

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: Thursday, March 25, 1993

Time: 9:00 a.m.

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

Present: Marcus Nishikawa, Chairperson, Oahu Member
Barbara Dew, Vice-Chairperson, Oahu Member
Theo Butuyan, Public Member
Jerry Hirata, Hawaii Member
Alvin Imamura, Maui Member
Yoshiko Kano, Kauai Member
Stanley Kuriyama, Oahu Member

Calvin Kimura, Supervising Executive Secretary
Jan Yamane Taschner, Real Estate Specialist
Russell Wong, Real Estate Specialist
Lynn Miller, Real Estate Specialist
Benedyne Stone, Condominium Specialist
R. Victoria Shiroma, Condominium Specialist
Diane Erickson, Deputy Attorney General
Irene Kotaka, Secretary

Rodney Maile, Senior Hearings Officer
Dennis Benson, Hawaii Association of Realtors
Robert H. Middleton, Applicant
Cynthia Yee, Hawaii Real Estate Research & Education Center
Gloria Shirleen Moffett, Licensee
Dennis Simoncelli, Applicant
Mark Thomason, Attorney for Dennis Simoncelli
Bradley A. Coates, Licensee

Excused: Francine Duncan, Public Member
Carol Mon Lee, Public Member

Call to Order: Chairperson Nishikawa called the meeting to order at 9:05 a.m., at which time quorum was established.

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

9. Licensing - Questionable Applications
Beverly K. S. Mau
Oihana Property Management and Sales, Inc.

Additional
Distribution:

The following additional materials were distributed to the Commissioners for their review:

3. Executive Secretary's Report
 - b. Minutes of the September 25, 1992 and the January 22, 1993 Real Estate Commission Meetings
6. Committee Reports
 - c. Education Review Committee Report

Chairperson's Report:

No report was presented.

Licensing:

Restoration of Forfeited License

Bradley Coates

Mr. Coates was present to request a reconsideration of the Commission's previous decision.

Mr. Coates stated that he is an attorney with an inactive real estate license. His license became forfeited under two years ago. About this time last year, he began the process to restore his license. He is too busy as a lawyer for his license to be active. He was under the impression that if he took the CE courses, he would be able to restore his license. He completed three continuing education courses and submitted his application for restoration. He was then told that he had taken a wrong course. He took a fourth course and resubmitted his application. He asked to be placed on the Commission's agenda for the October meeting. He received a letter on October 31, 1992, stating that he must take either the Real Estate Essentials course or a pre-licensing course. He requested an appeal and asked to go through the formal hearing process as it was impossible for him to take a 40-hour course at the university. At his pre-hearing conference, it was suggested that he request reconsideration by the Commission.

Mr. Coates stated that if he was granted a waiver to the prelicensing course when he first took the exam 15 years ago, he could be granted another waiver based on his experience as an attorney. He is requesting that the Commission waive the prelicensing course as a condition for restoration. He stated that the laws and rules states that the Commission "may" make other requirements. He is also requesting that the Commission allow him to restore his license on an inactive status and require him to complete his CE courses when he activates his license.

Commissioner Kuriyama asked Mr. Coates where he got the first impression that he would have to take the CE courses to restore his license. Mr. Coates stated that he got that impression from the restoration application.

The Supervising Executive Secretary informed Mr. Coates that he does have the option of successfully passing the real estate examination in lieu of completing a course and that the examinations are now given on a daily basis from Tuesday through Saturday.

Mr. Coates stated that the Special Deputy Attorney General had a paper which said that the Commission "may" require you to take a course. He assumes that the Commission also "may not" require him to take a course. He stated that he will continue the appeal process, rather than taking the examination.

The Supervising Executive Secretary also informed Mr. Coates of another option, which is found in §16-99-8(c), community service. He also informed Mr. Coates that some opt to take the examination because it is faster. He also stated that Mr. Coates may want to look at §16-99-8(c) and to examine all options open to him.

Mr. Coates stated that he would like the Commission to restore his license on an inactive basis. He stated that he would activate his license in approximately ten years.

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

Questionable Applications

Gloria Shirleen Moffett

Ms. Moffett was present to request that the Commission reconsider its previous decision and grant her request to back date the licensing records.

Ms. Moffett stated that her license was placed on inactive status without her being aware of it. She noticed that her renewal form had her associated with Century 21 and mentioned it to her principal broker. Her principal broker informed Licensing Branch that she was associated with him. This happened in December, and she had requested assistance from Mr. Triantos, an attorney, to assist her in straightening out the situation.

She was not aware that this matter had been scheduled for the December meeting. Ms. Moffett requested to be present today to set the situation straight. She stated that in December 1990, she was signed off from Century 21 and then immediately signed on with Summit Realty. She kept a copy of the Change form, paid her fees and took her CE classes. In September 1991, Summit Realty went out of business and was sold to Howard Shermer. She was released from Summit Realty and then signed on with Mr. Shermer in December. Licensing Branch did not receive the original Change form releasing her from Century 21 and signing her on with Summit Realty. Licensing Branch had sent her a deficiency, which she stated she did not receive.

Ms. Moffett stated that she had a post office box in order to receive her mail until she could get a home of her own. She also stated that she gets important mail in her post office box that doesn't belong to her. She stated that perhaps someone else had received her mail in their post office box. She doesn't know what happened to the Change form that was submitted to Licensing Branch, nor does she know why she didn't receive the deficiency. She is requesting that the Commission back date the records because she doesn't want it to show on her record that she was inactive when she wasn't. She was

licensed in 1967 and has been proud to be a licensee. She said that it breaks her heart that this had to happen to her.

Commissioner Hirata noted that the copy of the Change form stated that Ms. Moffett's license was to be placed on an inactive status on December 11, 1990, per Jay Spadinger.

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

Oihana Property Management and Sales, Inc.

Condominium Specialist Stone was present to provide additional information on Oihana Property Management and Sales, Inc.'s registrations as a condominium managing agent and as a condominium hotel operator. Oihana had answered the question regarding complaints incorrectly. The question was answered "no," when the correct answer should have been "yes." The situation has been corrected and approval of the registrations are recommended.

It was recommended that staff advise them that should the question be answered incorrectly on subsequent applications, the Commission will reserve the right to deny any future applications.

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

Committee Reports:

Condominium and Cooperative Review Committee

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the report and recommendations of the Condominium and Cooperative Review Committee's March 10, 1993 Meeting, as follows:

1. Accept the minutes of the July 25, 1991 meeting as is and the minutes of the February 10, 1993 meeting, subject to amendment on page 7 of the report, i.e., heading, Community Associations Institute Report should read "Commissioner Lee was nominated to the National Board of Community Associations Institute Foundation at the 33rd Annual Meeting in November 1992."
2. Hawaii Real Estate Research and Education Center Report - Distributed Status Report to Commissioners via mail.
 - a. Condominium Association Budget and Reserves
 - (1) Manual - Still many manuals remain to be picked up by the associations.
 - (2) Rulemaking - Within formal approval process, i.e., at Attorney General's Office for review.
 - (3) Workshops - Commissioner Kano noted that her findings indicate that November would be a good time to have a seminar on Kauai.
 - b. Five-Year Education and Research Plan - Awaiting the Chairperson's

- response to the memo regarding budget figures
- c. Hawaii Condominium Bulletin - Fall/Winter issue is being reprinted on paper that produces a better print and does not bleed. Will look into the paper and printing of the Real Estate Bulletin as an alternative.
 - d. Board of Director's Manual - Chapter on liability almost completed. Anticipate distribution for review by March 15, 1993. Conducted informal survey.
 - e. "Condo Living" - Newspaper column
 - f. Condominium Seminars - Approve and implement Draft #3 - "Criteria for Reviewing Proposals for Condominium Seminars". Approval seminar proposal by Hawaii Chapter of CAI, subject to submission and approval of costs and curriculum data, seminar proposal to be administered by HREREC.
 - g. Federal Leasehold Study - Center has executed an agreement for conducting the study.
3. Budget and Finance Committee Report - Accept the Condominium Management Education Fund Financial Statements, dated November 30 and December 31, 1992.
4. Program of Work
- a. Rulemaking, Chapter 107 - Awaiting comments on Drafts 3A and 3B.
 - b. Condominium Mediation Program - Renewal contract for Mediation Services of Maui, Inc. is being reviewed by the Attorney General.
 - c. Condominium Reference Library - Makiki Library has formally accepted the condominium reference books. Will do short notice about this fact in the next condo bulletin.
 - d. 1993 Legislative Report #3 - Presented report with brief notation of those bills relevant to condominium governance.
 - e. Condominium Association Registration - Reregistration is moving along, about 670 complete.
 - f. Condominium Managing Agent Registration - List will be available shortly, to be made available to the public of all registered condominium managing agents.
 - g. Out-of-State Condominium Projects - Contract is in the formal approval process and awaiting Governor's approval.
 - h. Biennial Symposium and Meetings - Condominium Specialists Okumura and Shiroma will be involved in planning for the symposium. Tentatively scheduled for the first week in May or later.
5. Project Registration, Public Reports, and Sales to Owner-Occupants
- a. Bureau of Conveyances - One Unit Condominium Project - Acknowledge and inform interested persons of the Bureau's policy of non-acceptance of condominium declarations for recordation which consist of only one apartment. Pursuant to Chapter 514A, HRS, the definitions of "condominium" and "project" state it must consist of two or more apartments.
The Commission may issue an effective date for a final or preliminary public report for a single apartment of a phased condominium project where the recorded declaration and map provide for a minimum of two apartments pursuant to §514A-11 and -12, HRS, and Chapter 107,

- HAR. A declaration which simply states developer reserves the right to build a second apartment is therefore inadequate.
- b. Owner-Occupant Pre-Sale Notice Form - Hawaii Developers Council. Staff to work with Chairperson on standard owner-occupant pre-sale notice form for distribution to developers to simplify pre-registration process.
The Commissioner does not have the authority to reduce the thirty (30) day review period required by §514A-102(b)(1), HRS.
 - c. Request for Public Report Extension When Public Report Form Has Substantially Changed. Caveat be placed in the Commission's order granting extension of the effective date of a public report if the original effective date was issued for a public report on the "prose" legal size form utilized prior to 1987. The caveat should note the law and requirements for a public report have been amended since the original effective date of the public report was issued and that the public report may not conform to current standards for public reports. Prospective purchasers should be encouraged to review current public report requirements for comparison (a copy of the public report form and instructions may be obtained from the Commission), question developer as to any additional information desired and, if they wish, contact an attorney for counsel.
 - d. Public Reports - Auctions. Look into rule making to implement project registration instructions, which requires developer to submit updated materials for all registration documents and information.
The auction method of sale for condominium project sales pursuant to §514-31, HRS, will not in and of itself require specific disclosure in the public report or disclosure abstract or a supplementary public report. However, developer is reminded: 1) to submit updated materials and information of all appropriate registration documents and information; 2) to file all advertising and promotional materials with the Commission prior to issuance, circulation or publication pursuant to §16-107-11, HAR; 3) method and terms of sale by auction shall comply with the requirements of Chapters 484 and 514A, HRS and Chapter 107, HAR; and 4) the supplementary public report requirements of §514A-41, HRS, still apply where applicable.
6. Next Meeting: Wednesday, April 7, 1993, 9 a.m., Kapuaiwa Room, HRH Princess Victoria Kamamalu Building, 1010 Richards Street, Honolulu, Hawaii

Fund

Investment of Condominium Management Education Fund and Real Estate Recovery

Upon a motion by Commissioner Butuyan, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to approve the investment of the following:

- a. Invest \$100,000 from the Condominium Management Education Fund in CD's through the State systems for 90 days, to be reinvested upon maturity for additional periods of 90 days, unless the Chairperson of the Budget and Finance Committee determines the funds are required for operations.

- b. Invest \$300,000 from the Real Estate Recovery Fund in CD's through the State system for either 90 days, to be reinvested upon maturity for additional periods of 90 days, unless the Chairperson of the Budget and Finance Committee determines that the funds are required for operations.

Ikeda and Wong, CPA, Inc.

Upon a motion by Commissioner Kano, seconded by Commissioner Dew, it was voted on and unanimously carried to approve Ikeda and Wong's request for an extension to March 31, 1993, to complete the audits of the Real Estate Education Fund, Real Estate Recovery Fund, and the Condominium Management Education Funds.

Laws and Rules Review Committee

Upon a motion by Commissioner Kano, seconded by Commissioner Lee, it was voted on and unanimously carried to approve the report and recommendations of the March 10, 1993 Laws and Rules Review Committee meeting, as follows:

1. Supervising Executive Secretary's Report
 - a. Announcement on EXPRO start up date of March 17, 1993, with handout.
 - b. Acceptance of Minutes of the September 25, 1991 meeting.
2. Hawaii Real Estate Research and Education Center Report
Accept and direct HREREC to issue to the providers the 1993-94 Core Course (Real Estate Law Update and Ethics 1993-94) curriculum draft #2 to providers, subject to finalization of staff concerns to the final product.
3. Budget and Finance Committee Report
Accept financial statements for the real estate recovery fund, November 30 and December 31, 1992.
4. Program of Work
 - a. Licensing Renewal Report - Accept March 8, 1993 report and pie graph.
 - b. Mandatory Continuing Education Legislation - House Bill No. 1731 has passed and will crossover to the Senate. The Senate has not indicated any change in the position from last year, nor any indication that the bill will be heard.
 - c. Biennial Symposium and Meetings - Committee Chairs or designates have started planning for the biennial symposium. The objective is to complete the working draft of the program of work and budget by each committee by the April meetings and then distribute it to interested parties for comments and recommendations in writing and in person at the symposium. Invited guest speakers to be the Chairpersons of the Senate and House Consumer Protection and Commerce Committees and the Director of DCCA.
 - d. 1993 Legislative Report #3 was distributed.
5. Special Issues
 - a. Federal Laws to Previous AG Opinion on Gifts, Rebates, and Kickbacks - Preliminary response is that the opinion was based solely

- on Chapter 467, HRS, and its rules, not on other State or Federal laws.
 - b. Guidelines for Unlicensed Personal Assistants - Preliminary and normal concern raised by the Deputy Attorney General, promulgate rule making.
- 6. NARELLO Report
 - a. 1993 Digest of Real Estate License Laws - Suspend purchasing of the Digest for Commissioners and to add additional copies to the reference library.
 - b. Investigator of the Year Submissions - REEF funding be provided for travel and participation at the annual meeting, should any RICO Investigator become a finalist.

Education Review Committee

Upon a motion by Commissioner Hirata, seconded by Commissioner Imamura, it was voted on and unanimously carried to approve the Education Review Committee's Report and Recommendations of the March 24, 1993 meeting, as follows:

1. Minutes of the January 21 and February 25, 1993 Meetings - Accepted.
2. Budget and Finance Committee Report - As a matter of policy, the Commission interprets that the phrase, "fund balance", as used in Chapter 467, HRS, to mean the unreserved fund balance, that is, the fund balance less reserve for encumbrances or other reserves. Reserve for encumbrances is that portion of the fund balance that has been segregated for expenditure on vendor performance.
3. HREREC Report - Distributed updated report
 - a. Five-Year Education and Research Plan with Budget Projections - Commissioner Hirata and staff to meet with Dr. Ordway for rework, on March 31, 1993 at 9 a.m., in the Seventh Floor Conference Room. Members of the Education Review Committee are invited to attend.
 - b. Evaluation system for schools, providers, instructors, and CE courses - clarified that system to include evaluating present information received (evaluations, letters of concern, testing information) with a checklist like tool which determines if on-site monitoring is warranted, then an on-site evaluation and monitoring with a checklist tool, a bridge to a consulting and/or education program, a random preventive type on-site evaluation/monitoring checklist, etc.
 - c. Neighbor Island Outreach - Maui Manual - have initiated amendments and clean up, need to finalize. Will adjust priorities for completion by May 1993 meeting.
 - d. Broker Curriculum and Resources - Clarified present rule requirement of 46 hours and option 1 should be adjusted likewise.
 - e. Four Brochures - A Real Estate Consumer's Regulatory Rights in Hawaii (Consumer Knowledge Gaps) -- Staff to provide copies of draft previously distributed. Last draft will be presented at next meeting prior to any printing. Commissioners and staff are requested to submit their comments on the draft by March 31, 1993.
4. Continuing Education Administration, Curriculum, Courses, Providers, and Instructors

- a. Continuing Education 1993-94 Core Course - The record to reflect that the subject course is officially effective as of March 25, 1993, and HREREC has been directed to issue the curriculum to the providers.
- b. Applications
 - (1) Approve Michael B. Pence as Continuing Education Instructor for the elective courses in property management written by the Hawaii Real Estate Research and Education Center.
 - (2) Defer application of Jay J. Spadinger in the course category Contracts, for certification application in a specific elective course in real estate contracts.
 - (3) Approve Real Estate Continuing Education Company's elective course "Consensual Dual Agency", subject to incorporation of comments from the expert review panel, and inclusion of a standard language disclaimer as set forth in the certification letter sent to providers.
- 5. Prelicensing Education Administration, Curriculum, Schools and Instructors
 - a. Subject to advisement by the Attorney General's Office, all letters approving providers, schools, and instructors to include language that failure to maintain command knowledge of the subject; failure to maintain a reputation for honesty, truthfulness, financial integrity, and fair dealing; or disciplinary action by the Commission may result in refusal to register or certify, or revocation, suspension, denial, or condition of registration, certification, or recertification.
 - b. Staff to look into, and if needed, to add to the program of work, statutory and/or rule amendments for automatic termination of school, provider, or instructor certification or registration should their real estate license be suspended, revoked, terminated, or forfeited.
 - c. Applications
 - (1) Approve recertification of Lauren B. Koch for prelicense salesperson instructor.
 - (2) Approve Tae Won Kim as guest lecturer in Math for ERA Real Estate School.
 - (3) Approve Terry L. Adams as guest lecturer in Math for Dower School of Real Estate.
- 6. Program of Work and Budget
 - a. Biennial Symposium - To be held on June 3, 1993.
 - b. Instructor Development Workshop
 - (1) Approve proposed IDW guidelines
 - (2) Approve the Commission's co-sponsoring the IDW proposed by the Hawaii Association of Realtors (HAR), subject to the terms of the contract between the Commissioner and HAR, and that the proposed IDW be approved for instructor credit.
- 7. NARELLO - Commissioner and staff to work with NARELLO for 1997 National Conference to be held in Hawaii.
- 8. Next Meeting - Wednesday, April 7, 1993, 1:00 p.m., Kapuaiwa Room.

Recess:

Chairperson Nishikawa recessed the meeting at 9:55 a.m.

Reconvene: Chairperson Nishikawa reconvened the meeting at 10:20 a.m.

Licensing: **Questionable Applications**

Robert H. Middleton

Mr. Middleton was present to request reconsideration of his prelicensing instructor recertification and his continuing education instructor recertification applications.

Mr. Middleton provided additional information on the number of complaints and the nature of the complaints. He stated that of the eight complaints which were filed, three were staff initiated. He stated that RICO was not able to provide him further information on the staff-initiated complaints. Two of the complaints were closed because of insufficient evidence, advisory letters were sent for four of the cases, and two involved some type of disciplinary action. There was one case in 1986 which was a result of a bookkeeping error on their part in which a settlement agreement was entered in to. Another involved a settlement agreement in which a fine was paid.

Commissioner Kuriyama asked Mr. Middleton for additional information on the circumstances which lead to the filing of the complaints.

Mr. Middleton stated that the company had taken a listing from Mr. Stepovich who did not have legal title to the property. Mr. Stepovich had inherited the property from his mother. His name was on the title, but his mother's name wasn't.

Commissioner Kuriyama asked Mr. Middleton what steps were taken to ensure that the title is held by the individual involved.

Mr. Middleton stated that they check the tax records to see who is paying the tax assessments.

Commissioner Kuriyama asked Mr. Middleton what the basis for the complaint was in the Schertell case. Mr. Middleton stated that his agent had listed the Schertell's home for sale. The property was large enough to allow an ohana unit. The person who lived across the street had already built an ohana unit. When his agent took the listing, the Schertells had a bed and breakfast and had talked about the ohana potential of the property. The Schertells then called the agent back and told the agent that no references to the bed and breakfast potential should be made. The Schertells informed the agent that the house should be sold as a house and nothing else.

Mr. Middleton stated that the Kauai Board of Realtors had informed them that when the Schertells said that they wanted to sell the property as a single-family residence, the agent should have withdrawn any information about the ADU potential.

Mr. Middleton represented Mr. Murakami, who wanted to build a second home on the property. Mr. Middleton verified the fact that there was an ADU next door, that County approval was granted, and he obtained a CC & R.

Three days before closing, Mr. Murakami had a second inspection of the property. He wanted the Schertells to clean the property because they had had horses on the property. During the inspection, the Schertells had asked Mr. Middleton to stay. The Schertells were eager to hear of Mr. Murakami's plans and also concerned because it was three days before closing. The Schertells asked Mr. Middleton if Mr. Murakami was going to build a second home. They then informed him that the neighbors would fight anyone who tried to build a second home on their property. They thought that a complaint had been filed against the property across the street.

Mr. Middleton informed Mr. Murakami of his conversation with the Schertells. He then went to Court to see if there were any complaints filed against the neighbors across the street who had built the second unit. He also asked the County if a hearing was held on this matter. He went back to Mr. Murakami and told him that everything was fine.

The Schertells and the agent met with the neighbors and tried to convince them to say that they would not fight Mr. Murakami if he built a second unit. They would not agree to that and said that they would fight anyone who tried to build another ADU in the neighborhood.

Mr. Murakami then told Mr. Middleton that he wanted to cancel the transaction. When they tried to cancel escrow, the Schertells did not want to release Mr.

Murakami's deposit. The Schertells filed a complaint against Mr. Middleton for telling Mr. Murakami that he could build an ADU when they did tell him that it couldn't be done.

Mr. Middleton stated that his attorney later advised him that he should find out from the buyer if they intend to do anything with the property. He should then ask the seller if there would be anything that would prohibit them from doing so.

Commissioner Hirata asked for more information on the nature of the complaint and advisory letter in complaint #6. Mr. Middleton stated that he didn't recall the contents of the file.

Mr. Middleton was then asked if communication from the Regulated Industries Complaints Office was taken seriously or if it was just filed. Mr. Middleton stated that it was taken seriously. Mr. Middleton stated that when he receives a letter, he files it with the property that was involved, not in the licensee's file. He stated that RICO was not able to provide him specific information, so he was not able to recall the situations which led to the issuance of the advisory letters.

Mr. Middleton stated that the only situation that he could recall in 1990 was that he went on vacation, was gone for more than two weeks and sent notification of who would be acting principal broker, but that the Commission wanted the signature of the person saying that they would be acting as the temporary principal broker. He has no recollection of the 1986 advisory letter.

The Supervising Executive Secretary advised Mr. Middleton that the 1990 advisory letter dealt with unlicensed activity.

Mr. Middleton stated that he had received a call from RICO asking if he had placed someone in charge while he was away. He was asked to fax a copy of the letter that was sent to the Licensing Branch.

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

Dennis Simoncelli

Mr. Simoncelli and his attorney, Mark Thomason was present to provide oral testimony. Mr. Thomason stated that the tax liens were a result of personal income taxes which are due to the State and the IRS. Mr. Simoncelli filed his tax returns on time and has notified the two agencies that he will begin paying them as soon as he is able to. Mr. Simoncelli is currently arranging to sell his interest in property that he owns with his brother. He has not been working since January.

Commissioner Kuriyama asked Mr. Simoncelli to expound on how the tax liens arose. The tax liens were a result of one single, large transaction. His tax payments were made on an estimated basis. He underestimated the income from the transaction.

He also was over zealous in helping people and made several bad loans in which he is still awaiting repayment.

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

Adjudicatory Matters:

Chairperson Nishikawa called for a recess from the Commission meeting at 11:00 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91, Hawaii Revised Statutes.

- a. Robert H. Middleton dba Century 21 Aloha Kauai; REC 90-215 and 91-138, Approve the Hearings Officer's Findings of Fact, Conclusions of Law, and Recommended Order.
- b. Alma L. Prigmore dba Tapa Realty; REC 91-225. Approve Settlement Agreement After Filing of Petition.
- c. Walter N. Clark v. Real Estate Commission, et al.; Civil No. 92-2959-08. Mr. Clark's claims against the defendants were dismissed with prejudice.

Following the Commission's review, deliberation and decisions in these matters, pursuant to Chapter 91, Hawaii Revised Statutes, Chairperson Nishikawa announced that the Commission was reconvening its scheduled Commission meeting at 11:24 a.m., pursuant to Chapter 92, Hawaii Revised Statutes.

Licensing:

RATIFICATION

Upon a motion by Commissioner Imamura, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the ratification of the following:

Brokers:

Helen N. Yoshimura dba Naoe & Company - Real Estate
Harold Chu
Olive H. Souza
Valerie Howell dba Howell Properties
Melvin S. L. Lee
Hawaiian Marketing and Distribution, Inc.
Aimee Tonaki Realty, Inc.
Sumiko Imai Allegar dba Sumiko Realty
Central Pacific Realty, Inc.
BetaWest, Inc.
Okoji & Associates Realty, Inc.
Karen Kenwolf
International Business Consultants, Ltd.
Hiromi Urasaki
Gay G. Partin dba Maui Timeshare Resales
Gaynell Daugherty
Kemper Real Estate Management Company

West Oahu Realty, Inc.
Vision Properties, Inc.
Lawson Murakami
Reba-Mae Silva dba Reba-Mae Silva Realty
Premier, Inc.
Michael Anthony Harismendy dba Southshore Properties
Doreen M. Aranio

Branch Office:

Lagoon Realty, Ltd. (Hilo, Hawaii)
McCormack Real Estate dba Coldwell Banker McCormack Real Estate (Honolulu,
Hawaii)
Lagoon Realty, Ltd. (Kapaa, Kauai)

Site Office:

Maryl Development, Inc., 'Iolani Subdivision Project
Shell Realty Maui, Inc., Maui Schooner Resort
Hannon Realty, Ltd., Makai Club
Locations, Inc., Golf Club Estates at Waikele
Pacific Homes, Inc., Na Pali Haweo
Budget Realty, Ltd., Village Pokai Bay
Marcus and Associates, Inc., Aiea Park Place
Castle & Cooke Residential, Inc., Mililani Town Subdivision
Worrall-McCarter Maui, Inc., Maui Kamaole
Castle & Cooke Residential, Inc., Hampton Court
Aloha Resorts International, Inc., Kahana Falls
Finance Realty Company, Ltd., Makakilo Ridge

Trade Name:

Patricia Moore dba Moore Real Estate & Development
Ronald A. Pino dba Paramount Properties
Angelita M. Pasion dba Century 21 Island Properties Unlimited
Carol Comeau dba Carol Comeau, Realtor
Realty Executive Aloha fka Sutton Group-Aloha Realty
Realty Executives Banyan, Inc. fka Sutton Group-Banyan Realty, Inc.

Condominium Hotel Operator:

Paniolo Hale Rental, Inc.

Condominium Project Registration, Public Reports Issued for February 1993:

Kaloko Estates, Hawaii (Final)
Kilauea Bay View Estates Agricultural Condominium, Kauai (Final)
Pacific Shores, Maui (Final)
The Arbors, Increment A, Honolulu (Final)
MJF Development, Hawaii (Final)
Mai Lima Akua, Hawaii (Final)
Schneider Hill, Honolulu (Final)
Kaehulua Estates, Kauai (Final)
Kihei Palms, Maui (Preliminary)

2740/2740-A Ferdinand Avenue, Honolulu (Final)
 Puulima I, Kauai (Preliminary)
 Puulima II, Kauai (Preliminary)
 Puulima III, Kauai (Preliminary)
 Puulima V, Kauai (Preliminary)
 Waimea Homestead, Hawaii (Final)
 Punahou Sunset, Honolulu (Second Supplementary)
 Emerson Court, Honolulu (Second Supplementary)
 Sun Rise, Phase C, Honolulu (Final)
 Kawaikini Estates, Kauai (Final)
 JKW-Kohala Estates, Hawaii (Final)
 Waipake 4, Kauai (Final)
 Lani O Kele Kai Ohana, Honolulu (Final)
 Pearl Horizons, Phase IIB, Honolulu (Final)
 Olaloa-Project II, Honolulu (Final)

REAL ESTATE PRE LICENSE SCHOOLS AND INSTRUCTORS

<u>SCHOOLS</u>	<u>SALESPERSON/BROKERS</u>
Century 21 Real Estate School	S/B
Dower School of Real Estate	S
ERA Real Estate School	S
Fahrni School of Real Estate	S
Hawaii Institute of Real Estate	S/B
Hawaiian School of Real Estate	S
Homesite Real Estate School	S/B
Maui School of Real Estate	S/B
Pence School of Real Estate	S/B
RE Schools of St Michael	S
Seiler School of Real Estate	S/B
University of Hawaii at Hilo	S
University of Hawaii/SBMP	S
Vitousek Real Estate School	S

<u>INSTRUCTORS</u>	<u>SALESPERSON/BROKERS</u>
Charlee D.C. Abrams	S
Norman N. Akita	S
Kenneth Chong	S
John W. Clear	S
Elizabeth Dower	S
Helen K. Fahrni	S
Ralph S. Foulger	S/B
Steven W. Gilbert	S/B
Robert G. Green	S/B
Jeanne D. Green	S
Jonathon C. Hudson	S
Charlotte Kaminaga	S
Rock B. Ley	S/B
Hilda T. Morse	S

Jane Muramatsu	S	
Michael B. Pence	S/B	
John W. Reilly		S/B
Ricardo Seiler		S/B
Jay John Spadinger		S/B
John F. Stapleton		S/B
Brian R. Thomas	S/B	
Paige B. Vitousek	S/B	
William I. Wilson III	S/B	
Harvey A. Wilson, Jr.	S/B	
Gary K. Yamashiro		S
George K. Yamashiro		S

PROVIDERS

Century 21 Real Estate School
 Dower School of Real Estate
 Duplanty School of Real Estate
 Hawaii Association of Realtors
 Kapiolani Community College
 Kauai Community College
 Leeward Community College
 Maui Board of Realtors
 Max Sherley Real Estate Center
 Pence School of Real Estate
 Real Estate Continuing Ed. Co.
 UH-Small Business Mgmt. Prog.

INSTRUCTORS

A. Bernard Bays
 Laverne Bessert

 R. Donald Brough

 Kenneth Chong

 A. Joel Criz

 Michael C. Curtis

 Elizabeth Dower
 Gretchen Duplanty

COURSE APPROVED

Course Category: Real Estate Law
 Course Category: Property Management
 Course Category: Commercial Investment
 Laws/Ethics
 Course Category: Real Estate Financing
 Course Category: Property Management
 Course Category: Finance/Investment
 Course Category: Property Ownership &
 Development
 Introduction to Real Estate Exchanges
 GRI 501
 GRI 201
 GRI 301
 Financing Residential Properties
 How to Manage Residential Properties
 Laws/Ethics
 Course Category: Property Management
 Course Category: Investment
 Course Category: Finance
 Course Category: Contracts
 Laws/Ethics

Carol Egan	Course Category: Real Estate Law
Eddie Flores, Jr.	Laws/Ethics
	List & Sell Business Opportunities
	Foreclosure and Roles of the Commissioner
	Course Category: Finance
	Course Category: Contracts
	Course Category: Contracts
	Course Category: Property Management
Manuel Garcia	Course Category: Investment
	Course Category: Financing & Exchanging
	Course Category: Real Estate Law
Steven W. Gilbert	Course Category: Financing/Tax Strategy
	Laws/Ethics
M. Russell Goode	Course Category: Finance
	Laws/Ethics
	GRI 501
Mitchell Imanaka	Course Category: Real Estate Law
Mark James	Course Category: Financing
Dorothy Mason	Laws/Ethics
	GRI 201 - Practical Ethics
David Medaris	Laws/Ethics
	GRI 101
Jane Muramatsu	Course Category: Real Estate Finance
	Laws/Ethics
Michael Pence	Laws/Ethics
	Course Category: Real Estate Law
Wayne Pitluck	Course Category: Real Estate Law
John W. Reilly	Legal Pitfalls
	Buyer Representation
	Course Category: Real Estate Law
Richard Rosenthal	Course Category: Real Estate Consulting
	Course Category: Risk Management
	Course Category: Investment Brokerage
Max Sherley	How to Manage Residential Properties
	Financing Residential Properties
	Laws/Ethics
Jay John Spadinger	Laws/Ethics
	Course Category: Finance
Brian R. Thomas	Laws/Ethics
	Course Category: Property Management
Gary K. Yamashiro	Course Category: Real Estate Finance
	Laws/Ethics
George K. Yamashiro	Course Category: Real Estate Finance
	Laws/Ethics

Approval of

Upon a motion by Commissioner Kano, seconded by Commissioner Dew, it was Minutes:voted on and unanimously carried to approve the minutes of the September 25, 1992 Real Estate Commission as circulated and to approve the minutes of the January 22,

1993 and February 26, 1993 Real Estate Commission Meetings, subject to staff amending the Education Review Committee reports as follows:

January 22, 1993 Real Estate Commission Meeting Minutes:

Committee Reports - Hawaii Real Estate Research and Education Center

"Upon a motion by Commissioner Hirata, seconded by Commissioner Dew, it was voted on and unanimously carried to:

1. Accept the ASI Laws and Rules Report;
2. Approve the inclusion of Chapter 436B, HRS, into the exam content outline. Salesperson Curriculum and Resources - The new salesperson prelicensing education curriculum is in effect and is broader than the old curriculum. The next item writing session will incorporate adjustments to the curriculum which have been approved by the Commission for inclusion into the exam content outline. Instructors are not teaching students to only pass exams but are mandated to teach the entire curriculum; and
3. Approve the following individuals as item writers: Pat Scullary, Wayne Benton, Gloria Damron, Peter Yanagawa, Cynthia Alm, Sandy Young, Mona Besette, and Gaylien Hall."

February 26, 1993 Real Estate Commission Meeting Minutes:

Committee Reports - Education Review Committee

- "2. Hawaii Real Estate Research and Education Center...
 - h. Salesperson Curriculum and Resources - The new salesperson prelicensing education curriculum is in effect and is broader than the old curriculum. The next item writing session will incorporate adjustments to the curriculum which have been approved by the Commission for inclusion into the exam content outline. Instructors are not teaching students to only pass exams but are mandated to teach the entire curriculum.

Executive Session:

Upon a motion by Commissioner Imamura, seconded by Commissioner Kano, it was voted on and unanimously carried to enter into executive session to consider the applications before them at 11:25 a.m., pursuant to Section 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 Kano, seconded by Commissioner Hirata, it was voted on and unanimously carried to move out of executive session at 11:51 p.m.

Licensing:

Restoration of Forfeited Licenses

Donald T. Okimoto
Terry R. Carter

Salesperson
Salesperson

After a review of the information submitted by the applicant, Commissioner Imamura moved that restoration be approved upon submitting evidence of successfully passing the real estate salesperson's licensing examination with a waiver of the education requirement. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Bradley A. Coates

After a review of the information presented by the applicant, Commissioner Imamura moved to deny Mr. Coates request for reconsideration. Commissioner Hirata seconded the motion. The motion was voted on and unanimously carried.

Questionable Applications

Roderic E. P. Edralin

After a review of the information submitted by the applicant, Commissioner Hirata moved to deny Mr. Edralin's application for a real estate salesperson's license. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

General Growth Management of Hawaii, Inc.

After a review of the information submitted by the applicant, Commissioner Kano moved to approve the real estate corporation application of General Growth Management of Hawaii, Inc. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Gold Coast, Inc.

After a review of the information submitted by the applicant, Commissioner Butuyan moved to approve the real estate corporation application of Gold Coast, Inc. Commissioner Imamura seconded the motion. The motion was voted on and unanimously carried.

John R. Held

After a review of the information submitted by the applicant, Commissioner Butuyan moved to approve the sole proprietor application of John R. Held. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Kamuella Realty Corporation

After a review of the information submitted by the applicant, Commissioner Kuriyama moved to approve the real estate corporation application of Kamuella Realty Corporation. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Dennis Simoncelli

After a review of the information presented, Commissioner Kuriyama moved to approve the sole proprietor application of Dennis Simoncelli. Commissioner Hirata seconded the motion. The motion was voted on and unanimously carried.

Michael B. Krocak

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

Eduardo M. Pineda

This matter was deferred.

Del Osman Realty, Inc. and Terry A. Kang

After a review of the information submitted by the applicant, Commissioner Imamura moved to deny the request to backdate the licensing records. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

DGMGT, Inc. dba DGM Group

After a review of the information submitted by the applicant, Commissioner Kano moved to approve the real estate corporation application of DGMGT, Inc. dba DGM Group. Commissioner Butuyan seconded the motion. The motion was voted on and unanimously carried.

George J. Gubener

After a review of the information submitted by the applicant, Commissioner Kuriyama moved to approve Mr. Gubener's request for an equivalency to one year experience and three listing contracts closed escrow and three sales contracts closed escrow. Commissioner Butuyan seconded the motion. The motion was voted on and unanimously carried.

Beverly K. S. Mau

After a review of the information submitted by the applicant, Commissioner Butuyan moved to approve Ms. Mau's sole proprietor application. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Oihana Property Management and Sales, Inc.

After a review of the information submitted by the applicant, Commissioner Kuriyama moved to approve the Condominium Managing Agent registration and the Condominium Hotel Operator registration of Oihana Property Management and Sales, Inc. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Robert H. Middleton

After a review of the information presented by the applicant, Commissioner Butuyan moved to deny Mr. Middleton's request for reconsideration, and to the recertification as a prelicensing instructor and a continuing education instructor. Commissioner Imamura seconded the motion. The motion was voted on and carried. Commissioner Kuriyama opposed the motion.

Thomas R. Shinn

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

Gloria S. Moffett

After a review of the information presented by the applicant, Commissioner Imamura moved to deny Ms. Moffett's request to backdate the licensing records. Commissioner Butuyan seconded the motion. The motion was voted on and unanimously carried.

Next Meeting:

Monday, April 19, 1993
9 a.m.
Kuhina Nui Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Adjournment:

With no further business to discuss, Chairperson Nishikawa adjourned the meeting at 12:00 p.m.

Reviewed and approved by:

Calvin Kimura
Supervising Executive Secretary

Date