

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

MINUTES OF MEETING

Date: Friday, May 27, 1977

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

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

Russel Nagata, Deputy Attorney General
Rick Tsujimura, Deputy Attorney General
Sidney Ayabe, Attorney for Real Estate Recovery Fund
Yukio Higuchi, Executive Secretary
Saeko Whang, Secretary
John LaBelle, Investigator
Alvin Yamamoto, Investigator

Earl Lee, Board of Realtors
Warren Ho, Respondent
Daniel Matsukage, Respondent
M/M Richard Yoder, Complainants
Jean Minton, Observer
Violet King, Applicant for Broker License

Absent: John D. Texeira, Member

Call to Order: There being a quorum Chairman Young called the meeting to order at 9:15 a.m.

The Executive Secretary apprised that the agenda for today's meeting was filed on Monday, May 23, 1977 at the Lt. Governor's office in compliance with the Sunshine Law.

Minutes: Upon motion by Edwin Shiroma, seconded by Tadayoshi Ishizu, the minutes of May 13, 1977 meeting were approved as circulated. Motion carried unanimously.

Committee Real Estate Education Advisory Council

Reports:

Day Seminar Sponsored by Commission

The above matter was deferred as John Reilly was not present to give a status report.

S.B.M.P. Continuing Education Project

This matter was deferred as John Reilly was not present.

Establishment of Real Estate Chair

The Executive Secretary reported that he contacted Dean Heenan to set the date for signing the agreement but was informed that they need to get the U. of H. Board of Regents approval. The next regent meeting will be held in June so possibly the signing ceremony, with photos to be taken, will be in late June.

Book Donation

Mary Savio stated that the recommended list of books to be donated to the 2 library systems will be reported to the Executive Secretary next week.

Real Estate Instructor's Examination

In the absence of John Reilly, the Executive Secretary circulated the proposed new Real Estate Instructor's examination and recommended that the members adopt it.

Edwin Shiroma moved and Mary Savio seconded to adopt the new instructor's examination effective immediately. Motion carried unanimously.

Educational Consultant's Report

This matter was deferred in the absence of John Reilly.

Laws and Rules Review Committee

Edwin Shiroma thanked Mary Savio for the use of the meeting room for the last meeting held on May 26, 1977. He stated the committee covered quite a bit of the Rules and Regulations and Chapter 467 and requested an update of the work from the Executive Secretary. The next committee meeting will be held on June 23, 1977.

Real Estate Recovery Fund

The Executive Secretary reported that as of May 16, 1977, there is a balance of \$468,466.61 in the Real Estate Recovery Fund and in the Real Estate Education Fund, there is a balance of \$400,054.21 of which \$50,000 a year is earmarked for the Real Estate Chair.

Business Out
of Minutes:Questionable ApplicationMrs. Iola Rhyne, Applicant for Restoration of Forfeited Broker License

Mrs. Iola Rhyne, under date of May 17, 1977, was notified to make

an appearance before the Commission for discussion regarding her forfeited real estate broker license. She failed to appear and no action was taken.

Kathleen Ann Smith

At the request of Executive Secretary, Mary Savio moved and Tadayoshi Ishizu seconded to add to the agenda in compliance with the Sunshine Law the matter regarding Kathleen Ann Smith's late application for real estate salesman license. Motion carried unanimously.

A letter from Jake Urner's office in Kailua explaining the circumstances why application was filed 1 day late of the filing deadline was read by Executive Secretary.

Following discussion, Ralph Yagi moved and Tadayoshi Ishizu seconded to approve Kathleen Smith's late application on the basis of the explanation given. Motion carried unanimously.

Investigations: RE-76-128 Aiea Lani Corporation

The Executive Secretary apprised the members that Warren Ho had retained Attorney Dan Ukishima, who is out of town and who requested the Commission for a continuance of this informal conference. Inasmuch as there is a notice from the attorney asking for a continuance, Deputy Attorney General Rick Tsujimura queried respondent Warren Ho, so as not to prejudice the case, whether he had any objection to going ahead with the case. Ho responded that he had no objection.

Following the question and answer period Chairman Young advised Ho that the matter will be taken under advisement and he will be notified of the Commission's decision.

Edwin Shiroma moved and Ralph Yagi seconded to have the Complaints Review Committee and the Deputy Attorney General to discuss the case and report at the next meeting.

RE-76-140 Mary Lou Whitman

RE-76-152 Mary Lou Whitman

CON-76-12 Maunaihi Developers

Daniel Matsukage, at Commission's request, appeared to discuss the 3 cases pertaining to Maunaihi Terrace Condominium. There are two areas of concern where unqualified promises were made and passed on to the buyers:

1. Installation of paneling in the lobby elevator area

Matsukage replied, "No problem to do this."

2. Installation of "astro-turf" on the surface immediately adjacent to the pool.

Matsukage denied making representation or promise that he would install "astro-turf" by the pool. He stated that at the present time, he is having a contractor chip the concrete and redoing the entire topping and if this work resolves the poolside problem, he does not plan to install "astro-turf."

After a question and answer period, Chair thanked Matsukage for appearing and advised him that the Commission will take this matter under advisement.

After deliberation, Edwin Shiroma moved and Ralph Yagi seconded to have further investigation by contacting salesman, V. L. Boylan, and June Ibara, the recording secretary of the association of owners, to get statements what their recollections are regarding discussions of the Board of Directors May 21, 1975 meeting. Motion carried unanimously.

RE-76-127 Singleton & Associates, Inc.

Following discussion, Edwin Shiroma moved and Ralph Yagi seconded to hold a formal hearing and to designate departmental hearing officer to hear the case. Motion carried unanimously.

RE-76-132 Tom Schmidt Realtors

After discussion, Ralph Yagi moved and Tadayoshi Ishizu seconded to hold a formal hearing and to designate departmental officer to hear the case. Motion carried unanimously.

RE-77-5 Barbara L. Odor Realty, Inc.

After deliberation, John Urner moved and Tadayoshi Ishizu seconded to dismiss the case with a letter of warning. Motion carried unanimously.

RE-77-9 Mike McCormack School of Real Estate

After discussion, Edwin Shiroma moved and Ralph Yagi seconded to dismiss case as complainant did not show good faith by failing to attend classes. Motion carried unanimously.

CON-105 Jason Apartments

Deputy Attorney General Russel Nagata advised that the statute of limitation has run out and recommended to dismiss the case. Complainant should seek remedy through civil suit.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to accept the recommendation of the Deputy Attorney General. Motion carried unanimously.

APPLICANT FOR NEW LICENSE:

Gordon L. Haas

The Executive Secretary apprised the members that Gordon Haas has a case pending in U.S. District Court involving marijuana. On the advise of Deputy Attorney General Russel Nagata that the matter does not directly relate to real estate, Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve applicant's license. Motion carried unanimously.

RESTORATION OF REVOKED LICENSE

Violet C. King

The Executive Secretary informed that Violet King's application shouldn't be for restoration of forfeited license as filed because her broker license was revoked and not forfeited.

Following discussion, Edwin Shiroma moved and Tadayoshi Ishizu seconded to deny her application on the basis of Rule 1.10 that she must apply for and take the broker's examination but the Commission waives the educational requirement. Motion carried unanimously.

Soon after vote was taken, Mr. King entered and Chairman Young informed Mrs. King of Commission's decision.

RESTORATION OF FORFEITED LICENSE - Past 2 years deadline

Harold T. Fukuda

After reading of Harold Fukuda's letter by Executive Secretary, Ralph Yagi moved and Edwin Shiroma seconded to deny his application based on the grounds that he has been out of real estate activity for too long a period and is no longer qualified as a real estate salesman. Motion carried unanimously.

PREVIOUSLY DEFERRED APPLICATION

Financial Center Realty, Inc.

This matter was deferred at the previous meeting subject to how the principal broker's time was spent in supervising his sales staff. It was determined that 745 Fort St. and 418 Hawaii Building (letter-head address) is the same location from which the principal broker plans to operate. Upon motion by Edwin Shiroma and seconded by Ralph Yagi, the above corporation license was approved. Motion carried unanimously.

William H. D. King III

At the request of the Executive Secretary, Edwin Shiroma moved and Tadayoshi Ishizu seconded to add the above item to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

Because King had indicated that he had been convicted of various acts of mischief during his youth in his real estate salesman application and that, upon request, he would furnish said details, under date of May 12, 1977, Executive Secretary requested for details of his acts.

Following the discussion of his letter giving information as to what occurred in 1963, Tadayoshi Ishizu and Edwin Shiroma seconded to approve applicant's application. Motion carried unanimously.

Sidney Ayabe, Real Estate Recovery Fund Counsel

Sidney Ayabe gave a digest as to what has happened and what is occurring. He mentioned that at present time there are 55 active cases involving the Real Estate Recovery Fund.

Miscellaneous: 1977 NARELLO Western District Conference

Chairman Young stated that he is very pleased to report that the plans of the 1977 NARELLO Western District Conference is progressing satisfactorily and well in advance.

April 23, 1977 Real Estate Examination Result

Edwin Shiroma moved and Ralph Yagi seconded to accept the April 23, 1977 successful candidates list as submitted and the list be made a part of the minutes. Motion carried unanimously.

Mauna Luan (Michael Hannon)

At Executive Secretary's request. Mary Savio moved and Edwin Shiroma seconded to add the matter of Mauna Luan condominium extension of the final public report in compliance with the Sunshine Law. Motion carried unanimously.

The Executive Secretary read a letter from Michael Hannon, legal counsel for Kaiser Aetna Corporation, requesting extension of the public report.

The final public report, issued on December 3, 1974, had lapsed without notification to the Commission to extend the effective period of the report. There was no material changes, however, the Executive Secretary pointed out that extension of the public report is not the problem. The problem is with the position that staff had taken that all those people who purchased units when no public report was in

effect have the right to rescind their contract as there was no public report in effect at the time the contract was executed.

Following the discussion, Edwin Shiroma moved and Tadayoshi Ishizu seconded to request a written opinion from the Attorney General's office. Motion carried unanimously.

E.T.S. Examination Committee Meeting

At the request of the Executive Secretary, Edwin Shiroma moved and Ralph Yagi seconded to add this item to the agenda. Motion carried unanimously.

E.T.S. notified that the Real Estate Licensing Examination Committee meeting has been rescheduled to be held on August 7-9, 1977, in Princeton, New Jersey.

Ralph Yagi moved and Edwin Shiroma seconded to have Mary Savio and the Executive Secretary represent Hawaii at this meeting. Motion carried unanimously.

Date of Next Meeting:

Friday, June 24, 1977, at 9:00 a.m. in the Board Room

Adjournment:

There being no further business, the meeting was adjourned at 4:20 p.m.

Taken and recorded by:

Saeko Whang
Saeko Whang, Secretary

Approved By:

Yukio Higuchi
Yukio Higuchi, Executive Secretary