

REAL ESTATE COMMISSION
Professional & Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii

MINUTES OF MEETING

Date: Thursday, May 31, 1984

Place: Board Room, 1010 Richards St.
Kamamalu Bldg, Honolulu, HI

Present: G. A. "Red" Morris, Chairman
Joseph F. Blanco, Member
Gloria J. Damron, Member
Toru Kawakami, Member
Constance Smales, Member
Yukio Takeya, Member
Ralph S. Yagi, Member
Peter N. Yanagawa, Member

Janice Sevilla, Education Officer
Cynthia T. Alm, Information Officer
Glenn M. Adachi, Executive Secretary
Saeko Whang, Secretary

Virginia Lea Crandall, Hearings Officer
Robert Alm, Hearings Officer
Rae Lindquist, Education Director, HAR
Sheila Lau, Director, SBMP, Univ. of Hawaii
Gail Weiner, Applicant for License
Annie Woolley, pb, W. W. & Associates
Tom Pico representing Raymond Pico
Violet King, Observer

Absent: Gregg T. Yamanaka, Member

Call to Order: There being a quorum, Chairman G. A. "Red" Morris called the meeting to order at 9:10 a.m.

Notice of Meeting: The notice of meeting was filed with the Office of the Lt. Governor on May 24, 1984.

Minutes of Previous Meeting: Upon motion by Commissioner Kawakami, seconded by Commissioner Takeya, the minutes of April 23, 1984 were approved. Motion carried unanimously.

Hearings Officer's Report: The Hearings Officers, Virginia Lea Crandall and Robert Alm, summarized the following cases which were previously heard and for which findings of fact, conclusions of law and recommended orders were presented to the Commission for their review and action.

Report

In re Menefee Management Corporation, Frederick K. Izutsu and Steven P. Cantle - RE-80-20, 80-123, 82-34, 82-35, 82-47, 83-53 (Stipulation for Dismissal)

The parties have worked out arrangements for a settlement with Menefee Management Corporation and therefore, hearing was cancelled. Hearings Officer recommended dismissal.

Following discussion, Commissioner Yagi moved and Commissioner Kawakami seconded to approve the recommended stipulation for dismissal. Commissioners Yagi, Kawakami, Smales, Takeya and Yanagawa voted "Aye". Commissioner Blanco opposed and Commissioner Damron abstained. Motion carried.

Settlement Agreement of Robert Kneisley

Upon motion by Commissioner Blanco, seconded by Commissioner Takeya, the Commission unanimously approved to add the above matter to the agenda.

Following discussion, the Commission decided to defer this matter until the Commission has a chance to review the documents pertaining to the settlement agreement.

RE-81-81 Edwin Aguiar

Upon motion by Commissioner Damron, seconded by Commissioner Smales, the Commission unanimously added the above matter to the agenda.

After discussion, Commissioner Yagi moved and Commissioner Damron seconded to accept Hearings Officer's recommended order for a Settlement Agreement whereby the licensee is to pay \$3,296.48 in restitutions and fine of \$1,000 to be paid within 30 days from receipt of order and impose a two-year suspension, one year of which will be suspended. Motion carried unanimously.

RECCAL Course

Upon motion by Commissioner Smales, seconded by Commissioner Damron, the Commission adopted a policy where all applicants prior to reactivating their licenses from settlements, suspensions,

revocations, besides restorations, must take the RECCAL course and show proof of completion. Motion carried unanimously.

Settlement Cases

In addition to the RECCAL course, Commissioner Smales moved and Commissioner Damron seconded to request RICO that on settlement cases, instead of the fine payment going into the general fund, payment should go into the education fund to help subsidize the applicants' education. Motion carried unanimously.

Fine the Principal Broker on Forfeiture of Licenses

In discussion, Commissioner Smales brought up that Commission should seriously consider fining principal brokers for forfeiture of their salesmen and brokers' licenses.

Upon motion by Commissioner Smales, seconded by Commissioner Takeya, the Commission unanimously moved to request staff to investigate this matter and give recommendations by next month's Laws and Rules Review Committee meeting.

Personal Appearances

Raymond Pico

Tom Pico represented his son, Raymond G. Pico, on the matter of Raymond Pico's forfeiture of license.

Following discussion, Commissioner Damron moved and Commissioner Takeya seconded that Pico take the RECCAL course by the end of August and also pay back fees. Motion carried unanimously.

Gail Weiner

Upon motion by Commissioner Blanco, seconded by Commissioner Yagi, the Commission approved Weiner's license subject to her paying all back fees and completion of the RECCAL course by August. Commissioner Damron abstained.

Committee
Reports:

Education Committee

Education Officer Jan Sevilla submitted her report on her activities for the month of May.

Request for Per Diem

Education Chairman Blanco requested approval of one day per diem for the ETS delegates to visit ASI in Philadelphia before the ETS RELE meeting in June.

Upon motion by Commissioner Smales, seconded by Commissioner Damron, the Commission unanimously approved funding of per diem to the delegation visiting ASI.

Laws and Rules Review Committee

Amendment to School Bond Requirement

Upon motion by Commissioner Takeya, seconded by Commissioner Blanco, the Commission unanimously approved to amend the present bond requirement to cover the advance deposits collected rather than the full tuition.

Residential Property Transfer Code

Upon motion by Commissioner Blanco, seconded by Commissioner Yagi, the Commission unanimously approved items 1 through 6 of the minutes of the Laws and Rules Review Committee.

Guidelines for Waiving the 90-Day Rule

Upon motion by Commissioner Blanco, seconded by Commissioner Smales, the Commission unanimously approved the memorandum from Executive Secretary regarding the guidelines for waiving the 90-day rule.

Examination Requirements for Certification as a Real Estate School Instructor

Upon motion by Commissioner Blanco, seconded by Commissioner Takeya, the Commission unanimously accepted the requirement for an examination for certification as a real estate school instructor. The Commission's staff will prepare a draft language.

Upon motion by Commissioner Kawakami, seconded by Commissioner Blanco, the Commission unanimously accepted the minutes of the Laws and Rules Review Committee meeting of May 30, 1984.

New Business:

LICENSING

Corporation

C & L Realty, Inc. - 1270 Queen Emma St., #506
Wallace T. K. Ching, pb Hon.

Cook Realty, Inc. - 1215 Hunakai St., Hon.
June M. Cook, pb

CPM Realty, Inc. dba CPM Realty - 33 Lono Ave.,
Ste, 295, Kahului
Charles P. McClelland III, pb

Davay, Inc. - 46-022 Alaloa St., #205, Kaneohe
M. Kay Mackay, pb

HMF, Inc. - 841 Bishop St., #2102, Hon.
William Clew, pb

JDS Realty, Inc. - 413 Seaside Ave., Ste 2,
John D. Schleppegrell, pb Hon.

Lee, Okamoto & Associates, Inc. - 1327 Nuuanu
Lily M. Okamoto, pb Ave., Hon.

Royal Hawaiian Shopping Center, Inc. - 2201
Kalakaua Ave., Ste A-500, Hon.
Anthony P. Sereno, pb

TMH Capital Corporation - 765 Amana St., Ste 206
Howard S. Bugbee, pb Hon.

W.H.M. Associates, Inc. - Kamuela Office Ctr,
Typ Linda Lawrence, pb Ste 7A Kamuela

Jewel Wieck Realty, Inc. - #9 West Maui Center
Julia L. Wieck, pb Lahaina

Branch Office

Clyde L. Hull dba Island Homes - 1 So. King St.
Thomas W. Keithley, bic Hon.

Tradenname

Bordner Realty - Dale K. Bordner, dba

Condo Tech - Hawaiiana Management Company, Ltd.
dba

Dave Ford - David R. Ford, dba

Hart Realty - Dorothy D. Hart, dba

Abe Lee Realty - Abraham W. H. Lee, dba

Miki and Associates - Henry D. Miki, dba

RK Properties - Ronald E. Kjellesvik, dba

Regal Properties - Robert B. Schieve, dba

Sunset Realty - John P. Quigley, dba

Annie Woolley - Annie Lee Woolley, dba

Corporation Name Change

Pico-Wiedeman, Inc. - formerly Tom Pico, Inc.

DBA Name Change

W.W. & Associates - formerly Annie Woolley,
Realtor

John Wong Realty Consultants - formerly John
Wong, Broker

The Commission reviewed the list of new corporations, branch office, tradenames, corporation name change and dba name changes for the month of May.

Restorations

Frederick W. Bliss
James A. Wodehouse, Jr.

Upon motion by Commissioner Damron, seconded by Commissioner Yagi, the Commission unanimously approved restoration of licenses to Bliss and Wodehouse with payment of fines.

Louis A. Kau

Upon motion by Commissioner Takeya, seconded by Commissioner Yagi, the Commission unanimously approved Kau's reinstatement of license subject to his taking the RECCAL course and paying back fees.

Robert S. Curran	Mead A. Kirkpatrick
Terese I. Decker	Nancy T. Roney
Michael S. Evans	Michael A. Stephens
Theodore W. Gibson	Leroy A. Winchester
Cliff A. Gomes	James F. Nance
Kaye C. Hotchkiss	Ronald M. Mercer
Muriel M. Hughes	Clyde D. Wagner
Earl B. Kaina	Laurie H. Yonamine
Alvin A. Kazunaga	

The Commission authorized the Executive Secretary to act on the above restorations based upon the Commission's previous actions.

Miscellaneous:

Reconsideration for Restoration

Thomas E. Burns III
Sheila P. Boatright
Victor Lozoya
Thomas P. Hill

The above applicants had been previously denied restorations. They requested Commission to consider their continuing education courses given in California in lieu of taking the RECCAL course.

Upon motion by Commissioner Yagi, seconded by Commissioner Kawakami, the Commission unanimously upheld previous Commission's action. The reason being that practices in Hawaii are different from California's.

Real Estate Recovery Fund Attorney

Sidney Ayabe was not able to attend since he is out of town.

Real Estate Recovery Fund

Basuel v. Broker Associates Realty and Dennis M. Grady - Civil No. 67581

Commission received an order directing payment of \$19,945.73 from the Recovery Fund.

Upon motion by Commissioner Blanco, seconded by Commissioner Smales, the Commission unanimously approved payment from the Real Estate Recovery Fund.

Civil Nos. 67155, 67156, 71138 and 71977
Clarence M. Okura dba C. M. Okura Enterprises

The Commission had previously approved payments on the above four cases. However, due to the maximum payable would have been reached and not all the claimants would have been satisfied, Sidney Ayabe worked out a settlement on a pro rata basis. If it is agreeable with the attorneys representing the claimants, the Commission could proceed with the payments.

Upon motion by Commissioner Blanco, seconded by Commissioner Yagi, the Commission unanimously approved the method of payments as outlined by Recovery Fund consultant.

Hallmark Properties, Inc.

By letter dated May 29, 1984, Sidney Ayabe recommended that the Commission wait until June 29, 1984, the cut-off date, before making payments on the six cases pending against Hallmark Properties, Inc. He advised that payments be made on a pro rata basis instead of first come first serve basis.

Commission will take no action until June 29, 1984.

Chappel v. Fung - Civil No. SCD-2492

By letter dated May 30, 1984, Sidney Ayabe made a status report on this case. No action will be taken at this time.

Lily Yao

On a motion by Commissioner Takeya, seconded by Commissioner Blanco, the Commission unanimously added the matter of Lily Yao.

As a condition to reinstatement of her license, Lily Yao had completed the first session of the RECCAL course and is requesting waiver of the second course "Real Estate Finance" based on her experience at Pioneer Federal S&L for 16

years, current position being president and chief executive officer on real estate finances.

Commissioner Takeya moved and Commissioner Yagi seconded to approve Yao's request to waive attendance of the second session on "Real Estate Finance". Commissioners Takeya, Yagi, Damron, Yanagawa and Morris voted for the motion. Commissioners Blanco, Smales and Kawakami voted against the motion. Motion carried.

Report on Collection of Real Estate Recovery Fund Payments

Cynthia Alm circulated and made a progress report on the names compiled for collection of recovery fund payments to be turned over to the collection agency. Letters have been written to give the people a last chance to pay back the fund. To date, she has received one response.

Election of Officers

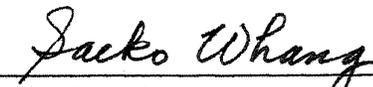
Upon motion by Commissioner Blanco, seconded by Commissioner Yagi, the Commission unanimously selected Commissioner Kawakami as Vice Chairman of the Commission and Commissioner Takeya as the Laws and Rules Review Committee Chairman.

Upon motion by Commissioner Damron and seconded by Commissioner Smales, the Commission unanimously moved to request a proposal from Prof. Ordway to study the agency/dual agency conflict and to recommend course of action to resolve the conflict.

Next Meeting: June 29, 1984 - Board Room

Adjournment: There being no further business, the meeting was adjourned at 1:30 p.m.

Taken and recorded by:



Saeko Whang, Secretary

APPROVED:



GLENN M. ADACHI
Executive Secretary