

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

MINUTES OF MEETING

Date: Thursday, June 27, 1974

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

Present: Douglas R. Sodehani, Chairman
Herbert S. Isonaga, Vice Chairman
Mrs. Mary V. Savio, Member
John D. Texeira, Member
John J. Urner, Member
Tadayoshi Ishizu, Member

Clyde E. Sumida, Deputy Attorney General
Dick H. Okaji, Licensing Administrator
Mrs. Lydia Pai, Examination Branch Supervisor
Yukio Higuchi, Executive Secretary
Mrs. Peggy Lau, Stenographer

Wesley Park, Small Business Management Program, U. H.
George Morris, Jr., Honolulu Board of Realtors
Edward Manwaring, Educational Testing Service
Representatives of Real Estate Schools Association of Hawaii
Mary Shern and John Stapleton

Absent: Ah Kau Young, Member

Call to Order: There being a quorum, Chairman Sodehani called the meeting to order at 9:10 a.m.

Minutes: Mary Savio moved and Herbert Isonaga seconded that the minutes of the May 30, 1974 meeting be approved as circulated. Motion carried.

Committee Real Estate Education Advisory Council

Reports: Schools and Instructors

Application for Accreditation of School

Mary Shern School of Real Estate

Herbert Isonaga moved and John Urner seconded that Mary Shern School of Real Estate be approved subject to approval by D.O.E. Motion carried.

Change of School's Principal

Mike McCormack School of Real Estate

It was moved by Herbert Isonaga and seconded by Mary Savio that Jo Ann Stewart be approved as the new principal for Mike McCormack School of Real Estate. Motion unanimously carried.

Change of School's Ownership and Location

Interstate Properties School of Real Estate

Mary Savio moved and Tadayoshi Ishizu seconded that the Commission approve Interstate Properties School of Real Estate name change to Central School of Real Estate and its new location. Motion carried.

Real Estate Newsletter

Mary Savio reported that the first issue of the real estate newsletter will be mailed out June 29 or 30, 1974, and that the draft looks good.

Education Orientation Seminar on Neighbor Islands

The Executive Secretary reported that the education orientation seminar was very disappointing due to the poor attendance. It was noted that the Hilo and Kona sessions were poorly attended due to the clash in schedule with the first Real Estate Seminar put on by Wesley Park.

Real Estate Seminars

Wesley Park informed the Commissioners that the first neighbor island seminars were conducted on Maui, Kauai, Hilo and Kona, and that Honolulu will have its first seminar tomorrow. Wesley Park requested that Honolulu have a repeat seminar since the response was excellent and many had to be turned down due to limited enrollment.

The Commissioners were in agreement that as long as the demand is there, more seminars will be budgeted for.

Book Donations

Mary Savio reported that she has submitted the material on book donations to the Executive Secretary for forwarding to the Director.

Condominium Review Committee

John Urner briefed the Commissioners of his plans for refining the checklist for condominium registration review and of his concern over the authority association owners have.

Rules and Regulations Committee

The Executive Secretary announced that the public hearings on the proposed rules and regulations amendments have been concluded on Kauai, Maui, Hilo, Kona and Oahu. An item-by-item review of the proposed amendments was conducted by the Commissioners.

Herbert Isonaga moved and Mary Savio seconded that the Commission adopt Chapter 20 with the amendments subject to proper revision. Motion carried unanimously.

Recovery Fund Report

No change.

Attorney General's Report

Deputy Attorney General Clyde Sumida reported that S. B. No. 2027 was vetoed because of the time-sharing portion and that Act 205 amends the Commission's law by amending the conviction provision which has been the basis for denial of license (Clyde Sumida will submit a guideline to the Department of Regulatory Agencies on this and how you can get abstracts).

Clyde Sumida further reported on International Syndications, Inc. The attorney for the plaintiffs wants the Commission's assurance that he would not lose his place in order of payment if he tries to recover from the land owned by H.S.I. The Commission was sympathetic to the attorney's cause, but has no alternative but to pay on a first come, first served basis on judgments granted by the Court.

Clyde Sumida advised the Commissioners that the contract for hiring an attorney to represent the Commission in defending the recovery fund against claims has been drafted and Sidney Ayabe is interested in the job.

Business Out
of Minutes:

Questionable Applications

Hearing Report on Violet C. King (Broker License Applicant)

John Texeira read part of his draft on the findings of fact, conclusions of law and recommendations on Violet King's hearing. John Texeira will revise his draft noting the Commissioners opinions and corrections. Said report will be presented to the Commission for action at its next meeting.

John Michael White (Broker License Applicant)

John Texeira moved and John Urner seconded to accept the sub-committee's recommendation that White be issued a broker license. Motion carried unanimously.

Robert C. Measel, Jr. (Salesman License Applicant)

The Executive Secretary reported that Measel's attorney has submitted the required affidavits on Measel's case and recommends issuance of license.

John Texeira moved and John Urner seconded to accept the Executive Secretary's recommendation for the issuance of Measel's salesman license. Motion carried unanimously.

Robert W. Gibson (Broker Examination Applicant)

Deputy Attorney General Clyde Sumida informed the Commissioners that because of the discrepancy between the law actually printed and what the Department has in its print out, Robert Gibson has filed suit against the Commission for being denied admittance to the broker examination.

Mary Savio moved and John Urner seconded to accept Clyde Sumida's recommendation that (1) Gibson's application for broker examination be approved; (2) Department of Regulatory Agencies be notified of the error in its print out, and (3) that the law be amended at the next legislative session. Motion carried unanimously.

Investigations: RE-518 Singleton Associates) The Executive Secretary reported
RE-531 Julian Buttons) that he met with Clyde Sumida, but
RE-560 Donald E. Sandborn) these matters are still unresolved.

Sheldon Soosman

Clyde Sumida to work further on this case with the Investigation Branch.

RE-547 Durrel Robison

The Executive Secretary reported that the Kona Investigator has submitted some information on Durrel Robison (file was lost).

The Executive Secretary was directed to discuss this with Clyde Sumida to determine if this information is sufficient to pursue this case.

New Business: Licensing

CORPORATION

ADM Realty, Inc. - 745 Fort Street, Suite 203-C, Honolulu
 John S. Kay, Jr. PB
 Grand Western Properties, Inc. - 1410 Kapiolani, #18, Honolulu
 Kenneth T. K. Ching PB

CHANGE OF NAME ONLY

Broms-Slavish & Associates, Inc. (former Dave Lewis & Assoc. Inc.)
 Edward M. Slavish PB

BRANCH OFFICE

Herbert K. Horita Realty, Inc. BR-2 - 411 Hobron Lane, Honolulu
 Norman Nagatori BIC (for 1 year expiring 3/8/75)

DBA

Jan Campbell - 180 Halekauwila, #26, Honolulu
 Janet L. Campbell dba
 Bruce F. Buckman, Realtor - 190 So. King, #2610, Honolulu
 Bruce F. Buckman dba
 Pacific Realty & Investment Co. - 2828 Paa, #3010, Honolulu
 Ernest J. Klein dba
 Paco Realty - 911 Alakea, #202, Honolulu
 Nathan Paco dba
 Alexander Wilson Realtor - Suite 455, Alexander Young Bldg., Hon.
 Alexander Wilson dba

John Texeira moved and Mary Savio seconded to approve the licensing processing of the above as tentatively approved by the Executive Secretary. Motion unanimously carried.

Audience: Edward Manwaring of Educational Testing Service

Edward Manwaring informed the Commissioners that his main reason for coming is just to meet with the Commissions and find out how everything is going. (John Stapleton and Mary Shern, representatives of the Schools' Association, were present.)

During considerable discussion the Commission advised Manwaring of the following:

- (1) Frequency of questions reappearing on examination. He was requested to increase their question bank, so the questions can be changed more often.
- (2) Poor administration (proctoring) of examination.

- (3) Inadequacy of broker examination--documentation portion weak.
- (4) Delay in receipt of examination results.
- (5) Need for more questions in listing contract and offer to purchase contract in salesman examination.

It was moved by Mary Savio and seconded by John Texeira that Edward Manwaring be allowed to speak before the group at the Association's meeting. Motion carried.

Miscellaneous: 1975 Examination Schedule

The Commissioners scheduled the 1975 examination dates as follow: April 12, August 9 and December 13.

Request for Use of Corporate Name "Land Heritage Corporation"

The Executive Secretary reported that the name, "Heritage Investors Incorporated" is registered and Robert Cloutier is requesting to use the name, "Land Heritage Corporation".

John Texeira moved and John Urner seconded that Cloutier be permitted to use the name, "Land Heritage Corporation" as it is different from the name registered. Motion carried.

1974 Legislation

Act 60 (Real Estate Recovery Fund Amendments)

The Executive Secretary advised the Commission that this Act was signed by the Acting Governor on May 28, 1974 and is now in effect.

Act 120 (Consumer Protection Amendments)

The Executive Secretary briefly informed the Commissioners that this bill authorizes the Office of Consumer Protection to bring civil suit against any person engaged in unlicensed activities and set a fine of not less than \$500 nor more than \$2,500 for each unlawful act.

Correspondence: Warren James Fitzgibbon's Letter

John Texeira moved and Mary Savio seconded that in view of the fact that future applicants will not be required to have finger-print checks, Fitzgibbons and every applicant awaiting local and FBI checks be issued a license. Motion carried.

Mary Shern's Letter

The Executive Secretary announced that the Hawaii Association of Real Estate Schools is offering a seminar for instructors and have welcomed the Commissioners to attend on July 5, 1974.

Mary Shern presented information of her plans to start a correspondence-salesman course on Molokai. She was referred to work with the Education Advisory Council on details of her plans.

Next Meeting: Thursday, July 25, 1974, at 9 a.m.

Adjournment: There being no further business, Chair adjourned the meeting at 4:10 p.m.

Taken and recorded by:

Peggy Lau
Peggy Lau, Stenographer

Approved by:

Yukio Higuchi
YUKIO HIGUCHI, Executive Secretary