

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

MINUTES OF MEETING

Date: Friday, December 21, 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
Ralph Yagi, Member
Gregg T. Yamanaka, Member

Darryl Y. C. Choy, Department Hearings Officer
Randall Y. Iwase, Deputy Attorney General
Yukio Higuchi, Executive Secretary

Sheila Lau, Education Officer, Hawaii Ass'n
of Realtors
Donald Chung, Executive Vice President, Hawaii
Ass'n of Realtors
James Conahan, Attorney representing John Dilks,
Inc. and Irene Jacobs, Inc.
Jeffrey S. Grad, Attorney
Thomas A. Bodden, Attorney
Harriet Yoshida Lewis, Attorney
Irene Jacobs, Licensee, Irene Jacobs, Inc.
Vi Dolman, Licensee, Dolman Associates, Inc.
Dolores Cavanah, Licensee, Dolman Associates, Inc.
Herbert Luke, Licensee, Luke & Luke Realty, Inc.
Marion Joy, Licensee, Luke & Luke Realty, Inc.
Duvahn Sayles, Licensee, McCormack Hawaii, Ltd.
Lyman C. Richardson, Licensee, Hugh Menefee, Inc.
Kevin Walsh, Licensee, Betty Wilson, Inc.
John Spalding, Licensee, dba John L. Spalding
Norman McPherson, Licensee, Stapleton Associates, Inc.
Pat Solomon, Licensee, Dolman Associates, Inc.
Wilmer C. Morris, Licensee, Morris Enterprises, Inc.
Colleen Moore, Respondent on RE-79-147

Absent: Francis N. Kauhane, Member
John M. Urner, Member
George A. Morris, Member (Out of State)

Call to Order: There being a quorum present, Chairman Ah Kau
Young called the meeting to order at 9:20 a.m.

The Executive Secretary apprised that the agenda for today's meeting was duly processed on Monday, December 17, 1979 at the Lt. Governor's office in compliance with the Sunshine Law.

Minutes:

The Executive Secretary apprised the Commission that due to other priority matters, staff was unable to prepare the minutes of the November 30, 1979 meeting. Chairman Ah Kau Young deferred action on the minutes of the November 30, 1979 meeting.

Committee Reports: Real Estate Education Advisory Council

Proposed Accelerated Prelicense Course
by Norma Jones School of Real Estate

Toru Kawakami moved and Tadayoshi Ishizu seconded to approve the request of Norma Jones School of Real Estate to offer accelerated prelicense courses. Motion carried unanimously.

Applications for School Accreditation
and Instructors Certificate

Airland School of Real Estate (s)

Ralph Yagi moved and Edwin Shiroma seconded to approve this application subject to receipt of confirmation that school has been approved by DOE. Motion carried unanimously.

At the request of Executive Secretary, Ralph Yagi moved and Tadayoshi Ishizu seconded to add the following three applications to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

S.K.Y. School of Real Estate

Ralph Yagi moved and Toru Kawakami seconded to grant Executive Secretary authority to approve the application of this school subject to receipt of satisfactory curriculum for the broker and salesman courses and confirmation that school has been approved by DOE. Motion carried unanimously.

Nelson Chang (Law - b & s)

Ralph Yagi moved and Toru Kawakami seconded to approve application subject to receipt of documentary evidence that Chang is licensed to practice law in Hawaii and confirmation of DOE licensure. Motion carried unanimously.

Wallace Watanabe (b & s)

Toru Kawakami moved and Edwin Shiroma seconded to approve application subject to satisfying additional instructor requirement and DOE licensure. Motion carried unanimously.

Edwin Shiroma, Education Advisory Council Chairman, reported that he and the Executive Secretary met with the Real Estate Education Specialist to discuss proposed future plans and programs. He gave a brief rundown on the proposed programs which was discussed.

Edwin Shiroma moved and Toru Kawakami seconded to create an ad hoc committee composed of Real Estate Education Advisory Council Chairman, Real Estate Education Specialist, Executive Secretary and representatives from the College of Business Administration-U. of H., Small Business Management Program-U. of H., Hawaii Ass'n of Realtors, and Real Estate Schools Ass'n of Hawaii. Motion carried unanimously.

Laws and Rules Review Committee

Toru Kawakami, Laws and Rules Review Committee Chairman, reported that a committee meeting was held on December 20, 1979, to review proposed Horizontal Property Regimes rules, and the Executive Secretary will be preparing it in the proposed form by the next meeting. He also reported that the committee will be drafting proposed guidelines pertaining to those licensees who want to incorporate, yet wish to continue their affiliation with their present brokerage firm, as in the case of John Dilks, Inc. and Irene Jacobs, Inc.

Attorney General's Report

No Attorney General's report was given as Deputy Attorney General Randy Iwase was not present.

Business Out
of Minutes:

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

At the request of the Commission, James Conahan invited a group of industry people who have incorporated for tax purposes and other retirement benefits, but still advertises under their former brokers large advertisement. Seventeen persons appeared in response to Conahan's invitation.

The Commission gave an explanation of its concern of possible violations of its existing laws and rules, and its intent to establish guidelines pertaining to this matter.

The Commission received verbal comments from the industry groups and attorneys regarding this matter. James Conahan suggested that perhaps amending legislation could be introduced to allow a corporate broker to place its license under another corporate broker. Toru Kawakami advised everyone that the Laws and Rules Committee will be studying this matter and come up with guidelines and suggested that anyone who wish to submit written comments to do so. Chairman Ah Kau Young directed that this matter be referred to the Laws and Rules Committee for study and establishment of guidelines.

RE-78-80 Rodney Burgess, III, and Patrick M.
Sheather

A hearing was conducted on this matter and the Hearings Officer's Findings of Fact, Conclusions of Law and Recommended Order was forwarded to Respondent and the Prosecuting Attorney on or about November 23, 1979, but to this date no exceptions have been received by the Commission or the Hearings Officer. Since no exceptions had been received, the Commission was advised that they may act on the matter.

Toru Kawakami moved and Ralph Yagi seconded to accept the Hearings Officer's Findings of Fact and Conclusions of Law. Motion carried unanimously.

By second motion, Toru Kawakami moved and Ralph Yagi seconded to accept Hearings Officer's Recommended Order. Motion passed with a vote of 5 ayes and 1 nay. (Gregg Yamanaka voted nay.)

RE-78-111 Barbara Schaffer

After reviewing the information contained in the 2nd supplementary investigation report, Ralph Yagi moved and Tadayoshi Ishizu seconded to dismiss this case on the grounds that the alleged unlicensed activity of Respondent has been curbed. Motion carried unanimously.

Andrea Lorenz, Applicant for Real Estate Salesman License

No action was taken on this matter inasmuch as applicant failed to submit her written request for reconsideration of the Commission's November 30, 1979 decision to deny.

Investigations:

RE-79-118 Paul M. Kang

Ralph Yagi moved and Toru Kawakami seconded to accept the Complaint Review Committee's recommendation for dismissal of complaint with a letter of warnings to Paul Kang for possible violation of Rule 1.3(i), and Section 467-14(12), in that, he submitted the commercial unit for sale without the written authorization from the lease owner; and to Seung Ja Yu for possible violation of Rule 1.3(g), and Section 467-14(12), in that, he failed to advise purchaser in writing that he is an owner-licensee prior to accepting complainants' offer to purchase; and further, that complainant be advised that Commission found insufficient evidence to support complainant's allegation of misrepresentation inasmuch as investigation revealed that Yu had a lease for the commercial unit dated October 27, 1978 and the new lease between THI Hawaii, Inc. and Jewels By David Inc. replaced the earlier lease, and the Commission found insufficient evidence that Respondents had shared sales commission with unlicensed real estate persons. Motion carried unanimously.

RE-79-146 Thomas F. Schmidt

Toru Kawakami moved and Ralph Yagi seconded to accept the Complaint Review Committee's recommendation of dismissal of complaint on the basis that this case appears to be a civil matter as Respondent is acting as a party to the exchange transaction and this matter does not fall within the jurisdiction of the Commission. This matter is now under litigation and the Court should resolve this matter. Motion carried unanimously.

RE-79-147 Colleen E. Moore

Edwin Shiroma moved and Ralph Yagi seconded to approve the Complaint Review Committee's recommendation of dismissal of complaint on basis that investigation indicates that there appears to be insufficient evidence that Respondent had violated the real estate license law or Commission's rules and regulations, and had not acted unethically. Motion carried unanimously.

RE-79-152 Condominium Resorts

Toru Kawakami moved and Ralph Yagi seconded to adopt the Complaint Review Committee's recommendation for dismissal of complaint with letters of warning for possible unlicensed activity to Michael Givens dba Condominium Resorts and Marshall Schubert, because it appears that Condominium Resorts had only advertised but had not acted as real estate agent as yet. Further, that a copy of the warning letters be forwarded to Jeff Grad for his information. Motion carried unanimously.

RE-79-153 Thomas M. Sorsby

Toru Kawakami moved and Ralph Yagi seconded to adopt the Complaint Review Committee's recommendation for dismissal of complaint on basis that investigation indicates that Sorsby had not acted as an unlicensed real estate person. Also, advise Sorsby that he will need a real estate broker license if he provides rental service or assistance to more than one landlord for fee. Motion carried unanimously.

RE-79-163 M. C. Ventures

Toru Kawakami moved and Tadayoshi Ishizu seconded to adopt the Complaint Review Committee's recommendation to inform the Complainant of our investigation findings and request that she submits the following:

1. Copy of executed back up contract.
2. Copy of cancelled check or receipt for \$1,000 made out to King Escrow.
3. Copy of Parade of Homes Tour advertisement of Makiki Colony.
4. Name of real estate agent who had processed your backup contract.
5. Name of person who gave information that you are high on the backup list.

Motion carried unanimously.

RE-79-164 Dyck & Lowson, Inc.

Toru Kawakami moved and Ralph Yagi seconded to adopt the Complaint Review Committee's recommendation for dismissal of complaint with a carefully worded letter of warning, inasmuch as complainant wants this practice discontinued and Respondent's broker has curbed this practice by his sales staff. Motion carried unanimously.

New Business:

LICENSING

Corporation

Clyde Abe Realty, Inc. - 190 So. King St.,
Clyde T. Abe, pb #2601, Hon

Ala Kai Realty (Honolulu Division) - 190
So. King St., #2480, Honolulu
Gordon Y. H. Wong, pb

Baldwin Property Management Corporation -
33 Lono Ave., #120, Kahului
Leon R. Hicks, pb

Canaan Investment Company - 700 Richards St.,
Howard B. Bolton, pb #70, Hon.

The 1st Stop Realty Corporation - 915 Fort St.
Loren Peiterson, pb #603, Hon.

Vernon Fo Realty, Inc. - 50 So. Beretania St.,
Vernon J. K. Fo, pb #110, Hon.

Imperial Realty, Inc. - 841 Bishop St., #2020,
Lyle Anderson, pb Honolulu

Intersource Realty, Inc. - 1860 Ala Boana Blvd.
Wadlow J. M. Jones, pb #405, Hon.

Robert Karr, Inc. - 2222 Kalakaua Ave., #1215,
Robert Karr, pb Hon.

Makalei Corporation - 1333 River St., #15, Hon.
Tim L. Poell, pb

McPherson, Ltd. - 841 Bishop St., #2121, Hon.
Norman W. McPherson, pb

Memmingear Associates, Ltd. - 98-1238
Kaahumanu St., #402, Pearl City
Charles G. Memminger, pb

Minutes of Meeting of December 21, 1979

Pace Associates, Ltd. - 98-1238 Kaahumanu St.,
Addison N. Pace, pb #402, Pearl City

Paradise Homes, Inc. - 1314 So. King St., #1161,
Pamela Gessin, pb Honolulu

Bob Pennington, Inc. - 98-211 Pali Momi St.,
Robert M. Pennington, pb #500 A, Aiea

Ponoloa Realty, Inc. - 98-211 Pali Momi St.,
William B. Barrett, pb #425, Aiea

The Sandwich Islands Land Co., Ltd. - 125 Merchant
James Godfrey, Jr., pb St., #204, Hon.

T. C. Yim, A Real Estate Corp. - 733 Bishop St.,
Tai Choy Tim, pb #1795, Hon.

Edwin Shiroma moved and Ralph Yagi seconded
to approve above applications for corporate
licenses subject to approval by the Business
Registration office and satisfying all license
requirements. Motion carried unanimously.

Partnership

Professional Realty Company - 75-5759 Kuakini
Nick C. Berg, pb Hwy, #140, KK

Edwin Shiroma moved and Tadayoshi Ishizu
seconded to approve this application subject
to approval of name by Business Registration
office. Motion carried unanimously.

Branch Office

Mike McCormack, Realtors, A Division of
McCormack Hawaii, Ltd. - Bldg C, Space F,
Princeville Shopping Ctr, Hanalei
Robert Hale, bic

Edwin Shiroma moved and Ralph Yagi seconded
to approve this application without the
word "Realtor." Motion carried unanimously.

Tradenname

Bareng Realty & Associates - 1336 Dillingham
Peter M. Bareng, dba Blvd., Rm 6, Hon.

Century 21 Royal Maui Properties - 1993 So. Kihei
Ricardo D. Seiler, dba Rd., Kihei

Marilyn Sue Knutson Realty, - RR1, Box 391,
Marilyn S. Knutson, dba Wailuku

Kona Scenic Realty - P. O. Box 789, Kealahou
Gary E. Ashikawa, dba

Mahua Aina Investment - 900 Fort St. Mall,
Ste 1410, Honolulu
Douglas R. Kelly, dba

Realty Ventures - 1248 Kaeleku St., Hon.
Robert K. Israel, dba

Anchor Estates, or Island Estates, or Anchor
Cove Realty - O. O. Box 1207, Kihei, Maui
Isabella S. Madeira, dba

Edwin Shiroma moved and Toru Kawakami seconded
to approve all of the above dba's, except
Realty Ventures. Motion carried unanimously.

In a second motion, Edwin Shiroma moved and
Toru Kawakami seconded to deny the tradename
application of Realty Ventures because
presently there is a Realty Ventures, Inc.
registered with the Commission and the name
is too similar. Motion carried unanimously.

Corporation Name Change

Hawaiian Standard Realty, Inc. - formerly
Hawaiian Standard Realty, Inc. dba Professional
Standard Business Realty

J C Realty Investments, Ltd. - formerly J C
Realty Corporation

Toru Kawakami moved and Tadayoshi Ishizu
seconded to approve above corporate name
changes. Motion carried unanimously.

Application for License - past 1 year

Rose-Marie D. Barnette (s)

Kenneth J. Bone (s)

Deborah E. Brint (s)

De'an Fredericalyn Flud (s)

Roy A. Huntley (s)

Richard C. Johnson (s)

Kenneth C. K. Lam (s)

Frank T. Opperman, Jr. (s)

Colette T. Wong (s)

Vincent M. Yamaguchi (s)

Ralph Yagi moved and Tadayoshi Ishizu seconded to approve the application of Kenneth J. Bone, and deny the applications of all others listed above. Motion carried unanimously.

Miscellaneous:

Proposed Partnership: Lum Real Estate Company

Thomas Bodden, Attorney, had requested an interpretation of the real estate license law pertaining to formation of real estate partnership between 2 corporations. Edwin Shiroma moved and Tadayoshi Ishizu seconded to direct Executive Secretary to advise Bodden that the partnership must have a principal broker other than the principal broker of one of the partners. Motion carried unanimously.

Report on December 8, 1979 Examination

Executive Secretary apprised the Commission that the December 8, 1979 examination had been concluded with only minor problems, and all candidates who did not show up for the examination will be examined on January 12, 1980.

Edwin Shiroma suggested that, hereafter, if there are any similar problems as that caused by the UPW strike, ETS should be contacted immediately to have them resolve the problem through their test center supervisors. The Executive Secretary should assist ETS where possible, but he should not shoulder any responsibility for locating alternate test site and administration of examination.

Paul Miyahira, Condominium Consultant Applicant

At the request of Executive Secretary, Edwin Shiroma moved and Ralph Yagi seconded to add this matter to the agenda in compliance with the requirements of the Sunset Law. Motion carried unanimously.

Paul Miyahira is requesting the Commission to retain him as a condominium consultant. Ralph Yagi moved and Edwin Shiroma seconded to notify Miyahira that we are not hiring any additional consultant at this time, however, we will consider him if we do decide to hire additional

consultant at this time, however, we will consider him if we do decide to hire additional consultant in the future. Motion carried unanimously.

Announcement:

None

Date of Next Meeting:

Friday, January 25, 1980, at 9:00 a.m.
Board Room, Kamamalu Building

Adjournment:

There being no further business, Chairman Ah Kau Young adjourned the meeting at 12:15 p.m.

Taken and recorded by:



Yukio Higuchi
Executive Secretary

1/18/80