

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

MINUTES OF MEETING

Date: Thursday, October 25, 1979

Place: Third Floor Conference Room, Kamamalu Bldg  
1010 Richards Street, Honolulu, Hawaii

Present: Ah Kau Young, Chairman  
Edwin H. Shiroma, Vice Chairman  
Tadayoshi Ishizu, Member  
Toru Kawakami, Member  
G. A. "Red" Morris, Member  
Ralph S. Yagi, Member  
Gregg Yamanaka, Member

Yukio Higuchi, Executive Secretary  
Saeko Whang, Secretary

David A. Heenan, Dean, College of Business Admin.,  
U. of H.  
Mary V. Savio, Honolulu Board of Realtors  
Alvin F. Medgin, Applicant for Real Estate Salesman  
License

Absent: Francis N. Kauhane, Member  
John M. Urner, Member

Call to Order: There being a quorum present, Chairman Ah Kau  
Young called the meeting to order at 9:12 a.m.

The Executive Secretary apprised that the agenda  
for today's meeting was duly processed on Monday,  
October 22, 1979 at the Lt. Governor's office  
in compliance with the Sunshine Law.

Minutes: Edwin Shiroma moved and Tadayoshi Ishizu seconded  
to approve the minutes of September 28, 1979 as  
circulated. Motion carried unanimously.

Committee  
Reports: Real Estate Education Advisory Council

Dean David Heenan gave a progress report on  
the activities of the Real Estate Chair. He  
is looking for long-term appointments for  
future visiting chair. He mentioned that  
publicity has been a problem but is working  
in this area to improve it.

Edwin Shiroma and Dean Heenan will get to-  
gether to discuss the matter of development  
of other course subjects.

Honolulu Board of Realtors

Mary Savio, representing Honolulu Board of Realtors, Professional Standards and Arbitration Committee, was present to discuss the possibility of making changes to the Commission's rules to clarify certain matters.

Suggestion was made and agreed upon to discuss this matter in depth at our next Law & Rules Review Committee meeting on November 29, 1979 with a spokesman from the Honolulu Board of Realtors present.

Real Estate Recovery Fund

Executive Secretary reported that as of September 29, 1979 there is the amount of \$700,000 in time certificate deposits and \$119.73 in unencumbered balance in the Real Estate Recovery Fund. He also reported that there is \$400,000 in time certificate deposits and \$131,637.76 in unencumbered balance in the Real Estate Education Fund.

Joseph Culver, et al., vs. International Syndications, Inc. Civil No. 40475

Executive Secretary read letter dated October 3, 1979 from Sidney Ayabe, Real Estate Recovery Fund counsel, informing the Commission that the 22 lots, where a lien was placed on the property in favor of the Real Estate Commission, were appraised for \$32,000.

Inasmuch as the owners wanted to liquidate their assets, Ayabe recommended that the Commission assess \$2,518.68 per lot for release of lien.

Following discussion, Edwin Shiroma moved and G. A. "Red" Morris seconded to authorize Sidney Ayabe to negotiate conditions and terms with the attorney of Lot 21, subject to final approval by the Commission. Tadayoshi Ishizu abstained from voting due to possible conflict of interest. Motion carried.

Vicente Corpuz et al., vs. Clarence M. Esposito, Ocean Shores Land Co., Inc. Civil No. 57971

Executive Secretary reported that by letter dated September 27, 1979, Counsel

Sidney Ayabe recommended that the Commission assign an investigator to the above matter and obtain a statement from Clarence M. Esposito regarding the allegations made against him.

Edwin Shiroma moved and Toru Kawakami seconded to proceed with investigation as proposed by Ayabe. Motion carried unanimously.

Attorney General's Report

There was nothing to report at this time.

Business Out  
of Minutes:

Questionable Applications

Alvin F. Medgin, Applicant for Restoration  
of Forfeited Salesman License

At the July 27, 1979 meeting, Alvin Medgin's application for restoration of his salesman's license was deferred to afford Medgin an opportunity to discuss this matter with the Commission.

After the question and answer period, Medgin was advised that this matter will be taken under advisement.

Ralph Yagi moved and G. A. "Red" Morris seconded to approve Medgin's application for restoration of salesman's license. Motion carried unanimously.

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

Executive Secretary read a "cc" letter from Irene Jacobs addressed to James Conahan stating that she is tired of being used as a bouncing ball between the Real Estate Commission and Conahan. She explains that she has complied with Commission's request and will continue to advertise in the same manner.

The Commissioners discussed this matter at length and decided to devote some time at the next Commission's meeting by inviting other people who are affected in this same situation enlisting the help of Conahan, to advise them what is acceptable to the Commission.

In reference to this advertising matter, G. A. "Red" Morris volunteered to draft a written guideline as to what is acceptable to the Commission prior to the next month's meeting date of November 30, 1979.

RE-77-11 Midkiff Realty, Inc.

Executive Secretary reported that Bernice Midkiff Bisbee has failed to comply with Commission's Stipulated Decision and Order dated April 11, 1978.

After discussion, Edwin Shiroma moved and G. A. "Red" Morris seconded to hold a hearing on this matter as originally decided upon and for non-compliance of agreement, in that Bernice Midkiff Bisbee failed to submit accountant's report of Midkiff Realty, Inc. for the years 1976, 1977 and 1978. Motion carried unanimously.

CON-78-27 and CON-79-3 Luko Realty

Executive Secretary reported that, after careful review of the above cases, there appears to be no violation of real estate law or Commission's rules and regulations.

Therefore, G. A. "Red" Morris rescinded Commission's earlier action to hold a formal hearing, to dismiss complaint and send a letter of warning to Luko Realty. Motion carried unanimously.

RE-77-129 Harold Fuller  
RE-79-6 Levy Realty

Upon Executive Secretary's request, Edwin Shiroma moved and Tadayoshi Ishizu seconded to add the above 2 items to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

RE-77-129

Executive Secretary reported that he, Gregg Yamanaka and Edwin Shiroma have met on 2 occasions to discuss and draft the hearing notice on this difficult case. Upon discussing this matter with Melvin Nishimoto, State prosecuting attorney, Nishimoto asked for further investigation to clear up certain points which need to be documented.

Edwin Shiroma moved and Toru Kawakami seconded to request for further investigation to obtain evidence to solidify the case. Motion carried unanimously.

RE-79-6 Levy Realty

Executive Secretary reported that a letter was written to James Williams, Complainant, regarding the missing telephone. By letter dated October 15, 1979, Williams replied that the telephone was a regular one and, to date, has not been replaced.

Ralph Yagi moved and Tadayoshi Ishizu seconded to write to Levy Realty and recommend them to reinstall the telephone, otherwise Commission will take this matter to a hearing. Telephone should be installed within 30 days at no cost to Complainant and upon compliance, Commission will dismiss the case. Motion carried unanimously.

Investigations:

RE-78-134 Kanaloa Realty

Following discussion, Ralph Yagi moved and Tadayoshi Ishizu seconded to accept the recommendation of Complaint Review Committee to dismiss complaint on basis that there was insufficient evidence of mismanagement or misappropriation of funds, and no evidence of commingling of funds. Further, that a letter of warning be forwarded to Kanaloa Realty & Property Managers, Inc., advising that they should put all management contract in writing hereafter. Motion carried unanimously.

RE-79-1 Sheldon Soosman dba Realty World

Ralph Yagi moved and Tadayoshi Ishizu seconded to accept the recommendation of Complaint Review Committee to dismiss complaint due to insufficient evidence that Respondent had violated provisions of the real estate license law and Commission's rules and regulations. Investigation indicates that Respondent appeared to have complied with the provisions of the rental agreement executed by Complainant. Motion carried unanimously.

Minutes of October 25, 1979

RE-79-4 Michael J. Ryan

After discussion, Toru Kawakami moved and Edwin Shiroma seconded to have an investigator obtain a signed written statement to the voluntary statement made in reference to this report from Lynn Oakley. Motion carried unanimously.

RE-79-31 Mike McCormack and Winifred Meachen

Edwin Shiroma moved and Tadayoshi Ishizu seconded to dismiss complaint as there was insufficient evidence to support Complainant's allegations. Found no violation of real estate license or Commission's rules and regulations. G. A. "Red" Morris abstained. Motion carried.

RE-79-50 Christopher Singleton

Edwin Shiroma moved and Tadayoshi Ishizu seconded to accept the recommendation of Complaint Review Committee to send a letter of warning to advise that he should indicate in ad that the Kauai number is a weekend number and the Honolulu number for weekday. Also, notify that he must notify the Commission should he decide to move his operation to Kauai. Motion carried unanimously.

RE-79-75 Pali Kai Realtors

Ralph Yagi moved and Tadayoshi Ishizu seconded to dismiss complaint as no violation of real estate licensing law or Commission's rules and regulations was found. Motion carried unanimously.

RE-79-113 George Sakoda Realty

Ralph Yagi moved and Tadayoshi Ishizu seconded to dismiss complaint as no violation of real estate licensing law or Commission's rules and regulations was found. Edwin Shiroma abstained from voting due to possible conflict of interest. Motion carried.

RE-79-120 S & E Investments, Judith Forster,  
and Neil Petagno

Ralph Yagi moved and Edwin Shiroma seconded to dismiss complaint due to insufficient evidence that Respondent had made misrepresentation. Gregg Yamanaka abstained due to possible conflict of interest. Motion carried.

RE-79-123 Dave Ford Real Estate

Ralph Yagi moved and Toru Kawakami seconded to send a letter of warning to Dave Ford that he should exercise closer supervision and control over his sales staff and transactions going through his firm. Recite Rules 1.2(g) and 1.3(b) of the Commission's rules and regulations. Motion carried unanimously.

RE-79-129 Harold Omori

Ralph Yagi moved and Edwin Shiroma seconded to accept Complaint Review Committee's recommendation to dismiss due to insufficient evidence to substantiate Complainant's allegation of concealment of pertinent facts concerning the shake roof. Motion carried unanimously.

RE-79-131 Hansel L. S. A. Chang

Edwin Shiroma moved and Tadayoshi Ishizu seconded to accept recommendation of Complaint Review Committee for dismissal as no violation of our real estate licensing law or the Commission's rules and regulations was found. Furthermore, this appears to be a civil matter over which the Commission has no jurisdiction. Motion carried unanimously.

RE-79-134 Grace Gunn and Pan Pacific Realty Corp.

Toru Kawakami moved and Ralph Yagi seconded to dismiss complaint as there appears to be insufficient evidence of misrepresentation or false promise. Respondent and fellow licensee who assisted with this transaction flatly denies the allegations. Motion carried unanimously.

RE-79-139 Maui Realty Co., Inc., Alan Y. Ting, III, and Kathe Scanlan

Ralph Yagi moved and Edwin Shiroma seconded to accept Complaint Review Committee's recommendation to dismiss complaint as there appears to be insufficient evidence of our real estate licensing law or Commission's rules and regulations that our provisions were violated. Found no evidence of Respondents making misleading statements and engaging in deceptive practice. Furthermore, the Commission has no jurisdiction over the dispute between the developer and purchaser.

Gregg Yamanaka and Toru Kawakami abstained from voting due to possible conflict of interest. Motion carried.

RE-79-144 Cheryl J. Tack and Dolman Associates, Inc.

Ralph Yagi moved and Tadayoshi Ishizu seconded to accept recommendation of Complaint Review Committee to send a letter of warning to Cheryl Tack and Dolman for the alleged failure to comply with the intent of Rule 1.3(j), of the Commission's rules and regulations. The Commission feels that this problem could have been avoided had the offer been handled properly and to cite Rule 1.3(j). Motion carried unanimously.

RE-79-149 Aaron Chaney, Inc.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to dismiss complaint on grounds that Commission found no violation of the real estate licensing law or the Commission's rules and regulations. Motion carried unanimously.

CON-79-11 MEPC Properties, Inc.

Ralph Yagi moved and Tadayoshi Ishizu seconded to accept Complaint Review Committee's recommendation to dismiss complaint on grounds that investigation revealed that there are 165 storage cubicles located in the common area on the third floor. Therefore, the Commission found no misrepresentation. Motion carried unanimously.

CON-79-16 Century Center Board of Directors

Edwin Shiroma moved and Tadayoshi Ishizu seconded to close case on grounds that complainants, through their attorney, have withdrawn their complaint. Motion carried unanimously.

New Business:

LICENSING

At Executive Secretary's request, Tadayoshi Ishizu moved and Edwin Shiroma seconded to add Herman J. Mauron, 50 So. Beretania St., Ste 11, Honolulu, HI to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

Corporation

Areas, Inc. - 1441 Kapiolan Blvd. #1205, Hon.  
Harold K. Nagato, pb



Asahi Development Hawaii Corp. - 190 S. King St.,  
Takashi Kano, pb #655, Honolulu

Elber Realty, Inc. - 75-5633 C Ololi Rd. #7A2,  
no pb (request inactive corp.) Kailua-Kona

Empress Realty Corp. - 733 Bishop St., #1509  
Ruth M. F. Lin, pb Honolulu

Hoyt Mayes, Ltd. - 733 Bishop St., 21st Flr,  
Hoyt B. Mayes, pb Grosvenor Ctr., Hon.

Herman Mauron, Inc. - 50 So. Beretania St.,  
Herman J. Mauron, pb Ste C-11, Hon.

Quinnco, Inc. - 900 Fort St., #1505, Honolulu  
Richard K. Quinn, pb

Lee Ruggles, Inc. - 1600 Kapiolani Blvd, #1030  
Martha L. Ruggles, pb Honolulu

Spectrum Properties, Inc., - 1750 Kalakaua Ave.,  
Robert Y. H. Kim, Jr., pb #211, Hon.

Treadway & Associates, Ltd. - 2045 Main St.,  
Royal W. Treadway, pb Wailuku

Ulep Realty, Inc. - 1414 Colburn St., #201, Hon.  
Saturnino L. Ulep, pb

Leroy Uyehara, Inc. - 1339 Hunakai St., Hon.  
Leroy Uyehara, pb

Sheldon S. H. Zane Development & Realty Co., Inc.  
841 Bishop St., #2224, Honolulu  
Sheldon S. H. Zane, pb

Edwin Shiroma moved and Tadayoshi Ishizu  
seconded to approve the applications on the  
above-listed corporations. Motion carried  
unanimously.

#### Branch Office

Toru Kawakami moved and Tadayoshi Ishizu  
seconded to add Mike McCormack, a division  
of Mike McCormack Hawaii, 2070 Kalakaua  
Avenue, Honolulu, to the agenda in compliance  
with the Sunshine Law. Motion carried  
unanimously.

First Hawaiian Realty, Ltd. - 867 Front St.,  
Dwayne Bower, bic Lahaina

Hawaii Real Estate Exchange, Ltd. - 75-5653 C  
David Elber, bic Ololi Rd., #24, KK

Mike McCormack, a division of Mike McCormack  
Hawaii - 2070 Kalakaua Ave., Honolulu  
Warren Schindler, bic

Royal Pacific Realty, Inc. - 1278 S. Kihei Rd.  
Clive P. Bell, bic #204, Kihei

Edwin Shiroma moved and Tadayoshi Ishizu  
seconded to approve the above-listed branch  
offices. Motion carried unanimously.

Tradenam

Banyan Realty - 2180 Main St., #620, Wailuku  
Selma C. Leppold, dba

I D Blume Real Estate Investments - 1946 Young  
Irvin D. Blume, dba St., #420, Hon.

Daruma Realty - 1376 Kapiolani Blvd., #202, Hon.  
Bernadette S. Del Rosario, dba

Dawn Realty - 1386 Kuhio Hwy, Kapaa  
Gloria E. McElgunn, dba

Flagg Realty - 900 Fort St., #1212, Honolulu  
Harry M. Flagg, dba

George & Associates - 1055 Kalo Pl., #100, Hon.  
George M. Kaneshiro, dba

Ginger Flower Enterprises - P. O. Box 68, KK  
Ginger A. Llanes, dba

Hukilau Realty - 567 S. King St., #200, Hon.  
John R. Peterson, dba

Mike Kim Realty - 1650 Liliha St., #204, Hon.  
Michael C. Kim, dba

Hans J. Krause Realty - 1833 Kalakaua Ave., #304  
Hans J. Krause, dba Hon.

Kula Hale Realty - 107 Kaahumanu Ave., Kahului  
Isabella S. Madeira, dba

Jacqueline Mansard Realty - 66-200 B Kam Hwy,  
Jacqueline M. Mansard dba Haleiwa

Hap Miller - 212 Lahaina Shopping Ctr Off Bldg  
Harold H. Miller, dba Lahaina

R L Realty Co. - 130 Merchant St., 1600 Castle  
Ronald H. W. Lum, dba & Cooke Bldg, Hon.

Al Southard Realty - 1109 Bethel St., #216,  
Albert L. Southard, dba Hon.

Sutherland Realty - Mamalahoa Hwy Office #1,  
Bruce E. Sutherland, dba Naalehu

Roger Spider Webb - 2131 Kalakaua Ave., #213,  
Roger W. Webb, dba Hon.

Edwin Shiroma moved and Toru Kawakami seconded to approve the above-listed tradenames with the exception of Banyan Realty. Motion carried unanimously.

Edwin Shiroma moved and G. A. "Red" Morris seconded to deny the application of Banyan Realty on the basis of similarity of a name "Banyan Realty, Inc." and may cause the public to be confused. Motion carried unanimously.

Corporation Name Change

Graham/Hirota Realty, Inc. - (formerly Hirota/  
Graham Realty, Inc.)

Tadayoshi Ishizu moved and Edwin Shiroma moved to approve Graham/Hirota Realty, Inc. name change. Motion carried unanimously.

Restoration (past 2 years)

Myron R. Nishimura forfeited 1/1/77

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve restoration of Myron Nishimura's forfeited real estate salesman license. Motion carried unanimously.

Raymond M. Takamiya forfeited 1/1/72

Edwin Shiroma moved and G. A. "Red" Morris seconded to approve restoration of Raymond Takamiya's forfeited real estate salesman license. Motion carried unanimously.

Stanley W. G. Tom           forfeited 1/1/77

Edwin Shiroma moved and G. A. "Red" Morris seconded to approve restoration of Stanley Tom's forfeited real estate salesman license. Motion carried unanimously.

Clifford Laughton           forfeited 1/1/79

Executive Secretary requested that the matter of Clifford Laughton's application for restoration of his real estate salesman license be added to the agenda in compliance with the Sunshine Law. Toru Kawakami moved and Edwin Shiroma seconded to add the matter to the agenda. Motion carried unanimously.

Following discussion, G. A. "Red" Morris moved and Edwin Shiroma seconded to defer action on this matter as the Commission found reasonable doubt exists as to his character and reputation and the Commission requested a credit report in accordance to Rule 2.4(c). Motion carried unanimously.

#### Questionable Application

Willard B. Graham - License application

As Willard Graham's application revealed that he has pleaded guilty to voluntary manslaughter, G. A. "Red" Morris moved and Edwin Shiroma seconded to defer action on this application until Commission is provided with further information pertaining to the conviction of voluntary manslaughter. Also Graham is requested to submit documentary evidence of work release, parole and discharge plus 2 additional sworn statements from real estate licensees certifying to his honesty, truthfulness and fair dealing as authorized under Rule 2.4(a), of Commission's rules and regulations. Motion carried unanimously.

#### Miscellaneous:

##### Commission Policy on Withdrawn Complaints

Executive Secretary reported that Licensing Administrator Dick Okaji had discussed with him Commission's policy on withdrawn complaints.

After discussion at length, Edwin Shiroma moved and Toru Kawakami seconded to delegate Executive Secretary the authority to make discretionary decisions to dismiss complaints that have been withdrawn. Motion carried unanimously.

Department's Proposal on Fees

Executive Secretary reported that the Department is proposing a legislative bill for an act which will allow the Department to establish licensing fees.

Following discussion, G. A. "Red" Morris moved and Tadayoshi Ishizu seconded that the Administration be advised that Commission is in opposition on this bill to raising of fees. Motion carried unanimously.

Announcements:

Executive Secretary announced the following monthly meeting dates for 1980 subject to change if necessary.

January 25	July 25
February 29	August 29
March 28	September 26
April 25	October 24
May 30	November 21
June 27	December 19

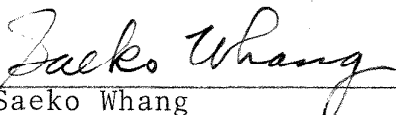
Date of Next Meeting:

Friday, November 30, 1979, 9:00 a.m.  
Board Room

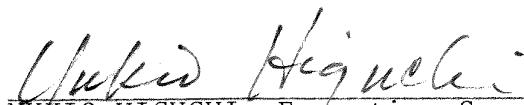
Adjournment:

There being no further business, Ah Kau Young adjourned the meeting at 3:15 p.m.

Taken and recorded by:

  
 \_\_\_\_\_  
 Saeko Whang  
 Secretary

Approved:

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