

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

MINUTES OF MEETING

Date: Friday, May 29, 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

Dick H. Okaji, Licensing Administrator
Sandy Holck, Real Estate Education Specialist
Glenn Adachi, Temporary Executive Secretary
George M. Arine, Executive Secretary
Saeko Whang, Secretary

Daniel Lee, Legislative Advocate, Honolulu
Board of Realtors
William R. Wood of WRW, Inc.
Vi Dolman, pb, Dolman Associates, Inc.
Betty P. Ickes, applicant for real estate
salesman license
John Allen, applicant for real estate salesman
license
Thomas K. Foster, applicant for real estate
salesman license
Peter F. C. Armstrong, applicant for real estate
salesman license
Bernard L. Johnson, applicant for real estate
salesman license
Cyrn D. K. Biven, applicant for real estate
salesman license
Linda Morrison, applicant for real estate salesman
license
Wallace Sakuma, applicant for real estate
salesman license
Stanley Naganuma, applicant for real estate
salesman license
John Song, applicant for real estate salesman
license

Absent: Gregg T. Yamanaka, Member
Francis N. Kauhane, Member

Call to Order:

Chairman G. A. "Red" Morris 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, May 26, 1981 at the Lt. Governor's office in compliance with the Sunshine Law.

Minutes:

Toru Kawakami moved and Ralph Yagi seconded to approve the minutes of March 27, 1981 and April 24, 1981 meetings as circulated. Motion carried unanimously.

Committee Reports:

Real Estate Education Advisory Council

Real Estate Education Specialist Report

Sandy Holck gave a summary of his visit to the Real Estate and Urban Economic Program at the University of California, Berkeley. Mr. Holck felt that this program does not meet the needs of the Commission. He will submit his recommendations after discussion with Joseph Blanco and Joseph Choy.

Real Estate Seminar

The seminar scheduled for May and June was postponed due to the cancellation of the speaker.

Real Estate Seminar Topics

The Commissioners discussed proposed seminar topics. It was suggested that emphasis be placed on topics dealing in regulation and enforcement areas instead of industry related topics. Also, a suggestion was made that the Education Committee meet and report back to the Commission on topics, format and other recommendations.

RELE Conference Report

Joseph Blanco, Commissioner, reported on the RELE Conference and the adoption of the new RELE bylaws. He briefly discussed new developments in walk-in testing, testing legislation, test development and test security.

Laws and Rules Committee Report

Toru Kawakami, Commissioner, reported on the May 28 meeting of the committee. Amendments to the Commission's rules are being reviewed and discussed before holding public hearings. The committee will try to complete their review by September and hold hearings in October.

Toru Kawakami made a motion to extend Glenn Adachi's contract through September 1981 to assist in preparing the amendments to the rules. The motion was seconded by Ralph Yagi and unanimously carried.

Administrative Matters

The Commission discussed the problem with the number of delinquent licensees and the lack of follow up if the license fees are not received.

Toru Kawakami moved and Ralph Yagi seconded that reminder notices be sent to delinquent licensees. Motion carried unanimously.

The Commission discussed the backlog in processing notice forms and the need for more staff positions.

Inquiry was made on the status of computerization. Dick Okaji stated that there is no terminal in the section and the information must be collected and prepared before it could be fed into the computer. It takes about 2 weeks to get the printout after information is requested.

The Commission suggested that the Department involve the Commission in the budgeting process in order to receive adequate staffing and funding.

Proposed Legislation Submitted by Dick Okaji

Mr. Okaji submitted drafts of proposed rules on the following for Commission's review:

1. Certificate for real estate corporation

Rules pertaining to broker-salesman, broker-in-charge, or principal broker who may want to incorporate for tax purposes;

2. Implementation of Act 23

Act 23 relates to Commission authority on engaging testing service agency to handle real estate exam. Mr. Okaji suggested areas in which rules should be developed to implement the Act; and

3. S.B. 67 (Act 81) Amendment to time share law

This Act would require the time share people to be licensed under chapter 467. The proposed rules pertain to acquisition agents. Mr. Okaji explained that Senator Cobb at the committee hearings suggested that rules or guidelines on acquisition agents patterned after the Commission's declaratory ruling on telephone solicitation be adopted. Senator Cobb also suggested the Commission give an additional exam in 1981. The Commission decided to give an extra exam in December.

The Commission asked Mr. Okaji if he could meet with the Rules Committee next month.

Condominium Registration Clerk Position

Mr. Okaji reported that the department plans to follow through with the Commission's earlier request to elevate condominium registration clerk's position. Presently the position is placed in the Licensing Branch and Mr. Okaji said he plans to place it under the direct supervision of the Division Administrator. He explained that the department's effort to reallocate the position several years ago was not successful - it was disapproved by the Department of Personnel Services.

Condominium Consultants

Mr. Okaji reported that there are in all twelve condominium consultants, seven of whom are active and five are not. He

recommended that all active consultants be continued and inactive ones be dropped. He also stated that presently there are sufficient number of consultants.

Edwin Shiroma moved and Tadayoshi Ishizu seconded that Licensing Administrator advise inactive consultants by letter of the increase in the consultant's fee before dropping them from the list. Motion carried unanimously.

As recommended by Dick Okaji, Edwin Shiroma moved and Ralph Yagi seconded to remove Daniel Ukishima due to some problems from the list of condominium consultants. Motion carried unanimously.

A motion was made by Edwin Shiroma, seconded by Toru Kawakami and unanimously carried that the Licensing Administrator provide selection guidelines and that annual performance and evaluation report on existing consultants be made to the Commission.

Real Estate Recovery Fund

Order to Pay on Don A. & Valerie K. Jessmon vs. Mutual Benefit Life & Correa, Civil No. 44735

The Commission suggested that the Executive Secretary check to determine if payment limitation on licensee has been reached.

Business Out of Minutes:

Questionable Applications

Betty P. Ickes
John Allen
Thomas K. Foster
Peter F. C. Armstrong
Bernard L. Johnson
Cyryn D. K. Biven
Linda Morrison
*Michelle Lively

Edwin Shiroma moved and Tadayoshi Ishizu seconded to add the following names to the agenda. Motion carried unanimously.

Wallace Sakuma
Stanley Naganuma
John Song

All the above applicants were present to discuss their applications and waived their rights to formal hearings in lieu of the informal conferences.

*Michelle Lively was unable to be present but submitted a letter.

Ralph Yagi moved and John Urner seconded to approve all the above applications for real estate salesman/broker licenses. Motion carried unanimously.

Executive Session: Sonnia Correa

At 11:30 a.m., Edwin Shiroma moved and Tadayoshi Ishizu seconded to go into executive session to discuss the application of Sonnia Correa. Motion carried unanimously.

Out of Executive Session:

At 11:35 a.m., Edwin Shiroma moved and Tadayoshi Ishizu seconded to go out of executive session and go into regular session. Motion carried unanimously.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve application of Sonnia Correa for a real estate salesman license. Motion carried unanimously.

Investigations:

Toru Kawakami moved and Ralph Yagi seconded to accept the recommendations of Complaint Review Committee on the following cases:

RE-80-128 Rainbow Holiday Properties, Ltd. and Tom Powers

A request be made of investigator to contact Complainant and request that they provide written documents which instruct Respondent to lease at only the daily rate.

RE-80-114 Alpha Real Estate and Management CO.

Dismiss complaint on the basis that there was insufficient evidence that Respondent violated the real estate license law or the Commission's rules and regulations.

RE-80-175 Doris K. Geiger

Case be dismissed and letter of warning sent to Respondent. Inform Respondent that advertisement should clearly indicate Hilo phone number is an answering service and

should not give the appearance that there is a branch office in Hilo. Recommend to Respondent that (1) she indicate telephone number is only an answering service; or (2) eliminate the number completely.

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

Dismissal of case on the basis that investigation indicates:

1. That Respondent did not have knowledge of encroachment prior to survey dated October 16, 1980.
2. That solar heater was sold in "as is" condition.
3. That Seller was willing to have termite treatment done if Buyer went through with the sale.

RE-80-164 Broker Associates Realty, Inc. and Dennis Grady

Request further investigation to determine:

1. What form would be used in California for a sub-agreement of sale.
2. Was there a disclosure made by Respondent as to the existence of the agreement of sale to Broker Associates Realty, Inc.
3. Was the agreement of sale and sub-agreement of sale ever recorded.

Proceed to a hearing against Broker Associates Realty, Inc. and Dennis Grady for alleged violation of §467-14(1), H.R.S.

Request that the full Commission and the Rules Committee discuss interpretation of §467-2(1), H.R.S. to determine whether a real estate company that purchases and sells property in its name is exempt from Chapter 467 and the rules and regulations.

Request that the cases involving Tom Schmidt and Linda Kurosawa be reassessed in light of this case.

RE-81-10 Makai Rentals and Sales and Charles P. McClelland

Proceed to a formal hearing against Charles P. McClelland for alleged violation of §§467-14(7), 467-14(5), 467-14(6), H.R.S., and Section 1.3(a) and (o), Real Estate Commission rules and regulations.

Request that investigation be made to determine whether Earl Thacker Maui, Inc. and Earl Thacker knew about the operation of and association of one of its salesperson with Makai Rentals and Sales.

RE-81-32 Sandsea Realty, Inc. and Investment Seminars, Inc.

Request that a formal hearing be held against Respondents for alleged violation of §467-14(1), (8), H.R.S., and Section 1.3(a), (b), REC rules and regulations.

Request further investigation to determine whose listing was sold to Complainants and the involvement of Realty Leasing Corporation in the transaction and disclosure of lease information.

RE-80-176 Thomas H. Corbin dba Maui Commercial

Request case be re-opened and formal hearing be held for alleged violation of Section 16, REC rules and regulations.

Motion carried unanimously.

New Business:

LICENSING

Corporation

Aina Maui, Ltd. - 840 Wainee St., Lahaina
Agnes J. Sykes, pb

Callahan Realty, Ltd. - 99-128 Aiea Hgts Dr.,
Margaret A. Callahan, pb #403-A, Aiea

First American Realty Corp. - 900 Fort St.
Vernon Funn, Jr., pb Mall, #1210, Hon.

Haleakala Realty, Inc. - 651 Haleakala Hwy,
Vicki G. Jaffe, pb Kahului

Hawaii Property Investment Corp. - 190 S. King
Margaret Sung, pb St., #301, Hon.

Innovative Realty, Inc. - 1650 Liliha St.,
Norman S. Mineshima, pb Ste 203, Hon.

Edward N. Keliikoa and Associates, Inc. -
1067 Alakea St., #300, Hon.
Edward N. Keliikoa, pb

Lenworth Corp. - 333 Queen St., #710, Hon.
Lenore W. Chillingworth, pb

M & M Land Co., Ltd. - 680 Ala Moana Blvd.,
Marian T. Mirikitani-Miura, pb #310, Hon.

JMS Enterprises, Inc. - 190 So. King St.,
Jeffrey Mark Smith, pb Ste 2305, Hon.

Ernie Mau Financial Planners, Inc. dba Foreign
Investors Real Estate & Management Services -
1750 Kalakaua Ave., Ste 704, Hon.
Ernest Y. H. Mau, pb

Mauna Kea Fairways Corp. - 75-5722 Kuakini Hwy,
Ste 207, Kailua-Kona
Sherida M. Mays, pb

John McPhee, Inc. - 33 Lono Ave., Ste 240,
John McPhee, pb Kahului

Moix, Munson & Associates Commercial-Investment,
Ltd. - 98-211 Pali Momi St., Ste 521, Aiea
Judith E. Krueger, pb

Personal Touch Realty, Inc. - 5-5144 Kuhio Hwy,
Ste C, Hanalei
Michael C. McDonnell, pb

Realty Network Corp. - 615 Piikoi St., #1905
Harvey A. Hartenstein, pb Hon.

Resorts Pacifica, Inc. - 910 Honoapiilani Hwy
Joseph D. Pluta, pb Ste 9, Lahaina

A. H. Rodrigues, Jr., Inc. - 900 Fort St. Mall,
Ste 1777, Hon.
Arthur H. Rodrigues, Jr., pb

Steven Saito, Inc. - 1339 Hunakai St., Hon.
Steven S. Saito, pb

Terry Schoneberg, Inc. dba Sunrise Properties -
205 Kinoole St., Hilo
Terry Schoneberg, pb

SDC Management, Inc. dba Historic Properties
of Honolulu - 841 Bishop St., Ste 1608, Hon.
Edwin Lum, pb

Shogun Realty, Inc. - 697 Ahua St., Hon.
Walter T. Nagao, pb

Transpacific Hawaii, Inc. - 745 Fort St.,
1416 Hawaii Bldg, Hon.
Martha A. Dumlao, pb

Trans-Pacific Properties, Inc. - 900 Fort St.,
Ste 1050, Hon.
J. William Sanborn, Jr., pb

Vivien, Inc. - 919 Bethel St., Hon.
Vivienne Shiroma, pb

Mary Lou Whitman, Inc. - 1280 So. Kihei Rd.,
Mary Lou Whitman, pb #220, Kihei

Yamase, Inc. - 4444 Rice St., Ste 209, Lihue
David M. Yamase, pb

Upon motion by Joseph Blanco, seconded by
Ralph Yagi, the Commission unanimously
ratified staff's action in approving the
applications for corporations.

Branch Office

Callahan Realty, Ltd. - 159 Kaiulani Ave.,
H. John Callahan, bic #109, Hon.

Finance Realty Co., Ltd. - 92-605 Makakilo Dr.,
Robert L. P. Tong, bic Makakilo

McCormack Referral Service Company, Ltd. -
4479 Rice St., Lihue
Robert E. Lear, bic

Wendy Monet Realty, Inc. - Opelo Rd., P. O.
Box 95, Kamuela
Stephen Hurwitz, bic

Sleeping Giant Realty, Inc. - Hanalei Kauhale
Ctr. Bldg #1, Office 5A, B&C, Hanalei
Barrie Brinkworth, bic

Stark Realty, Ltd. - 1860 Ala Moana Blvd.
Elizabeth L. Burke, bic Grnd Flr, Hon.

Upon motion by Toru Kawakami and seconded
by John Urner, the Commission unanimously
ratified staff's action in approving the
applications for branch offices.

Tradenname

Baker Acres Real Estate Company - Morris B.
Baker, dba

Bud Brooks & Associates - Victor M. Brooks,
Jr., dba

Century World Realty & Mgmt. - Donald F. Shrope,
dba

Condoplus - Robert D. Gaddis, dba

Condor Pacific - William P. Bolton, dba

Diversity Realty Co. - Claybourn L. Pait, Sr.
dba

Donna's Place Realty - Masashige Yamamoto, dba

ERA Concepts Unlimited - Concepts Unlimited,
Inc., dba

E. G. Flanders & Associates - Everett G.
Flanders, dba

George & Associates - GMK, Inc. dba

Ho'oli Hale - Robert J. Layson, dba

S. Kuo Realty - Shu-Hui Kuo, dba

McCloskey & Co. - Sandra W. McCloskey, dba

Parliament Real Estate Company - Francine R.
Parliament, dba

PBR Realty - Pedro B. Rivera, dba
Realty Investors Services - Clarence E.
Wilson, dba

VMG Real Estate - Virgil M. Gauze, dba

Toru Kawakami moved and John Urner seconded to ratify the action of the staff in approving the applications for tradenames. Motion carried unanimously.

Corporation Name Change

BBRDW Real Estate Corp. - formerly Sunny Wong Realty, Inc.

Hull & Co., Inc. - formerly Trans-Pacific Properties, Inc.

ERA Bob Pennington - formerly Bob Pennington, Inc.

Upon motion by John Urner, seconded by Ralph Yagi, the Commission unanimously ratified staff's action in approving the above listed corporation name changes.

DBA Name Change

BVM Associates - formerly BVM Realty

Kapalua Management - formerly Kapalua Realty (Kapalua Land Company, Ltd., dba)

Waimea Land Company - formerly RM Kawamata Realty

Yamasaki Realty - formerly Omori Realty

Edwin Shiroma moved and Ralph Yagi seconded to ratify staff's action in approving the above DBA name changes. Motion carried unanimously.

Restorations - past 2 years

Mary M. Kaonohi

At the April meeting, Mary Kaonohi's application for restoration had been denied. She was present and requested Commission's reconsideration.

After discussion, John Urner moved and Edwin Shiroma seconded to approve restoration of Mary Kaonohi's real estate salesman license. Motion carried unanimously.

Nancy K. Madsen

Joseph Blanco moved and Edwin Shiroma seconded to deny restoration of Nancy Madsen's real estate salesman license. The Commission will waive the educational requirement for any one exam. Motion carried unanimously.

Request to Sit for Exam - Cert. expired

Eileen J. Townsend

No action required. Approved by Executive Secretary.

ADDITIONAL QUESTIONABLE APPLICATIONS

Dean S. Ellis
Janice M. Ellis

Approved by Commission.

Rory H. Hahn

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

David V. Huggett

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

Zoltan L. Kontsagh

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

Million Dollar Properties, Inc.

Ralph Yagi moved and Edwin Shiroma seconded to approve the above corporation name. Motion carried unanimously.

Yvonne M. Miyamoto

Ralph Yagi moved and Tadayoshi Ishizu seconded to approve application of Yvonne Miyamoto's real estate salesman license. Motion carried unanimously.

Rainbows End Realty, Charles E. Thorp, dba

Executive Secretary to check with Business Registration Division to see if the name is registered. If so, Commission has no objection to license dba name.

Bill C. Wichterman

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve Bill Wichterman's application for a real estate salesman license. Motion carried unanimously.

Miscellaneous:

Hearings Officer's Recommended Order In the Matter of the Real Estate Licenses of PAUL K. STRAUCH, JR. and PROPERTY HOUSE, INC.

Upon motion by Toru Kawakami, seconded by Tadayoshi Ishizu, the Commission unanimously approved the settlement agreement of Hearings Officer's Recommended Order.

1982 Examination Dates

The following exam dates were established for year 1982:

February 27, 1982	August 28, 1982
April 24, 1982	October 23, 1982
June 26, 1982	December 18, 1982

Real Estate Education Specialist to notify the schools.

Suggestions as to Changes in the Constitution and Statement of Policy of the NARELLO

Executive Secretary was requested to follow up on this matter.

Bounced Checks after Commission's Approval

Licensing staff requested directions from the Commission as to bounced checks after Commission's approval - what is the status of the license?

After discussion, suggestion was made to refer this matter to Licensing Administrator.

1982 NARELLO Western District Meeting

Upon motion by Edwin Shiroma, seconded by Tadayoshi Ishizu, this matter was placed on the agenda. Motion carried unanimously.

An analysis of NARELLO conference was prepared by Constance Smales showing two additional proposals of travel packages.

After discussion, Joseph Blanco moved, seconded by Ralph Yagi to go with Tradewind Tours (GTU) and requested another proposal for Maui. Motion carried unanimously.

Date of Next Meeting:

Inasmuch as three Commissioners will be out-of-state on June 25 and 26 meetings, the following dates were selected:

June 18, 1981 Laws & Rules Review Committee Meeting

June 19, 1981 Commission meeting

Adjournment: There being no other business to transact, the meeting was adjourned at 2:30 p.m.

Taken and recorded by:

Saeko Whang

for Saeko Whang, Secretary

APPROVED:

George M. Arine

GEORGE M. ARINE
Executive Secretary