

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

MINUTES OF MEETING

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

Date: Wednesday, October 25, 1989

Time: 9:00 a.m.

Place: Kuhina Nui Room, Second Floor  
HRH Princess Victoria Kamamalu Building  
1010 Richards Street  
Honolulu, Hawaii

Present: Peter Yanagawa, Chairman, Licensee  
Barbara Dew, Member, Licensee (Late Arrival)  
Yoshiko Kano, Kauai Member, Licensee  
Stanley Kuriyama, Member, Licensee  
Michele Matsuo, Public Member, Licensee (Late Arrival)  
Marcus Nishikawa, Member, Licensee  
Douglas Sodetani, Maui Member, Licensee (Late Arrival)  
Yukio Takeya, Hawaii Member, Licensee

Calvin Kimura, Executive Secretary  
Cynthia Yee, Real Estate Specialist  
Russell Wong, Real Estate Specialist  
Glenn Grayson, Deputy Attorney General  
Rodney Maile, Senior Hearings Officer  
Irene Kotaka, Secretary

John Ramsey, Consultant  
Mae S. Kimura, Licensee  
Paulette Wray, Licensee  
Thomas C. Patas, Licensee

Absent: Larry Ordonez, Public Member

Call to Order: Chairman Yanagawa called the meeting to order at 9:08 a.m., at which time quorum was established.

Chairman's Report: No report was presented.

Executive Secretary's Report: No report was presented.

Additional Handouts: The following additional handouts were distributed:

Minutes of the August 25, 1989 Real Estate Commission Meeting  
Committee Reports -  
Education Committee  
- Isaac Choy, CPA Inc. Letter  
- Continuing Education Report  
Laws and Rules Review Committee - Recommendations  
Condominium and Cooperative Review Committee  
- Recommendations  
Licensing - Questionable Applications  
Paradise Pacific Properties, Ltd.  
H N J 2 Inc.  
George T. Oshiro  
Marc W. Boucher  
1990 Real Estate Commission Meeting Schedule

Commissioner Dew arrived.

Additions to the Agenda: Upon a motion by Commissioner Nishikawa, seconded by Commissioner Kano, it was voted on and unanimously carried to add the following items to the agenda:

Committee Reports - Budget and Finance Committee  
Licensing - Restoration of Forfeited Licenses  
David P. Talbert  
Jayne N. Iwai  
Licensing - Questionable Applications  
Patsy Ann O'Gilvy  
Janet H. Marrack

Approval of Minutes: 1989 The approval of the July 28, 1989 and September 29, 1989 Real Estate Commission Meeting Minutes was deferred to a later date.

Upon a motion by Commissioner Takeya, seconded by Commissioner Nishikawa, it was voted on and unanimously carried to approve the minutes of the August 25, 1989 Real Estate Commission Meeting as circulated.

Disciplinary Case Report: MARSHALL F. GOLDMAN, RE 85-134

Commissioners Sodetani and Matsuo arrived.

Upon a motion by Commissioner Takeya, seconded by Commissioner Kano, it was voted on and unanimously carried to accept the Hearings Officer's Findings of Fact, to recommend modifications to the Conclusions of Law and Recommended Order, to have the Deputy Attorney General draft new modifications utilizing, but shall not be limited to, RICO's written exceptions, with sanctions to include a one-year suspension and a \$5,000 fine, with no stayed or special reinstatement provisions.

SERGIO J. MISZTAL, SJM PACIFIC CORPORATION,  
RE 86-93

Upon a motion by Commissioner Nishikawa, seconded by Commissioner Sodetani, it was voted on and unanimously carried to approve the Hearings Officer's Findings of Fact, Conclusions of Law and Recommended Order as to Respondents Misztal and SJM Pacific Corporation.

CALVIN C. K. LAU, RE 87-90, ET AL.

Upon a motion by Commissioner Takeya, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to reject the Settlement Agreement.

LILY L. H. KONG DBA DIAMOND INTERNATIONAL REAL  
ESTATE, RE 87-513

Upon a motion by Commissioner Takeya, seconded by Commissioner Nishikawa, it was voted on and unanimously carried to reject the Settlement Agreement Subsequent to Filing of a Petition for Disciplinary Action.

Recovery  
Fund

Report: No report was presented.

Licensing: RESTORATION OF FORFEITED LICENSE

Mae S. Kimura

Chairman Yanagawa was excused from the meeting due to a conflict of interest.

Vice-Chairman Takeya presided over the meeting.

Ms. Kimura was present before the Commission to

request that the Commission reconsider its previous decision and allow her to take a Commission-approved real estate course in order to meet the terms of the Commission's Administrative Order.

Ms. Kimura stated that a clerical error had been made on the part of the Professional and Vocational Licensing Branch and that the renewal form had been sent to an old office address instead of her current residence address. She stated that her husband is her principal broker and he was responsible for paying the renewal fees. She stated that she was made aware of her forfeited license while attending a continuing education course. She also stated that while she was in the process of restoration, her husband suffered from a heart attack and is recovering.

Upon a motion by Commissioner Matsuo, seconded by Commissioner Kano, it was voted on and unanimously carried to take this matter under advisement.

Chairman Yanagawa returned to the meeting and resumed presiding over the meeting.

Committee EDUCATION COMMITTEE

Reports:

Upon a motion by Commissioner Nishikawa, seconded by Commissioner Dew, it was voted on and unanimously carried to approve the recommendations of the October 13, 1989 Education Committee Meeting, as follows:

1. Accept the Deputy Attorney General's opinion that real estate licensees must complete ten hours of continuing education before the biennium beginning January 1, 1991, instead of the Legislative Auditor's interpretation that licensees must complete the ten hours before the biennium beginning January 1, 1993.
2. Issue a Certificate of Completion to Eileen W. Luko for her substantial participation in assisting the Hawaii Real Estate Research and Education Center with the development and review of the Continuing Education Contract's module.

3. Defer John Clear's request for reconsideration to teach the Contract's module, subject to receiving further documentation substantially evidencing the applicant's command knowledge of the subject matter beyond the pre-license level.
4. Defer CPA, Isaac Choy's proposal for the audit of the education and recovery fund, subject to further investigation by staff as to the proration of the compensation between the education and recovery funds.
5. Send a letter to Robert J. Lawrence, Executive Secretary, Federal Financial Institutions Examinations Council, echoing the sentiments of NARELLO's position as expressed by its President, Les Tyrell.

#### CONDOMINIUM AND COOPERATIVE REVIEW COMMITTEE

Upon a motion by Commissioner Matsuo, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the recommendations of the October 13, 1989 Condominium and Cooperative Review Committee Meeting, as follows:

1. Accept amendments to the Final Public Report of the Kalepa Business Center to meet conditions 6 and 8 of the Commission's October 2, 1989 letter rather than the amended disclosure abstract.
2. Staff to prepare a budget for the balance of the fiscal year with the Chairman of the Budget and Finance Committee for the Condominium Management and Education Fund.
3. Defer the issue of the Attorney General's Opinion regarding the Puu Alii Condominium Project to the next meeting.
4. Staff to explore agency membership to the National Land Council and to provide further information on this association to the Commission.
5. Approve the Commission's membership to the Community Associations Institute (CAI), funding

to be provided for through the Condominium Management and Education Fund.

6. Commission to organize a future meeting with the County Planning Directors to discuss CPR reports and procedures plus full disclosure and coordination of county concerns and restrictions.
7. The Commission, as a part of its program of work, shall work with the County governments for better disclosure of the county concerns and restrictions on agricultural CPRs and ohana CPRs.
8. Staff to draft a letter to the organizers of the Parade of Homes requesting that they reverify their entries and its advertising to ensure that it is in compliance with the laws and rules.
9. The Condominium Specialist is to research and report back to the Commission on the figures for the CAI Annual Convention to be held in May 1990 and that the program of work for the Condominium Management and Education Fund shall include a leadership training program.

Upon a motion by Commissioner Matsuo, seconded by Commissioner Nishikawa, it was voted on and unanimously carried to request the advisement of the Attorney General's Office on Steven Lee's Kauai County Building Inspection Form and for an interpretation of §514A-40(b).

#### LAWS AND RULES REVIEW COMMITTEE

Upon a motion by Commissioner Takeya, seconded by Commissioner Sodehara, it was voted on and unanimously carried to approve the recommendations of the October 13, 1989 Laws and Rules Review Committee Meeting, as follows:

1. Approve calling a meeting with the planning directors from all counties to discuss county concerns, real estate regulatory issues and coordinated resolutions of such regulatory issues, including but not limited to, agricultural condominiums, condominium public

reports, real estate place of business, home occupation, site office, ohana, bed and breakfasts, and condominium hotel operations.

2. Respond to State Farm Insurance Company's concerns about the inapplicability of the current statute requiring condo hotel operators to obtain a fidelity bond for the protection of apartment owners.
3. Make clear to auctioneers that when they engage in real estate activities, including the auctioning of real property, they must first obtain a real estate license. Refer to RICO for investigation any auctioning activities for possible conduct of unlicensed real estate activities.
4. Refer to RICO for investigation, the Home Rental Network advertising for possible conduct of unlicensed real estate activities.
5. Refer to RICO for investigation the advertisements by Fox and Fox, Fox Foundation, for possible conduct of unlicensed real estate activities.
6. Take under advisement and allow the Commission's Deputy Attorney General to review the additional information submitted by YCES Partnership's attorney and come back to the Commission with his recommendations.
7. Add to the Commission's future program of work, a study to investigate the feasibility of a citation system for licensing violations, allowing for an immediate cease and desist order similar to the procedures of the contractor's license board.

#### BUDGET AND FINANCE COMMITTEE

Upon a motion by Commissioner Sodetani, seconded by Commissioner Nishikawa, it was voted on and unanimously carried to approve the recommendations of the Budget and Finance Committee, as follows:

1. Approve the following immediate investments:

Real Estate Education Fund:

\$150,000 for 60 days, expiring December 1989

\$250,000 for 90 days, expiring February 1990

Real Estate Recovery Fund:

\$100,000 for 60 days, expiring December 1989

\$250,000 for 90 days, expiring February 1990

2. Request that the Condominium Specialist submit a report on the balance of the condominium management and education fund.

Licensing: QUESTIONABLE APPLICATIONS

THOMAS C. PATAS

Mr. Patas was present to request that the Commission approve the reinstatement of his suspended real estate broker's license.

Mr. Patas stated that he is initiating a settlement agreement with the Honakers, but in order for him to be able to make restitution to the Honakers, he would have to have his license reinstated.

The Commission requested that Mr. Patas obtain a letter from the Honakers stating that they are in the process of accepting a settlement agreement.

After a review of the information presented by the applicant, Commissioner Takeya requested that this matter be taken under advisement. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

PAULETTE WRAY

Ms. Wray was present to request that the Commission grant her an equivalency to the three closed sales transaction requirement. She stated that she is currently working at Chaney Brooks and is involved in commercial brokerage. She has taken the CCIM 101 course, which is an investment course. She is interested in getting back into doing sales transactions and has taken the broker's prelicensing course and needs her experience certificate in order to sit for the broker's



licensing examination.

After a review of the information presented by the applicant, Commissioner Matsuo moved to grant Ms. Wray an equivalency to the three closed sales transaction requirement. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Executive Session: Upon a motion by Commissioner Takeya, seconded by Commissioner Kano, it was voted on and unanimously carried to enter into executive session at 10:55 a.m., pursuant to Chapter 92-5(a)(1), "To consider and evaluate personal information relating to individuals applying for professional or vocational licenses cited in Section 26-9 or both;"

Upon a motion by Commissioner Takeya, seconded by Commissioner Kano, it was voted on and unanimously carried to move out of executive session at 12:24 p.m.

Licensing: RATIFICATION

Upon a motion by Commissioner Sodetani, seconded by Commissioner Nishikawa, it was voted on and unanimously carried to ratify the following:

Brokers

Commercial Spaces, Limited  
Y C & N Real Property Corp.  
Hawaii International Vacations, Inc.  
Royal Coast International Corporation  
Clyde M. Crawfoot Realty, Inc.  
Pan Discovery Development Corporation  
    dba Pan Discovery Properties  
Resort Resources Incorporated  
Valley Isle Realty, Inc.  
Current Properties, Inc.  
USA Realty Referrals, Inc.  
Real Property Consultants, Inc.  
Champion Enterprises, Ltd.

Branch Offices

Pacific Homes, Inc. dba Pacific Homes Realtors

Trade Names

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Jeannie M. Fogarty Realty, Inc. dba Fogarty Realty

Aloha Properties, Inc. dba Century 21 Aloha  
Properties

Condominium Property Regime Public Reports Issued

June 1989 (Addendum)

Lakeside Agricultural Condominium (Preliminary)  
The Masters at Kaanapali, Phase C (Final)  
Mauka Lani Agricultural Condominium (Preliminary)  
Opalipali (Preliminary)  
Paka-Ua Agricultural Condominium (Preliminary)  
Waipua Estates Agricultural Condominium  
(Preliminary)  
Haleakala Gardens, Phase II (Preliminary)  
Kahekili Grove, Phase II (Supplementary)  
58-282 Kamehameha Highway (Final)

July 1989

Maui Kamaole, Phase II (Final)

August 1989

8/8-A Karsten Drive (Final)  
Pacific Heights Residence (Final)  
Hauula Hale I (Final)  
Kihei Villages, Phase IV (Preliminary)  
410-A Manono Street (Final)  
Windward Acres (Supplementary)  
Ululani Professional Center (Final)  
445 Lahaina Street (Final)  
446 Lahaina Street (Final)  
Poha Kea Point, Phase III, Increment 5 (Final)  
The Imperial Plaza (Preliminary)  
The Masters at Kaanapali Hillside, Phase D  
(Preliminary)  
The Sands of Kahana (Second Supplementary)  
Emerson Gardens (Final)  
Hauula Hale II (Final)  
Hidden Valley Estates, Increment 5, Hopper  
Residence (First Supplementary)  
Hualalai Plantations (Final)  
Kapiolani Place (Final)  
435/435-A Manono Street (Final)  
Mariposa Residence (Final)  
Palm Villas, Increment III (Final)

September 1989

- (Preliminary) Grinpas Farms Agricultural Condominium
- Grand Champions Villas II (Final)
- Kihei Bay Vista (Final)
- KRC Garden Hawaii (Preliminary)
- Mauka-Makai Viewpoint I (Final)
- Mauka-Makai Viewpoint II (Final)
- Mauka-Makai Viewpoint III (Final)
- Mililani Pinnacle, Phase I (Final)
- Palm Villas, Increment II (Final)
- 3300 Kapau (Final)
- 2582 D & E Pacific Heights Road (Supplementary)
- 450 & 450-A Kaha Street (Final)
- 304-B/304-B-1 Kalama Street (Final)
- 404/404-A Kalama Street (Final)
- Mililani Parkway, Phase II (Final)
- Mililani Parkway, Phase IV (Preliminary)
- (Supplementary) Waikoloa Hills Condominium, Phase II

RESTORATION OF FORFEITED LICENSES

Muriel Z. Jones Broker

After a review of the information submitted by the applicant, Commissioner Sodetani moved that restoration be approved upon submitted evidence of successfully passing the real estate broker's licensing examination, with a one-time waiver of the education and experience requirement. Commissioner Nishikawa seconded the motion. The motion was voted on and unanimously carried.

- Duane W. Compton Salesperson
- B. Franklin Bills Salesperson
- Daniel G. Ching Salesperson
- Arthur B. Jensen, Jr. Salesperson
- David P. Talbert Salesperson
- Jayne N. Iwai Salesperson

After a review of the information submitted by the applicants, Commissioner Sodetani Moved that restoration be approved upon submitting evidence of successfully passing the real estate salesperson's licensing examination, with a one-time waiver of the educational requirement. Commissioner Nishikawa seconded the motion. The motion was

voted on and unanimously carried.

Mae S. Kimura

Chairman Yanagawa was excused from the meeting due to a conflict of interest.

Vice-Chairman Takeya presided over the meeting.

After a review of the information presented by the applicant, Commissioner Dew moved that restoration be granted upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Chairman Yanagawa returned to the meeting and resumed presiding over the meeting.

#### QUESTIONABLE APPLICATIONS

Paradise Pacific Properties, Ltd.

After a review of the information submitted by the applicant, Commissioner Matsuo moved to approve the real estate corporation application of Paradise Pacific Properties, Ltd. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

H N J 2, Inc.

After a review of the information submitted by the applicant, Commissioner Matsuo moved to deny the real estate corporation license application of H N J 2, Inc. Commissioner Nishikawa seconded the motion. The motion was voted on and unanimously carried.

YCES Partnership

After a review of the information submitted by the applicant, Commissioner Matsuo moved to grant YCES Partnership's request for deferral of their application. Commissioner Nishikawa seconded the motion. The motion was voted on and unanimously carried.

Elise A. Jones

After a review of the information submitted by the applicant,

Commissioner Matsuo moved to deny Ms. Jones's request for an equivalency to the three listings and three sales that have closed escrow requirement. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Margaret Ann Jansson

After a review of the information submitted by the applicant, Commissioner Kano Moved to approve Ms. Jansson's request for an equivalency to two listing contract and three closed sales transactions. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

George T. Oshiro

After a review of the information submitted by the applicant, Commissioner Takeya moved to approve Mr. Oshiro's application for real estate broker license. Commissioner Sodetani seconded the motion. The motion was voted on and carried. Commissioner Matsuo opposed the motion.

Michael J. Piano

After a review of the information submitted by the applicant, Commissioner Kano moved to deny Mr. Piano's application for real estate salesperson as he failed to submit his completed application within 90 days from the date of the examination. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Marc W. Boucher

After a review of the information submitted by the applicant, Commissioner Matsuo moved to approve Mr. Boucher's application for real estate salesperson. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

David C. Dudeck

Commissioner Takeya was excused from the meeting due to a conflict of interest.

After a review of the information submitted by the

applicant, Commissioner Sodeani moved to deny Mr.



Dudeck's request for reconsideration. Commissioner Nishikawa seconded the motion. The motion was voted on and unanimously carried.

Commissioner Takeya returned to the meeting.

Patsy Ann O'Gilvy

After a review of the information submitted by the applicant, Commissioner Matsuo moved to deny Ms. O'Gilvy's application for real estate salesperson as she failed to submit her completed application within 90 days of the date of the examination. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

Janet H. Marrack

After a review of the information submitted by the applicant, Commissioner Takeya moved to approve Ms. Marrack's application for real estate salesperson. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

Other 1990 Real Estate Commission Meeting Schedule  
Business:

The proposed 1990 Real Estate Commission Meeting schedule was distributed to the Commissioners for their information.

National Association of Real Estate License Law Officials (NARELLO) Report

Commissioners Matsuo and Sodetani submitted their report on the Annual NARELLO Meeting.

Adjournment: With no further business to discuss, Chairman Yanagawa adjourned the meeting at 12:34 p.m.

Taken and recorded by:

Irene S. Kotaka, Secretary

Reviewed and approved by:

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Calvin Kimura  
Executive Secretary

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Date