

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

MINUTES OF MEETING

Date:

Thursday, May 29, 1975

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
Tadayoshi Ishizu, Member
John D. Teixeira, Member
John M. Urner, Member
Ah Kau Young, Member

E. John McConnell, Deputy Director
Allan Kawada, Deputy Attorney General
Yukio Higuchi, Executive Secretary
Mrs. Karen Hirota, Clerk-Stenographer

George "Red" Morris, Executive Vice President of Hawaii Assn.
of Realtors
Milton Motooka, President of Hawaii Assn. of Real Estate Schools
George Holt, Ombudsman Office
Joseph A. Ryan, Attorney representing Salesman candidates
Jan D. Helsel, Salesman candidate
Robert James, Salesman candidate
Cassandra Lee Sacher, Salesman candidate
James R. Murphy, Salesman candidate
Pat Campos, Salesman candidate
Dorothy J. Richards, Salesman candidate
Joanne Hamer, Salesman candidate
Anne Keamo, Salesman candidate
Wolf Fischer, Representative for Swiss Consul
Douglas C. K. Tom, Respondent
John Parker, Friend of Respondent

Call to Order:

There being a quorum, Chairman Sodetani called the meeting
to order at 9:05 a.m.

Minutes:

Mary Savio reported a correction on page 12 regarding three
correspondence which was recorded as being directed to her.
Mrs. Savio returned the letters to Yukio Higuchi for response.

John Teixeira moved and Tadayoshi Ishizu seconded to approve
the May 29, 1975 minutes as corrected. Motion unanimously
carried.

Continuation of Hearing:

Douglas C. K. Tom, Applicant for Real Estate Salesman's License

(The Commission took a recess to have a continuation of hearing at 10:15 a.m. before hearing officers, John Texeira and Ah Kau Young. The hearing for Douglas C. K. Tom was adjourned at 10:20 a.m.)

Examination Results:

Discussion on April 12, 1975 Real Estate Examination

E. John McConnell reported that the candidates made a formal request to him for a formal hearing. The Deputy Director read a letter dated May 28, 1975 to the applicants pertaining to the examination. Copies of this letter was circulated.

Joseph Ryan, Attorney representing the salesman group, requested that the Commission review the State Law questions and if they throw out another question, this would reinstate many candidates. If not, he suggested John Reilly, Jo Ann Stewart and Clifford Stark review the State Law portion of the exam. This request would satisfy his group.

E. John McConnell was requested to write to E.T.S. for approval to have the exam reviewed. If approval is granted, he is to select a disinterested reviewer to meet with Herbert Isonaga, Mrs. Mary Savio and Joseph Ryan. After exams are reviewed, all questionable questions will be sent to E.T.S. for their rebuttal on the questions.

Herbert Isonaga moved and Ah Kau Young seconded to approve the above arrangement. Motion unanimously carried.

Committee Reports:

Real Estate Educational Advisory Council

Applications for Instructor's Certificate

Mary Savio moved and Herbert Isonaga seconded to approve the following applications for instructor's certificates.

James Arthur Bond (Guest Math Instructor)

Vitousek Real Estate Schools, Inc.

Ronald G. Li (Broker & Salesman Instructor)

Mary Shern School of Real Estate

Richard Albert Breton (Salesman Instructor)

Professional School of Real Estate

Daniel O'Farrell-Zermeno (Broker & Salesman Instructor)

Central School of Real Estate

Sharon K. Scheele (Guest Escrow and Closing Statement Instructor)

Elroy Osorio School of Real Estate

Motion carried.

Continuing Education (S.E.M.P.)

Executive Secretary reported that he was unable to work on this project, but he will work on it as soon as time permits.

Educational Consultant

Wesley Park submitted a letter for the Executive Secretary's approval before sending it to the Director.

Mary Savio reported the cost for a one-year period was estimated at \$23,400 - \$30,000. The contract would be prepared on a one-year basis.

Real Estate Chair

Copies of a proposed memo and agreement from David Bess of the University of Hawaii was distributed. The Executive Secretary requested some time to review them.

Purchase of Film "On the Move"

Executive Secretary had no progress report to make at this time.

Book Donations

Executive Secretary read a letter from Richard Ando, a statement from Mrs. Sally Oshiro of the University of Hawaii Library System and a bill from the Honolulu Board of Realtors, which states that they acknowledge the receipt of the books. Executive Secretary reported that this is being handled by the Fiscal Office of our department.

Condominium Review Committee

Executive Secretary read a notice on House Concurrent Resolution No. 139 from the Deputy Director. John Urner was requested to comply with the suspense date of November 1, 1975.

Committee Chairman John Urner requested that a public meeting be held for the review of condominium statutes. Chairman Sodemani recommended that a follow-up report be given at every board meeting.

Chairman Sodemani appointed John Urner to take care of time-sharing legislation, and Mary Savio to handle the review of other condominium statutes.

Herbert Isonaga moved and Tadayoshi Ishizu seconded that the Commission request the Hawaii Association of Realtors to assist in studying HCR No. 139. Executive Secretary was directed to prepare a draft of a letter to the Hawaii Association of Realtors.

Legislation Committee

Committee Chairman Ah Kau Young had no report to make.

Real Estate Recovery Fund

Executive Secretary had no new status report to make.

Attorney General's Report

In the absence of Clyde Sumida, Deputy Attorney General Allan Kawada appeared at the meeting. Deputy Attorney General Allan Kawada did not have a report to make.

Business Out
of Minutes:

Questionable Applications

Calvin W. Ontai, Applicant for Real Estate Broker License

Executive Secretary reported that on May 21, 1975, a hearing was held with the Deputy Director acting as the hearing officer. He will make a report of his findings, conclusions and recommendations.

Roy Y. Nihei, Applicant for Real Estate Salesman License

Executive Secretary read a letter from Roy Y. Nihei requesting for a formal hearing on his application denial for late filing.

Mary Savio moved and Ah Kau Young seconded that the Executive Secretary interview Roy Nihei and then make a decision whether or not to reverse the Commission's earlier decision to deny. Motion carried.

Edward Bendet's Request for Registration of Agricultural Condominium

Mary Savio moved and Ah Kau Young seconded the Executive Secretary's recommendation to turn this matter over to the Attorney General's Office for review. Motion carried.

NARELLO Western District Enforcement Conference

Executive Secretary reported that he and Mary Savio had an opportunity to talk with Mr. George Oakes in Chicago and he had agreed to mail us all the necessary information, but to this date, no information had been received.

E.T.S. Examination Advisory Committee Meeting

Copies of the travel report prepared by Mary Savio was mailed out to the Commission members for their information.

Investigations:

RE-518 Singleton Associates

Executive Secretary reported that a hearing was held earlier on this case in Kōna and continued on May 13, 1975 in Honolulu. John Texeira is preparing a report at this time and will present it to the Commission at the next meeting.

RE-528 Durrel Robison

John Texeira and Herbert Isonaga, hearing officers for this complaint case, recommend to the Commission that we continue this hearing. Executive Secretary suggested that we accept the recommendation of the Attorney General and hold it in abeyance for 30 days, and if Hiserote does not come back, the case should be judged with whatever was presented at the hearing.

RE-547 Durrel Robison

Executive Secretary reported that the hearing was concluded in Kona and that copies of the report was sent to all the Commission members. Executive Secretary has not received the return receipt from Durrel Robison

The Commission was further advised that, according to APA requirements, Robison had 15 days from date of receipt to file his exceptions before the Commission could act on the matter.

RE-593 Jerry A. Ching

Executive Secretary reported that the case was decided for a hearing but he was not able to prepare a hearing notice.

RE-595 Empire Properties International, Inc.

Executive Secretary reported that the case was decided for a hearing but he was not able to prepare a hearing notice.

RE-591 Oceanview Ventures

Executive Secretary reported that no violation was found at the last meeting. He read a letter from James Shiroma dated May 9, 1975, saying that he wished to dismiss the charges against Oceanview Ventures.

Ah Kau Young moved and John Texeira seconded that the case be closed. Motion carried.

RE-579 Ernest L. Forde

Executive Secretary reported that the Complaint Review Committee reviewed and recommends warning letters be sent to both Pummill and Forde for soliciting reservations on a condominium project prior to the issuance of a Commission's public report. As to the allegations made by Pummill, it was recommended that the case be dismissed as there appeared to be no evidence to support the allegations.

John Texeira and Tadayoshi Ishizu seconded to accept the recommendations of the Committee. Motion carried.

RE-604 Thomas Nakahara Realty

Executive Secretary reported that this is an investigation requested for by Sidney Ayabe in preparation of defending the Real Estate Recovery Fund. Executive Secretary recommended that no action be taken on this matter.

John Texeira moved and Ah Kau Young seconded to accept the recommendation of the Executive Secretary. Motion carried.

RE-577 Masao Shintani

Executive Secretary reported that the Complaint Review Committee recommended that a hearing be held on Shintani for the alleged violation of Rule 1.3(a), which states that a broker shall endeavor to eliminate in his community any practices which could be damaging to the public. Having failed to advise his client that he (client) was entering into a negative Agreement of Sale at the time he (client) purchased the apartment complex, Shintani then proceeded to resell the property again without explaining the full ramifications the negative Agreement of Sale would have on the net proceeds he (client) would receive for the resale of the apartment complex.

John Texeira moved and Tadayoshi Ishizu seconded to accept the recommendation of the Committee. Motion carried.

RE-608 Victor Amiel

Executive Secretary reported that the Complaint Review Committee recommended we dismiss this case based on the fact that the Ewa Beach Shopping Center was the only property Amiel is managing, and it was unnecessary for him to reactivate his real estate license because he qualified for the custodian caretaker exception. As an extra precaution, he has reactivated his license and has notified his employing broker of his position regarding the Ewa Beach Shopping Center.

John Texeira moved that we accept the recommendation of the committee. Ah Kau Young seconded. Motion carried.

RE-611 First Hawaiian Properties

Executive Secretary reported that the Complaint Review Committee recommended dismissal of this complaint as there was no violation found with the operations at First Hawaiian Properties relative to their gift giveaway.

John Texeira moved and Tadayoshi Ishizu seconded the recommendation of the committee. Motion carried.

New Business:

Licensing

CORPORATIONS:

- Consulting Group of Honolulu, Inc. - 925 Bethel St., #304, Honolulu
Andres Albano, Jr.-PB
- Hawaii's Land Man, Inc. - 20 Haili St., Hilo
Norman D. Frane-PB Note: New resolution & fees due
- IRM Corp. - 841 Bishop St., #2020, Honolulu
Yuki Kajiwara-PB Note: Release & fee due
- Ingel Realty, Inc. - 905 Umi St., #101, Honolulu
Alejandra B. Ingel-PB
- Kapalua Realty, a division of Kapalua Land Co., Ltd. - Maui Land
& Pineapple Co. Inc., Kane St., Box 187, Kahului
Beverly M. Lewis-PB
- Liberty Homes, Inc. - 95 S. Kam Hwy., #203, Wahiawa
Harry F. Prisby II-PB
- Love-Anderson Realty & Land Co., Ltd. - 1993 S. Kihei Rd., Kihei
Lucie D. Anderson-PB Note: Articles & release due
- Mo-Ne Properties, Inc. - 1152 Bishop Bldg., #800, Honolulu
Will R. NeSmith-PB
- Property House, Inc. - 126 Queen St., #305, Honolulu
Paul K. Strauch, Jr.-PB Note: Release & fee due
- R.I.A. Real Estate, Inc. - 98-200 Kam Hwy., #401, Aiea
Covy E. Blackmon-PB
- Real Estate Mart, Inc. - 1451 S. King St., #305, Honolulu
James R. Smith-PB Note: Articles due (certified)

Executive Secretary recommended that the Commission approve the applications except for:

Hawaii's Land Man, Inc.

Tadayoshi Ishizu and Francis Gota was directed to look into this application.

Ah Kau Young moved and John Texeira seconded that the applications be approved subject to the notations. Motion carried.

PARTNERSHIP:

- Boyle & Gilbert, Realtors - 1152 Bishop Bldg., #804, Honolulu
Phillip S. Boyle-PB

Ah Kau Young moved and Tadayoshi Ishizu seconded to approve the application subject to the removal of the word "Realtors." Motion carried.

BRANCH OFFICES:

- Associated Realty, Ltd., Br-1 - 94-246 Mokuola St., Waipahu
Gail A. Upton-BIC
- Oceanside Properties, Inc., Br-3 - 50 S. Beretania St., Honolulu
L. F. Price-BIC

John Texeira moved and John Urner seconded to approve all branch office applications. Motion carried.

TRADE NAMES:

F.C.R. Leasing - 745 Fort St., #2121, Honolulu
Eugene R. Furr, dba (formerly using Financial Center Realty)
Ohana Realty - Kailua-Kona
John M. LaPlante, dba Note: Zoning form due
Pacific Realty Co. - 1650 Kanunu St., Honolulu
Lloyd W. Provine, dba Note: Presently on file-
Pacific Realty & Investment Co.
Paramount Realty - 1441 Kapiolani Blvd., #1118, Honolulu
Hong C. Chang, dba
Realty Advisors - 2003 Kalia Rd., #9K, Honolulu
Kamran Hariri, dba
Don Von Elsner, Real Estate Broker - 148 Koula St., Box 595, Hilo
Don B. Von Elsner, dba

Tadayoshi Ishizu reported that the application from Don Von Elsner, Real Estate Broker, should be checked into, because he is operating from his residence.

Ah Kau Young moved and John Texeira seconded that the above applications be approved subject to the notations on Von Elsner. Motion carried.

CHANGE OF NAME:

Sleeping Giant Realty, Inc. - 3122 Kuhio Hwy., Lihue
Clare F. (Ellett) Miller, PB (formerly - Pacific Ocean Properties Inc.)

Tadayoshi Ishizu moved and Ah Kau Young seconded to approve the application. Motion carried.

DENIED PREVIOUSLY:

AID Realty - 2015 Ala Wai Blvd., Honolulu,
American International Development-Realty Corp., dba
(formerly applied for: American International Development-
Realty Corp., dba-AID Realty INC.)
Note: Appointment of new PB due
Sunlight Enterprises, Inc. - 675 N. King St., Honolulu
Lino E. Juan-PB
(formerly applied for: A. D. Azcueta & Sons Co., Inc.)

John Urner moved and Ah Kau Young seconded the approval of:

AID Realty

subject to the appointment of a new PB and the zoning of the address is a business address.

John Urner moved and Tadayoshi seconded to approve the application of:

Sunlight Enterprises, Inc.

Motion carried.

Miscellaneous: Sale of Vacation License or Leases

Chairman Sodemani suggested that the Commission should notify the Governor and Director of Regulatory Agencies as to their concern of what is happening in the State of Hawaii in reference to the sale of vacation licenses or leases.

Executive Secretary requested an investigation on this matter. Chairman Sodemani directed the Executive Secretary to follow through and to inquire if Consumer Protection (Walter Yamashiro) can assist us to see whether this is a real estate activity or in the hotel business.

Chairman Sodemani suggested that DAG Allan Kawada inform DAG Clyde Sumida and Attorney General Ronald Amemiya regarding the Kona Inn matter relating to the sale of vacation licenses or leases.

Chairman Sodemani requested that investigations be conducted by the neighbor island investigators on each vacation license programs in operation on the respective neighbor islands.

April 12, 1975 Examination Results

Executive Secretary circulated the list of the successful candidates but stated that it was not the final list. Therefore, the Commission should defer action on the acceptance of the list to the next meeting.

Expiration of Real Estate Education

Executive Secretary requested the Commission for a ruling as to the cut-off date of the real estate course completion certificate. The rules and regulations provides that the certificate will be valid for a two year period.

Herbert Isonaga moved and Mary Savio seconded that staff accept the application, provided, that the application is filed within two years from the date of issuance of the completion certificate. Motion carried.

Disclosure of Seller's License Status

Executive Secretary requested the Commission for a ruling as to when a licensee must notify the purchaser that he is the owner of a property he is selling. Since there was a difference of opinion, the Executive Secretary recommend that the Commission amend Rule 1.3G to clarify this matter.

Advertisement of Inactive Licensee Program

Executive Secretary reported that Dick Chappi recommended to the Commission that if a person is on inactive status and wants to sell his own property, he should be required to go through a license order.

Executive Secretary was directed to request DAG Clyde Sumida to look into this matter. Action was deferred until the Attorney General reported on this matter.

Correspondence: Ombudsman's Letter Re: Rule Requiring Written Complaints

Executive Secretary read a letter signed by Georgina Yuen of the Ombudsman's Office, which suggested that the Commission accept telephone complaints of improper advertisements, in spite of, Rule 5.25 which requires filing of a written complaint.

The Commission members were in agreement that complaints of improper advertisements appearing in widely circulated medias, such as: local newspapers, Pacific Business News, etc., need not be in writing, but the complainant should cooperate with the Commission by mailing the advertisement to the Commission's office. No name or signature will be required when submitting the advertisement.

Robert W. Hall's Letter Re: Suggestion on Horizontal Property Regime Law Changes

Executive Secretary read Robert Hall's letter and reported that this letter will be forwarded to John Urner, Chairman of the Condominium Review Committee for consideration.

Donald L. Moseley's Request for E.T.S. Examination Results

Executive Secretary read Donald Moseley's letter requesting for the percentage of the number of passing applicants and questioned whether this information can be revealed to Moseley. After discussion, the Commission chose not to release the requested information to Moseley.

Announcements: Act 118, Session Laws Hawaii 1974, Biennial Renewal

Executive Secretary reported that Act 118 was passed and the Real Estate Commission will be the first to start the biennial renewals in January 1976.

Date of Next Meeting: Thursday, June 26, 1975 at 9 a.m.

Adjournment: There being no further business, Chairman Sodehani adjourned the meeting at 4:05 p.m.

Taken and Recorded by:


Sarah Mizota, Clerk-Stenographer

Approved by:


YUKIO SUGUCHI, Executive Secretary