

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

MINUTES OF MEETING

Date: Friday, September 23, 1977

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

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

Yukio Higuchi, Executive Secretary  
Saeko Whang, Secretary  
Alvin Yamamoto, Investigator  
John LaBelle, Investigator

Donald Bell, Professor, U. of H., College of Business Admin.  
Joseph Choy, Director, Small Business Management Program, U. of H.  
John W. Reilly, Former Educational Consultant  
Robert K. Cordeiro, Applicant for Restoration of Salesman License  
Richard Yoder, Complainant  
Daniel Ukishima, Attorney  
Warren Ho, Respondent  
Jo Ann Stewart, Licensee representing Mike McCormack, Realtors  
Robert Jinks, Attorney  
James S. Singleton, Licensee

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

The Executive Secretary apprised that the agenda for today's meeting was filed on Monday, September 19, 1977, at the Lt. Governor's office in compliance with the Sunshine Law.

Minutes: Tadayoshi Ishizu moved and Mary Savio seconded to approve the minutes of August 26, 1977 as circulated. Motion carried unanimously.

Committee Reports: Real Estate Education Advisory Council

Establishment of Real Estate Chair at U. H.

Professor Donald Bell reported that approval has been granted in this matter by the Board of Regents, U. of H. However, since it was a closed meeting, official approval will be at the

October 14 meeting but the Regent authorized the U. of H. to proceed with plans to sign the contract.

Professor Bell also reported that the signing ceremony will take place next Friday, September 30, 1977 at 4:00 p.m. at President Matsuda's office.

In selection of the real estate chair, Professor Bell stated that he is gathering resumes of at least 10 interested people and he will make recommendations to the Commission.

#### S.B. M.P. Advanced Real Estate Course

Joseph Choy of S.B.M.P. reported that contract was signed and has been forwarded to Executive Secretary, who, in turn, processed it through Department's ASO and Director.

Choy stated that the budget pertaining to future programs is not ready but he will submit it at the next meeting in October.

#### R.E. Education Officer

Executive Secretary mentioned that Licensing Administrator Dick Okaji has not had the time to review the job description, therefore, there was no progress to report.

#### Laws and Rules Review Committee

Edwin Shiroma, Chairman of Review Committee reported that his committee had completed revising proposed amendments to Chapter 20 except for the new language on equivalent education and experience.

The Executive Secretary will start compiling the changes.

The next Review Committee will meet again on October 27, 1977 at the Educational Room of the Tropic Shores Realty, Ltd. to discuss the new language on equivalent education and experience.

#### Real Estate Recovery Fund

Counsel Sidney Ayabe had submitted a report of pending Real Estate Recovery cases, which had been circulated earlier, with a bill for \$4,141.40.

Edwin Shiroma moved and Ralph Yagi seconded to accept counsel's report and approved for payment. The Executive Secretary was directed to write a letter of "Thank you for the wonderful work done." Motion carried unanimously.

#### Business Out of Minutes:

#### Robert K. Cordeiro's Application for Restoration of Forfeited License

Robert K. Cordeiro appeared before the Commission for a question and answer period regarding his forfeited real estate salesman's

license. Chair thanked Cordeiro for appearing and stated the matter will be taken under advisement.

After due consideration, Ralph Yagi moved and John Texeira seconded to approve restoration of Robert K. Cordeiro's real estate salesman's license. Motion carried unanimously.

Investigations: The Complaint Review Committee consisting of Ah Kau Young, Mary Savio, Edwin Shiroma, Deputy Attorney General Russel Magata, Investigator Alvin Yamamoto and Executive Secretary met on September 20, 1977 to review the following complaints.

RE-75-27 Benjamin Kong

The Committee recommended dismissal of complaint in view of the executed settlement agreement between Liliha Square Associates and Complainant Tong, agreeing to an exchange of Tong's compact stall for a regular parking stall. It was so moved by Edwin Shiroma and seconded by Tadayoshi Ishizu. Motion carried unanimously.

RE-76-128 Aiea Lani Corp.

Attorney Dan Ukishima and his client, Warren Ho, appeared to discuss this matter. He disclosed to the Commissioners that there may be a possible conflict of interest inasmuch as he is a condominium consultant for the State. But due to time restraint, he requested to be permitted solely for the purpose to request for reconsideration of the findings and recommendations of the Commission. In the event should this matter continue, he will ask to be released.

After his presentation, Chairman Young thanked them for appearing and said the matter will need to be consulted with Commission's counsel and will be taken under advisement.

Copies of a letter from Mr. & Mrs. Richard Yoder, complainants, in response to Commission's letter dated August 15, 1977 were distributed.

RE-77-27<sup>y</sup> R. Gregg Hall and R.S.M., Inc.

Executive Secretary briefed members that this matter was decided for Respondent to proceed for a reasonable settlement within a time limit of 4 months at the March 18, 1977 meeting. Respondent submitted an executed amendment to land purchase contract dated July 29, 1977.

Committee recommended dismissal. Edwin Shiroma moved and Tadayoshi Ishizu seconded to dismiss case. Motion carried unanimously.

RE-76-102 Kahana Realty, Inc.

Committee recommended dismissal as there is insufficient evidence that Respondent failed to give a copy of DROA and the delay in opening escrow was due to the unsigned DROA by seller.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to accept Committee's recommendation to dismiss. Motion carried unanimously.

RE-76-126 Kahana Realty, Inc.

Committee recommended dismissal as this is an employer-employee dispute over sales commission, which is a civil matter.

Tadayoshi Ishizu moved and Edwin Shiroma seconded to dismiss case. Motion carried unanimously.

RE-76-158 Tom Schmidt Realtors

Committee, after review of investigation report, found that Respondent did not have a broker in charge in Lahaina for a period of 1 1/2 months. Committee recommended a letter of warning be sent.

Ralph Yagi moved and John Urner seconded to dismiss case with a letter of warning to Respondent. Motion carried unanimously.

RE-77-73 James A. Slavish

Ralph Yagi moved and Edwin Shiroma seconded to accept Committee's recommendation to dismiss case with a letter of warning to be more careful in future transactions. Motion carried unanimously.

RE-77-77 Blue Water Properties, Inc.

Ralph Yagi moved and Tadayoshi Ishizu seconded to accept Committee's recommendation to dismiss case with a letter of warning. Motion carried unanimously.

RE-77-95 Kenneth Fujiyama Realty, Inc.

Committee recommended dismissal of case as there were no violations of real estate statutes nor Commission's rules and regulations.

Tadayoshi Ishizu moved and Ralph Yagi seconded to accept the recommendation. Motion carried unanimously.

RE-77-98 Katsumi Ohama

Committee did not come up with any recommendation; left it up to the Commission as a whole to decide.

After discussion, Mary Savio moved and John Texeira seconded to call Katsumi Ohama and salesman Edwin Yost to an informal

conference. Motion carried unanimously.

Upon Executive Secretary's request, Edwin Shiroma moved and Tadayoshi Ishizu seconded to add the following two matters to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

CON-76-12 Maunaihi Developers

Dan Matsukage had replied to Commission's findings and recommendations which were circulated earlier. He stated that he has expended quite a sum of money to correct the swimming pool situation, and he felt that by further placing astro turf to the apron of the pool would be creating more problems. He also reported that the elevator lobby area has already been covered with wall paper and covering it with wood panelling will not be as nice as the existing wall paper.

After discussion, Edwin Shiroma moved and Tadayoshi Ishizu seconded for Matsukage to obtain a waiver of release from both complainants and the Association of Apartment Owners and, if there is an agreement, the Commission will also release Matsukage. Motion carried unanimously.

RE-77-28 Mike McCormack Corp. (Kauai)

Executive Secretary informed the members that a letter was sent to Mike McCormack and Dale Madden to appear at today's meeting to discuss the matter of rental operation at Kuhio Shores condominium on Kauai which has been operating without a branch office license.

Jo Ann Stewart appeared to discuss this matter on behalf of McCormack, who is out of state.

After the question and answer period, John Texeira moved and Tadayoshi Ishizu seconded to defer the matter. The Commissioners were in agreement that Mike McCormack should be the person to answer the many unanswered questions posed. Motion carried unanimously.

New Business:      LICENSING

CORPORATION

Ariki Associates, Inc. - 255 Keawe St., Hilo  
Owen H. Ariki, pb

Bayview Realty Corporation - 1015 Bishop Mezzanine, Honolulu  
Grant B. Nielson, pb

Hironaka Realty, Inc. - 1000 Bishop St., #301A, Honolulu  
Sam S. Hironaka, pb

Mosher Realty & Mortgage, Inc. - 190 S. King St., #1414, Hon  
Howard F. Mosher, pb

Oishi's Property Management Corp. - 750 Amana St., #101, Hon.  
Ina B. Gossett, pb

Pac State Properties, Inc. - 1000 Bishop St., #301A, Hon.  
Oscar M. Nishihira, pb

Plaza Realty, Inc. - 50 S. Beretania St., #C110, Honolulu  
Douglas Y. Kimura, pb

Professional Standard Corp., a California Corp. - Palawi Pl.  
Welton E. Avery, pb Bx 572, Kailua-Kona

Lorna Silkwood Realty, Inc. - 850 W. Hind Dr., #119, Honolulu  
Lorna M. Silkwood, pb

Valhalla, Ltd. - 756 Kam Hwy, #104, Pearl City  
Patrick M. Haskins, pb

*Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve the applications for corporate licenses listed above. Motion carried unanimously.*

BRANCH OFFICE

Kaunakakai Realty Corp. - Ala Malama St., Bx 1066, Kaunakakai  
Allen A. Steward, bic

Mardi Kersting Assoc. Inc. - 1920 Ala Moana Blvd. #2207, Hon.  
Karrol J. Beeson, bic

Lehua Realty of Hawaii, Inc. - 700 Richards St., #1202, Hon.  
Richard M. Jitchaku, bic

Mau'i Realty Co., Inc. - Pukalani Terrace Center, Pukalani  
Joseph J. Gonzales, Sr., bic

Val's Realty, Inc. - 1383 Queen Emma St., Honolulu  
Edward M. Takeyama, bic

*Tadayoshi Ishizu moved and Ralph Yagi seconded for approval of applications for branch office license. Motion carried unanimously.*

TRADENAME

Action Realty - 1109 Bethel St., #208, Honolulu  
Betsy J. Christian, dba

Victor Bautista Realty - Kohala Sugar Co. Bldg, Hawi Rd, Box 817  
Victoriano B. Bautista, dba  
Hawi

Kay-Jay Realty - 1909 Ala Wai Blvd., #1005, Honolulu  
Kay J. Ravenel, dba

Realty Trade Center - 1513 Young St., #201, Honolulu  
Wilfred Y. Motosue, dba

Royal Kaanapali Realty - 910 Honoapiiliani Hwy #9, Lahaina  
Joe H. Allison, dba

Sharon Realty - 1060 Young St., #318, Honolulu  
Sharon M. Heck, dba

Mary Savio moved and Ralph Yagi seconded to approve the above applications for tradenames. Motion carried unanimously.

CHANGE OF CORPORATE NAME

Alliance Realty & Management, Inc. dba ARM, Inc. - 677 Ala Moana  
Fred O. Harris, pb #307, Honolulu  
(formerly Friendly Isle Realty & Management, Inc. dba FIRM)

Auction Realty, Inc. - 745 Fort St., #606, Honolulu  
Norman K. F. Mau, pb (formerly Mau & Hawthorne, Inc.)

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve the applications for change of corporate name. Motion carried unanimously.

LATE APPLICATIONS FOR LICENSE

Gerard D. Bergh

Mary Savio moved and Tadayoshi Ishizu seconded to deny late application filed by Gerard D. Berg. Motion carried unanimously.

James T. Inuma

Mary Savio moved and John Urner seconded to deny James T. Inuma's late application. Motion carried unanimously.

Miscellaneous: RE-76-110 and RE-76-127 James Sandy Singleton

Commissioner John Texeira, due to a possible conflict, disqualified and excused himself regarding this matter.

Robert Jinks, attorney, and James S. Singleton appeared to present new evidence or proposals to the two complaints.

After his presentation, Attorney Jinks stated that he will submit to the Commission a copy of title report and deed.

Chairman Young thanked them for appearing and said that the matter will be taken under advisement and after consulting with Commission's counsel, a decision will be made on his settlement proposal and he will be notified of the decision.

Ombudsman Letter Re: December 1976 Examination

Executive Secretary reported that he has received a follow-up letter from the Ombudsman's Office inquiring as to whether the Commission would consider refunding the salesman license renewal fees paid by those successful in the December 1976 broker examination on the basis that the renewal fees could have been paid erroneously.

After a lengthy discussion, Mary Savio moved and John Texeira seconded to reaffirm the stand of the original communication taken since (1) the Commission cannot unilaterally make that decision inasmuch as that would have the effect of removing the license when that licensee might have involved himself in a transaction and sold or listed properties in the interim period; and (2) many persons who successfully pass the broker's exam do not apply for license immediately but prefer to wait several months before applying for issuance of broker's license. Motion carried unanimously.

August 27, 1977 Examination Result

Mary Savio moved and Edwin Shiroma seconded to accept the list of successful candidates of the August 27, 1977 examination and make it a part of the minutes. Motion carried unanimously.

1978 Examination Dates

As E.T.S. had telephoned earlier to find out the examination dates for 1978, the following tentative dates were selected:

April 15, 1978  
August 5, 1978  
November 25, 1978



Executive Secretary will first communicate with Marshall F. Goldman, President, Real Estate Schools Association of Hawaii, and inform him of the dates selected before advising E.T.S. Mary Savio moved and Edwin Shiroma seconded to adopt the above tentative dates. Motion carried unanimously.

Correspondence: Anonymous Letter Re: Tom Schmidt, Realtors

Executive Secretary provided the Commission members with a copy of an anonymous letter complaining of the Commission's inaction against Thomas Schmidt. No action should be taken on this matter because the specific complaints against Schmidt mentioned in the letter were inaccurate.

Hale Koa Realty - Koa Realty - Conflict of Names

This matter was not placed on the agenda for this meeting. Edwin Shiroma moved and Tadayoshi Ishizu seconded to discuss this matter in accordance with the Sunshine Law. Motion carried unanimously.

After discussion, Ralph Yagi moved and John Texeira seconded that similarity between the names, Hale Koa Realty and Koa Realty, is not enough to warrant refusal to register Hale Koa Realty. Motion carried unanimously.

Mary Savio moved and Edwin Shiroma seconded to take no action on the matter of the "warrior" logo because it is not within the purview of the Real Estate Commission; it is a private matter. Motion carried unanimously.

Announcement: Salary Increase for Executive Secretary

As discussed at the previous meeting, Chairman Young met with Director Wayne Minami regarding increasing Executive Secretary's salary. Director informed that "it is still pending."

Before discussion could go any further, Executive Secretary interrupted and said that he appreciates the thought and action initiated in his behalf, but he requested that the matter be considered closed at this time.

Commissioner Urner thanked Chairman for his efforts.

Adjournment: There being no other business to transact, Chair declared the meeting adjourned at 3:25 p.m.

Taken and recorded by:

Approved by:

Yukio Higuchi  
Yukio Higuchi, Executive Secretary

Saeko Whang  
Saeko Whang, Secretary