

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

MINUTES OF MEETING

Date: Wednesday, October 30, 1974

Place: Penthouse Conference Room, Kamamalu Building
1010 Richards Street, Honolulu, Hawaii

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

Edwin H. Honda, Director of Regulatory Agencies
Clyde E. Sumida, Deputy Attorney General
Michael D. Machado, Acting Executive Secretary
Alvin Yamamoto, Investigator
Mrs. Peggy Lau, Stenographer

Wesley T. Park, Small Business Management Program, U. H.
Violet C. King, Applicant for Broker License
Mary Shern and John Stapleton, Representatives of Real
Estate Schools Association of Hawaii

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

Minutes: John Texeira moved and Ah Kau Young seconded that the minutes
of the September 26, 1974 meeting be approved as circulated.
Motion carried unanimously.

Committee Reports: Real Estate Education Advisory Council

Accreditation of School

J. V. School of Real Estate (Salesman Course)

Ah Kau Young moved and Herbert Isonaga seconded
the acceptance of J. V. School of Real Estate's
application for accreditation. Motion carried.

Stark Schools, Inc. (Broker Course)

Ah Kau Young moved and Herbert Isonaga seconded for
the approval of Stark Schools, Inc.'s application to
instruct the brokers course. Motion carried.

Elroy Osorio School of Real Estate

Ah Kau Young moved and Herbert Isonaga seconded to approve the changes submitted by Elroy Osorio School of Real Estate. Motion unanimously carried.

Book Donations

Mary Savio had nothing to report--matter of getting the money allocated for the books.

Education Consultant

Mary Savio circulated copies of a guideline letter from the University of Hawaii at Manoa in reference to the establishment of a visiting chair in real estate.

After considerable discussion, Herbert Isonaga moved and Mary Savio seconded that the Commission accept the guideline as presented by the University of Hawaii and that a copy of this guideline be forwarded to the Director with the request that he expedite the allocation of \$50,000 to the U. H., so that the Commission can proceed with the search for a professor for Fall 1975. Motion carried unanimously.

The Commissioners were in agreement that this chair be created on a rolling 3-year basis, instead of a rolling 5-year basis.

School Visitation

Acting Executive Secretary Michael Machado circulated copies of his school visitation report and apprised the Commissioners that this is not an in-depth report, but rather a follow-up of Glenn Ikemoto's initial report.

The Acting Executive Secretary further apprised the Commissioners that show-cause letters have been recently sent to David Bartholomew and John Daughters. The Commissioners directed that a show-cause letter also be sent to Margy Sussex, an uncertified instructor.

The Commissioners further directed that each school receive the comments made at their particular school.

Mary Shern and John Stapleton reported on the volunteering assistance to staff by correlating applications and certificates of completions. They suggested that the original certificate of completions be submitted with the applications to make staff's work less time-consuming (students will get carbon copy of certificate after passing the course).

Ah Kau Young moved and John Texeira seconded that the procedural arrangements suggested by Mary Shern and John Stapleton be approved by the Commission. Motion carried without dissent.

Following Mary Shern's report on her experimental correspondence course on Molokai, Mary Savio moved and Ah Kau Young seconded that Mary Shern School of Real Estate's correspondence course be approved for both the salesman and broker courses on all islands on the condition that Mary Shern meet with the students four times; experimental basis for the April 12, 1975 examination only. Motion carried unanimously.

Condominium Review Committee

Herbert Isonaga distributed copies of a pamphlet regarding necessary legislation on the H.P.R. Act to give the Commissioners information on what the public hearing on November 20, 1974 will be about.

The Acting Executive Secretary was directed to notify all major property management firms of the Commission's public hearing on S.R. No. 224 and H.R. No. 421, and request that they notify the various Association of Apartment Owners of the November 20, 1974 public hearing.

Rules and Regulations Committee

A more comprehensive cover letter to accompany the rules and regulations to the Governor's Office will have to be prepared by the Executive Secretary.

Recovery Fund Report

The Acting Executive Secretary circulated copies of the recovery fund report.

Appointment of Sidney Ayabe as Fund Counsel

Deputy Attorney General Clyde Sumida advised the Commissioners that Sidney Ayabe has been appointed Fund Counsel and he will prepare the contract.

Payment made to Kemper (I.S.M. Case)

The Acting Executive Secretary informed the members of the Commission that payment of \$56,687.07 has been made to Edward Kemper (Civil No. 40475) on October 17, 1974.

Attorney General's Report

Deputy Attorney General Clyde Sumida reported that he reviewed the file and investigation report on the Ala Wai Cove and that more information is needed to proceed against the various individuals charged. He recommended that the Commission charge them with Act 205; before they can be charged with Chapter 467 and Rule 1.3A, the U. S. Attorney General's Office must be contacted for evidence showing that these individuals have committed fraudulent or dishonest acts.

Chair appointed John Texeira and Herbert Isonaga as the hearing officers for all individual cases on the Ala Wai Cove.

After considerable discussion with the Deputy Attorney General, Alvin Yamamoto and the Commissioners on time-sharing, it was decided that all inquiries on time-sharing be referred to the Deputy Attorney General.

Business Out of Minutes:

Violet C. King, Applicant for Broker License

Violet King appeared before the Commission with a character witness; Deputy Attorney General Clyde Sumida advised Violet King that her hearing has been concluded.

Questionable Applications

Robert W. Hall, Restoration of Salesman License

Chair directed that the Executive Secretary verify whether Robert Hall is demanding a formal or informal hearing; if a formal hearing is demanded, Ah Kau Young and John Urner will be appointed hearing officers.

Investigations:

- RE-518 Singleton Associates)
- RE-513 Julian Duttons)
- RE-528 Durrel Robison) Drafts of hearing notices
- RE-547 Durrel Robison) at Attorney General's Office.
- RE-553 Bernice Midkiff)
- RE-571 Benjamin E. Ayson)

RE-568 Joe Morton, Realtor

Action deferred pending further investigation.

RE-570 Joyce Watt

Action deferred pending counsel from the Attorney General's Office.

RE-566 Alpha Real Estate

Herbert Isonaga moved and John Texeira seconded that the complainant be advised that the Commission investigated this matter and found that the escrow company fouled up and that there is no wrong actions by Alpha Real Estate. Motion carried unanimously.

RE-538 Supplementary Report and RE-561 Harold Silva

Herbert Isonaga moved and Tadayoshi Ishizu seconded that this case be dismissed, inasmuch as, this case has been tried and Harold Silva was found not guilty. Motion carried unanimously.

RE-580 H & S Construction Corp., Inc.

Ah Kau Young moved and Tadayoshi Ishizu seconded that in view of the fact that the respondent rectified all complaints, this case be closed with a warning letter to Stephen Ferreira stating that as a licensee he should be more aware of the laws. Motion carried unanimously.

RE-569 Tom Schmidt, Realtors

John Texeria moved and John Urner seconded that a copy of the investigation report be sent to the complainant advising him to produce the cancelled check or the Commission will have no grounds to pursue this case any further. Motion carried without dissent.

RE-570 Paul B. DuCharme

John Texeira moved and Ah Kau Young seconded that Lydia Wirth, the complainant, be advised that this case has been dismissed, since Paul DuCharme received no compensation, performed this service as a friend, and agreed to discontinue this service. Motion carried unanimously.

RE-559 Survey of Real Estate Offices Offering Free Dinners in Connection with Land Sales

Herbert Isonaga moved and Mary Savio seconded that GAC Properties, Inc. be advised that: (1) they are required to get a branch office license for Cinerama and Outrigger Hotels forthwith; (2) a principal broker who will be able to provide adequate supervision to the sales staff be assigned to both locations; and (3) their activities so far as solicitation goes be confined to areas they are licensed to conduct business. Motion carried unanimously.

New Business: LicensingCORPORATION

The America Group Realty Corporation - 333 Queen, #610, Hon.
Emmett H. Helms, PB

Banyan Realty, Inc. - 1600 Kapiolani Blvd., #823, Honolulu
Goro Kobayashi, PB

Central Realty, Inc. - 1650 Kanunu St., Room 309, Honolulu
Leonard Dillenbeck, PB

Delta Realty, Inc. - 190 So. King St., Suite 740, Honolulu
Sidney K. Ayabe, PB

Eileen Enterprises, Inc. dba South Puna Realty - 15-783 Kahakai
Ronald I. Odo, PB Blvd., Puna, Hawaii

Grubb and Ellis Commercial Brokerage Co. - 190 So. King, #900, Hon.
William F. Carling, PB

Gunn & Associates Realty, Ltd. - 700 Bishop, Suite 909, Honolulu
Grace K. Gunn, PB

Haleiwa Realty, Inc. - 190 So. King, Suite 1650, Honolulu
Dolores M. Cerney, PB

IFC Realty Corporation - 1246 Kapiolani Blvd., Honolulu
Robert K. Tanaka, PB

Laakai Realty Corporation - The Dolphin, Corner of Alii Drive and
John M. LaPlante, PB Sarona Road, Kailua-Kona

Lanex Realty, Inc. - Suite 686 Alexander Young Bldg., Honolulu
Harry S. Yamamoto, PB

Miki Hana Realty, Inc. - 180 Kinoole St., Room 202, Hilo
John W. Cooper, PB

National Mortgage Real Estate Corp. - 1018 Bethel, #408, Hon.
George M. Furuuchi, PB

Pacific Western Realty, Inc. - 745 Fort St., Room 1500, Honolulu
Joseph Y. Sotomura, PB

F. M. Tarbell Co. - 190 So. King, Suite 1414, Honolulu
Abigail L. Rose, PB

Remi Taum & Associates, Inc. - 929 Queen St., Suite 205, Honolulu
Remiguis M. Taum, PB

Jerry Wong & Associates, Inc. - 700 Bishop, Suite 1503, Honolulu
Jerry R. Wong, PB

BWB Enterprises, Inc. dba Cooperative Realty - 55-510 Kam Hwy, Laie
Benjamin C. Wagner, PB

Kaiser Pacific Properties Corporation - 747 Fort, #1402, Honolulu
Nelson W. G. Lee, PB

Ah Kau Young moved and Tadayoshi Ishizu seconded that with the exception of Central Realty, Inc. (check if duplicate name), Grubb and Ellis Commercial Brokerage Co. (must reflect the incorporation), Pacific Western Realty, Inc. (check if Joseph Sotomura is PB for two firms), and F. M. Tarbell Co. (must reflect incorporation), the Commission approve the above applications for corporate licenses. Motion carried.

CHANGE OF NAME OF CORPORATION

Raps Harper, Inc. (former Raps Harper, Realtor, Inc.)
King Realty Company, Inc. (former King Enterprises, Inc.)
DHG, Ltd. (former D. H. Graham Co. Ltd.)
Heritage Capital Corporation (former Heritage Investors, Inc.)

UPON MOTION, the above applications for change of corporate name were approved unanimously.

BRANCH OFFICE

Hawaiiana Investment Co. Inc. dba Brewer Realty Co BR-1 - Punaluu
Walter H. Taylor, BIC Village Restaurant Pavilion, HI
(permit expires January 1975)
Prosser Realty, Inc. BR-1 - Princeville at Hanalei, Kauai
Michael J. Watt, BIC

UPON MOTION, the above applications for branch office licenses were unanimously approved.

DBA

Clyde Abe Realty - 190 So. King, Suite 2634, Honolulu
Clyde T. Abe, dba
Aloha Business - 88 Front St., Box 907, Lahaina, Maui
Barbara G. Berry, dba
Hamilton International Real Estate - 841 Bishop, #2101, Hon.
Eugene T. Hamilton, dba
Herren & Associates Realtors - 190 So. King, #1540, Honolulu
Rex E. Herren, dba

Mary Savio moved and John Urner seconded that the DBA's be approved, except for Herren & Associates Realtors (the word "Realtors" must be deleted). Motion unanimously carried.

Miscellaneous: Review of E.T.S. Contract

Clyde Sumida advised the Commission that the E.T.S. contract to be renewed is basically the same.

Commission's Position on Broker Working Out of his Apartment (Residential) in a Condominium Located in a Business Zone

The Commission's position is that it will not issue a license to a broker working out of his apartment in a condominium where it is specifically zoned residential; if it is located in a business zone, applicant must have the written authorization from the Association of Apartment Owners.

Report on Meeting with E.T.S. Covering Examination Questions

Deferred--for next month's agenda

NARELLO National Conference

Chair announced that Mary Savio and John Texeira have been approved by the Governor's Office as delegates to the NARELLO National Conference.

John Texeira expressed his regrets that other business commitments have come up, and he cannot make this trip--Chair appointed Ah Kau Young as his replacement.

Correspondence: Director's Letter Re: C. P. Goldsmith

Director Edwin Honda verbally apprised the Commission that his October 17, 1974 letter requested the Commission's review and reconsideration on Goldsmith's request, as it seems fair that Goldsmith be recited the authority under which the Commission based its denial.

After due consideration, the Commissioners consented to sending Goldsmith a supplementary letter stating that the Commission denied his request based on his submission and oral presentation and reciting the section of the law for its denial; draft to be forwarded to the Director for modification.

Jerry Chang's Letter Re: Prospect of Obtaining a Salesman License with Prison Record

The Commissioners were in agreement that under the circumstances no determination can be made at this time--must see Chang's criminal record, pardon papers and provide the Commission with character references from three responsible people in our community.

Herbert Isonaga added that Chang be advised, for his own sake, to get an employing broker willing to hire him should be pass the examination.

Samuel Koffler's Letter Re: Critique of GRI Course

It was agreed upon that Samuel Koffler be thanked for his letter and advised that the Commission appreciates his comments, and that his matter has been discussed with the University of Hawaii, Small Business Management, and they are aware of the problem.

Date of

Next Meeting: Thursday, November 21, 1974, at 9:00 a.m.

Adjournment:

There being no further business, Chairman Sodetani adjourned the meeting at 3:20 p.m.

Taken and recorded by

Peggy Law
Peggy Law, Stenographer

Approved by:

Michael D. Machado
MICHAEL D. MACHADO
Acting Executive Secretary