

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

MINUTES OF MEETING

Date: Friday, May 30, 1980

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

Present: Edwin H. Shiroma, Acting Chairman
Joseph Blanco, Member
Tadayoshi Ishizu, Member
Toru Kawakami, Member
G. A. "Red" Morris, Member
Ralph S. Yagi, Member
Gregg Yamanaka, Member

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

Sheila Lau, Education Director, Hawaiian Ass'n of Realtors
Leland Cheong, Applicant for Real Estate broker license
Michael Ells, Applicant for Real Estate salesman license
Wayne Parson, Attorney representing Michael Ells
Halford Soong, Applicant for Real Estate salesman license

Absent: John M. Urner, Member
Francis N. Kauhane, Jr., Member

Call to Order: There being a quorum present, Acting Chairman Edwin Shiroma 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 Friday, May 23, 1980, at the Lt. Governor's office in compliance with the Sunshine Law.

Minutes: Ralph Yagi moved and Tadayoshi Ishizu seconded to approve the minutes of April 25, 1980 as circulated. Motion carried unanimously.

Committee Reports: Real Estate Education Advisory Council

Application for Instructor Certificate and School Accreditation

John L. Spalding (s & b)

John Spalding requested his instructor's

certificate upgraded from a special instructor to a broker and salesman's instructor.

Moved by Ralph Yagi and seconded by G. A. "Red" Morris to upgrade John Spalding's instructor certificate. Motion carried unanimously.

Executive Secretary reported that Norman Jones School of Real Estate has changed their school name to Jones/Spalding School of Real Estate. No action required on this matter.

Book Donation "The Condominium Home"

Before Commission arranges to purchase the booklet "The Condo Home" for the public, a lengthy discussion was held whether or not to revise the booklet to reflect Hawaii's concerns.

Toru Kawakami moved and Ralph Yagi seconded to defer decision on this matter and directed staff to make available copies of the booklet for Commissioners to review. Motion carried unanimously.

Real Estate Chair Request

As requested, G. A. "Red" Morris moved and Tadayoshi Ishizu seconded to add this matter to the agenda. Motion carried unanimously.

By letter dated May 21, Acting Dean David Bess, U. of H., requested funding of the Real Estate Chair up to 1982.

Following discussion, G. A. "Red" Morris moved and Ralph Yagi seconded to approve the funding of the additional \$50,000 for the year 1982 provided that prior to expenditure of such funds, Commission would like to know what the proposed program is for the Chair during this time frame and consider be given to proposed resource center. Motion carried unanimously.

Real Estate Education Specialist Report

Sandy Kolck, Real Estate Education Specialist, reported on the items being printed in the News Bulletin.

Discussion was held on home study courses, one of the items for publication in the News Bulletin. G. A. "Red" Morris moved and Ralph Yagi seconded to approve the offering of home study courses removing all hardship restrictions throughout the State. A review whether to continue to have the restrictions removed will be made in December 1981. All real estate schools offering home study courses must submit statistical (pass-fail ratio) information to the real estate education specialist together with its curriculum. Motion carried unanimously.

On another motion, Ralph Yagi moved and Joseph Blanco seconded that the real estate education specialist contact Joseph Choy, Director, S.B.M.P., U. of H., to possibly formulate a program of offering real estate prelicense courses at the community colleges throughout the State at a reasonable fee so anyone can participate. Motion carried unanimously.

Holck reported that he received a letter from Acting Dean David Bess, U. of H., regarding the subjects the present Chairholder Dr. Richard Haney feels most competent and interested in teaching. The Commission set up the priorities as recommended by the real estate education specialist.

Holck circulated the agenda of the Real Estate Commission's Seminar to be held from August 19 to September 6, 1980 on all the islands. G. A. "Red" Morris moved and Toru Kawakami seconded to approve the agenda as presented. Motion carried unanimously.

Laws and Rules Review Committee Report

Toru Kawakami, Laws & Rules Review Committee Chairman, reported that H.B. No. 1784 mandates the Commission to draw up rules and regulations. At its committee meeting, discussion was held to get a list of guidelines for compliance to the Act. Executive Secretary [unclear] requested the list ready by next month.

Committee briefly spent time reviewing replies from various states regarding professional corporations. Once the information is compiled, the package will be given to Business Registration Division, Department of Taxation, Recovery Fund Counsel and Licensing Administrator.

Legislative report

There was nothing to report at this time.

Real Estate Recovery Fund

Wallace Chun and Tom Chun vs. Clayton K. M. Tom (Civil No. 55827)

A court order was issued to pay \$10,000 from the Real Estate Recovery on the above matter. Sidney Ayabe, Real Estate Recovery Fund counsel, was contacted and he has advised the Commission to pay.

Moved by Toru Kawakami and seconded by Tadayoshi Ishizu to approve payment of \$10,000 from the real estate recovery fund. Motion carried unanimously.

Business Out
of Minutes:

Questionable Applications

Alexander McAngus III (restoration -s)

Inasmuch as McAngus requested to be re-scheduled, Ralph Yagi moved and Tadayoshi Ishizu seconded to move this conference to the June meeting. Motion carried unanimously.

Michael J. Ells (s)

Michael Ells was present with his attorney, Wayne Parson, to request reconsideration due to late filing of his real estate salesman license application. Ells waived his rights to a formal hearing.

After the question and answer period, Ralph Yagi moved and Tadayoshi Ishizu seconded to approve Michael Ells' real estate salesman license. Motion carried unanimously.

William S. Cleary (s)

William S. Cleary submitted his application for salesman license 1-day late. However, his letter explained E.T.S. had erroneously notified that he had taken the August 1979 exam.

Based on the technical error by E.T.S., Ralph Yagi moved and G. A. "Red" Morris seconded to approve William Cleary's application for real estate salesman license. Motion carried unanimously.

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Halford Soong (s)
Leland Cheong (b)
Ann Arimata (s)

As requested by Executive Secretary, G. A. "Red" Morris moved and Ralph Yagi seconded to add to the agenda the matter of late filing for the above 3 applicants. Motion carried unanimously.

Halford Soong - Applicant had requested for an informal conference and relinquished his rights to a formal hearing.

After the question and answer period, Ralph Yagi moved and Tadayoshi Ishizu seconded to approve Halford Soong's application for real estate salesman's license and directed Executive Secretary to write a letter expressing Commission's concern to Soong's previous broker. Motion carried unanimously.

Leland Cheong - By letter, Leland Cheong requested for an informal conference in lieu of a formal hearing.

Following the question and answer period, Ralph Yagi moved and G. A. "Red" Morris seconded to approve Leland Cheong's application for real estate broker license. Motion carried unanimously.

Ann Arimata - Inasmuch as Ann Arimata's late filing for real estate salesman's license was due to post office late delivery, Ralph Yagi moved and Toru Kawakami seconded to approve Arimata's application. Motion carried unanimously.

RE-79-76 Sun Pacific Realty, Inc. and Eddie Flores, Jr.

Hearings Officer's Recommended Order of Dismissal and Board's Final Order was circulated for members review on this matter.

After a brief discussion, Ralph Yagi moved and Joseph Blanco seconded to accept Hearings Officer's recommendation for dismissal. Motion carried unanimously.

Investigative Reports

Executive Secretary reported that G. A. "Red" Morris has followed up with the request and discussed with Dan Lee, Complaints Officer, whether it would be possible to indicate prior complaints and its disposition in the investigation

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reports. Dan Lee replied that he had no objections. Hereafter, all investigation reports will show the number of cases and its dispositions.

RE-79-188 Thomas Hajny

As requested, Ralph Yagi moved and Toru Kawakami seconded to add this matter to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

The Commission had decided to hold a formal hearing at the March meeting; however, Executive Secretary brought this matter up for reconsideration since he had difficulty making specific charges to the alleged violations.

After deliberation, Ralph Yagi moved and Tadayoshi Ishizu seconded to dismiss complaint for insufficient evidence to support the allegation. The complainant has been satisfied and he has been provided with what was promised. Motion carried unanimously.

Investigations:

RE-79-65 A'ala Realty and Management Co., Inc.

After discussion, Gregg Yamanaka moved and Ralph Yagi seconded to dismiss complaint as this appears to be a landlord-tenant problem, and no violation of the real estate license law and Commission's rules and regulations was found. Furthermore, this matter was litigated in the District Court of the Third Circuit in Civil No. 02096 and the complaint against A'ala Realty and Management Co., Inc. was dismissed. Motion carried unanimously.

RE-79-174 Blue Water Properties, Inc. and Thomas S. Anderson

Following discussion, Gregg Yamanaka moved and Ralph Yagi seconded to request further investigation be conducted by contacting Thomas S. Anderson to get his story. We should attempt to determine whether he made representation that deposit would be refunded if apartment was not found in A-1 condition. We should also attempt to determine what condition the unit was in at time of offer and at time of inspection. We should also have a copy of the contract. Motion carried unanimously.

RE-79-176 Hawaii-Nevada Investment Corp.
RE-80-14 Hawaii-Nevada Investment Corp.
RE-80-56 Hawaii-Nevada Investment Corp.

After discussion, Toru Kawakami moved and Ralph Yagi seconded to combine all 3 complaints and request the Department provide an accountant to conduct audit of the records of Hawaii-Nevada Investment Corp. to determine whether there has been possible commingling of clients' funds. Apprise the Director of this potential problem. Motion carried unanimously.

RE-79-190 Timothy L. Truesdale

Following discussion, Ralph Yagi moved and Toru Kawakami seconded to proceed to a formal hearing for violation of Section 467-14(7), (8), and (14), HRS, and Rule 1.3(e). Motion carried unanimously.

RE-80-8 Gail Silva and Luke & Luke Realty, Inc.

After a lengthy deliberation, Ralph Yagi moved and Tadayoshi Ishizu seconded for dismissal of complaint on the basis that investigation revealed that Respondent had not wilfully or intentionally violated the real estate license law or Commission's rules and regulations, and the technical violation of the Commission's rules appears to have no damaging effect on the transaction and complaint. Gregg Yamanaka casted the only dissenting vote. Motion carried.

RE-80-28 James T. F. Anderson dba Jim Anderson

After discussion, Ralph Yagi moved and Toru Kawakami seconded for dismissal of complaint on basis that investigation uncovered no evidence of irregularities or violation of the real estate licensing law or the Commission's rules and regulations. Notify Complainant that investigation indicates that his uncanceled check was mailed back to Complainant on or about April 15, 1980. Also notify Complainant should he wish to file complaint against the escrow company, he should write to the Bank Examiners Division. Motion carried unanimously.

RE-80-32 Audrey H. Sparks

Following discussion, Ralph Yagi moved and Joseph Blanco seconded for dismissal of

complaint on the basis that this matter does not fall within the jurisdiction of the Commission. It appears that this dispute should be resolved in court because Respondent was acting as seller and not as real estate agent. Motion carried unanimously.

RE-80-34 Lawson-Worrall, Inc.

Following discussion, Toru Kawakami moved and Ralph Yagi seconded for dismissal of complaint on basis that investigation failed to uncover any evidence of possible unethical practice or violation of the real estate license law or Commission's rules and regulations. Motion carried unanimously.

RE-80-39 Brian Thomas, Inc.

After discussion, Ralph Yagi moved and Toru Kawakami seconded for dismissal of complaint on basis that Respondent has paid for late charges to the mortgage company and investigation failed to uncover any evidence that Respondent had attempted to defraud or cheat Complainant. Further notify Complainant that his request or suggestion for \$700 monetary settlement for harassment, mental stress, time, and possible damage to credit rating does not fall within the purview of the Commission. Motion carried unanimously.

RE-80-52 Beneficial Realty, Inc.

Ralph Yagi moved and Tadayoshi Ishizu seconded for dismissal of complaint on basis that investigation failed to uncover any evidence that Respondent had violated the real estate license law or the Commission's rules and regulations. Notify Complainant that this dispute appears to fall under the jurisdiction of the Landlord-Tenant Code. Under the Landlord-Tenant Code, it is the landlord's obligation to make all repairs necessary to keep the premises in a livable condition, and the tenant is required to give written notice of problems, and if the condition is not remedied within one week, the tenant can terminate the rental agreement. Motion carried unanimously.

Now Business:

LICENSING

Corporation

Andrade Realty & Investment, Inc. - 6650 Kaaii
Kai Dr., #204, Honolulu
Harold D. Andrade, pb

Breton Properties, Inc. - 1015 Bishop St., #284
Richard Breton, pb Hon.

Cabanilla/Pomroy & Associates, Inc. - 33 Market
St., #101, Wailuku
Randolph R. Cabanilla, pb

Charley, Ltd. - 25 Kaneohe Bay Dr., #201, Kailua
Douglas L. Charley, pb

Faith Realty, Inc. - 126 Queen St., Honolulu
Frank A. Byrnes, pb

Stephen Foster Williams, Inc. - 50 S. Beretania
St., #C201A-1, Honolulu
Stephen F. Williams, pb

IMBA Development Corp. - 733 Bishop St., #2500
Neil Birnbaum, pb Hon.

Kauai Land Trading, Ltd. - 1345 Ulu St., Kapaa
Michael R. Salling, pb

Dennis L. Lau Real Estate, Inc. - 1411 S. King
St., #202, Honolulu
Dennis L. Lau, pb

Pacific Basin Brokers Exchange, Ltd. - 400
Hobron Ln, #417, Honolulu
Barry F. McIntyre, pb

Ryco Corporation - 929 Queen St., #205, Honolulu
Ronald T. C. Young, pb

Sanal, Inc. - 190 S. King St., #2620, Honolulu
Alan K. Haida, pb

Transcontinental Enterprises, Inc. dba Trans
Realty - 2250 Kalakaua Ave., #309A, Honolulu
Steven J. Pyun, pb

Wave Mountain Sun Corporation - 4444 Rice St.,
Paula Rudinoff, pb #201B, Lihue

Partnership

Pacific Rim Properties - 733 Bishop St., #2510
Gordon M. Bass, pb Honolulu

Branch Office

Ala Kai Realty, Inc. - 730 Kilauea St., Rm 2
Alice A. Fakahara, pb Hilo

Prosser Realty, Inc. - Aieka Pl Shopping Ctr.
Eduardo F. Beilo, pb #204, Kihei

Tradename

Century 21 Aloha Kauai - Robert H. Middleton, dba

James W. Chase Realty - James W. Chase, dba

Farinas & Associates - Franklin E. Farinas, dba

Gallery of Homes - Hansel L. S. Chang, dba

Hale Ku'ai Realty - Loughridge Corporation, dba

Hawaii Property Investments - Herbert P. Ishibashi, dba

JAK Properties - Jonathan A. Kim, dba

J & J Realty - Richard M. Jitchaku, dba

Wallace K. Kazama Realty - Wallace K. Kazama, dba

L & T Realty - Eugene W. I. Lau, dba

Ellen Lehms Realty - Nellie E. Lehms, dba

McKeague Development - Henry K. McKeague, dba

Merit Realty - Esposito & Associates Realty, Inc., dba

Renee Miller & Assoc. - Renee M. Miller, dba

Morrison Realty - Jim D. Morrison, dba

Bert Nagai Realty - Bert H. Nagai, dba

Pacific International Land & Development - Jeffrey A. Wayne, dba

Suzie-France Realty - Suzanne C. Vitart, dba

Toth Realty - Endre Toth, dba

Whipple Realty - Catherine J. Aiu, dba

Corporate Name Change

Moix & Associates, Ltd. - formerly Peter Moix & Associates, Ltd.

Rod Mukai, Inc. - formerly Rodney S. Mukai, Inc.

Moved by Toru Kawakami and seconded by G. A. "Red" Morris to ratify the action of the

staff in approving the corporate, partnership, branch office, and tradename licenses and the corporate name changes of Moix Munson & Associates, Ltd. and Rod Mukai, Inc. Motion carried unanimously.

Restoration - past 2 years

Shari J. Middleton

G. A. "Red" Morris moved and Ralph Yagi seconded to defer action on this matter and request Shari Middleton to appear at the next Commission's meeting to discuss her application. Motion carried unanimously.

Roger S. Moseley

G. A. "Red" Morris moved and Ralph Yagi seconded to approve Roger Moseley's application for restoration of his real estate salesman license. Motion carried unanimously.

Miscellaneous:

Result of April 5, 1980 Examintion

Executive Secretary reported on the results of April 5, 1980 exam as follows:

Salesman	93% passed
Broker	80% passed

Ralph Yagi moved and G. A. "Red" Morris seconded to accept and make the list of successful candidates a part of the minutes. Motion carried unanimously.

License Reciprocity suggested by NARELLO

No action was taken on this matter.

Announcement:

1980 Western District Conference

As requested, Ralph Yagi moved and Tadayoshi Ishizu seconded to add this matter to the agenda. Motion carried unanirously

Following discussion, Ralph Yagi mov d and Tadayoshi Ishizu seconded to send the following to represent Hawaii at the 1980 Western District Conference in Salt Lake City, Utah, June 25-28, 1980.

George A. "Red" Morris
John M. Urner

Motion carried unanimously.

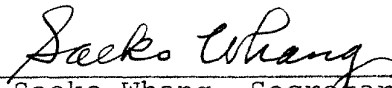
Date of Next Meeting:

Friday, June 27, 1980, 9:00 a.m.
Board Room, Kamamalu Bldg

Adjournment:


There being no other business to transact,
Acting Chairman Edwin Shiroma declared the
meeting adjourned at 2:40 p.m.

Taken and recorded by:



Saeko Whang, Secretary

APPROVED:



YUKIO HIGUCHI
Executive Secretary