

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

MINUTES OF MEETING

Date: Friday, December 19, 1980

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

Present: G. A. "Red" Morris, Chairman  
Edwin H. Shiroma, Vice Chrm  
Joseph F. Blanco, Member  
Tadayoshi Ishizu, Member  
Toru Kawakami, Member  
John M. Urner, Member  
Gregg T. Yamanaka, Member

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

Dr. Richard L. Haney, Jr., Real Estate Chairholder  
Dean David Bess, College of Bus. Admin., U. of H.  
John Ramsey, representing Crossroads Press  
Gregory S. Wojcik, applicant for real estate  
salesman license  
June M. Arisumi, applicant for real estate  
salesman license  
Alexander G. Budge, Jr., applicant for real estate  
salesman license  
Patricia P. Budge, applicant for real estate  
salesman license  
Wilbur F. Pence, applicant for real estate  
salesman license

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

Call to Order: There being a quorum present, the meeting was  
called to order by Chairman G. A. "Red" Morris  
at 9:20 a.m.

The Executive Secretary apprised that the agenda  
for today's meeting was duly filed on Tuesday,  
December 16, 1980 at the Lt. Governor's office  
in compliance with the Sunshine Law.

Minutes: Edwin Shiroma moved and Tadayoshi Ishizu seconded  
to approve the minutes of November 21, 1980 as  
circulated. Motion carried unanimously.

Committee  
Reports:

Real Estate Education Advisory Council

Application for Instructor Certificate

David K. Wong

As requested, Edwin Shiroma moved and Tadayoshi Ishizu seconded to add this matter to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

Executive Secretary reported that David Wong has met the basic requirements; however, applicant has failed to submit evidence of 3 years experience in real estate.

Toru Kawakami moved and Tadayoshi Ishizu seconded to approve David Wong's application for certification as real estate broker and salesman instructor subject to receipt of evidence of 3 years experience in real estate and receipt of DOE licensure. Motion carried unanimously.

Real Estate Education Specialist Report

Real Estate Chairholder

Dean David Bess submitted letter dated December 17, 1980 informing the Commission the proposed activities of the Real Estate Chair during 1981.

Real Estate Reference Manual

Dr. Richard Haney, present Real Estate Chairholder was present to discuss the matter of reference manual.

Inasmuch as Commission could not decide on what kind of reference manual, Chairman Morris requested that Dr. Haney lay out the alternatives prior to next month's meeting.

Real Estate Seminar

Sandy Holck, Real Estate Education Specialist, reported that plans for the 1981 seminars have changed. Seminars will be held in May and October. He

and Dr. Haney are making arrangements for guest speakers for the seminars.

#### Real Estate Schools

Sandy Holck also reported that he will start monitoring the real estate classes starting January. At the next meeting Holck was requested to get some inputs regarding the concerns of the real estate schools.

#### Laws and Rules Review Committee Report

##### HPR Rules and Regulations

A lengthy discussion was held concerning the interpretation of Section 514A-18, HRS., regarding what is the first conveyance or lease of each apartment. It was the consensus of the members that the intent of Section 514A-18, was to insure that, at the time of first conveyance or lease of each apartment to each bona fide purchaser, every blanket mortgage or blanket lien affecting the apartment and any other apartment shall be satisfied of record, or the apartment being conveyed or leased and its common interest shall be released from the blanket mortgage or blanket lien by a duly recorded partial release.

##### Real Estate Broker and Salesman Rules And Regulations

Toru Kawakami, Chairman of Laws and Rules Committee, reported that discussion was held regarding inactive brokers license and also requiring brokers who leave the State to put their licenses in inactive status.

#### Real Estate Division Study

As George Ikeda is looking for directions from the Commission as to the Commission's feelings, he requested a special meeting with the Director and Deputy Director. Tentative dates for this meeting were selected as December 28, 1980 and January 9, 1981, at 10:00 a.m.

Business Out of  
Minutes:

Questionable Applications

Gregory S. Wojcik (s)

June M. Arisumi (s)

Alexander G. Budge, Jr. (s)

Patricia P. Budge (s)

Wilbur F. Pence (s)

Gregory Wojcik, June Arisumi, Alexander Budge, Jr., Patricia P. Budge and Wilbur Pence appeared individually for informal conferences with the Commission to discuss their applications.

After the question and answer periods, Edwin Shiroma moved and Toru Kawakami seconded to approve all of the above applications for real estate salesman license. Motion carried unanimously.

Dr. Bert Gilling

As requested, Edwin Shiroma moved and Tadayoshi Ishizu seconded to add this matter to the agenda. Motion carried unanimously.

By letter Dr. Gilling explained the circumstances which led to his late filing of his application. After a brief discussion, Edwin Shiroma moved and Toru Kawakami seconded to approve Dr. Bert Gilling's application for real estate salesman license. Motion carried unanimously.

CON-77-17 McCormack Management Group, Ltd.

Executive Secretary apprised for informational purpose that a letter requesting an update of this case was written to the Attorney General's office by Dick Okaji, Licensing Administrator.

RE-79-189 Jenny Chernin & Paul Pellerin

As requested, Edwin Shiroma moved and Tadayoshi Ishizu seconded to add this matter to the agenda. Motion carried unanimously.

After discussion, Tadayoshi Ishizu moved and Edwin Shiroma seconded to defer action on this matter to give the Commissioners an opportunity to study the materials submitted with investigation. Executive Secretary was requested to make copies and send the material to all Commissioners for review. Motion carried unanimously.

Testing Agency: ACT or ETS

Edwin Shiroma moved and Tadayoshi Ishizu seconded that based on the reports received from ACT and ETS, Commission should continue to maintain the existing relationship and contract with ETS at this time. In addition, the materials received from both testing agencies be given to the Examination Branch for reference for future review. Motion carried unanimously.

Executive Secretary was directed to write thank you letters to both ACT and ETS for giving us their time and effort to come and explain their programs to the Commissioners. Also to inform ACT that we have decided to make no change at this time.

Investigations:

John Urner moved and Edwin Shiroma seconded to accept the Complaint Review Committee's recommendations for the following:

RE-80-64 Stan Michaels and Pacific Land & Investment Corporation

Dismiss complaint as investigation indicates that there is insufficient evidence to support complainant's allegations that respondent had misled him to believe that he would get back his deposit.

RE-80-69 Erlinda B. Artiaga and Herbert K. Horita Realty, Inc.

To request for further investigation to determine:

1. Who was the listor?
2. Who represented seller, buyer?
3. Who gave key to buyer or buyer's agent?
4. Check to find out if other utility companies were notified of billing change effective as of what date.
5. Statement from principal brokers of sellers and buyers regarding their general knowledge and supervision over this transaction.

RE-80-76 Edward A. Toler

Proceed to a formal hearing against Edward A. Toler for acting as a broker in his rental management business when in fact he is only licensed as a real estate salesman.

RE-80-122 Aekai Realty, Inc.

Dismiss complaint on basis that investigation indicates that this is a civil matter and there appeared to be insufficient evidence to support any charge of violation of the real estate license law or Commission's rules and regulations.

RE-80-159 Waipio Realty Corporation

To hold a hearing against Waipio Realty Corp. and principal broker Michael T. Teramoto for possible violation of Section 467-14(3) and (12), HRS, and Rule 1.3(a), (b) and (p) of the Commission's rules and regulations.

RE-80-161 Waipio Realty Corp.

Proceed to a hearing against Waipio Realty Corp. and principal broker Michael T. Teramoto for possible violation of Section 467-14(8) and (12), HRS, and Rule 1.3(a), (b) and (p) of the Commission's rules and regulations.

CON-80-16 Kacor Realty, Inc.

Dismissal of complaint on the basis that this complaint involves a contractual dispute as to whether or not the complainant is entitled to refund of monies which should be resolved in a civil format. Furthermore, no violation of the Horizontal Property Regimes Act, or the real estate license law, or the Commission's rules and regulations was found.

Motion carried unanimously.

RE-80-71 Hudy Hirota and Hirota & Associates

After a lengthy discussion, Edwin Shiroma moved and Toru Kawakami seconded to accept the recommendation of the Complaint Committee to hold a formal hearing against Janet Marrack and Rudy Hirota for possible violation of Section 467-14(8), (12), HRS and Rule 1.3(a) of the Commission's rules and regulations. Motion carried unanimously.

New Business:

LICENSING

Corporation

Action Realty, Inc. - 745 Fort St., #300, Hon.  
Betsy J. Christian, pb

The Hallstrom Property Group, Inc. - 233  
Merchant St., #400, Hon.  
Donald L. Hallstrom, pb

Hawley-Togawa, Inc. - 549 Halemaumau St., Hon.  
Jack Hawley, pb

Bob Keown, Ltd. - 5022 Lawai Beach Rd., Koloa  
Robert E. Keown, pb

Mike Kirkeby Associates, Ltd. - 505 Front St.,  
Myron O. Kirkeby, pb #48, Lahaina

Kona Alii Realty and Management, Inc. - 75-5864  
Walua Rd., Kailua-Kona  
Vickie Rapoport, pb

Kumai, Inc. - 98-020 Kam Hwy, Aiea  
Ivy N. Kumai, pb

G. Lawson, Inc. - 4211 Waialae Ave., Hon.  
Grace M. Lawson, pb

McFadden Properties, Inc. - 98-211 Pali Momi  
John M. McFadden, pb #812, Aiea

Paul M. McHenry Associates, Inc. - 75-5722  
Kuakini Hwy, #104, Kailua-Kona  
Paul M. McHenry, pb

O'Connor, Inc. - 700 Bishop St., #1900, Hon.  
Ruth E. O'Connor, pb

Paradise Realty, Inc. - 209 Kinooole St., #3  
Eleanor Drozo, pb Box 994, Hilo

Polynesian Properties, Inc. - 205 Merchant St.,  
Edwin H. Shiroma, pb #12, Hon.

Tradenname

Carpenter & Associates - 1314 S. King St., #610  
Carl L. Carpenter, dba Hon.

DMR Realty - 50 S. Beretania St., C-119B, Hon.  
Roy I. Matsumoto, dba

Ann Davidson - 900 Fort St. Mall, #1435, Hon.  
Ann F. Davidson, dba

Mickey Felthaus - 75-5995 Kuakini Hwy, Kailua-  
Bernard J. Felthaus, dba Kona

Dave Lewis - 1154 Fort St., #301, Hon.  
David P. Lewis, dba

Pacific Land Ventures - 650 Ala Moana Blvd.  
Lorraine A. Smith, dba #216, Hon.

Personal Touch Realty - 5-5144 Kuhio Hwy,  
Michael C. McDonnell, dba Hanalei

Stonemark Investments - 629A Kailua Rd. #6,  
Doris E. Epp, dba Kailua

Wilder Real Estate - 225 Queen St., Hon.  
Jeanne L. Wilder, dba

Change of Corporate Name

Century 21 Tia Nakanelua, Inc. - 6650 Hawaii Dr.  
(formerly Tia Nakanelua, Inc.) #107, Hon.

Exchanges, Inc. - 841 Bishop St., #2001, Hon.  
(formerly Broker's Exchange, Ltd.)

Holman & Sayles Realty, Inc. - 820 Mililani St.  
(formerly Sayles, Inc.) #702, Hon.

John Urner moved and Joseph Blanco seconded to ratify the action of the staff in approving the corporation, tradename and change of corporate name applications. Edwin Shiroma abstained from voting on the matter of Polynesian Properties, Inc. due to conflict of interest. Motion carried.

Restoration of License - past 2 year limit

Donald Roy Connors

Edwin Shiroma moved and Joseph Blanco seconded to approve restoration of Donald R. Connors real estate salesman license. Motion carried unanimously.

Jerrie P. Fletcher

Joseph Blanco moved and Edwin Shiroma seconded to defer action go give applicant an opportunity to submit verification of licensure in California and Costa Rica plus verification



from former employing brokers. Motion carried unanimously.

James S. Markey

Tadayoshi Ishizu moved and Edwin Shiroma seconded to deny restoration of real estate salesman's license to James S. Markey. Motion carried unanimously.

Priscilla Lynn Moler (formerly Priscilla Lynn Kealoha)

Chairman Morris relinquished the Chair on this matter to Vice Chairman Edwin Shiroma.

Toru Kawakami moved and Tadayoshi Ishizu seconded to approve restoration of Priscilla Moler's real estate salesman license. Motion carried. Edwin Shiroma voted "Aye".

Miscellaneous:

1981 Legislation

1. Executive Secretary reported that the Department has submitted an administration bill to the Legislature asking that each Commissioner be paid \$10 per meeting.
2. Deputy Attorney General Randy Iwase is reviewing the proposed legislation regarding the new procedure for handling applications where applicants can file directly to ETS.

November 22, 1980 Examination Results

John Urner moved and Edwin Shiroma seconded to accept the November 22, 1980 examination results and make it a part of the minutes. Motion carried unanimously.

John Reilly's Comments on November 22, 1980 Exam

Executive Secretary read John Reilly's comments regarding the recent examination which he thought was quite favorable. The letter was accepted and filed.

Stanley M. Kuriyama's letter re: The Rose at Lusitana, Reg. No. 1304

By letter dated November 26, 1980, Stanley Kuriyama requested whether or not Commission will accept

the financial strength of Asahi and commitment letters in lieu of a performance bond for the Final Public Report on The Rose at Lusitana.

After much deliberation, John Urner moved and Gregg Yamanaka seconded to accept the letter of credit in lieu of a performance bond up until August 15, 1981, condition upon the developer or the bank to give notification to the Commission as to the status of the project 30 days prior to cancellation (July 15, 1981). Motion carried unanimously.

Letter of Eugene Jimenez, Housing Admin., County of Kauai

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

By letter dated December 2, 1980, Eugene Jimenez inquired whether or not it is necessary for the County of Kauai to employ the services of a licensed broker for their up-coming projects.

After discussion, Executive Secretary was directed to reply that the law does not make any exceptions for governmental agencies.

Date of Next Meeting:

January 30, 1981, 9:00 a.m.  
Board Room, 1010 Richards St., Honolulu

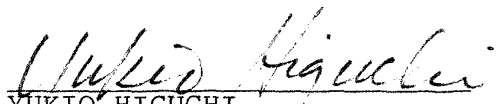
Adjournment:

There being no other business to transact, meeting adjourned at 12:10 p.m.

Taken and recorded by:

  
Saeko Whang, Secretary

APPROVED:

  
YUKIO HIGUCHI  
Executive Secretary