

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

MINUTES OF MEETING

Date: Friday, July 31, 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
Gloria J. Damron, Member
Tadayoshi Ishizu, Member
Toru Kawakami, Member
Ralph S. Yagi, Member
Gregg T. Yamanaka, Member

Sandy Holck, Real Estate Education Specialist
Glenn M. Adachi, Acting Executive Secretary
Saeko Whang, Secretary

Crocker Liu, Assistant to Real Estate Education
Specialist
William R. Wood of WRW, Inc.
John Reilly, Attorney
Peggy Conser, applicant for real estate salesman
license
Joanne Toledo, applicant for real estate salesman
license
George Hao, applicant for restoration of real
estate salesman license
Norman Garrison, pb of Village Realty Corp.
Michael Tsubata, condominium consultant

Absent: Constance B. Smales, Member

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

The Executive Secretary apprised the Commission
that the agenda for today's meeting was duly filed
on Monday, July 27, 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 June 19, 1981 as
circulated. Motion carried unanimously.

Committee
Reports:

Real Estate Education Advisory Council

Real Estate Education Advisory Committee Report

Edwin Shiroma moved and Joseph Blanco seconded to accept the study of Commission's short and long range program compiled by Crocker Liu "A Blueprint for Real Estate Professionalism in Hawaii" subject to changes and further reviews. Motion carried unanimously.

Edwin Shiroma introduced Crocker Liu to the members.

Sandy Holck requested Commission's approval of compensation to Crocker Liu from his contract.

Following discussion, Edwin Shiroma moved to approve Crocker Liu's compensation of \$3,000 for the study. The motion was seconded by Tadayoshi Ishizu and unanimously carried.

ETS Test Development

Sandy Holck recommended the following individuals who will be able to participate on the panel for ETS test development:

Charles Pear
Gregg Yamanaka
G. A. "Red" Morris
John M. Urner
Edwin Shiroma
Crocker Liu
Joseph Blanco

Inasmuch as John Reilly and Kenneth Chong will not be able to participate because of previous commitments, Holck requested other names to be added to the list.

The Commission suggested the following names:

Tad Kaneko
Mary Shern
Marie Hanson
Francis O'Brien
Thomas Bodden

Ralph Yagi moved to accept the list of suggested names. The motion was seconded by Toru Kawakami and unanimously carried.

Sandy Holck apprised the Commission that the funds for mailing the News Bulletin were running low.

After discussion, Ralph Yagi moved and Edwin Shiroma seconded to approve the request of Mr. Holck and appropriate \$10,000 for bulk mailing of the News Bulletin to the end of fiscal period. Motion carried unanimously.

Mr. Holck reported that 16 real estate schools renewed for year 1981-1982 and 1 school failed to renew; 56 instructors renewed and 10 failed to renew.

Real Estate Chair

Edwin Shiroma moved and Joseph Blanco seconded to approve Dr. Stephen Messner to the Chair for fiscal year 1982-83 subject to working out the chair program (master plan as proposed) with Dean Bess. Motion carried unanimously.

By letter dated March 25, 1981, Dean Bess requested Commission to increase the fund from \$50,000 to \$65,000. After discussion, Toru Kawakami moved and Joseph Blanco seconded to increase the funding tentatively subject to ratification at the next Commission's meeting. Motion carried unanimously.

Laws and Rules Review Committee Report

Chairman Toru Kawakami reported that his Committee was unable to meet yesterday since the Education Committee and interviews of condominium consultants took most of the time.

Condominium Consultants Ad Hoc Committee

Ad Hoc Committee Chairman Gregg Yamanaka, reported that the Committee met on two days, July 15 and July 30 to consult and interview condo consultants.

Each consultant was asked a set of standard questions relating to developmental and financial experience, ability to read plans, their need to consult other consultants as well as turning projects in on time.

Two types of consultants were set up, Principals and Alternates.

The following were recommended for principal consultants.

The following were recommended for principal consultants:

William Alexander, Tadashi Kaneko,
Kenneth Chong and Michael Tsubata

The alternate consultants are as follows:

Sidney Ayabe, Galen Leong and George Pai

Three consultants were dropped -

John Shern, Bozena A. Bednarczyk and
Alfred Wong

One consultant was not interviewed, Sodehani.
He will be interviewed at a later date.

Gregg Yamanaka moved to create these two classes of consultants effective immediately and the contracts for John Shern, Bozena Bednarczyk and Alfred Wong be terminated effective 10 days from date of notice to terminate. Edwin Shiroma seconded the motion and unanimously carried.

Chairman Morris requested a written report on this matter subject to interviewing Lloyd Sodehani before any decision is made.

Gregg Yamanaka moved that an annual review process be set up reviewing all the consultants and to accept applications; and staff to be given the discretion of distributing work. The motion was seconded by Edwin Shiroma and unanimously carried.

Business Out
of Minutes:

Questionable Applications

The Commission held informal conferences with the following questionable applicants.

Peggy Conser

After the question and answer period, Edwin Shiroma moved and Gloria Damron seconded to approve Peggy Conser's application for real estate salesman license. Motion carried unanimously.

Joanne Toledo

Following the question and answer period, Ralph Yagi moved and Joseph Blanco seconded

to approve Joanne Toledo's application for real estate salesman license. Motion carried unanimously.

George Hao

After the question and answer period, Edwin Shiroma moved and Toru Kawakami seconded to approve restoration of George Hao's real estate salesman license. Motion carried unanimously.

Corporation

Village Realty Corp.

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

Staff had rejected the application of "Village Realty Corp." on the basis that there was a similar name in our records "Village West Realty, Inc."

Mr. Norman Garrison, president of Village Realty Corp. appeared in person to appeal and discuss this matter.

Following discussion, Ralph Yagi moved and Tadayoshi Ishizu seconded to approve name "Village Realty Corp." Motion carried unanimously.

Investigations:

Hawaii-Nevada Investment Corp. (RE-79-176, RE-80-14, RE-80-56, RE-80-67, RE-80-116 and RE-80-126)

Following discussion, Edwin Shiroma moved and Ralph Yagi seconded to proceed to a hearing on the above six cases for alleged violation of H.R.S. §467-14(1), (2), (3), (7) and (8) and that further investigation be made to determine if other licensees associated with HNIC have violated the real estate licensing laws and rules. Motion carried unanimously.

On another motion, Edwin Shiroma moved to write the Director informing that the Commission is very much concerned and would like special emphasis and consideration be placed on these cases. The motion was seconded by Gloria Damron and unanimously carried.

RE-81-75 Kaiman Realty, Inc.

After discussion, Joseph Blanco moved and Ralph Yagi seconded to dismiss complaint and to write the Respondent to be more specific in his advertising and communication with clients. Motion carried unanimously.

RE-81-29 Harold Sakoda; Locations, Inc.; Carlton L. Agena and Lois A. Agena; J. M. Urner, Inc.

After discussion, Ralph Yagi moved and Edwin Shiroma seconded to dismiss complaint. Investigation not in a position to make judgment on the "give" of the tub. Motion carried unanimously.

Edwin Shiroma moved and Ralph Yagi seconded to accept the Complaint Review Committee's recommendation for the following cases:

RE-80-16 and RE-80-33, Resort Marketing Associates, Inc.

Dismiss complaint on the basis that investigation revealed the Respondent had undertaken the remodeling and refurbishing of the unit as indicated by the photographs of the units.

RE-80-146 Edward A. Toler & Associates, Inc.

Proceed to a formal hearing for violation of §467-14(5), (6), (7), (8) and (14), H.R.S. and Administrative Rule §16-99-4(d). Further recommend that a letter be sent to the principal broker of Choice Properties apprising him of his responsibility for the conduct of the salesmen.

It was suggested that in the News Bulletin or at a seminar the licensees should be reminded of their duties in managing property for their clients and the rules pertaining to disclosure of company names and license status in advertising rentals.

Another suggestion was that real estate exam include questions in the areas of rentals and condominiums.

It was also suggested that a chapter on rental management in the landlord-tenant pamphlet be included in the reprint of the Landlord-Tenant Code.

RE-80-155 Sam Daily Realty, Inc.

Request for further investigation. Even though both parties entered into a joint venture agreement, it appears the Complainant relied on representation of Respondent in quitclaiming interest. There appears to be a discrepancy between the Respondent's reasoning for the quitclaiming and Respondent's action when he obtained Complainant's interest. The joint venture agreement does not provide that one party has to quitclaim interest to other for sale or financing of the project.

Further request that RICO (1) obtain transcript of Sam Daily's TV ad that relates to Hula Mae financing and (2) check to determine if Hula Mae financing is in fact available from local lending institutions.

RE-80-165 Mike McCormack Realtors

Dismiss complaint on the grounds that: (1) the legality of the contract was for an attorney to decide and not the Commission; (2) the sales agent was not negligent in determining encumbrance amount; and (3) appeared that the Seller was withholding information.

A letter be sent to the broker reminding him to ascertain all encumbrances. Administrative Rule §16-99-3(2)

RE-80-172 Shiretoko Fudosan Kabushiki Kaisha,
a Div. of Shiretoko Corp.

A formal hearing be held for alleged violation of H.R.S. §§467-13 and 467-14(1), (3), (8) and Administrative Rule §16-99-3(3), (6), and (9).

Motion carried unanimously.

New Business:

LICENSING

Corporation

Ala Moana City Corp. - 1441 Kapiolani Blvd.
Thomas W. Giles, pb Ste 1900, Hon.

Henry Alexander, Inc. - 900 Fort St., Ste 960
Henry A. Alexander, pb Hon.

Daniel P. Brady and Associates, Inc. - 841
Bishop St., Ste 1715, Hon.
Daniel P. Brady, pb

C. F. P. Services, Inc. - 1451 So. King St.
Richard Ishikawa, pb Ste 202, Hon.

Central Realty, Ltd. - 2222 Kalakaua Ave. #709
Hideaki Mizushima, pb Hon.

D. H. T., Inc. - 1823 Wells St., Wailuku, HI
Donald H. Tokunaga, pb

E. N. Y. Realty, Inc. - 4444 Rice St., Ste 209
Eric N. Yama, pb Lihue, HI

Grant Realty, Inc. - 1750 Kalakaua Ave.,
Robert B. Grant, pb Ste 3701, Hon.

Hawaiian Permanent Realty, Inc. - 225 Queen St.,
302 Tw'n Tw'r Harbor Sq., Hon.
Calvin T. Nakagawa, pb

Hawaiian Shores Real Estate, Inc. - 126 Queen
Mary L. Long, pb St., #212, Hon.

Hogin-Koch Realty, Inc. - 1993 So. Kihei Rd.,
Lauren B. Koch, pb #209, Kihei, HI

Ho'oli Hale Real Estate Corporation - 505
Front St. #22, Lahaina, HI
Robert J. Layson, pb

Kalua Koi Lands, Ltd. - 745 Fort St., Ste 901,
Phillip E. Boydston, pb Hon.

Lahaina Realty, Inc. - 910 Honoapiilani Hwy,
Masami Hironaka, pb Annex A, Lahaina, HI

Magic Islands Realty, Inc. - 1441 Kapiolani
Pamela J. Gessin, pb Blvd, Ste 1002, Hon.

Paoa & Reed, Ltd. - 135 Lahainaluna Rd.,
Ted E. Reed, pb Lahaina, HI

Starhook, Inc. - 1750 Kalakaua Ave., #501,
Lois W. Wilverman, pb Hon.

T & L Properties, Ltd. - 261 Lalo Pl., L-2,
Gary R. Kenar, pb Kahului, HI

Thomas & Thomas, Inc. - 444 Hobron Ln, Ste 417,
John B. Thomas, pb Hon.

Phillip D. Vollmann, Inc. - 25 Kaneohe Bay Dr.,
Phillip D. Vollmann, pb Kaneohe, HI

Waiakea Realty, Inc. - 54 Mamo St., Hilo, HI
Lawrence M. Okazaki, pb

Edwin Shiroma moved and Tadayoshi Ishizu
seconded to ratify the above listed corporations.
Motion carried unanimously.

Branch Office

Lawson-Worrall, Inc. - 930 Wainee St., Ste 6,
Lahaina
Grace Mary Lawson and Mary Worrall
(would alternate weeks as bic on interim
basis)

Joseph Blanco moved to ratify the branch office
of Lawson-Worrall, Inc. subject to getting
a permanent bic within 3 months. The motion
was seconded by Edwin Shiroma and unanimously
carried.

Tradenname

Action ERA Realty - Action Realty, Inc. dba

Aina Wai Realty - Charles N. Baker, dba

Arctic Sands Investment Company - Karen A.
Michel, dba

Area Specialists - Edmund L. Lee, Jr., dba

Don Binning - Donald G. Binning, dba

Century 21 Canuck Realty, Inc. - Canuck Realty,
Inc. dba

ERA Chase & Associates - Chase & Associates
Realty, Inc. dba

ERA Hanohano Realty - Hanohano Realty, dba

Francis Schuman Realty - Frances Schuman, dba

Smith Properties, Inc. Better Homes & Gardens -
Smith Properties, Inc., dba

Solmar Development Company - Roger H. Epstein,
dba

Spouting Horn Realty - Richard E. Sneadler, dba

Stapleton Associates, Ltd./Better Homes &
Gardens - Stapleton Associates, Ltd. dba

The 3% Solution - Thomas T. Kinoshita, dba

Edwin Shiroma moved and Joseph Blanco seconded to ratify the tradename applications. Motion carried unanimously.

Corporation Name Change

Dillingham Land Co., a div. of Dillingham Corp.
formerly Dillingham Land Corp.

K & M Realty, Inc. - formerly John McPhee, Inc.

Shelter Investment Corp. - formerly Worthy
Investments, Inc.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to ratify the above corporation name changes. Motion carried unanimously.

Restoration - past 2 years

Alfred B. Correia

Fritz M. Erlandson

William J. Glass

Raymond P. Jackson

Following discussion, Joseph Blanco moved and Edwin Shiroma seconded to deny restoration of licenses to the above listed applicants. Motion carried unanimously.

Questionable Applications

William P. Friedrich

Edwin Shiroma moved and Joseph Blanco seconded to approve William Friedrich's application for real estate salesman license. Motion carried unanimously.

Michael K. Lee

Following discussion, Edwin Shiroma moved and Joseph Blanco seconded to recommend further investigation on case pending. Motion carried unanimously.

TMC, Inc. dba TMC Realty

Toru Kawakami moved and Edwin Shiroma seconded to approve tradename application for TMC, Inc. dba TMC Realty. Motion carried unanimously.

REW, Inc.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve application of REW, Inc. Motion carried unanimously.

Foster Homes, Inc.

Joseph Blanco moved and Edwin Shiroma seconded to approve application of Foster Homes, Inc. Motion carried unanimously.

Teuvo A. Ahola, Jr.

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

Following discussion, Toru Kawakami moved and Ralph Yagi seconded to **approve Teuvo Ahola's** application for real estate salesman license. Motion carried unanimously.

Miscellaneous:

Hearings Officer's Recommended Dismissal and Commission's Final Order (Re: Real Estate License of Stanley Tobias, RE-79-33)

Ralph Yagi moved and Toru Kawakami seconded to accept Hearings Officer's Recommended Dismissal and Commission's Final Order on RE-79-33. Motion carried unanimously.

Real Estate Commission Workshop

Chairman Morris reported that request for a workshop meeting for August at Kuilima was denied by the Director.

Date of Next Meeting:

August 28, 1981
Board Room, 1010 Richards St., Honolulu

Adjournment:

There being no further business, the meeting was adjourned at 12:15 p.m.

Taken and recorded by:



Saeko Whang, Secretary

APPROVED:



GLENN M. ADACHI
Acting Executive Secretary