

REAL ESTATE COMMISSION  
Professional & Vocational Licensing Division  
Department of Regulatory Agencies  
State of Hawaii

MINUTES OF MEETING

Date: Thursday, November 20, 1975

Place: Penthouse, Kamamalu Building  
1010 Richards Street, Honolulu, Hawaii

Present: Douglas R. Sodetani, Chairman  
Herbert S. Isonaga, Vice Chairman  
Tadayoshi Ishizu, Member  
John D. Texeira, Member  
John M. Urner, Member  
Ah Kau Young, Member  
  
Robert G. Klein, Departmental Complaint Officer  
Clyde E. Sumida, Deputy Attorney General  
Yukio Higuchi, Executive Secretary  
Mrs. Karen Hirota, Clerk-Stenographer  
  
George "Red" Morris, Real Estate Licensee  
Violet C. King, Real Estate Licensee  
Jo Matheson, Representing Violet C. King  
Wayne M. Kinoshita, Applicant for Real Estate Salesman License  
Allan Kajikawa, Representing Wayne M. Kinoshita  
Linda Dewberry, Representing Robert Miller (RE-625)

Absent: Mrs. Mary V. Savio, Member (Out-of-State)

Called to Order: There being a quorum, Chairman Sodetani called the meeting to order at 9:00 a.m.

Minutes: Executive Secretary reported that the agenda for the November 20, 1975 meeting had been filed with the Lt. Governor's office on November 14, 1975 in compliance with the Sunshine Law.

Herbert Isonaga moved and Tadayoshi Ishizu seconded to amend the minutes of the October 15, 1975 meeting by amending paragraph five of Page Four to read as follows:

"Chairman Sodetani felt that either an independent surety bond, or an irrevocable letter of credit from a member bank, savings & loan association or other financial institution approved by the Commission, or a material house bond was acceptable."

Motion unanimously carried.

Committee  
Reports:

Real Estate Education Advisory Council

Executive Secretary reported the following in the absence of Mary Savio.

Continuing Education

Executive Secretary was requested by Wesley Park to prepare the contract. Copies of the drafted contract and the scope of work were distributed to the Commission members for their review.

Executive Secretary requested comments regarding the scope of work, and it was favorable. Chair asked for a motion to that effect.

Ah Kau Young moved and Tadayoshi Ishizu seconded. Motion unanimously carried.

Hiring of Educational Consultant

Executive Secretary reported that the Director has approved this project.

Executive Secretary prepared a draft of the request for permission to engage the services of a consultant for Susumu Ono's signature. Clarence Okamura, Administrative Services Officer, reviewed the draft and approved it. It will be typed in final form for the Director's signature then for approval and signature by Susumu Ono.

Establishment of Real Estate Chair

Herbert Isonaga reported that he drafted a copy of the scope of work, contract and a cover letter to the Director.

Clyde Sumida will review the contract as requested by Herbert Isonaga, and as soon as Clyde approves the contract as to form, it will be forwarded to the Director for approval.

Ah Kau Young moved and John Urner seconded to approve the draft. Motion unanimously carried.

Herbert Isonaga recommended the Commission provide direction to the Chair as soon as this program is initiated.

Real Estate Newsletter

Executive Secretary reported that the first year contract has terminated. Trade Publishing Company gave the Executive Secretary a proposed amount of \$3,899 to continue the contract for the Fiscal Year 1975-76.

Executive Secretary informed that with the approval of the Commission, he will draft the report to continue this project.

Herbert Isonaga moved and Tadayoshi Ishizu seconded that we approve the agreement with the publisher of the Commission's newsletters for 1975-76. Motion unanimously carried.

Condominium Review Committee

Study on "Time Sharing" Legislation (H.R. 734)

Committee Chairman John Urner reported that the committee had four meetings thus far. The committee discussed two questions: (1) How do you protect the consumer?; and (2) When a single entity owns the building, what insurance can the persons have on the maintenance, etc.?

Chairman John Urner and Red Morris agrees that the Commission should go for the general disclosure concept that must be registered with the Real Estate Commission. There will be no ownership involved, but real property and reservations is involved.

Herbert Isonaga advised that the person need not hold a real estate license but a bonding license.

Copies of the "Resort Time Sharing Legislation Conference of 1976" agenda were circulated.

John Urner recommended that the Commission ask Red Morris and Douglas Prior to attend the Conference.

Herbert Isonaga moved and John Urner seconded that the Commission request that the Director send two people designated by the Commission to the Resort Time Sharing Legislation Conference. Motion unanimously carried.

Study on Condominium Problems (S.R. 399 and H.R. 694)

Executive Secretary reported that he will prepare a letter regarding what the committee has done and the names of the members.

Executive Secretary recommended that we submit the report to the legislature with the Chairman's signature.

Chair directed the Executive Secretary to draft a letter of appreciation to the committee members, and that copies of the report be sent to the committee and commission members.

Chair entered a motion that the letter drafted to both the House and Senate, as well as, the recommended amendments and proposed rules and regulations be approved. Herbert Isonaga moved and Ah Kau Young seconded. Motion unanimously carried.

Legislation Committee

Committee Chairman Ah Kau Young reported that he had no report to make at this time except for the five Senate bills that may resurface next year.

Real Estate Recovery Fund

Executive Secretary had no report to make at this time and that no report was submitted by the Fiscal office.

Attorney General's Report

Durrel Robison - Deputy Attorney General Clyde Sumida reported on Durrel Robison informing the Commission that he contacted the attorney representing Durrel Robison and they entered into the stipulation to dismiss the case. Clyde Sumida recommended that the Commission accept the stipulation.

Herbert Isonaga moved and Ah Kau Young seconded. Motion unanimously carried.

Melim Realty - Deputy Attorney General Clyde Sumida informed that the Respondent denied the allegations. He also informed the Commission of two alternatives in this case: (1) seek criminal sanctions; and (2) seek civil actions.

Robert Klein recommended that this case be dismissed. John Urner moved and John Texeira seconded. Motion unanimously carried.

E.T.S. - Deputy Attorney General Clyde Sumida reported that he received a request to produce documents for the attorneys involved in which he did.

Clyde Sumida informed that if the Plaintiffs should decide on going ahead with the trial, then he will have to look over the questions again and review it with the Commission.

Jason Apartments - Deputy Attorney General stated that the Commission was not negligent in issuing a public report.

He informed that he is in the process of answering written derogatories. He will later recommend that the Commission be dismissed.

Business Out  
of Minutes:

Questionable Applications

Violet C. King, Applicant for Real Estate Broker License

Violet C. King appeared before the Commission to present a letter addressed to Duke Kawasaki dated Oct. 23, 1975.

There was considerable discussion with Violet C. King and her character witness, Jo Matheson.

Ah Kau Young moved and Tadayoshi Ishizu seconded that the decision for her to file for and take the examination has not changed. Motion unanimously carried.

Douglas Chew Kum Tom, Applicant for Real Estate Salesman License

Executive Secretary reported that he had the signed hearing report prepared by the hearing officers denying Douglas C. K. Tom his license.

Executive Secretary informed that the hearing report will be mailed to Douglas C. K. Tom to review the report and 15 days will be given to him to file his exceptions.

Calvin W. Ontai, Applicant for Real Estate Broker License

Executive Secretary reported that he spoke to the Deputy Director regarding the hearing report, but to date, he has not received any report.

Wayne M. Kinoshita, Applicant for Real Estate Salesman License

Executive Secretary gave a brief background information to the Commission on Wayne M. Kinoshita.

Wayne M. Kinoshita appeared before the Commission to ask for reconsideration of his application for issuance of his salesman license.

Herbert Isonaga moved and John Texeira seconded to advise Wayne M. Kinoshita that after listening to his reasons for late filing, the Commission feels there are no extenuating circumstances to grant him his license. Motion unanimously carried.

Addition to the Agenda:

The Commission voted and was unanimously in favor of adding to the agenda a discussion on the new system for the hearings. (Members voted were: John Texeira, Ah Kau Young, John Urner, Tadayoshi Ishizu, Herbert Isonaga and Douglas Sodetani)

Executive Secretary recommended that the nine cases be appointed to the hearing officer. Motion unanimously carried.

Executive Secretary asked if the Commission would like to have the hearing officer hear all the cases, and the final decision be made by the Commission.

Herbert Isonaga suggested that the Commission give the hearing officer the opportunity to hear the cases alone and have the Commission's hearing officer there just as a resource person.

Deputy Attorney General Clyde Sumida suggested making a recommendation to the Director to have the Departmental hearing officer and two Commission members as the hearing officers.

Chairman Sodehani recommended appointing hearing officers and naming the rest of the Commission members as alternates in the event someone cannot make it.

Herbert Isonaga moved and Ah Kau Young seconded that in the event the Commission takes the case to formal hearing, the Commission shall appoint the Departmental hearing officer and additional members of the Commission to serve as hearing officers. In the event one of the Commission's hearing officers is not able to attend the hearing, the Commission shall appoint at least two alternatives or a sufficient number of alternates. Motion unanimously carried.

Luncheon Recess:

Chairman Sodehani called a luncheon recess at 11:30 a.m.

Reconvened:

Chairman Sodehani reconvened the meeting at 1:00 p.m.

Investigations:

RE-528 Durrel L. Robison

Executive Secretary signed a stipulation from Clyde Sumida. (See Attorney General's Report)

Executive Secretary reported that the Complaint Review Committee met on Tuesday, November 18, 1975 in the Conference Room to review some of the following investigations.

RE-531 Julian Buttons

Executive Secretary read a letter from Deputy Attorney General Michael Lilly addressed to the Commission advising that there is no basis on which to act on this case, because they cannot locate the complainant and respondent at this time.

Executive Secretary reported that the Committee recommended deferring action on this matter and "red flag" the license file of Julian Buttons, inasmuch as, the Attorney General's office cannot locate the complainant and respondent at this time.

Herbert Isonaga moved and Ah Kau Young seconded to accept the recommendation of the Complaint Review Committee. Motion unanimously carried.

RE-587 Granesco

Executive Secretary reported that he will write a hearing notice.

He recommended authorizing the Departmental Hearing Officer to hear this case alone. Herbert Isonaga moved and Ah Kau Young seconded. Motion unanimously carried.

RE-634 Joseph Francone and Nanawale Estates

Executive Secretary wrote to Nanawale Estates, as directed at the October 15, 1975 meeting, and he received a reply back.

The Committee recommended the dismissal of this complaint since the respondent had been granted a refund and no violation was found.

John Texeira moved and Tadayoshi Ishizu seconded. Motion unanimously carried.

RE-621 Vacation Internationale, Ltd.

Executive Secretary reported that the Committee recommended deferring this matter until proper legislation on time sharing is established.

Herbert Isonaga moved and Tadayoshi Ishizu seconded to accept the recommendation of the Committee. Motion unanimously carried.

Herbert Isonaga suggested advising Consumer Protection that the Commission is not ready to render a decision at this time.

RE-641 Melim Realty

(See Attorney General's Report)

RE-574-C Milton K. S. Von

Executive Secretary reported that the Committee recommended the dismissal of this case, because at the time of the Federal infraction, respondent was not licensed by the Commission, and his action does not prove that he is of poor moral character.

Herbert Isonaga moved and Ah Kau Young seconded to accept the Committee's recommendation. Motion unanimously carried.

RE-620 Ahuimanu Investment Co.

Executive Secretary reported that the Committee recommended the Commission write to the complainant to inform that although the siding is masonite and not wood, it had information that masonite is superior to wood and there was no intent to misrepresent or cheat the purchasers. Also, it

was found that there was no landscaping plan filed with the Commission and there is no way to determine whether or not the developer had followed the landscaping plan. Based on the above findings, the Commission finds that it has no authority to pursue this complaint.

John Texeira moved and Ah Kau Young seconded to accept the recommendation to dismiss this case. Motion unanimously carried.

RE-625 Robert Miller, Et al

Linda Dewberry appeared at the meeting to seek information regarding this case.

Executive Secretary reported that the Committee recommended that no action be taken at this time, because this investigation was conducted at the request of Sidney Ayabe in connection with a suit filed in Court that may result in recovery against the Recovery Fund, and not as a result of a complaint filed against Robert Miller, Et al.

RE-629 Singleton, Et al

Executive Secretary reported that the Committee recommended a speedy hearing be held before the complainants leave the State.

Herbert Isonaga moved and John Texeira seconded to accept the recommendations of the Committee. Motion unanimously carried.

In addition to the Departmental Hearing Officer, Mary Savio and Ah Kau Young were appointed hearing officers and the rest of the Commission as alternates.

RE-636 Trigg Stave

Executive Secretary reported that the Committee recommended writing to Manfroy (complainant) to advise that the Commission finds that it cannot proceed with further action against Stave, because the Commission has no other information or evidence to support the allegation.

The recommendation was amended by Herbert Isonaga by adding that Manfroy accepted a no prepayment penalty clause and this weakens his claim on tax.

Herbert Isonaga moved and John Texeira seconded for the acceptance of the dismissal of the complaint. Motion unanimously carried.



RE-643 Ehrensberger Realty

Executive Secretary reported that the Committee recommended the Commission hold a formal hearing for possible violation of Rule 1.3(f).

John Texeira moved and Ah Kau Young seconded to accept the Committee's recommendation for a formal hearing.

In addition to the Departmental Hearing Officer, John Texeira and John Urner were appointed as hearing officers and the rest of the Commission as alternates.

RE-648 Marion M. Massey

Executive Secretary reported that the Committee recommended the Commission hold a formal hearing on possible violation of Section 467-14 (2), (3), and (9), H.R.S.

Herbert Isonaga moved for the acceptance of the Committee's recommendation. John Texeira seconded. Motion unanimously carried.

Herbert Isonaga moved and Ah Kau Young seconded to appoint the Departmental Hearing Officer for this case. Motion unanimously carried.

RE-652 Merilyn Claire Lowther

Executive Secretary reported that the Committee recommended the dismissal of the complaint because the complainant withdrew the complaint.

Ah Kau Young moved and Tadayoshi Ishizu seconded. Motion unanimously carried.

RE-583 Thomas F. Schmidt

Executive Secretary reported that the Committee felt the Commission must determine what the term "immediate family" means before a decision can be made on this case.

John Urner moved and Tadayoshi Ishizu seconded to dismiss this case.

Executive Secretary motioned to amend the motion made by adding "because he is not a member of the family."

John Urner withdrew his motion and Tadayoshi Ishizu agreed to withdraw his second.

Herbert Isonaga moved that the Commission hold an informal hearing with the respondent. Ah Kau Young seconded. Motion unanimously carried.

It was stated that the entire Commission will be the hearing officers.

RE-75-15    Alpha Realty Co.

Executive Secretary reported that the Committee recommended the dismissal of this complaint inasmuch as, no violation was committed by Alpha Realty Co., since it was the landlord and not the respondent who was dissatisfied with the condition complainant left the apartment in.

Tadayoshi Ishizu moved and John Texeira seconded. Motion unanimously carried.

RE-75-24    Sandwich Islands Realty, Inc.

Executive Secretary reported that the Committee recommended that no action be taken at this time because this investigation was requested by Sidney Ayabe in connection with a recovery fund claim.

Herbert Isonaga moved and Ah Kau Young seconded for the acceptance of the recommendation. Motion unanimously carried.

CON-75-2    Mike McCormack

Executive Secretary reported that the Committee recommended the dismissal of this complaint inasmuch as there is a signed receipt on file in the seller's office. The complainant received the copy of the Final Public Report on April 17, 1975, the same date complainant signed the purchase contract.

Herbert Isonaga moved and Tadayoshi Ishizu seconded for the acceptance of the recommendation. Motion unanimously carried.

New Business:

Licensing

Chair entered a motion for applications for Commission's ratification of Executive Secretary's approval granted for applications received up to October 15, 1975.

Applications for Commission's Ratification of Executive Secretary's Approval Granted for Applications Received Up To October 15, 1975

CORPORATION:

East Maui Land Co. Inc. - 3661 Baldwin Ave., Makawao, Maui  
Hugh Y. Starr, PB

Jade Realty, Inc. - 1585 Kapiolani Blvd., #204, Honolulu  
Vernon J. K. Fo, PB (formerly denied as Young & Fo Realty Inc.)

Kimo Kinard Investment Realty, Inc. - 101 Aupuni St., #219,  
James L. Kinard, Jr., PB Hilo

Resort Marketing Associates Inc. - 841 Bishop St., #1620A,  
Donald M. Avery, PB Honolulu

John Texeira moved and Ah Kau Young seconded to approve the applications for Corporations. Motion unanimously carried.

TRADENAME:

Yamato Realty - 116 So. King St., #517, Honolulu  
William R. Lubick, dba

Ah Kau Young moved and John Texeira seconded to approve the application of Yamato Realty provided that "Yamato" is not a surname of a person. Motion unanimously carried.

CHANGE OF PARTNERSHIP NAME:

P. S. Realty - 2828 Paa St., #1120, Honolulu (formerly P. S.  
Larry R. Smith, PB Realtors)

Ah Kau Young moved and Herbert Isonaga seconded for the approval of the application. Motion unanimously carried.

Applications Received After October 15, 1975

CORPORATION:

Tom Arashiro, Inc. - 2615 S. King St., Honolulu  
Thomas M. Arashiro, PB  
Bonanza Realty, Inc. - 841 Bishop St., #918, Honolulu  
Emmett H. Helms, PB  
Continental Realty, Ltd. - 1015 Bishop St., The Mezzanine,  
Philip N. Minn, PB Honolulu  
Depa Properties, Inc. - 1000 Bishop St., #806, Honolulu  
Howard B. Bolton, PB  
Landmarks, Inc. - 4218 Waiialae Ave., #104B, Honolulu  
Kenneth W. Harris, PB  
Oahu Realty, Ltd. - 745 Fort St., #418, Honolulu  
Neil P. Petagno, PB  
Sunshine Properties, Inc. - 250 S. Hotel St., Honolulu  
Philip J. Cascavilla, PB

Herbert Isonaga moved and John Texeira seconded to approve the applications for Corporations. Motion unanimously carried.

TRADENAME:

Action Realty - 307A Hahani St., Kailua 96734  
Betsy J. Christian, dba  
Lighter Properties - 693 Alexander Young Bldg., Honolulu  
Eric A. Lighter, dba  
Larry Redden Realty - 130 Merchant St., 10th Floor, Honolulu  
Lawrence E. Redden, dba  
R. G. Reynolds & Associates - 2511 S. Kihei Rd., #107A,  
Ronald Reynolds, dba Kihei, Maui  
Wharfside Brokerage Co. - 841 Bishop St., #2001, Honolulu  
Jeffrey S. Grad, dba

Ah Kau Young moved and John Texeira seconded for the acceptance of the Tradename applications with the exception of Betsy J. Christian dba Action Realty. Motion unanimously carried.

Executive Secretary was instructed to check the records on Betsy J. Christian to determine whether she has fulfilled the disciplinary action taken by the Commission in an earlier matter. If she has complied, license is to be approved by the Executive Secretary.

CHANGE OF CORPORATION'S NAME:

Doug's Realty Services, Inc. (formerly Doug's Management  
Charles D. Shue, PB Services Inc.)  
Kanaloa Realty & Property Managers, Inc. (formerly Kanaloa  
Kim H. Whitman, PB Property Managers, Inc.)

Herbert Isonaga moved and Ah Kau Young seconded to approve the Change of Corporation's Name applications. Motion unanimously carried.

Questionable Application

Carol Uchida, Applicant for Real Estate Salesman License

Herbert Isonaga moved and Ah Kau Young seconded to deny Carol Uchida's application for real estate salesman license for failure to file within the one year filing deadline called for in Rule 3.1(f). Motion unanimously carried.

Miscellaneous:

Audience with Milton Motooka, President of Real Estate School Association of Hawaii

Milton Motooka informed the Commission that he will be attending the next meeting.

Executive Secretary will write to Milton Motooka regarding the next meeting date.

1976 Meeting Dates

Executive Secretary advised the Commission of the tentative meeting schedule dates for 1976 be the last Thursday of each month with the exception of November 18, 1976 and December 16, 1976.

Date of  
Next Meeting:

Executive Secretary suggested changing the next meeting date of December 18, 1975 to December 19, 1975 because it will be the last meeting for the Chairman, Douglas Sodehani and Vice Chairman, Herbert Isonaga.

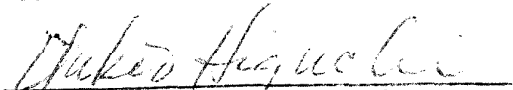
Herbert Isonaga moved and Ah Kau Young seconded. Motion unanimously carried.

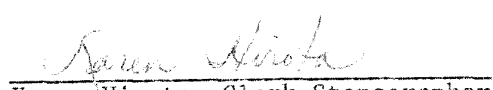
Adjournment:

There being no further business, Chairman Sodehani adjourned the meeting at 3:45 p.m.

Approved by:

Taken and recorded by:

  
YUKIO HIGUCHI, Executive Secretary

  
Karen Hirota, Clerk-Stenographer