

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

MINUTES OF MEETING

Date: Friday, August 28, 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
Glenn M. Adachi, Acting Executive Secretary
Saeko Whang, Secretary

Pepi Nieva of WRW, Inc.
Larry Wofford, Present Chairholder
Dean David Bess, College of Busn. Admin., U. of H.
Diane M. Masuo, applicant for real estate salesman
license
Kendall Wong representing applicant, Karen H. Wong,
for real estate salesman license
John Wilson, applicant for real estate salesman
license
Francis Wong, father of Reneee Wong Yuen, applicant
for restoration of real estate salesman license
Noel H. Pfeiffer, applicant for restoration of real

Absent: Gloria J. Damron, Member
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 that the agenda
for today's meeting was duly filed on Monday,
August 24, 1981 at the Lt. Governor's office
in compliance with the Sunshine Law.

Minutes: Corrections to the minutes of July 31, 1981 were
noted on page 4 regarding the recommendation
for principal condominium consultants. Edwin
Shiroma and Joseph Blanco abstained on the
matter of Michael Tsubata due to possible
conflict of interest.

Ralph Yagi moved and Tadayoshi Ishizu seconded to approve the minutes of July 31, 1981 as amended. Motion carried unanimously.

Committee Reports:

Real Estate Education Advisory Council

Real Estate Education Advisory Committee Report

Statistical Report

Real Estate Educational Specialist Sandy Holck gave the latest real estate licensee statistical report as 20,786 as of August 12, 1981, both inactive and active.

Real Estate Seminar

Holck reported that the Education Committee had proposed a fee charge of \$3.00 per person for licensees and \$10.00 for non-licensee for the coming seminar, co-sponsored by the Real Estate Commission and Small Business Management Program.

Following discussion, Joseph Blanco moved and Ralph Yagi seconded to accept the \$3.00 and \$10.00 fee assessments. Motion carried unanimously.

Information Sheet for Real Estate Schools

Edwin Shiroma moved and Joseph Blanco seconded to have the Commission prepare information sheet to the various real estate schools notifying them of the following:

1. Increasing the number of exam questions from 40 to 50.
2. Proposing to expand the coverage of the areas in the examination questions to include the new laws as well as time-sharing, DROA contracts and closing statements.
3. Planning to include questions on practical applications of the salesman and broker aspects would be incorporated into the examination questions. The purpose of increasing the questions is to get better qualified salespersons entering the real estate field.

Motion carried unanimously.

Expenditure for Seminar

Edwin Shiroma requested funding of \$7,000 for seminar.

Ralph Yagi moved and Joseph Blanco seconded to approve \$7,000 for expenses for the seminar. Motion carried unanimously.

Real Estate Schools

Sandy Holck reported that he has sent letters to all the real estate schools to submit their curriculum, examination sheets, answer sheets, etc. and (1) received responses from only 5 to 6 schools and (2) checked on the curriculum and found that some schools are not complying with the 40-hour minimum requirement.

After discussion, Joseph Blanco moved and Gregg Yamanaka seconded that the schools be advised that failure to comply with Rule 4.7 may be subject to discreditation if they do not submit the materials as requested by September 21, 1981. Motion carried unanimously.

Application for School Accreditation and Instructors' Certificate

Honolulu School of Real Estate

Fahrni School of Real Estate

As recommended, Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve the above real estate school applications subject to confirmation from DOE. Motion carried unanimously.

Michael M. Sasaki (s)

Robert L. P. Tong (s)

Jackie Overbey (s)

Helen K. Fahrni (s)

As recommended, Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve the above listed applications

for certification as real estate instructors pending receipt of DOE licensure. Motion carried unanimously.

Herbert Hussey II (s)

Hussey requested waiver of the 2-year broker experience based on his teaching experience in theology.

Upon motion by Gregg Yamanaka, seconded by Edwin Shiroma, Commission denied Hussey's application for certification as a real estate instructor for insufficient experience. Motion carried unanimously.

Tadayoshi Hara

Edwin Shiroma moved and Ralph Yagi seconded to approve upgrading of Tadayoshi Hara's certificate from salesman instructor to broker instructor. Motion carried unanimously.

Educational Testing Service Workshop
Real Estate Education Program

Edwin Shiroma reported that ETS workshop was held in preparation for salesman and broker examination on the state portion. In early October a workshop will be held to complete the rest of the session.

Ralph Yagi moved and Tadayoshi Ishizu seconded to authorize the Education Committee to select the people who will write the exam questions. MOTion carried unanimously.

Real Estate Chair

Dean David Bess introduced the new chairholder, Dr. Larry Wofford, University of Tulsa, to the staff and members of the Commission.

Laws and Rules Review Committee Report

Toru Kawakami requested that Executive Secretary prepare the drafts of amendments to be circulated before the September meeting.

Business Out
of Minutes:

Questionable Applications

The Commissioners discussed the matter of late filing of applications.

After discussion, Toru Kawakami moved and Joseph Blanco seconded to authorize the staff to give a 30-day grace period to licensees on late filings. In addition, the Oahu Commissioners will serve on the Ad Hoc Committee to establish guidelines for late filings beyond the 30 days so that this portion can be eliminated from the agenda. Motion carried unanimously.

Diane M. Masuo

Following the question and answer period, Ralph Yagi moved and Toru Kawakami seconded to approve Diane Masuo's application for real estate salesman license. Motion carried unanimously.

Karen H. Wong

Attorney Kendall Wong represented Karen Wong and following the question and answer period, Ralph Yagi moved and Toru Kawakami seconded to approve Karen Wong's application for real estate salesman license. Motion carried unanimously.

John Wilson

Ralph Yagi moved and Toru Kawakami seconded to add this matter to the agenda. Motion carried unanimously.

Following the question and answer period, Edwin Shiroma moved and Ralph Yagi seconded to approve John Wilson's application for real estate salesman license. Motion carried unanimously.

Restorations

Noel H. Pfeiffer

Noel Pfeiffer was present to discuss the matter of his broker's license which he had failed to renew since 1977.

Following the question and answer period, motion by Joseph Blanco, seconded by Gregg Yamanaka, the Commission unanimously decided that Pfeiffer's license will be restored upon his successful completion of the broker's course by December 31, 1981. If unsuccessful in completion of this broker's course, Pfeiffer will be considered a new applicant and must satisfy all the requirements for a broker's course. Also advise Pfeiffer that the real estate rule requires that he carry his pocket card at all times. In addition, Pfeiffer should cease and desist all real estate activity until such time he has successfully completed the broker's course. Motion carried unanimously.

Renee Wong Yuen

Francis Wong, father of Renee Yuen came in to discuss the matter.

Following the question and answer period, Ralph Yagi moved and Joseph Blanco seconded to approve Renee Yuen's application for real estate salesman license. Motion carried unanimously.

Investigations:

Gregg Yamanaka moved and Toru Kawakami seconded to accept the recommendations of the Complaint Review Committee for the following cases:

CON-80-20 Bank of Hawaii

That case be dismissed on the ground that there appears to be no violation of the Horizontal Property Regime statute with respect to the handling of the deposit by the escrow agent.

Luko Realty, Inc. to be informed that they are responsible for their salespeople and that they should apprise the Commission of the change in status of a salesperson if the salesperson doesn't.

RE-80-43 Imperial Realty, Inc.

That case be dismissed on the ground that there appears to be no violation of the real estate licensing laws and rules.

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RE-80-70 International MBA Associates, Ltd.

That case be held pending resolution of civil action.

RE-80-162 First Hawaiian Realty, Ltd.,
Willis Letson and James J. Vommero

That case be dismissed on the ground that there was no evidence to substantiate any violation of the real estate licensing laws and rules.

RE-80-166 Broker Associates Realty, Inc. and
Dennis Grady

A hearing to be held for alleged violation of §467-14(1) and (2), H.R.S.

Recommend that other cases against Broker Associates and Grady be consolidated, if possible, for hearing.

RE-80-168 AR Corporation dba Certified Management,
Robert Paris and Carol Duarte

That case be dismissed on the basis that the evidence indicates the matter to be a contractual dispute between the parties and does not involve a violation of the licensing laws and rules.

RE-80-169 Keith Herzog and Maranatha Maintenance,
Inc. dba Maranatha Resorts Hawaii

To hold a hearing for the following alleged violations:

Maranatha Resorts Hawaii for alleged violation of §467-7, H.R.S.

Keith H. Herzog for alleged violation of §467-14(2), (7), (8), (12), H.R.S. and Administrative Rule §16-99-3(1).

RE-80-173 Broker Associates REalty, Inc. and
Dennis Grady

To hold a hearing for alleged violation of §467-14(2) and (3), H.R.S.

RE-80-181 The Realty Group, Inc. dba Royal Kuhio
Realty and Thomas C. Hajny

Proceed to a hearing for alleged violation of §467-14(7) and (14), H.R.S. and Administrative Rule §16-99-3(5), 16-99-4(c) and (d).

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RE-80-182 Alfie Fujitani and Julie Nicholson

That case be dismissed on the basis that complainant has withdrawn complaint.

RE-81-01 Edward A. Toler and Associates, Inc., Edward A. Toler, William G. Dumond and Lyn E. Dumond

To hold a hearing for the following alleged violations:

Edward A. Toler and Associates, William G. Dumond and Lyn E. Dumond for alleged violation of §467-7, H.R.S.

Edward A. Toler for alleged violation of §467-14(5), (6), (7) and (8), H.R.S. and Administrative Rule §16-99-3(1) and (5).

RE-81-04 Edward A. Toler and Associates, Inc., Edward A. Toler, William G. Dumond and Lyn E. Dumond

Same as above

RE-81-103 Resort Marketing Associates, Inc., Donald M. Avery, Robert M. Costes, Chester W. Greene and Bessie Thomson

Hearing to be held for the following alleged violations:

Resort Marketing Associates, Inc. and Donald M. Avery for alleged violation of §467-14(10), H.R.S. and Administrative Rule §§16-99-3(1) and (13) and 16-99-5(b).

Robert M. Costes for alleged violation of Administrative Rule §16-99-5(a).

Chester W. Greene for alleged violation of §§467-7 and 467-14(11), H.R.S.

Bessie Thomson for alleged violation of §467-14(5), (6) and (11), H.R.S. and Administrative Rule §16-99-3(1) and (15) and 16-99-11(a).

RE-81-55 Luke & Luke Realty, Inc., Herbert K. C. Luke, Neal Goya and Leo Linda Foster

To hold a hearing for the following violations:

Luke and Luke Realty, Inc. and Herbert K. C. Luke for alleged violation of §467-14(4), H.R.S. and Administrative Rule §16-99-3(2).

Neal Goya and Leo Linda Foster for alleged violation of Administrative Rule §16-99-3(1), (2) and (6).

RE-81-56 Victor T. Nakamura dba Victor T. Nakamura Realty

That case be dismissed on the ground that there appears to be no evidence of a violation of the real estate laws and rules.

Also that broker be sent a letter apprising him of his responsibility for the acts of his salesperson regardless of whether he, the broker, is only conducting real estate business on a part-time basis.

RE-81-57 Broker Associates Realty, Inc. and Dennis Grady

That case be dismissed since complainant refuses to cooperate with investigation.

RE-81-74 Kihei Surf and Sun Rentals and Philip C. Henry

That case be dismissed on the basis that the rent security deposit has been returned to tenant.

RE-81-113 Royal Aloha Realty & Property Management Inc. and Everette P. Sackville

To proceed to a hearing for the following alleged violations:

Royal Aloha Realty & Property Management, Inc. for alleged violation of §467-8, H.R.S.

Everette P. Sackville for alleged violation of §467-14(7), (10), and (14), H.R.S.

Motion carried unanimously.

Green Memo Investigation Report

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

Executive Secretary apprised the Commissioners that the Investigation Branch has been using green memo reports in certain instances where the complainants have withdrawn the complaints and on minor violations regarding advertising.

The investigation supervisor and executive secretary are presently working on the criteria for green memo reports and will establish procedures and guidelines which will be presented for Commission's review and discussion.

New Business:

LICENSING

Corporation

Aloha State Realty, Inc. - 1750 Kalakaua Ave.,
June Linden, pb Ste 4000, Hon.

Amcor Realty, Inc. - 1164 Bishop St., #1512,
Kane K. Hui, pb Hon.

Don Binning, Inc. - 1137 12th Ave., Hon.
Donald G. Binning, pb

Daren & Linda, Brokers, Inc. - 97 Banyan Dr.,
Daren D. Greig, pb Hilo

Fergus & Company, Inc. - 1833 Kalakaua Ave.
Michael J. Fergus, pb Ste 803, Hon.

The Golden Lynx, Inc. - 1833 Kalakaua Ave.,
Robert L. Cook Jr., pb Ste 606, Hon.

Graman International Realty, Inc. - 4614 Kilauea
Dennis Grady, pb Ave., #555, Hon.

Investment Dimensions, Ltd. - 900 Fort St. Mall,
Walter A. Smith, pb Ste 1777, Hon.

JP & Company, Inc. - 810 Richards St., Ste 900
John P. Haraguchi, pb Hon.

Melemanu Rentals & Sales, Inc. dba Melemanu
Rentals & Sales - 519 California Ave., Wahiawa
Vernon W. York, pb

Glenn Mitsuyasu & Associates, Inc. dba Glenn
Mitsuyasu & Associates - 91-886 Makule Rd.
Glenn Mitsuyasu, pb Ewa Beach

Palm Properties, Inc. - 2511 So. Kihei Rd.
Robert C. Idini, pb Kihei, HI

Professional Island Management, Ltd. - 33 So.
Clarence T. Lopez, Jr., pb King St., Hon

Bill Ramsey, Inc. - 98-211 Pali Momi St.,
William B. Ramsey, pb Ste 537, Aiea

Sunward Realty, Inc. - 162-A Alamaha Pl.,
Yvonne M. Ward, pb Kahului, HI

Tri-Ken Realty, Inc. - 830 W. Hind Dr., #108,
Elizabeth T. Kennedy, pb

Branch Office

Mike McCormack, A Div of McCormack Hawaii, Ltd.
- Star Rte Box 6302, Captain Cook, Kona
Howard P. Johnston, bic

Tradenname

A Real Estate Concern - Arnold Rabin, dba

Don Clark - Donald G. Clark, dba

Joe Correa Realty - Joseph A. Correa, dba

Mabes Crowell Realty - Mabel E. Crowell, dba

KEB Enterprises - Linda N. Brice, dba

Rosetta Lewin Realty - Rosetta Lewin, dba

Doris K. Nakayama Realty - Doris K. Nakayama, dba

Pearl City Realty - William A. Bortfield, dba

Rescom Realty - Pauline M. Daniel, dba

Statton Real Estate - William O. Statton, dba

Sun-Site Realty - Frederic A. Stephanie, dba

Corporation Name Change

Douglas Beatty Investments, Inc. - formerly
Beatty & Griffin Realty and Management

Greg Blotsky, Inc. - formerly Century 21
American Homes, Inc.

Century 21 American Homes, Inc. - formerly
American Homes, Inc.

Century 21 American Homes, Inc. - formerly
Hawley-Togawa, Inc.

Century 21 Beachcomber Realty, Inc. - formerly
Beachcomber Realty, Inc.

GMD Realty, Inc. - formerly Nunbetter Land
Co., Inc.

KACOR Development Company - formerly KACOR
Realty, Inc.

DBA Name Change

Llanes Realty and Management - formerly Ginger
Flower Enterprises

Noe Realty - formerly Red Carpet Realty

Upon motion by Toru Kawakami, seconded by
Ralph Yagi, the Commission unanimously
ratified staff's action in approving the
applications for corporations, branch office,
tradenames, corporation name changes and
DBA name changes.

Restoration - past 2 years

Stephen Marn

Joseph Blanco moved and Edwin Shiroma
seconded to deny restoration of Stephen
Marn's real estate salesman license.
Motion carried unanimously.

Questionable Application

Roy Abad dba Joy Realty of Hawaii

Executive Secretary explained that there is
a similar name on file, Joy Real Estate .

After discussion, Edwin Shiroma moved and
Tadayoshi Ishizu seconded that Joy Real
Estate be notified of the registration
of Joy Realty of Hawaii and to notify the
Commission within 72 hours of whether it
has any objection to the registration of
the name if it has registered the name
with Business Registration Division.

Joy Realty of Hawaii to be notified of the
similar name registered with the Commission.
Motion carried unanimously.

Douglas K. Cathcart

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

William A. Husztek dba Open House Realty

Ralph Yagi moved and Tadayoshi Ishizu seconded to approve application of William A. Husztek dba Open House Realty. Motion carried unanimously.

Shirleyann K. Tao

Joseph Blanco moved and Ralph Yagi seconded to approve Shirleyann Tao's application for real estate salesman license. Motion carried unanimously.

Times Realty, Inc.

Ralph Yagi moved and Tadayoshi Ishizu seconded to approve application of Times Realty, Inc. Motion carried unanimously.

Pioneer Real Estate Corporation

This application was withdrawn.

Brooks Harvey & Co., of Hawaii, Inc.

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

After discussion, Ralph Yagi moved and Toru Kawakami seconded to defer this matter. Executive Secretary was requested to write to the Board of Directors where is their authorized place of business. Motion carried unanimously.

Miscellaneous:

Plain Language Law

Memo dated August 13, 1981 from Mr. Okaji suggests that all the leases for condominium conveyance documents should be written in plain language.

1981 NARELLO National Conference

The following were selected to represent Hawaii at the 1981 NARELLO National Conference to be held in San Diego, California, on October 25-28, 1981.

G. A. "Red" Morris
Glenn M. Adachi
Joseph Blanco (he will stop over on way
from his RELE meeting)
Alternate

Order to Pay on Civil No. 3813 Finance Factors vs. Nakayama, et al

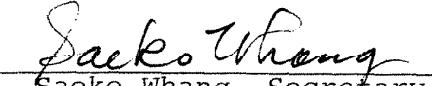
Court order directing payment from the Real Estate Recovery Fund to pay Helen Horiuchi Velasco \$10,000 was received against broker Tsugio Tanigawa.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve payment from the Real Estate Recovery Fund. Motion carried unanimously.

Adjournment:

There being no other business to transact, the meeting was adjourned at 12:45 p.m.

Taken and recorded by:


Saeko Whang, Secretary

APPROVED:



GLENN M. ADACHI
Acting Executive Secretary