

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

MINUTES OF MEETING

The agenda for this meeting was filed with the Lieutenant Governor's Office as required by Section 92-7(b), Hawaii Revised Statutes.

Date: Friday, June 5, 1987

Time: 9:15 a.m.

Place: Exam/Conference Room, Second Floor,
Kamamalu Building, 1010 Richards Street,
Honolulu, Hawaii

Present: G. A. "Red" Morris, Chairman
Joseph Blanco, Member
Gloria J. Damron, Member
Yoshiko Kano, Kauai Member
Michele Matsuo, Public Member
Douglas Sodetani, Maui Member
Yukio Takeya, Hawaii Member
Peter Yanagawa, Member

Calvin Kimura, Executive Secretary
Cynthia Yee, Information Officer
Russell Wong, Assistant Information Officer
Irene Kotaka, Secretary
Grant Tanimoto, Deputy Attorney General
Virginia Lea Crandall, Hearings Officer
Gary W. K. Au Young, Recovery Fund Attorney
Lorrin Kau, Attorney for RICO
Sharon Leng, Attorney for RICO
Rodney Maile, Hearings Officer

Steve Gilbert, Real Estate Research and
Education Center, Acting Director
Barbara Dew, HAR President-Elect
Eileen Luko, HAR Education Director
Brian Thomas, Honolulu Board of Realtors
Liaison
John Ramsey, Consultant
Marcus Nishikawa, Incoming Board Member
Stephen Tom, Consultant

Kamran Hariri, Licensee
Dwayne Parsons, Attorney for Mr. Hariri
Renton Nip, Attorney for Lily Tang
Richtor Reynolds, Applicant

Excused:

Constance Smales, Public Member

Call to Order:

The meeting was called to order at 9:15 a.m. by Chairman G. A. "Red" Morris. Quorum was established.

Additions to the Agenda:

Restoration - Forfeited Licenses -
Over 2 years
Dennis Duarte, Salesman
Stuart W. Wade, Salesman
Larry Scott, Salesman

Questionable Applications -
RONOCO, INC.
Richard C. K. Young
Sandra M. Norrie

Real Estate Instructor License -
John Clear

Commissioner Yanagawa moved to add the items listed above to the agenda. Commissioner Sodetani seconded the motion. The motion was voted and unanimously carried.

Approval of Minutes:

The minutes of the March 20, 1987 Commission Meeting were distributed to the members for their review prior to the meeting.

Upon a motion by Commissioner Blanco, second by Commissioner Yanagawa, the Commission unanimously approved the minutes of the April 24, 1987 Commission Meeting as circulated. The motion was voted on and unanimously carried.

Hearings Officer's Reports:

KAMRAN HARIRI AND BENEFICIAL REALTY,
RE-84-182 - ORAL ARGUMENT ON EXCEPTIONS

Oral arguments on exceptions were presented by Kamran Hariri and his attorney, Dwayne Parsons. Lorrin Kau, RICO Attorney, was present on behalf of the State.

After a discussion with all parties involved, Commissioner Damron moved to defer the oral arguments on the exceptions to the June 26, 1987 Commission meeting. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

WERNER G. EHRENSBERGER DBA EHRENSBERGER
REALTY, RE-86-104, 86-136 - SETTLEMENT
AGREEMENT

Commissioner Sodetani moved to approve the
settlement agreement. Commissioner Takeya
seconded the motion. The motion was voted
on and unanimously carried.

LELAND H. Y. LOUIE, RE-85-189 - SETTLEMENT
AGREEMENT

Commissioner Damron moved to approve the
settlement agreement. Commissioner Kano
seconded the motion. The motion was voted
on and unanimously carried.

Commissioner Matsuo moved to amend the
motion to include the Commission's views
that based on the evidence submitted, this
case should not be used to set a precedent
with regards to fines. Commissioner Takeya
seconded the motion. The motion was voted
on and unanimously carried.

WILLIAM OWEN FARRIOR, RE-86-61, 86-65,
86-113 - SETTLEMENT AGREEMENT

This matter was referred back to the
Hearings Office.

RICARDO NABARRETTE, JUDITH A. NABARRETTE,
FKA JUDITH A. VENTURA, AND SUE E.
NABARRETTE, RE-84-4 - SETTLEMENT AGREEMENT

Discussion on this matter was deferred to
the next meeting.

LILY TANG, RE-82-93 - RECONSIDERATION OF
SETTLEMENT AGREEMENT

Commissioner Yanagawa was excused due to a
possible conflict of interest.

Ms. Tang's attorney, Renton Nip, was
present at the meeting. Sharon Leng, RICO
Attorney, was present on behalf of the
State.

Commissioner Takeya moved to approve the settlement agreement. Commissioner Damron seconded the motion. The motion was voted on and carried.

Commissioner Yanagawa returned to the meeting.

Committee Reports:

EDUCATION COMMITTEE

Upon a motion by Commissioner Blanco, second by Commissioner Takeya, it was voted and unanimously carried to accept the following recommendations of the June 4, 1987 Education Committee Meeting as circulated:

1. Agency Education Program
 - a. Request that the Governor declare the month of July 1987 as Agency Month.
 - b. Approve the 4 week Media Plan Purchases as proposed by Myers Advertising for \$27,000 plus 4% tax.
 - c. Approved the commencement of the television, print, and ad agency campaign on July 1, 1987 irrespective of the completion of the agency video by July 1, 1987.
 - d. The Commission video tapes to be loaned out and made available at various realty boards, Real Estate Research and Education Center, Commission Office, and libraries. Reproductions of the tape shall be allowed for the cost of reproduction, postage and handling.
 - e. Approve charging licensees and other interested parties for the cost, postage and handling for all requested agency educational materials (consumer pamphlets, licensee workbook, and agency order kit, etc.)
 - f. Approve the Hawaii Real Estate Education and Research Center as the distribution center for the produced agency educational materials.

Minutes of the June 5, 1987 Meeting

- g. The Hawaii State Seal to appear on all produced agency educational materials.
- 2. Real Estate Center Director/Chair Position
 - a. Approve the selection of Dr. Nicholas Ordway as the new Center Director/Chairholder, effective August 1, 1987 for three years for \$65,000 per year.
 - b. Approve in principal the establishment of a new position at the Center for an assistant/associate director position.
- 3. Investment of the Recovery and the Education Fund
 - a. Approve appointment of a subcommittee to investigate and study the different alternatives for investing the recovery and education fund including the recommendations made by the Director of the Hawaii State Retirement System relating to guarantee investment contracts and guarantee of principal programs.
- 4. Annual Budget and Symposium
 - a. The Commission's 6th Annual Budget and Planning Symposium to be held at the Pacific Beach Hotel from June 25 - 27, 1987 in conjunction with the regularly scheduled monthly Commission meeting and working information gathering sessions of the laws and rules and education committees.
 - b. The agenda for the Annual Budget and Planning Session to include the topics and issues circulated.
 - c. Consultant Mary Shern, Judy Sykes (Honolulu Board of Realtors), and the mortgage bankers will be invited to attend the symposium.

Upon a motion by Commissioner Blanco, second by Commissioner Kano, it was voted on and unanimously carried to approve the real estate instructor license of John Clear.

LAWS AND RULES REVIEW COMMITTEE

Upon a motion by Commissioner Takeya, second by Commissioner Blanco, it was voted and unanimously carried to accept the following recommendations of the June 4, 1987 Laws and Rules Review Committee Meeting as follows:

1. Approve the Attorney General's Opinion regarding the permissibility of agricultural condominiums under Chapter 514A, Hawaii Revised Statutes, dated April 29, 1987. The Opinion shall be included in the manual being produced by the Real Estate Research and Education Center and disseminated to the condominium consultants, county offices, those interested in agricultural condominiums, and published in the Real Estate Bulletin.
2. Commissioner Yanagawa to work with the Executive Secretary and Consultant Adachi on resolving the outstanding issues for the condominium study.
3. Approve the incorporation of the fees for Chapter 467 and 514A, Hawaii Revised Statutes, into Chapter 53 of the Hawaii Administrative Rules after a review of the procedures for revising the education and recovery fund fees.
4. Commissioner Yanagawa will research the issue of condominium receiverships, responsibility on public reports, and exemptions for receiverships and report his findings to the Commission.

Recovery Fund:

LONA MAE HINMAN, JOHN S. HINMAN, BEVERLY RUTH HONAKER AND JIMMIE JOE HONAKER VS. THOMAS C. PATAS, DBA PATAS REALTY, CIVIL NO. LH86-71, DISTRICT COURT, SECOND CIRCUIT

Gary Au Young, Recovery Fund Counsel, informed the Commission that the Judge has granted the motion for reconsideration and has set aside the Order Directing Payment Out of the Recovery Fund in the above-mentioned case.

SUNNYVALE BOARD OF REALTORS VS. DENNIS MORENO, CIVIL NO. 618897, SUPERIOR COURT, CALIFORNIA -FRIEND OF THE COURT

Consultant Au Young stated that the Answering Brief must be filed by June 12, 1987. The case will be assigned to the Appellate Court of California.

Licensing:

Restorations:

Bellah, Richard A.	Salesman
Burris, Anthony W.	Salesman
Miller, Eddie G.	Salesman
Mitchell, Tarcela R.	Salesman

After a review of the information submitted by the applicant, Commissioner Blanco moved that restoration of license be approved upon successfully passing the salesman's examination. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

English, Barbara Broker

After a review of the information submitted by the applicant, Commissioner Sodetani moved that restoration of license be approved upon completing a Commission-approved real estate course. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Li, William C. Salesman

After a review of the information submitted, Commissioner Blanco moved that the restoration of license be approved based on the appointed public official exemption. Commissioner Kano seconded the motion. The motion was voted on. Commissioner Matsuo abstained from voting. The motion was carried.

Marumoto, Barbara Salesman

After a review of the information submitted, Commissioner Blanco moved that the restoration of license be approved based on the elected public official

exemption. Commissioner Kano seconded the motion. The motion was voted on. Commissioner Matsuo abstained from voting. The motion was carried.

McKeague, Henry K. Broker

After a review of the information submitted, Commissioner Blanco moved that the restoration of license be approved upon completing a Commission-approved real estate course. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Reynolds, Richtor Broker

After a review of the information submitted and presented by Mr. Reynolds, Commissioner Blanco moved that restoration be approved upon completion of a Commission-approved broker's pre-licensing real estate course or upon successfully passing the real estate licensing examination. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Saito, Wesley K. Salesman

After a review of the information submitted by the applicant, Commissioner Blanco moved that restoration be approved upon successful completion of a Commission-approved real estate course. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Tsuzaki, Stephen S. Salesman

Commissioner Sodetani was excused due to a conflict of interest.

After a review of the information submitted by the applicant, Commissioner Blanco moved that restoration be approved upon successfully passing the real estate licensing examination. Commissioner Takeya seconded the motion. The motion was voted on and carried.

Minutes of the June 5, 1987 Meeting

Commissioner Sodetani returned to the meeting.

Chinn, Theodore Y. H. Salesman
Horiuchi, Leighton Salesman
Schulz, Pamela L. Salesman

After a review of the information submitted by the applicant, Commissioner Takeya moved to approve restoration upon successfully passing the real estate licensing examination. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Duarte, Dennis Salesman

After a review of the information submitted by the applicant, Commissioner Takeya moved to approve restoration upon successfully passing the salesman's real estate licensing examination. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Wade, Stuart W. Salesman

After a review of the information submitted by the applicant, Commissioner Takeya moved that restoration be approved upon successfully passing the salesman's real estate licensing examination. Commissioner Blanco seconded the motion. The motion was voted on and unanimously carried.

Scott, Larry Salesman

After a review of the information submitted by the applicant, Commissioner Blanco moved to approve Mr. Scott's request to take the real estate salesman's pre-licensing correspondence course provided that he submit evidence of successful completion. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Questionable Applications:

2Y Hawaii, Inc. - Corporation Name

After a review of the information submitted by the applicant, Commissioner Takeya moved to approve the corporation license of 2Y Hawaii, Inc. Commissioner Blanco seconded the motion. The motion was voted on and unanimously carried.

Dapaz Investors Realty, Inc. - Corporation Name

After a review of the information submitted by the applicant, Commissioner Takeya moved to approve the corporation license of Dapaz Investors Realty, Inc. Commissioner Damron seconded the motion. The motion was voted on and unanimously carried.

Hemmeter Commercial Properties, Inc. - Corporation Name

After a review of the information submitted by the applicant, Commissioner Damron moved to approve the corporation name of Hemmeter Commercial Properties, Inc. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

RONOCO, INC. dba The Rosier-North Company - Questionable Tradename

This matter was deferred to the June 26, 1986 Commission Meeting as the Commission requested that the principal broker's presence to answer questions.

Young, Richard C. K. - Reinstatement

After a review of the information submitted by the applicant, Commissioner Blanco moved to approve the reinstatement of license. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Norrie, Sandra M. - Application

After a review of the information submitted by the applicant, Commissioner Blanco moved to approve the salesman's license application. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Old Business:

CONDOMINIUM MANAGING AGENT AND BONDING STUDY

Consultant Stephen Tom reported on the status of the condominium managing agent and bonding study. He anticipates that the preliminary report will be completed by July 1, 1987 and the final report to the Commission should be completed by the end of July.

Miscellaneous:

AGENCY DISCLOSURE PAMPHLET

The Hawaii Association of Realtors (HAR) has asked if they could put their endorsement on to the Commission's pamphlet. The Commission did not feel that it would be appropriate to have this endorsement printed on to the pamphlet, however, the Commission did not object to HAR reprinting the pamphlet in its entirety at their own expense, putting their own endorsement on the ones that they distribute without altering the contents, and if they add any information, it clearly be separated from the Commission material and disclosed.

NARELLO DIRECTOR'S MEETING REPORT

Chairman Morris gave a brief summary of what occurred at the National Association of Real Estate License Law Officials (NARELLO) Director's Meeting that was held on April 29, 198 to May 1, 1987.

The Education Committee will be discussing ways in which to increase Hawaii's contribution to NARELLO at their next education meeting.

Next Meeting:

June 26, 1987, 1:30 p.m.
Pacific Beach Hotel
2490 Kalakaua Avenue
Honolulu, Hawaii

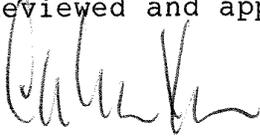
Adjournment:

With no further business to discuss,
Chairman Morris adjourned the meeting at
12:40 p.m.

Respectfully submitted,


Irene S. Kotaka, Secretary

Reviewed and approved:


Calvin Kimura, Executive Secretary

6/10/87

Date