

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

MINUTES OF MEETING

Date: Thursday, December 16, 1976

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

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

Russel Nagata, Deputy Attorney General  
Robert Klein, Complaints and Information Officer  
Yukio Higuchi, Executive Secretary  
John W. Reilly, Educational Consultant  
Mrs. Peggy Lau, Secretary

Professor Donald Bell, College of Business Administration  
Mrs. Richard Yoder, Observer  
Ms. Jean Minton, Observer  
Brian Nakamura and Peter Yanagawa, Senate Majority Office  
Larry Smith and William Perry, P. S. Realtors  
Mrs. Violet C. King, Observer

Call to Order: There being a quorum, Chairman Ah Kau Young called the meeting to order at 9:09 a.m.

The Executive Secretary apprised that the agenda for today's meeting was filed in the Lt. Governor's office on Friday, December 10, 1976, in compliance with the Sunshine Law.

Minutes: Edwin Shiroma moved and Ralph Yagi seconded to approve the minutes of the November 18, 1976 meeting as circulated. Motion carried unanimously.

Committee Reports: Real Estate Education Advisory Council

Dickson Hoogs, Applicant for Real Estate Salesman and Broker Instructor Certificate

The Executive Secretary apprised that based on the information in Dickson Hoogs' application for real estate

salesman and broker instructor and the information in our records, Dickson Hoogs has fulfilled the basic requirements.

Mary Savio moved and Tadayoshi Ishizu seconded to approve Dickson Hoogs' application for real estate salesman and broker instructor. Motion unanimously carried.

#### Home Study Real Estate Courses

The Executive Secretary read a memorandum from John Reilly which contained the recommended guidelines for home study courses. John Reilly commented that the Education Committee and the Schools' Association were in general agreement with the recommended guidelines.

In general, the recommended guidelines outlined that: (1) home study courses be limited to hardship cases to encourage continued classroom attendance; (2) the price for home study courses shall not be less than the school's regular classroom program; and (3) home study programs must contain at least ten contact hours by a certified instructor with students, at least seven hours of which must relate to Hawaii law and practice. (Copies of the recommended guidelines were circulated.)

Following the discussion, Mary Savio moved and Ralph Yagi seconded to approve the the guidelines and that the schools be notified through a letter drafted by John Reilly and signed by the Executive Secretary. Motion carried unanimously.

#### SBM Proposal for Continuing Education Courses

This matter was deferred to the January meeting when Wesley Park's formal proposal outlining the procedures for developing and scheduling advanced courses should be in final form.

#### Commission Sponsored Day Seminars

John Reilly reported that the Commission sponsored day seminar on the New Tax Reform Act is totally organized, and will be offered on all Islands in January 1977. Promotional material to all brokers have been circulated. John Reilly informed that this seminar will be offered to only licensees because of the space problem; however, if the public wants to come, it will be welcomed.

During the discussion, Edwin Shiroma mentioned that the public should not attend these seminars as the funds are

the licensees' monies and should be used to educate only licensees. It was suggested that a deadline be set for advanced reservations, because of the space problem and the number of interested licensees. It was also suggested that a second seminar be offered.

#### Commission's Bulletin

The Executive Secretary advised that the Commission's contract with Trade Publishing Company terminated as of the last Bulletin issued. He further advised that Trade Publishing Company's cost for renewing the contract remains the same as last year with two bulletins being offered a year and 12,500 copies being circularized each time. In addition, the Executive Secretary informed that there may be an additional cost of \$60 to take care of the address printout from Computer Center.

Edwin Shiroma moved and Mary Savio seconded that the Commission confirm the arrangements to renew its contract with Trade Publishing Company as the Commission is pleased that the price remains the same as last year--last year when the Commission went to bid, Trade Publishing Company had the lowest bid and no other company could possibly meet that price. Motion carried unanimously.

#### Educational Consultant's Report

Copies of John Reilly's fifth report were circulated.

John Reilly updated the Commission on the following: (1) License Statistics--questionnaires were sent to all licensees with their renewal applications; (2) Special Seminars--see "Commission Sponored Day Seminars"; (3) Advanced Course--See "SBM Proposal for Continuing Education Courses"; (4) Home Study--see "Home Study Real Estate Courses"; and (5) Question Box--an initial bank of 10 questions were submitted for the inclusion in subsequent issues of the Real Estate Commission's Bulletin where space permits.

#### Legislation Committee

##### S. R. No. 439 (Mary Savio)

Mary Savio informed that the compilation of the Committee's study has been sent with a letter to interested groups and these groups have been asked to review this matter on a confidential basis and to submit their comments in writing. Mary Savio further advised that the Committee will meet on Monday to discuss these comments to determine if it necessitates any changes.

H. R. No. 474 (Mary Savio)

Mary Savio reported that the UH Computer System will compute the questionnaires beginning early January and the Committee will prepare its report from these statistics.

H. R. No. 629 (Edwin Shiroma)

Edwin Shiroma circulated copies of his drafted personal fact findings, opinions and conclusions on H. R. No. 629. He added that the Deputy Director has also been given a copy.

Time Sharing Bill (John Urner and Ralph Yagi)

Ralph Yagi reported that in checking with the new legislation, it would be willing to reactivate the time sharing bill if the language is appropriate.

Laws and Rules Review Committee

Edwin Shiroma reported that his Committee, composed of all Oahu Commissioners, John Reilly and the Executive Secretary, met on December 2 and 3, 1976 (two full-day sessions) to review the condominium law and rules and regulations. The Committee felt that the review was beneficial and that the Commissioners from the Neighbor Islands should be invited to sit on this Committee.

The Executive Secretary informed that the Commissioners from the Neighbor Islands have agreed to sit on this Committee, and that the Director has approved the request for the Commissioners from the Neighbor Islands to come a day before the regular monthly meeting for this purpose. The next review meeting was scheduled for Thursday, January 27, 1977, at 9 a.m.

Real Estate Recovery Fund

The Executive Secretary advised that Sidney Ayabe has informed that the Real Estate Commission has been ordered to make payment of \$10,000 to Flora Goo and \$10,000 to Irene Paet from the Real Estate Recovery Fund as judgment has been rendered against Esperanza Real Estate Investment Co., Inc.

Following discussion, Edwin Shiroma moved and Tadayoshi Ishizu seconded that the Executive Secretary be authorized to make payment of \$10,000 to Flora Goo and \$10,000 to Irene Paet pursuant to the Court's Orders. Motion unanimously carried.

Attorney General's Report

Deputy Attorney General Russel Nagata gave a progress report on RE-75-8 Hugh Menefee. He informed that Galen Leong,

Attorney for Hugh Menefee, has requested for a time delay. The Commission authorized Russel Nagata to proceed accordingly toward settlement negotiations.

Business Out  
of Minutes:

Miki Miyasato, Applicant for Salesman License

The Executive Secretary read Miki Miyasato's reply to the Commission's request for further clarification of her 1976 conviction of a petty misdemeanor.

Ralph Yagi moved and John Urner seconded to grant Miki Miyasato her salesman license. Motion carried unanimously.

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

Chair granted Mary Savio's request to be excused as she was mentioned in this complaint.

Ralph Yagi moved and Tadayoshi Ishizu seconded to go into executive session. Motion carried unanimously (10:10 a.m.).

John Texeira moved and Edwin Shiroma seconded to adjourn the executive session. Motion carried unanimously (11:05 a.m.).

John Texeira moved and John Urner seconded to reconvene the regular meeting. Motion carried unanimously (11:05 a.m.).

Following discussion, Edwin Shiroma moved and Tadayoshi Ishizu seconded that the Commission reverse its order of March 22, 1976, which ordered P. S. Realty to: (1) alter its business practice to conduct its real estate business primarily out of its registered place of business and not from the homes of the partners; (2) to change its letterheads, advertisements, etc. to show its registered business and telephone number rather than a partner's home address and telephone number; and (3) to list its business number rather than a partner's home number in the Oahu Telephone Directory. Further, Larry Smith be advised that the intent of the law and rules, when considered together, becomes a Commission policy that requires real estate brokers to conduct their businesses at a properly located address where they may be contacted by their customers for business purposes; however, rather than holding a formal hearing, the Commission will proceed to amend its rules and regulations in the near future to clearly reflect its policy on this matter. Chair took a roll call vote: John Texeira--yes; John Urner--yes; Edwin Shiroma--yes; Mary Savio--abstained; Ralph Yagi--yes; and Tadayoshi Ishizu--yes. Motion carried unanimously.

In regards to RE-76-88, the Commission felt no action was necessary as its letter of June 23, 1976, recommending that

P. S. Realty discontinue the type of advertising prohibited by Rule 1.11(a), was merely advisory.

Edwin Shiroma moved and John Texeira seconded to go into executive session to discuss the following complaints: CON-75-3 Harbor Ligts; RE-647 Rosalie Gordon; RE-75-27 Benjamin Kong and RE-76-110 Singleton Associates, Inc. Motion carried unanimously (1:00 p.m.).

John Urner moved and John Texeira seconded to adjourn the executive session. Motion carried unanimously (2:20 p.m.).

John Texeira moved and John Urner seconded to reconvene the regular meeting. Motion carried unanimously (2:20 p.m.).

CON-75-3 Harbor Lights

Following the executive session, John Texeira moved and John Urner seconded that the Executive Secretary write to the respondent that the Commission cannot disclose the matter of the investigation report pending the closing of this case. Motion carried unanimously.

RE-647 Rosalie Gordon

John Urner moved and Tadayoshi Ishizu seconded that after review of the facts of the investigation, the Commission find that Rosalie Gordon was not involved in any misrepresentation whatsoever, and that this case be dismissed. Motion carried unanimously.

RE-75-27 Benjamin Kong

As this case was discussed during the executive session, Mary Savio moved and Tadayoshi Ishizu seconded that the Executive Secretary be given the opportunity to study the condominium files on Liliha Square further and to discuss the matter with Benjamin Kong as to the possibility of a settlement. Motion carried unanimously.

RE-76-110 Singleton Associates, Inc.

As this case was also discussed during the executive session, Mary Savio moved and Edwin Shiroma seconded that it be brought to a formal hearing. Motion carried (John Texeira abstained from voting for possible conflict of interest).

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

Following some discussion on the statutes of limitations, Edwin Shiroma moved and Ralph Yagi seconded to accept

Deputy Attorney General Russel Nagata's recommendation that Chapter 514-53 be amended to extend the limitation of action from one year to three years, and that Ralph Yagi be appointed for the submission and pursual of this matter to the coming legislation. Motion carried unanimously.

New Business:     Licensing

CORPORATION

FAB Realty Inc. - 841 Bishop St., #904, Honolulu

James W. Rust, pb

J Gordon Associates, Inc. - 1402 Kapiolani Blvd., #27, Honolulu

Gordon Y. D. Chun, pb

HJS Ltd. - 345 Queen Street, #800, Honolulu

H. James Stahl, pb

Holiday Management Inc. - 1650 Kanunu St., #1109, Honolulu

Kathleen W. Solarana, pb

Oihana Property Management & Sales Inc. - 33 Lono St., #220, Maui

Dick Weaver, pb

Prestige Management Corp. - 1451 S. King St., #314, Honolulu

Ernest S. Nishimura, pb

R.Y.M. Inc. dba Century Group - 1405 N. King St., Honolulu

Larry M. Sumida, pb

Mauka Realty Inc. - Machado Store, Mamalahoa Hwy., Captain Cook

William J. McCarthy, pb

Realty Factors Inc. - 1055 Kalo Lane, Honolulu

Leonora A. Tanaka, pb

Sunrise Pacific Inc. - 745 Fort St., #210, Honolulu

James S. Reed, pb

Whalers Realty Inc. - Bldg. "G" Whalers Village Shopping Center,

John E. Kelley, pb

Kaanapali Beach, HI

Mary Savio moved and John Texeira seconded to approve the issuance of a corporate license to FAB Realty Inc. Motion unanimously carried.

Mary Savio moved and Edwin Shiroma seconded that action on J Gordon Associates Inc. be deferred pending the Executive Secretary checking if J Gordon is a surname. Motion carried.

Edwin Shiroma moved and John Texeira seconded to approve the corporate applications of HJS Ltd. and Oihana Property Management & Sales Inc. Motion carried unanimously.

John Texeira moved and Ralph Yagi seconded to approve the issuance of a corporate license to Holiday Management Inc. Motion carried unanimously.

John Texeira moved and Ralph Yagi seconded to approve the corporate application of Prestige Management Corp. Motion carried unanimously.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve the issuance of a corporate license to R.Y.M Inc. dba Century Group. Motion carried unanimously.

John Texeira moved and Edwin Shiroma seconded to approve the corporate application of Mauka Realty Inc. Motion carried unanimously.

John Texeira moved and Edwin Shiroma seconded to approve Realty Factors Inc.'s application for corporate license. Motion carried unanimously.

Edwin Shiroma moved and Ralph Yagi seconded to approve the corporate license of Sunrise Pacific Inc. Motion carried unanimously.

John Texeira moved and Ralph Yagi seconded to approve the corporate license of Whalers Realty Inc. Motion carried unanimously.

PARTNERSHIP

Office Associates - 1860 Ala Moana, #413, Honolulu  
Bruce F. Buckman, pb

John Urner moved and John Texeria seconded to approve the above application for partnership application. Motion carried unanimously.

BRANCH OFFICE

Mike McCormack (A McCormack Corp.) Branch Office - P.O. Box 1360,  
David S. Walker, bic Kailua-Kona, HI

Edwin Shiroma moved and John Texeira seconded to approve the above application for branch office license. Motion carried unanimously.

TRADENAME

C & H Realty - 119 Merchant St., #603, Honolulu  
Joseph A. Mackin, dba

Home-Land Research - 21 S. Hana Hwy., Kahului, Maui  
Bill E. Poff, dba

Melone & McGee - 116 S. King St., #417, Honolulu  
Victor L. Redding, dba

Sunset Realty - Aloha Village Shopping Center, Box 904, Kailua-Kona  
Durrel L. Robison, dba

S. M. Tatsuguchi & Associates - 1311 Kapiolani Blvd., #400, Honolulu  
Samson M. Tatsuguchi, dba Samson M. Tatsuguchi & Associates

Waikoloa Home & Land Division - Information Center Box 3048, Kamuela  
Boise Cascade Home & Land Corp., dba



Mary Savio moved and Edwin Shiroma seconded to approve the tradename application of C & H Realty. Motion carried.

Edwin Shiroma moved and John Texeria seconded to approve the tradename application of Home-Land Research. Motion carried unanimously.

In regards to Melone & McGee's application, the Executive Secretary reported that Victor Redding is an independent broker and that Melone and McGee will not be associated with Redding's firm. John Texeira moved and Edwin Shiroma seconded that action be deferred pending consent from Melone and McGee for use of their name by Redding. Motion carried unanimously.

John Texeira moved and Tadayoshi Ishizu seconded to approve the tradename application of Sunset Realty. Motion carried unanimously.

Mary Savio moved and Edwin Shiroma seconded to approve the tradename application of S. M. Tatsuguchi & Associates. Motion carried unanimously.

Following the discussion, Edwin Shiroma moved and John Urner seconded that Waikoloa Home & Land Division be requested to register its name with the Business Registration Division--upon registration and acceptance, the Commission will approve this tradename application. Motion carried unanimously.

The Executive Secretary informed that all approvals are subject to all licensing requirements being fulfilled.

Biennial  
Renewals:

Mary Savio moved and Edwin Shiroma seconded that the topic of biennial renewals for brokers and salesmen be added to the agenda. Motion carried unanimously.

Robert Klein, Complaints and Information Officer, verbally expressed his concern for the salesmen who took the December brokers' examination and are due to renew their salesman's licenses before the end of the year. He stated that the problem is that these salesmen have to pay a biennial fee of \$50 to renew their salesman's licenses, and if they are successful in the brokers' examination would then have to pay \$100 for a broker's license. Robert Klein further stated that he has been receiving telephone calls about how unfair this is since they would be using their salesman's licenses for approximately one month if they are successful in the brokers' examination. Robert Klein advised that he spoke to the Licensing Administrator to determine if there would be any hardship on the licensing staff to administer some kind of proration.

Edwin Shiroma moved and John Urner seconded to go into executive session. Motion carried unanimously (2:50 p.m.).

Edwin Shiroma moved and John Urner seconded to adjourn the executive session. Motion carried unanimously (3:00 p.m.).

John Urner moved and Ralph Yagi seconded to reconvene the regular meeting. Motion carried unanimously (3:00 p.m.).

After discussing and considering the matter, the Commission felt that the biennial license renewal provision of Chapter 467, Hawaii Revised Statutes, was very specific and it had no authority to prorate the unused portion of any salesman's license fee to a new broker's license fee.

The Executive Secretary was directed to call E.T.S. to explain the problem and request that it scores the brokers' examination first and airmail the results to the Commission. Upon the submittal of the brokers' scores by E.T.S., the Executive Secretary was instructed to call the Chairman to approve the results and then call E.T.S. to send out the results to the candidates immediately.

Miscellaneous:    1977 NARELLO Western District Meeting

Chair informed of the proposed details the Executive Secretary, Edwin Shiroma and himself worked out in preparation for the 1977 NARELLO Western District Meeting to be held in Honolulu.

Request of Howard A. Reynolds to Conduct Real Estate Office from Residence Apartment

The Executive Secretary read Howard Reynolds request to conduct a real estate office from his residence apartment due to illness. The Executive Secretary informed that at the request of the Chairman, he had an investigator check Reynold's premises; the investigator confirmed Reynold's statements.

Edwin Shiroma moved and John Urner seconded to go into an executive session. Motion carried unanimously (3:55 p.m.).

Edwin Shiroma moved and John Urner seconded to adjourn the executive session. Motion carried unanimously (4:05 p.m.).

John Urner moved and Edwin Shiroma seconded to reconvene the regular meeting. Motion carried unanimously (4:05 p.m.).

John Urner moved and Edwin Shiroma seconded that the Executive Secretary be directed to inform Howard Reynolds that the Commission will grant approval subject to his getting the

necessary variance to operate out of his apartment building from the County or hang his license at KNDI radio station, which is a commercial building. Motion carried unanimously.

Application for Condominium Consultant

The Executive Secretary briefed on Michael Tsubata's resume and application for condominium consultant.

John Texeira moved and Edwin Shiroma seconded to approve adding Michael Tsubata's name to the condominium consultant's list. Motion carried unanimously.

Correspondence: Letter from Arizona Real Estate Commission

The Executive Secretary mentioned that the Arizona Real Estate Commission is seeking our assistance in recruiting a qualified applicant for a Real Estate Representative II position.

Letter from Marie Hansen

The Executive Secretary read a letter from Marie Hansen, which complained about the service she and others have received from staff regarding renewals.

Edwin Shiroma moved and John Texeria seconded that this letter be referred to the administrator in charge of the staff as the Commission does not have any control over them. Motion carried unanimously.

Letter from Lee Champion

The Executive Secretary read a letter from Lee Champion requesting a waiver of any portion of the 2 years' experience for the broker examination based on his pre-legal education at Stanford University. Lee Champion also requested a hearing if his request for waiver was denied.

The Executive Secretary briefed the Commission as to the denial action taken previously by the designated Review Officer. After considering the matter, the Commission reaffirmed the action of the Review Officer.

The Executive Secretary was directed to advised Champion that he may come before the Commission, but he is not entitled to a hearing as he has not filed an application for the broker examination.

Date of

Next Meeting:

January 28, 1977, at 9:00 a.m. (to be held in the Board Room).

Adjournment: There being no further business, Chairman Young adjourned the meeting at 4:15 p.m.

Taken and recorded by:

*Peggy Lau*  
Peggy Lau, Secretary

Approved by:

*Yukio Higuchi*  
YUKIO HIGUCHI, Executive Secretary

1/5/77