

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

MINUTES OF MEETING

Date: Friday, May 28, 1971

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

Present: Douglas R. Sodetani, Chairman
Herbert S. Isonaga, Vice Chairman
Louis Cannelora, Member
John D. Texeira, Member
Hiromu Yamanaka, Member
William H. C. Young, Member

Sidney K. Ayabe, Deputy Attorney General
Fong Tom, Supervising Investigator
Yukio Higuchi, Executive Secretary

Mrs. Mary Savio, Hawaii Association of Real Estate Boards and
Honolulu Board of Realtors
Mrs. Iris Riber, Real Estate Association of Hawaii
Dr. Edward Laitila, College of Business Administration, University
of Hawaii
Prof. Donald Bell, College of Business Administration, University
of Hawaii
Yew Len, Associate Analyst, Ombudsman's Office

Absent: Harold J. Silva, Member

Call to Order: There being a quorum, Chairman Douglas Sodetani called the meeting to order at 1:00 p.m.

Minutes: Upon motion, the minutes of the April 29, 1971 meeting were approved as circulated.

Business Out of Minutes: Audience to Aaron M. Chaney

Aaron M. Chaney appeared before the Commission and presented his views on why the Commission should allow resident managers of condominium projects who are not licensed real estate persons to handle rentals of apartment units in the condominium project for individual apartment owners.

The Commission thanked Mr. Chaney and advised him that his views will be taken under advisement and will consider future legislation in the matter.

Complaints about February 25, 1971 Real Estate Examination

Chairman Sodetani reported that he met with the Ombudsman to discuss the many complaints received regarding the February 25, 1971 Real Estate Examination, which resulted in the creation of

the Commission's ad hoc committee - Examination Review Board. The Board has been charged with the responsibility of reviewing the February 25, 1971 Real Estate Examination to determine whether or not that examination was a fair examination. The Board was also instructed to review the proposed June 24, 1971 examination. Those appointed to the Board at the April 29, 1971 are as follows:

Douglas R. Sodetani, Chairman	Dr. Edward Laitila
Herbert S. Isonaga	Mrs. Mary Savio
William H. C. Young	

Messrs. Dick H. Okaji and Sidney K. Ayabe had been selected as staff resource personnel to assist the Board.

Chairman Sodetani withdrew his name from the Board and appointed Herbert Isonaga to replace him as Chairman of the Board, and appointed Buzzy T. Okazaki to serve as a member of the Board.

The Chair directed that the findings of the Board on the February 25, 1971 examination shall be transmitted to the Ombudsman's Office as soon as it is ready for release.

Education Task Force Committee Report

Prof. Donald Bell appeared to show the Commission some data compiled in connection with the Comprehensive Educational Profile Study. He assured that the basic tables will be in printing form in about a week, and his target date for completing the primary data the Commission desire is sometime prior to the start of the Summer Session at the University of Hawaii. The Commission again reminded Prof. Bell that the final report on the study has been long overdue.

The Executive Secretary reported the Project Proposal Agreement #2 and #3 are not ready for execution due to administrative problems. The Executive Secretary requested that the Commission to select a group to meet to redraft agreement #2 and #3, and complete all necessary administrative steps to pave the way for finalizing agreements #2 and #3 and the proposed agreement #4. The Chair directed that William Young, Sidney Ayabe, the Executive Secretary, Prof. Bell and/or Dr. Laitila meet on Tuesday, June 1, 1971, at 9:00 a.m., to resolve the matter.

Violet C. King, applicant for Real Estate Broker License

The Executive Secretary reported that Mrs. Violet C. King, whose application for issuance of a real estate broker license has been denied by the Commission, has filed her demand for a hearing. The Commission decided to grant Mrs. King her hearing on June 24, 1971 at 9:30 a.m. The hearing will be heard by the entire Commission members.

Inquiry from Jon T. Willers dba Mauna Kea Realty

Under date of May 13, 1971, Willers had requested the Commission for an opinion as to whether or not a branch office license is required in establishing unmanned window or alcove type displays in commercial

buildings or centers with direct telephone lines to the broker's office. This matter was deferred at the April 29, 1971 meeting. On May 13, 1971, Willers submitted additional information explaining how and where he plans to place his displays.

Upon motion, the Commission decided that Willers' proposal is a branch office operation requiring a branch office license and a broker-in-charge.

Examination Review Board

The Executive Secretary reported that the Examination Review Board is scheduled to meet on June 1, 1971, at 1:00 p.m., in the Examination Room, and all members and staff resource personnels have been alerted about the meeting by notice dated May 21, 1971.

Investigations:

RE-379 & 383 Growth International Realty, Inc.

The Executive Secretary reported that the investigation folders on Growth International Realty, Inc. had been returned to the Commission since the Attorney General has now ruled that the sale of undivided interest in land is not securities.

Upon motion, cases RE-379 and 383 were referred to the Complaint Review Committee for study.

Al Ching, Inc.

In response to a letter of warning sent to Al Ching, Inc., Mr. Alfred Ching has notified the Commission that his attorney has advised him that Act 26, S.L.H. 1971 does not apply to Al Ching, Inc. in reference to the sale of its own units.

The Commission decided to hold this matter in abeyance for the present. Should he violate Act 26 in the future, investigation shall be conducted to secure evidence of violation. When evidence is secured, a cease and desist order will be served, and if there is no compliance prosecution will be considered.

RE-368 Patricia Smith

Patricia Smith was ordered by the Commission to undergo a 1 year practical on-the-job real estate training under her broker, Tropic Shores Realty. Tropic Shores Realty filed its first quarterly report on Patricia Smith on May 18, 1971. The quarterly report also served notice to the Commission that Patricia Smith had left the firm on May 13, 1971. Our records show that her license was transferred to Award Homes Hawaii, Inc.

The Executive Secretary was directed to inform Award Homes Hawaii, Inc. that by employing Patricia Smith, they are now responsible for continuing her 1 year training program and to submit the broker's quarterly report.

RE-363, 380 and 381 Floyd T. Kaneshiro

A progress report was made on the status of the 3 complaint cases against Floyd Kaneshiro. In May 1970, the Commission decided to

hold these cases in abeyance pending the outcome of the complaints filed in the circuit court which may result in payment from the Real Estate Recovery Fund. Since the filing of the complaint and intervention of the Commission, no further communications had been received.

The Commission affirmed its earlier action to hold in abeyance until the court decision is rendered.

RE-430 Hawaiian Housing Corporation

The Commission was presented with the Ombudsman's letter suggesting that the Commission further pursue Jerry Greenspan's complaint against Hawaiian Housing Corporation.

Upon motion, the Commission directed that Investigator seek to obtain written statements from Mrs. Novie Barnes and Edmund Burke that they did not know of Jerry Greenspan's offer.

RE-318 Robert Lucas

The Executive Secretary reported that a hearing on this case has been scheduled for June 22, 1971, at 9:30 a.m. in the Board Room, with Herbert Isonaga and Hiromu Yamanaka serving as hearing officers.

RE-425 Masao Shintani

The Executive Secretary reported that a hearing on this case will be set for July 8, 1971, at 9:30 a.m. in the Board Room, with Louis Cannelora and William Young serving as hearing officers.

RE-436 Tommy Jitchaku

Action on this complaint had been deferred at the last Commission meeting.

Upon motion, the Commission found that respondent had made reasonable effort to determine from the seller that the listing with complainant had expired, and found no violation of the real estate license law and Commission's rules and regulations. Case dismissed.

New
Business:

Licensing

Corporations:

- Alii Land, Inc. - 1600 Kapiolani Blvd., Honolulu
Henry A. Gomes PB
- Land Capital Corporation - 33 S. King St., Ste 219, Honolulu
James N. Chiya PB
- Hawaiian-Pacific Realty, Ltd. - 700 Bishop St., Ste 615, Honolulu
Harold L. Reilly PB
- Honolulu Realty, Inc. - 745 Fort St., Ste 1907, Honolulu
Carlos R. Read PB

Branch Offices:

- Hawaiiana Realty & Management, Inc. BR-1 - 94-239 Waipahu Depot St.,
Herman Y. M. Leong, BIC Waipahu

Branch Offices: (continued)

Portrait of Homes, Inc. DR-8 - 2335 Kalakaua Ave., Honolulu
Yuki Kajiwara, BIC

Reliance Industries, Inc. dba Reliance Realty & Management -
Thomas Y. Tsuzuki, BIC 1215 Hunakai, St., Honolulu

DBA's:

W. Kawahara Realty - Fujitani Bldg., Kailua-Kona, Hawaii
William S. Kawahara, dba

Virginia Westly Realty - 525 Kilauea Ave., Ste 202, Hilo, Hawaii
Virginia M. Westly, dba

Reinhardt Realty - 1019 University, Rm 6, Honolulu
Margaret T. Reinhardt, dba

Ralph Yagi Realty - 2180 Main St., Rm 407, Wailuku, Maui
Ralph S. Yagi, dba

Clarence Seong, Realtor - 97 Central Ave., Wailuku, Maui
Clarence K. Seong, dba

Rod Miller, Realtor - 677 Ala Moana Blvd., Ste 801, Honolulu
Charles R. Miller, dba

Lani Wilhelm, Broker - 1451 S. King St., Ste 411, Honolulu
Eileen L. Wilhelm, dba

Tony T. Tamura Realtor - 1350 S. King St., Rm 303, Honolulu
Tony T. Tamura, dba

Barbara Dew, Realtor - 1210 Auahi St., Ste 122, Honolulu
Barbara F. Dew, dba

Bob Corbett, Realtor - 2207 Kalakaua Ave., Honolulu
Robert H. Corbett

Lei Devine & Associates - 46 Waiuanue Ave., Hilo, Hawaii
Leinaala M. Devine, dba

Miki Tsubota, Realty - 1136 Union Mall, Ste 103, Honolulu
Miyako Tsubota, dba

Reliance Realty & Management - 1215 Hunakai St., Honolulu
Reliance Industries, Inc. (change of tradename from
Reliance Realty)

Upon motion, the license processing of the above as tentatively authorized by the Licensing Administrator was approved.

Miscellaneous:Representation at NARELLO Western District Meeting

The Executive Secretary reported that the travel request for the NARELLO Western District Meeting was denied by Administration due to lack of funds. Subsequently, the request was amended to seek funds through the Real Estate Education Fund. The amended request was approved by the Director and being processed for the Governor's approval.

Claim against Real Estate Recovery FundJames A. Patterson vs. Wesley Charlton, et al

It was reported that the Commission has been served notice of a complaint filed in the circuit court by James A. Patterson against Wesley Charlton, et al, which may result in payment from the Real Estate Recovery Fund. The Attorney General has been alerted and he is working on this matter.

Mr. Sidney Ayabe reported that the Attorney General will handle this case for the Commission, and he will file a motion to intervene.

Attorney acting as Escrow Agent for condominium projects

Staff had received a letter from William Crockett, attorney at law, raising doubts as to whether the Commission should accept attorney for the developer to act as Escrow Agent for a condominium project.

Chairman Sodetani volunteered to look into the matter, and no objection was raised.

Edith Lubin Chow's request for an audience with Commission

The Commission was presented with Mrs. Edith Lubin Chow's request for an audience with the Commission to air some complaints she wish investigated.

Upon motion, the Commission denied her request for an audience, inasmuch as her complaints are not specific. If she wish to file a complaint, she must submit her complaint in writing stating all her specific charges and showing evidence of the alleged violation.

Chairman Sodetani requested that investigation on Mrs. Chow's complaint of May 18, 1971 against Halekalani Realty Corporation be followed through and a report of the findings be submitted to the Commission.

Rules and Regulations Revision Committee

Chairman Sodetani appointed Louis Cannelora as a member of the Rules and Regulations Revision Committee headed by Hiromu Yamanaka, committee chairman. Also appointed to the committee was a representative from the real estate industry to be selected. Chairman Sodetani requested that the Licensing Administrator and the Executive Secretary serve as staff resource personnel to the Committee.

Page 7

Minutes of Meeting of May 28, 1971

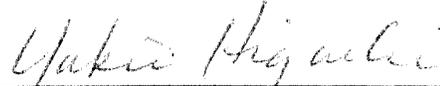
Date of
Next
Meeting:

Thursday, June 24, 1971, at 1:00 p.m.

Adjournment:

There being no further business, the meeting was adjourned at 4:00 p.m.

Taken and recorded by:



YUKIO HIGUCHI
Executive Secretary

YH:sw
6/8/71