

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

MINUTES OF MEETING

Date: Friday, September 29, 1978

Place: Board Room, Kamamalu Building,  
1010 Richards Street, Honolulu, Hawaii

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

Randall Iwase, Deputy Attorney General  
Yukio Higuchi, Executive Secretary  
Saeko Whang, Secretary

Joseph Choy, Director, S.B.M.P., U. of H.  
Donald Bell, Prof., College of Business Admin., U. of H.  
Paul Wendt, Real Estate Chair, U. of H.  
Don Robertson, President, First Hawaiian Properties, Inc.  
John Miho, Attorney representing First Hawaiian Properties, Inc.  
Randy Hew, Attorney representing First Hawaiian Properties, Inc.  
M. P. Dyer, General Counsel, Preferred Equities Corporation  
Albert Schumacher, Applicant for real estate salesman license

Absent: Tadayoshi Ishizu, Member

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

The Executive Secretary apprised that the agenda for today's  
meeting was duly processed on Tuesday, September 26, 1978,  
before 9:00 a.m., at the Lt. Governor's office in compliance  
with the Sunshine Law.

Minutes: Mary Savio moved and Toru Kawakami seconded to approve the  
minutes of August 25, 1978 as circulated. Motion carried  
unanimously.

Committee  
Reports: Real Estate Education Advisory Council

Applications for Real Estate Instructor Certificates

Sheri Min (salesman instructor)

Mary Savio moved and Ralph Yagi seconded to deny the  
application of Sheri Min on the basis that she does not  
satisfy all requirements for salesman instructor as  
established by the Commission. Motion carried unanimously.

Francis A. Bowers, Jr. (guest instructor)

Mary Savio moved and Ralph Yagi seconded to approve Francis Bowers' application for guest math instructor certificate. Motion carried unanimously.

Beth B. Lagrimas (guest instructor)

Mary Savio moved and Ralph Yagi seconded to hold Beth Lagrimas' application in abeyance to allow her an opportunity to submit documentary evidence in support of her qualifications for a guest math instructor certificate. Motion carried unanimously.

Frances L. Cutright (salesman instructor)

Edwin Shiroma moved and Mary Savio seconded to approve Frances Cutright's application for salesman instructor certificate. Motion carried unanimously.

Brian F. Nicol (special instructor)

Mary Savio moved and Edwin Shiroma seconded to approve Brian Nicol's application for guest math instructor certificate. Motion carried unanimously.

Laws and Rules Review Committee

Committee Chairman Edwin Shiroma reported that Ah Kau Young, Mary Savio, Yukio Higuchi, and himself had met on September 28, 1978, to continue the committee's discussion on proposed rules changes of Chapter 20. He advised that the committee had devoted much of the discussion time to the Commission's desire to amend the broker education requirement from completion of 40 classroom hours to 240 classroom hours, and copies of the proposed amendments will be forwarded to all Commission members as soon as it is in print.

Mary Savio moved and Ralph Yagi seconded to proceed toward public hearing for adoption of new broker requirement. Motion carried unanimously.

Edwin Shiroma announced that the next Laws and Review Committee meeting will be held on November 16, 1978, at Mary Savio's office.

Time Sharing Legislative Study Committee

Committee Chairwoman Mary Savio reported that her committee have been meeting regularly until about 2 weeks ago, when it was decided that the committee should wait until Hiroshi Sakai is able to get ahold of the American Land Developers Association (ALDA) proposed time-sharing code. The committee will be

studying the ALDA proposal and the Commission's last proposed time-sharing bill. The committee is hopeful that it can submit a proposed time-sharing bill to the next Legislature for consideration.

Recovery Fund Report

Executive Secretary reported that he had received communications from Sidney Ayabe requesting the Commission select an appraiser to perform an appraisal of the property on the island of Hawaii relative to the recovery fund claim against International Syndications, Inc., Civil No. 40475.

Edwin Shiroma moved and Toru Kawakami seconded to grant the Executive Secretary the authority to select an appraiser. Motion carried unanimously.

Attorney General's Report

Deputy Attorney General Randall Iwase reported that the appeal filed in the First Circuit Court by Harold Fuller in the matter of RE-76-163 has been dismissed and the case can be closed.

He also reported that the appeal filed in the First Circuit Court by James Singleton in the matter of RE-76-110 was also dismissed and the matter can be closed.

Business Out  
of Minutes:

RE-78-41 Douglas H. Correa, Randall J. Gomes and Wallace  
Watanabe

Executive Secretary reported that he had received executed copies of the Stipulation of Dismissal with Prejudice Between Plaintiff Kali Watson and Defendant Randall J. Gomes, and the Release, Settlement and Indemnity Agreement between Randall J. Gomes and Kali Watson.

Mary Savio moved and Toru Kawakami seconded to dismiss this case as it appeared that the complaint of Kali Watson has been settled to the satisfaction of complainant. Motion carried unanimously.

RE-78-49 Elliot Magoun, dba Magoun Realty

Respondent Elliot Magoun was earlier requested to appear before the Commission at its meeting of August 25, 1978. Since he failed to appear as requested, he was sent a second request to appear for today's meeting. Executive Secretary reported that he had received a telephone call from Magoun about a week earlier and Magoun indicated that he was unable to attend due to an accident he had.

Mary Savio moved and Toru Kawakami seconded to send Elliot Magoun notice that the Commission has sufficient reason to believe that the March 1978 rental receipt was not turned over to complainant, and he is requested to appear at the October 1978 meeting to present evidence that he had, in fact, turned over the March 1978 rental receipts to complainant. Motion carried unanimously.

Jon Miho's Petition for Declaratory Ruling regarding Telephone Solicitations

As requested, Jon Miho and Randy Hew, Attorneys for First Hawaiian Properties, Inc., Don S. Robertson, President of First Hawaiian Properties, Inc., and M. D. Dyer, General Counsel for Preferred Equities, Inc., appeared for an informal conference with the Commission to discuss the matter of telephone solicitations. Miho indicated that all they want is some sort of written guidelines as to what an unlicensed person can or cannot say or do on the telephone. First Hawaiian Properties, Inc. wishes to utilize unlicensed persons to invite prospective purchasers to dinner and their film and/or sales presentations.

After a lengthy question and answer period, Chairman Ah Kau Young advised Miho's group that the Commission will take this matter under advisement and will notify him of the Commission's answer after a decision is reached.

Deputy Attorney General Randall Iwase requested the Executive Secretary call the California Real Estate Commission to determine whether the proposal of Miho would be allowed in California. If yes, under what provision of their law or rules, and to acquire copy of law or rule.

Introduction of Real Estate Chair:

Introduction of Dr. Paul Wendt

Professor Donald Bell appeared with Dr. Paul Wendt and introduced Dr. Wendt to the Commissioners as the present Real Estate Chair holder. Professor Bell indicated that Dr. Wendt arrived about 3 weeks ago, and he is in the midst of conducting a credit real estate course for the College of Business Administration, University of Hawaii, at Manoa. Indication was given that Dr. Wendt will be conducting seminars and/or workshops on Maui, Kauai and Oahu for our licensees in the near future.

Professor Bell submitted ten copies of the Executive Summary of the review and recommendations on real estate education in Hawaii prepared by Dr. Fred Case, who had just completed his term of appointment as the Real Estate Chair. Copies of report were handed to each Commission member.

Lunch Recess: Chairman Ah Kau Young declared lunch recess at 12 noon.

Meeting Reconvened: Chairman Ah Kau Young reconvened the meeting at 1:00 p.m.

Investigations: RE-77-129 Harold L. Fuller, Sr.

At the July 1978 meeting, the Commission directed the Executive Secretary to draft hearing charges on this case. After careful review of the files, the Executive Secretary had difficulty in drafting the hearing notice due to the complexity of the transactions. The Executive Secretary further advised the Commission that he had received a call from Diane, of Hamilton and Taylor, Attorneys at Law, who are representing the complainants in a civil suit against Fuller. Diane had extended an invitation to the Commission to review their files on this matter and offered copies of documents in their files. Executive Secretary suggested that we accept the invitation and upon completion of our investigators review, we could determine whether we have a good case to proceed on.

Mary Savio moved and Edwin Shiroma seconded to hold this matter in abeyance until investigator has had an opportunity to review the files at Hamilton and Taylor and submit a supplementary investigation report. Motion carried unanimously.

RE-78-94 Joseph Kealoha, Inc.

Mary Savio moved and John Urner seconded that further investigation be conducted to acquire a complete copy of the first contract for the price of \$77,000, to determine whether purchaser had signed second contract for \$84,000, and whether developer just switched second page of contract or did they have separate contracts executed; and if investigation reveals that only second page was changed, provide details, such as: Who switched the pages and when and where was it switched? Further, that investigator contact First Federal Savings and Loan Association or Long and Melone to confirm and justify \$46 charges against purchaser. Motion carried unanimously.

RE-78-107 Dave Ford Real Estate

Mary Savio moved and Toru Kawakami seconded to hold an informal conference with Patricia Lord and Dave Ford, principal broker of Dave Ford Real Estate to discuss this case. Motion carried unanimously.

CON-77-13 Menehune Shores Hui

Edwin Shiroma moved and Mary Savio seconded to discuss this case with Deputy Attorney General Randall Iwase to determine

what course of action is available to the Commission in finalizing this case, because the Commission would like to hold an informal conference with Walter Witte to ask for records as provided under Section 514A-46, H.R.S. Motion carried unanimously.

CON-77-19 Sugar Beach Development Co.

Edwin Shiroma moved and John Urner seconded that a letter be sent to Kopperud, attorney for Complainant, to notify that we have no evidence of the alleged misrepresentation at this time, and in order to proceed further with this investigation we would need the names of the individual or individuals who made the alleged misrepresentation that the preclosing occupancy charges will be credited to the purchaser's mortgage principal and interest. Further inform that without this additional lead, the Commission will be unable to pursue this matter any further. Motion carried unanimously.

CON-78-5 Menehune Shores Hui

At the Commission's meeting of August 25, 1978, the Commission had decided to dismiss this complaint as no violation of the real estate license law or Commission's rules and regulations was found. Furthermore, the Respondent had indicated to our investigator that respondent is taking action to correct the various defects in the units at Menehune Shores. By letter dated September 8, 1978, Herschbach was notified of the Commission's decision to dismiss the complaint. By letter dated September 15, 1978, Complainant advised the Commission that he was in disagreement with the Commission's decision to dismiss his complaint, because he felt that developer is responsible for the ripped and gouged floor covering.

Mary Savio moved and Edwin Shiroma seconded to write to Walter Witte to inform him that Herschbach had notified the Commission that all corrections had been made, except the damaged floor covering, and since Witte had indicated to our investigator that attempts are being made to reconcile the situation, the Commission requests that he notify to the Commission of the progress and intentions regarding the floor covering. Carbon copy of the letter to Witte to be forwarded to complainant. Motion carried unanimously.

New Business:

LICENSING

CORPORATION

Bali Hai Realty, Inc. - 40976 Kuhio Hwy., Kapaa  
Johannes Zeevat, pb

Beneficial Realty, Inc. - 1441 Kapiolani Blvd. #1203, Honolulu  
Kamran N. Hariri, pb

CORPORATION (Continued)

Central Realty, Inc. - 1144 Kokohead Ave., Rm 4, Honolulu  
K. M. Soong, pb

Choice Property Corporation - 1580 Makaloa St., #760, Honolulu  
Charles A. Ferguson, pb

Condominium/Commercial Mortgages, Inc. - 1750 Kalakaua Ave.,  
Thomas P. Dunn, pb #708, Honolulu

Eagle Realty & Development, Ltd. - 2003 Kalia Rd., PH1, Honolulu  
Alice D. Jurgensen, pb

Hawaii Land Management, Inc. - 225 Queen St., 1st Flr., Honolulu  
John M. White, pb

Hidalgo Realty, Inc. - 1109 Bethel St., #415, Honolulu  
Beatrice N. Hidalgo, pb

In-Sites Realty, Ltd. - 23 So. Vineyard Blvd., #303, Honolulu  
Edwin Y. Fujinaga, pb

Investment Marketing Associates, Inc. - 1027-A Bishop St.,  
Ivan K. Toyama, pb Honolulu

M. R. Realty, Inc. - 99-128 Aiea Hts. Dr., #701-C, Aiea  
Michael M. Sasaki, pb

Maruyama Fudosan Kabushiki Kaisha, a division of The Bolton Corp. -  
Peter R. Kent, pb 250 S. Hotel St., 2nd Auditorium

Neil Petagno, Inc. - 745 Fort St., #2105, Honolulu  
Neil P. Petagno, pb

Realty West, Ltd. - Lahaina Square E-8, Lahaina  
Grace M. West, pb (Grace M. Smith)

Steve Rosen's Auction Realty, Ltd. - 1022 Bethel St., #200,  
Rodger T. Hawthorne, pb Honolulu

Silver Ltd. - 2003 Kalia Rd., #20D, Honolulu  
David L. Silver, Jr., pb

Jane Tegman Realty, Inc. - P. O. Box 1180, Kamuela  
Jane M. Tegman, pb

Trans-Pacific Properties, Inc. - Bldg. C, Ste E, Princeville  
Charles I. Hull, pb Center, P.O. Box 1080, Hanalei

Trask/Denis Real Estate Corp. 681 So. King St., #200, Honolulu  
Francis E. Denis, pb

United Consultants, Inc. - 1136 Union Mall Royal Suites, Honolulu  
Thomas Francis, III, pb

Ed Shiroma moved and John Urner seconded to approve the listed Corporation applications, excepting Central Realty, Inc., Hawaii Land Management, Inc., M. R. Realty, Inc., Maruyama Fudosan Kabushiki Kaisha, a division of The Bolton Corporation, Steve Rosen's Auction Realty, Ltd., and Trans-Pacific Properties, Inc. Motion carried unanimously.

Ralph Yagi moved and Mary Savio seconded to disapprove the application of Central Realty, Inc. because the name is similar to the name of Yoshinori Nakamura, dba Central Realty, an existing license. Motion carried unanimously.

Edwin Shiroma moved and Ralph Yagi seconded to disapprove the applications of Hawaii Land Management, Inc. and M. R. Realty, Inc., because the respective names were too similar to the Hawaii Land Corp., dba The Hawaii Land Realty Company, and Miles Silberstein, dba M.R.S. Realty, both existing licensees. Motion carried unanimously.

John Urner moved and Mary Savio seconded to disapprove the application of Maruyama Fudosan Kabushiki Kaisha, a division of the Bolton Corporation, on the basis that Maruyama and Bolton are surnames of persons who do not hold a Hawaii real estate broker license. Motion carried unanimously.

John Urner moved and Edwin Shiroma seconded to disapprove the application of Trans-Pacific Properties, Inc., because the name was too similar to Trans-Pacific Realty, Inc., an existing licensee. Motion carried unanimously.

#### PARTNERSHIP

Kauai Vacation Rentals & Real Estate - 3137-A Kuhio Hwy., Lihue

Toru Kawakami moved and Ralph Yagi seconded to approve the application of Kauai Vacation Rentals & Real Estate. Motion carried unanimously.

#### BRANCH OFFICE

Aaron M. Chaney, Inc. - 4391-A Rice St., Lihue  
Patricia K. Sanborn, bic

Hawaii Real Estate Exchange, Ltd. - 4444 Rice St., #229, Lihue  
Paula J. Rudinoff, bic

Hawaiian-Pacific Realty, Ltd. 1280 So. Kihei Rd., #204, Kihei  
James A. Gunn, bic

New Dimensions Realty, Inc. - 1750 Kalakaua Ave., #1804, Honolulu  
Milton G. Maeda, bic

J. M. Urner, Inc. - 98-211 Pali Momi St., Ste 505, Aiea  
Samuel A. Caldwell, III, bic

Mary Savio moved and Ralph Yagi seconded to approve all of the above-listed branch office applications. Motion carried unanimously.

TRADENAME

Apartments Waikiki - 2131 Kalakaua Ave., #211, Honolulu  
Charles H. Hickey, dba

Bailey Realty - 211 Banyan Dr., Hilo  
Robert T. Bailey, dba

The Christian Real Estate Co. - 1600 Kapiolani Blvd., #630, Hon.  
Gerald E. Bisbee, dba

Toshi Domae Realty - 1351 Lower Main St., Wailuku  
Toshiharu Domae, dba

Buddy Gendrano Realty - 98-1247 Kaahumanu St., #220, Aiea  
Brigido A. Gendrano, dba

Haiku Properties - Maui Professional Center #26, 2180 Main St.,  
John H. Page - Papazian, dba Wailuku

Monet Realty - P. O. Box 4607, Kawaiahae St., Kamuela  
Sam Monet, dba

Bob Myers Co. - 444 Hobron Lane, #405, Honolulu  
Robert Myers, dba

Rick Nabarrete Realty - 98-1247 Kaahumanu St., #304-A, Aiea  
Richardo Nabarrete, dba

Tri-Realty - Holiday Inn Lobby, 2570 Kalakaua Ave., Honolulu  
Alvin A. Katt, dba

Ralph Yagi moved and John Urner seconded to approve all of the above-listed applications for tradenames. Motion carried unanimously.

RESTORATION - past 2 years

Simon S. M. Chao

Mary Savio moved and John Urner seconded to approve Simon Chao's application for restoration of forfeited license. Motion carried unanimously.

APPLICATION FOR LICENSE - past 1 year

Mildred K. Chang

Pamela M. Haugerud

Owen T. Narikawa

Mary Savio moved and Ralph Yagi seconded to disapprove the application of Mildred K. Chang and Pamela M. Haugerud. Motion carried unanimously.

Ralph Yagi moved and Mary Savio seconded to approve the application of Owen T. Narikawa. Motion carried unanimously.

Miscellaneous: Questionable Applications

Milton D. Peery, Salesman Applicant

Ralph Yagi moved and Mary Savio seconded to approve the application of Milton D. Peery. Motion carried unanimously.

Albert N. Schumacher, Salesman Applicant

John Urner moved and Mary Savio seconded to approve the application of Albert N. Schumacher. Motion carried unanimously.

License Status - Linda Kurosawa

By letter dated September 5, 1978, Tom Schmidt requested that the Commission allow Linda Kurosawa, a secretary at Island Resort Management, Inc. (a licensed brokerage firm), to hang her real estate salesperson's license with Tom Schmidt, Realtors.

Mary Savio moved and Ralph Yagi seconded that Tom Schmidt be advised that, under the recited conditions spelled out in Tom Schmidt's letter and Jon Rich's letter, the Commission finds no violation with the employment arrangement made for Linda Kurosawa. Motion carried unanimously.

John L. Gaspey's Request for Waiver of Broker Real Estate Experience

Ralph Yagi moved and John Urner seconded to advise John L. Gaspey that, based on the information submitted, the Commission will grant him a waiver of only 2 months experience for completing the Fundamentals of Real Estate Investment and Taxation course conducted by the National Marketing Institute. Motion carried unanimously.

Hiroshi Sakai's Request for Ruling regarding Agricultural Condominium

After a lengthy discussion, Mary Savio moved and Ralph Yagi seconded to refer this matter to the Attorney General and request for a written opinion. Motion carried unanimously.

Miscellaneous: 1979 Proposed Legislation

For information purpose only, the Executive Secretary advised the Commission that the Department is considering the possibility of submitting proposed legislation which would create a special examination fund to be administered by the Professional & Vocational Licensing Division. The funds would consist of license examination fee from the different boards and commissions under the Division. Very little discussion ensued and no action or expression of the Commission was taken or voiced, inasmuch as, the proposed legislation has not been drafted in a Bill form.

Promotional Letter of Robert and Jo Jean Schieve

Mary Savio moved and Toru Kawakami seconded to request for an investigation for possible violations of Section 514A-31, H.R.S., and/or Rule 1.3(i), of the Commission's rules and regulations. Motion carried unanimously.

Correspondence: Letter from Pennsylvania Real Estate Commission regarding License Reciprocity

The Pennsylvania Real Estate Commission has asked if the Hawaii Real Estate Commission would be interested in entering a reciprocity agreement with them. No action was taken as the commissioners felt that it was not necessary, because our law does not allow issuance of license by reciprocity.

Announcement: October 5, 1978 Meeting with E.T.S.

Executive Secretary announced that arrangements have been made with E.T.S. to meet with the Commission's Oahu member on October 5, 1978, at 9:00 a.m., in Mary Savio's office, to review the new test questions developed by E.T.S. for the Hawaii State Tests.

Ralph Yagi moved and Toru Kawakami seconded to grant the Oahu members the authority to make final decisions in connection with the new test questions review. Motion carried unanimously.

Meeting Friday, October 20, 1978, at 9:00 a.m.

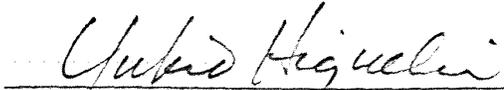
Page 12

Minutes of Meeting of September 29, 1978

Adjournment:

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

Taken and recorded by:

  
\_\_\_\_\_  
YUKIO HIGUCHI  
Executive Secretary

YH:rh  
10/12/78