

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

MINUTES OF MEETING

Date: Friday, September 28, 1979

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

Present: Ah Kau Young, Chairman
Edwin H. Shiroma, Vice Chairman
Tadayoshi Ishizu, Member
Francis N. Kauhane, Jr., Member
Toru Kawakami, Member
G. A. "Red" Morris, Member
John M. Urner, Member
Ralph S. Yagi, Member
Gregg T. Yamanaka, Member

Randall Y. Iwase, Deputy Attorney General
Melvin Nishimoto, Deputy Attorney General
Yukio Higuchi, Executive Secretary
Sacko Whang, Secretary

Nathan Paco, Attorney
James Conahan, Attorney representing John Dilks,
Inc. and Irene Jacobs, Inc.
Sidney M. Quintal, Attorney representing James S.
Singleton

Call to Order: Chairman Ah Kau Young called the meeting to order
at 9:15 a.m.

The Executive Secretary apprised that the agenda
for today's meeting was duly processed on Monday,
September 24, 1979 at the Lt. Governor's office
in compliance with the Sunshine Law.

Minutes: Toru Kawakami moved and Ralph Yagi seconded to
approve the minutes of August 31, 1979 as
circulated. Motion carried unanimously.

Committee Reports: Real Estate Education Advisory Council

Executive Secretary read communication dated
September 24 from Dean David A. Heenan,
College of Business Admin., U. of H., updating
the activities of the Real Estate Chair for
Fall 1979. The Commissioners noted that there
are too many real estate investment courses

offered and felt the need to develop other courses such as office management and brokers' responsibilities.

After discussion, G. A. "Red" Morris moved and Ralph Yagi seconded to authorize Education Chairman Edwin Shiroma to discuss this matter with Dean David Heenan. Motion carried unanimously.

Laws and Rules Review Committee

Proposed Amendments to Broker Education and Experience Requirements

Committee Chairman Toru Kawakami reported and circulated the actions taken by the Committee on September 27, 1979 to defer action on the proposal to amend the rules and regulations to require additional educational courses in order to sit for the brokers exam.

Toru Kawakami moved and Tadayoshi Ishizu seconded to adopt the Committee report. Motion carried unanimously.

In conjunction with this matter, Toru Kawakami requested that, if appropriate, a public news release be made.

Chairman Ah Kau Young announced that if Administration agrees to the news release and upon its approval, he will follow up on the news release to the media.

Proposed Amendments to Chapter 20

Toru Kawakami reported that the proposed amendments to Chapter 20 in final form, with few revisions, will be ready for public hearing soon.

G. A. "Red" Morris volunteered to work with Toru Kawakami in informing the people and hi-liting the rules and regulations.

Toru Kawakami moved and G. A. "Red" Morris seconded to authorize Executive Secretary to proceed to a public hearing. Motion carried unanimously.

Attorney General's Report

Randall Iwase, D.A.G., upon request of the Commission, was present to discuss the matter of Petition of James S. Singleton. Iwase recommended the Commission to deny the petition until Singleton pays back to the Commission the full amount owed to the Real Estate Recovery Fund plus interest, as required by Section 467-18(e), H.R.S.

Business Out
of Minutes:

Honolulu Board of Realtors Report of Bruce M. Schooler

Executive Secretary reported that at the August 31, meeting, the Commission requested copies of the complete file on this matter. However, to date, Commission did not receive any documentary evidence; therefore, this matter was deferred.

RE-78-131 David R. Ford

Executive Secretary reported that at the last meeting, Commission had decided to hold a formal hearing on this matter. However, Executive Secretary brought this matter up for reconsideration inasmuch as David Ford responded to Commission's letter of July 20, 1979 on September 12, 1979. After review of the letter, Commission decided to proceed with the hearing as previously planned since no new evidence was submitted. Toru Kawakami so moved, seconded by Tadayoshi Ishizu and unanimously carried.

RE-79-13 Waipio Realty Corp.

At the last month's meeting, Commission decided to hold a formal hearing on this matter. By letter dated September 4, 1979, the Complainant formally withdrew his complaint.

Ralph Yagi moved and Tadayoshi Ishizu seconded to rescind its earlier decision and to dismiss complaint on the basis that Complainant has withdrawn complaint in writing. Motion carried unanimously.

RE-79-34 Levy Realty

G. A. "Red" Morris moved and Ralph Yagi seconded to accept the recommendation of the Complaint Review Committee to proceed to a formal hearing for possible violation of Rule 1.3(f), of

Commission's rules and regulations, and Section 467-14(12), H.R.S., and further, that the Complainant be advised that we have no jurisdiction over Respondent's failure to provide tenant an inventory list at the time unit was rented. However, said requirement may be a requirement of the Landlord-Tenant Code and, should he desire to pursue the matter, he should contact the Office of Consumer Protection. Motion carried unanimously.

RE-79-11 Herbert Horita Realty

Tadayoshi Ishizu moved and Toru Kawakami seconded to request for an Attorney General's opinion through the Anti Trust Division be processed. Motion carried unanimously.

RE-79-128 Kavana Realty, Inc.

Tadayoshi Ishizu moved and Ralph Yagi seconded that further investigation be made on Kavana Realty, Inc.'s Clients' Trust account to determine whether or not Peter Vana is signing clients' account checks, thereby acting as a broker when in fact he is only a salesman. Motion carried unanimously.

Advertisement of John Dilks Inc. and Irene Jacobs, Inc.

James Conahan, attorney representing John Dilks, Inc. and Irene Jacobs, Inc., was present to discuss certain recommendations made by the Commission regarding the appearance of newspaper ads.

Executive Secretary circulated samples of newspaper ads dated September 16 and 23, 1979 submitted by Irene Jacobs. After review of the ads, the consensus was that the ads were not in conformity with Commission's recommendations. Therefore, James Conahan was requested again to meet with his clients to revise it. He was also reminded to submit partnership agreement and co-brokers agreement papers.

RE-76-144 Daniel E. Wilson, Ross G. Shelton and Bruce S. Ames

Deputy Attorney General Melvin Nishimoto, prosecuting attorney, was requested to appear to discuss and answer any questions regarding Darryl Choy's proposed order for dismissal on above-captioned

case. Nishimoto explained that due to time element the Attorney General's office was derelict in neglecting to carry it out. In discussing case with Hearings Officer, Nishimoto feels that there are strong grounds for dismissal for lack of prosecution.

Ralph Yagi moved and G. A. "Red" Morris seconded to accept the Hearings Officer's Final Order of Dismissal. Motion carried unanimously.

Investigations:

RE-79-22 Andrew Aiu

Ralph Yagi moved and Tadayoshi Ishizu seconded to accept the Complaint Review Committee's recommendation to dismiss the complaint as this matter pertains to a Trust Agreement of an investment hui and does not fall within the purview of the real estate license law or the Commission's rules and regulations. Further, the complainant be advised that, in the opinion of the Commission, this is a civil or securities matter. Motion carried unanimously.

RE-79-56 LaVerne Allen and Mike McCormack

G. A. "Red" Morris moved and Ralph Yagi seconded to defer action on this matter until Commission obtains the court's decision. Motion carried unanimously.

RE-79-88 Tom Schmidt

Toru Kawakami moved and Tadayoshi Ishizu seconded to dismiss case based on Complainant's failure to provide documentary evidence. Motion carried unanimously.

RE-79-96 Shirley Raffa

Tadayoshi Ishizu moved and Ralph Yagi seconded to dismiss complaint on the basis that there was insufficient evidence of violation of the real estate license law or the Commission's rules and regulations. The investigation does not point to any interference on Respondent's part that might be construed as being dishonest or misrepresentation. Motion carried unanimously.

RE-79-107 Dyck & Lowson, Inc.

Ralph Yagi moved and Tadayoshi Ishizu seconded to accept the Complaint Review Committee's recommendation to dismiss complaint on basis of no violation

of the real estate license law or Commission's rules and regulations was found as no branch office operation was found. Suggest Complainant to study their Declaration and Bylaws of the Association of Apartment Owners to determine whether the action of Respondent is in violation of any provision of their Declaration or Bylaws. Should there be a violation of the Declaration or Bylaws, they should bring the matter to the attention of the Managing Agent or the Board of Directors for remedial action. Motion carried unanimously.

RE-79-108 Keith Herman Herzog and Maranatha Resorts Hawaii, Inc.

After a lengthy discussion, G. A. "Red" Morris moved and Toru Kawakami seconded to have Executive Secretary write to Complainant that Commission has no jurisdiction on this matter because the Respondents have no license; however, Commission has reviewed the records and, in its opinion, the record is satisfactory. Motion carried unanimously.

G. A. "Red" Morris moved and Ralph Yagi seconded to write to Respondents a letter of warning to cease and desist until properly licensed. Motion carried unanimously.

On this same matter, Toru Kawakami moved and Tadayoshi Ishizu seconded to direct Executive Secretary to communicate with each of the county planning commissions and get their definition and use of a hotel. Also, what does transient rental means. Motion carried unanimously.

RE-79-111 Stanley Tobias

After much deliberation, Edwin Shiroma moved and John Urner seconded to dismiss case for insufficient evidence. Motion carried unanimously.

On another motion, G. A. "Red" Morris moved and Edwin Shiroma seconded to transmit the case to the Attorney General's office for review to see if there is any violation of the notary license. Motion carried unanimously.

RE-79-138 Fred Rackle

John Urner moved and Toru Kawakami seconded to accept the recommendation of Complaint Review Committee to hold a formal hearing for violation of Rule 1.3(i), of the Commission's rules and

regulations and Section 467-14(3) and (12), H.R.S. Motion carried unanimously.

RE-79-141 Estate Realty, Inc.

John Urner moved and Edwin Shiroma seconded to accept the recommendation of the Complaint Review Committee to dismiss complaint with a letter to Complainant notifying him that the Commission held a hearing in a similar complaint as his (RE-77-138) and as a result of hearing, Marcia Brilhante's license was revoked. Further, notify the Complainant of the existence of the real estate recovery fund. Motion carried unanimously.

RE-79-152 Condominium Resorts

After much discussion, Edwin Shiroma moved and Tadayoshi Ishizu seconded to send a letter of warning to Isidor indicating that Condominium Resorts, from our observation, seems as though they are involved in unlicensed activity by advertising management contract to individuals. Therefore, we request that they cease and desist until properly licensed. Motion carried unanimously.

New Business:

LICENSING

Corporation

Aikane O' Aina, Inc. - 130 Merchant St., Ste 908
Rodger T. Hawthorne, pb

Aloha Pacific Ventures, Inc. - 1993 S. Kihei Rd.
Robert A. Dove, pb #215, Kihei

Joan Bartlett, Inc. - 46-005 Kawa St., Kaneohe
Mary J. Bartlett, pb

Helen Bench Realty, Inc. - 98-1247 Kaahumanu St.,
Yu Neu Bench, pb #203, Aiea

Buchli Enterprises, Inc. - 4379 Rice St., Lihue
Jeffry Buchli, pb

Certified Homes, Inc. - 615 Piikoi St., #2009
Wesley K. H. Chong, pb Honolulu

Jerry Ching Realty, Inc. - 205 S. Vineyard St.
Jerry A. Y. Ching, pb #202, Honolulu

Condominium Rentals, Hawaii, Inc. - 2511 S. Kihei
Lori L. Martin, pb Rd., Box 1143, Kihei

Haraga Realty, Inc. - 24 Kaulana St., Hilo
Dorothy T. Haraga, pb

Hirota/Graham Realty, Inc. - 400 Hualani St.,
Edith Dolfen, pb Hilo

Jenia, Ltd. - 1037 Fort St., #404, Honolulu
Douglas M. Carty, pb

The Maui Brokerage, Inc. - 505 Front St., #53
Stanley G. Dunn, pb Lahaina

Mark Peterson, Inc. - Whalers Village,
Mark J. Peterson, pb Kaanapali Beach

Royal Pacific Realty, Inc. - 75-6082 Alii Dr.,
Laurent O. Gour, pb Casa de Emdeko, KK

The Windward Group, Inc. - 25 Kaneohe Bay Dr.
Farrel W. Medeiros, pb #203 Aikahi Prk Shp
Ctr, Kailua

Edwin Shiroma moved and John Urner seconded
to approve the applications of the above-
listed corporations with the exception of
The Windward Group, Inc. which is subject to
Business Registration Division registering
the corporation. Motion carried unanimously.

Branch Office

Charter Realty, Ltd. - 2310 Kuhio Ave., Hon.
William Sayles, bic

Hale Koa Realty, Inc. - 95-390 Kuahelani Ave.
Thomas A. Seale, bic Mililani

Kanaloa Realty & Property Managers, Inc. -
Kathleen B. Smith, bic 75-5665 B Alii Dr.
Kailua-Kona

Luke & Luke Realty, Inc. - 277 Wiliko Pl., #33
Henry C. Penhallow, bic Lahaina

Project Management & Development Corp. dba
PM & D Realty - 930 Waanee St., #6, Lahaina
Paul N. Manteris, bic

Realty Specialists Corp. - 5650 Hawaii Kai Dr.
Renee Lario, bic #109A, Honolulu

Royal Hawaiian Properties, Inc. - 85-833 Farrington Hwy #201, Waianae
Burch R. Hawkins, bic

Paul Simpson Realty, Inc. - 745 Fort St., PH Hawaii
Jaime A. Sagucio, bic Bldg., Honolulu

Stark Realty, Ltd. - Hanalei Plantation Rd.,
Laura M. Young, bic Box 219, Hanalei

Edward Shiroma moved and Toru Kawakami seconded to approve the above-listed branch office applications. Motion carried unanimously.

Tradenname

Alconcel Realty - 1585 Kapiolani Blvd. #221,
Cecilio A. Alconcel, dba Honolulu

Bob Allan Real Estate - 1975 S. Kihai Rd.,
Robert F. Allan, dba Kihei

Alohalani Properties, Co. - 98-1247 Kaahumanu St.,
Florante Beniga, dba Aiea

Liz Cestare - 1127 11th Ave., #207, Honolulu
Isabel Cestare, dba

Fortune Enterprises - 250 Kapiolani St., Box 1436
Richard H. De Roy, dba Hilo

Dodie MacArthur - 736 Ilaniwai St., Honolulu
Adelle N. MacArthur, dba

Redding Realty - 116 S. King St., #417, Honolulu
Victor L. Redding, dba

Milo E. Rodich Associates - 735 Bishop St., #420
Milo E. Rodich, dba Honolulu

Schroeder Realty - 444 Hobron Ln #417, Honolulu
John G. Schroeder, dba

State Realty of Hawaii - 1314 S. King St., #1461
David K. Wong, dba Honolulu

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

Corporation Name Change

The Campbell Atkins Group, A Real Estate Corp. -
130 Merchant St., #1900, Honolulu
(formerly Jan Campbell, Inc.)

Tanega Realty, Inc. - 98-211 Pali Momi St., #640
(formerly Tanega, Inc.) Aiea

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve the above two corporation name changes. Motion carried unanimously.

Restoration (past 2 years)

Klein, Wallace

Ralph Yagi moved and Tadayoshi Ishizu seconded to approve restoration of Wallace Klein's forfeited real estate salesman license. Motion carried unanimously.

Osborne, Peter D.

Ralph Yagi moved and Tadayoshi Ishizu seconded to approve restoration of Peter Osborne's forfeited license. Motion carried unanimously.

Application for License (past 1 year)

Wilks, Bobby C.

Ralph Yagi moved and John Urner seconded to approve Bobby Wilks' application for real estate salesman license. Motion carried unanimously.

Waiver of Experience Requirement

Titolo, Joachin

Edwin Shiroma moved and Tadayoshi Ishizu seconded to add this matter to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

Joachin Titolo is requesting waiver of the 2 years experience requirement and wants to sit for the November 17, 1979 real estate broker examination.

Following discussion, Edwin Shiroma moved and John Urner seconded to grant Joachin Titolo a waiver of the 2 years experience requirement for broker applicants based on his previous experiences. Motion carried unanimously.

Miscellaneous:James S. Singleton's Petition for Reissuance of Terminated Broker License

Sidney M. Quintal, legal counsel for James S. Singleton, was present to discuss the Petition filed earlier with the Commission. Quintal stated that Singleton's real estate broker's license was improperly terminated and that his client is willing to repay the full amount paid by the Real Estate Recovery Fund with interest (Civil No. 53909) on the condition that Singleton's license be untermi-nated.

After a lengthy discussion, John Urner moved and Edwin Shiroma seconded to deny Singleton's request to reissue or reinstate his real estate broker license because a judgment against the Real Estate Recovery Fund was paid in Civil No. 53909, and Singleton has not repaid the amount, plus interest, back to the fund as required by Section 467-18(e), Hawaii Revised Statutes. Motion carried unanimously.

Honolulu Board of Realtors Letter Re: Paul Strauch

By letter dated September 18, 1979 Victor D. Olson, Chairman, Professional Standards & Arbitration Committee of Honolulu Board of Realtors, informed the Commission that Paul Strauch held a buyer's deposit check uncashed for several weeks in viola-tion of Chapter 20, Rule 1.4.

After discussion, John Urner moved and Edwin Shiroma seconded to send the letter back to Honolulu Board of Realtors asking "Are you filing a complaint or not?" Motion carried unanimously.

Edmund Burke's Request for Granting of Real Estate Salesman License

In his letter of September 7, 1979, Edmund Burke who failed the August salesman exam by 2 points requested that his overall examination be considered and be granted a real estate salesman's license. He requested an audience before the Commission to discuss this matter.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to deny Burke's request on the basis that Rule 3.1(a) of the Commission's rules and regulations specifi-cally sets the minimum passing grade of 70% in each part of the examination. Motion carried unanimously.

Act 216, S.L.H. 1979

Executive Secretary apprised the members of Act 216, S.L.H. 1979 providing for legislative review of executive rules and regulations to determine whether such rules violate the intent and purpose under which they were promulgated.

Date of Next Meeting:

Inasmuch as there would be a conflict with his departure time for the NARELLO Conference, Executive Secretary requested a change of the next Commission's meeting date.

Edwin Shiroma moved and Ralph Yagi seconded to cancel the Rules Committee meeting on October 25, 1979 and hold our regular meeting on that day. Motion carried unanimously.

Adjournment:

There being no further business to transact, Chairman Ah Kau Young adjourned the meeting at 4:10 p.m.

Taken and recorded by:

Saeko Whang
Saeko Whang, Secretary

Approved:

Yukio Higuchi
YUKIO HIGUCHI, Executive Secretary