

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

MINUTES OF MEETING

Date: Wednesday, August 26, 1970

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

Present: Herbert S. Isonaga, Chairman  
Douglas S. Sodetani, Vice Chairman  
John Texeira, Member  
Hiromu Yamanaka, Member

Yukio Higuchi, Executive Secretary

George A. Morris, Jr., Executive Vice President of Honolulu Board of Realtors  
Mary Savio, President of Honolulu Board of Realtors  
Wesley Charlton, Real Estate Association of Hawaii  
Professor Donald Bell, College of Business Administration, U.H.

Absent: Louis Cannelora, Member  
Harold Silva, Member  
William H. C. Young, Member (on mainland)

Call to Order: There being a quorum, Chairman Isonaga called the meeting to order at 2:05 p.m.

Inasmuch as Professor Donald Bell, of the College of Business Administration, University of Hawaii, was requested to appear at the meeting to discuss some matters pertaining to real estate education, Chairman Isonaga diverted from the prepared agenda to discuss matters related to education prior to the reading of the last meeting.

Educational Comprehensive Profile

Professor Bell reported that he has experienced some personnel problems and has not been able to complete his final report on his educational comprehensive profile study. He indicated that the report will be ready prior to the next State legislature.

Real Estate Education Land

Chairman Isonaga suggested that the Commission consider a couple of projects that could be financed through the Real Estate Education Fund.

Review of Real Estate Licensing Examination

Chairman Isonaga suggested to have some expert from the University of Hawaii review and evaluate our present licensing examination and develop a comprehensive examination.

It was moved and seconded that the Chairman be authorized to work with the administrative staff and the University of Hawaii in arranging for the review and evaluation of our present examination and the development of a comprehensive examination through the University of Hawaii. Motion carried unanimously.

#### Real Estate Courses

Professor Bell advised the Commission that he had been requested by the Kauai Community College to develop a special real estate course which he considers equivalent to the GRI course. Professor Bell requested that the Commission underwrite the course and pick up the difference of cost that is not covered by student tuition.

It was moved and seconded that the Commission through the Real Estate Recovery Fund underwrite the course to be given on Kauai to the extent of \$500 and similar program be made available to all the other counties. Motion carried unanimously.

#### Reading of Minutes:

Upon motion, the minutes of the July 23, 1970 meeting were approved as circulated.

#### Business Out of Minutes:

##### Questionable Application

##### Willard Wong (salesman)

At the June 25, 1970 meeting, it was unanimously decided to deny granting of a salesman license to Willard Wong on the basis of his lengthy police record indicating poor moral character. Under date of July 10, 1970, Wong was notified by letter that his application for salesman license was denied by the Commission.

Chairman Isonaga informed the Commission that he is of the opinion that the Commission may have erred in denying Wong a license without a pre-hearing as required by Rule 2.5 of the Board's rules and regulations.

The Executive Secretary was directed to review and research this matter and be prepared to discuss the matter with the Chairman.

#### Investigations: RE-362 and RE-375 Betsy Christian/Action Realty, Inc.

Executive Secretary reported that a formal hearing was conducted in the matter of Betsy Christian and Action Realty, Inc., on July 31, 1970 with Hiromu Yamanaka acting as hearing officer. The hearing officer's Findings of Fact, Conclusion and Recommendation were read.

It was moved by Sodehani and seconded by Texeira to accept the recommendation of the hearing officer. Motion carried unanimously.

##### RE-368 Patricia A. Smith (aka Pat McCool)

Executive Secretary reported that notices of hearing were sent to Patricia A. Smith and Charles G. Clark on August 4, 1970 setting the hearing for September 24, 1970 at 9:30 a.m. Barring the unexpected, the hearing will go on as scheduled.

RE-391 Tropic Shores Realty, Ltd.

Executive Secretary reported that it has been determined that complainant had accepted the property and took possession of the home on September 2, 1969. Complainant has been notified by letter dated August 26, 1970 that the Real Estate Commission considers the matter a civil matter beyond the jurisdiction of the Commission and that the Commission found no unethical conduct on the part of respondent.

RE-388 and RE-395 Romeo Esperanza

Executive Secretary reported that he is working on the draft of the hearing notice for the Attorney General's review. Chairman Isonaga appointed Young and Texeira as hearing officers for this hearing.

Hale Pau Hana (Condominium) Reg. No. 175

Executive Secretary reported that attorney for the developer is aware of the allegations made by complainant and he promised to respond to the Commission's June 23, 1970 letter requesting for their explanation. Executive Secretary will follow through on this matter.

Ala Wai Town House (Condominium) Reg. No. 332

Executive Secretary reported that under date of July 29, 1970 a supplementary public report was issued for the project reporting the pending litigation affecting the project.

Violet C. King (Civil No. 28826)

Executive Secretary reported that the Circuit Court has issued an Order Granting Permanent Injunction in the Matter of Real Estate Commission vs. Violet C. King.

Upon the Chairman's suggestion, action on this matter was deferred until Deputy Attorney General Jeffrey Watanabe returns from the mainland and give his thoughts.

RE-396 Romeo Esperanza

Moved by Sodetani and seconded by Texeira that respondent be charged for changing the contract without getting the signature or initials of parties to the contract. Motion carried unanimously. This matter is to be heard together with RE-388 and RE-395.

RE-402 Wilfred Muramoto dba Realty Associates

Moved by Sodetani and seconded by Yamanaka that the Commission finds no violation and considers the case closed. Motion carried unanimously.

RE-404 Theodore H. Murray

Moved by Sodetani and seconded by Texeira that the Commission finds no violation and considers the case closed. Motioned carried unanimously.

RE-405 Clarence S. L. Tom

Moved by Sodetani and seconded by Yamanaka that this matter be set for hearing pending review by the Attorney General on the question of Statute of Limitation. Motion carried unanimously. Chairman Isonaga appointed Sodetani and Silva as hearing officers for this hearing.

RE-406 Corbett-Tharp, Inc. dba Hawaii Homes

Action on this matter was deferred pending the Court's decision on the claim against the Real Estate Recovery Fund.

RE-409 Maurice Merle Swank

Executive Secretary was directed by the Commission to send a strong letter of reprimand to respondent for his past action, and warning of his disregard for the law. Copies of this letter of reprimand and warning to be sent to Aaron Chaney and Mrs. Turner.

RE-410 Robert S. Ricketts

Executive Secretary was directed by the Commission to take the following actions:

1. Send a letter of reprimand to Mike McCormack for allowing Ricketts to represent himself as "Lahaina Area Manager" for the public may misconstrue Ricketts as being the principal broker in charge.
2. Send letter of warning to Ricketts to discontinue the use of his business card. The continued use of his business card may result in the Commission's taking stronger action.
3. Send copies of letter to McCormack and Ricketts to Mrs. Turner. Also advise Mrs. Turner that the Commission is in no position to give her legal advise regarding voiding her contract.

RE-413 Great Hawaiian Realty, Inc.

Action on this matter was deferred.

New Business: Licensing

Corporation

Lewis & Carty, Inc.	David P. Lewis, PB
Kai-Hy, Inc.	Howard B. Bolton, PB
Regal Properties, Inc.	Peter J. Chun, PB
Kahului Development Co., Ltd.	Ah Kau Young, PB

Branch Office

Tropic Shores Realty, Ltd., BR-2 (Hawaii Kai)	James F. Gregory, BIC
Alohawaii Real Estate, BR-1	Thomas M. Arashiro, BIC
Aaron N. Chaney, Inc., BR-1	Dorothea F. Strombeck, BIC

DBA

Investment One	Frederick C. Stephanie dba
Tad Fukumoto	Tadashi Fukumoto dba
Clark Reynolds Co.	Clark Reynolds dba
Virginia Cundiff, Real Estate Broker	Virginia M. Cundiff dba
Joseph S. Hunter and Associates	Joseph S. Hunter dba
Mildred M. Peart Real Estate	Mildred M. Peart, dba

Upon motion, the licensing processings of the above as tentatively authorized by the Licensing Administrator were approved.

Miscellaneous: Real Estate Recovery Fund

Leon Cavasso, Jr. vs. Corbett-Tharp, Inc. dba Hawaii Homes, etal  
Moved by Sodetani and seconded by Yamanaka that the Commission make no settlement out of court on the basis that they have no authority to make settlements and that the Attorney General take the necessary steps to enjoin both brokers in the court proceedings. Motion carried unanimously.

Fred H. Haley, Jr. vs. John P. Chong fdba Market Realty  
Executive Secretary advised the Commission that staff had received notice from L. N. Nevels, Jr., attorney for Fred H. Haley, Jr., making claim upon the Real Estate Recovery Fund as John Chong appears to have insufficient assets to satisfy the claim of his client. In response to Nevels's notice, the Licensing Administrator has advised Nevels on the procedures he must take to file claim against the recovery fund.

Maui September Meeting

Douglas Sodetani briefly reported the following schedule for the Maui September meeting:

Thursday, September 10, 1970

Noon:	Luncheon meeting with Maui licensees at Maui Palms
2:00 - 2:30 p.m.:	Proceed to Sheraton, Hotel, Lahaina

Friday, September 11, 1970

Morning:	Commission meeting
Noon:	Luncheon meeting with State Real Estate Board
Afternoon:	Commission meeting

Saturday, September 12, 1970

All day: Field trips to inspect condominiums, etc.

Chairman Isonaga requested that all members submit their ideas on their study assignments on the statutes and rules and regulations to him as soon as possible.

NARELLO Conference

Moved by Yamanaka and seconded by Texeira to request the Department to send Sodetani and the Executive Secretary as Commission delegates to the NARELLO Conference in New Orleans on October 24-29, 1970. Executive Secretary is to work on the travel request.

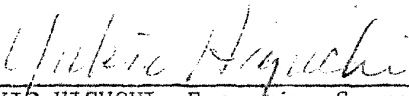
NARELLO Western District Question Bank

Executive Secretary was directed to utilize the services of the Western District Question Bank. A set of our examination questions is to be sent to William Healy with our request for some of the Bank's questions.

Next Meeting: September 10-12, 1970 on Maui

Adjournment: There being no further business, the meeting was adjourned at 5:30 p.m.

Recorded by:

  
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YUKIO HIGUCHI, Executive Secretary

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9/8/70