except as provided by the commission or by this subchapter, a licensee shall not take a continuing education course for which the licensee has already received a certificate within two consecutive biennia.” Therefore, if you have repeated a continuing education (CE) course that you have taken in the previous biennium (i.e.,2022), you will not receive credit for the repeated CE course.

Licensees are responsible to confirm their CE course(s) have not been duplicated and may track their previous courses via their MyPVL account and clicking on the RECE (Real Estate Continuing Education) tab.



Once you have completed your CEs and your courses have been reported to the education system by the CE provider(s), you must submit a Change Form – Real Estate (CF) to the Licensing Branch with the required \$25.00 reactivation fee. Complete Section A, mark the “REACTIVATE License” box, sign and date Section B, and have your principal broker or broker-in-charge sign the form in Section D.

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Ethics courses. Unless approved by the Hawaii Real Estate Commission (“Commission”), an ethics course, by itself, is not a requirement for DCCA/PVL real estate license renewal. Keep in mind only CE courses approved by the Commission and offered by a CE Provider approved by the Commission are available for CE credit to Hawaii real estate licensees. Contact the CE provider that is offering that particular ethics course to see if it was approved by the Commission to receive CE credit. If the course is not a Commission approved course, you will not receive credit for it. If the trade organization is requiring an ethics course as a prerequisite to complete the membership renewal process, you may contact NAR and/or the Board of REALTORS® for guidance.

2. DEPENDENCY:

If a PB, BIC, and/or brokerage firm’s license(s) was not successfully renewed by December 31, 2024, all associated licensees who have renewed their individual licenses will be current but **inactive**. You can check the status of your PB’s, BIC’s, and/or the brokerage firm’s license at <https://mypvl.dcca.hawaii.gov/public-license-search/>.

Remember to check that your license was properly renewed. With a forfeited or inactive license, you must stop conducting all real estate activity.

YOU MUST RENEW YOUR LICENSE WHETHER YOU ARE ACTIVE OR INACTIVE

Always remember to renew your license and pay the renewal fees every even-numbered year to keep it **CURRENT**. Placing your license on an inactive status and failing to pay for the renewal fee will result in a forfeited license. Pursuant to Hawaii Revised Statutes section 436B-2, a forfeited license, “means the immediate and automatic termination or cancellation without any prior consultation with the licensee of a license issued by a board, caused by a licensee’s voluntary or involuntary failure to comply with the requirements for maintaining or renewing a license.” Late fees and additional requirements must be met to restore your forfeited license (see “Reactivating or Restoring Your License” on page 4)

SURRENDERING YOUR LICENSE

Finally, if you decide to surrender your license and not pay for your renewal fees, this may be done with a CF. Surrendering a license is not the same as inactivating a license. Surrendering your license means you shall cease conducting all real estate activities. Forever. Should you decide to engage in any real estate activity again, you shall obtain a new license as a new applicant for a salesperson license. In other words, once you surrender your license, you no longer have a license and you will be subject to applicable new licensing requirements in effect at the time of application (i.e. prelicense school, state exam). For brokers who surrender their license, they must start over as a salesperson.

On-Time License Renewal Statistics

As of January 2, 2005, the renewal statistics for real estate brokers, entities, and salespersons are as follows:

Licenses Eligible for Renewal	No. of Licenses	Licenses Renewed	% Renewed	Online Renewals	% of Licenses Renewed Online
Real Estate Brokers (RB)	4228	3874	91.6%	3773	97.4%
Real Estate Sole (RB)	727	583	80.2%	558	95.7%
Real Estate Entity (RB)	1724	1547	89.7%	1495	96.6%
Real Estate Branch Office (RBO)	142	102	71.8%	95	93.1%
Real Estate Salesperson (RS)	13162	10571	80.3%	10389	98.3%
TOTAL	19983	16677	83.5%	16310	97.8%

The Chair's Message

Hau'oli Makahiki Hou! Kung Hei Fat Choi!

2025 is going to be a great year!

Let me also say that this year will be exceptional for those who renewed their licenses on-time. You know who you are. Pat yourselves on the back. You take your profession seriously and recognize how important your license is.

What you do makes a difference.

Last year was arduous. We faced unanticipated challenges and issues head-on with hard work, focus, and persistence.

We bid aloha to 2024 and give a warm welcome to 2025. I know you are ready for the new year and what it will bring. Many of you are exhilarated. Embrace that excitement and make a difference. Be positive. Look at things as "half full" and not "half empty." Allow your positive outlook to become contagious. Remember, real estate is an emotional business, and it is easier to help a happy person than an unhappy person. Our profession allows us to influence many people. Influence them positively. Remain upbeat and make 2025 – the Year of the Snake – a great year for all.

Are you just going to pump us up with rhetoric?

Not at all.

You need to remain vigilant and be professional. Always do your job well. Do not rest on your laurels and get complacent. The issues we faced last year are still with us today. The mortgage interest rates remain stubbornly higher than what most consumers prefer, and the insurance issue seems to be frustrating more insureds at a concerning rate. Sometimes, even explanations of how licensees get compensated disappear into an abyss. Make no mistake, these challenges are still around. The biggest difference, however, is they are no longer unknowns. We have had time to digest, analyze, and address them. 2025 is the year when we show our professionalism and be proactive. Know what to do and combat these issues with a positive attitude. Remember, **what you do makes a difference.**

Wishing all of you good health, continued success, and much happiness.

Mahalo Nui Loa,



Derrick T. Yamane, Chair
Hawaii Real Estate Commission



Re-Activating or Restoring a Forfeited License

If your license is renewed on INACTIVE status, and you wish to change to active status, or if for any reason your license is forfeited on January 1, 2025 (whether you voluntarily did not renew on time, you forgot to renew, your check was returned by the financial institution, etc.) and you wish to restore your license, the table below lists documents and fees which must be submitted to the Licensing Branch. If your license was forfeited before or on January 1, 2025, or if you apply for restoration after December 31, 2025, you must submit a Restoration Application (call 586-3000 to obtain application) and follow the instructions that accompany that application.

RE-ACTIVATING				
Individual Brokers, Salespersons	Principal Brokers, Brokers in Charge	Entities (Corporation, Partnership, LLC, or LLP)	Sole Proprietors	Branch Office
<ul style="list-style-type: none"> Change Form (signed by Principal Broker or Broker in Charge) \$25 fee 	<ul style="list-style-type: none"> Change Form \$25 fee 	<ul style="list-style-type: none"> Change Form for entity with \$75 fee Change Form for principal broker with \$25 fee Change Form for ALL associating licensees with \$25 fee for each Change Form 	<ul style="list-style-type: none"> Application for sole proprietor \$65 fee Change Form for ALL associating licensees with \$25 fee for each Change Form 	<ul style="list-style-type: none"> Change Form for branch office with \$75 fee Change Form to register a broker in charge if the principal broker has not already designated a broker in charge
		<ul style="list-style-type: none"> Trade name document (if using a trade name) from Business Registration Division 586-2727 	<ul style="list-style-type: none"> Trade name document (if using a trade name) from Business Registration Division 586-2727 	
		<ul style="list-style-type: none"> Certificate of Good Standing from Business Registration 		
		<ul style="list-style-type: none"> Entity Resolution appointing principal broker 		
RESTORING BETWEEN JANUARY 1 AND DECEMBER 31, 2025				
<ul style="list-style-type: none"> Renewal Application \$268 renewal fee \$50 penalty fee Change Form if restoring on active status 	<ul style="list-style-type: none"> Renewal Application \$268 renewal fee \$50 penalty fee Change Form if restoring on active status 	<ul style="list-style-type: none"> Renewal Application \$343 renewal fee \$100 penalty fee Change Form for principal broker Change Form for ALL associating licensees Trade name document (if using a trade name) Certificate of Good Standing Entity Resolution appointing principal broker 	<ul style="list-style-type: none"> Renewal Application \$298 renewal fee \$80 penalty fee Trade name document (if using a trade name) Change Form for ALL associating licensees 	<ul style="list-style-type: none"> Renewal Application \$268 renewal fee \$50 penalty fee

The Change Form and Application for License: Real Estate Sole Proprietor may be retrieved from the Commission's web site: <http://www.hawaii.gov/hirec>.

This material can be made available for individuals with special needs. Please call the Licensing Branch Manager at 586-3000 to submit your request.

Administrative Actions

September 2024

**HAWAIIANA MANAGEMENT
COMPANY, LTD
and MELE HERESA**
RB-13476
RB-21752

REC 2024-184-L

Dated: 9/27/2024

(Commission approved
settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent Hawaiiana was a licensed real estate broker entity by the Real Estate Commission (the Commission) under license number RB-13476. The license was issued on or about December 16, 1983. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent Heresa was a licensed real estate broker by the Commission under license number RB-21752. The license was issued on or about March 12, 2015. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent Heresa was the principal broker for Respondent Hawaiiana.

On or about April 22, 2024, RICO received a complaint from the owner of an Ala Wai Cove condominium unit, located at 509 University Avenue Honolulu, Hawaii 96826. Respondent Hawaiiana is the condominium managing agent for the Ala Wai Cove. The complaint alleged that the owner emailed a written Request for Condominium Association Records (the request) to Respondent Hawaiiana on March 4, 2024. The request asked for copies of numerous documents from 2020 through 2023.

The request was received by Thomas Nicolas, the Management Executive for Respondent Hawaiiana. In previous communications with the owner, Nicolas indicated that the documents would be provided for a fee and that an affidavit would need to be submitted.

On or about March 22, 2024, owner sent an email to Nicolas, asking for an update on the status of the request. Nicolas responded the same day, indicating that he did not handle the requests and would check with his administration. He indicated that the request would "require some time" due to the number of pages requested. Nicolas did not request payment or provide an affidavit to the owner.

On or about April 8, 2024, the owner sent emails to Nicolas, inquiring about the status of her request. On the same date, Nicolas responded that he did not handle the requests, but would check on the status.

On or about May 16, 2024, Nicolas emailed the owner with the estimated cost and requested a notarized affidavit for the request. On or about May 29, 2024, the owner emailed payment and the affidavit for the request.

On or about June 5, 2024, the owner received most of the requested records. On or about June 20, 2024, all of the documents requested were received by the owner.

RICO Allegations:

RICO alleges that fulfillment of the request took longer than 30 days without a proper response by Respondent Hawaiiana as to the reason for the delay. In addition, Respondent Hawaiiana did not provide the owner with the estimated cost or the necessary affidavit until after 30 days from the request.

Violations:

HRS §514B-154.5(c), HRS §467-1.6(a)

Sanctions:

Fine \$1,500.00

Administrative Actions (cont. from page 5)

September 2024

JON E. MCELVANEY
RS-56284

REC 2022-273-L

Dated: 9/27/2024

(Commission approved
settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent was licensed by the Real Estate Commission (“Commission”) as a real estate salesperson under License Number RS-56284. Respondent’s license was first issued on April 1, 1997, and it will expire or forfeit on December 31, 2024, unless timely renewed.

RICO ALLEGATIONS:

On May 6, 2024, Petitioner filed a Petition for Disciplinary Action alleging that Respondent violated the following provisions of the Hawaii Revised Statutes (“HRS”) governing real estate licensees in the State of Hawaii:

HRS §436B-19(12) (authorizing the Commission to refuse to renew, reinstate or restore, deny, revoke, suspend, or condition in any manner, any Hawaii license where the Hawaii licensee failed to comply, observe, or adhere to any law in a manner such that the Commission deems the applicant or holder to be an unfit or improper person to hold a license) and

HRS §436B-19(14) (authorizing the Commission to refuse to renew, reinstate or restore, deny, revoke, suspend, or condition in any manner, any Hawaii license where the Hawaii licensee holds a Criminal conviction, whether by nolo contendere or otherwise, of a penal crime directly related to the qualifications, functions, or duties of the licensed profession or vocation).

Violations:

HRS §436B-19(12)
HRS §436B-19(14)

Sanctions:

Revocation of License

November 2024

**PAHIO VACATION
OWNERSHIP, INC.**
RB-16485

REC 2020-189-L

Dated: 11/22/2024

(Commission approved
settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent was licensed by the Real Estate Commission (hereinafter the “Commission”) as a real estate broker under License Number RB-16485-0. The license was issued on or about March 30, 1994. The license will expire or forfeit on or about December 31, 2024.

At all times relevant to this settlement agreement, Respondent’s principal broker was Michael Aschenbrenner, licensed as a real estate broker under License Number RB-16049.

RICO received a complaint alleging that, in a time share transaction, Respondent did not obtain authorization from the Complainant to execute real estate transactional documents via DocuSign eSignature.

RICO Allegations:

RICO alleges that Respondent failed to provide a copy of the Complainant’s signed authorization to utilize DocuSign to execute the time share transactional documents at the time it was executed.

Violations:

HRS §467-14, HAR §16-99-3(f)

Sanctions:

Fine \$500.00

Administrative Actions (cont. from page 6)

November 2024

ALEXA L. ROPP
RS-83468

REC 2024-264-L

Dated: 11/22/2024

(Commission approved
settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent was licensed by the Real Estate Commission (hereinafter the "Commission") as a real estate salesperson under the license number RS-83468. The license was issued on or about September 29, 2020, and will expire or forfeit on or about December 31, 2024, unless timely renewed.

RICO Allegations:

RICO alleges that on February 9, 2024, Respondent was convicted for Operating a vehicle under the Influence of an Intoxicant ("OVUII"), an offense commonly known as a "DUI", in the Wailuku District Court of the Second Circuit, State of Hawaii.

Violations:

HRS §436B-19(14)

Sanctions:

Fine \$750.00

December 2024

CERTIFIED MANAGEMENT, INC, dba ASSOCIA HAWAII and PHYLLIS O. KACHER
RB-16152
RB-14949

REC 2024-96-L

Dated: 12/18/2024

(Commission approved
settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent CERTIFIED MANAGEMENT, INC., doing business as ASSOCIA HAWAII, a Hawaii corporation, was licensed by the Real Estate Commission (hereinafter the "Commission") as a real estate broker under License Number RB-16152-0. The license was issued on or about July 24, 1992. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER, was licensed by the Commission as a real estate broker under License Number RB-14949-0. The license was issued on or about June 15, 1989. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER was the principal broker for Respondent CMI.

RICO received a complaint alleging that Respondent CMI, acting as managing agent for the Association of Apartment Owners of Waiiau Garden Court ("AOAO Waiiau Garden Court"), received a written request via email from an AOAO Waiiau Garden Court unit owner for "all documents, emails information and records related to the early termination, re-investment and the original purchase of a CD at First Foundation Bank on 7/3/23," on or about November 13, 2023, and failed to provide the requested documents.

RICO Allegations:

RICO alleges that Respondents failed to provide the requested documents.

Violations:

HRS §§514B-154.5(a), 514B-154.5(c), 467-14(13)

Sanctions:

Fine \$2,000.00

Administrative Actions (cont. from page 7)

December 2024

CERTIFIED MANAGEMENT, INC. dba as ASSOCIA HAWAII and PHYLLIS O. KACHER
RB-16152
RB-14949

REC 2024-97-L

Dated: 12/18/2024

(Commission approved settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent CERTIFIED MANAGEMENT, INC., doing business as ASSOCIA HAWAII, a Hawaii corporation, was licensed by the Real Estate Commission (hereinafter the "Commission") as a real estate broker under License Number RB-16152-0. The license was issued on or about July 24, 1992. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER, was licensed by the Commission as a real estate broker under License Number RB-14949-0. The license was issued on or about June 15, 1989. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER was the principal broker for the Respondent CMI.

RICO received a complaint alleging that Respondent CMI, acting as managing agent for the Association of Apartment Owners of Waiiau Garden Court ("AOAO Waiiau Garden Court"), received a written request via email from an AOAO Waiiau Garden Court unit owner for "all documents, emails, information and records related to owner's unit from 10/11/21 to date," on or about November 13, 2023, and failed to provide the requested documents.

RICO Allegations:

RICO alleges that Respondents failed to provide the requested documents.

Violations:

HRS §§514B-154.5(a), 514B-154.5(c), 467-14(13)

Sanctions:

Fine \$2,000.00

CERTIFIED MANAGEMENT INC., dba ASSOCIA HAWAII and PHYLLIS O. KACHER
RB-16152
RB-14949

REC 2024-98-L

Dated: 12/18/2024

(Commission approved settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent CERTIFIED MANAGEMENT, INC., doing business as ASSOCIA HAWAII, a Hawaii corporation, was licensed by the Real Estate Commission (hereinafter the "Commission") as a real estate broker under License Number RB-16152-0. The license was issued on or about July 24, 1992. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER, was licensed by the Commission as a real estate broker under License Number RB-14949-0. The license was issued on or about June 15, 1989. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER was the principal broker for the Respondent CMI.

RICO received a complaint alleging that Respondent CMI, acting as managing agent for the Association of Apartment Owners of Waiiau Garden Court ("AOAO Waiiau Garden Court"), received a written request via email from an AOAO Waiiau Garden Court unit owner for "all documents, emails, information and records related to owner's unit from 10/11/21 to date," on or about November 13, 2023, and failed to provide the requested documents.

RICO Allegations:

RICO alleges that Respondents failed to provide the requested documents.

Violations:

HRS §§514B-154.5(a), 514B-154.5(c), 467-14(13)

Sanctions:

Fine \$2,000.00

Administrative Actions (cont. from page 8)

December 2024

CERTIFIED MANAGEMENT INC., dba ASSOCIA HAWAII and PHYLLIS O. KACHER
RB-16152
RB-14949

REC 2024-138-L

Dated: 12/18/2024

(Commission approved settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent CERTIFIED MANAGEMENT, INC., doing business as ASSOCIA HAWAII, a Hawaii corporation, was licensed by the Real Estate Commission (hereinafter the "Commission") as a real estate broker under License Number RB-16152-0. The license was issued on or about July 24, 1992. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER, was licensed by the Commission as a real estate broker under License Number RB-14949-0. The license was issued on or about June 15, 1989. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER was the principal broker for the Respondent CMI.

RICO received a complaint alleging that Respondent CMI, acting as managing agent for the Association of Apartment Owners of Moana Pacific

("AOAO Moana Pacific"), received a written request via email from an AOAO Moana Pacific unit owner for "a Microsoft EXCEL file for FY 2023 that presents an MP Payment Register," listing "each payment made during FY 2023 by vendor," on or about January 27, 2024, and failed to timely respond to complainant's written request as Respondent CMI did not provide the requested documents until April 4, 2024, in PDF format, and Respondent CMI did not deny complainant's written request for the documents in EXCEL format.

RICO Allegations:

RICO alleges that Respondents failed to provide the requested documents within thirty (30) days.

Violations:

HRS §§514B-154.5(c), 467-14(13)

Sanctions:

Fine \$1,000.00

CERTIFIED MANAGEMENT INC., dba ASSOCIA HAWAII and PHYLLIS O. KACHER
RB-16152
RB-14949

REC 2024-160-L

Dated: 12/18/2024

(Commission approved settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent CERTIFIED MANAGEMENT, INC., doing business as ASSOCIA HAWAII, a Hawaii corporation, was licensed by the Real Estate Commission (hereinafter the "Commission") as a real estate broker under License Number RB-16152-0. The license was issued on or about July 24, 1992. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER, was licensed by the Commission as a real estate broker under License Number RB-14949-0. The license was issued on or about June 15, 1989. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER was the principal broker for the Respondent CMI.

RICO received a complaint alleging that Respondent CMI, acting as managing agent for the Association of Apartment Owners of Waiau Garden Court ("AOAO Waiau Garden Court"), received a written request via email from an AOAO Waiau Garden Court unit owner for "copies of the audited financial statements for fiscal years 2021 and 2022," on or about November 14, 2023, and failed to timely provide the requested documents.

RICO Allegations:

RICO alleges that Respondents failed to respond to the request within thirty (30) days and provided the requested documents after thirty (30) days.

Violations:

HRS §§514B-154.5(c), 467-14(13)

Sanctions:

Fine \$1,000.00

Administrative Actions (cont. from page 9)

December 2024

CERTIFIED MANAGEMENT INC., dba ASSOCIA HAWAII and PHYLLIS O. KACHER

RB-16152
RB-14949

REC 2024-161-L

Dated: 12/18/2024

(Commission approved settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent CERTIFIED MANAGEMENT, INC., doing business as ASSOCIA HAWAII, a Hawaii corporation, was licensed by the Real Estate Commission (hereinafter the "Commission") as a real estate broker under License Number RB-16152-0. The license was issued on or about July 24, 1992. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER, was licensed by the Commission as a real estate broker under License Number RB-14949-0. The license was issued on or about June 15, 1989. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER was the principal broker for the Respondent CMI.

RICO received a complaint alleging that Respondent CMI, acting as managing agent for the Association of Apartment Owners of Waiiau Garden Court ("AOAO Waiiau Garden Court"), received a written request via email from an AOAO Waiiau Garden Court unit owner for "copies of the Board and Annual meeting minutes that were not available on Town Square," on or about November 15, 2023, and failed to timely provide the requested documents.

RICO Allegations:

RICO alleges that Respondents failed to respond to the request within thirty (30) days and provided the requested documents after thirty (30) days.

Violations:

HRS §§514B-154.5(c), 467-14(13)

Sanctions:

Fine \$1,000.00

CERTIFIED MANAGEMENT INC., dba ASSOCIA HAWAII and PHYLLIS O. KACHER

RB-16152
RB-14949

REC 2024-231-L

Dated: 12/18/2024

(Commission approved settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent CERTIFIED MANAGEMENT, INC., doing business as ASSOCIA HAWAII, a Hawaii corporation, was licensed by the Real Estate Commission (hereinafter the "Commission") as a real estate broker under License Number RB-16152-0. The license was issued on or about July 24, 1992. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER, was licensed by the Commission as a real estate broker under License Number RB-14949-0. The license was issued on or about June 15, 1989. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER was the principal broker for the Respondent CMI.

RICO received a complaint alleging that Respondent CMI, acting as managing agent for the Association of Apartment Owners of Waiiau Garden Court ("AOAO Waiiau Garden Court"), received a written request via email from an AOAO Waiiau Garden Court unit owner for "proof of insurance for 3 units, on or about February 22, 2024, and failed to provide timely response to complainant's written request for 1 unit and failed to respond to the request.

RICO Allegations:

RICO alleges that Respondents failed to timely respond to the written request for documents and failed to provide the requested documents or a written refusal with an explanation of the refusal within thirty (30) days.

Violations:

HRS §§514B-154.5(b), 514B-154.5(c), 467-14(13)

Sanctions:

Fine \$2,000.00

Administrative Actions (cont. from page 10)

December 2024

CERTIFIED MANAGEMENT INC., dba ASSOCIA HAWAII and PHYLLIS O. KACHER
RB-16152
RB-14949

REC 2024-234-L

Dated: 12/18/2024

(Commission approved settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent CERTIFIED MANAGEMENT, INC., doing business as ASSOCIA HAWAII, a Hawaii corporation, was licensed by the Real Estate Commission (hereinafter the "Commission") as a real estate broker under License Number RB-16152-0. The license was issued on or about July 24, 1992. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER, was licensed by the Commission as a real estate broker under License Number RB-14949-0. The license was issued on or about June 15, 1989. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER was the principal broker for the Respondent CMI.

RICO received a complaint alleging that Respondent CMI, acting as managing agent for the Association of Apartment Owners of Waiau Garden Court ("AOAO Waiau Garden Court"), received a written request via email from an AOAO Waiau Garden Court unit owner for "proof of insurance showing that Waiau Garden Court has acquired

the full replacement value coverage as required by section 14.01 of the Declaration and Article 4, Section 1(h) of the Bylaws of Waiau Garden Court as well as Hawaii Revised Statute [sic]," on or about April 18, 2024, and failed to provide timely response to complainant's written request by providing the requested documents on May 28, 2024.

RICO Allegations:

RICO alleges that Respondents failed to provide the requested documents within thirty (30) days.

Violations:

HRS §§514B-154.5(c), 467-14(13)

Sanctions:

Fine \$1,000.00

CERTIFIED MANAGEMENT INC., dba ASSOCIA HAWAII and PHYLLIS O. KACHER
RB-16152
RB-14949

REC 2024-277-L

Dated: 12/18/2024

(Commission approved settlement agreement)

Uncontested Facts:

At all relevant times herein, Respondent CERTIFIED MANAGEMENT, INC., doing business as ASSOCIA HAWAII, a Hawaii corporation, was licensed by the Real Estate Commission (hereinafter the "Commission") as a real estate broker under License Number RB-16152-0. The license was issued on or about July 24, 1992. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER, was licensed by the Commission as a real estate broker under License Number RB-14949-0. The license was issued on or about June 15, 1989. The license will expire or forfeit on or about December 31, 2024.

At all relevant times herein, Respondent KACHER was the principal broker for the Respondent CMI.

RICO received a complaint alleging that Respondent CMI, acting as managing agent for the Association of Apartment Owners of Waiau Garden Court ("AOAO Waiau Garden Court"), received a written request via email from an AOAO Waiau Garden Court unit owner for "the last 5 years of

semi-annual Inspection reports of the "project" [sic] as required under section 4(u) of the contract dated 1/8/2007 between Certified Management, Inc dba and Waiau Garden Court AOAO" on or about May 23, 2024, and failed to provide timely response to complainant's written request by responding on July 11, 2024.

RICO Allegations:

RICO alleges that Respondents failed to provide the requested documents or a response authorizing or denying the written request for documents made on or about May 23, 2024 within thirty (30) days.

Violations:

HRS §§514B-154.5(a), 514B-154.5(c), 467-14(13)

Sanctions:

Fine \$2,000.00

Statutory/Rule Violations

Settlement Agreement (Allegations/Sanction): A Settlement Agreement may or may not include an admission that the Respondent violated licensing laws and/or rules on a case-by-case basis.

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.

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, whether by nolo contendere or otherwise, of a penal crime directly related to the qualifications, functions, or duties of the licensed profession or vocation. ⁴⁶⁷⁻¹⁴
HRS §467-1.6(a)	The principal broker shall have direct management and supervision of the brokerage firm and its real estate licensees. ^{436B-19(12)}
HRS §467-14(13)	Violating this chapter, chapters 484, 514B, 514E, or 515, or section 516-71, or the rules adopted pursuant thereto.
HRS §514B-154.5(a)	Notwithstanding any other provision in the declaration, bylaws, or house rules, if any, the following documents, records, and information, whether maintained, kept, or required to be provided pursuant to this section or section 514B-152, 514B-153, or 514B-154, shall be made available to any unit owner and the owner's authorized agents by the managing agent, resident manager, board through a board member, or the association's representative...
HRS §514B-154.5(b)	Subject to section 514B-105(d), copies of the items in subsection (a) shall be provided to any unit owner or owner's authorized agent upon the owner's or owner's authorized agent's request; provided that the owner or owner's authorized agent pays a reasonable fee for duplication, postage, stationery, and other administrative costs associated with handling the request.
HRS §514B-154.5(c)	Notwithstanding any provision in the declaration, bylaws, or house rules providing for another period of time, all documents, records, and information listed under subsection (a), whether maintained, kept, or required to be provided pursuant to this section or section 514B-152, 514B-153, or 514B-154, shall be provided no later than thirty days after receipt of a unit owner's or owner's authorized agent's written request. ^{467-1.6(a)}
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.

CONDO HAWAII

The Changing Landscape of Property Insurance in Hawaii

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Since the new year, the insurance market in Hawaii has been in a state of turmoil. We are in a *Hard Market* where insurance companies have stricter underwriting guidelines and offer less-desirable terms with higher premiums. **What is going on?**

Disasters & Global Reinsurance Costs

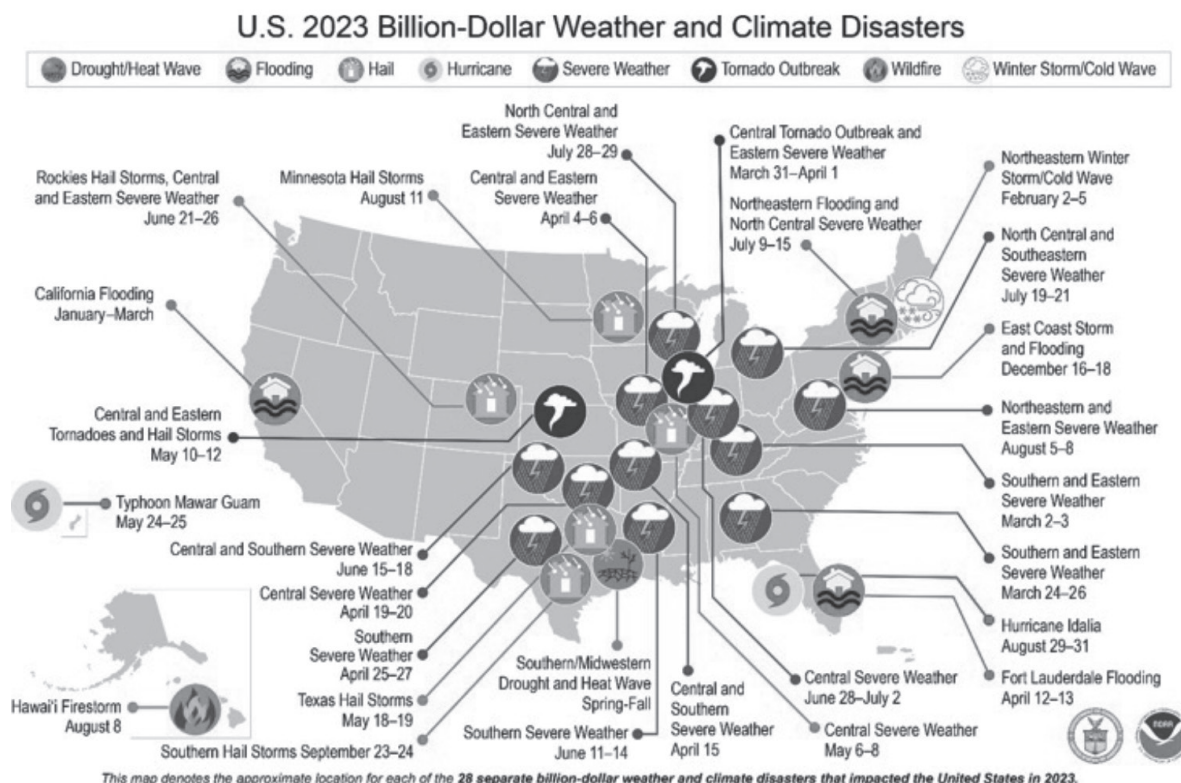
In the last several years there has been a spike in large natural disaster claims across the country and around the world. Between 1980 and 2023 there was an average of 8.5 events per year that caused over \$1 billion of damage in the United States (adjusted for inflation). In the most recent 5 years (2019-2023) the average number of Billion Dollar Disasters increased to an average of 20.4 per year. In the last two years alone there have been 46 large events that caused approximately \$271 billion in damage. These disasters as well as others around the world like wildfires in Australia, flooding in Germany and the recent earthquake and tsunami in Japan have caused global reinsurance rates to increase significantly to cover these claims.

What is Reinsurance?

In simple terms, reinsurance is insurance for insurance companies. They purchase reinsurance to enable them to cover catastrophic claims such as hurricanes, floods, and wildfires. Largely due to natural disasters around the world and close to home, reinsurers have been losing money and must raise rates to stay solvent. Of the 50 largest reinsurance groups, 17 of top 50 reinsurers had combined ratios over 100% in 2022. This means they were paying more in losses and expenses than their earned premiums before the disasters of 2023, including the Lahaina wildfire.

Why is Hawaii Being Affected?

Hawaii has a few unique challenges that are not appealing to underwriters. We are at risk of being hit by Hurricanes, and Hawaii is not a very large market—California and Texas each have about 25 times the number of associations compared to Hawaii. Also, Hawaii has a lot of buildings built in the 1960s and 1970s that need updates. Many of these buildings are near the shoreline leading to serious concerns about maintenance and structural integrity after the collapse of a beachfront condo in Florida in 2021. Additionally, until recently most companies did not contemplate the threat of wildfires in Hawaii.



The Changing Landscape of Property Insurance in Hawaii (cont. from page 13)

How Hawaii's Insurance Companies are Responding

Every insurance company doing business in Hawaii is reacting to these pressures by increasing rates, offering lower coverage limits with less desirable terms, increasing deductibles, declining to write new business or even non-renewing existing policies. Most condos are seeing renewal premiums increase by 150% to 800% compared to expiring, with most averaging around 400% to 500%. Insurers are looking at location, construction type, loss history and information about building updates and repairs when making these decisions. Additionally, insurance companies are requiring large increases in the estimated replacement cost of buildings due to increased costs for construction materials and labor since 2020.

Limited Options in Hawaii

Currently, Hawaii has only three major standard market insurers for condos. These three companies insure most of the fire-resistive high-rise buildings in the state. Additionally, there are three major insurers covering the majority of Hawaii's wood frame and joisted masonry associations. Most of these companies are not writing new business in 2024, and few insurers are willing to offer more than \$10 million of coverage for each association. Condos are seeing layered insurance renewals involving more than five companies, with some complexes needing more than 15 companies to secure full coverage.

Hawaii Salesperson to Broker Prerequisites

Information for Broker Candidates

Broker Experience Certificate is Required to Sit for the Broker's Exam

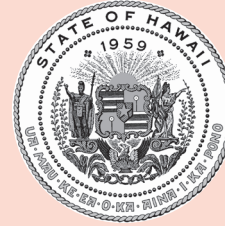
Are you a Hawaii real estate salesperson wanting to upgrade to a real estate broker? In addition to completing the Commission-approved 80-hour broker prelicensing course, candidates for the broker examination are required to apply for and be granted a Broker Experience Certificate ("BE") prior to examination. Once the BE is approved, you will be issued a pink "Certificate for Licensing Examination". This certificate together with the School Completion Certificate must be presented to the proctor prior to examination. Failure to obtain the BE prior to the examination will result in the invalidation of the examination score pursuant to Hawaii Administrative Rules, Section 16-99-19(a)(2).

To qualify for the BE, the principal broker ("PB") or broker-in-charge ("BIC") for each brokerage firm with which the salesperson was associated in the past five years, including the current PB or BIC, must each complete an Experience Certification Statement (ECS). The PB or BIC at the time the salesperson was associated with the brokerage firm, or the brokerage firm's current PB or BIC may complete the ECS.

Broker candidates must have experience as a full-time real estate salesperson. The required three years, full-time activity must be no less than 40 hours per week (no prorated credit given for part-time real estate salesperson activity) within the preceding five years from when the BE application is submitted. The salesperson must have certified experience of a minimum of 156 weeks (52 weeks per year X 3 years). There shall be no credit for experience while an applicant's license was inactive, forfeited, suspended, revoked, or terminated.

What happens if the PB is completely unavailable? If there is a BIC, the BIC may certify the experience statement in place of the PB. If the broker is a sole proprietor, and is suddenly incapacitated, and there is no BIC, the salesperson will not be able to obtain an ECS. Without the ECS, the salesperson will be unable to obtain the BE and will not be able to sit for the broker's licensing exam. Salesperson licensees may consider obtaining an original ECS from their PB or BIC when they leave or move to another brokerage or obtaining an updated ECS on a regular interval basis. This may help to avoid problems when a former PB cannot be located or is no longer available. Only original, signed ECS are accepted with the BE application.

If you are an out-of-state salesperson licensee and are interested in becoming a Hawaii broker, please contact the Real Estate Branch at (808) 586-2643 for more information.



State of Hawaii Real Estate Commission

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This material may be made available to individuals with special needs. Please call the Senior Real Estate Specialist at 808-586-2643 to submit your request.

Prelicense Schools

Abe Lee Seminars	808-942-4472
Carol Ball School of Real Estate	808-283-9043
The CE Shop, LLC	888-827-0777
Coldwell Banker Pacific Properties Real Estate School	808-748-3410
Colibri Real Estate, LLC	866-739-7277
Excellence in Education dba Maui Real Estate School	808-212-4861
Grand Vacations Real Estate School	808-829-0803
Hawaii Institute of Real Estate	808-255-5356
Hawaii Real Estate License School LLC	808-628-1535
Mayfield Real Estate, Inc., dba Global Real Estate School	573-756-0077
Premier Real Estate LLC, dba Premier Real Estate Academy	808-556-3135
Ralph Foulger's Real Estate School of Hawaii	808-239-8881
Real Estate School Hawaii	808-551-6961
REMI School of Real Estate	808-230-8200
Scott Alan Bly School of Real Estate, LLC dba Bly School of Real Estate	808-738-8818
Vitousek Real Estate School, Inc.	808-946-0505
Wong Way Real Estate Academy	808-807-6563

Continuing Education Providers

Abe Lee Seminars	808-942-4472	Real Estate School Hawaii	808-551-6961
Building Industry Association of Hawaii	808-629-7504	Realtors' Association of Maui, Inc.	808-873-8585
Carol Ball School of Real Estate	808-283-9043	REMI School of Real Estate	808-230-8200
The CE Shop, LLC.	888-827-0777	Residential Real Estate Council	800-462-8841, ext. 4440
Coldwell Banker Pacific Properties Real Estate School	808-748-3410	Scott Alan Bly School of Real Estate, LLC dba Bly School of Real Estate	808-738-8818
Colibri Real Estate, LLC	844-701-2946	Servpro Industries, LLC	615-451-0200
Eddie Flores Real Estate Continuing Education	808-223-6301	Systems Effect LLC, dba Training Cove	480-517-1000
ExceedCE, LLC	415-885-0307	WebCE Inc.	877-488-9308
Hawaii Association of Realtors	808-733-7060	West Hawaii Association of Realtors	808-329-4874
Hawaii CCIM Chapter	808-528-2246		
Hawaii First Realty LLC	808-282-8051		
Honolulu Board of Realtors	808-732-3000		
International Association of Certified Home Inspectors (InterNACHI)	720-735-7125		
McKissock, LLC	800-328-2008		
Poha School of Real Estate LLC	808-292-1002		
Preferred Systems, Inc.	888-455-7437		

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

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2025 Real Estate Commission Meeting Schedule

Real Estate Commission – 9:00 a.m.

Friday, January 24, 2025

Friday, February 28, 2025

Friday, March 28, 2025

Friday, April 25, 2025

Friday, May 30, 2025

Friday, June 27, 2025

Friday, July 25, 2025

Friday, August 29, 2025

Friday, September 26, 2025

Friday, October 24, 2025

Friday, November 21, 2025

Friday, December 19, 2025

All Real Estate Committee Meeting items will be discussed at Real Estate Commission Meetings until further notice.

Real Estate Commission Meetings will be held in the Queen Liliuokalani Conference Room of the King Kalakaua Building, 335 Merchant Street, First Floor, unless otherwise noted.

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.