

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

MINUTES OF MEETING

Date: Friday, March 27, 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  
John M. Urner, Member  
Ralph S. Yagi, Member  
Gregg T. Yamanaka, Member

Dick H. Okaji, Licensing Administrator  
Sandy Holck, Real Estate Education Specialist  
Glenn M. Adachi, Temporary Executive Secretary  
George M. Arine, Executive Secretary  
Saeko Whang, Secretary  
Alvin Yamamoto, RICO Supervisor  
Dan Lee, Complaints Officer, RICO  
Robert Miller, Deputy Attorney General, Anti-Trust  
Division  
Sheldon Jim On, Deputy Attorney General, Anti-Trust  
Division

Mary Shern, Mary Shern School of Real Estate  
Dr. Richard L. Haney, Jr., Real Estate Chairholder  
Acting Dean David Bess, College of Business Admin.,  
Univ. of Hawaii  
Daniel Lee, Legislative Advocate, Honolulu Board  
of Realtors  
John Reilly, Attorney  
Judith Sidel, Complainant  
Jean Mitten, Observer  
Melvin S. L. Lee, Applicant for real estate  
salesman license  
Mrs. Jean Shoji, representing her son Peter Shoji,  
applicant for real estate salesman license  
Tom Metcalf, applicant for real estate salesman  
license  
Ronald Hughes, applicant for real estate broker  
license  
Pauline Becker, applicant for real estate salesman  
license  
Donald M. S. Jay, applicant for real estate salesman  
license

Phyllis Katsuno, applicant for real estate broker license  
Bobbie R. Boaldin, applicant for real estate salesman license  
David C. Morley, applicant for real estate salesman license  
Linda H. Y. Lau, applicant for real estate salesman license

Absent: Francis N. Kauhane, Member

Call to Order: The meeting was called to order by Chairman G. A. "Red" Morris at 9:20 a.m.

The Executive Secretary apprised the Commission that the agenda for today's meeting was duly filed on Monday, March 23, 1981 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 January 30, 1981 as circulated. Motion carried unanimously.

The minutes of February 27, 1981 was deferred as it was not prepared in time.

Committee Reports:

Real Estate Education Advisory Council

Application for Real Estate Instructor Certification and School Accreditation

Joseph A. Tanega (s)

As recommended, Edwin Shiroma moved and Ralph Yagi seconded to waive the 6-month experience and approve application of Joseph Tanega for certification as a real estate salesman instructor subject to receipt of his DOE licensure. Motion carried unanimously.

Tanega Institute of Realty

Edwin Shiroma moved and Ralph Yagi seconded to grant the Real Estate Education Specialist authority to approve the application of this school subject to meeting the satisfactory classroom sessions. Motion carried unanimously.

Accreditation of Real Estate Schools

Sandy Holck reported that he talked with Mr. Okaji, Licensing Administrator, regarding the accreditation of real estate schools. Mr. Okaji indicated that the Commission can suspend Rule 4.5 which requires a real estate school to be certified by the DOE before given approval by the Real Estate Commission.

The Real Estate Commission will be the sole body or agency to approve the real estate school operation.

Chairman suggested that we get something in writing from the administrator to this effect.

Upon motion by Edwin Shiroma, seconded by Tadayoshi Ishizu and unanimously carried, the Real Estate Commission will be the accreditation agency on a temporary basis. Real Estate Education Specialist was directed to alert the real estate schools regarding this matter.

21 Classroom Sessions

Real Estate Education Specialist checked with Mr. Kagehiro of DOE on this matter.

The questions posed were:

1. Does a class session mean a period of instruction in which a particular subject of a real estate course is conducted?

"A class session means a period of instruction during any given day and/or night in which a particular course leading to a specific vocation is conducted. The length of instruction provided during such day and/or night may vary."

2. If so, can two or more subjects of a real estate course be conducted in a day?

"Course instruction on any given day/night may include more than one subject/topic or sessions."

DOE will submit a memo to the Commission informing the real estate schools that a class session may not be held on a different day and that more than one class session can be held during a particular day or night.

Visit to California Department of Real Estate

Sandy Holck requested and received approval for Joseph Blanco and himself to stop over for 1 day in Sacramento, California, on their way back from the ETS meeting in Princeton, New Jersey, to check the real estate education system and research center.

Edwin Shiroma so moved, seconded by Tadayoshi Ishizu and unanimously carried.

Real Estate Education Specialist Report

Real Estate Education Specialist reported as follows:

Real Estate News Bulletin

Bill Wood has completed the news bulletin in draft form and is ready for printing.

Real Estate Seminar

The following are the tentative dates and places for the upcoming seminar:

May 26	Kauai	Community College
June 2	Maui	" "
June 4	Kona	(not selected yet)
June 5	Hilo	Univ. of Hawaii at Hilo
June 10	Oahu	McKinley High School

Edwin Shiroma moved and Tadayoshi Ishizu seconded to accept the schedule of the seminar as presented. Motion carried unanimously.

Real Estate Chair

By letters dated March 25, Acting Dean David Bess submitted the following:

1. Requested an increase in the amount of funding which presently provides \$50,000 per year to \$65,000 per year.

This increase would then enable the University to attract and secure the best people available.

2. Submitted a 5-year plan to facilitate planning and staffing of future chairholders and subject matters.

Acting Dean Bess was advised that the Education Committee will take this matter under advisement and report back at Commission's next meeting.

Executive Session: Upon motion made by Edwin Shiroma, seconded by Tadayoshi Ishizu and unanimously carried, it was decided that the Commission enter into executive session at 10:00 a.m., to discuss the Hawaii-Nevada Investment Corporation (HNIC) matter.

Out of Executive Session: At 11:00 a.m., Edwin Shiroma moved and Tadayoshi Ishizu seconded to move out of executive session and back into regular session. Motion carried unanimously.

The Commission directed that the Executive Secretary write to the Attorney General to request their guidance in this matter. Also, to send letters to Governor and Director to make them aware of the HNIC matter.

Business Out of Minutes:

Questionable Applications

Melvin S. L. Lee

Peter J. Shoji (represented by Mrs. Jean Shoji)

Tom Metcalf

Ronald Hughes

Pauline Becker

Donald M.S. Jay

Phyllis J. Katsuno

Bobbie R. Boaldin

David C. Morley

Linda H. Y. Lau

The above applicants appeared separately,

waived their rights to formal hearings in lieu of the informal conferences to discuss their applications.

Melvin S. L. Lee - Tadayoshi Ishizu moved and Ralph Yagi seconded to approve Melvin Lee's application for real estate salesman license. Motion carried unanimously.

Peter Shoji - Edwin Shiroma moved and Ralph Yagi seconded to approve Peter Shoji's application for real estate salesman license. Motion carried unanimously.

Tom Metcalf - Joseph Blanco moved and Edwin Shiroma seconded to deny Tom Metcalf's application for real estate salesman license; however, the Commission will waive the educational requirement for any one examination he decides to take. Motion carried unanimously.

Ronald Hughes - Joseph Blanco moved and Ralph Yagi seconded to approve Ronald Hughes' application for real estate broker license. Motion carried unanimously.

Pauline Becker - Ralph Yagi moved and Tadayoshi Ishizu seconded to approve Pauline Becker's application for real estate salesman license. Motion carried unanimously.

Donald Jay - Edwin Shiroma moved and Ralph Yagi seconded to approve Donald Jay's application for real estate salesman license. Motion carried unanimously.

Phyllis Katsuno - Ralph Yagi moved and Edwin Shiroma seconded to approve Phyllis Katsuno's application for real estate broker license. Motion carried unanimously.

Bobbie R. Boaldin - Edwin Shiroma moved and Ralph Yagi seconded to approve Bobbie Boaldin's application for real estate salesman license. Motion carried unanimously.

David Morley - Ralph Yagi moved and Tadayoshi Ishizu seconded to approve David Morley's application for real estate salesman license. Motion carried unanimously.

Linda Lau - Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve Linda Lau's application subject to receipt of an affidavit from her broker attesting that he had filed the first application for Lau in 1979. Motion carried unanimously.

Additonal Questionable Applications

As requested, Joseph Blanco moved and Gregg Yamanaka seconded to add the following applicants to the agenda. Motion carried unanimously.

Albert Davis - Ralph Yagi moved and John Urner seconded to approve application of Albert Davis' real estate salesman license. Motion carried unanimously.

Josephine Espineli - Ralph Yagi moved and John Urner seconded to approve application of Josephine Espineli's real estate salesman license. Motion carried unanimously.

Jon Kelly - Ralph Yagi moved and John Urner seconded to approve Jon Kelly's application for real estate salesman license. Motion carried unanimously.

Donald Leis - Ralph Yagi moved and John Urner seconded to approve application of Donald Leis' real estate salesman license. Motion carried unanimously.

Jack Murdock - Ralph Yagi moved and John Urner seconded to approve application of Jack Murdock's real estate salesman license. Motion carried unanimously.

Gloria Procz - Ralph Yagi moved and John Urner seconded to approve application of Gloria Procz's real estate salesman license. Motion carried unanimously.

Executive Session: Wallace T. Patch

Edwin Shiroma moved and Joseph Blanco seconded to go into executive session to discuss the background of Wallace Patch. Motion carried unanimously.

Out of Executive Session:

Edwin Shiroma moved and Joseph Blanco seconded to move out of executive session and go into regular session. Motion carried unanimously.

Edwin Shiroma moved and Joseph Blanco seconded to request Attorney General's opinion on whether there is any grounds for withholding Patch's license as provided under Section 467-8(2). Motion carried.

Tadayoshi Ishizu abstained on this matter for possible conflict of interest.

Declaratory Ruling re: Nanea Apartments from Officer (CON-DR-81-1)

Ralph Yagi moved and Tadayoshi Ishizu seconded to accept the hearings officer's Recommended Decision as Commission's Declaratory Ruling in the Matter of Nanea Apartments condominium conversion. Motion carried unanimously.

Sleeping Giant Realty

Toru Kawakami disqualified himself on this matter due to possible conflict of interest.

By letter dated February 19, Aekai Realty had submitted a letter stating that Sleeping Giant Realty is not complying with the suspension, since one person was representing himself as "Sleeping Giant Realty."

After discussion, Executive Secretary was directed to reply that the Commission is still investigating this matter.

Investigations:

Edwin Shiroma moved and Ralph Yagi seconded to accept the following Complaint Review Committee's recommendations: (RE-79-170 to RE-80-180)

RE-79-170 Ben Acohido

Proceed to a formal hearing based on investigation findings.

RE-81-21 Marie Frei

To hold a formal hearing for violation of Chapter 467-14(5), (6), (12) for conducting rental business with only a salesman's license.



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RE-80-178 Island Resort Management & Thomas  
Schmidt Realtors

To hold a formal hearing for violation cited.

RE-80-144 Makena Surf & Valley Isle Realty

To dismiss complaint due to insufficient evidence to substantiate allegation that Respondents have been reserving and selling units in the Makena Surf project prior to receiving approval from the Real Estate Commission.

RE-80-142 Luke & Luke Realty, Inc.

To request further investigation to determine:

1. Is the pool solar heated or not?
2. What are the other improvements mentioned?
3. Did the seller know about the encroachment before the sale.
4. Did the seller inform both agents of the encroachment?
5. Obtain copies of court litigation. What is status of court case.

RE-80-176 Thomas Corbin dba Maui Commercial

To dismiss complaint due to insufficient evidence that Corbin violated Section 467-12 by failing to maintain a proper place of business in the State. Also, Commission to send Corbin a warning letter making him aware of and to comply with above section of the real estate law.

RE-80-77 Hawaiian Ensign, Inc.

To request further investigation by obtaining a copy of management agreement to determine if the owner will be responsible for vacancies. Who is responsible for the uncollectible rent, the respondent or owner?

CON-80-10 Judith Sidel vs. The Summer Palace

To dismiss complaint based on Attorney General's opinion. This is a civil matter.

RE-80-99 Alma Barnes

To request further investigation to determine

1. Where did Barnes put the monies she collected?
2. Did she commingle funds or set up a trust account?

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3. Does she have proper accounting of funds?
4. Was there any termination of the management agreement with Ferguson? If so, when?
5. Did she withhold rental proceeds belonging to clients?

RE-81-28 Kenkale Realty & Claude Heck

Send a strong letter to immediately cease and desist operations as unlicensed real estate brokerage and to register the firm with the Real Estate Commission. The letter should also advise Heck that Garrison should not perform activities requiring a license.

Request that the Kona investigator monitor their activity later.

RE-81-20 Waipio Realty

Proceed to a formal hearing since this complaint is similar to others filed previously which were recommended for hearing.

RE-81-24 Sara Williams

To dismiss complaint based on investigative findings.

RE-80-180 Sleeping Giant Realty

Toru Kawakami disqualified himself on this matter due to possible conflict of interest.

To request further investigation based on letter received from Lois Abrams, principal broker of Aekai Realty, Inc. dated February 19, 1981, alleging that Respondent was operating during their suspension period. Motion carried.

RE-81-17 Brenda Lattanzi

Edwin Shiroma moved and Ralph Yagi seconded to request for further investigation to determine if (1) Lattanzi is signing leases or short term contracts. If so, furnish copies of such documents. (2) Is Kalani Kai zoned hotel or condo? Motion carried unanimously.

New Business:

LICENSING

Corporation

Abrams Realty, Inc. - 4479 Rice St., Lihue  
Charlee C. Abrams, pb

- Ashley, Inc. - 1525 Rycroft St., #116, Hon.  
Donald T. Nakano, pb
- Blue Water Development, Inc. - Longhi Bldg.  
Lahaina Shp. Ctr., Lahaina  
Michael Ray Van Diver, pb
- Carole & Associates, Inc. - 567 So. King St.,  
Ste 120, Hon.  
Carole Whang-Schutter, pb
- Century 21 Homefinders of Hawaii, Inc. dba  
Century 21 Homefinders - 98-211 Pali Momi Rd.  
Ste 500, Aiea  
Joseph K. K. H. Paikai, pb
- Century 21 Pacific, Ltd. - 841 Bishop St.,  
Ste 925, Hon.  
John J. Rousseau, pb
- Patricia Choi, Inc. - 700 Bishop St., Ste 1502  
Patricia Choi, pb Hon.
- Jerry Chun, Inc. - 1405 No. King St., Ste 200,  
Gerald K. C. Chun, pb Hon.
- Consolidated Hospitality of Hawaii, Inc. -  
1580 Makaloa St., Ste 1010, Hon.  
Edwin S. Rummel, pb
- Gem Realty, Inc. - 98-200 Kam Hwy, #307, Aiea  
Violeta A. Miranda, pb
- H & K Associates, Inc. - 1150 So. King St.,  
Lee Hause, pb Ste 1100, Hon.
- Inoue-Hawaii Realty Corporation - 1059 Kilauea  
Alvin M. Inoue, pb Ave., Hilo
- J. D. N. Enterprises, Inc. - 1650 Liliha St.,  
Dennis Naone, pb Ste 208, Hon.
- Marion Joy, Inc. - 190 So. King St., Ste 1748  
Marion M. Joy, pb Hon.
- Kalaoa Development Co., Ltd. - 75-5722 Kuakini  
Hwy #207, Kailua-Kona  
Ernest J. Kurlansky, pb
- L & L Realty, Inc. dba L & L Realty - 1729  
Liliha St., Rm 5, Hon.  
Leland H. Y. Louie, pb
- Lagoon Investments, Ltd. - 1860 Ala Moana Blvd.  
Shirley M. Krause, pb Hon.

Leonardo/Luria, Inc. - 841 Bishop St., Ste 1402  
Mark T. Luria, pb Hon.

McInnes Corporation - 841 Bishop St., Ste 2206,  
James D. McInnes, pb Hon.

Betty L. Ontai Realty, Inc. - 1314 So. King St.  
Betty L. Ontai, pb Ste 954, Hon.

Prestige Resorts, Ltd. - 4-1382 Kuhio Hwy &  
Thomas Francis III, pb St., Kapaa

RFL & Associates, Ltd. - 900 Fort St. Mall,  
Randolph F. Leong, pb Ste 1030, Hon.

The Realty Shoppe, Inc. - 1314 So. King St.,  
June M. Cook, pb #718, Hon.

Recreation Enterprises, Inc. - 915 Fort St.,  
Marvin H. Scharosch, pb Ste 1100, Hon.

M. S. Townsend, Inc. - 841 Bishop St., Ste  
Monroe S. Townsend, pb 1925, Hon.

Jincie Williams Realty, Inc. - 3049 Ualena St.,  
Jincie V. Williams, pb #1101, Hon.

Tom Wilson & Associates, Inc. - 745 Fort St.,  
Thomas W. Wilson, pb Ste 1416, Hon.

Tradenname

Bill Brooks Realty - William L. Brooks, dba

Golden Rule Realty - Charles J. Smith, dba

Grand Hawaiian Properties - James W. M. Chan,  
dba

J A R Realty - Joseph A. Rita, dba

Bill MacCrystall Realty - William F. MacCrystall  
dba

Don Miguel & Associates - Don D. Miguel, dba

Real Estate Honolulu - Edmund H. F. Ching, dba

Realoha Realty - Russell K. S. Lui, dba

Real Isle Properties - Llewellyn L. Biven, dba

S B M Realty - Frederick A. Stephanie, dba

Stamos Realty - Stanley G. Bukes, dba

Swiss Hawaii Realty - Sepp A. Koch, dba

Theo's Realty Co. - Theodore P. Perry, dba

Waiakea Realty - Lawrence M. Okazaki, dba

Worldwide Properties - Patrick Leung, Inc. dba

Edwin Shiroma moved and Tadayoshi Ishizu seconded to ratify the action of the staff in approving the corporation and tradename applications. Motion carried unanimously.

Corporation Name Change

Kay Investments, Inc. - formerly Kay Investments, Ltd.

Niles Realty, Ltd. - formerly Niles-Mayes, Ltd.

Palm Investments, Inc. - formerly T. C. Yim, A Real Estate Corp.

Pomroy and Company, Inc. - formerly Cabanilla/Pomroy & Associates, Inc.

Earl Thacker Limited - formerly Earl Thacker Co., Ltd.

Edwin Shiroma moved and Tadayoshi Ishizu seconded for ratification to approve the corporation name change applications subject to check of Kay Investments, Inc. Motion carried unanimously.

DBA Name Change

Garden Isle Realty - formerly Garden Isle Condominiums (Ronald L. Peters, dba)

Toru Kawakami moved and Joseph Blanco seconded for ratification to approve the above name change. Motion carried unanimously.

S & S Realty - formerly Realty World (Sheldon Soosman, dba)

Ralph Yagi moved and Tadayoshi Ishizu seconded for ratification to approve the name change of S & S Realty. Motion carried unanimously.

Restorations - past 2 years

Geraldine P. Wong

Ralph Yagi moved and Tadayoshi Ishizu seconded to add this matter to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

At the February 1981 meeting, Geraldine Wong's application for restoration had been denied. She requested an informal conference and appealed before the Commission to discuss the matter.

After discussion, John Urner moved and Ralph Yagi seconded to approve Geraldine Wong's application for restoration of her broker's license. Motion carried unanimously.

Diana C. Clark

Joseph Blanco moved and Ralph Yagi seconded to deny restoration of Diana Clark's real estate salesman license. Motion carried unanimously.

Loren DeSaulniers

Joseph Blanco moved and Ralph Yagi seconded to deny restoration of Loren DeSaulniers' real estate salesman license. Motion carried unanimously.

Pamela Ann General

Ralph Yagi moved and Joseph Blanco seconded to deny restoration of Pamela General's real estate salesman license. Motion carried unanimously.

George D. Hao

Joseph Blanco moved and Ralph Yagi seconded to deny restoration of George Hao's real estate salesman license. Motion carried unanimously.

Cranston K. Kapoi

Ralph Yagi moved and Joseph Blanco seconded to deny restoration of Cranston Kapoi's real estate salesman license. Motion carried unanimously.

Kristine Tom

Joseph Blanco moved and Ralph Yagi seconded to deny restoration of Kristine Tom's real estate salesman license. Motion carried unanimously.

David F. Wissmar

Ralph Yagi moved and Tadayoshi Ishizu seconded to approve restoration of David Wissmar's real estate license. Motion carried unanimously.

Richard Duff

Gregg Yamanaka moved and Toru Kawakami seconded to add this matter to the agenda. Motion carried unanimously.

Richard Duff applied for the April 5, 1981 broker examination.

Following discussion, Ralph Yagi moved and John Urner seconded to approve Duff to sit for the exam. Motion carried unanimously.

Miscellaneous:

Alma Prigmore, Ltd.

Joseph Blanco moved and Tadayoshi Ishizu seconded to add this matter to the agenda. Motion carried unanimously.

By letter dated March 20, 1981, Alma Prigmore requested Commission's advice regarding proper advertising of her business.

After discussion, Executive Secretary was directed to reply that she may advertise as follows:

1. under her corporate name as Alma L. Prigmore, Inc. or
2. as a participating co-broker with Ken Fujiyama Realty.

NARELLO Investigators Seminar - Omaha, Nebraska, June 1, 2 and 3, 1981

Ralph Yagi moved and John Urner seconded to send 1 investigator and 1 commissioner to represent Hawaii at this NARELLO Investigators Seminar. Motion carried unanimously.

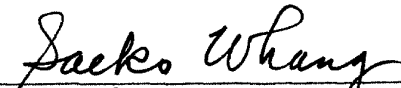
Additional Help for Staff

Toru Kawakami moved and Ralph Yagi seconded to authorize the Oahu commissioners to form a committee and request for help to alleviate some of the problems the staff is faced with. Motion carried unanimously.

Adjournment:

There being no other business to transact, the meeting was adjourned at 3:30 p.m.

Taken and recorded by:

  
\_\_\_\_\_  
Saeko Whang, Secretary

APPROVED:

  
\_\_\_\_\_  
GEORGE M. ARINE  
Executive Secretary