

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

MINUTES OF MEETING

Date: Thursday, December 19, 1974

Place: Penthouse Conference Room, Kamamalu Building  
1010 Richards Street, Honolulu, Hawaii

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

Clyde E. Sumida, Deputy Attorney General  
Yukio Higuchi, Executive Secretary  
Mrs. Peggy Lau, Stenographer

George Morris, Jr., Honolulu Board of Realtors  
Representatives of Real Estate Schools Association of Hawaii  
Mrs. Mary Shern, John Stapleton, and David Bartholomew  
Ted Majoros, Trade Publishing Company  
Discussing Time-Sharing Plan -- Hiroshi Sakai, Douglas Prior,  
Albert Vincent, Dwight Rush and Ambrose Rosehill and Walton Hong

Call to Order: There being a quorum, Chairman Sodetani called the meeting to order at 8:55 a.m.

Minutes: Ah Kau Young moved and Herbert Isonaga seconded that the minutes of the November 21, 1974 meeting be approved as circulated. Motion carried unanimously.

Audience: Mr. Walton Hong, attorney representing James Bolster of Seattle, Washington, appeared before the Commission regarding proposed legislation on the time-sharing plan. Hong gave an explanation of his client's operation at Hawaii Kailani Apts., which is similar to the time-sharing plan, as his client retains ownership of the entire project and issues 40-year leases to occupy the unit for 14 days out of the year.

Committee Real Estate Education Advisory Council

Reports:

Accreditation of Interstate Properties, Inc., School of Real Estate

Herbert Isonaga moved and Ah Kau Young seconded that the Commission approve Interstate Properties, Inc., School of Real Estate as an accredited real estate school. Motion carried unanimously.

Mike McCormack School of Real Estate's Request for Approval of Semi-Correspondence Salesman Course

Mary Savio moved and Herbert Isonaga seconded that in view of the fact that Mike McCormack School of Real Estate complies with the minimum of 40 hours, the Commission grant them the approval of their semi-correspondence course on a one-time basis subject to: (1) Commission's review of the effectiveness of their course; (2) course be limited to Hanalei area; (3) copies of proposed correspondence and course material must be submitted and approved by the Commission; (4) they be licensed by D.O.E.; and (5) comply with all rules and regulations as would a regular course. Motion carried.

Book Donations

The Executive Secretary reported that he apprised the Director of the book donation idea and the Director gave his approval. To proceed with the book donation, the Executive Secretary suggested that the Real Estate Education Advisory Council (Beverly Muir and Connie Solorana) contact Lydia Joy of the Fiscal Office to work the details out.

Education Consultant

No progress report.

Continuing Education (S.B.M.)

No progress report.

Real Estate Chair at University of Hawaii

The Executive Secretary reported that he discussed this with Mary Savio, but no details have been worked out. Chair directed the Executive Secretary to discuss this with the Director and apprise him of the Commission's objectives.

School Visitation

The Executive Secretary informed the Commissioners that all schools visited by the Investigators have been mailed their individual comments.

Newsletter

The Executive Secretary advised the Commission that Trade Publishing Company has worked out the layout for the next Commission's newsletter and that Ted Majoros will check with Mary Savio.

Condominium Review CommitteeS. R. No. 224 and H. R. No. 421Submittals of Proposed Legislation through Administration

The Executive Secretary reported that letters to both the House and Senate have been written to apprise them that the Commission held a public meeting on the problems set out in the resolution, and that the Commission will prepare and submit proposed legislation implementing its recommendations in the near future.

John Urner presented the Commission with copies of proposed amendments to the Condominium Law, which his Committee drafted. These amendments were drafted in accordance with the Commission's recommendations formulated after the public meeting on November 20, 1974. After review of the proposed amendments, the Committee was directed to redraft the amendments as some recommendations were not covered in the draft.

Letters of Comments on Public Meeting

The Executive Secretary reported that four letters have been received commenting on the public meeting. The Executive Secretary was directed to thank the writers for their comments and forward the materials to John Urner.

New Proposed Time-Sharing Plan

Hiroshi Sakai informed the Commissioners that the new time sharing plan bill will be prepared for submittal to the Legislature. He explained that, basically, they took the 1974 time sharing bill and deleted all the non-time sharing provisions contained in the Bill to come up with this new bill.

Other Proposed Legislation

Hiroshi Sakai reported that the non-time sharing provisions of the 1974 time sharing bill has been extracted from the old bill and will be put together and submitted as a separate bill.

Rules and Regulations Committee

The Executive Secretary reported that the revised rules and regulations go into effect on December 26, 1974 and that copies of the rules and regulations are now being printed. The Executive Secretary was directed to advise E.T.S. that the Commission expects them to incorporate the new rules in the April examination.

Recovery Fund Report

Recovery Against International Syndications, Inc. in Civil Nos. 40405 and 40461

The Deputy Attorney General advised the Commission to pay from the Real Estate Recovery Fund as ordered by the First Circuit Court, the sum of \$1,104.31 to be split by the plaintiffs in Civil Nos. 40405 and 40461.

Herbert Isonaga moved and John Texeira seconded to authorize the Executive Secretary to make payment of \$1,104.31 from the recovery fund. Motion carried unanimously.

Attorney General's Report

Deputy Attorney General Clyde Sumida advised the Commission that Sidney Ayabe is now handling the real estate recovery fund and any complaint filed that may result in recovery from the real estate recovery fund should go to Sidney Ayabe.

Clyde Sumida apprised the Commissioners of the legal problems in preparing for the hearing on the Ala Wai Cove.

Business Out  
of Minutes:

Questionable Applications

Robert W. Hall, Restoration of Salesman License

Chair scheduled January 24, 1975 as the formal hearing date; John Urner and Ah Kau Young were appointed hearing officers.

Grubb & Ellis Commercial Brokerage Company

The Executive Secretary read a letter from Grubb & Ellis Commercial Company stating that they object to indicating that they are a California corporation as their name is already too long.

Chair directed that Clyde Sumida and the Executive Secretary discuss this with the Director since there appears to be a conflict between two divisions and to report back to the Commission.

Calvin W. Ontai, Applicant for Broker License

Chair appointed John Texeira and Ah Kau Young hearing officers and directed the Executive Secretary to schedule this hearing as soon as possible (Herbert Isonaga disqualified himself as one of the hearing officers).

Violet C. King, Applicant for Broker License

The Executive Secretary was directed to contact Violet King and ask her to submit her additional evidence in writing.

Investigation: RE-518 Singleton Associates

The Executive Secretary informed the Commissioners that Case RE-518 will be brought to a formal hearing in Kona on January 15, 1975.

The certified notice of hearing had to be re-addressed to Cay Singleton's new residence address.

RE-513 Julian Buttons

Action deferred.

RE-528 and 547 Durrel Robison

The Executive Secretary advised the Commissioners that January 16, 1975 has been set for the formal hearings on Durrel Robison in Kona--morning and afternoon sessions.

RE-553 Bernice Midkiff

No further notice from the Attorney General's Office.

RE-571 Benjamin E. Ayson

The Commission directed that this case be proceeded on as soon as possible.

RE-574A Joyce Watt

No further progress.

RE-568 Joe Morton, Realtor

Following discussion Herbert Isonaga moved and John Texeira seconded that the complainant be advised that the Commission investigated this complaint and could find no evidence that Morton had violated the licensing law and rules and regulations; case dismissed. Motion carried without dissent.

RE-565 Read Realty, Inc.

Herbert Isonaga moved and John Texeira seconded that the Commission hold a formal hearing for unauthorized signing of the contract by licensee. Motion carried unanimously.

Chair appointed Tadayoshi Ishizu and Herbert Isonaga hearing officers.

RE-581 Harold Fuller, Sr.

John Texeira moved and Ah Kau Young seconded that the complainant be advised that the allegations have been denied by the licensee unless he can provide the Commission with supporting evidence that, in fact, the licensee made the statement that he would get his money back, the Commission has no alternative but to dismiss this case. Motion carried unanimously.

Hearing Officers

The possibility of the Commission hiring professional hearing officers will be discussed with the Director.

New Business: Licensing

CORPORATION

- Bright Realty, Inc. - 10th Floor, Financial Plaza, Honolulu, HI  
Cherie J. Bright, PB
- Ann Grubb, Realtors, Div. of Mike Dietz Golf Shops, Inc. -  
Helen D. Dietz, PB 1441 Kapiolani, #305, Honolulu
- GCI Realty, Inc. - 1451 S. King, PH-506, Honolulu, Hawaii  
Herman Y. M. Leong, PB
- Hawaii-Nevada Investment Corp. - 190 S. King, Mezzanine Level, Hon.  
James K. Hayase, PB
- R. S. Matsumoto, Inc. - 1136 Union Mall, #603, Honolulu  
Roy S. Matsumoto, PB
- Pacific Islands Management, Ltd. - 49 S. Hotel, #309, Honolulu  
Douglas M. Carty, PB
- Riverside Ranch, Inc. - 4747 Kilauea Ave., #205, Honolulu  
Joseph S. Hunter, PB
- Waianae Land Co., Ltd. - 85-773 Farrington Hwy., Waianae, HI  
Toshio Yoshida, PB

The Commission's decision was to approve the above corporate applications with the exception of Ann Grubb, Realtors, Div. of Mike Dietz Golf Shops, Inc.--the word "Realtors" must be deleted from their corporate name.

CHANGE OF CORPORATION NAME ONLY

Wade, Ltd. (formerly Wade Realtors, Ltd.)

DBA

- Choice Realty - #1202, Financial Plaza of the Pacific, Honolulu  
Albert K. Tseu, dba
- RAC Realty - 2615 S. King Street, #212, Honolulu  
Raymond A. Ching, dba
- Shapiro Realty - 444 Hobron Lane, #205, Honolulu  
Daniel T. Shapiro, dba

Mary Savio moved and Herbert Isonaga seconded that the Commission approve the above change of corporation name and dbas Motion carried unanimously.

BRANCH OFFICE

- Mitsuyuki Kido, BR-1 - 2335 Kalakaua Avenue, Honolulu, HI  
Lyle C. Anderson, BIC

Mitsuyuki Kido, BR-2 - 2330 Kuhio Avenue, Honolulu, HI  
Kenneth B. Myers, BIC  
Mike McCormack, Realtors, BR-11 (The McCormack Land Co. Inc., dba)  
Elizabeth H. Buinac, BIC 1278 S. Kihei Rd., Kihei

It was the unanimous decision of the Commission to approve the above applications for branch office license, except for Mike McCormack Realtors--the word "Realtors" must be deleted and the incorporation must be reflected in the dba name.

Questionable Applications

William F. Gleason, Applicant for Salesman License  
Howard Hee, Applicant for Salesman License

Mary Savio moved and John Texeira seconded for the denial of Gleason's and Hee's applications for salesman licenses due to their filing beyond the one-year period, and they be advised of their hearing rights. Motion carried unanimously.

Audience: Real Estate Schools Association of Hawaii

Mary Shern, John Stapleton and David Bartholomew appeared before the Commission to discuss the November examination and apprised the Commissioners that each school will submit separate critiques to Education Testing Service.

Miscellaneous: Creation of Real Estate Division

It was the unanimous decision of the Commission to go along with the Chairman's idea that real estate should be a division of the Department of Regulatory Agencies to operate more efficiently (combining real estate and subdivision and increasing staff). This idea will be discussed with the Director soon.

Hadley's Properties, Inc., Request for Ruling on Condominium Co-Ownership Interest Plan

Letter referred to the Attorney General's Office.

NARELLO Western District Enforcement Conference

Mary Savio explained that this conference is a one-shot deal for investigators and that people from the F.B.I. will be speaking.

Herbert Isonaga moved and Tadayoshi Ishizu seconded to send two investigators to this conference from either the education fund or general fund. Motion carried.

The Executive Secretary was directed to discuss this with the Director and Licensing Administrator.

Report of Mrs Mary Savio and Ah Kau Young on E.T.S. Meeting and NARELLO National Conference

Mary Savio and Ah Kau Young submitted a collaborated and detailed report on the NARELLO National Conference and informed the Commissioners that it was a good conference on education. Mary Savio added that the E.T.S. meeting was a disruptive meeting and not too much was accomplished.

Results of November 9, 1974 Examination

The Executive Secretary informed the Commissioners that 72.8% of the candidates taking the broker examination passed (123) and 62.0% of the salesman candidates passed (676).

Ah Kau Young moved and Tadayoshi Ishizu seconded to approve the list of successful candidates of the November 9, 1974 real estate salesman and broker examination. Motion carried.

Correspondence: E.T.S.' Letter Regarding April 12, 1975 Examination

The Executive Secretary was directed to mail a copy of this letter to all Commissioners and real estate schools.

E.T.S.' Letter Regarding Examination Advisory Committee Meeting in Chicago in May 1975

Chair appointed the Executive Secretary and Mary Savio to attend this meeting through use of the education fund.

Mrs. Dorothy A. Burnside's Letter Regarding November 9, 1974 Salesman Examination at Maui Community College

Chair directed the Executive Secretary to mail a copy of this letter to E.T.S. for their response and to advise Burnside of what the Commission is doing.

Dayton F. Caple's Letter Requesting for Reduction in Reissuance Fee

Herbert Isonaga moved and Ah Kau Young seconded that Caple's request be denied. Motion unanimously carried.

David Lo's Letter Requesting Passing Law Portion

Herbert Isonaga moved and Mary Savio seconded to deny his request. Motion carried unanimously.

Dates of

Next Meetings:

Chair set the meeting dates for 1975 as follows: January 30, February 27, March 27, April 24, May 29, June 26, July 31, August 28, September 25, October 30, November 20, and December 18.



Adjournment: There being no further business, Chairman Sodontani adjourned the meeting at 3:30 p.m.

Taken and recorded by:

Peggy Lau  
Peggy Lau, Stenographer

Approved by:

Yukio Higuchi  
YUKIO HIGUCHI, Executive Secretary