

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

MINUTES OF MEETING

Date: Thursday, March 28, 1974

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
John D. Texeira, Member
Ah Kau Young, Member

Clyde E. Sumida, Deputy Attorney General
Yukio Higuchi, Executive Secretary
Robt Bekeart, Executive Secretary
Mrs. Peggy Lau, Stenographer

George Morris, Jr., Honolulu Board of Realtors
Wesley Park, Small Business Management Program
Danny Yap, Applicant for Salesman License
Raymond Kam, Proposed Employing Broker
George Newbeck, Applicant for Salesman License
Marie Hansen, Proposed Employing Broker
Ms. Violet King, Applicant for Broker License
Edward Berman, Attorney at Law
Real Estate Schools Association of Hawaii Representatives
Milton Motooka and John Reilly
Aaron Chaney, Chaney, Inc.
Robert Grant, Johnson Associates, Investment Realtors

Call to Order: There being a quorum, Chairman Sodetani called the meeting to order at 9:06 a.m.

Minutes: Mary Savio moved and Ah Kau Young seconded that the minutes of the February 21, 1974 meeting be approved as circulated. Motion carried unanimously.

Prehearing: Violet C. King, Applicant for Real Estate Broker License

Violet C. King appeared for the prehearing represented by Attorney Edward Berman. Clyde Sumida, Deputy Attorney General, advised King of her prehearing right why her application was denied.

The Executive Secretary informed the Commissioners that by telephone Violet King waived her right for adequate notice of

prehearing. However, she accused the Executive Secretary of being underhanded for she had not received the hearing notice at the time she waived her right to adequate notice.

Attorney Berman requested a continuation as he has been newly retained by Violet King--Chair granted his request for a continuation until the next Commission meeting.

Committee
Reports:

Real Estate Education Advisory Council

Mary Savio reported that the Real Estate Education Advisory Council has come up with guidelines of their immediate, intermediate and long-term goals for the Commission.

Herbert Isonaga moved and Ah Kau Young seconded that the Commission approve in principle the guidelines submitted by Mary Savio. Motion unanimously carried.

Wesley Park, Director of the Small Business Management Program at the University of Hawaii, reported on his progress in establishing educational seminars on all islands.

Ah Kau Young moved and Herbert Isonaga seconded that at least one educational seminar be held prior to the end of this fiscal year and that Mary Savio work on this with Wesley Park. Motion unanimously carried.

Following the discussion, Wesley Park volunteered to draft an outline of the duties for a consultant to evaluate the schools and prepare a proposed budget.

Approval of Applications for Certification of Instructor and Guest Instructor

Mary Savio reported that the following applications were reviewed with her by the Executive Secretary and found to be complete and recommended approval by the Commission:

Instructor Certification

Elroy T. L. Osorio (salesman and broker course)

Guest Instructor Certification

Stephen Yamada (Law) Professional School of Real Estate

Herbert Isonaga moved and Ah Kau Young seconded to approve the recommendation of the Real Estate Education Advisory Council. Motion carried without dissent.

Real Estate Newsletter

Specifications for the newsletter were circulated. The mechanics will be worked out by the Executive Secretary and

the Commission's Deputy Attorney General. Commission's goal is to have the first newsletter published this June.

Real Estate Education Fund Budget

The Executive Secretary prepared a Real Estate Education Budget for 1973-1974 and 1974-1975 Fiscal Years.

John Texeira moved and Ah Kau Young seconded that the budget for 1973-1974 and 1974-1975 fiscal years be approved subject to various items to be included. Motion carried unanimously.

Chair appointed Mary Savio and John Texeira to attend the Narello National Conference in Scottsdale, Arizona. Chair and Herbert Isonaga will attend the Narello Western District Conference in Sacramento, California.

Condominium Review Committee

Survey of Bonding of Condominium Projects

The Executive Secretary distributed copies of a survey prepared by Investigator Yamamoto on performance bonds.

Herbert Isonaga moved and John Texeira seconded that the Commission defer this matter for further study. Motion unanimously carried.

Rules and Regulations Committee

The Commission scheduled the dates and time for the public hearing on the rules and regulations amendments for all islands.

Chair directed the Executive Secretary to write to George Morris thanking him for his tremendous contribution in typing and for providing copies of the rules and regulations amendments.

John Texeira moved and Herbert Isonaga seconded to approve the proposed amendments to the rules and regulations, subject to review by the Attorney General's Office. Motion carried.

Recovery Fund Report

Deputy Attorney General Clyde Sumida reported that the Asato vs. Kaneshiro case has been resolved. The court ordered that the remainder of the \$20,000 be paid to Asato.

John Texeira moved and Ah Kau Young seconded that the Commission approve the Deputy Attorney General's recommendation to accept settlement, and that the Executive Secretary be authorized to make payment. Motion carried unanimously.

Attorney General's Report

Deputy Attorney General Clyde Sumida informed the Commissioners that the hearing on Pearl Nagatoshi has been concluded. The Commissioners were in agreement to defer action on the hearing officer's findings of fact and decision until after Nagatoshi's 15-day notice to file exceptions has expired.

Clyde Sumida gave a progress report on the Kornowski case, followed by his report on the bill regarding private counsel for the recovery fund--after testifying in both Houses, he has received no feedback on this bill.

Business Out
of Minutes:Questionable ApplicationsDanny Yap, Applicant for Real Estate Salesman License

Danny Yap appeared with his proposed principal broker, Raymond Kam of Interstate Properties, Inc., as directed by the Commission to discuss the suspension of Yap's broker license in 1950 and his arrests for gambling, in connection with his application for salesman license.

Herbert Isonaga moved and Ah Kau Young seconded that since Raymond Kam has full knowledge of Yap's case and is willing to accept the responsibility to provide adequate and reasonable supervision over Yap's real estate activities, the Commission grant Yap a real estate salesman license. Motion carried.

George B. Newbeck, Applicant for Real Estate Salesman License

During the informal conference, Marie Hansen, principal broker of Grubb & Ellis Company, was apprised of George Newbeck's criminal abstract record and of her responsibility to properly supervise Newbeck's real estate activities should she employ him.

Herbert Isonaga moved and John Texeira seconded for the acceptance of George Newbeck's application for license as: (1) Marie Hansen has full knowledge of the situation and has accepted the supervising responsibility; (2) two character reference letters requested were submitted, and (3) a statement from his probation officer dismissing probation was received. Motion unanimously carried.

Investigations: RE-543 Pearl A. Nagatosh

See Attorney General Report

Sheldon Soosman

Deputy Attorney General to work further on this.

RE-528 Durrel Robison

The Executive Secretary was directed to start hearing procedures; John Texeira and Herbert Isonaga were appointed hearing officers.

RE-537 Pink Realty

The hearing date was scheduled for April 26, 1974, at 9 a.m., and Herbert Isonaga and Ah Kau Young are the hearing officers.

RE-538 Harold Silva

The Deputy Attorney General advised the Commissioners that this suit against Harold Silva may result in a claim against the real estate recovery fund.

Herbert Isonaga moved and John Texeira seconded to accept the Deputy Attorney General's recommendation to dispense with a separate hearing. Motion unanimously carried.

RE-507 Reliance Realty and Management

Following the discussion, Herbert Isonaga moved and Ah Kau Young seconded that: (1) Ross and Read be warned to cease and desist the splitting of one apartment unit into two apartments without adding parking facilities as this is a violation of the Comprehensive Zoning Code of the Building Department; (2) the Executive Secretary apprise the Building Department of this situation; and (3) complainant be recommended to file a formal complaint with the City and County Building Department. Motion carried.

RE-521 Julian Buttons

Herbert Isonaga moved and John Texeira seconded to hold a formal hearing on this case; Julian Buttons be charged for dishonest and fraudulent dealings, and his principal broker be charged for improper supervision. Motion carried unanimously.

Audience:

Representatives of Real Estate Schools Association of Hawaii

Milton Motooka and John Reilly, as representatives of the Real Estate Schools Association of Hawaii, appeared with several requests and announced that Paige C. Cusek is offering the broker course in Hilo and Kauai and John Stapleton will give the broker course in Maui.

In answer to their request, the Commission informed them that: (1) an investigation will police the schools before the July examination; (2) the list of successful applicants of each examination will be given them at the same time the Commissioners receive their copy; and (3) the Executive Secretary will write to E.T.S. to find out why the pass/fail results have not been received.

New Business:LicensingCORPORATION

Doug's Management Services, Inc. - 2180 Main St., #620, Wailuku
 Charles D. Shue PB

McKown & Associate, Ltd. - 767 Kailua Road, Kailua
 Jean C. McKown PB

The Land Company, Inc. - 101 Aupuni, Suite 218, Hilo
 Elroy T. L. Osorio PB

Land-Pac Realty, Inc. - 904 Kohou St., Room 306, Honolulu
 Richard S. Ogami PB

Beta Pacific, Inc. - 2222 Kalakaua, Suite 1315, Honolulu
 Edgar W. Woodland PB

Venture 1, Inc. - 190 So. King St., Suite 1702, Honolulu
 Warren E. Akiona PB

Kuleana Properties, Inc. - 1136 Union Mall, Suite 301, Honolulu
 Edward N. Keliikoa PB

Sun Enterprises, Inc. dba Sun Brokers - Financial Plaza, #1912,
 Simon Bebb PB Honolulu

Hanson Realty Corporation - 745 Fort Street, Suite 1106, Honolulu
 Noel S. Hanson PB

CHANGE OF NAME

Go Realty, Inc. - formerly Land Services, Inc.
 Marcus & Associates, Inc. - formerly Marcus K. Nishikawa, Inc.

BRANCH OFFICES

Realty Pacific Inc. BR-2 - 97-965 Kam Highway, #3, Pearl City
 Everett C. Flanders BIC

Gene Duvauchelle, Inc. dba Friendly Isle Realty, BR-1 - Malama St.
 Allen A. Steward BIC Kaunakakai, Molokai

The McCormack Land Co. Ltd. dba Mike McCormack Realtors, BR-10
 David S. Walker BIC Kailua Bay Inn, Kailua-Kona

Inter Island Properties, Inc. BR-1 - 100 Pauahi, Suite 207, Hilo
 Carl W. Linnemann BIC

DBA

Silver Springs Lake Properties - 1860 Ala Moana, Suite 4, Honolulu
 Robert A. Boyd dba

Able Realty Company - 827 So. Beretania, #101, Honolulu
 Jo-Ellen Perry dba

Inglott's Real Estate Co. - 2111 Main Street Wailuku, Maui
 Irene W. Inglott dba

John Klein Broker - 745 Fort Street, Suite 500, Honolulu
 Ernest John Klein dba

Robb Realty - 767 Kailua Road, Room 8, Kailua
 Elizabeth C. Robb dba

Atlas Realty - 949-1 McCully Street, Honolulu
 Abraham Song dba

Hawaii Pacific Realty - 818 So. King Street, Room 706, Honolulu
 Eddie Flores, Jr. dba

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

Questionable Applications

Wanda Lei Wong, Applicant for Real Estate Salesman License

Inasmuch as Wanda Wong failed to disclose here charge of larceny 2nd on her application, the Commissioners ruled that she be accompanied by her proposed principal broker, Warren Ho of J. V. Realty Corporation, at the next meeting.

John O. Appleby, Applicant for Real Estate Salesman License

After due consideration, the Commissioners reached unanimous decision to have John Appleby appear before the Commission with his proposed principal broker, Mary Bishop of Mid-Pacific Properties, Ltd., to discuss the revocation of Appleby's California salesman license.

Francis Hee, Applicant for Real Estate Salesman License

The Executive Secretary informed the Commissioners that Francis Hee's application for real estate salesman license was filed 10 days beyond the one-year deadline; application was received with Mary Shern's letter explaining that it was not Hee's fault and that this error was an oversight on the part of broker moving office.

Herbert Isonaga moved and John Texeira seconded that the Commission waive the deadline date and to grant Francis Hee a license. Motion carried.

Robert C. Measel, Jr., Applicant for Real Estate Salesman License

It was explained by the Executive Secretary that Robert Measel did disclose his conviction in the application for license, but the term "misprision" was not fully understood.

John Texeira moved and Ah Kau Young seconded that action be postponed until the next meeting; Robert Measel and his proposed principal broker, Donald Robertson of First Hawaiian Properties, Inc., be present for an informant conference. Motion carried unanimously.

Harry Teruya, Applicant for Real Estate Salesman License

Herbert Isonaga moved and John Texeira seconded for the denial of Harry Teruya's request for an extension of the

one-year deadline in which to apply for license, and for the approval of his other request to waive the educational requirement. Motion carried without dissent.

Loyalty Enterprises, Ltd. dba Loyalty Realty

John Texeira moved and Herbert Isonaga seconded to deny Loyalty Enterprises, Ltd.'s application for use of dba-- a real estate firm cannot register and use two different names. Motion carried unanimously.

Lewers & Cooke Realty, Inc., Change of Name

Herbert Isonaga moved and John Texeira seconded to approve the request from Champion Realty of Hawaii to change its name to Lewers & Cooke Realty, Inc. Motion carried.

Miscellaneous: 1974 Legislation

George Morris, Jr., gave an up-dated report on the progress of the custodian/caretaker bill and the recovery fund bill.

Aaron Chaney of Chaney, Inc., explained their reasons for their legislative position on resident managers; Chair requested that he submit industry's position and recommendation.

Robt Bekeart advised the Commission that at the request of the Director of Regulatory Agencies and the Executive Secretary, he informed the House Consumer Protection Committee that there is question in the minds of the Commissioners as to whether the Commission has authority under the existing H.P.R. Act to adopt rules as directed by H.R. No. 421, and further, that the Commission feels that the problem is complex and time is needed to study the matter.

Correspondence: Letter from Loretta N. Lee Re: January 26, 1974 Examination

Mary Savio moved and Ah Kau Young seconded to deny Loretta Lee's request to have her extra points obtained in the terminology section of the examination credited to her math section. Motion carried.

Miscellaneous: January 26, 1974 Examination


Upon motion, the list of successful were approved unanimously.

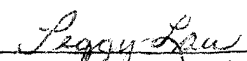
Next Meeting: Thursday, April 25, 1974

Adjournment: Chairman Sodetani adjourned the meeting at 3:40 p.m.

Taken and recorded by:

Approved by:


 YUKIO HIGUCHI, Executive Secretary


 Peggy Lau, Stenographer