

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

MINUTES OF MEETING

- Date: Thursday, August 30, 1973
- Place: Board Room, Department of Regulatory Agencies
1010 Richards Street, Honolulu, Hawaii
- Present: Douglas R. Sodehani, Chairman
Herbert S. Isonaga, Vice Chairman
Mrs. Mary Savio, Member
John D. Texeira, Member
Hiromu Yamanaka, Member
Ah Kau Young, Member
- Clyde Sumida, Deputy Attorney General
Yukio Higuchi, Executive Secretary
Mrs. Peggy Lau, Stenographer
- John Michael White, Applicant for Broker License
Robert Bone, Honolulu Advertiser Reporter
James Williams, Century 21 Real Estate, Inc.
Hawaii Association of Real Estate Schools - John Stapleton,
Mary Shern, John Rickard, Marshall Goldman and John Riley
- Absent: Louis Cannelora
- Call to Order: There being a quorum, Chairman Sodehani called the meeting to order at 9:13 a.m.
- Minutes: Ah Kau Young moved and John Texeira seconded that with the following corrections, the minutes of the July 27, 1973 meeting be approved as circulated:
- (1) Page 3, Paragraph 4 to read: Mary Savio moved and Herbert Isonaga seconded that the Commission accept the recommendations of the Education Task Force Committee.
 - (2) Page 3, Paragraph 7 to read: Mary Savio moved and Ah Kau Young seconded that Ray Kam be advised that in no uncertain terms he cease and desist on-site training as this is a circumvention of the law...
 - (3) Page 5, Paragraph 4 to read: Herbert Isonaga moved and Mary Savio seconded that the Executive Secretary be authorized to make payment of \$1,500 a piece to Masuoka and Ogawa as ordered by the Court. Motion unanimously carried.

Audience: John Michael White, Applicant for Real Estate Broker License

John Michael White appeared before the Commission in the matter of denial of his application for broker license. The Executive Secretary explained to the Commission that White failed to fulfill the two years' experience requirement. He was granted one year waiver of the education requirement, but lacks one year of Hawaii experience.

White gave a detailed background of his past experience in real estate in California, Kauai, Maui and Oahu, which was followed by considerable discussion and a question and answer period.

Action deferred--Commissioners advised White to submit evidence of his high-powered research that he did on Kauai, Maui and Oahu before action will be voted upon. Chair appointed all Oahu members to review White's research reports.

Richard S. Kuniyoshi, Applicant for Real Estate Broker License

Richard S. Kuniyoshi, applicant for broker license, appeared before the Commission with Luke Yasaka, vice president of Great Hawaiian Realty, Inc., to discuss the re-evaluation of his application. Application was denied for failure to fulfill the two years' experience requirement.

Kuniyoshi informed the Commissioners that he is primarily involved in advertising and promotional phases and that most of his work is through Luke Yasaka. He also informed the Commissioners of his past experience in real estate.

Following the question and answer period, Kuniyoshi was advised that this matter will be taken under advisement and that he would be notified of the Commission's decision shortly thereafter.

After considerable discussion, Mary Savio moved and John Texeira seconded that a waiver be granted to Richard Kuniyoshi subject to his completion of a GRI course on Financing Aspects prior to his application deadline of October 31, 1973. Motion carried unanimously.

Committee Reports:

Education Task Force Committee

Approval of Instructor's Certification

Evelyn K. Sumida (George W. Clarke School of Real Estate)

Herbert Isonaga moved and Ah Kau Young seconded that the Commission approve Evelyn Sumida as an instructor for George W. Clarke School of Real Estate subject to her submitting proper certificates. Motion carried.

Dissolution of the Education Task Force Committee and
Creation of the Real Estate Education Advisory Council

The Commissioners were in agreement of dissolving the Education Task Force Committee and creating the Real Estate Education Advisory Council. The Chair appointed Mary Savio as committee chairman, and all Oahu members to serve on this council. It was suggested that she select members from D.O.E. adult education, community college, and two industry representatives (possibly one from real estate schools).

Development of Continuing Education Program

Chairman Sodetani charged the Real Estate Education Advisory Council to explore the development of a continuing education program.

Registration of Real Estate Schools and Fees

It was reported that Albert Feirer drafted copies of a suggested letter and forms for fee collection from real estate schools for the Commissioners review.

Condominium Review Committee

No report--Committee Chairman Louis Cannelora absent.

Rules and Regulations Committee

Committee Chairman Ah Kau Young announced that he has no report today as his committee will soon be meeting. Ah Kau Young was directed to circulate a rough draft of his suggested amendments to the Oahu members before it is finalized and to get an input from George Morris.

Attorney General's Report

Deputy Attorney General Clyde Sumida reported as follows:

Cavasso vs. Tharp

Case settled--Stipulation and Order for payment of \$10,000 was received. Upon motion, the Executive Secretary was authorized to make payment from the Real Estate Recovery Fund.

Counsel to Represent Commission

The hiring of a counsel for the defense of the recovery fund appears to be discouraging since there are no special authorizations under Chapter 467, and currently the law

requires that the Attorney General hire all contract attorneys. Feels that this should go through legislation authorizing the Commission to hire directly. Deputy Attorney General Clyde Sumida was requested to prepare proper legislation to authorize the Real Estate Commission to hire an attorney for the defense of the recovery fund.

Business Out
of Minutes:

Century 21 Real Estate, Inc.

James Williams, president of Century 21 Real Estate, Inc., handed out a set of guidelines for the development of his advertising format. He displayed his proposed advertising materials, open-house signs and calling cards, which he pointed out as being in conformity with the guidelines.

Mary Savio moved and Ah Kau Young seconded that the Commission approve Williams' guidelines and advertising material makeup presented and that the guidelines be put on file. Motion unanimously carried.

International Equities, Inc., and First Hawaiian Realty

The Executive Secretary reported that investigation on International Equities, Inc. and First Hawaiian Realty disclosed that these two firms share the same office and office personnel and have the same telephone number. International Equities is mainly engaged in the sale of Calvada Properties, and First Hawaiian Realty is selling Big Island properties.

Herbert Isonaga moved and Mary Savio seconded that the Commission go on record that all solicitation and/or invitation to attend a real estate presentation whether by telephone or in person shall be considered as real estate activity which requires a license; and that the Director be requested to advise the Executive Secretary of subdivision registrations of the Commission's position. Motion unanimously carried.

Questionable Applications

Wilmay, Inc.

The Executive Secretary informed the Commissioners that William K. M. Chee is the principal broker for Wilmay, Inc. and William S. Chee is the principal broker for Locations, Inc; application approved.

F.A.C. Realty

It was confirmed that Stanley Tobias, principal broker of F.A.C. Realty, Inc. had left Reed Realty, Inc.--application approved.

James Moore Realty, Inc.

Investigation revealed that in one short period James Moore did open a dba business and then filed for a corporate license; application for a corporate license approved and the dba is now eliminated.

International Equities Realty, Inc. - BR-2 & 3

Application approved.

W. P. Sullivan (Broker License)

Sullivan's application was denied for failure to satisfy the two years' experience requirement and is now demanding for a hearing. The Commissioners decided to have a formal hearing at the next meeting, provided, Sullivan waives his 30-day notice requirement.

Ernest Lee Woodward

The Executive Secretary briefed the Commissioners on Ernest Woodward's application for restoration of forfeited license; staff was unable to locate his past licensing record. It was staff's assumption that his last Hawaii salesman's license expired on December 31, 1938.

The Commission ruled that Woodward take and pass the regular salesman examination to determine whether he is still qualified as a real estate salesman.

Violet King

The Executive Secretary reported that Violet King has inquired as to what she should do to reinstate, restore or get a broker's license. Her application for a broker's license was denied and she appealed for a hearing. Hearing was scheduled twice and postponed on both occasions due to her fault.

The Commissioners were in agreement that she should follow through with her appeal hearing.

Investigations: RE-406 Hawaii Homes

Herbert Isonaga moved and Ah Kau Young seconded that this case be closed. Motion carried unanimously. (See Attorney General's Report.)

Bob Mueller Realty

Action deferred pending further review.

RE-535 Reed Realty, Inc.

The Commissioners were in agreement to proceed with a formal hearing with Ah Kau Young and Herbert Isonaga as hearing officers.

RE-543 Pearl A. Nagatoshi

Referred to the Attorney General's Office for review and comments.

Sheldon Soosman

Referred to the Attorney General's Office for review and comments.

New Business: Licensing

CORPORATION

- Tomson, Inc. - 1451 S. King, Room 406, Honolulu
Woodrow S. Tom PB
- Parade Realty, Inc. - 350 Ward Avenue, Honolulu
Alfred Anthony PB
- Century 21 Real Estate, Inc. - 1152 Bishop Bldg., Suite 601, Hon.
James P. Williams PB
- Administration, Inc. dba ADM Realty - 745 Fort St., Suite 1804, Hon.
John S. Kay PB
- Frane's 2 x 4 Realty, Inc. - 80 Pauahi Street, Hilo
Norman D. Frane PB
- World Wide Realty Investment, Corp. - 1860 Ala Moana, Suite D-5, Hon.
Kenneth W. Parker PB
- Atlas Properties, Inc. - 2333 Kapiolani Blvd., Honolulu
Ernest N. S. Ching PB
- Pearl City Realty, Inc. - 1210 S. Queen, Suite 13, Honolulu
William A. Bortfeld PB
- Keylock & Palmer, Inc. - 602 Kailua Road, Suite 209, Kailua
Mildred C. Palmer PB

John Texeira 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.

BRANCH OFFICE

- Stinson Realty, BR-1 - 1993 Kihei Road, Suite 206, Kihei, Maui
Emma Rose Murphy BIC
- Real Estate One, Corp. BR-2 - 4747 Kilauea Avenue. Suite 212, Hon.
Jack M. Schmidt, Jr. BIC
- Properties West, Inc. BR-1 - 2180 Main Street, Wailuku, Maui
Sallie W. Hughes BIC
- Tropic Shores Realty Ltd. BR-3 - 888 Front Street, Lahaina, Maui
James F. Gregory BIC

Ah Kau Young moved and Hiromu Yamanaka seconded that the Commission approve the licensing processing of the branch office applications as tentatively approved by the Executive Secretary. Motion carried.

DBA

Bennye Wix, Realtor - Box 106 Golf Course Road, Hawaii National
Bennye S. Wix dba Park, Hawaii
Iao Realty - 55 No. Church Street, Suite 7, Wailuku, Maui
George M. Yanagi dba
Moon's Realty - Hwy 25 Kawaihae Road, Box 396, Kamuela, Hawaii
Muneo Sameshima dba
John D. Fulton, Realtor - 914 Ala Moana, Suite 105, Honolulu
John D. Fulton dba
SL Realty - Room 430, Honolulu Merchandise Mart Bldg., Honolulu
Stephen T. S. Lum dba
S. Foster Williams & Associates - 1860 Ala Moana, Suite 403, Hon.
Stephen F. Williams dba

Herbert Isonaga moved and John Texeira seconded that the Commission approve the licensing processing of the above, with the exception of Iao Realty, as tentatively approved by the Executive Secretary. A check to determine whether George Yanagi of Iao Realty has any sales staff is to be made as Yanagi is a school teacher. Motion carried.

Preparation of Legislation for Syndication and Small Real Estate Trust

Action deferred indefinitely.

Requiring Financial Statements of Brokerage Offices

The Commissioners felt that in theory the idea of requiring financial statements of brokerage offices is great, but action deferred as there are too many trouble areas--good idea for the future.

Miscellaneous: July 26, 1973 Examination Results

Commissioners acknowledged receipt of the results of the July 26, 1973 real estate broker and salesman examination received through the mail (the third examination administered by E.T.S.)

Herbert Isonaga moved and Hiromu Yamanaka seconded that the Commission accept the results of the July examination. Motion unanimously carried.

1973 NARELLO Conference

The Executive Secretary was directed to write to Bob Semenov to request a tentative agenda for the 1973 NARELLO Conference.

Hawaii Association of Real Estate Schools Audience

John Stapleton, Chairman, Mary Shern, John Rickard, Marshall Goldman and John Riley, appeared before the Commission as representatives of the Hawaii Association of Real Estate Schools. They presented a critique of the July examination of the overall reaction of the students--good comprehensive questions; vocabulary, too legal; math, still feels that its unrelated to real estate; and slowly moving away from a general aptitude test.

John Stapleton announced that the Association has changed its name to "Real Estate Schools Association of Hawaii."

The Commission ruled that for convenience sake either the broker in charge or the principal broker may sign the employment certification statement.

Correspondence: Stephen Miller's Letter re: Broker Certificate for Salesman Exam

The Executive Secretary read a letter from Stephen Miller of the Island of Lanai, requesting to sit for the October real estate salesman examination by fulfilling the education requirement with a broker certificate of completion.

Herbert Isonaga moved and Mary Savio seconded that the Commission approve Miller's request to sit for the salesman examination because of his geographical hardship; however, to qualify for the broker examination he must have two years' experience, plus three GRI courses; said three courses will not qualify him for any waiver of the experience requirement, Motion carried.

Jack Hertzler's Letter re: Vacancy on NARELLO Board of Realtors

The Executive Secretary advised the Commission that there is a vacancy on the NARELLO Board of Realtors and Jack Hertzler, Commissioner of Wyoming Board of Real Estate, asked for a nomination.

It was the decision of the Commission that Jack Hertzler's recommendation be accepted.

Next Meeting

Thursday, September 27, 1973, at 9 a.m.

Date:

Thursday, October 25, 1973, at 9 a.m.

Adjournment:

There being no further business to transact, Chairman Sodetani adjourned the meeting at 4:15 p.m.

Taken and recorded by

Peggy Law
Peggy Law, Stenographer

Approved by

Yukio Higuchi
Yukio Higuchi
Executive Secretary