

REAL ESTATE COMMISSION
Professional & Vocational Licensing Division
Department of Regulatory Agencies
State of Hawaii

MINUTES OF MEETING

Date: Thursday, January 30, 1975

Place: Board Room, Department of Regulatory Agencies
1010 Richards Street, Honolulu, Hawaii

Present: Douglas R. Sodetani, Chairman
Herbert S. Isonga, Vice Chairman
Mrs. Mary V. Savio, Member
Ah Kau Young, Member
John D. Texeira, Member
John J. Urner, Member
Tadayoshi Ishizu, Member

Wayne Minami, Director of Regulatory Agencies
Clyde E. Sumida, Deputy Attorney General
Yukio Higuchi, Executive Secretary
Mrs. Peggy Lau, Stenographer

Alfred Wong, Attorney for Developer of Royal Kahana
Donald Avery, Vice President of Lake Corporation
Violet C. King, Applicant for Broker License
Wallace Klein, Attorney Representing Real Estate One Corporation
Edward J. Bybee, Attorney Representing Real Estate Centre, Inc.

Call to Order: There being a quorum, Chairman Sodetani called the meeting to order at 9:05 a.m.

Introduction of Director Wayne Minami

Chairman Sodetani introduced the new Director of Regulatory Agencies, Wayne Minami, to the Commissioners. Director Wayne Minami communicated to the Commissioners that he would be happy to meet with them at any time to discuss any problems or matters.

Minutes: Ah Kau Young moved and Tadayoshi Ishizu seconded that the minutes of the December 19, 1974 meeting be approved as circulated. The motion was carried unanimously.

Audience: Alfred Wong, Attorney for Developer of Royal Kahana

Attorney Alfred Wong explained the hardships his clients would be subjected to if the Commission directed that a supplementary public report would be necessary to apprise the buyers of Royal Kahana of the 6,000 square feet reduction in land area caused by erosion and of the change of developer's name.

Mary Savio moved and Herbert Isonaga seconded that before the developer is permitted to notify the purchasers of Royal Kahana by letter of the reduction in land area and change of developer's name, written confirmation must be received by the Commission that the developer will honor rights to rescind based on the area change; copy of said letter to purchasers must be forwarded to the Commission. Motion unanimously carried.

Committee Reports:

Real Estate Education Advisory Council

Applications for Instructors Certification

Mary Savio moved and Herbert Isonaga seconded that:

John Shern (S & B) be approved subject to his submitting documentary proof of his University degree;

John Phelps (B) be approved;

Nadine Bartholomew (S & B) be approved;

Emilio Alcon (S) be approved subject to his filing an application and submitting \$25 fee; and

Tenny Tom (S) be approved subject to his filing an application and submitting \$25 fee.

Motion carried unanimously.

Approval of Prelicensing Courses

Mary Savio moved and Ah Kau Young seconded that:

Kapiolani Community College (S) be approved; and

Mike McCormack School of Real Estate/Semi-correspondence (S) be approved on a one-time basis as all materials requested have been submitted.

Motion carried unanimously.

Book Donations

Following Mary Savio's report that the costs of books have increased, John Teixeira moved and Tadayoshi Ishizu seconded that the Real Estate Education Advisory Council be authorized to purchase as many books as possible with the \$800 allotted. Motion unanimously carried.

Education Consultant

The Commission directed that the Executive Secretary place this as his third priority matter.

Continuing Education (S.B.M.)

The Executive Secretary reported that he was in the process of drafting the contract form, but had to drop this matter due to directives to make progress on the investigation reports--thereafter, the Commission established this as the Executive Secretary's first priority matter.

Real Estate Chair at University of Hawaii

The Commission directed that the Executive Secretary give this matter his second priority--the above-three priority matters should be done within the next six months.

Condominium Review Committee

Proposed Legislation on S. R. No. 224 and H. R. No. 421

John Urner reported that the Bill has been drafted. The Commission gave him the go ahead to submit the Bill as soon as possible (deadline for submittals is the middle of February).

Proposed Legislation on Time Sharing Plan

Copies of a memorandum from Douglas Prior explaining the amendment to the condominium statute on time sharing ownership were circulated by John Urner and discussed.

Recovery Fund Report

The Executive Secretary circulated copies of the latest report (1/22/75) on the real estate recovery fund and real estate education fund.

Attorney General's Report

Deputy Attorney General Clyde Sumida reported that he discussed Grubb & Ellis Commercial Brokerage Company with Henry Shigekane, its attorney. Shigekane stated that he would submit a compromise proposal. They are now operating under the old existing license until this is resolved.

Following discussion with the Deputy Attorney General on Douglas Tom, Herbert Zsonaga mo'i and John Urner² seconded that inasmuch as Tom failed to comply with the Commission's directive by December 19, 1974, to submit documentary proof that his petition to the Superior Court of Washington to change his original plea to not guilty had been granted, the Commission deny his request for a salesman license. Motion carried unanimously.

Business Out
of Minutes:

Questionable Applications

Robert W. Hall, Restoration of Salesman License

Ah Kau Young reported that the Commission scheduled a hearing on Robert Hall, but Hall did not appear; there were contradictory statements between Hall and his secretary as to the reasons why. On the advice of the Deputy Attorney General, the hearing proceeded without Hall. Ah Kau Young further reported that the hearing report is in draft form and will be reviewed by the second hearing officer, John Urner, before submittal to the Commission.

Grubb & Ellis Commercial Brokerage Company

See Attorney General's Report.

Calvin W. Ontai, Applicant for Broker License

The draft of the hearing notice was prepared by the Executive Secretary and has been forwarded with the file to the Office of the Attorney General.

Violet C. King, Applicant for Broker License

Violet King appeared before the Commission with four character witnesses and was given the opportunity to refute the 16 exhibits submitted as evidence against her.

After considerable discussion and the question-and-answer period, John Texeira moved and Tadayoshi Ishizu seconded that the Commission sustain its previous position to deny King's application for broker license. Motion carried unanimously.

Douglas C. K. Tom, Applicant for Salesman License

See Attorney General's report.

NARELLO Western District Enforcement Conference

The Commissioners' justification for sending two investigators to this training program will be discussed with the Director.

E.T.S. Examination Advisory Committee Meeting

The Executive Secretary reported that preliminary indications are only one person will be allowed to attend the E.T.S. meeting, but, as requested by the Commission, he will still submit two travel requests (Mary Savio and the Executive Secretary).

Investigations: RE-518 Singleton Associates/RE-528 and RE-547 Durrel Robison

The Commission rescheduled the formal hearing dates on Singleton Associates and Durrel Robison to February 25 and 26, 1975 in Captain Cook - Kona.

RE-553 Bernice Midkiff

The Deputy Attorney General advised the Commission to schedule the formal hearing on Kauai based on deceptive practices.

RE-571 Benjamin E. Ayson

Hearing notice and file are at the Attorney General's Office.

RE-574A Joyce Watt/RE-574B Wallace Sanger

Following the discussion, the Commission decided to hold the hearings as planned.

RE-565 Read Realty, Inc.

The Deputy Attorney General reported that he just received the file on Read Realty, Inc. and did not have the chance to review it.

RE-569 Tom Schmidt, Realtors

After considerable discussion, the Executive Secretary was directed to inform the complainant that the Commission is anxious to proceed against Dennis Paine, but Paine has left town and there is insufficient evidence to proceed against Schmidt; if Paine's whereabouts are known, the Commission will pursue this complaint.

RE-582 Albert Kanahale

The Commission's decision was to hold a formal hearing; John Texeira and Ah Kau Young were appointed hearing officers.

The Commission directed the Executive Secretary to "red flag" Correa's license renewal.

Esposito's Complaint Against Kenneth Chong

Action deferred--copies of complaint and response are to be provided to the Commissioners.

New Business: Licensing

Real Estate Centre, Inc./Real Estate One Corporation

Wallace Klein, Attorney for Real Estate One Corporation, and Edward Bybee, Attorney for Real Estate Centre, Inc., appeared

before the Commission regarding a dispute between these two firms. After considerable discussion, it was agreed that this was not a Commission matter, but rather for the Courts if Klein and Bybee could not reach a compromise.

CORPORATION

Burgess Associates Incorporated - 85-876 Farrington, Waianae
David S. Chun, PB
Lani Properties Corp. - 1015 Bishop St., #570, Honolulu
Warren M. F. Ho, PB
RAC Realty Corp. - 2615 S. King St., #308, Honolulu
Raymond A. Ching, PB
New Life Realty, Inc. - 2065 S. King St., #308, Honolulu
Mary H. Rogde, PB
Panaco, Inc. - 190 S. King St., #420, Honolulu
Hung Wai Ching, PB
Real Estate Centre, Inc. - 190 S. King St., #1404, Honolulu
Harry A. Saunders, III, PB
Real Pac Associates, Ltd. - 770 Kapiolani Blvd., Honolulu
Mildred M. Peart, PB
Brian Thomas, Inc. - 153 Hekili Street, Kailua
Brian R. Thomas, PB
Zuzak & Associates, Ltd. - Alii Dr. & Walua Road, Box 1596,
Frank J. Zuzak, PB Kailua-Kona

Ah Kau Young moved and Mary Savio seconded to approve the above applications for corporate license, except for Burgess Associates Incorporated; Burgess is not a licensed broker. Motion carried.

CHANGE OF CORPORATION NAME ONLY

Laverty, Helms & Associates, Inc. - formerly The America Group
Realty Corp.
Mary Ann Nevels, Inc. - formerly McMichael & Nevels, Ltd.
State Management, Inc. - formerly State Realty, Inc.

Mary Savio moved and Ah Kau Young seconded to approve the above applications for corporate name change, subject to confirmation that Laverty and Helms are both licensed brokers. Motion carried.

TRADENAMES

AID Realty Inc. - 2015 Ala Wai Blvd., Honolulu
American International Development-Realty Corp., dba
Anthony S. Carvalho Realty - 768 Kalanikoa Street, Hilo
Anthony S. Carvalho, dba
Millie Greig - 735 Bishop Street, #336, Honolulu
Mildred L. Greig, dba
Ted James Realtor - 1510 Amfac Building, Honolulu
Theodore R. James, dba
Investor's Realty (formerly used by David S. Chun) - 3624 Waiialae Ave,
Theodore S. Matsuo, dba #4, Honolulu

J. C. Reynolds & Co. - #903, Financial Plaza, Honolulu
 James C. Reynolds, dba
 Jim Slatin - 745 Fort Street, #1500, Honolulu
 James D. Slatin, dba
 Metro Realty - 2130B North King Street, Honolulu
 Frank N. Watanabe, dba
 Timmy Lee's Realty - 1350 S. King Street, #200, Honolulu
 Timmy S. Lee, dba

Ah Kau Young moved and Tadayoshi Ishizu seconded that the Commission approve the applications for tradenames, subject to the Executive Secretary checking with BREG on AID Realty, Inc. and the word "Realtor" being deleted from Ted James Realtor. Motion carried without dissent.

BRANCH OFFICE

Parade Realty, Inc., BR-1 - 95 S. Kam Highway, Wahiawa
 Harry F. Prisby II, BIC
 Richard Penhallow, BR-1 - 217 S. King St., #301, Honolulu
 William H. Crozier, Jr., BIC
 Tom Pico, Inc., BR-3 - 98-084 Kam Highway, #204, Aiea
 Marlene Goetz, BIC

John Urner moved and Ah Kau Young seconded to approve the above applications for branch office licenses. Motion so carried.

Questionable Applications

Ray G. Rietow, Applicant for Restoration of Salesman License

Herbert Isonaga moved and Ah Kau Young seconded to approve Rietow's application for restoration of salesman license based upon Mary Savio's testimony of Rietow's wide knowledge of real estate with Lewers and Cooke. Motion so carried.

Miscellaneous: Velma Lee Shuey, Arrested for Promoting Prostitution

Action postponed subject to conviction.

Interpretation of Rule 1.11(a)

After considerable debate, it was the unanimous decision of the Commission that a licensee cannot advertise property for sale and represent that he is the owner of the property in any way, shape or form.

1975 Legislation

No progress report.

Correspondence: John Rodgers Re: Ignatius Taufaasau, Late Application for Salesman License

It was moved by Mary Savio and seconded by Herbert Isonaga that the Commission get a letter from Joan Von of B. K. Murphy, Realtor, for verification. Motion carried.

John Ruggles, Requesting Waiver of 15 Days Experience

The motion to deny John Ruggles request for waiver of 15 days experience was made by Herbert Isonaga, seconded by Ah Kau Young and carried unanimously.

Albert F. Laigle, Unsuccessful Examinee Requesting Waiver of One Point

Herbert Isonaga moved and Ah Kau Young seconded to deny Albert Laigle's request. Motion carried unanimously.

Lake Corporation, Requesting Extension of Public Report on Kona Billfisher, Reg. No. 486

Donald Avery, Vice President of Lake Corporation, appeared before the Commission to explain his financial need for an extension of the supplementary public report.

Mary Savio moved and Ah Kau Young seconded that Lake Corporation be granted a 13-month extension of the Kona Billfisher's supplementary public report. Motion carried unanimously.

Douglas Prior, Requesting Registration of Hanalei Beach & Racquet Club, a Time-Sharing Project

The Commissioners were in agreement to accept the filing and forward it to Clyde Sumida for review.

Edward Bendet, Requesting Condominium Registration of 1,000 sq. ft. of Garden Lots

The Executive Secretary was directed to advise the developer to get clearance from the Planning Department before the Commission will make a decision.

Date of Next Meeting: Thursday, February 1975, at 9 a.m.

Adjournment: There being no further business, Chairman Odetani adjourned the meeting at 4:30 p.m.

Taken and recorded by:

Approved by:


YUKIO HIGUCHI, Executive Secretary

Peggy Lau, Stenographer