REAL ESTATE COMMISSION

Professional & Vocational Licensing Division
Department of Regulatory Agencies
State of Hawaii

MINUTES OF MEETING

Date: Friday, September 25, 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

Constance B. Smales, Member

Ralph S. Yagi, Member

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

Saeko Whang, Secretary

Larry Wofford, Real Estate Chairholder Prof. Arthur Schwartz, Visiting Faculty

William R. Wood, WRW, Inc.

Newton Inouye, applicant for real estate

salesman license

Ray Iwamoto, attorney representing Waiakea Village

John Lucey, attorney

Jim Stahlrepresenting Pankow Realty, Inc.

Absent: Gregg T. Yamanaka, Member

Call to Order: Chairman G. A. "Red" Morris called the meeting

to order at 9:10 a.m.

The Executive Secretary apprised that the agenda for today's meeting was duly filed on Monday, September 21, 1981 at the Lt. Governor's office

in compliance with the Sunshine Law.

Minutes: The minutes of August 28, 1981 was deferred

as it was not prepared in time.

Committee Real Estate Education Advisory Council

Reports:

Real Estate Education Advisory Committee Report

Real Estate Seminar

Sandy Holck, Real Estate Education Specialist, reported that the seminars will be held on

the following dates:

Page 2

Hilo Saturday, October 17
Kona Monday, October 19
Maui Saturday, October 24
Kauai Saturday, October 31
Honolulu Monday, November 2

The registration form for the seminar is printed in the latest News Bulletin. Fees for licensees will be \$3.00 and for non-licensees \$10.00.

Agreement Contract with SBMP

The Education Committee approved the agreement contract with SBMP. The Commission had previously approved the budget of \$7,000 for the seminar.

Education Committee Chairman Edwin Shiroma reported that Joe Choy's estimated report showed a deficit of \$2,949 based upon the estimated number of registrants so far. He stated the Commission will subsidize this seminar and that in accordance with the agreement if there is any profit from the seminars, the SBMP will retain it for future programs.

On September 2, the Education Committee finalized the agreement as to Mr. Peckron being the seminar speaker.

The Education Committee met with Joe Choy to discuss the possibility of getting an associate degree for the real estate program. Mr. Choy is presently working on this matter.

The Committee also met with Dean David Bess regarding the real estate education master program which the College of Business Administration is now preparing.

Education Programs

On September 10, the Education Committee met with Chuck Wade and discussed the possibility of having the Real Estate Commission Education Fund be utilized for obtaining video programs for our education programs. Sandy Holck is presently working with Chuck Wade to get proposals to be presented to the members of the Commission.

ETS Education Workshop

Sandy Holck announced that the workshop on examination questions will be held on October 5 and 6

Page 3

Minutes of Meeting of September 25, 1981

and the review committee will be held on October 8 and 9.

Kenneth Chong, John Reilly, Chuck Wade and David PietrichIII were selected to be the exam writers.

Real Estate Chairholder

Dr. Larry Wofford was introduced to the members of the Commission.

Dean David Bess submitted a proposed revision on the real estate chair's responsibilities and duties.

Shiroma proposed to form an ad hoc committee, composed of Oahu members, to finalize the Chairholder's duties and responsibilities and to present it at the next Commission's meeting for final approval together with the approval of the increase request of \$65,000.

Laws & Rules Review Committee

Chairman of the Rules Review Committee requested the staff to finish typing the 2nd draft of the rules and to circulate it to the members of the Commission before the next meeting on October 19.

Business Out of Minutes:

Ouestionable Applications

Newton Inouye

Newton Inouye appeared before the Commission to discuss the matter of his application.

After discussion Ralph Yagi moved and Edwin Shiroma seconded to approve application of Newton Inouye for real estate license subject to getting Ethics Commission's letter of approval.

A vote was taken - Ayes - Ralph Yagi, Tadayoshi Ishizu, Toru Kawakami, Edwin Shirom and Gloria Damron Nayes - Constance Smales and Joseph Blanco

Motion carried.

Investigations:

RE-81-22 Jerry Asam Real Estate Co., Inc. and Gerald M. Asam

After discussion, Edwin Shiroma moved and Ralph Yagi seconded to hold a hearing on this matter based on Rule §16-99-3(1). Motion carried unanimously.

Edwin Shiroma moved and Tadayoshi Ishizu seconded to accept the recommendation of the Complaint Review Committee for the following cases. Toru Kawakami was excused on cases RE-80-23, RE-81-121 and RE-81-122 for possible conflict of interest.

CON-80-12/CON-80-13 ASHK Group, ASHK Hawaii, Inc. Mahana Kula Resort

Case be dismissed. Based on investigation report it appears that project has been terminated.

Provide Canadian members of NARELLO with a brief summary of the case.

CON-80-18 Ward Lanai Corporation

That case be set for hearing for violation of §514A-68, H.R.S.

CON-80-21 Fairway House Associates

That complaint be dismissed. Based on investigation report, it appears that racquetball court was built as represented by the Respondent.

Investigation be initiated against Ira Gordon and Ira Gordon, Inc. for alleged violation of §§467-7, 467-14(6), H.R.S.

RE-81-31 Kenny K. Aihara

Proceed to a hearing for alleged violation of \$\$467-7, 467-14(1), (3), (5), (6) and (8), H.R.S. and Admin. Rule \$\$16-99-3(1), 16-99-5(a) and (d).

RE-81-44 Thomas F. Schmidt dba Tom Schmidt Realtors

That case against Respondent Thomas Schmidt dba Tom Schmidt Realtors be dismissed and that case be referred to OCP for possible unlicensed activity by Media Hawaii Advertising, Inc.

RE-81-63 Kamala of Hawaii, Mauian Ventures

That case be dismissed. Based on evidence compiled, the agreement between Seller and

Page 5

Respondent was for a net listing and that the property was sold in accordance with the terms and conditions of the net listing agreement.

RE-81-100 Aloha Realty, Inc.

That case be dismissed. Based on the investigation report it appears the parties involved made a mistake in the advertisement and have since taken steps to correct the error. Recommend that a warning letter be sent to the Respondents apprising them to be more careful in their advertising.

RE-81-105 James F. Boe

The case be dismissed. Based on the investigation, there appears to be no violation.

RE-81-123 Walter Zane Realty, Inc., Patricia Martinez

That hearing be set for alleged violation by:

Walter Zane Realty, Inc. - alleged violation of §467-10, H.R.S. and Admin Rule §§16-99-3(13) and 16-99-2.

Patricia Martinex - alleged violation of §§467-14(5) and (6), H.R.S.

RE-80-23, RE-81-121, RE-81-122, Hallmark Properties, Inc., Ayako Yuruki, Alvin Kira, Frances Okazaki, Lester Oda, Miles Fujiyoshi, Island Management and Leasing Services, Ltd. Ronald Kobashigawa and Carl Shigemura

Proceed to a hearing for alleged violation by the following persons concerning the Village Park project:

Hallmark Properties, Inc. - for alleged violations of §467-(1), (2), (7), (8) (10) and (14), H.R.S. and Rule §16-99-3(1), (4) and (13) and §16-99-4(a), (b), (c), (d) and (e).

Ayako Yuruki - alleged violations of §467-14(1), (2), (7), (8) and (14), H.R.S. and Rule §16-99-3(1), (2), (4), (5), (6) (13), (14) and §16-99-4(a), (b), (c), (d) and (e).

Alvin Kira - alleged violation of §467-14(1), (2), (7), (8) and (14), H.R.S. and Rule §16-99-3(1), (2), (4), (5), (6) and §16-99-4(a), (b), (c), (d) and (e).

Frances Okazaki - alleged violation of \$467-14(7), and (14), H.R.S. and Rule \$16-99-3(1), (4), (5), and \$16-99-4(a), (b), (c), (d) and (e).

Lester Oda - alleged violation of §467-14 (1), (2), (6), (7) and (8), H.R.S. and Rule §16-99-3(1) and (4).

Miles Fujiyoshi - alleged violation of $\S467-14(1)$ (2), (6), (7) and (8), H.R.S. and Rule $\S16-99-3(1)$ and (4).

Hearing to be held for alleged violation by the following persons concerning Hawaii Loa Ridge Subdivision:

Hallmark Properties, Inc., Alvin Kira, Ayako Yuruki and Frances Okazaki - alleged violation of §467-(7), (8), (10) and (14), H.R.S. and Rule §16-99-3(1), (2), (4), (5) and (6) and §16-99-4(a), (b), (c) and (d).

Lester Oda and Miles Fujiyoshi - alleged violation of §467-14(6) and (7) and Rule §16-99-3(1) and (4).

Proceed to a mearing for alleged violation by the following persons concerning the operation of Island Management and Leasing Services, Ltd.:

Carl Shigemura, Ronald Kobashigawa and Miles Fujiyoshi - alleged violation of §467-14(5) and (6), H.R.S. and Rule §16-99-3(a).

Ayako Yuruki - alleged violation of \$467-14(6), H.R.S. and Rule \$16-99-3(1) and (15).

Motion carried.

New Business:

LICENSING

Corporation

As requested, Edwin Shiroma moved and Tadayoshi Ishizu seconded to add to the agenda Keopuka Associates, Inc. dba R.C. Associates to the list of new corporations. Motion carried unanimously.

- Keopuka Associates, Inc. dba RC Associates Robert L. Bates, pb Kailua-Kona
- Lynn Adams, Ltd. 350 Ward Ave., Ste 106, Hon. Lynn R. Adams, pb
- B & L Properties, Inc. 841 Bishop St., George W. Brandt, pb Ste 507, Hon.
- Billfisher Realty, Inc. 190 So. King St., Ste 2300, Hon.
 Carol Lee Hong, pb
- Central Planning Corporation 2830 Kaonawai Pl. #C-4, Hon.
 Ernest K. Matsuyama, pb
- International Land Company, Inc. 1750 Kalakaua
 Ave., Ste 3804, Hon.
 Rickey S. Yamaquchi, pb
- Kauai Aina Enterprises, Inc. Hanalei Kauhale
 Ctr., Ste D, Hanalei
 Thomas L. Alburger, pb
- Teruo Morigaki Realty, Inc. 1289-H Kilauea Teruo Morigaki, pb Ave., Hilo
- Signature Properties, Inc. 250 Ward Ave. Sharon Shigekane, pb Ste 230, Hon.
- Syndex Financial Corporation 1750 Kalakaua Ave.
 Robert B. Grant, pb Ste 3701, Hon.
- Webber Marketing Corporation 841 Bishop St. Louis A. Webber, pb Ste 1808, Hon.

Branch Office

- Charlee & Associates, Ltd. 4-1177 Kuhio Hwy, William B. Smith, bic Kapaa
- Kona Realty, Inc. 75-5669K Alii Dr., Kailua-Richtor J. Reynolds, bic Kona
- Upon motion by Edwin Shiroma, seconded by Joseph Blanco, Commission unanimously ratified the list of corporations and branch offices.

Tradenames

Polly Bugg Realty - Pauline L. Bugg, dba

DiBenedetto Realty - Joseph D. DiBenedetto, dba

Sue Henning - Susan Henning, dba

Les Hirahara Realty - Leslie S. Hirahara, dba

Kim Kim & Associates - Kim Kim, dba

Kimble and Associates - Carol Kimble, dba

Maui Island Investments - Gordon E. Stellway, dba

Gladi Meyerson Realty - Gladys Meyerson, dba

Jim Moore- James A. Moore, dba

Jean Murphy Realty - Jean Murphy, dba

Spell Real Estate - David L. Spell, dba

Spot Realty - Burt A. Thompson, dba

Sun Spot Properties - Susanne Smith, dba

T & T Realty - Susie C. Tamashiro, dba

U. S. Alexander & Associates - Ulysses S. Alexander, dba

U. S. Investo Properties - June J. Hsieh, dba

Joseph Blanco moved to ratify the tradename applications. The motion was seconded by Edwin Shiroma and unanimously carried.

Corporation Name Change

Charlee & Associates, Ltd. - formerly Abrams Realty, Inc.

McKellar Realty, Inc. - formerly Top Dollar Realty, Inc.

Edwin Shiroma moved to ratify the corporation name change applications. The motion was seconded by Toru Kawakami and unanimously carried.

Restoration - past 2 years

John F. Ivers - forf. 1/1/79

Joseph Blanco moved and Edwin Shiroma seconded to deny restoration of John Iver's application for real estate salesman license. Motion carried unanimously.

Questionable Applications

Fred Chee, Inc. dba Fred Chee Investment
Real Estate (similar name John King dba
Investment Real Estate)

Following discussion, Edwin Shiroma moved to approve the above application provided Business Registration Division accepts the tradename. Joseph Blanco seconded the motion and unanimously carried.

Alan S. Hayashi

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

Melvin B. I. Loo

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

Melim Ltd. (similar name Melim Realty)

Edwin Shiroma moved, seconded by Joseph Blanco to write to Melim Ltd. making them aware of the ownership structure and get a letter of consent from Melim Realty. Motion carried unanimously.

Miscellaneous: Waiakea Village

Ray Iwamoto and John Lucey, attorneys representing Waiakea Village condo, presented to the Commission information on this combination of fee and leasehold ownership of commercial units.

Letter from Dennis Simoncelli re: Lottery

By letter dated August 18, 1981 Simoncelli requested if utilizing raffle approach in transferring property was permissable.

After discussion, Commission concluded that Simoncelli make further inquiries with the Prosecutor's Office.

Report on Michael K. Lee

At Commission's request Michael Lee submitted a follow-up report on item 8 of his application.

After discussion, Edwin Shiroma moved and Gloria Damron seconded to deny Michael Lee's application for real estate salesman license. Motion carried unanimously.

Letter from Pau Hana - Business & Message Center re: Rental Referral Business

The owner of a business requested Commission's opinion as to propriety of a business operating without a real estate license.

The Commissioners were in concurrence that this matter was in violation of §467-7, H.R.S.

Pankow Realty, Inc.

Upon motion by Edwin Shiroma, seconded by Tadayoshi Ishizu, this matter was added to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

Constance Smales and Joseph Blanco abstained from discussion on this matter due to possible conflict of interest.

Following discussion, Edwin Shiroma moved and Ralph Yagi seconded to deny the application of Pankow Realty, Inc. Motion carried.

On another motion, Edwin Shiroma moved and Ralph Yagi seconded to approve "CPA Realty, Inc."
Motion carried.

Adjournment:

There being no other business to transact, the meeting was adjourned at 11:35 a.m.

Taken and recorded by:

APPROVED:

Sacks Whang Sacko Whang, Secretary

GLENN M. ADACHI

Acting Executive Secretary