

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

MINUTES OF MEETING

Date: Friday, January 26, 1973

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

Present: Douglas R. Sodetani, Chairman
Herbert S. Isonaga, Vice Chairman
John D. Texeira, Member
Ah Kau Young, Member

Yukio Higuchi, Executive Secretary
Ben Matsubara, Deputy Attorney General
Mrs. Peggy Lau, Stenographer

Wesley Park, Director of Small Business Management, College of
Business Administration, University of Hawaii
Dr. Edward Laitila, College of Business Administration, U. H.
Mrs. Iris Riber, Real Estate Association of Hawaii

Absent: Mrs. Mary Savio
Louis Cannelora
Hiromu Yamanaka

Call to Order: There being a quorum, Chairman Sodetani called the meeting to
order at 9:35 a.m.

Minutes: Ah Kau Young moved and Herbert Isonaga seconded that the Commission
approve the minutes of the January 4, 1973 meeting as circulated.
Motion unanimously carried.

Informal
Conference: John Mykut Real Estate School

John Mykut and his attorney, Vernon Woo, appeared before the
Commission to discuss the problems of John Mykut's applications
as an instructor and accreditation of John Mykut Real Estate
School.

Being newly retained as John Mykut's attorney, Vernon Woo
requested a continuance for further study on this matter. It
was noted that Vernon Woo will contact the Executive Secretary
after completing his study and a meeting with the Education
Task Force Committee will be arranged.

Miss Lynn Nakkim also appeared with John Mykut to request that
she be granted her instructor's certificate as soon as possible.
She was requested to contact the Executive Secretary at another
date to discuss this matter.

RE-500 Gordon Crabtree & Associates, Inc.

As requested by the Commission, Gordon Crabtree and Robert Haaversen appeared at this informal conference to discuss the complaint filed against them by Forrest Partridge. It was made known that Gordon Crabtree was not the principal broker at the time this matter occurred; the then principal broker has since left the state.

Robert Haaversen gave his story as to what transpired. Following the question and answer period, Gordon Crabtree and Robert Haaversen were excused and informed that they will be notified as to the Commission's decision as soon as possible.

After due consideration and upon reviewing the correspondence transmitted between Forrest Partridge and Robert Haaversen, Herbert Isonaga moved and Ah Kau Young seconded that this case be dismissed as there is no evidence of misrepresentation or any violation of the statutes. Motion unanimously carried.

Committee Reports:Education Task Force CommitteeAbsence of Brokers Course on Neighbor Islands

Wesley Park reported that Maui and Hilo have agreed to give one brokers course each year. He will be going to Kauai to see if arrangements can be made to have a brokers course there, too.

Wesley Park spoke about offering two GRI courses on Maui, Hawaii and Kauai. These courses will be held on weekends on different islands. The Commission would underwrite two courses on each island. Park requested \$500 per course or maximum of \$3,000 for six courses.

Wesley Park further brought up the possibility of combining the sales and brokers course with the addition of additional hours for brokers. The Commissioners were in agreement that the brokers course be kept apart from the sales course as the brokers course should go more in depth.

Accreditation of Real Estate Schools and Certification of Instructors

It was moved by Herbert Isonaga and seconded by Ah Kau Young that the Education Task Force Committee be authorized to follow through and act on the following applications for accreditation of real estate schools and certification of instructors:

Mike McCormack School of Real Estate - Broker Course
Cliff Stark School of Real Estate - Broker Course

David Bartholomew's Hawaii School of Real Estate-Broker Course
Walter N. Clark School of Real Estate - Broker Course
Professional School of Real Estate - Salesman Course
Instructor's Certificate - Ronald H. Deisseroth

Motion unanimously carried.

School Visitation

The Executive Secretary was directed to ask Al Feirer to set up visitation to real estate schools again.

Herbert Isonaga moved and John Texeira seconded that the Commission authorize the contracting of an investigator to evaluate and inspect the accredited real estate schools; the cost to be defrayed through the Real Estate Education Fund. MOTION unanimously carried. (The Executive Secretary was directed to ask Al Feirer to recommend someone to conduct this investigation.)

Real Estate Manual

It was the decision of the Commission that discussion on the real estate manual be deferred until the next meeting when Committee Chairman Mary Savio will return from a meeting in Princeton, New Jersey.

Condominium Review Committee

In the absence of Committee Chairman Louis Cannelora, no report was given on the progress of the Condominium Review Committee.

Attorney General's Report

The Chair declared executive session for the attorney general's report at 10:20 a.m., to discuss the suit on the June 29, 1972 examination.

At 10:35 a.m., the Chair closed the executive session and the general meeting was reconvened.

Herbert Isonaga moved and John Texeira seconded that a letter of commendation for Ben Matsubara's time, effort and work on the class suit be mailed to the Attorney General with a carbon copy to the Governor and Director of Regulatory Agencies. Motion carried unanimously.

Ben Matsubara also reported that he has received word from Attorney Rick Schultz that the suit filed by Herbert Stecker against Wattie Mae Hedemann has been settled; as a part of the settlement, Stecker had agreed to dismiss his complaint filed with our office. Ben advised the Commission that he informed Schultz that this does not necessarily mean that the Commission will dismiss the case.

A matter concerning the Recovery Fund was brought up by Ben Matsubara. He advised the Commission that the Recovery Fund is a private fund, therefore, the use of the state's legal services to defend it may no longer be provided by the Attorney General's Office. Ben Matsubara was requested to study this matter further and to provide the Commission with direction regarding this matter.

Business Out
of Minutes:

Educational Testing Service

The Executive Secretary announced that it appears that the Governor will grant final approval, and Mary Savio and Bernadette Gulisao should be on their way to Princeton, New Jersey, to attend the Educational Testing Service meetings on January 30 and 31, 1973.

The Executive Secretary reported that as a result of the compromise of the class suit, Examination Branch has regraded 181 salesman examination papers (those failing with a score of 84-89 points), and a total of 60 salesmen have passed; 24 broker examination papers were rescored (those failing with a score of 106-119 points), and 2 have passed.

Herbert Isonaga moved and John Texeira seconded that the Commission approve the list of additional candidates who passed the June 29, 1972 examination as a result of the order of the U. S. District Court. Motion carried.

Questionable Activity of Bob Mueller

This matter was deferred in the absence of Hiromu Yamanaka who was directed to make further investigation on Bob Mueller's activity.

Questionable Applications

Inter-Finance Investment Inc. dba Bright Realty Investment

The Executive Secretary reported that Inter-Finance Investment has complied with the Commission's request of not using "Bright" or "Brite" in their dba--they have chosen "Rainbow Isles Investment", as their dba.

Frederick C. Stephani dba Andre Stephani, Realtor

The Executive Secretary reported that our records reveal that when applying for a real estate salesman license, Frederick C. Stephani did notify the Commission that his professional entertainment name is Andre Stephani.

By notifying the Commission of his professional entertainment name, Frederick Stephani has complied with the rules and regulations. Application approved.

Investigations: RE-460 Carl Farden, Jr.

Inasmuch as settlement of the civil suit filed against Carl Farden, Jr., on September 8, 1971, in the First Circuit Court, was recently made, the Commission dismissed this complaint.

RE-471 Martin C. Da Mate

There has been no further progress--case still pending.

RE-479 Masao Shintani

A formal hearing on this case was held on January 10, 1973. The findings of fact, conclusion of law and recommendations will be prepared for the next meeting.

RE-509 Charles Lizama, Jr.

The Executive Secretary reported that this case has been settled out of court. Complaint dismissed.

RE-510 Viola Dolman

After the investigation report was read, it was the decision of the Commission that this case be closed--no further investigation is **needed** at this time.

RE-511 International Syndicators, Inc.

After discussion on this investigation report, Herbert Isonaga moved and Ah Kau Young seconded that the Commission have an informal conference with the principal broker of International Syndicators, Inc., at the next meeting. Motion carried without dissent.

New Business: LicensingCORPORATION

National Realty, Inc. - 33 S. King, PH, Honolulu

Douglas H. Correa, PB

Jim Harlan, Inc., Realtors - 2828 Paa St., Suite 1120, Honolulu

James M. Harlan, PB

Realty Enterprises, Inc. dba Pupukea Realty- 1149 Bethel, Rm 218, Hon.

Frank S. Yamamoto, PB

Prudential Realty Corporation - 333 Queen, Suite 200, Honolulu

Herbert K. Tom, PB

Realty Mart, Inc. - 111 N. King, Suite 105, Honolulu

Ellen R. Ellison, PB

Corporation - Change of Name

Plantations Land, Inc. - former Waimanalo Plantation, Inc.

Flinn, Ackley & Company, Inc. - former Flinn, Ackley & Sewell, Inc.

Corporation - Change of Name (Continued)

Schrader Realty, Inc. - former Tyrrell & Scharder Management, Inc.
The McCormack Land Co. Ltd., - former Mike McCormack Inc.

BRANCH OFFICE

International Equities Realty, Inc. BR-1 - 101 Aupuni, Ste. 336, Hilo
Owen H. Ariki, BIC
Alii Land, Inc. BR-1 - 2495 S. Kihei Road, Kihei, Maui
Paul K. Winters, BIC
The McCormack Land Co. Ltd. dba Mike McCormack Realtors, BR-7
Jane W. Miller, BIC 4747 Kilauea, Ste. 107, Hon.
The McCormack Land Co. Ltd. dba Mike McCormack Realtors, BR-8
William K. Childs, BIC Coconut Plantation Shopping Ctr. Waipouli
Kauai

DBA

PMB Realty - 1336 Dillingham, Room 6, Honolulu
Peter A. Aduja, dba
Pait's Realty & Investment Co. - 2828 Paa St., Suite 3141, Hon.
Claybourn L. Pait, dba
American General Realty Company - 914 Ala Moana, Suite 203, Hon.
Charles S. C. Young, dba
Larry R. Smith, Realtor - 2828 Paa St., Suite 1120, Honolulu
Larry R. Smith, dba
Jim Harlan Realtor - 2828 Paa St., Suite 1120, Honolulu
James M. Harlan, dba
"Uncle Sam" Aki - 767 Kailua, Room 3, Kailua
Samuel K. Aki, dba
Pali Kai Realtors - John Wilson Enterprises, Ltd., dba
John E. Wilson, PB
Sam Askins, Realtor - 1100 First Hawaiian Bank Building, Honolulu
Samuel M. Askins, dba
Kalo Realty - 1109 Bethel, Room 404, Honolulu
Jack H. Konman, dba
Jan Newhart, Realtor - 4747 Kilauea Avenue, Honolulu
Jan D. Newhart, dba

Herbert Isonaga moved and Ah Kau Young seconded that the Commission approve the licensing processing of the above as tentatively approved by the Executive Secretary. Motion carried unanimously.

Reactivation of Salesman License of Raymond Proctor

On January 9, 1973, a request from General Realty Corporation to reactivate Raymond Proctor's salesman license under their corporation was received.

The Executive Secretary reported that a formal hearing was conducted on Proctor on October 16, 1969. As a result, the Commission decided that upon restoration of his salesman's license, Proctor shall be employed by a broker satisfactory to the Commission, who will be

held responsible for the immediate and personal supervision of Proctor's conduct for a probationary period of not less than 12 months.

The Commission was in agreement that before it decides to reactivate Proctor's license, Proctor and his principal broker must come before the Commission.

Questionable Real Estate School Advertisement

A newspaper advertisement appeared in the Honolulu Star-Bulletin and Honolulu Advertiser on January 14, 1973, that was questionable. After making inquiries, the Executive Secretary learned that Royal Hawaiian Realty is advertising for potential real estate salesmen who wish to be sent to an accredited school at the company's own expense, and in return work for the company when licensed.

The Commission was in agreement that Royal Hawaiian Realty be written a certified letter informing them to cease and desist this advertisement immediately.

Miscellaneous: 1973 Legislation

The Executive Secretary was requested to check with Mrs. Hannah Keliioomaluu, the Department's Administrative Services Officer, to follow through with Chairman Sodeani's request for new position material.


Next Meeting

Date: Thursday, February 22, 1973

Adjournment:

There being no further business to transact, Chairman Sodeani adjourned the meeting at 2:30 p.m.

Recorded by


YUKIO HIGUCHI
Executive Secretary

YH:pl

2/13/73