

REAL ESTATE COMMISSION
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii
www.hawaii.gov/hirec

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, October 29, 2009

Time: 9:00 a.m.

Place: Queen Liliuokalani Conference Room
King Kalakaua Building
335 Merchant Street, First Floor
Honolulu, Hawaii

Present: Trudy Nishihara, Chair, Broker/Honolulu Commissioner
Louis Abrams, Broker/Kauai Commissioner
Annette Aiona, Broker/Hawaii Island Commissioner
Carol Ball, Broker/Maui Commissioner
Frances Gendrano, Broker/Honolulu Commissioner
Walter Harvey, Broker/Honolulu Commissioner
Michele Sunahara Loudermilk, Public/Honolulu Commissioner

Neil K. Fujitani, Supervising Executive Officer
Jon Ellis M. Pangilinan, Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Amy Endo, Real Estate Specialist
David J. Grupen, Real Estate Specialist
Cheryl Leong, Condominium Specialist
Benedyne Stone, Condominium Specialist
James Paige, Deputy Attorney General
Karyn Takahashi, Secretary

Lei Fukumura, Special Deputy Attorney General
JoAnn Uchida, Esq., Complaints Enforcement Officer / RICO
Catherine Chun-Hoon, Esq., RICO
Kurt Woerz

Absent: Stanley Kuriyama, Vice Chair, Broker/Honolulu Commissioner
Mark Suiso, Public/Honolulu Commissioner

Call to Order: The Chair called the meeting to order at 9:01 a.m., at which time quorum was established.

Chair's Report: The Chair announced that the Commission may move into executive session to consider and evaluate personal information relating to individuals applying for licensure in accordance with Section 92-5(a)(1), HRS, and/or to consult with the Commission's attorney on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities in accordance with Section 92-5(a)(4), HRS.

Commissioners Kuriyama and Suiso were excused from the meeting. Prior notification of their non-attendance was received.

Executive Officer's
Report:

The Supervising Executive Officer informed the Commissioners that the original applications with any original associated documents to be considered at the meeting were available for review.

Addition to Agenda

Upon a motion by Commissioner Aiona, seconded by Commissioner Gendrano, it was voted on and unanimously carried to add the following to the agenda:

6. Licensing – Applications
 - c. Arnold R. Brady

The SEO reported that due to the implementation of furloughs, the November 20, 2009, meeting has been rescheduled to Wednesday, November 25, 2009.

Minutes of Previous Meeting

Upon a motion by Commissioner Abrams, seconded by Commissioner Aiona, it was voted on and unanimously carried to accept the minutes of the September 25, 2009, meeting.

Committees and
Program of Work:

Law and Rules Review Committee

Division and Department Programs – RICO Real Estate Advisory Committee

The Commission was provided a list of potential candidates to serve on the RICO Real Estate Advisory Committee, effective January 1, 2010. The Commissioners had questions on the procedures of procuring the Committee members and the role the committee members play on the decision of complaints.

JoAnn Uchida, RICO's Complaints Enforcement Officer, stated that the Commission's role is to approve the list and added that if there were concerns about a member they can ask to have them removed. She noted that other boards have asked to remove members.

The Commissioners had concerns about how much weight the member carries on the decision of cases. Ms. Uchida responded that, in some cases, the member's opinion may make or break the case as they are the expert—the member's opinion is crucial in a case. She added that in rare instances, a second member may be asked to review a case—each review is handled independently.

RICO takes into consideration timeliness, quality of analysis and consistency of interpretation and have had highly qualified and dedicated members.

When asked what kind of requirements and experience are required of a member and are these members current in their experience level, Ms. Uchida replied that the committee members are good about recognizing their limits and RICO talks with them before a case assignment is made. She added that the committee members recognize their areas of expertise and limits.

The committee members are volunteers and there is no requirement on the mix and no limit to the number of members on the committee. RICO solicits members by word of mouth and during speaking engagements. Ms. Uchida encourages industry members to become a volunteer member. She added that

RICO also relies on the boards and commissions to make suggestions, as they want these individuals to have credibility with the various boards and commissions.

The Commission suggested RICO use more than one member to review cases. However, RICO has a limited number of volunteers and if more than one member reviews a case, the additional time it would take for the other member's review will significantly slow the process down.

The Commission also requested that a short summary of each member in addition to the list to verify the appropriateness of each individual's expertise.

Further, RICO's staff has become experts and staff completes the initial critical analysis. The committee member does not review every case but mainly gets involved when a question arises if the alleged inappropriate conduct was an appropriate industry practice. RICO does not require opinions of law from the members.

Deputy AG Paige stated that RICO gathers the names for all boards. It would put RICO in an awkward position if the list is not approved by the Commission.

Licensing –
Ratification:

Upon a motion by Commissioner Abrams, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to ratify the attached list.

Licensing –
Applications:

The Supervising Executive Officer informed the Commissioners that the information provided to the Commissioners is related only to the issue that is before the Commission for consideration. The other materials submitted are available for the Commissioners review should they desire to review it. If the applicants have an issue, which is personal in nature, they have the right to request that their application be considered in executive session.

Kurt C. Woerz

Mr. Woerz was asked if he wished to have his application for real estate salesperson's license considered in executive session. He declined the offer.

Specialist Endo reported that Mr. Woerz answered yes to the prior convictions question on the application. Around October 2000, Mr. Woerz was convicted of a petty theft misdemeanor. He was required to pay a small fine, attend classes and serve three years of probation. According to information received, all court records have been purged pursuant California government code.

PSI, the testing agency, reported incidents of impropriety by Mr. Woerz occurring on September 4, 2009, which generated three reports. The first report indicated a test candidate, after taking the examination, approached the test proctor and voiced her concerns about Mr. Woerz handing out his business card. The candidate handed the proctor Mr. Woerz's business card and stated that Mr. Woerz was passing out the card attempting to solicit calls from failing candidates. Mr. Woerz proclaimed he took the examination enough times to memorize all of the items and he told the candidates he has all the questions and answers.

In the second report, the same test proctor was in the process of returning the personal belongings to another candidate when she noticed another business card of Mr. Woerz. The proctor asked about the card and the candidate stated that Mr. Woerz approached her offering his services to her. She explained she was stunned, did not know what to say, and was planning to take this card to her prelicense instructor.

There was a third report in which Mr. Woerz accidentally hit the on/off switch on the surge protector with his toe. PSI was able to reproduce the examination to the point where the power switched off and Mr. Woerz was able to complete the examination.

Mr. Woerz stated that he received a letter last week of a possible impropriety, called the office on Friday, but due to the furloughs, the offices were closed. He spoke with Specialist Endo on Monday.

Mr. Woerz stated that he was stunned now and found out about these accusations only this week leading up to this Commission meeting.

At this time, Deputy AG Paige stated to and questioned Mr. Woerz that since he was caught off guard by the allegations if was he prepared to address the issues at this time. However, if he was unprepared, the Commission can defer review of his application to next month in order to provide him more time for adequate preparation. Mr. Woerz responded that he was able to go forward today and felt that there was nothing else he could bring to the table.

He stated that he is from California and has teaching credentials in California where he tutored children.

Shell Vacations hired him and he pursued obtaining his real estate license. Upon passing the exam and waiting for paperwork regarding his petty theft conviction, Mr. Woerz wondered what he could do in the meantime. In the interim, his girlfriend encouraged him and stated that he may be able to help other people. He was willing to sell his usernames and passwords to websites that he had purchased access to for study material. Eventually he came up with a plan to offer tutoring to test takers.

He does not remember exact questions on the exam, but he does remember topics. As far as informing people that he had the questions and answers, he stated that he doesn't and didn't have access to attaining the questions.

Contrary to PSI's reports, Mr. Woerz stated that he solicited tutoring services at the exam site in front of about a group of five people and he did not solicit the questions and answers to the actual examination. Mr. Woerz did mention that his offering of these strategies to take the exam turned off a couple of people. He added that it took him four times to pass the exam and on the fourth try he scraped by. He stated that it is not in his character to pass out his cards to strangers, to speak to strangers and offer answers, and just hope everything works out.

Mr. Woerz stated that upon reflection, he recalls there were a couple of girls who inquired with him about the questions on the exam and he had looked through their study book with them. There could have been a misunderstanding or confusion at that time. He added that he does not have the ability to memorizing questions, but he can remember 30-50% of the topics.

According to the statistics, Mr. Woerz passed the exam on his fourth try and he completed the exam quickly. When asked what he thought may have attributed to that, Mr. Woerz stated that he was a fast reader—the first three times he took the exam he took the time to soak it in but he was caught off guard by some questions that he did not have information on. By the fourth time, he did not have to finish reading the questions but he already knew the answers. Every time after the exam he quickly ran to his car to write down notes on information he did not know. After the third time he took the exam, he met with his instructor, Ralph Foulger, and asked him questions.

When queried whether he was aware that someone from PSI was in contact with him as recently as two weeks ago to purchase his questions and answers to the examination, Mr. Woerz replied no. According to PSI, Mr. Woerz stated he sold his last packet of examination questions and sold a total of seven. Mr. Woerz does recall a female from Maui calling him and urging him to send her something in the mail. He told her no but offered instead to meet at a coffee shop and tutor and/or share strategies in passing the examination. Mr. Woerz stated that he lied to her to look more credible, but he had nothing to sell. He did not receive any phone call except for that one.

Prior to entering the testing area, each candidate is required to sign PSI's security agreement for examinations and the same agreement is also a part of the exam, which must be agreed to before the exam launches.

The Commission inquired if Mr. Woerz recalls signing the security agreement, he replied yes. Commissioner Abrams stated that part of being a licensee is to protect the consumer and violating the confidentiality of the exam is of great concern to the Commission.

When questioned whether it was his intention to meet with her to tutor her, he replied yes, for about 1 ½ hours for \$50.00. Did the person know it was for tutoring? Mr. Woerz stated that is what he said. He added that this was a way for him to make money. After questioning how much he was charging for tutoring in California, Mr. Woerz responded \$8.00 an hour, but that was tutoring children.

Mr. Woerz stated that he did not want to make it seem to this person that he had not done this before, but he admits telling her a lie was poor judgment on his part.

Mr. Woerz stated that he had material similar to what you would see on the exam and that he recalled the test questions from the previous times he took the exam. He further stated that when he sees a question on the examination he has had before a light bulb goes off, does not need to read the rest of the question, and he can remember his previous answer.

When asked about what kind of material he was going to provide for \$50.00, Mr. Woerz stated that he did not have any material, he was waiting for someone to call him and he was going to provide his passwords to the two websites he purchased study material. He purchased the online study material from ProSchools, had access to that for one year, and would provide his user name and password to the purchaser.

When asked why he failed to appear at the scheduled meeting, Mr. Woerz replied that the telephone caller did not seem to be a legitimate person.

When asked if there are any copyright laws protecting the ProSchools study materials, Mr. Woerz replied that it was an at-home study course that he purchased, but he did not like it—he believes it is equivalent to a study book. He was further questioned about the purchase and using it for his personal use, but was willing to give the password to someone else, Mr. Woerz responded yes, in his opinion he viewed it as he was lending what is equivalent to a book to someone.

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

Chapter 91, HRS,
Adjudicatory
Matters:

The Chair called for a recess from the meeting at 10:02 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91, HRS:

In the Matter of the Real Estate Salesperson's License of Zenaida Wong Lopez; REC 2007-233-L

Commissioner Abrams moved to accept the Settlement Agreement Prior to Filing of Petition for Disciplinary Action and Commission's Final Order. Commissioner Aiona seconded the motion. The motion was voted on and unanimously carried.

In the Matter of the Real Estate Broker's License of Nathan H. Suzuki; REC 2005-110-L

Commissioner Aiona moved to approve the Commission's Final Order. Commissioner Abrams seconded the motion. The motion was voted on and unanimously carried.

Following the Commission's review, deliberation, and decisions in these matters, pursuant to Chapter 91, HRS, the chair announced that the Commission was reconvening its scheduled meeting at 10:10 a.m.

Executive Session:

Upon a motion by Commissioner Abrams, seconded by Commissioner Aiona, it was voted on and unanimously carried to enter into executive session, pursuant to Section 92-5(a)(1), HRS, "To consider and evaluate personal information, relating to individuals applying for professional or vocational licenses cited in section 26-9 or both;" and pursuant to Section 92-5(a)(4), HRS, "To consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities."

Upon a motion by Commissioner Abrams, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to move out of executive session.

Licensing –
Applications:

Kurt C. Woerz

After review of the information presented and admissions by the Applicant, Commissioner Abrams moved to deny the real estate salesperson's license of Kurt C. Woerz, based upon sections 467-8(3) and 436B-19(1), (8) and (12), Hawaii Revised Statutes and sections 16-99-12 and 29(e), Hawaii Administrative Rules. Commissioner Loudermilk seconded the motion. The motion was voted on and unanimously carried.

Mark A. Ames

After review of the information presented by the applicant, Commissioner Loudermilk moved to most likely approve the real estate broker's license of Mark A. Ames. Commissioner Gendrano seconded the motion. The motion was voted on and unanimously carried

Arnold R. Brady

After review of the information presented by the applicant, Commissioner Abrams moved to approve the real estate salesperson's license of Arnold R. Brady. Commissioner Harvey seconded the motion. The motion was voted on and unanimously carried.

Next Meeting: Wednesday, November 25, 2009
9:00 a.m.
Queen Liliuokalani Conference Room
King Kalakaua Building
335 Merchant Street, First Floor
Honolulu, Hawaii

Adjournment: With no further business to discuss, the Chair adjourned the meeting at 10:28 a.m.

Reviewed and approved by:

/s/ Neil K. Fujitani
Neil K. Fujitani
Supervising Executive Officer

November 17, 2009
Date

[X] Approved as circulated.
[] Approved with corrections; see minutes of _____ meeting.

APPROVED APPLICATIONS FOR REAL ESTATE
REAL ESTATE COMMISSION MEETING ON OCTOBER 29, 2009

<u>Brokers – Limited Liability Companies and Partnerships</u>	<u>Effective Date</u>
Somerset Management Hawaii, LLC Hideko K. Sato, PB	09/11/09
Bishop Street Commercial LLC Matthew G. Bittick, PB	09/22/09
Maui Estates International LLC Mary Anne Fitch, PB	09/23/09
KuKui'ula Realty Group LLC, KuKui'ula Realty Group Suzanne Olson, PB	09/24/09
Royal Realty LLC Roy Rex Rexroat, PB	09/29/09
LightHouse Properties, LLC, LightHouse Properties Craig K. Minami, PB	10/02/09
Hawaii Realty Professionals, LLC Diane L. Y. Fujikami, PB	10/05/09
Affinity Real Estate Group LLC Karen Yoko Uehara, PB	10/05/09
<u>Brokers – Corporations and Partnerships</u>	<u>Effective Date</u>
South Island Realty, Ltd. Meghan E. Shively, PB	09/14/09
RE-Vision Real Estate Corporation Neil Zaslow, PB	09/23/09
AWI Management Corporation Toni M. Bryant, PB	10/12/09
<u>Brokers – Sole Proprietor</u>	<u>Effective Date</u>
Jeanne E. Buboltz	09/03/09
Steven J. Faulkner	09/16/09
Steven E. Jackson	09/22/09
Michael H. Ferreira	09/22/09
Que Martyn, Mauiproperties.com	09/22/09
Glennon T. Gingo, Hawaii & Pacific Commercial Properties	09/23/09
Stuart Rynd Norsell	09/24/09
India H. Paige, Old Plantation & Ranch Realty	10/06/09
Connie McCormick	10/08/09
<u>Branch Office</u>	<u>Effective Date</u>
Colliers Monroe Friedlander Management Inc. Bobbie P. Lau, PB	09/11/09
Colliers Monroe Friedlander Management Inc. Bobbie P. Lau, PB	09/11/09
<u>Limited Liability Companies and Partnerships Name</u>	<u>Effective Date</u>
Lau & Associates LLC Steven H. Lau, PB	09/11/09
Red Flash LLP Sandra L. Bangerter, PB	10/08/09

<u>Trade Name</u>	<u>Effective Date</u>
SGG, LLC, honua kai vacation rentals and realty	09/01/09
Steven Jackson Faulkner, TimeShareWow.com	09/23/09
Pacific Living International, LLC, Pacific Commercial Business	09/28/09
Moon Goddess Inc., Bev's Rentals & Sales	09/29/09

<u>Equivalency to Uniform Section of Examination Certificate</u>	<u>Expiration Date</u>
Jeffrey Douglas Martin	09/17/11
Justin Joseph Moore	09/18/11
Paul M. Honkavaara	09/18/11
Kathryn Elizabeth Angellotti	09/21/11
William Spencer Snyder	09/21/11
Barbara A. Ford	09/21/11
Kory Blair McGavin	09/21/11
Loraine K. Gemme	09/21/11
Steven Michael Costa	09/22/11
Deborah L. Murray	09/22/11
Gary George Goldstein	09/22/11
Sandra Suitt Cribb	09/23/11
Peter Eric Davis	09/24/11
Annette Maria DiResta	09/25/11
John David Liner	09/25/11
Masato Yota	09/30/11
Bonnie A. Wedemeyer	09/30/11
Dan Sacapano	09/30/11
Joel Clayton Groomes	10/05/11
Jane Loretta Perna	10/05/11
Louis Carmine Perna	10/05/11
John Wright Shaw	10/06/11
Noray Papazoglu	10/06/11
Sue Michiko Connelly	10/07/11
Philomena Eberhardt	10/08/11
Joy Noel Jernigan	10/08/11
Christopher Ryan Gross	10/08/11
Linda Ann Byram	10/08/11
Valeria Affinito	10/09/11
Mary Lou Cummings	10/12/11
Frank Steven Bonacquisti	10/13/11
Robert Walter Batter	10/13/11
Tina Ann Nelson	10/14/11

<u>Educational Equivalency Certificate</u>	<u>Expiration Date</u>
Jeffrey Douglas Martin	09/17/11
Justin Joseph Moore	09/18/11
Kasey McGee Schoettler	09/18/11
Paul M. Honkavaara	09/18/11
Kathryn Elizabeth Angellotti	09/21/11
William Spencer Snyder	09/21/11
Barbara A. Ford	09/21/11
Kory Blair McGavin	09/21/11
Loraine K. Gemme	09/21/11
Dwight D. Holloway	09/22/11
Steven Michael Costa	09/22/11
Deborah L. Murray	09/22/11
Mike Kipta	09/22/11

Educational Equivalency Certificate

	<u>Expiration Date</u>
Sandra Suitt Cribb	09/23/11
Peter Eric Davis	09/24/11
Annette Maria DiResta	09/25/11
John David Liner	09/25/11
Everett Sadao Kaneshige	09/28/11
Masato Yota	09/30/11
Bonnie A. Wedemeyer	09/30/11
Dan Sacapano	09/30/11
Marcela Burboa	09/30/11
Darrell I. Uher	09/30/11
Joel Clayton Groomes	10/05/11
Jane Loretta Perna	10/05/11
Louis Carmine Perna	10/05/11
John Wright Shaw	10/06/11
Noray Papazoglu	10/06/11
Sue Michiko Connelly	10/07/11
Gary George Goldstein	10/07/11
Philomena Eberhardt	10/08/11
Joy Noel Jernigan	10/08/11
Christopher Ryan Gross	10/08/11
Linda Ann Byram	10/08/11
Valeria Affinito	10/09/11
Mary Lou Cummings	10/12/11
Frank Steven Bonacquisti	10/13/11
Robert Walter Batter	10/13/11
Tina Ann Nelson	10/14/11

Real Estate Broker Experience Certificate

	<u>Expiration Date</u>
Justin Joseph Moore	09/18/11
Paul M. Honkavaara	09/18/11
Connie Marie McCormick	09/18/11
Ann Marie Hamilton	09/18/11
Takahiro Kono	09/18/11
Kathryn Elizabeth Angellotti	09/21/11
William Spencer Snyder	09/21/11
Kory Blair McGavin	09/21/11
Mark K. Awaya	09/22/11
Krisla West DuPonte	09/22/11
Donald Gary Pixler	09/22/11
Unjung Leo	09/22/11
Sherrie A. Kuroda	09/24/11
Peter Eric Davis	09/24/11
Annette Maria DiResta	09/25/11
Everett Sadao Kaneshige	09/28/11
Francis Kazuo Hun Duk Ogawa	09/28/11
Bonnie A. Wedemeyer	09/30/11
Sandy Tang Ho	10/01/11
Louis Carmine Perna	10/05/11
John Wright Shaw	10/06/11
Sue Michiko Connelly	10/07/11
Christopher Peter Ordonez	10/07/11
Joy Noel Jernigan	10/08/11
Chris Shuuichi Nemoto	10/08/11
Michael Chi Ho	10/08/11

Real Estate Broker Experience Certificate

	<u>Expiration Date</u>
Sisi Clowes Morgan	10/08/11
Valeria Affinito	10/09/11
Mary Lou Cummings	10/12/11
Frank Steven Bonacquisti	10/13/11
Keslie Wei-Kei Hui	10/13/11
Yuk L. Man	10/14/11

Real Estate Broker (upgrade)

	<u>Effective Date</u>
Steven H. Lau	09/11/09
Alfred G. Sprenger	09/15/09
Mark P. Miura	09/17/09
Sophia A. Yunis	09/18/09
Guy Vance Kidder	09/18/09
James Mayfield	09/21/09
Michael H. Ferreira	09/22/09
Mark J. Storfer	09/23/09
Donna M. Durgin	09/25/09
Lacey K. Shimabukuro	09/25/09
Rex Kriekenbeek	09/30/09
Cindy Carlson	10/05/09
Connie McCormick	10/08/09

Restoration – Real Estate Broker

	<u>Effective Date</u>
Darryll Goodman	09/25/09

Condominium Hotel Operator

	<u>Effective Date</u>
Trump International Hotel Hawaii LLC dba Trump Hotel Collection	09/15/09