

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

MINUTES OF MEETING

Date: Friday, April 25, 1980

Place: Board Room, Kamamalu Building
1010 Richards Street, Honolulu, Hawaii

Present: Ah Kau Young, Chairman
Edwin H. Shiroma, Vice Chairman
Tadayoshi Ishizu, Member
Toru Kawakami, Member
G. A. "Red" Morris, Member
John M. Urner, Member
Gregg Yamanaka, Member

Sandy Holck, Real Estate Education Specialist
Yukio Higuchi, Executive Secretary
Saeko Whang, Secretary

Joseph Choy, Director, S.B.M.P., U. of H.
Sandy Remich, Realtor, Dolman Associates
Ruth Vidito, Realtor/Associate, Dolman Associates
Gladys Evans, Realtor, Realty Specialists Corp.
Jo Matheson, Realtor, Windward Realty
Dolly LeLesch, Realtor, Windward Realty
Andy Vanderoort, Realtor, Vanderoort Realty

Absent: Ralph S. Yagi, Member
Francis N. Kauhane, Jr., Member

Call to Order: Chairman Ah Kau Young called the meeting to order at 9:15 a.m.

The Executive Secretary apprised that the agenda for today's meeting was duly filed on Tuesday, April 22, 1980 at the Lt. Governor's office in compliance with the Sunshine Law.

Minutes: Correction to the minutes of March 28, 1980 was noted under heading of "Miscellaneous" on page 11 in the matter of Avery Youn. Youn is Deputy County Planning Director and not the County Planning Director.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve as amended the minutes of March 28, 1980. Motion carried unanimously.

Committee
Reports:

Real Estate Education Advisory Council

Applications for Instructor Certificate and
School Accreditation

Jefferson K. Uyeda (b & s instructor)

As recommended, Edwin Shiroma moved and Toru Kawakami seconded to approve application of Jeff Uyeda for certification as a real estate salesman and broker instructor. Motion carried unanimously.

JoJean W. Schieve (b & s instructor)

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve JoJean Schieve's application for certification as a salesman and broker instructor subject to receipt of DOE licensure. Motion carried unanimously.

Mike McCormack School of Real Estate
(broker course)

Mike McCormack School of Real Estate is presently accredited to offer real estate salesman courses. Having met the requirements for accreditation for real estate broker courses, Edwin Shiroma moved, seconded by Tadayoshi Ishizu to approve the broker course. Motion carried unanimously.

Real Estate Education Specialist Report

In regards to seminars and future courses given by the Real Estate Chairperson, Edwin Shiroma moved and G. A. "Red" Morris seconded as follows:

1. Publicity be forwarded to a major media, real estate industry boards, and Commission not less than 30 days prior to seminar. Furthermore, a follow up advertisement be made one week prior to Chairperson's arrival and date of seminar.
2. All attendees at seminar be identified as to name, place of employment and whether salesman, broker or nonlicensee.
3. The attendance reports of the seminars, together with all summary report of the

lecture and seminar be presented to the Commission 30 days from the date of completion of the seminar.

4. Evaluation sheet of the program be given to the attendees to evaluate course content.
5. Notify the College of Business Administration of above actions.

Motion carried unanimously.

Sandy Holck, Real Estate Education Specialist, presented and reported on the Real Estate Commission's seminar which will be held on all neighbor islands and Oahu from August 19 to September 6, 1980.

He requested Commission's approval for the budget of \$8,765 as he has to confirm hotel reservations. He and Joe Choy will get together and work out the details.

Edwin Shiroma moved and G. A. "Red" Morris seconded to approve the estimated seminar expense of \$8,765 subject to detailed information. Motion carried unanimously.

S.B.M.P. Request

Edwin Shiroma moved and Toru Kawakami seconded to add this matter to the agenda. Motion carried unanimously.

Joe Choy, Director of S.B.M.P., was present to request a blanket waiver for brokers taking the courses given at S.B.M.P.

Edwin Shiroma moved and G. A. "Red" Morris seconded to approve the waiver for the Advanced Real Estate Transaction courses for licensed brokers as requested. Motion carried unanimously.

Real Estate Chair

By letter, Dean David Bess requested Commission to select the subject matters Dr. Haney, the next Chairholder, should cover.

Following discussion, Toru Kawakami moved and Tadayoshi Tshizu seconded to refer this

matter to the Education Committee for study.
Motion carried unanimously.

Dr. Grasskamp's report was distributed to
the members.

Laws and Rules Review Committee

Executive Secretary reported that the Division
has embarked on the project of rules conversion
which was mandated by the Legislature. Executive
Secretary has drafted the rules and will soon be
ready for typing.

Executive Secretary apprised members that there
is an amendment to the HPR law regarding condo-
minium conversion and the Commission is expected
to adopt rules.

G. A. "Red" Morris volunteered to contact Repre-
sentative Shito and Senator Cobb's offices to
submit materials to aid in drafting the rules on
condominium conversion.

The Laws and Rules Review Committee to take up
the project of condominium conversion at its
next meeting.

Legislative Report

G. A. "Red" Morris gave a rundown on the bills
that have passed both houses.

Real Estate Recovery Fund

Executive Secretary reported that he has received
notice from the court to award payment of \$10,000
to Herbert Yokoyama against Roy H. Aoki, Civil
No. 46919. Sidney Ayabe, Real Estate Recovery
Fund counsel, was contacted on this matter and
has advised the Commission to go ahead and pay.

Edwin Shiroma moved and Toru Kawakami seconded
to approve payment from the Real Estate Recovery
Fund. Motion carried unanimously.

Business Out
of Minutes:

Questionable Applications

Richard [redacted], Applicant* for Salesman License

Richard [redacted], again did not make an appearance
for the informal conference.

G. A. "Red" Morris moved and Tadayoshi Ishizu seconded to defer action, return the check, and file the application for future reference. Motion carried unanimously.

Frank Opperman, Jr., Applicant for Salesman License

Frank Opperman requested for an informal conference in lieu of a formal hearing to discuss the denial of his application based on Rule 3.1(f).

After the question and answer period, G. A. "Red" Morris moved and John Urner seconded to approve Frank Opperman's real estate salesman license. Motion carried unanimously.

Dilks & Jacobs, Inc.

As discussed at the Rules Review Committee meeting yesterday, it was decided that Commission should proceed immediately to a meeting with Russell Nagata, Administrator of Business Registration Division, to discuss corporate laws, whether a personal corporation can be formed and maintained for the primary purpose of getting the tax benefits.

Proposed Goals & Objectives of the Real Estate Commission

G. A. "Red" Morris moved and Toru Kawakami seconded to add to the agenda "Proposed Goals and Objectives of the Real Estate Commission." Motion carried unanimously.

G. A. "Red" Morris reported that there are a number of concerns and programs that the Commission might undertake. He distributed a drafted report on short term and long range programs and requested each member to contribute and participate on the programs.

CON-77-17 McCormack Management Group, Ltd.

Commission had requested a status report on this matter.

Attorney General's office replied that they are endeavoring to enter into Stipulations of Fact with Respondent's attorney which would substantially simplify the processing

of this case and is finalizing their legal opinion soon. Attorney General's office assured that this matter is being given serious attention.

RE-79-4 Michael J. Ryan

Inasmuch as the Executive Secretary was having difficulty in writing up the charges, this matter was brought up for reconsideration.

After a lengthy discussion, Commission decided that Executive Secretary should discuss this matter with Deputy Attorney General Melvin Y. Nishimoto, prosecuting attorney, whether or not Commission should go ahead with preparing a hearing notice.

RE-79-9 Stephen Lum

At the January meeting, Commission decided to hold a hearing on this matter. However, Executive Secretary brought this matter up for review since he found Lum had forfeited his license in 1977.

After discussion, G. A. "Red" Morris moved and Edwin Shiroma seconded to refer this matter to Office of Consumer Protection inasmuch as at the time Lum handled the transaction, he did not have a real estate license. Motion carried unanimously.

RE-79-165 Realty Specialist Corp. & J. M. Urner, Inc.

Executive Secretary brought this matter up for reconsideration because Complainant, by letter of March 31, notified that Respondent was found to be in violation of Article 9 of the Honolulu Board of Realtors Code of Ethics and was fined \$500.

After discussion, Edwin Shiroma moved and G. A. "Red" Morris seconded to reaffirm its earlier action to dismiss the complaint due to insufficient evidence of violation of our real estate license law or Commission's rules and regulations. John Urner abstained from voting due to possible conflict of interest. Motion carried.

RE-79-177 Hiroshi H. Maeda

At Executive Secretary's request, Edwin Shiroma moved and Toru Kawakami seconded to add this

matter to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

At the February meeting, Commission decided to hold a hearing on this matter. Executive Secretary, when writing up the hearing notice, could not find any violation; therefore, brought the matter up for reconsideration.

Following discussion, Edwin Shiroma moved and John Urner seconded to rescind its earlier action and to dismiss complaint with a letter of warning to Maeda. Motion carried unanimously.

Public Reports

G. A. "Red" Morris moved and Edwin Shiroma seconded to add to the agenda the above-captioned matter in compliance with the Sunshine Law. Motion carried unanimously.

G. A. "Red" Morris moved and Edwin Shiroma seconded that regarding conversions of condominiums, staff should indicate on the face of the public report after the public report number the word "Conversion." Motion carried unanimously.

Investigations:

RE-80-6 Tom Schmidt Realty

Edwin Shiroma moved and Tadayoshi Ishizu seconded to adopt the recommendation of Complaint Review Committee that a letter be sent to Tom Schmidt to have a BIC who resides in the Kona area to replace Ken Graeb who resides in Honolulu, and a letter of warning to Rutledge Bray that he must indicate that he is a salesman on his business card. Further make mention of the intent of Rule 1.3(m) and (n), and Rule 1.5(e), and that he notify us within 60 days the name of the new BIC. Motion carried unanimously.

RE-80-11 James Moore & Foxfire, Inc.

Edwin Shiroma moved and John Urner seconded to accept the recommendation of Complaint Review Committee to proceed to a hearing for possible violation of Section 467-14(1), and Rule 1.3(b) of the Commission rules, in that, Moore failed to ascertain all pertinent facts concerning the property for which he accepted the agency. Motion carried unanimously.

RE-80-38 Victor J. Pisciotta dba Hawaii Land Sales & Brokerage

Edwin Shiroma moved and Tadayoshi Ishizu seconded to accept Complaint Review Committee's recommendation for dismissal of complaint on the basis that there appeared to be no violation of licensing law or Commission's rules and regulations. It appears that Respondent had not misrepresented the financing condition because the DROA contained specific financing language; to wit: "By way of assumption of existing mortgage of approx. \$25,000 at 8.75%." Motion carried unanimously.

RE-80-41 Sandra S. Joor, and Real Estators, Ltd.

John Urner moved and Tadayoshi Ishizu seconded to accept the recommendation of Complaint Review Committee to dismiss complaint on basis that there appears to be no misrepresentation as to the assumption of mortgage, and there appeared to be no violation of our client's trust account rules. Motion carried unanimously.

CON-79-19 Century Center Condominium

Tadayoshi Ishizu moved and John Urner seconded to hold a hearing on this matter under Section 514A-47 for possible violation of Section 514A-85 against Pacific Islands Management and the Board of Directors of Century Center for failure to keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common elements, specifying and itemizing the maintenance and repair expenses of the common elements and other expenses incurred for the period July 1, 1979 to the present. Motion carried unanimously.

CON-79-22 Kaioo Terrace Ventures

John Urner moved and Toru Kawakami seconded to proceed to a hearing under Section 514A-47 for possible violation of Sections 514A-41 and 514A-68, against Kaioo Terrace Ventures for (1) materially changing the project after the final public report had been issued and failing to stop all sales and immediately submit sufficient information to the Real Estate Commission to enable it to issue a supplementary public report describing the changes; and (2) for representing in public documents and in their

sales program up to closing, that the area between units 205 and 206, directly behind the chute is a laundry room with thrash chute is a common element, but without notification the area was converted into an office space for the use of the on-site rental agent, to which the second floor occupants were deprived the use of the laundry room and thrash chute. Motion carried unanimously.

New Business:LICENSINGCorporation

Capitol Properties, Inc. - 760 A Kolu St.,
Akie Ogasawara, pb Wailuku

Honofed Development Corp. - 182 Merchant St.,
Ian A. MacDonald, pb Hon.

Hin Chiu Lau Real Estate Brokerage, Inc. -
100 N. Beretania St., #210, Hon.
Joseph L. Y. Lau, pb

Mahua Aina Investment Corporation - 900 Fort St.,
Paul B. Noel, pb #1410, Hon.

W. H. McVay, Inc. - 900 Fort St., #1450, Hon.
Wade H. McVay, pb

Han Mi Realty Corporation - 1649 Kapiolani Blvd.,
Thomas Yoon, pb #11, Hon.

Westly Corporation dba Westly Realty - 190
Keawe St., #202, Hilo
Virginia N. Westly, pb

John Urner moved and Edwin Shiroma seconded to ratify action of the staff in approving the above corporate licenses. Motion carried unanimously.

Branch Office

Baldwin Realty, Ltd. - Pukalani Superette Bldg.
Box 261, Pukalani
Michael J. Banfield, bic

Francis A. Holme - Wa Territorial City -
Banyar Dr., Lobby 1, Hilo
Audrey H. Sparks, bic

Luko Realty, Ltd. - 85-761 Farrington Hwy,
Larry Rutkowski, bic Waiānae

Toru Kawakami moved and Tadayoshi Ishizu seconded to ratify action for approval of above applications for branch offices. Motion carried unanimously.

Tradenname

Ken Bell Realty, Kenneth K. Bell, Jr. dba

Millie Greig - Mildred L. Greig, dba

Mel Jones Realty - Melvin R. Jones, dba

Joy Real Estate - Alma L. Barnes, dba

Kona Sunset Realty - Judy L. Gifford, dba

Moore Land Company - H. Brian Moore, dba

Paradise Properties - Colleen Meyer, dba

The Tanzie Co. - Alex Smyklo, dba

Toth Realty - Endre Toth, dba

Triad Management - Thomas O. Metz, dba

Universal Realty - Leimomi C. Dowson, dba

Herbert Wong Realty - Herbert K. J. Wong, dba

Tadayoshi Ishizu moved and Gregg Yamanaka seconded to ratify action for approval of above applications for tradenames. Motion carried unanimously.

Corporate Name Change

Gray Realty, Inc. - formerly Rare Earth Realty, Inc.

Tadayoshi Ishizu moved and John Urner seconded to ratify action for change of corporate name of Gray Realty, Inc. Motion carried unanimously.

Restoration - past 2 years

Alexander M. McAngus III

Edwin Shiroma moved and Toru Kawakami seconded to deny Alexander McAngus's application for restoration of his real estate salesman license. Motion carried unanimously.

Tommy T. Ogimi

Edwin Shiroma moved and Tadayoshi Ishizu seconded to deny Tommy Ogimi's application for restoration of his real estate salesman license. Motion carried unanimously.

Questionable Applications

Kamuela Realty Corporation - Bric A Brac Bldg,
Sandra Bergmann, pb Kamuela

Tadayoshi Ishizu moved and Edwin Shiroma seconded to deny the corporation application of Kamuela Realty Corp. because presently there is a Kamuela Realty registered with the Commission and the name is too similar. Motion carried unanimously.

Williams Investment Corporation - 4444 Rice St.,
#201B Lihue Shopping Ctr., Lihue
Paula Rudinoff, pb

Toru Kawakami moved and Tadayoshi Ishizu seconded to approve the above corporate name change subject to appropriate name change which is satisfactory. Motion carried unanimously.

Miscellaneous:

1981 Examination Dates

Executive Secretary reported that communication was received from E.T.S. requesting notification of the 1981 examination dates.

Edwin Shiroma moved and John Urner seconded to tentatively approve the following examination dates:

April 4, 1981
August 8, 1981
November 21, 1981

Motion carried unanimously.

Helene Hale's Request for Interpretation of Chapter 467

By letter dated April 14, 1980, Helene Hale requested if it is permissible for an office secretary without a real estate license to give information to another real estate office about whether a listing is still available for sale.

It was the general consensus of the Commissioners that there is no objection to answering "Yes" or "No" provided the office policy allows it.

Albert Vincent's Request for Interpretation of Chapter 514A

Albert Vincent, President of Tropic Shores Realty, Inc. requested an interpretation regarding the voting rights under an agreement of sale.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to request an opinion from the Attorney General on this matter. Motion carried unanimously.

Ryon Rickard's Request for Hearing Re: 2-year Experience Requirement

Following discussion, Toru Kawakami moved and Tadayoshi Ishizu seconded to grant Ryon Rickard a hearing to discuss the matter of the denial of his application for lack of experience. Motion carried unanimously.

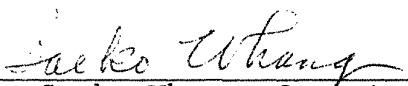
Date of Next Meeting:

Friday, May 30, 1980, at 9:00 a.m.
Board Room, Kamamalu Building

Adjournment:

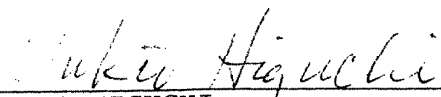
There being no further business to transact, Chairman Ah Kau Young adjourned the meeting at 3:50 p.m.

Taken and recorded by:



Saeko Whang, Secretary

APPROVED:



YUKIO HIGUCHI
Executive Secretary