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, March 24, 2011

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 – early departure

Frances Gendrano, Broker/Honolulu Commissioner

Donna Apisa, Broker/Kauai Commissioner Carol Ball, Broker/Maui Commissioner

Walter Harvey, Broker/Honolulu Commissioner Scott A. Sherley, Broker/Hawaii Island Commissioner

Neil K. Fujitani, Supervising Executive Officer Jon Ellis M. Pangilinan, Executive Officer

Diane Choy Fujimura, Senior Real Estate Specialist

Cynthia Yee, Senior Condominium Specialist

Amy Endo, Real Estate Specialist Cheryl Leong, Condominium Specialist Benedyne Stone, Condominium Specialist Shari Wong, Deputy Attorney General Karyn Takahashi, Recording Secretary

Others: Sheryl Nagata, Hearings Officer, Office of Administrative Hearings/DCCA

David Zinnel

Absent: Stanley Kuriyama, Vice Chair, Broker/Honolulu Commissioner

Michele Sunahara Loudermilk, Public/Honolulu Commissioner

Mark Suiso, Public/Honolulu Commissioner

Call to Order: The Chair called the meeting to order at 9:00 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.

Executive Officer's Report:

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

Minutes of Previous Meeting

Upon a motion by Commissioner Gendrano, seconded by Commissioner Apisa, it was voted on and unanimously carried to accept the minutes of the February 25, 2011, meeting.

Licensing – Ratification:

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

Licensing – Applications:

The EO 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.

Gold Standard Realty, LLC

In October 2010, the Commission originally denied Gold Standard Realty, LLC's license application. The proposed principal broker disclosed he had outstanding debt obligations to a credit union and the State Department of Taxation. The proposed principal broker has entered into payment plans and has requested a reconsideration of the application denial.

Upon a motion by Commissioner Gendrano, seconded by Commissioner Harvey, it was voted on and unanimously carried to accept the request for reconsideration of the Gold Standard Realty, LLC application.

Mr. David Zinnel, member and proposed principal broker of Gold Standard Realty, LLC, was present. The Chair asked Mr. Zinnel if he wished to have his application considered in executive session. He declined the offer.

When asked what type of real estate Gold Standard Realty, LLC, will conduct, Mr. Zinnel stated residential and some commercial real estate. He stated that he will be the principal broker with one employee.

Mr. Zinnel was asked what he believes the role of a principal broker is. He responded the principal broker looks over transactions, financials, pay taxes and generally makes sure that everything is going as planned.

When asked about his real estate experience, Mr. Zinnel stated that he has been licensed since 1989 and back then he was working for ERA Jones. He stated that he has been a broker since 2007—for four years.

Mr. Zinnel stated that if licensed, he is not planning to hire agents at this time. He stated that he will be looking over Mr. Sheldon Lau (member, Gold Standard Realty, LLC). He stated that Mr. Lau has been a licensed appraiser for approximately 16 years and has his own appraisal company.

Mr. Zinnel was asked what Mr. Lau's duties will be. He responded that Mr. Lau will solicit sales, listings, and buy and sell real estate.

Mr. Zinnel was asked if it will be his policy to not allow Mr. Lau conduct appraisals, as he cannot do both. Mr. Zinnel replied yes.

Mr. Zinnel was asked why he did not have a payment plan in place with the Department of Taxation when he first submitted the application. He replied that the payment plan was in the negotiation stage.

Mr. Zinnel was asked if he thought it was not important to have a payment plan in place prior to coming before the Commission. He replied that he knew that it was very important, but he has made mistakes that he is trying to correct. He chose to pay for his child's school tuition, rather than pay the child support.

Mr. Zinnel was asked if he was current with his Federal taxes. He replied in the negative and stated that at this time, he is working on a payment plan with the IRS. Mr. Zinnel failed to disclose this information with his application. He stated that he owes the IRS approximately \$70,000.00 and he is in "uncollectible" status until such time his income status changes.

Mr. Zinnel was asked about his current license status. He responded that his license was suspended for eight months due to non-payment of child support. Currently, he is not practicing but his license has been active since last year. Mr. Zinnel stated he is currently employed full time with Cole Haan. He added that he needs to have a regular job for the insurance benefits for himself and his daughter. He stated that he plans to continue working full time at Cole Haan and be principal broker of Gold Standard Realty, LLC.

It was pointed out to Mr. Zinnel that many brokers start as sole proprietors as overseeing salespeople is a great responsibility. Mr. Zinnel stated that he has experience as a broker-in-charge while employed with Ohana Realty—he managed seven to ten agents for approximately two years.

In the application, Mr. Zinnel failed to disclose his debt obligations and complaints filed against members of the LLC. He was asked why he answered "no" to the application questions. He replied that he did not read the questions correctly and did not know that the question pertained to all the members of the LLC. As for the complaints against Mr. Lau, Mr. Zinnel stated that he did not know that Mr. Lau had complaints against him.

It was pointed out to Mr. Zinnel that the initial denial was based in part on his history of honesty, truthfulness, financial integrity and fair dealing.

Upon a motion by Commissioner Harvey, seconded by Commissioner Ball, 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 9:23 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91, HRS:

In the Matter of the Real Estate Brokers' Licenses of Nemo Realty, Inc., Mikiko Malasek and Vojtech Malasek; REC 2004-92-L

Sheryl Nagata, Hearings Officer, was present to address the Commissioners' questions regarding this case.

Commissioner Harvey moved to approve the final order. Commissioner Apisa seconded the motion. The motion was voted on and unanimously carried.

In the Matter of the Real Estate Salesperson's License of David B. Riehle, aka Dave B. Riehle; REC 2010-171-L

Commissioner Harvey moved to accept the settlement agreement. Commissioner Sherley seconded the motion. The motion was voted on and unanimously carried.

In the Matter of the Real Estate Licenses of Baron Scott Graham, Donald A. Graham and Graham Realty, Inc.; REC 2010-214-L and REC 2010-298-L

Commissioner Harvey moved to accept the settlement agreement. Commissioner Gendrano seconded the motion. The motion was voted on and unanimously carried.

In the Matter of the Real Estate Brokers Licenses of West Maui Resort Partners, L.P. and Cynthia J. Mayo; REC 2008-262-L

Commissioner Gendrano moved to accept the settlement agreement. Commissioner Sherley seconded the motion. The motion was voted on and unanimously carried.

In the Matter of the Real Estate Brokers' Licenses of Dorothy S. Hirowatari and Maile Realty Corp.; REC 2004-106-L and REC 2005-179-L

Commissioner Harvey moved to approve the final order. Commissioner Sherley 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 9:55 a.m.

Executive Session:

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

Licensing Applications:

Debra Bagge-Perez

After a review of the information presented by the applicant, Commissioner Harvey moved to approve the real estate salesperson license of Debra Baage-Perez. Commissioner Gendrano seconded the motion. The motion was voted on and unanimously carried.

Jennifer Barrows

After a review of the information presented by the applicant, Commissioner Harvey moved to approve the real estate salesperson license of Jennifer Barrows. Commissioner Gendrano seconded the motion. The motion was voted on and unanimously carried.

Linda S. Henke

After a review of the information presented by the applicant, Commissioner Harvey moved to approve the real estate salesperson license of Linda S. Henke. Commissioner Gendrano seconded the motion. The motion was voted on and unanimously carried.

James Somers

After a review of the information presented by the applicant, Commissioner Harvey moved to most likely approve the real estate salesperson license of James Somers. Commissioner Gendrano seconded the motion. The motion was voted on and unanimously carried.

Diane Larson

After a review of the information presented by the applicant, Commissioner Harvey moved to most likely approve the real estate broker license of Diane Larson. Commissioner Gendrano seconded the motion. The motion was voted on and unanimously carried.

Gold Standard Realty, LLC

After a review of the information presented by the applicant, Commissioner Sherley moved to deny the real estate limited liability company license for Gold Standard Realty, LLC, based on Hawaii Revised Statutes sections 467-8(a)(3), 436B-19(1), 436B-19(8), and 436B-19(12). Commissioner Harvey seconded the motion. The motion was voted on and unanimously carried.

Next Meeting:

Thursday, April 28, 2011

9:00 a.m.

Queen Liliuokalani Conference Room

King Kalakaua Building

335 Merchant Street, First Floor

Honolulu, Hawaii

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Adjour	nment:	With no further business to discuss, 10:15 a.m.	the Chair adjourned the meeting at
Reviev	ved and app	roved by:	
Jon Ell	n Ellis M. Pa is M. Pangil tive Officer		
_ <u>April</u> Date	12, 2011		
[X]		oproved as circulated. oproved with corrections; see minutes of	meeting.

Real Estate Commission

JP:kt/033011

APPROVED APPLICATIONS FOR REAL ESTATE REAL ESTATE COMMISSION MEETING ON MARCH 24, 2011

Brokers – Limited Liability Companies and Partnerships Ocean Wind Realty, LLC	Effective Date 02/07/11
K. Kenny Furuki, PB Hawaiian Home Seekers Real Estate LLC Pamela Sue Roukema, PB	02/07/11
Luning Realty, LLC Frederick J. Luning, PB	02/17/11
Hawaii Island Dreams, LLC Joanie Lehr, PB	03/03/11
Lava Realty, LLC Laure McElwee, PB	03/07/11
H2O Watermark Pacific Properties LLC Christine Kim, PB	03/09/11
Harper Island Realty LLC Robert Harper, PB	03/09/11
Brokers – Corporations and Partnerships The Howard Hughes Corporation Melisa G. Preus, PB	Effective Date 02/23/11
Hawaii Land and Homes Corp. Charles Raymond Crittenden, PB	03/04/11
R.D. Salyer, Inc. Rick L. Salyer, PB	03/07/11
Aloha Hawaii Real Estate Inc., Kauai Calls! Set Your Heart Free Linda A. Lawhead, PB	03/07/11
Hi End Hawaii Corporation Lisa Kay Maas, PB	03/09/11
KMA Capital Corporation, KBM Hawaii Josh Motto, PB	03/10/11
Brokers – Sole Proprietor Wayne L. Williams Richard B. Ferguson Robert W. Helstowski Dale J. Scott Lin Poling Mary Lou Whitman Leasa S. Souza Gary W. Klever Evelyn A. Takara Terri Tsung Mok Sandra Elayne Burrell Jerald Y. Nakasone, THINC Real Estate Sandra J. Cornell Sonia L. Harada Branden Edward Shumate, Ocean Rock Properties Nancy Ann Thomas, Thomas Properties Jack S. Fisher, Jack Fisher REALTOR® David R. Hill, Tropical Realty Meghan E. Shively, South Island Realty	Effective Date 01/03/11 01/03/11 01/04/11 01/07/11 01/13/11 01/18/11 01/18/11 01/21/11 01/27/11 02/01/11 02/09/11 02/09/11 02/10/11 02/15/11 02/23/11 02/24/11 03/07/11

Corporation Name	Effective Date
Auction.com fka Real Estate Disposition Corporation	01/28/11

Trade NameEffective DateReuben K. Nemoto, Rainbow Realty Oahu2/14/11Paradise Island Realty, LLC, DaKine Homes02/11/11

Equivalency to Uniform Section of Examination Certificate	Expiration Date
Mary Elizabeth Clary	02/14/13
Jenae Politovich Peckham	02/14/13
Hope L. Harbour	02/14/13
Clifton Edward Allenbach	02/16/13
Susan Mary Des Jarlais	02/23/13
Barbara Jean Quinones	02/25/13
Trisha L. Cruz	02/28/13
Lincoln Henry Gill	03/01/13
Carole Gay Herzog	03/01/13
Richard Cutis Stewart	03/01/13
Drew S. Fishman	03/02/13
Heidi Julie Winkler	03/01/13
Yoshinori Shiraishi	03/02/13
Darren Yhale Scott	03/03/13
James Hall	03/04/13
Jeana Leilani Gamboa	03/07/13
Justin Joseph Brunold	03/07/13
Debbie Lynn Phillips	03/08/13
Karen Cammarota-Keefe	03/08/13
Linda Kay Hamp	03/08/13
Sondra Jean Van Metre	03/08/13
Brett David Danson	03/10/13
Karen Lee Roth	03/10/13
Gabriel Duane Harvey	03/14/13
Myra L. Taylor	03/14/13

Educational Equivalency Certificate	Expiration Date
Mary Elizabeth Clary	02/14/13
Jenae Politovich Peckham	02/14/13
Hope L. Harbour	02/14/13
Clifton Edward Allenbach	02/16/13
Susan Mary Des Jarlais	02/23/13
Race Akamai Randle	02/17/11
Barbara Jean Quinones	02/25/13
Trisha L. Cruz	02/28/13
Bernard Charles Welk	03/01/13
Lincoln Henry Gill	03/01/13
Carole Gay Herzog	03/01/13
Richard Cutis Stewart	03/01/13
Jacquelyn Tryon Esser	03/02/13
Drew S. Fishman	03/02/13
Steven Ryan Gray	03/01/13
Jonathan H.T.Y. Honda	03/01/13
Heidi Julie Winkler	03/01/13
Yoshinori Shiraishi	03/02/13
Phillip Joong Kim	03/03/13
Benjamin James Fisher	03/03/13

Educational Equivalency Certificate Darren Yhale Scott Denise Marie Ballard James Hall Jeana Leilani Gamboa Justin Joseph Brunold Debbie Lynn Phillips Karen Cammarota-Keefe Linda Kay Hamp Sondra Jean Van Metre Brett David Danson Karen Lee Roth Ashley Ryan Michael Neal Atkins Gabriel Duane Harvey Myra L. Taylor	Expiration Date 03/03/13 03/04/13 03/04/13 03/07/13 03/07/13 03/08/13 03/08/13 03/08/13 03/10/13 03/10/13 03/10/13 03/14/13 03/14/13
Real Estate Broker Experience Certificate Jenae Politovich Peckham Hope L. Harbour Jay Jiro Hiraide Michael Edward McMahon Keolani Renee Keawe Trisha L. Cruz Lincoln Henry Gill Richard Cutis Stewart Drew S. Fishman Denise Kay Shipley Susanne Grauwiler Blakey Zachary Gerard Kawika Oda Robert James Rupnow Diane L. Heung Kathleen M. Funk-Linton Jessika Gabriella Lawrence James Makoto Kohara Marcus Nathan Ken Suzuki Sondra Jean Van Metre Melissa Lehna Casey Kaena Paet Cynthia Anne Wild Michiko Wada Richard F. Pachon Myra L. Taylor Mario Riparip Agustin	Expiration Date 02/14/13 02/14/13 02/17/13 02/17/13 02/28/13 02/28/13 03/01/13 03/01/13 03/02/13 03/01/13 03/03/13 03/04/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/08/13 03/10/13 03/10/13 03/10/13 03/10/13 03/10/13 03/10/13
Real Estate Broker (upgrade) Amy F. Morrow David E. Beck Frederick J. Luning Robert J. Lundquist Bill Lamkin Courtney J. Takai William A. Carter Frida Adams Edwin L. Lilley	Effective Date 02/08/11 02/14/11 02/17/11 02/22/11 02/22/11 02/23/11 02/25/11 02/28/11 03/01/11

Real Estate Broker (upgrade)	Effective Date
Michael Leonard	03/08/11
Christine Kim	03/09/11
Josh Motto	03/10/11
Jay J. Hiraide	03/14/11

Continuing Education Equivalency	Effective Date
Daniel Cho	02/14/11

Restoration – Real Estate Salesperson	Effective Date
Maria-Linda F. West	02/17/11