

Minutes

Standard Forms Committee Meeting

Wednesday, April 28, 2021

9:30 a.m. – 11:30 a.m., 12:15 p.m. – 3:30 p.m.

Via Zoom



The Standard Forms Committee ("SFC") meeting for the Hawaii Association of REALTORS® was held on Wednesday, April 28, 2021 via Zoom. The meeting was called to order at 9:33 a.m. by Vice Chair Jeannie Wenger.

Vice Chair Jeannie Wenger; John Connelley, Carol Cummings, Beth Worrall Daily, Patti Ichida, Phoebe Nikolakakis, Anthony Pace, Gary Apperson, Ayako Ancheta, Patrick O'Neill, Frank Goodale. Staff: Ethel Keyes; Wendy Brown; Legal Counsel: Shimpei Oki. Ex-Officio: Derek Lau.

The minutes of March 25, 2021 were accepted with the following corrections:

- Section B last paragraph "In Addition"
- Paragraph C third line "the pdf"
- Paragraph D – this is an education, not an SFC issue
- Paragraph F - The following areas legislation impact – "legislation on the following areas may impact SFC"
- Paragraph F - Under COVID 19 release issue
- Paragraph A (Section IV) - and will share it with the committee when it's completed.

A. The SFC members took a few minutes to check the internet for inappropriate usage of copyrighted forms. The following websites were found:

- FreeForms.com
- OahuRE.com

Shimpei Oki updated the SFC on the cease and desist letters that were sent out.

- Top Producer - Has agreed to take down forms from their website.
- Pdf filler – No response
- ASAP Cash Home Buyer – No response
- Wiki Download – No response

B. Legal Kokua Live Webinar – April 5, 2021 from 12 noon – 1:30pm

Ethel Keyes reported that out of the 120 PBs/BICs who registered, 89 actually attended.

C. Recommendation from the April 22, 2021 HAR BOD meeting

As background, Ethel Keyes reported that the subject of Buyer cover (love) letter was brought up during the BOD meeting because it was noted as a discussion item in the SFC's report to the HAR BOD. In the report it was noted that the SFC would not request to create a new form to address this issue at this time.

The following recommendation was the outcome from discussion at the BOD meeting. "The Hawai'i REALTORS® Board of Directors recommends to the Standard Forms Committee to consider either creating a Fair Housing Disclosure Document or expanding the language in the current forms."

Discussion was held regarding the BOD's recommendation.

A motion was adopted that the Standard Forms Committee recommends to the HAR Board of Directors not to create a separate Fair Housing Disclosure Document form at this time. The Standard Forms Committee will review the fair housing disclosures contained in the various forms as they are scheduled pursuant to the revision schedule.

RATIONALE: The Standard Forms Committee believes this is an education issue. The Standard Forms Committee believes HAR should participate in disseminating information and promote CE classes that address this issue. The Standard Forms Committee believes the current federal and state laws and NAR Code of Ethics address this adequately

D. Purchase Contract H-4(b) – issue brought up by a member

Patrick O'Neill informed the SFC about an issue regarding H-4(b) that was brought up by a

CALL TO ORDER

ATTENDEES

MINUTES

UPDATE / ISSUES OF CONCERN

Hawaii Island member. Discussion was held. It was decided that this does not need immediate attention. The PC Subcommittee will discuss this when it begins its review of the form.

E. Legislative bills that may impact standard forms

Shimpei Oki and Ethel Keyes informed the SFC of bills that will impact our standard forms.

HB1376 Notice of rental agreement termination changing from 5 days to 15 with mediation. (Effective date is unknown at this time since it will depend on when the Governor signs it into law.) This would mean there will be a special release for this form. This bill extends the required period for a notice of termination of the rental agreement from five days to fifteen days. It requires landlords to provide notice with specified terms and enter into mediation. It also delays when a landlord may seek possession of a dwelling unit if the tenant schedules or attempts to schedule mediation. The measure is temporary and expires in 1 year or 12/31/2022 whichever is earliest.

Discussion was held. It was the general consensus of the SFC that the Rental Agreement would be revised to include the required information from this bill. Shimpei will work on the Rental Agreement for the committee to review and approve at the next meeting. Revisions will only reflect the law changes. (*Shimpei to look at section 7 of bill for effective and sunset dates*)

HB391 – Service member bill: If it goes into law, the effective date would be 11/1/21. (affects Rental Agreement)

SB474 – Sea Level Rise: If it goes into law, the effective date would be 5/22.

A. Review Revisions to the RR203 – Agreement of Sale Addendum

UNFINISHED BUSINESS

The SFC discussed and reviewed changes to the Agreement of Sale Addendum.

A Motion was adopted to approve revisions made to the Agreement of Sale Addendum and to forward the draft to the membership for comments.

B. Review revisions to NEW FORM Backup Offer Addendum and Notice

The SFC discussed and reviewed changes to the Backup Offer Addendum.

A Motion was adopted to approve revisions made to the Backup Offer Addendum and to forward the draft to the membership for comments.

C. Research on Sight Unseen Addendum

The SFC was provided with several samples of a Sight Unseen Addendum. The SFC discussed the creation of such a form.

A motion was adopted that the Standard Forms Committee recommends to the HAR Board of Directors that the Standard Forms Committee create a Sight Unseen form.

RATIONALE: The nature of today's market has seen a substantial increase on sight unseen offers.

A. Review revisions to NEW FORM – 1031 Exchange Addendum

NEW BUSINESS

The SFC discussed and reviewed changes to the 1031 Exchange Addendum.

A motion was adopted to approve revisions made to the 1031 Exchange Addendum and to forward the draft to the membership for comments.

B. SFC Charter

The SFC discussed and reviewed changes to the SFC Charter.

A motion was adopted to approve revisions made to the Standard Forms Committee Charter and to recommend that the HAR Board of Directors approve the revisions.

C. Review revisions to the RR101 – Exclusive Right to Sell Listing Contract

Patti presented revisions made by the subcommittee. The SFC will revisit wording in A-1 after the draft is completed and sent out to membership for comments are received. Due to time constraints the SFC will continue discussion of B-7 at the May meeting. *Shimpei was asked to create a general hold harmless paragraph for the Listing Contract. The SFC will visit section D-9 Fair Housing to add further verbiage.*

The next meeting of the SFC is scheduled for Thursday, May 20, 2021 via Zoom.

There being no further business, the meeting was adjourned at 3:37 p.m.

Wendy Brown
Senior Administrative Assistant

DATE OF NEXT MEETING

ADJOURNMENT