

Hawaii Association of Realtors®
Standard Forms Committee
Guidelines/Procedures
(January 19, 2017)

1. Introduction, Purpose

The HAR Standard Forms Committee (SFC) was established to create and review all HAR Standard Forms (a current list of which is attached hereto as Exhibit “A”), including contracts and addenda that deal with the many aspects of real estate transactions to determine whether changes, additions, or deletions are appropriate due to legislative changes or industry practices. HAR Standard Forms were established in part to promote professionalism, efficiency, and consistency in transactions primarily involving the residential real estate market and industry, although such Standard Forms have been expanded to include commercial real estate sales and leasing transactions in coordination with CCIM. The SFC strives to develop and maintain this strategic fundamental goal with respect to its library of Standard Forms. HAR General Counsel reviews all forms throughout the revision process.

SFC Composition: The composition of the SFC is comprised of the Chair and Vice Chair with at least one (1) representative from each Local Board/Association with a minimum of six (6) at-large members. Chair and Vice chair may also serve as representative from their respective Local Board/Association. Committee members should consist of representatives from small and large firms as well specific areas of expertise.

2. General SFC Procedures (GP)

2.1. Robert’s Rules of Order: SFC meetings shall generally be conducted under Robert’s Rules of Order to the extent practical. Motions for approval may be applied to sections or entire forms under review in the sound discretion of the Chair.

2.2. Attendance: Failure by a SFC member to attend/participate in three (3) regular or special meetings of the SFC during the calendar year shall be construed as a resignation. An automatic resignation from the SFC takes place at the end of the third absence during the calendar year from regularly or specially scheduled meetings, unless such absence is due to an emergency, such as illness of the member or death in the immediate family.

2.3. Scheduled Reviews of Standard Forms: All SFC Standard Forms shall be reviewed on a periodic basis pursuant to a review schedule as established by the SFC, which may be modified in the sound discretion of the SFC. New and revised HAR Standard Forms that are approved as provided herein shall be released in May and November of each year.

2.3.1. Notwithstanding GP 2.3 above, new federal, state, or county legislation may necessitate modifications to a form or forms in advanced of the scheduled review. In this case, modifications to any applicable form shall be prepared by counsel and reviewed by the SFC to the extent time permits before such legislation goes into effect. Once reviewed by the SFC, the applicable Standard

Form, as modified, plus a copy of the new legislation causing the modification, shall be referred to the Executive Committee for final review and approval. Such modified HAR Standard Form may require immediate releases to the membership other than in May or November of the applicable year.

2.4. Subcommittees: The scheduled review of any Standard Form should usually commence in a subcommittee of the SFC as established by the Chair from time to time.

2.4.1. The Chair shall appoint a chair of each SFC subcommittee. The chair of each SFC subcommittee may appoint members of each SFC subcommittee whose name will be submitted to the SFC Chair. Each appointed member of a SFC subcommittee must be in good standing with HAR, have a general working knowledge of the Standard Form under review, and be committed to the tasks of the SFC subcommittee, which includes the execution of confidentiality agreement, conflict of interest and work-for-hire agreement as provided by the SFC.

2.4.2. The purpose of each designated SFC subcommittee shall be to (a) review each Standard Form assigned to the subcommittee, (b) prepare proposed modifications as may be necessary to the Standard Form, (c) prepare annotations generally explaining the intent for each material modification to the Standard Form under review, and (d) prepare to present the Standard Form and proposed modifications to the SFC for review and consideration. The subcommittee may consult with counsel to the SFC as may be necessary, provided that all referrals to counsel are processed through the SFC Staff Liaison.

2.4.3. Each SFC subcommittee shall strive to provide an annotated draft of each Standard Form to the SFC Staff Liaison ten (10) days prior to the next SFC meeting. The SFC Staff Liaison will provide the SFC members an annotated draft of the modified Standard Form for review within seven (7) days prior to the next SFC meeting.

2.5. Initial Revised Draft Form: Once the SFC has completed its initial review of a revised Standard Form (Initial Revised Draft Form), the Initial Revised Draft Form shall be made available to the membership for review and comment.

2.5.1. Once the membership review period has been completed, the SFC Staff Liaison will compile a list of all comments to the Initial Revised Draft Form, which will be placed on the agenda for the next SFC meeting for final SFC review.

2.6. Final Draft Form: The SFC will review and may make further modifications to the Initial Revised Draft Form based upon the comments received from the membership. The final revised draft form (Final Draft Form) shall then be referred to the Executive Committee for final review and approval.

- 2.7. Executive Committee: All new and revised Final Draft Forms must be reviewed and approved by the Executive Committee prior to making such forms available for the membership. Any Final Draft Form that is not approved by the Executive Committee shall be referred back to the SFC for further review and possible modifications based upon the review comments from the Executive Committee. The SFC Chair will integrate the scheduled meetings of the Executive Committee into the Scheduled Reviews of each Standard Form for purposes of coordinating the timely reviews of Final Draft Forms by the Executive Committee.
 - 2.8. Copyright: Each SFC member will be required to sign a Work for Hire Agreement regarding the contributions of the committee member to HAR Standard Forms collection. All new and revised Standard Forms approved by the Executive Committee shall be processed and identified with an appropriate copyright notice to ensure that HAR's copyright interest in such new or revised Standard Form is protected.
 - 2.9. Additional Procedures: This section is intended to provide general procedures for the periodic review of SFC Standard Forms. The SFC and Chair may establish additional procedures as may be necessary under the circumstances.
3. General Review Guidelines
- 3.1. The diversity of the SFC members ensures the quality of review and development of HAR Standard Forms. SFC members should strive to be fully prepared before each SFC meeting to facilitate a more efficient review of each Standard Form. SFC members are encouraged to participate in the review process.
 - 3.2. The SFC primarily strives to develop and maintain quality Standard Forms that meet the overall strategic mission of HAR in meeting the needs of its membership, and further recognizes that the growing volume of Standard Forms also necessitates a timely and efficient review process of each Standard Form within the procedures and guidelines set forth here. As such, because each Initial Revised Draft Form will be reviewed by the membership and will be reviewed again once membership comments have been received, the SFC review of an Initial Revised Draft Form that has been reviewed in a subcommittee will focus primarily on major substantive considerations and possible changes. The Chair will have the responsibility to manage the time within which the SFC may review an Initial Revised Draft Form. The intent with this guideline is to create more efficiency in the review of the Initial Revised Draft Form, while maintaining the quality and integrity of each form, which ultimately will go through several reviews and changes before a Final Draft Form is established.
 - 3.3. The SFC should strive for internal consistency in all Standard Forms in terms of format, phrasing, terms, and grammatical edits.
 - 3.4. The SFC will strive for balanced forms as between the parties in the transaction, leaving to the parties to supplement such forms as the applicable transaction may require or as

otherwise negotiated between the parties. The SFC further endeavors to review each Standard Form and considers appropriate risk reduction measures for each form.

- 3.5. HAR Standard Forms were established in part to promote professionalism, efficiency, and consistency in transactions primarily involving the residential real estate market and industry, although such Standard Forms have been expanded to include commercial real estate sales and leasing transactions in coordination with CCIM. The SFC recognizes that such Standard Forms are intended for broad use within the real estate industry and are not intended to address all possible aspects of a transaction.
- 3.6. Certain Standard Forms may call for an educational component to be included among the provisions within a Standard Form for the benefit of HAR members. References to statutory provisions within a Standard Form may be a means of promoting the educational aspect of the form. SFC also may facilitate orientation and training of members on any new or revised HAR Standard Form.

EXHIBIT "A"

RR212 - Action on Residential Leasehold Property Disclosure
RR203 - Agreement of Sale Addendum
RR213 - "AS IS" Condition Addendum
-----Blank Addendum
RR104 - Buyer Representation Contract (Exclusive Right to Represent)
RR214 - Cooperating Brokerage Firm's Separate Contract
RR204 - Counter Offer
RR111 - Distressed Property Addendum to Exclusive Right-to-Sell Listing Contract
RR222 - Distressed Property Addendum to Purchase Contract
RR226 - Document Receipt
RR221 - Dual Agency Consent Addendum
RR202 - Early Occupancy Agreement
RR101 - Exclusive Right-to-Sell Listing Contract
RR207 - Extension of Scheduled Closing Date
RR225 - FHA Addendum
RR401 - Independent Contractor Agreement for Real Estate Agents
RR220 - Oceanfront Property Addendum
RR303 - Option Addendum
RR305 - Pet Addendum
RR206 - Plain Language Addendum
RR105c - Project Information Form - Condominium, Co-op, PUD, and other Homeowner Organizations
RR302 - Property Condition Form
RR307 - Property Management Contract
RR201 - Purchase Contract
RR205 - Purchase Money Mortgage Addendum
RR211 - Receipt for Residential Leasehold Property Disclosure
RR108 - Receipt of Project Information Form
RR107 - Receipt of Seller's Real Property Disclosure Statement
RR404 - Referral Fee Agreement
RR306 - Renewable Energy Act Addendum
RR301 - Rental Agreement
RR105b - Request for Documents
RR210 - Residential Leasehold Property Addendum
RR403 - Security Deposit Statement
RR109 - Seller's Real Property Disclosure Statement
RR110 - Short Sale Addendum to Exclusive Right-to-Sell Listing Contract
RR223 - Short Sale Addendum to Purchase Contract
RR224 - VA Financing Addendum
RR304 - Vacating Instructions
RR501 - Commercial Real Property Purchase and Sale Agreement (PSA)
RR502 - Commercial Cooperating Brokerage Firm's Separate Agreement
RR503 - Commercial Real Property Counter Offer
RR504 - Commercial Existing "As Is" Condition Addendum

RR505 - Commercial Lease (Multi-Tenant Lease)

RR506 - Addendum to Commercial Lease (Multi-Tenant Lease): Exhibit C - Rules and Regulations

RR507 - Addendum to Commercial Lease (Multi-Tenant Lease): Exhibit D - Work Letter

RR508 - Addendum to Commercial Lease (Multi-Tenant Lease): Exhibit F - Option(s) to Extend

RR509 - Addendum to Commercial Lease (Multi-Tenant Lease): Exhibit G - Guaranty of Lease

RR510 - Addendum to Commercial Lease (Multi-Tenant Lease): Exhibit H - Percentage Rent

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