

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

MINUTES OF MEETING

Date: Tuesday, March 25, 1986

Place: Board Room, 1010 Richards St.  
Kamamalu Building, Honolulu, Hawaii

Present: G. A. "Red" Morris, Chairman  
Toru Kawakami, Vice Chairman  
Joseph F. Blanco, Member  
Gloria J. Damron, Member  
Douglas R. Sodetani, Member  
Gregg T. Yamanaka, Member  
Yukio Takeya, Member  
Peter N. Yanagawa, Member

Cynthia M. L. Yee, Information/Education  
Officer  
George Arine, Acting Executive Secretary

Virginia Lea Crandall, Hearings Officer  
Rodney Maile, Hearings Officer  
Lorrin Kau, RICO Staff Attorney  
Calvin Kimura, RICO Supervising Investigator  
Peggy Comeau, HAR Executive Vice President  
Brian Thomas, HAR Representative  
Carol Wasserman, Applicant for Restoration  
Susan Sato, Deputy Attorney General

Excused: Constance B. Smales, Member

Call to Order: There being a quorum present, the meeting was  
called to order at 9:15 a.m. by Vice Chairman  
Toru Kawakami due to absence of Chairman Morris  
who arrived at 9:30 a.m.

Notice of Meeting: The notice of meeting was filed in the Office of  
the Lt. Governor on March 19, 1986.

Minutes: Upon motion by Commissioner Takeya and seconded  
by Commissioner Sodetani, the Commission  
unanimously deferred the approval of the minutes  
of February 28, 1986.

Additions to  
Agenda:

Upon motion by Commissioner Sodetani, seconded by Commissioner Takeya, the Commission unanimously approved to add the following items to the agenda:

- a. Under Real Estate Schools - Robert Garrity
- b. Under item 6, add Charles T. Masters - forfeited 1/1/85 broker
- c. Under item 7, add recovery fund claim re: Rainbow Pioneer et al, vs. Hawaii Nevada Investment Corp., et al - \$40,000

Hearings Officer's RE-83-193 David K. Wong  
Reports:

Proper notice was given to Respondent by Hearings Officer to appear for oral arguments but Wong failed to appear at today's meeting.

Upon motion by Commissioner Yamanaka and seconded by Commissioner Sodetani, the Commission unanimously approved Hearings Officer's recommendation. The Respondent is to pay a fine of \$3,000 within thirty days of the Commission's order and take the Commission's approved education course within six months of the order.

RE-83-11 and RE-83-88 Rudy T. Hirota and Kenneth B. Griffin

Commissioner Takeya excused himself from meeting due to possible conflict of interest.

Oral arguments were heard at the February 28, 1986 meeting where Commissioners Kawakami and Yamanaka were not present.

According to Deputy Attorney General Susan Sato, only members who had heard and read the oral arguments can vote.

After discussion, Commissioner Sodetani moved and seconded by Commissioner Blanco to remand the matter back to the Hearings Officer for taking further evidence on the recommended order.

Motion carried on majority vote by Commissioners Sodetani, Morris, Blanco, Damron and Yanagawa. Commissioners Kawakami, Yamanaka and Takeya did not vote on this matter.

RE-83-25 Dianne Lynn Yee Lee

The Commission reviewed the Hearings Officer's recommended decision.

After discussion, Commissioner Damron moved and seconded by Commissioner Yanagawa to accept Hearings Officer's recommendation to approve the Settlement Agreement and suspend Respondent's real estate broker's license for a period of one year upon the date of final order. Respondent is to pay a fine of \$500 within thirty days from the date of final order and take the Real Estate Commission approved education course. Motion carried unanimously.

Real Estate Schools:

a. Hawaii Association of Real Estate Schools

By letter dated February 19, 1986, Paige B. Vitousek, newly elected President of Hawaii Association of Real Estate Schools, requested an appearance before the Commission at the meeting to present the Association's position on the possibilities of a change in hours for the curriculum and the frequency of state examination.

Due to the non-appearance of Ms. Vitousek, the matter was deferred.

b. Appearance of Real Estate Schools

The application of Robert E. Garrity for approval as real estate instructor was discussed at this time as an addition to the agenda.

After discussion, Commissioner Sodetani moved and seconded by Commissioner Yanagawa to approve the certification of Robert Garrity as a real estate instructor (no finance). Motion carried unanimously.

Committee Reports:

a. Laws and Rules Review Committee

At its March 24, 1986 meeting, the Laws and Rules Review Committee made the following recommendation to the Commission:

1. That HPR record retention policy is to be referred to the Attorney General for opinion.

After discussion, Commissioner Takeya moved and Commissioner Sodetani seconded to approve at least a five-year retention policy. Motion carried.

2. Definition of developer and who is required to file an HPR and under what circumstances is referred back to the Condominium Review Committee.

After discussion, Commissioner Takeya moved and Commissioner Sodetani seconded to refer the matter back to the Condominium Review Committee. Motion carried.

3. Out of State Condominium Projects

The Committee recommends that the Commission require E.M.A. Ltd. register the Las Vegas condominium project under H.P.R. prior to the sale of the units in the State of Hawaii. Their propose method of selling the units in Hawaii falls within the H.P.R. registration requirements.

After discussion, Commissioner Takeya moved and Commissioner Sodetani seconded to refer the matter back to the Committee. Motion carried.

4. Foreclosed Condominium Project

The Commission decided to refer this matter back to the Committee. Motion carried.

5. Bonding Requirements and Substitutions

Commissioner Sodetani moved and Commissioner Takeya seconded to approve the recommendation of the Committee. Motion carried.

6. Travel Agency Inquiry

The Committee recommended that the Commission reply to the letter of attorney Jeffrey S. Grad to the Commission as follows:

His travel agency client appears to be engaged in real estate activities for which a license is required, in that, his client is offering to lease albeit as owners but in reality their actions lean strongly to the conduct of brokerage.

After discussion, Commissioner Takeya moved and Commissioner Sodetani seconded that a real estate license is required. Motion carried.

7. Resolution Received

Commissioner Sodetani moved and Commissioner Takeya seconded to defer matter to the Education Committee for more information. Motion carried.

b. Education Committee

Commissioner Blanco spoke on the Education Committee and reported on the progress report of the Real Estate Education and Research Center.

The Commission reviewed the Education Committee report of March 12, 1986 circulated earlier.

Upon motion by Commissioner Sodetani and seconded by Commissioner Yanagawa, the Commission approved the Education Committee report.

c. Continuing Education Committee

Commissioner Sodetani stated that the Continuing Education Committee recommends not pushing the mandatory continuing education legislation this year. However, Committee should meet to get the bills drafted for next year.

d. Condominium Consultant Committee

The Commission reviewed the Condominium Consultant Committee report dated March 13, 1986 circulated earlier.

Acting Executive Secretary stated that under Condominium File Records Retention, the following should be added:

"3. Condo Map"

Licensing:

Corporation

Business Brokers/Hawaii #1, Inc. - 270  
Hookahi St., #312, Wailuku  
Sondra L. Johnson, pb

Commercial Real Estate Services, Inc. - 900  
Fort St. Mall #1850, Hon.  
Ray E. Hulick, pb

Homemac Hawaii, Inc. -1580 Makaloa St., Ste  
501, Hon.  
Robert F. Watson, pb

Kona Reefshare Realty, Ltd. - 94-539 Puahi  
St. Waipahu  
Harvey J. Migdal pb

Seawind Properties, Inc. - 590 Kailua Rd.,  
#208, Kailua  
Elaine P. Lockyer, pb

Starts International Incorporated dba  
Chikuma Fudosan (U.S.A.) - 2250 Kalakaua  
Ave. #502-F, Hon.  
Chien-Choy Chu, pb

Sunny Isles Properties, Inc. - 1436 Young  
St., Ste 311, Hon.  
Leroy Uyehara, pb

Branch Office

Robert H. Middleton dba Century 21 Aloha  
Kauai - Old Koloa Town P. O. Box 1389, Koloa  
Sylvia B. Dobry, bic

Paxton Properties, Inc. dba Paxton  
Properties - 505 Front St., Ste 231 Whaler  
Market Pl. Lahaina  
Roger Vosika, bic

Tradenname

B-1 Hawaiian Properties - Gloria F. Moore,  
dba, 321 W. Kuiaha, Haiku

Garden Isle Properties - Marvin Derit, dba,  
1435 Kuhio Hwy, Ste 201, Kapaa

Golden Phoenix Realty - Gordon Y. D. Chun,  
dba 1481 S. King St., #406, Hon.

Kohala Pacific Realty - Jon V. Adams, dba,  
Kohala Visitors Ctr, Bldg, Hawi

Jonathan S. Kono, Realtor - Jonathan S.  
Kono, dba, 46-005 Kawa St., Ste 208, Kaneohe

J.J. McCartin, Realtors - James J. McCartin,  
dba 1278 So. Kihei Rd. #225, Kihei

Mike McIlvenna, Realtor - Michael F.  
McIlvenna, dba 75-5722 Kuakini, Kailua-Kona

Doris Seaver, Realtor - Doris E. Seaver,  
dba, 350 Ward Ave. Ste 106, Hon.

Corporation Name Change

Mokuleia Development Corporation - formerly  
Bishop Square Management, Inc. - 1001 Bishop  
St., Ste 979, Hon.

DBA Name Change

Wolf Real Estate - formerly Wolf Land,  
Steven L. Wolf, dba, P. O. Box 712, Kapoho  
Beach, Hilo

Restorations

Dr. Alexander M. Bartosk	Stanley E. Toy
Ian A. Chames	Sheryl Vierra
Beverley A. Cox	Michael K. H. Wong
Gary K. W. Mock	

The Commission reviewed the supporting documents submitted by the above-named applicants with their applications for restoration.

Commissioner Sodetani moved and Commissioner Blanco seconded to require the above individuals to take and pass the real estate salesman examination as a condition to restoration. Motion carried unanimously.

Robert A. Aebersold	Sam J. McGlasson, Jr.
Sharon L. Banfe	Suzanne N. Meek
Douglas A. Dela Fontaine	Marjorie A. Moorman
Sharon Dooley	Dennis V. Newton
Nancy C. Edwards-Simmons	Sandra G. Seigle
Marie Heilman	Riley W. Smith
Edison C. Y. Kwock	Roy H. Torrey III

Commissioner Sodetani moved and Commissioner Takeya seconded to require the above individuals to complete either one of the GRI courses or the SBMP course at U.H. as a condition for restoration. Motion carried unanimously.

Questionable Applications

Barbara Hunter-Dorn dba B. Dorn & Assoc. - 4614 Kilauea Ave., Ste 423, Hon.

The Commission reviewed and discussed the supporting documents submitted with license application forms. Use of trade name may not be appropriate since it is not the same as that of licensee.

Upon motion by Commissioner Takeya, seconded by Commissioner Blanco, Commission unanimously approved the above application subject to the legality of name.

Linda E. Lodge dba Investor's Realty - 120 Pauahi St., Ste 307, Hilo

Commissioner Yamanaka moved and Commissioner Blanco seconded to deny the use of tradename since it is registered and already being used by someone else. Motion carried unanimously.

Donna Brown Quigley - filed application past 90 days deadline

Applicant Quigley cited medical reasons for failure to meet the 90 day deadline period.

Commissioner Yamanaka moved and Commissioner Damron seconded to grant license if this is consistent with prior medical cases. If not, license to be denied. Motion carried unanimously.

Forfeited Cases

Charles J. Masters

After discussion, Commissioner Blanco moved and Commissioner Damron seconded to approve to restore the license of Charles Masters without taking the educational courses with negative votes by Commissioners Sodetani and Takeya. Motion carried.

New Business:

a. NARELLO Conferences and Meetings

NARELLO Meeting, May 2-4, 1986  
Salt Lake City, Utah

Commissioners Damron and Takeya to attend this meeting subject to Director's approval.

1986 Western District Conference NARELLO,  
May 27-30, 1986, Anchorage, Alaska

Commissioners Blanco and Yanagawa and Information Officer Cynthia Yee will represent Hawaii at this conference.

b. Recovery Fund Claim - Gene Wai Doo vs. Clifford Laughton, \$5,000

Sidney Ayabe, counsel to the Real Estate Recovery Fund, requested payment of \$5,000

plus interest and attorney's fees to comply with motion for order directing payment out of the Real Estate Recovery Fund.

Upon motion by Commissioner Yamanaka, seconded by Commissioner Damron, the Commission unanimoously approved payment from the Real Estate Recovery Fund.

- c. Recovery Fund Claim - Rainbow Pioneer et al vs. Hawaii Nevada Investment Corp. et al, \$40,000

By letter dated March 17, 1986, Ayabe requested payment of \$40,000 to satisfy the order directed to the Real Estate Recovery Fund.

After discussion, the Commission decided to defer the matter for further research with the Attorney General's office regarding priority of claims for payment.

Miscellaneous:

Carol Wasserman

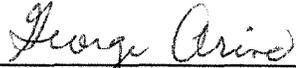
Carol Wasserman appeared before the Commission to discuss her failure to apply for a license within 90 days after the date of examination.

After discussion, the Commission deferred action on her application until the April 1986 meeting.

Adjournment:

There being no further business, the meeting was adjourned at 12:45 p.m.

Taken and recorded by:

  
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George Arine  
Acting Executive Secretary