

REAL ESTATE COMMISSION
Professional & Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii

MINUTES OF MEETING

Date: Friday, July 30, 1982

Place: Board Room, Kamamalu Building
1010 Richards Street, Honolulu, HI

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

Crocker H. Liu, Real Estate Education Officer
Glenn M. Adachi, Acting Executive Secretary
Saeko Whang, Secretary

Nancy Battaile, Legislative Analyst,
Legislative Auditor's Office
William R. Wood, WRW, Inc.

Absent: Constance B. Smales, Member

Call to Order: There being a quorum present, Chairman G. A. "Red" Morris called the meeting to order at 9:10 a.m.

The agenda for today's meeting was filed on Monday, July 26, 1982 at the Lt. Governor's office in compliance with the Sunshine Law.

Minutes: Upon motion by Toru Kawakami, seconded by Ralph Yagi, Commission unanimously approved the minutes of May 28 and June 25, 1982 as circulated.

Committee Reports: Real Estate Education Committee

Curriculum

Joseph Blanco reported that the Real Estate Education Consultant had revised the broker and salesman curriculum. Professor Jerome Dasso will also be reviewing the curriculum after all the information from the surveys are reviewed.

It was suggested that before the curriculum is finalized, Commission should get additional input from industry.

Proposed Test Blueprint for Hawaii Portion

Crocker Liu and Joseph Blanco discussed the revised edition of the test blueprint.

RICO Investigators' Seminar

Executive Secretary reported on the Investigators' Seminar which will be held from August 9 - 11, 1982 at the HIMAG facilities on Old Pali Road. Chief Investigator Phillip Hardwick from the Mississippi Real Estate Commission will be conducting the sessions on investigative techniques, financial analysis and examination of trust accounts. Judge Darryl Choy will conduct a session on preparation of the investigator as a witness. Expenses will include honorarium for two speakers, air fare for Phillip Hardwick and lunches for the investigators.

Following discussion, Ralph Yagi moved and Edwin Shiroma seconded to underwrite the expenses for the seminar from the Real Estate Education Fund subject to question of the honorarium for Judge Choy. Motion carried unanimously.

IREM Seminar

Edwin Shiroma announced that Fred Zane, IREM Chapter President, had requested Crocker Liu's assistance to conduct a mini workshop with Jeffrey Cheng on August 17, 1982 from 6:00 - 10:00 p.m. at the Ala Moana Banquet Hall. Crocker Liu will be speaking on how computer can be applied to property management.

Upon motion by Edwin Shiroma, seconded by Tadayoshi Ishizu, Commission unanimously approved the request.

Approval of Real Estate Education Consultant
July Report

Upon motion by Edwin Shiroma and seconded by Tadayoshi Ishizu, Commission unanimously approved Crocker Liu's July report.

On behalf of the Commission, Chairman Morris thanked Crocker for his efforts. He stated that the program has moved considerably in the right direction.

Chairholder's Report

Prof. Larry Wofford's study on the survey questionnaire should be finalized within a few weeks. Joseph Blanco had contacted the University and was told that there was a 25% response on the survey which was better than expected.

The next chairholder, Jerome Dasso, will be arriving in Honolulu on August 12.

1982 Annual Report

The Commissioners discussed the proposed items for inclusion in the 1982 Annual report.

News Bulletin

Joseph Blanco announced the proposal to change the News Bulletin from the present form to tabloid form (similar to newspaper) which will give additional 6 pages. The cost is almost comparable to the present one, \$3,800 including writing and publishing. Following discussion, Joseph Blanco moved and Gloria Damron seconded to switch to a tabloid format provided the cost does not exceed \$4000 to accomplish on a quarterly basis. Motion carried unanimously.

A discussion whether or not Commission is restricted from advertising in the News Bulletin to defray the cost of printing was brought up. Executive Secretary was directed to check with the Ethics Commission and the Contractors License Board on this matter.

Laws and Rules Review Committee

Executive Secretary announced that the Governor signed the amended Rules on June 16 and became effective June 28, 1982.

Investigations:

Ralph Yagi moved and Tadayoshi Ishizu seconded to accept the recommendations of the Executive Secretary on the following complaints. Gregg Yamanaka abstained on all reports. Edwin Shiroma abstained on RE-82-23. Motion carried.

RE-80-24 Alma Prigmore

To dismiss complaint. Investigation failed to substantiate Complainant's allegation. Purchaser of property paid a higher price and Complainant's offer had been rejected by Seller.

RE-80-155 Sam Daily Realty, Inc., Sammy G. Daily

To refer the matter to Attorney General's office for hearing.

RE-81-8, RE-81-16, Dave Ford Real Estate, Inc.

To refer the matter to Attorney General's office for alleged violation of Rule 16-99-3(6).

CON-81-10 Board of Directors Marco Polo

To refer the matter to Attorney General for clarification of §514A-85.

RE-81-167 Sam Daily Realty, Inc., Sammy G. Daily

Since investigation could not determine whether agents informed Respondent of cracks, to dismiss case.

RE-81-193 Linda Brice and Barry Brice

To dismiss complaint.

RE-81-212, 81-202, 82-15, & 81-175 Dennis C. Lopes

To proceed to a hearing.

RE-81-215 Calvin C. F. Lau

To set for a hearing.

RE-82-5 E. L. Christensen dba Island Homes,
Clyde Hall, Kiyoko Itomura

To dismiss complaint.

CON-82-3 Prestige Management Corp.

Since Respondent is no longer managing agent,
the case is moot. Complainant should direct
request to the Board of Directors.

RE-82-14 Carl Ichino, Herbert K. Horita

To dismiss complaint.

RE-82-22 Eileen Hanohano dba ERA Hanohano Realty,
Stephen D. Tullio, Robert E. Turgeon

To dismiss complaint.

RE-82-23 Richard C. MacDonald, Urcho Ollie Lauuila

To dismiss complaint.

New Business:

LICENSING

Graham Realty-Hilo, Inc. - 400 Hualani St.
Ellen Aoki, pb Hilo

GTR Corporation - 91-886 Makule Rd., #102
Robert C. Engle, pb Ewa Beach

Haena Reef, Ltd. - 700 Richards St., #2702
Thomas C. Hajny, pb Honolulu

Brooks Harvey & Co. of Hawaii, Inc. - 745
Fort St., #1515, Hon.
Lee Champion, pb

Her-Mar, Inc. - 914 Ala Moana Blvd., #105
Marlene C. Lemke, pb Hon.

International Commercial Investment Consult-
ants, Inc. - 2828 Paa St., #2120, Hon.
Peter J. Britos, pb

Mauna Kea Properties, Inc. - Mauna Kea Beach
Lee H. Taylor, pb Hotel, Kamuela

Newman and Hart, Inc. - 190 So. King St.,
William J. Hart, pb #2870, Hon.

Pali Kai, Inc. - 675 Front St., Lahaina
James L. Worley, pb

Pillar Corp. The Realty Group - 700 Richards
St., #2702, Hon.

Marcia I. Moreno, pb

R. K. Properties, Inc. - 75-5868 Alii Dr.,
Ronald E. Kjellesvik, pb Kailua-Kona

Gabriel Wong Realty, Inc. - 1188 Bishop St.,
Gabriel K. Wong, pb Ste 1909, Hon.

Branch Office

Ala Moana City Corp. - 1450 Ala Moana Blvd.
Kay T. Yamada, bic #3200, Hon.

The Polo Beach Club Realty Co., Inc. -
Christina M. Arnesen, bic 715 Front St.,
Lahaina

Trans-Pacific Properties, Inc. - 4480 Ahukini
Charles I. Hull, bic St., Ste 5, Lihue

Tradenname

Arthur Ching Realty - Arthur S. L. Ching, dba

Clear Realty - John W. Clear, dba

Bob Deming Realty - Robert O. Deming, Jr., dba

Emerson Real Estate - Robert W. Emerson, dba

ERA Sam Daily Realty - Sam Daily Realty, Inc.
dba

Clarence Garcia Realty - Clarence W. Garcia

Hawaii Investment Properties - John M. Kean,
dba

Investments Hawaii - Gary S. Furuta, dba

Ronald A. Kawahara Realty - Ronald A.
Kawahara, dba

LML and Associates - Laila M. Lorch, dba

Louie Lopez Realty - Louis A. Lopez, Jr., dba

Kay Mackay - M. Kay Mackay, dba

Mills of Maui - Richard J. Mills, dba

Marge Moorman - Marjorie A. Moorman, dba

Pacific Paradise Realty - Harry H. Ueki, dba

Steve Parker and Company - Stephen F. Parker,
dba

PS Realty - Alex R. Barrett, dba

Real Estate Consultants of Hawaii - John Wong,
dba

Paul Strauch Realty - Paul K. Strauch, Jr., dba

Sunshine Development - Wyman Williams, dba

Upon motion by Edwin Shiroma, seconded
by Gloria Damron, Commission unanimously
ratified staff's action in approving
applications for branch and tradename
applications.

Corporation Name Change

K. J. Beeson, Inc. - formerly Joy Beeson,
dba Realty, Inc.

Kamehameha Investment Corporation - formerly
Kamehameha Development Corporation

Tapa Realty, Inc. - formerly Alma L. Prigmore,
Inc.

Edwin Shiroma moved and Gloria Damron
seconded to ratify staff's action in
approving the above corporation name
changes. Motion carried unanimously.

DBA Name Change

Alakea Realty - formerly Lighthouse Realty

B Y Realty Management & Sales - formerly
Ben Yamamoto Realty

Central Pacific Realty - formerly
Home-Land Research

Upon motion by Edwin Shiroma, seconded
by Tadayoshi Ishizu, Commission unanimously
ratified action of staff for DBA name
changes.

Restoration

Dorothy L. Wilson - forf. 1/1/79

Dorothy Wilson claims she never did
receive the renewal notice although she
has kept up with the dues of National

Board and State Realtors. She is active with Stapleton Associates, Ltd., and has done about twenty real estate transactions. She claims she never knew her license was forfeited.

After discussion, Gregg Yamanaka moved and Tadayoshi Ishizu seconded to deny restoration of Dorothy Wilson's real estate salesman license and to send a cease and desist letter. Motion carried unanimously.

Questionable Application

Bartley Properties - Philip J. Leas, dba

Licensing clerk checked the name of Bartley and found that it was the name of Philip Leas' son, an unlicensed person.

Upon motion by Joseph Blanco, seconded by Gloria Damron, Commission unanimously denied the use of above tradename.

1982 Renewal Notice

After considerable discussion, Gregg Yamanaka moved and Ralph Yagi seconded that Commission explore the possibility of a workable solution with administration whereby the principal brokers can ascertain that their real estate salesman/brokers are properly renewed for the next renewal period. Motion carried unanimously.

Executive Session: Joseph Blanco moved and Gloria Damron seconded to go into executive session at 10:30 a.m. to interview two prospective applicants for real estate education director and information officer. Motion carried unanimously.

Out of Executive Session: At 11:45 a.m. Edwin Shiroma moved and Tadayoshi Ishizu seconded to go out of executive session and into regular session. Motion carried unanimously.

After interviewing several applicants, Joseph Blanco moved and Edwin Shiroma seconded to hire Cynthia Alm as real estate information officer on contract basis, subject to the approval of the Director, on a salary of \$21,000 plus as soon as possible. Motion carried unanimously.

Joseph Blanco moved and Gloria Damron seconded to hire Janice Sevilla as real estate education director on contract basis, subject to Director's approval on a salary of \$25,000 plus \$13,000 as soon possible. Motion carried unanimously.

Miscellaneous:

Civil No. 58387, Chapman v. Laughton

Commission received an Order Directing Payment from Recovery Fund from Counsel Sidney Ayabe.

Following discussion, Gregg Yamanaka moved and Edwin Shiroma seconded to approve payment of \$10,000 from the Real Estate Recovery Fund against Clifford Laughton for misrepresentation and fraud. Motion carried unanimously.

RE-LIC-82-1 Vivian Ramos (Restoration)

Request to modify Hearings Officer's Recommended Order

An error had been made on the appeal for restoration of Vivian Ramos real estate broker's license. The letter to her and the Hearings Officer's recommended order stated "real estate salesman examination." She was allowed to take the broker exam which was contrary to what the Commission had previously decided.

Gregg Yamanaka moved and Edwin Shiroma seconded to correct the Hearings Officer's recommendation. Motion carried unanimously.

RE-LIC-82-2 Janis Lechner (Late Application)

Hearings Officer's Findings of Fact, Conclusions of Law and Recommended Order

Upon motion by Gregg Yamanaka seconded by Joseph Blanco, Commission unanimously approved Hearings Officer's recommended order affirming Commission's decision.

RE-LIC-82-3 Kelvin S. Yamase (Late Application)

Hearings Officer's Recommended Order of Dismissal

Petitioner Kelvin Yamase failed to appear at the hearing.

Upon motion by Joseph Blanco, seconded by Gloria Damron, Commission unanimously accepted the Hearings Officer's recommendation for dismissal.

Computerization Meeting

Following discussion, Edwin Shiroma moved and Ralph Yagi seconded to send Executive Secretary to The Clearinghouse on Licensure, Enforcement and Regulation Annual Conference at the Radisson Chicago Hotel on August 31 to September 3, 1982 in Chicago, Illinois and approve registration and per diem for Joseph Blanco who also will attend. Motion carried unanimously.

Interim Guideline for Teacher Certification for Real Estate Schools

Following discussion, Joseph Blanco moved and Gloria Damron seconded to accept the recommendation of the Real Estate Education Consultant to adopt the communication workshop put on by the Hawaii Association of Realtors as one of the alternatives for teacher certification. This is an interim measure until such time our new real estate education officer can look into the matter. Motion carried unanimously.

Printing of Annual Report

Upon motion by Joseph Blanco, seconded by Toru Kawakami, Commission unanimously accepted the proposal set forth by Bill Wood to prepare the annual report. This will be for writing and layout and printing will be done separately under a separate bid coordinated by Bill Wood.

ETS Fingerprinting

Joseph Blanco moved and Gloria Damron seconded to implement ETS fingerprinting services starting from the October 1982 exam for both broker and salesman candidates. The cost of \$1.25 to be added to the test fee charged to applicants. Motion carried unanimously.

Request for Audit of Funds

Upon motion by Joseph Blanco, seconded by Gregg Yamanaka, Commission unanimously went on record to request for an audit of the Real Estate Education and Real Estate Recovery Funds through the Director's office.

Adjournment:

There being no other business to transact, the meeting was adjourned at 2:00 p.m.

Taken and recorded by:

/s/ Saeko Whang
Saeko Whang, Secretary

APPROVED:

GMA
Glenn M. Adachi
Acting Executive Secretary

GMA:sw:kh
8/27/82