

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

MINUTES OF MEETING

Date: Thursday, December 16, 1971

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

Present: Douglas R. Sodetani, Chairman  
Herbert S. Isonaga, Vice Chairman  
Mrs. Mary V. Savio, Member  
John D. Texeira, Member  
Hiromu Yamanaka, Member

Sidney Ayabe, Deputy Attorney General  
Yukio Higuchi, Executive Secretary

Dr. Edward Laitila, College of Business Administration, U.H.  
Wesley Park, Director of Small Business Administration, College of Business Administration, U.H.  
George Morris, Jr., Executive Vice President, Hawaii Association of Real Estate Boards and Honolulu Board of Realtors  
Mrs. Iris Riber, Real Estate Association of Hawaii

Absent: Louis Cannelora, Member  
William H. C. Young, Member

Call to Order: There being a quorum, Chairman Sodetani called the meeting to order at 1:12 p.m.

Minutes: Upon motion, the minutes of the November 10, 1971 meeting were approved as circulated.

Chairman Sodetani decided to make a slight deviation from the prepared agenda to allow Mr. Aaron Chaney and other interested parties to speak on the matter pertaining to resident managers.

Business Out of Minutes: Rentals of Condominium and Cooperative Apartments by Resident Managers

Mr. Aaron Chaney was allowed to speak on the matter of the Commission's position requiring resident managers, who act as rental agents for apartment owners of condominiums, cooperative and conventional apartments, to have a real estate license. Mr. Chaney indicated that he and other persons in property management work are working to put together proposed legislation for submittal to the 1972 State Legislature, and he requested that the Commission suspend enforcement against resident managers until the legislative session is over. Mr. Chaney also mentioned that he is in full accord with the Commission that this activity should be regulated to provide public protection, but he did agree that resident managers should be required to have a regular real estate license.

After other observers were allowed to speak and make comments, the Chair advised everyone that the Commission will give the matter much thought and will notify Mr. Chaney of their decision. All observers left the Board Room.

Upon motion, the Commission decided to extend the deadline to conform with the license requirement of the statute from February 1, 1972 to July 1, 1972.

Chairman Sodetani directed that a "Resident Manager Study Committee" consisting of 4 Commissions and 3 industry members be organized to study the resident manager problem and report back to the Commission. Mrs. Mary Savio was appointed as chairman and Mr. Louis Cannelora was named as vice chairman to head the committee. Others named to the committee were Mr. Herbert Isonaga and Mr. William H. C. Young of the Commission, and Mr. Aaron Chaney from industry. Mrs. Shigeoko Mellen was also mentioned as a possible industry member. Mrs. Savio was authorized to fill the two vacant industry positions.

Committee  
Reports:

Attorney General's Report

Payment of Commission to Licensed Brokers of Foreign Country

Mr. Ayabe reported that he has just prepared a written opinion which states that Section 467-14 (14), H.R.S., was not intended to allow our brokers to share commission with licensed brokers of foreign countries. He indicated that perhaps this section should be amended to allow our brokers to share commissions with foreign brokers.

Real Estate Recovery Fund Cases Against Floyd Kaneshiro

Mr. Ayabe reported that the Circuit Court has rendered judgments against Floyd Kaneshiro on 2 complaints which will require payment from the Real Estate Recovery Fund to a total sum of approximately \$20,000. Mr. Ayabe requested that the Commission decide whether to appeal the judgments.

Growth International Realty, Inc.

Mr. Ayabe recommended that the Commission dismiss the case against Growth International Realty, Inc., inasmuch as the alleged violation occurred prior to the amendment clarifying the statutory exemption as owner.

Upon motion, the Commission decided to dismiss its case against Growth International Realty, Inc.

Rules and Regulations Review Committee

The Commission made a final review of the proposed amendments to its rules and regulations and made some changes. The Executive Secretary was directed to make all arrangements to proceed with public hearings in accordance with the following schedule:

Kauai	-	Tuesday, January 18, 1972 at 2:00 p.m.
Hilo	-	Wednesday, January 19, 1972 at 10:00 a.m.
Kona	-	Thursday, January 20, 1972 at 10:00 a.m.
Maui	-	Thursday, January 20, 1972 at 7:00 p.m.
Oahu	-	Thursday, January 27, 1972 at 9:30 a.m.

Educational Task Force Committee

Dr. Edward Laitila presented his written request to extend the deadline for submission of the final report from December 31, 1971 to January 31, 1972.

The Commission granted Dr. Laitila his requested extension to January 31, 1972.

The Executive Secretary requested the Commission's approval to take steps to extend Project #3 (Neighbor Island real estate courses) for a period of 6 months to June 30, 1972, with the understanding that the extension will not increase the financial obligation of the Commission.

Upon motion, the Commission authorized the extension of Project #3 to June 30, 1972.

Investigations: RE-412 Tsugio Tanigawa

The Executive Secretary advised the Commission that this matter will be sent to Investigation Branch for follow-up investigation. This matter is an old matter that action was deferred pending the outcome of the Court's instruction to Tanigawa that judgment would be entered against Waiakea Investment Company and Tanigawa within 90 days if payment of \$3,500 for damages is not paid to Mr. and Mrs. Tsutomu Izumo. Subsequent to the Court's instruction, Tanigawa failed to make the payment, and on July 23, 1971, the Third Circuit Court entered a default judgment against respondents in the sum of \$3,500. The Commission was advised that this case would be reactivated for Commission action after further investigation.

RE-425 Masao Shintani

The Executive Secretary reported that he was advised by Vernon Tashima, counsel for complainant, on December 9, 1971, that his client, the complainant, has given him no indication as to when their representative will be returning to the State to settle this matter. He will communicate with his client to determine what they intend to do.

RE-447 Parker & Company

The Executive Secretary reported that he has been advised by Sanford Parker that a check of \$423.07 was sent to and received by Raymond Correa, the complainant, on November 24, 1971. The check represented a refund of \$620 minus \$178.48 for taxes, and \$18.45 for Hawaii conveyance tax, release of mortgage, cancellation of lease and recording fees. Upon receipt of the check, Correa advised Parker that he would sign the release papers when he received a check for \$18.45. Parker felt that he was entitled to the \$18.45, but agreed to refund the amount just to get Correa "off his back". Parker mentioned that he expects Correa will mail the release papers directly to the Commission.

RE-453 Horita Realty

Upon motion, the Commission decided to send Herbert Horita a strong letter of reprimand advising that this incidence shows that Horita

is not providing adequate supervision to his sales staff by not pursuing or instructing his salesman prior to executing their own listing contract with the seller, to ascertain whether or not the seller was in fact under an unexpired listing contract with another broker when Horita Realty had received information that the property was listed with another broker. The Commission further felt that Horita's lack of supervision was not in the best interest of the seller and may be costly to the seller.

The Executive Secretary was also directed to advise the complainant that our investigation did not indicate that there was sufficient evidence of any deliberate attempt or violation of the existing laws and rules pertaining to real estate licensees.

RE-456 Makiki Manor Condominium

Upon motion, the Commission decided to dismiss the complaint on the basis that the Horizontal Property Regimes Act provides the Commission with no jurisdiction over the actions of the Association of Apartment Owners.

RE-461 Richard Johnson

Action deferred to next meeting.

RE-462 Harcliff Corporation

Action deferred to next meeting.

RE-463 Hawaiian Housing Corporation

Action deferred to next meeting.

RE-468 Walter N. Clark Realty

Upon motion, the Commission decided to send a letter of reprimand to Walter N. Clark for failure to properly supervise his operations.

New Business: Licensing

Corporation

Trend Pacific, Inc. - 3297 Campbell Ave., Honolulu  
Mary H. Rogde, PB

Kamehameha Development Corporation - 33 S. King St., Ste 401A, Honolulu  
Guido L. Giacometti, PB (Eff. 1/1/72)

Hawaii Isle Realty, Ltd. - 38 Kalakaua St., Hilo  
Helene E. Hale, PB

Hawaii Sankyu-Towa, Inc. - 1037 Fort St. Mall, Rm. 206, Honolulu  
James M. Hirata, PB

LIZ, Real Estate, Inc. - 1600 Kapiolani Blvd., Ste 930, Honolulu  
Elizabeth D. Baker, PB

Don R. Cowell & Associates, Inc. - 32 Merchant St., Honolulu  
Don R. Cowell, PB (eff. 1/1/72)

Peoples Realty, Inc. - 1147 River St., Honolulu  
Don D. Miguel, PB

Esperanza Real Estate Investment Co., Inc. - Rm. 353 Alexander  
Young Bldg., Honolulu  
Romeo A. Esperanza, PB

Commercial & Industrial Properties, Ltd. - 2003 Kalia Rd., Apt. 8D,  
Honolulu  
F. Mitchell Wright, PB

Branch Office

Hawaii Isle Realty, Ltd., BR-1 - 121 A Banyan Drive, Hilo  
Kenneth M. Wadahara, BIC

Growth International Realty, Inc., BR-2 - 94-239 Waipahu Depot  
Rd., Ste 216, Waipahu  
Edmund I. M. Lau, BIC

Tom Pico, Inc., BR-1 - 45939 Kam Hwy, Rm. 201, Kaneohe  
William L. Barnette, BIC

DBA

Estate Management Hawaii - 315 Royal Hawaiian, Ste 204, Honolulu  
Philip G. Walker dba

Land West Development - 1650 Kanunu St., Ste 203, Honolulu  
Robert G. Rediske dba

Jack G. Nosaka, Realty - 2615 S. King St., Ste 211, Honolulu  
Jack G. Nosaka dba

Upon motion, the licensing processing of the above as tentatively  
authorized by the Licensing Administrator were approved by the  
Commission.

Results of October 28, 1971 Real Estate Examination

The list of successful candidates of the October 28, 1971 real  
estate examination submitted by Examination Branch was accepted and  
approved. The Executive Secretary was instructed to file a copy of  
the list in the official minutes file.

Other New                   None  
Business:

Correspon-               None  
dence:

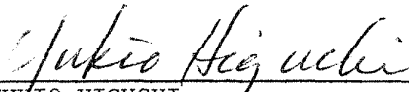
Announcement: 1972 Real Estate Examination Schedule  
Announcement was made that the Examination Branch has reserved the following dates in 1972 for real estate examinations:

Thursday, February 24, 1972  
Thursday, June 29, 1972  
Tuesday, October 31, 1972

Next Meeting January 27 and 28, 1972 at 9:30 a.m.  
Date:

Adjournment: There being no further business, the meeting was adjourned at 5:00 p.m.

Recorded by:

  
YUKIO HIGUCHI  
Executive Secretary

YH:rh  
1/4/72