

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

MINUTES OF MEETING

Date: Thursday, October 28, 1976

Place: Penthouse Conference Room, Kamamalu Building
250 So. King Street, Honolulu, Hawaii

Present: Ah Kau Young, Chairman
Mary V. Savio, Vice Chairman
Tadayoshi Ishizu, Member
Edwin H. Shiroma, Member
John D. Texeira, Member
Ralph S. Yagi, Member

Russell Nagata, Deputy Attorney General
Robert Klein, Departmental Complaints and Information Officer
Yukio Higuchi, Executive Secretary
John W. Reilly, Educational Consultant
Darryl Choy, Department's Hearings Officer
Alvin Yamamoto, Investigator
Peggy Lau, Clerk-Stenographer

Professor Donald Bell, College of Business Administration, UH
Rhoda Feinberg, Educational Director, Hawaii Association of Realtors
George "Red" Morris, Real Estate Broker
Donald Pearly, Applicant for Salesman's License
Hans O. Landgraf, Applicant for Restoration of Forfeited License
Violet C. King with Frank Cabagason, Reginald Moresman, John
Sabey and Harry Hettrington, Re: Request to Reopen Two Cases

Absent: John M. Urner, Member

Call to Order: There being a quorum, Chairman Ah Kau Young called the meeting
to order at 9:05 a.m.

The Executive Secretary informed that the agenda for this
meeting was filed in the Lt. Governor's office on Monday,
October 25, 1976, in compliance with the Sunshine Law.

Minutes: Mary Savio moved and Tadayoshi Ishizu seconded to approve
the minutes of the September 30, 1976 meeting as circulated.
Motion carried unanimously.

Committee
Reports: Real Estate Education Advisory Council

Home Study Real Estate Courses

Mary Shern appeared to present a composite report on
her home study course; she informed that the percentage

passing on the State examination showed no variance with students taking her regular classes, and that the great majority of students that enrolled in her home study course did so because there were no other classes offered within a reasonable distance.

Following the discussion, Chair thanked Mary Shern for her report and advised her that the Commission would take her suggestions and request for continuance of home study courses into consideration and would advise her of the decision as soon as possible. Mary Shern asked if she could assume that the decision would be reached before the next meeting. The response was that the Education Advisory Council would make this a priority program with November 18th as the target date, and that the Schools' Association would be invited to see the drafted guidelines for its input.

Hiring of Staff Educational Officer

The Executive Secretary advised that the Director has approved the hiring of a staff educational officer and now the job description must be prepared; John Reilly offered to aid the Executive Secretary in this matter. It is anticipated that this position will be filled in March or April 1977.

Establishment of Real Estate Chair

The Executive Secretary apprised that he is still awaiting the Governor's reply to the request for the establishment of real estate chair.

Question was raised as to why the delay since the licensees' monies are involved.

SBM Proposal for Continuing Education Courses

The Executive Secretary informed that the Director was receptive to the idea of fronting the money to SBM for advanced real estate courses, but instead of a seed loan it should be an outright grant with written assurance from SBM that the profits would be placed in an account to earmark other projects. The Executive Secretary further informed that a meeting with Wesley Park will be set up to start negotiations.

Advanced Real Estate Day Seminars

John Reilly reported that plans for three meaningful seminars are on the way; the first seminar may be in

early February on taxes. John Reilly is developing a program for the Commission's approval and for SBM to organize after approval is given.

Book Donation

The Executive Secretary apprised that arrangements are on its way for the State and University libraries to purchase books directly from John Reilly.

Educational Consultant's Report

John Reilly briefly reported on his fourth report that was circularized and which updated the Commission on the following:

Licensee Statistics: The questionnaires are at the printers now and will be mailed to all licensees with the renewal notices in the second week of November.

Advanced Courses: John Reilly will prepare preliminary recommendations to the Education Advisory Council and to SMB outlining the types, content and duration of a series of advanced level real estate courses.

Legislation Committee

S. R. No. 439 (Mary Savio)

Mary Savio reported that the attorneys on her committee are working on the preliminary drafted legislation.

H. R. No. 474 (Mary Savio)

Mary Savio reported that this committee's efforts have been geared at preparing the licensees' questionnaires and after the statistics are compiled, this committee will have concrete recommendations to submit.

H. R. No. 629 (Edwin Shiroma)

Edwin Shiroma circulated copies of his committee's status report. During the discussion, individual Commissioners expressed their thoughts for the committee's consideration.

Time Sharing Bill (John Urner and Ralph Yagi)

Ralph Yagi informed that the time sharing bill is technically dead, but if the Commission wished to use this bill, it must be reinstated.

George Morris verbally explained why this bill died in committee and what transpired.

During discussion, Ralph Yagi moved and Edwin Shiroma seconded that the Executive Secretary be directed to request an opinion from the Attorney General's office as to whether the Commission has the authority under Chapter 514 to adopt rules and regulations on time sharing, and to inform it that other states have moved in this direction and time sharing is regulated on that basis under "other interests". Motion carried unanimously.

Laws and Rules Review Committee

Edwin Shiroma circulated copies of his committee's first report with an attached list compiled by John Reilly on the areas needing consideration for revision to the law and rules and regulations.

A small working committee consisting of Edwin Shiroma, Mary Savio, John Reilly and the Executive Secretary was formed to review the list and make a recommendation to the Commission.

Real Estate Recovery Fund

No new report.

Attorney General's Report

No report was given.

Informal
Conference:

Informal Conference with Donald J. Pearly, Applicant for
Salesman's License

Donald Pearly appeared before the Commission to contest the denial of his late application for salesman license by explaining the extenuating circumstances. A letter from Island Shores was submitted confirming his testimony.

Following the question-and-answer period, Chair advised Donald Pearly that this matter would be taken under advisement and he would be notified of the Commission's decision shortly thereafter. Donald Pearly was then excused.

Mary Savio moved and Ralph Yagi seconded to approve Donald Pearly's application for salesman license. Motion unanimously carried.

Business Out
of Minutes:

Questionable Applications

Hans O. Landgraf, Applicant for Restoration of Forfeited
Salesman's License

The Executive Secretary informed that the Commission's authorized reviewing officer denied Hans Landgraf's application as it was felt that Landgraf was no longer qualified as a real estate salesman; his license was forfeited more than 15 years ago.

Hans Landgraf appeared before the Commission to request reconsideration. He informed that 15 years ago he was forced to give up his real estate salesman license by the Mayor as there was a conflict of interest with his job. Landgraf further informed that he has been helping his wife with her work in real estate as much as allowable without breaking the law of selling real estate without a license.

There being no further questions, Chair advised Hans Landgraf that this matter would be taken under advisement and he would be notified of the Commission's decision shortly thereafter. Hans Landgraf was then excused.

Mary Savio moved and Edwin Shiroma seconded to deny Hans Landgraf's application for restoration of forfeited license as there was insufficient evidence of Landgraf's involvement in real estate sales activities during the past 15 years to justify restoration. Motion carried unanimously.

Michael Gallagher's Request for Waiver of Educational and
Experience Requirements for Broker Examination

Following Edwin Shiroma's follow-up report and discussion on Michael Gallagher's request, Mary Savio moved and Edwin Shiroma seconded that Michael Gallagher be given credit of three months for each accredited course completed leading up to his CPM designation.

Mary Savio moved and Tadayoshi Ishizu seconded to add the following applicant for salesman license to the agenda:

Pat Chun, Applicant for Salesman License

The Executive Secretary read Pat Chun's letter requesting that the Commission reconsider its decision to deny her application for salesman license, because the slip from ETS notifying her that she passed was dated August 1975; she assumed that she had until the end of August 1976 to apply for licensure.

Mary Savio moved and Tadayoshi Ishizu seconded to approve Pat Chun's application for salesman license. Motion carried unanimously.

The Executive Secretary was directed to request that ETS specify the date of the examination on the notice to applicants.

Investigations: RE-507 Reliance Realty

The Executive Secretary read a letter from Deputy Attorney General M. Gay Conklin recommending that this case be closed as the Commission did suggest that complainant file a formal complaint with the City and County Building Department and the respondents were issued warning letters; the letter further stated that the statute of limitations has run under Chapter 514.

Mary Savio moved and Edwin Shiroma seconded that this case be closed as recommended by the Deputy Attorney General. Motion carried unanimously.

RE-571 Benjamin Ayson

The Executive Secretary read a letter from Deputy Attorney General Roy Yempuku advising that the preparation of this case for a formal hearing will start immediately and that Elbridge Smith, a legal intern, will be trying the case with him.

Mary Savio moved and Edwin Shiroma seconded to appoint the Department's Hearings Officer to hear this case and that it be recommended that this hearing be held this year. Motion carried unanimously.

RE-635 Kenneth Y. Tokujo

Mary Savio moved and Tadayoshi Ishizu seconded to appoint the Department's Hearings Officer to hear this case. Motion carried unanimously.

RE-642 Leisure Living, Realtors

Mary Savio moved and Tadayoshi Ishizu seconded to appoint the Department's Hearings Officer to hear this case. Motion carried unanimously.

RE-643 Werner G. Ehrensberger

The Executive Secretary apprised that the 15-day period in which to file exceptions to the Hearings Officer's findings of fact, conclusion of law and recommend order has elapsed

During the discussion, Darryl Choy, Department's Hearings Officer, explained that the recommended order called for suspension of Werner Ehrensberger's broker's license for three months; however, if Werner Ehrensberger transmits \$550 to complainant, the suspension shall be reduced to a suspended penalty during which time he may continue business in real estate, but in strict conformity with Chapter 467 and the rules and regulations.

Mary Savio moved and Edwin Shiroma seconded to adopt the Hearings Officer's findings of fact, conclusion of law and recommended order. Motion carried unanimously.

RE-75-8 Hugh Menefee, Inc.

The Executive Secretary explained that the Director has requested further investigation on Rade Vanic's complaint. Investigator Alvin Yamamoto appeared before the Commission to inform what his latest investigation revealed and to explain how the letter with attached ballot was worded in polling the owners of Four Paddle.

After considerable discussion, Chair directed that this matter be reverted to the Attorney General's office for direction.

CON-75-3 Harbor Lights

The Executive Secretary was directed to advise Honofed Corporation that the Commission is still awaiting a status report as to how it intends to satisfy the complainant.

RE-75-7 and RE-76-88 P. S. Realtors

Edwin Shiroma moved and Ralph Yagi seconded to go into Executive Session (3:25 p.m.). Motion carried unanimously.

John Texiera moved and Edwin Shiroma seconded to adjourn the Executive Session (4:13 p.m.). Motion carried unanimously.

John Texeira moved and Edwin Shiroma seconded to reconvene the meeting (4:13 p.m.). Motion carried unanimously.

John Texeira moved and Edwin Shiroma seconded to have this case brought to a formal hearing. Mary Savio abstained from voting; Ralph Yagi opposed this motion; and John Texeira, Edwin Shiroma and Tadayoshi Ishizu were in favor. Motion carried.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to appoint the Department's Hearings Officer to hear this case. Motion carried.

New Business: Applications for Approval

CORPORATION

- Gomes & Burla Realty Inc. - 101 Parker Ranch Ctr., Kamuela
 Franklin P. Gomes-pb (formerly denied-Gomes & Burla Realtors Inc.)
- InterIsland Group Inc. - 745 Fort St., #1100, Honolulu
 Ronald G. Li-pb
- Morgan Realty Corp. - 841 Bishop St., #1608, Honolulu
 James S. Singleton-pb (formerly denied)
- Trimble Realty Inc. - 888 Front Street, Lahaina
 E. Verna Trimble-pb

The Executive Secretary informed that Gomes & Burla Realtors Inc. has changed the word "Realtors" to "Realty", and Ron Burla has become vice president and he does hold a broker's license.

Mary Savio moved and Tadayoshi Ishizu seconded to approve the application of Gomes & Burla Realty Inc. as modified. Motion carried unanimously.

Mary Savio moved and Tadayoshi Ishizu seconded to approve the application of InterIsland Group Inc. Motion carried unanimously.

The Executive Secretary informed that the John Morgan affiliated with Morgan Realty Inc. does not hold a real estate broker's license. The Executive Secretary read a letter from James Singleton explaining why the name "Morgan" was chosen.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to deny the application of Morgan Realty Inc. on the basis that Morgan is a surname and does not conform to Rule 2.3(b) of the Commission's rules and regulations. Motion carried unanimously.

Edwin Shiroma moved and Ralph Yagi seconded to approve the application for corporate license of Trimble Realty Inc. Motion carried unanimously.

TRADENAME

- Tony Bacungan, OR
 Statewide Realty, OR
- Islandwide Realty - 1109 Bethel Street, #208, Honolulu
 Antonio R. Bacungan, dba
- Bradley - McCarter Associates - 32 Merchant Street, Honolulu
 Penelope H. Beamish, dba
- Jay Kay Bee Realty - 825 Keeaumoku Street, #215, Honolulu
 John J. Beamish, dba
- Royal Kuhio Realty - 700 Bishop St., #1000, Honolulu
 The Realty Group Inc., dba

In regards to Antonio Bacungan's application for tradename, Mary Savio moved and Tadayoshi Ishizu seconded to approve Tony Bacungan as the other two choices have been similarly registered. Motion carried unanimously.

Edwin Shiroma moved and Ralph Yagi seconded to approve the application of Bradley - McCarter Associates. Motion carried unanimously.

Mary Savio moved and John Texeira seconded to approve Jay Kay Bee Realty's application for tradename. Motion carried unanimously.

Following some discussion, Mary Savio moved and Edwin Shiroma seconded to approve Royal Kuhio Realty's application for tradename, subject to checking with the Business Registration Division to ensure that there is no conflict with Royal Kuhio Realty Inc. Motion carried unanimously.

CHANGE OF CORPORATE NAME

Conahan Realty Ltd. - 700 Biship Street, #1502, Honolulu
Kathleen K. O. Conahan-pb (formerly: James P. Conahan Realty Ltd.)

Mary Savio moved and Edwin Shiroma seconded to approve the above application for change of corporate name. Motion carried unanimously.

Questionable Applications

William Broniola, Applicant for Salesman's License

The Executive Secretary explained that William Broniola indicated on his application for salesman's license that he was convicted of burglary in 1967; no documents supporting his contention of probation release were attached.

Edwin Shiroma moved and Ralph Yagi seconded to approve William Broniola's application as there was no indication of a current arrest. Motion carried unanimously.

Miki Miyasato, Applicant for Salesman's License

The Executive Secretary advised that Miki Miyasato has indicated that she was convicted of a petty misdemeanor.

Mary Savio moved and Tadayoshi Ishizu seconded to defer action on this application pending further clarification on Miki Miyasato's 1976 conviction of a petty misdemeanor. Motion carried unanimously.

Miscellaneous: Audience with Violet C. King

Violet King appeared before the Commission with Frank Cabagason, Reginald Moresman, John Sabey and Harry Hettrington.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to go into Executive Session. Chair took a roll call vote; it was unanimously agreed--motion carried (2:53 p.m.).

Edwin Shiroma moved and Ralph Yagi seconded to adjourn Executive Session. Motion carried unanimously (3:05 p.m.).

John Texeira moved and Tadayoshi Ishizu seconded to reconvene the meeting. Motion carried unanimously (3:05 p.m.).

Violet King pleaded with the Commission to set aside the revocation of her broker's license and to give her back her license without examination. She stated that her reason for refusing to take the examination was because she took it ten years ago and has not done anything wrong.

Violet King began clarifying her first piece of evidence in regards to her application for broker's license (this evidence was submitted several meetings ago). Chair advised Violet King that this is not the place to be requesting that her case be reopened; the place is in court. Chair further advised that the Commission has gone by the Attorney General's opinion that this request is 8 years too late. Chair ruled that the Commission wants to be fair and has allotted her much time, but if Violet King has no further new evidence to submit, the Commission will not hear her case.

In regards to Violet King's request to reopen the case against Winston Watanabe, King showed written authorization from Joseph Perreira which gave her the authority to act on his behalf. She began explaining Joseph Perreira's medical condition and his complaint.

In the absence of questions and discussion from the Commissioners, Violet King and friends were excused.

Verbal Report on 1976 Annual Conference of NARELLO

The Executive Secretary reported that the NARELLO Conference was a most valuable experience and much was learned which will be helpful to our programs. He further reported that a formal report is forthcoming. Mary Savio will also submit a formal report on the ETS meeting which preceded this conference.

Civil Suit Filed by Hamer, et al vs. ETS and State of Hawaii

The Executive Secretary read a letter from Deputy Attorney General Kenneth Nam, Counsel for the Commission at the trial, advising that the civil suit has been dismissed.

Richard K. C. Lau's Request for Waiver of Salesman Educational Requirements

The Executive Secretary apprised that Richard Lau's request is based on his education and experience in mortgage banking.

Mary Savio moved and Tadayoshi Ishizu seconded to grant Richard Lau waiver of the salesman educational requirement in view of his background, subject to submittal of his completion of the appraisal and real estate courses mentioned. Motion carried unanimously.

Correspondence: Transmittal of "Uniform Simplification of Land Transfers Act" by John A. Chanin, Chairman of Hawaii Commission to Promote Uniform Legislation

The Executive Secretary briefly explained what the above-mentioned packet consisted of; it was referred to the Laws and Rules Review Committee.

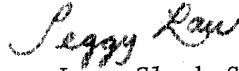
Date of

Next Meeting: Thursday, November 18, 1976, at 9:00 a.m.

Adjournment:

There being no further business, Chair adjourned the meeting at 5:15 p.m.

Taken and recorded by:



Peggy Lau, Clerk-Stenographer

Approved by:



YUKIO HIGUCHI
Executive Secretary

11/8/76