

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

MINUTES OF MEETING

Date: Friday, January 30, 1981

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

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

Sandy Holck, Real Estate Education Specialist
Tany S. Hong, Director
Donald D. H. Ching, Deputy Director
George Arine, Executive Secretary
Yukio Higuchi, Executive Secretary
Saeko Whang, Secretary

Dr. Richard L. Haney, Jr., Real Estate Chairholder
John Reilly, Attorney
Richard Daggett, President of RESAH
William R. Wood, representing WRW, Inc.
Dr. George Ikeda, SSRI, Univ. of Hawaii
Celyn Chong Kee, applicant for real estate
salesman license
Dickey D. S. Kim, applicant for real estate
salesman license
George K. Aoki, applicant for real estate
salesman license
Walter M. Figueira, Jr., applicant for real estate
salesman license
Sharon Y. Moriwaki, applicant for real estate
salesman license
Priscilla Banks, applicant for real estate
salesman license
Paul K. Gima, applicant for real estate salesman
license
Catalino C. Visaya, applicant for real estate
salesman license
Barclay Wagner, applicant for real estate broker
license
Hartwell Blake, Attorney representing Sleeping
Giant Realty, Inc.
Chet Hunt, principal broker of Sleeping Giant
Realty, Inc.

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

Call to Order: The meeting was called to order by Chairman G. A. "Red" Morris at 9:15 a.m.

The Executive Secretary apprised that the agenda for today's meeting was duly filed on Monday, January 26, 1981 at the Lt. Governor's office in compliance with the Sunshine Law.

Minutes: Toru Kawakami moved and Tadayoshi Ishizu seconded to approve the minutes of December 19, 1980 as circulated. Motion carried unanimously.

Committee Reports: Real Estate Education Advisory Council

Applications for Real Estate Instructor's Certificate

Bergman R. Ley (b & s instructor)

As recommended, Toru Kawakami moved and Tadayoshi Ishizu seconded to approve application of Bergman Ley for certification as real estate salesman and broker instructor subject to his DOE instructor's certificate being updated. Motion carried unanimously.

Louis A. Lopez, Jr. (b & s instructor)

Ralph Yagi moved and Edwin Shiroma seconded to approve Louis Lopez's application for certification as a real estate salesman and broker instructor subject to his submitting evidence that he is licensed by DOE. Motion carried unanimously.

Renewal of Real Estate Education Specialist Contract

Based on the memorandum of the Education Committee and the anticipated workload for the real estate education specialist for year 1981, Edwin Shiroma moved and Toru Kawakami seconded to accept the recommendation to renew the contract and increase the pay scale as outlined in the memorandum. Motion carried unanimously.

Edwin Shiroma moved and Toru Kawakami seconded to add the matter of part-time assistant to the agenda. Motion carried unanimously.

Edwin Shiroma moved and Toru Kawakami seconded to approve the addition of a part-time secretarial help for the real estate education specialist at this time for 20 hrs per week and as the requirement increases, to make the necessary requests. Motion carried unanimously.

Cathi Watson's Request for Contribution from Real Estate Education Fund

This matter was referred to the Education Committee for study and review.

Real Estate Chair

Dr. Richard Haney, present Chairholder, submitted names and resumes of 4 candidates for the Real Estate Chair for approval.

After discussion, Toru Kawakami moved and Tadayoshi Ishizu seconded to refer the matter to the Education Committee and the Oahu members to meet and review the applications the week of February 9. The neighbor island Commissioners gave authorization to make a decision to select the next Chairholder. Motion carried unanimously.

Reference Manual

Dr. Richard Haney submitted "Alternative Reference Manual", an outline on the reference manual. Chairman requested a copy be made available to John Reilly for his input.

This matter was also referred to the Education Committee for further review.

Real Estate Education Specialist Report

Received proposal from WRW, Inc. for the publication of Commission's news bulletin. They will provide the same services as Crossroads Press.

Mr. William Wood was present to show the format which is essentially the same as the previous news bulletins with added new ideas and changes.

As recommended, Edwin Shiroma moved and Toru Kawakami seconded to award WRW, Inc. the publication of the first quarterly news bulletin. Motion carried unanimously.

Monitoring of Real Estate School

Holck monitored 8 real estate schools on Oahu. He found that most of the instructors are devoted to teaching all aspects of real estate subjects and not merely providing answers to pass the real estate exams and also found that they are genuinely concerned for the students.

Holck stated that he has a problem monitoring the neighbor isle schools.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to table the matter of monitoring the neighbor isle schools until a proposal can be presented to the Commission. The Education Committee will come up with a recommendation after review.

Condo Home Booklet

Received very good response from the public. Some firms requested additional copies.

Laws and Rules Review Committee Report

HPR Rules and Regulations

Executive Secretary reported that the HPR rules and regulations are being typed to be sent to the Attorney General's office.

Real Estate Broker and Salesman Rules and Regulations

The Committee is nearing the end of the review of proposed amendments.

Chairman requested that Commission request for outside assistance in order that public hearings can be held in September or October.

Joseph Blanco moved and Ralph Yagi seconded that Executive Secretary prepare justification for hiring a consultant to move along the real estate broker and salesman regulations. Motion carried unanimously.

Toru Kawakami, Laws & Rules Committee Chairman, reported the following items which were taken up at yesterday's meeting:

1. Recommend no changes to provisions for seller and buyer to agree in writing as it is adequately covered under Section 467-14(4).
2. Adopt rules regulating relationship of personal corporations. Executive Secretary to check with Licensing Administrator who will help draft guidelines on this matter.
3. Real estate education specialist suggested amendments to restoration of forfeited license.
4. Licensing Administrator is working on guideline procedures on expenditure of the real estate education fund.

Real Estate Division Study

Dr. George Ikeda, SSRI, Univ. of Hawaii, project director for the Real Estate Division Study submitted the final draft yesterday.

Edwin Shiroma moved and Toru Kawakami seconded to accept the recommendation of the study prepared by Dr. George Ikeda. Motion carried unanimously.

Business Out of Minutes:

Questionable Applications

Celyn Chong Kee (Salesman license)

Dickey D. S. Kim (Salesman License)

George K. Aoki (Salesman license)

Walter M. Figueira, Jr. (Salesman license)

Sharon Y. Moriwaki (Salesman license)

Priscilla Banks (Salesman license)

Paul K. Gima (Salesman license)

Catalino C. Visaya (Salesman license)

Barclay Wagner (Broker license)

Ceyln Kee, Dickey Kim, George Aoki, Walter Figueira, Jr., Sharon Moriwaki, Priscilla Banks, Paul Gima, Catalino Visaya and Barclay Wagner each appeared separately for informal conferences before the Commission to discuss their applications.

After the question and answer periods, Edwin Shiroma moved and Ralph Yagi seconded to approve all of the above applications. Motion carried unanimously.

Raymond T. L. Ching (Salesman license)

Maria Mullineaux (Salesman license)

By letters, Raymond Ching and Maria Mullineaux explained their circumstances as to their late filings.

Following discussion, Edwin Shiroma moved and Ralph Yagi seconded to approve Raymond Ching and Maria Mullineaux real estate salesman licenses. Motion carried unanimously.

RE-79-137 Sleeping Giant Realty, Inc.

Toru Kawakami excused himself on this matter for possible conflict of interest.

At the November 21, 1980 meeting, Commission decided to place a six months suspension, 5 months of which will be suspended for certain consideration.

Attorney Hartwell Blake, representing Sleeping Giant Realty, Inc. and Chet Hunt, principal broker, appeared to request Commission's consideration of their proposal for alternatives to the 30 day suspension.

After hearing Mr. Blake's presentation, Edwin Shiroma moved and Tadayoshi Ishizu seconded to deny the request based on the gravity of the case.

Ayes: Edwin Shiroma, Tadayoshi Ishizu, Ralph Yagi, Joseph Blanco and G. A. "Red" Morris

Nay: Gregg Yamanaka

Abstained: Toru Kawakami

Motion carried.

Investigations:

RE-77-129 Harold L. Fuller, Sr.

Executive Secretary reported the problems the Commission was faced with in fulfilling the request of the Attorney General to acquire the necessary copies of documentary evidence filed in the Hawaii Supreme Court. The Attorney General's office will be needing the documents and exhibits to pursue this case to a hearing.

After discussion, the Commissioners decided to hold this matter in abeyance and request Director's assistance to obtain the necessary copies of exhibits on file in the Supreme Court.

Edwin Shiroma moved and Joseph Blanco seconded to accept the following Complaint Review Committee's recommendations: (RE-79-189 to RE-80-177)

RE-79-189 Jenny Chernin and Paul Pellerin

Dismissal of complaint on basis that there is insufficient evidence to support the allegations that Chernin had an ownership interest in the property, or that she was acting as real estate agent for Pellerin. It appears that Chernin was acting as only a friend and was helping Pellerin in this transaction.

RE-79-158 Gold Coast Realty, Inc.

Dismiss complaint with a letter of warning to Respondent for failure to advise Complainant of the 1 day lateness in signing acceptance of counter offer from Complainant. Also advise Complainant of action of Commission and explain that the Commission decided on warning because the findings of investigation did not warrant stronger action, inasmuch as there was insufficient evidence that copy of accepted counter offer was not forwarded to Complainant.

RE-79-174 Blue Water Properties, Inc.

To dismiss complaint on basis that investigation reveals that Respondents agree that Complainant is entitled to a refund, but the Seller refuses to give full refund. Seller only agrees to refund 50% (\$500) of deposit. Advise Complainant that the refusal of the Seller to make full refund is a civil matter which should be resolved with the Seller, inasmuch as the Seller may have failed to perform his contractual obligations.

RE-80-78 Waipio Realty Corporation and Charles Benton

To hold a hearing against Benton, his principal broker, Michael Teramoto, and Waipio Realty Corp. for possible violation of Section 467-14(1), (8), and (12), H.R.S., and Rule 1.3(a), (b), and (m), of Commission's rules and regulations.

RE-80-79 Waipio Realty Corporation and Frank Nihei

Proceed to a hearing on Frank Nihei, Michael Teramoto and Waipio Realty Corp. for possible violation of Section 467-14(1), (8) and (12), H.R.S. and Rule 1.3(a), (b) and (m) of the Commission's rules and regulations.

RE-80-154 Everette Sackville and Royal Aloha Realty and Property Management, Inc.

To hold a hearing against Royal Aloha Realty and Property Management, Inc. and Everette Sackville for possible violations of:

Corp.: Section 467-14(7), (10), (12) and (14), H.R.S., and Rule 1.4.

Sackville: Section 467-14(6), (7), (8), (12) and (14), H.R.S., and Rule 1.4(c).

RE-80-167 Allan Tabisola and Pacific Land, Inc.

Dismissal of complaint on basis that investigation revealed that no violation of our real estate license law or rules and regulations was found.

RE-80-171 Waipio Realty Corp. and Charles Benton

To hold a hearing on Charles Benton, Michael Teramoto and Waipio Realty Corp., for possible

violation of Section 467-14(1), (8) and (12), H.R.S. and Rule 1.3(a), (b) and (m) of Commission's rules and regulations.

RE-80-175 Doris K. Geiger

To request further investigation by Honolulu investigator to determine on what basis Geiger used a Hilo telephone number in her ad.

RE-80-177 Waipio Realty Corp. and Frank Nihei

To hold a hearing on Frank Nihei, Michael Teramoto and Waipio Realty Corp. for possible violation of Section 467-14(1), (8) and (12), H.R.S. and Rule 1.3(a), (b) and (m).

Motion carried unanimously.

CON-80-10 The Summer Place Board of Directors

Following discussion, Gregg Yamanaka moved and Edwin Shiroma seconded to request an opinion from Attorney General's office what is the Real Estate Commission's role and authority in regulating and enforcing the bylaws of condominium projects.

For example: Where the Board of Directors of a condominium project refuses to comply with the bylaws, does the Commission have the authority to enforce compliance..

Motion carried unanimously.

New Business:

LICENSING

Corporation

Lucy Caple, Inc. - 46-005 Kawa St., Kaneohe
Lucile O. Caple, pb

Century 21 Aha! Realty, Inc. - 850 W. Hind Dr.,
Anthony A. Karkosza, pb #117, Hon.

Fahrenwald, Inc. - 900 Fort St., #1777, Hon.
Richard E. Fahrenwald, pb

Falling Coconut Realty, Ltd. - 900 Fort St.,
Glenda S. Lashier, pb #1800, Hon.

Financial Strategies, Ltd. - 733 Bishop St.,
Janet Andrews, pb #2175, Hon.

Nelson K. Fukuki, Inc. - 190 S. King St.,
Nelson K. Fukuki, pb #2400, Hon.

Gallant Realty, Inc. - 1831 N. King St., Hon.
Rudolph Pacarro, pb

Gerber, Inc. - 615 Piikoi St., #1000, Hon.
Terry A. Gerber, pb

Honolulu Realty Corporation - 567 So. King St.,
Dan R. Hawkins, pb #600, Hon.

Helen C. Kau, Inc. - 700 Bishop St., #1104,
Helen C. Kau, pb Hon.

Luard Corporation - 1909 Ala Wai Blvd. #1503
Edward H. Schopp, pb Hon.

Keith Lysen & Associates, Inc. dba Profes-
sional Property Management - 250 Ward Ave.,
Keith M. Lysen, pb #205, Hon.

Melchin Realty, Inc. - 733 Bishop St., #1475,
Ronald J. Melchin, pb Hon.

1980 Realty, Inc. - 7159 Kalaniana'ole Hwy,
Kathleen M. Linaker, pb A-146, Hon.

Paradise Resorts, Inc. - 3122 Kuhio Hwy,
Gerald W. Anders, pb Lihue

Alma L. Prigmore, Inc. - 1059 Kilauea Ave.,
Alma L. Prigmore, pb Hilo

Shern Real Estate, Inc. - 1700 Ala Moana Blvd.
John E. Shern, pb Hon.

Jack Sims Real Estate, Inc. - 190 Keawe St.,
Jack C. Sims, pb #21, Hilo

Lynn Tilton, Ltd. - 900 Fort St. Mall, #1850
Lynn M. Tilton, pb Hon.

Branch Office

Karon Anglin, dba Seaside Realty - 828 Front
Thomas Anderson, bic St., Lahaina

Century 21 The Land Company, Inc. - 75-5689
Alii Dr., Kailua-Kona
William J. Crockett, bic

Gloria Damron Associates, Inc. - 4211 Waialae
Barbara Cox, bic Ave., #201, Hon.

Tradename

Byrnes & Assoc. Realty - Frank A. Byrnes, dba

Crafter Realty - Land Development Services Corp, dba

J. A. Dowsett Realty - James A. Dowsett, dba

Ken Graeb - Kenneth A. Graeb, dba

Hanalei Northshore Properties - Gordon L. Haas,
dba

Mel Hewett, Broker - Melvin B. Hewett, dba

Indolence Realty - Jack W. Ewing, dba

Dot Jackson Realty - Dorothy A. Jackson, dba

Kaneohe Land Co. - Morris Moche, dba

Jim Lawrence Real Estate Broker - James T. Lawrence, dba

Lynx Investments - Robert L. Cook, Jr., dba

Maui Commercial - Thomas H. Corbin, dba

Ocean View Land Company - Lucien R. Howsley,
dba

Les Reynolds Realty - Lester A. Reynolds, dba

Gordon Scott Realty - Gordon A. Scott, dba

Silversword Realty - Bessie A. Thomson, dba

Don Souther Co. - Donald H. Souther, dba

Tanzie Real Estate - Alex Smyklo, dba

Joseph Gin Ting Real Estate - Joseph Gin Ting,
dba

Change of Corporate Name

Advisor Realty, Inc. - (formerly Hawaii Real Estate Buyers Service, Inc.)

Edwin Shiroma moved and Joseph Blanco seconded to ratify the action of the staff in approving the corporation, branch office,

tradename and change of corporate name applications. Motion carried unanimously.

Restoration of License - past 2 years

Tony Arzadon

Toru Kawakami moved and Edwin Shiroma seconded to approve restoration of Tony Arzadon's real estate salesman license. Motion carried unanimously.

Ricarte G. Gutierrez

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve restoration of Ricarte Gutierrez's real estate salesman license. Joseph Blanco voted "Nay". Motion carried.

Clarence H. Luke

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve restoration of Clarence Luke's real estate salesman license. Joseph Blanco voted "Nay". Motion carried.

Roger E. O'Connor

Edwin Shiroma moved and Ralph Yagi seconded to approve Roger O'Connor's application for restoration of his salesman license. Motion carried unanimously.

Robert Hoffman

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

Ralph Yagi moved and Edwin Shiroma seconded to approve restoration of Robert Hoffman's real estate salesman license. Motion carried unanimously.

Miscellaneous:

1981 Legislation

For informational purpose, Executive Secretary reported that the legislation submitted regarding per diem payments to Board and Commission members was denied by the Governor's office.

Executive Secretary was directed to request Division Administrator's assistance to amend Section 467-20, H.R.S. regarding falsified applications.

ETS Letter Re: Lynn Transfiguracion and Sinforiano Transfiguracion

Executive Secretary reported that ETS has notified the Commission of irregularities that occurred at the November 22, 1980 examination regarding the above-captioned candidates.

Edwin Shiroma moved and Joseph Blanco seconded to request investigation on this matter and obtain evidence from test centers who observed this incident. Motion carried unanimously.

ETS Letter Re: Toru Nagayama

ETS has informed the Commission of another alleged irregularity at the November 22, 1980 exam.

Joseph Blanco moved and Edwin Shiroma seconded to refer this matter to the Investigation Division. Motion carried unanimously.

Charlene M. Norris' Request for Declaratory Ruling

Executive Secretary reported that Randy Iwase, D.A.G., advised the Commission to consider sending all declaratory ruling to the department's hearings officer, Darryl Choy.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to refer Charlene Norris' request for declaratory ruling to Darryl Choy for necessary action. Motion carried unanimously.

Terry Fong's Letter Re: Waiver of Rule 3.1(f)

Following discussion, Ralph Yagi moved and Tadayoshi Ishizu seconded to waive the deadline date for Terry Fong's application. Motion carried unanimously.

Larry Bailey's Letter Re: Rental Service

By letter Larry Bailey wrote regarding rental of time-sharing and requested for a ruling and clarification.

After considerable discussion, Edwin Shiroma moved and Tadayoshi Ishizu seconded to refer this matter to the Attorney General's office for legal opinion. Motion carried unanimously.

Judith Sidel's Letter Re: Licensees' Responsibility for Disclosure of Pending Assessment of Association of Apartment Owners

The Commissioners were in agreement that pending matters which may result in future assessments are considered pertinent facts and it is the duty of the licensee to ascertain all pertinent facts to prospective purchasers prior to purchaser's offer being made.

Executive Secretary was directed to respond to Judith Sidel's letter of December 1, 1980.

Thi Ha's Letter Re: Waiver of Salesman Education Requirement

Edwin Shiroma moved and Ralph Yagi seconded to grant waiver of completing the approved salesman course. Motion carried unanimously.

Jack L. Larsen's Letter Re: Waiver of Broker Experience Requirement

Edwin Shiroma moved and Joseph Blanco seconded to grant Jack Larsen waiver of broker experience for his real estate related experience. Motion carried unanimously.

Arthur Reinwald's Letter Re: Sharing Commission with Foreign Broker

By letter dated January 14, 1981, Arthur Reinwald requested for another Attorney General's opinion in reference to the interpretation of Section 467-14(13), H.R.S.

After discussion, the Commission decided to defer action and requested copies of his previous letter be sent to each Commissioner for study. This matter to be taken at the next Commission's meeting.

Date of Next Meeting:

February 27, 1981, 9:00 a.m.
Board Room, 1010 Richards St.,

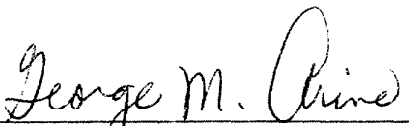
Adjournment:

There being no other business to transact,
Chairman declared the meeting adjourned at
4:40 p.m.

Taken and recorded by:


Saeko Whang, Secretary

APPROVED:


GEORGE ARINE
Executive Secretary