

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

MINUTES OF MEETING

Date: Friday, January 28, 1977

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

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

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

Wesley Park, Acting Director, Small Business Management Program
Marie Hansen, Principal Broker for Grubb & Ellis
Richard Rand, Re: Request for Waiver

Absent: Mrs. Mary Savio, Vice Chairman - Out of State

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

The Executive Secretary apprised that the agenda for today's meeting was filed at the Lt. Governor's office on January 24, 1977, in compliance with the Sunshine Law.

Minutes: Tadayoshi Ishizu moved and Edwin Shiroma seconded to approve the minutes of the December 16, 1976 meeting as circulated. Motion carried unanimously.

Audiences: Audience with Marie Hansen, Principal Broker of Grubb & Ellis;
Re: Change of Corporate Name

Marie Hansen appeared before the Commission to present a name change for Grubb & Ellis Co., a California Corporation, to Grubb & Ellis Residential, Inc., a Hawaii Corporation.

During the discussion, Marie Hansen informed that Grubb & Ellis Residential, Inc., a Hawaii Corporation, would be legally a new entity and a separate company from Grubb & Ellis Commercial Inc., a Hawaii Corporation.

Following the Commission's approval of this change of name, the Executive Secretary advised Marie Hansen of the procedures she must follow and what documents are needed to close Grubb and Ellis Co., a California Corporation, and to form Grubb and Ellis Residential, Inc., a Hawaii Corporation.

Audience with Richard Rand; Re: Waiver of the 2-Year Salesman's Experience Requirement for the Broker's Examination

The Executive Secretary read Richard Rand's letter explaining Rand's request for waiver of the 2-year salesman's experience requirement for the broker's examination.

Richard Rand appeared before the Commission to better explain his situation and to inform the importance of his request being granted.

Following the question-and-answer period, Chair thanked Richard Rand for appearing and advised him that the Commission will take this matter under advisement and will notify him of the decision shortly thereafter. Rand was then excused.

The Executive Secretary circulated copies of the Commission's equivalent experience guidelines. Following the review and discussion, Ralph Yagi moved and John Texeira seconded that Richard Rand's request be denied and Rand be informed that based on what he has presented, it appears the Commission can grant him a maximum waiver of 1 1/2 years' experience, and that this is questionable as he has not submitted any substantiating documents. Motion carried unanimously.

Committee Reports:

Real Estate Education Advisory Council

Home Study Real Estate Courses

Request of Ken Wells to Enroll in Vitousek's Real Estate Correspondence Course

The Executive Secretary read Ken Wells' letter explaining why Well's feels he falls under the category of "hardship cases"; Wells resides in Punaluu and has a 24-hour job as a resident manager and cannot make appearances in class.

Following the discussion, Ralph Yagi moved and Edwin Shiroma seconded that under the existing guidelines on home study

courses, the Commission must deny Ken Wells' request as he does not meet the conditions specified. Motion unanimously carried.

The Commissioners were in agreement to continue home study courses with the established guidelines, and at the first opportunity, have the rules and regulations amended to reflect home study courses.

The Executive Secretary read Paige Vitousek's memorandum to the Commission, which reported on the results of her temporary correspondence courses for salesmen and brokers.

SBM's Proposal for Continuing Education Courses

Wesley Park, Acting Director of the Small Business Management Program at the University of Hawaii, appeared before the Commission to present the background on his approach to advanced real estate programs. Wesley Park informed that John Reilly has greatly enhanced his original proposal and concurs with John Reilly's recommendation that Small Business Management proceed to develop core courses (as outlined in John Reilly's January 19, 1977 memorandum to the Education Committee) and integrate them into a real estate certification program.

Edwin Shiroma moved and Ralph Yagi seconded to accept the proposal made by John Reilly and Small Business Management Program, subject to the Director's approval. Motion carried unanimously.

Commission Sponsored Day Seminars

John Reilly reported that the tax seminar sponsored by the Commission had favorable responses on all islands. The topic for the next proposed seminar will be on Estate Planning and Probate Sales.

Edwin Shiroma moved and Ralph Yagi seconded to approve Estate Planning and Probate Sales by Thomas Bodden, Esq., for the next seminar scheduled for August, and John Reilly be authorized to proceed and develop this seminar to completion. Motion carried unanimously.

Legislation Committee

S. R. No. 439 (Mary Savio)

The Executive Secretary inquired whether all Commissioners had received a copy of the booklet, "A Study of Problems

in the Condominium Owner-Developer Relationship", which was prepared by the Office of Consumer Protection, Office of the Legislative Reference Bureau and the Real Estate Commission.

H. R. No. 474 (Mary Savio)

John Reilly informed that he has already submitted a report on this resolution, although it was subject to the results of the questionnaire.

H. R. No. 629 (Edwin Shiroma)

Following Edwin Shiroma's report on this resolution, John Urner moved and Tadayoshi Ishizu seconded that the Chairman, Edwin Shiroma, John Reilly and the Executive Secretary be authorized to prepare a report to the Director under the Chair's signature on the problem areas and possible solutions and make recommendation of the Commission. Motion carried unanimously.

Time Sharing Bill (John Urner and Ralph Yagi)

During the discussion, Ralph Yagi agreed to do the background work on this bill, and John Urner agreed to type this bill again with the inclusion of Russel Nagata's recommendations on the time sharing bill. It was decided that Edwin Shiroma, John Urner and the Chairman would confer with the Director for support of this proposed bill.

Ralph Yagi gave a verbal report on his research on changing the statute of limitation from one year to three years; there was a misunderstanding--Ralph Yagi had inadvertently researched the wrong section. Following more discussion, Ralph Yagi volunteered to follow up on the possibility of changing Section 514-52 to reflect a three-year statute of limitation rather than the one-year limitation. Chair informed that he would check with the Director for possible problems on this matter.

Educational Consultant's Report

John Reilly circulated copies of his sixth report and verbally informed that the licensees' statistics had a 55% response rate on the 12,500 questionnaires sent (a preliminary analysis of the results compiled was attached to his report). (John Reilly had given a report earlier during the Real Estate Education Advisory Council's report.)

Laws and Rules Review Committee

Edwin Shiroma gave a progress report of the meeting held on January 27, 1977 to review the condominium law and rules and

regulations, and announced that the next meeting would be held on February 24, 1977.

Attorney General's Report

In regards to RE-75-8 Hugh Menefee, copies of Attorney Galen Leong's letter of settlement proposals were circulated.

Following the review of the proposal and discussion, Deputy Attorney General Russel Nagata recommended that the Commission approve the settlement as a reasonable offer for settlement.

John Texeira moved and Edwin Shiroma seconded to accept the Deputy Attorney General's recommendation to accept this proposal. Motion carried unanimously. (Russel Nagata was authorized to contact Attorney Galen Leong and proceed to close this case.)

In reference to the complaint against Phillip Gibbons, which was dismissed on June 29, 1976, Russel Nagata reported that the complainant had contacted his office to express dissatisfaction with the Commission's decision.

Following an update of this case and further discussion, the Commission directed that Russel Nagata inform the complainant that the Commission stands on its earlier position to dismiss this case as it is a civil matter.

Business Out
of Minutes:

Questionable Applications

Victoria Young, Applicant for Salesman License

The Executive Secretary read a letter from Victoria Young, which explained Young's reasons for filing her application late, and which also requested a waiver of the one-year deadline.

Ralph Yagi moved and Edwin Shiroma seconded to approve Victoria Young's application for real estate salesman's license. Motion carried unanimously.

Investigations: CON-75-3 Harbor Lights

Following the discussion, John Texeira moved and Edwin Shiroma seconded to dismiss this case as the complainant and respondent had reached settlement agreement. Motion carried unanimously.

John Texeira moved and John Urner seconded to deny Honofed Corporation's request for a copy of the investigation report, because: (1) It is not a public report and (2) No formal charges were made against Honofed Corporation, so this is an internal product and not a public record. Motion unanimously carried.

RE-76-59 Bert Lang Realty, Inc.

Upon the review of this case, Edwin Shiroma moved and Ralph Yagi seconded to dismiss this complaint on the basis of insufficient evidence that shows any violation of our statutes or rules and regulations. Motion unanimously carried.

RE-76-89 Eugenio Trombetta & Pacificia Edenfield

Following the discussion, Edwin Shiroma moved and Ralph Yagi seconded to dismiss this case on the basis that no violation was found. Motion carried unanimously.

New Business:

Licensing

CORPORATION

- DH Realty Inc. - 102 Bank of Hawaii Bldg., P. O. Box 2086, Kailua-Kona
Frank P. Krieger, Jr., pb
- HEH Inc. - 217 S. King St., Room 212, Honolulu
Harvey E. Hampton, pb
- Hawaii Urban Real Estate, Inc. - 15 S. King St., Honolulu
Nelson P.T.G. Ching, pb
- JC Realty Corporation - 850 West Hind Dr., #121 Aina Haina Prof. Bldg.
James Callan, pb Honolulu
- Ocean Shores Land Company, Inc. - 2828 Paa Street, #3060, Hon.
Lyle C. Anderson, pb
- Vic Olson Realty Investments Inc. - 745 Fort St., #418, Honolulu
Victor D. Olson, pb
- Pacific Hawaii Realty Inc. - 850 Kapiolani Blvd., #222, Hon.
William K. W. Ho, pb
- Gerald M. K. Pang and Associates, Inc. - 841 Bishop St., #2003, Hon.
Gerald M. K. Pang, pb
- Rex Realty Inc. - 1000 Bishop Street, #908, Honolulu
Paula K. Johnson, pb
- Surfside Realty, Inc. - 1993 S. Kihei Road, #212A, Kihei Hawaii
Lawrence J. Schwer, pb
- Anson O. Rego Realty Inc. - 85-833 Farrington Hwy., Waianae
Victoria O. Rego, pb

Edwin Shiroma moved and John Texeira seconded to defer action pending further clarification of what "DH" stands for in DH Realty Inc. Motion carried unanimously.

Edwin Shiroma moved and Tadayoshi Ishizu seconded that with the exception of Surfside Realty, Inc., the Commission approve the other applications for corporate licenses listed above. Surfside Realty, Inc. will be granted approval subject to its submittal of evidence that it has been registered with the Business Registration Division as a corporation. Motion carried unanimously.

PARTNERSHIP

REDEVCO - 190 S. King Street, #955, Honolulu
Richard E. Fahrenwald, pb

John Texeira moved and John Urner seconded to approve the above application. Motion carried unanimously.

BRANCH OFFICE

Herbert K. Horita Realty Inc., - 2024 N. King St., #209, Hon.
Calvin K. Miyamura, bic
Kenneth B. Myers dba Kahala Homes - Kalanikai Condo. Apts. Kuakini Hwy.
Bernard E. W. Meadows, bic Box 1506, Kailua-Kona

John Urner moved and John Texeira seconded to approve the branch office license of Herbert K. Horita Realty, Inc., but not under the other request of Herbert K. Horita Commercial-Industrial Sales and Leasing. Motion carried unanimously.

In reference to the application of Kenneth B. Myers dba Kahala Homes, Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve it subject to: (1) a favorable zoning report and (2) Meadows must be a resident of Kona. Motion carried unanimously.

TRADENAME

Commercial Investment Management Company - 510 Piikoi St., #204, Hon.
Thomas T. Matsuoka, dba
Alfred E. De Luz Realty - 1831 No. King St., Honolulu
Alfred E. De Luz, dba
Graham Realty Group - 1144 Young Street, Honolulu
Daniel T. Graham, dba
Daniel I. Harada Realty - 1723 Kalani Street, Honolulu
Daniel I. Harada, dba
Les Howard and Associates - 841 Bishop St., #918, Honolulu
Leslie G. Howard, dba
Realty Three - 747 Amana Street, #211, Honolulu
Richard W. C. Ho, dba
Regal Realty - 3389 B Campbell Avenue, Honolulu
John Y. Ohye, dba
Charlotte Vieira Realty - 237 Kaumana Drive, Hilo
Charlotte G. H. Vieira, dba
Westside Realty - 1-3437 Kaunualii Hwy., Hanapepe, Hawaii
Patricia L. Weber, dba

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve the above applications for tradenames. Motion carried unanimously.

CHANGE OF CORPORATE NAME

Levy Realty Inc., dba Norman Mau Realty - 85-998 Farrington Hwy. Waianae
(formerly - Norman Mau Realty Inc.) Levonzell P. Scheidt, pb

Tadayoshi Ishizu moved and Edwin Shiroma seconded to deny the above application for change of corporate name on the basis of Rule 2.3(b). Motion carried unanimously.

RESTORATION OF FORFEITED LICENSE - Past 2-Year Deadline

Landex-Hawaii Inc. - Davies Pacific Center, #1919, Honolulu
Robert E. Bowman, pb
Taro N. Tanaka - Independent Broker

John Urner moved and John Texeira seconded to approve the application of Landex-Hawaii Inc. for restoration of forfeited license. Motion carried unanimously.

Ralph Yagi moved and Tadayoshi Ishizu seconded to approve Taro Tanaka's application for restoration of forfeited license subject to submittal of evidence that he previously held broker license No. 763. Motion carried unanimously.

APPROVAL FOR PREVIOUSLY DEFERRED APPLICATIONS

Gordon Associates Inc. - 1402 Kapiolani Blvd., Room 27, Honolulu
Gordon Y. D. Chun, pb (previously applied as: J. Gordon Associates)
Melone & McGee - 116 So. King St., Honolulu
Victor L. Redding, dba

Edwin Shiroma moved and John Texeira seconded to approve the application of Gordon Associates, Inc. Motion unanimously carried.

John Texeira moved and John Urner seconded to approve Melone and McGee's application. Motion carried unanimously.

Miscellaneous: Results of December 11, 1976 Examination

John Texeira moved and John Urner seconded to accept the results of the December 11, 1976 examination and make it a part of the minutes. Motion carried unanimously.

Use of Calculators at Examinations

John Urner moved and John Texeira seconded to allow the use of calculators during the April 1977 examination. Motion unanimously carried.

1977 NARELLO Western District Meeting

Chair gave a progress report on the proposed details worked out in preparation for the 1977 NARELLO Western District Meeting to be held in Honolulu on June 15 - 19, 1977.

Correspondence: Letter from J. Allen Johnson of Honolulu Requesting to Employ a Salesman Residing in Hana, Maui

Following the Executive Secretary's reading of Johnson's letter and discussion, Ralph Yagi moved and John Texeira seconded to deny Johnson's request based on Rule 1.5(e). Motion unanimously carried.

Letter from Peter Young Requesting Results of Real Estate Licensees' Survey

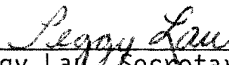
Chair directed John Reilly to respond to Peter Young's letter.

Announcements: None


Date of Next Meeting: Friday, February 25, 1977 (to be held in the Board Room).

Adjournment: There being no further business, Chairman Young adjourned the meeting at 3:35 p.m.

Taken and recorded by:



Peggy Law, Secretary



Yukio Higuchi, Executive Secretary

Attachment

2/14/77