

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

MINUTES OF MEETING

Date: Thursday, July 27, 1972

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

Present: Douglas R. Sodetani, Chairman
Herbert S. Isonaga, Vice Chairman
Mrs. Mary Savio, Member
John D. Texeira, Member
Hiromu Yamanaka, Member
Louis Cannelora, Member
Ah Kau Young, Member

Edwin H. Honda, Director of Regulatory Agencies
Dick H. Okaji, Licensing Administrator
Yukio Higuchi, Executive Secretary
Mrs. Bernadette Gulisao, Acting Supervisor, Examination Branch
Mrs. Henrietta Egami, Supervisor, Licensing Branch
Mrs. Gladys Leong, Licensing Clerk
Miss Peggy Goo, Stenographer

William H. C. Young, Member of the Education Task Force Committee
Wesley Park, Director of Small Business Management, College of
Business Administration, University of Hawaii
Mrs. Iris Riber, Real Estate Association of Hawaii

Absent: None

Call to Order: There being a quorum, Chairman Sodetani called the meeting to order at 9:40 a.m.

Minutes: Upon motion, the minutes of the June 29, 1972 meeting were approved as circulated.

Appointments: Chairman Sodetani introduced Ah Kau Young to the Commission and gave a brief summary of his wide background.

The Chairman expressed the feelings of all the members in that the dedicated service that William H. C. Young gave the Commission will be missed.

Committee Reports: Education Task Force Committee

Project #4 -- Real Estate Education Program

Committee Chairman Mary Savio announced that her committee met and came up with a final report on the Implementation of a Real Estate Education Program in Hawaii.

Mrs. Savio moved and Herbert Isonaga seconded that the Implementation of a Real Estate Education Program in Hawaii be adopted as submitted to the Commission with the alteration in Appendix K -- Form for Certificate of Completion.

The Executive Secretary read the public notice to be published in the Honolulu Advertiser and Honolulu Star-Bulletin and on the neighbor islands to the Commission.

Chairman Sodetani directed the Executive Secretary to have the public notice plus a news release published in the newspapers immediately.

William Young inquired as to how the investigator(s) will be selected to investigate the schools and on the fee to be paid.

After considerable discussion and suggestions, Ah Kau Young moved and John Texeira seconded that the Education Task Force Committee select the investigator or investigators and set their fees. This motion was unanimously carried.

Mrs. Savio questioned the method of payment to the investigator(s). It was debated whether the payment should be directly to the investigators or forwarded through the Real Estate Commission. Chairman Sodetani directed Dick H. Okaji, Licensing Administrator, to review this matter on the administrative side and authorized the Education Task Force Committee to decide on the method and on the amount of payment.

Resident-Manager Study Committee

Mary Savio presented a verbal report on the progress being made with the Industry and submitted a memorandum.

Mrs. Savio moved and Hiromu Yamanaka seconded that the Commission accept the recommendations of the Resident-Manager Study Committee and the CPM Chapter of IREM in that the Commission stand firm and require conformance of law; any person engaged in real estate activity in a principal-agency relationship must be licensed. Motion carried unanimously.

Rules and Regulations Committee

Herbert Isonaga briefed the Commission on the Rules and Regulations Committee's proposed amendments.

The Committee decided to hold a public hearing in Honolulu on August 31, 1972 at 9:30 a.m., at the Department of Regulatory Agencies. The public notice will be published in both Honolulu newspapers and in the neighbor islands newspapers.

Recovery Fund Report

The Executive Secretary reported that he received and informed Ben Matsubara, Deputy Attorney General, of the following Recovery Fund claims:

Asato vs. Floyd Kaneshiro
Perrin vs. Schreiber
Paul Osumi, Jr. and Evelyn Kurosumi vs. Yoshiharu
Hirashima, dba Pacific Land Company
Arthur and Wanda Maddigan vs. Viola Dolman, Hugh
Fredin, Jack and Judith Zuckerkorn

Chairman Sodetani appointed Ah Kau Young to replace William Young as the Recovery Fund Chairman.

Attorney General's Report

There was no Attorney General's Report inasmuch as Ben Matsubara, Deputy Attorney General, was at a trial and could not make the meeting.

Business Out
of Minutes:

Report on NARELLO Western District Meeting -- June 15-17, 1972

Copies of Mary Savio's memorandum on the 1972 Western District Conference of NARELLO were circulated.

Mrs. Savio reported that the 1972 National Conference will be held on November 5-8, 1972 in Las Vegas. The Chairman appointed the Executive Secretary and Ah Kau Young to attend the 1972 National Conference.

Educational Testing Service

Dick H. Okaji reported that the Educational Testing Service is ready to roll with the January 1973 Salesman Examination.

The Educational Testing Service has disclosed that photographs will not be permitted on the admission cards as there is no space allotted for this purpose. The Licensing Administrator and Examination Branch are requested to resolve this identification matter.

Ratification of Licenses

Country Properties - Winston T. Watanabe, dba

Chairman Sodetani confirmed that Country Properties is in a business zone. Issuance of license to Country Properties was ratified.

Investigations: RE-425 Masao Shintani

This case is still pending as the Deputy Attorney General is preparing a list of questions he wants answers for. Upon receipt of answers to his questions, a recommendation will be made to the Commission.

RE-465 Earl Hanson

The Complaint Review Committee recommended that the Commission dismiss Grabtree's complaint on the basis that there is no evidence that respondent had purposely delayed the closing of sales transaction for personal reasons, nor was there sufficient evidence to support the charges that respondent had withheld information and made misrepresentation regarding the transaction.

Herbert Isonaga moved and John Texeira seconded to accept the recommendations of the Committee. Motion carried.

RE-466 Jacques Van Belle

The Complaint Review Committee recommended that the Commission notify the complainant that it is normal practice in real estate, that when a one-year lease contract is negotiated by the agent, he is entitled to the commission for a full year.

The Committee further recommended that a letter of reprimand be sent to Jacques Van Belle for:

- 1) Failing to place the rental transaction through his broker.
- 2) Placing the client's moneys in his own trust account.
- 3) Accepting commission direct from a client, and
- 4) Advertising under his own name; instead of his broker's name.

The Complaint Review Committee also recommended that a letter of warning be sent to Hugh Menefee for failure to provide adequate control and supervision over his staff.

Ah Kau Young moved and John Texeira seconded that the Commission accept with approval all the recommendations of the Complaint Review Committee. Motion carried without dissent.

RE-467 Arcadia Management Corp.

Herbert Isonaga moved and Mary Savio seconded that since the Resident-Manager Study has been resolved, the Executive Secretary should respond with a letter of warning to respondents. Motion carried unanimously.

RE-471 Martin Da Mate

The Executive Secretary reported that he has received additional information from Investigation Branch, and a notice of hearing will be prepared and transmitted to the Attorney General.

Chairman Sodetani appointed Mary Savio and John Texeira as the hearing officers for this case.

RE-475 Lear Siegler Properties, Inc.

Action on this case was deferred pending receipt of a supplementary investigation report.

RE-479 Masao Shintani

A draft of the notice of hearing on this case was transmitted to the Attorney General, but to date no response has been received.

CON-101 Hawaii Capital Funds, Ltd.

Herbert Isonaga moved and John Texeira seconded that this case be closed on the basis that respondent had refunded complainant's moneys. Motion carried.

New Business:

Licensing

CORPORATION

Henry's Realty, Inc. - 1126 12th Avenue, Room 208, Honolulu
Henry H. Chan PB
International Syndications, Inc. - 1777 Ala Moana, Ste. 228, Hon.
Sol Laikind PB
Finance Investment Co. - 195 S. King Street, Honolulu
Merton S. C. Lau PB
Elizabeth Brown Realty, Inc. - 549 Halemaumau St., Room E, Hon.
Elizabeth L. Brown PB
Kenneth Fujiyama Realty, Inc. - 100 Pauahi Street, Hilo
Kenneth Fujiyama PB
Bill Hart, Limited - 119 Merchant St., #402, Honolulu
William J. Hart, Jr. PB
Kimberly-Hawaii Realty, Inc. - 1136 Union Mall, Ste. 702, Hon.
Burton E. Berglund PB
No Ka Oi Realty, Inc. - 888 Mililani Street, PH-4, Honolulu
Wallace T. Hayashi PB (formerly K & H Inc.)

PARTNERSHIP

Kaimala East Development Co. - 677 Ala Moana Blvd., Ste. 802, Hon.
Abigail L. Rose PB

BRANCH OFFICE

First Hawaiian Realty, Ltd. BR-1 - 1777 Ala Moana, Ste. 244, Hon.
Gilbert H. Otani BIC
Grubb & Ellis Company, BR-1 - 1053 Bishop Street, Honolulu
John C. Sherrill BIC
Great Hawaiian Realty, Inc. BR-6 - 94-239 Waipahu Depot St., Waipahu
Raymond S. Endow BIC
General Realty Corporation BR-10 - 266 Lunalilo Home Rd., Ste. A, Hon.
Lois Silverman BIC

BRANCH OFFICE

General Realty Corporation BR-11 - 94-239 Waipahu Depot St., Waipahu
 Charles H. Bond BIC
 General Realty Corporation BR-12 - 45-480 Kaneohe Bay Dr., Kaneohe
 Grace W. Smith BIC
 Rudy Hirota Realty BR-3 - 745 Fort Street, Room 1914, Honolulu
 Iris Riber BIC

DBA

Pacific Homes Realty - 825 Keeaumoku, Suite 215, Honolulu
 Santiago B. Blanco dba
 Ray Kanealii, Realtor - 315 Royal Hawaiian, Suite 204, Honolulu
 Raymor K. Kanealii dba
 Timber Realty of Hawaii - 42 Kamehameha Avenue, Hilo
 Toshio Nakashima dba
 George K. H. Lau, Realtor - 669 Ahua Street, Honolulu
 George K. H. Lau dba
 Gossett's Property Management - 750 Amana Street, Ste. 101, Hon.
 Ina B. Gossett dba

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

June 1972 Examination Results

Bernadette Gulisao, Acting Supervisor of the Examination Branch, verbally announced the results of the June 29, 1972 examination.

John Texeira moved and Louis Cannelora seconded that the Commission accept the results of the examination with no adjustments made.

Chairman Sodetani directed that anyone who wishes to appear before the Commission in reference to this examination may do so.

Mrs. Gulisao also announced that the results of this examination will be sent out to the examinees before the third week of August.

Commission's Ruling

Use of "saleswoman" in Place of "Salesman"

Mary Savio moved and Herbert Isonaga seconded that the Commission allow any woman wishing to print the word "Saleswoman" in place of "salesman" on her business card be allowed to do so. Motion carried.

Deadline for Filing Applications for October 1972 Broker Examination

Mary Savio moved and Hiromu Yamanaka seconded that the Commission stick with the 30-day deadline for filing for

the October 1972 Broker Examination since the Educational Testing Service will not be taking over as yet. Motion unanimously carried.

The deadline for filing application for the October 31, 1972 Broker Examination will be October 2, 1972.

Permitting Salesman to Sit for Brokers Examination Prior to Fulfilling Experience Requirement

Herbert Isonaga moved and Ah Kau Young seconded that a public notice announcing that the Commission is permitting salesman to sit for the brokers examination prior to fulfilling the experience requirement be published. Motion carried unanimously.

Correspondence: Correspondence from University of Georgia

The Executive Secretary was directed to ask for more information from the University of Georgia on their administration of examinations and to inform them of what we are presently working on.

Announcements: Condominium Review Committee

Chairman Sodetani appointed Louis Cannelora as Chairman of the Condominium Review Committee and all Oahu members to serve on Louis Cannelora's Committee to review the statutes and rules and regulations.

The Executive Secretary was directed to write to the following requesting that they consent to serve on the Condominium Review Committee:

- 1) Jack Palk
- 2) Jake Urner
- 3) Dwight Rush
- 4) Hiroshi Sakai
- 5) Consumer Protection

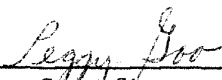
Date of

Next Meeting: Thursday, August 31, 1972 at 9:30 a.m.

Adjournment:

There being no further business, Chairman Sodetani adjourned the meeting at 3:15 p.m.

Taken and Recorded by



Peggy Goo, Stenographer