

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

MINUTES OF MEETING

Date: Friday, March 29, 1985

Place: Board Room, 1010 Richards St.
Kamamalu Building, Honolulu, HI

Present: G. A. "Red" Morris, Chairman
Toru Kawakami, Vice Chairman
Joseph F. Blanco, Member
Gloria J. Damron, Member
Douglas R. Sodetani, Member
Yukio Takeya, Member
Peter N. Yanagawa, Member

Janice Sevilla, Education Officer
Cynthia M. L. Yee, Acting Executive Secretary
Saeko Whang, Secretary

Virginia Lea Crandall, Hearings Officer
Eileen Luko, HAR Education Officer
Thomas E. Straub, Applicant for Restoration
Richard I. Blum, representing Menefee Management,
for Branch Office

Excused: Constance B. Smales, Member
Gregg T. Yamanaka, Member

Call to Order: There being a quorum present, the meeting was called to order at 9:15 a.m. by Chairman G. A. "Red" Morris.

Notice of Meeting: The notice of meeting was filed in the Office of the Lt. Governor on March 22, 1985.

Minutes: Correction was made to the minutes of February 22, 1985, on page 7 under Unlicensed Activity - "Commission had requested RICO to investigate principal brokers for possible unlicensed activity. RICO declined to initiate action because the questionable manner in which the unlicensed information was disclosed." Upon motion by Commissioner Sodetani, seconded by Commissioner Takeya the Commission unanimously approved the minutes of February 22, 1985 as amended.

Hearings Officer's Report: Hearings Officer, Virginia Crandall, summarized the following cases which were previously heard:

RE-84-3 Jane Laverty

Upon motion by Commissioner Takeya and seconded by Commissioner Damron, the Commission unanimously approved Hearings Officer's recommended decision to suspend Respondent's license for 2 years.

RE-80-178, S-80-001, S-80-002, RE-80-68, RE-81-77 and RE-82-160
Island Resort Management, Inc. and Thomas F. Schmidt

The Commission reviewed and discussed the revised settlement agreement.

Commissioner Sodetani moved and Commissioner Takeya seconded to approve the revised settlement agreement. Motion carried unanimously.

The Commission requested that this case be referred to RICO to check into the allegation that although Schmidt completed the RECCAL course, his check bounced. Question was raised whether such action is in compliance with orders already issued. Staff is to publish this matter in the News Bulletin.

RE-LIC-85-1 Orlando Balais

Balais took the real estate salesman examination. Commission, after reviewing the ETS recommendations relating to his scores, cancelled his scores. Subsequently, he filed a withdrawal of appeal.

Upon motion by Commissioner Blanco, seconded by Commissioner Damron, the Commission unanimously accepted Hearings Officer's recommended order of dismissal.

RE-83-200 Brian Moore

Upon motion by Commissioner Blanco and seconded by Commissioner Yanagawa, the Commission unanimously approved the Settlement Agreement. Respondent is to pay fine of \$250, of which \$100 may be suspended upon full compliance and that he take the RECCAL course.

Committee Reports: Education Committee

License Exam RFP's

Education Committee Chairman Blanco reported that Dr. Harold Ayabe of UH College of Ed.

Psychology has been selected to do the psychometric study of RFP's for \$1,850. Dr. Ayabe will complete the report within 30 days. The Commission will then review both testing firms and make the final decision by June.

Upon motion by Commissioner Blanco, seconded by Commissioner Damron, the Commission unanimously approved awarding the contract to Dr. Harold Ayabe to do the licensing study.

Educational Conference

An all day conference on "Professional Conduct" by HAR will be held on June 8, 1985 at the Hilton Hawaiian Village. The cost of the conference was tentatively set for \$15.00.

Commissioner Sodetani moved and Commissioner Damron seconded to give HAR authorization to proceed with the educational conference. Motion carried unanimously.

Toni L. Willis

Commission reviewed the matter of Toni Willis who have tried for almost a year to take the RECCAL course on the Big Island as a condition to restoring her license. Each time she has enrolled in the class, the courses have been cancelled.

Upon motion by Commissioner Damron, seconded by Commissioner Blanco, the Commission unanimously reconsidered its previous action and granted restoration of Willis' real estate license and that she take the next successful RECCAL course.

Disruptive RECCAL Classes

One of the instructors reported to the Education Chairman's attention that they are having problems with some students who are disrupting the RECCAL classes.

After discussion, the Commission's consensus was that this is an administrative problem and that it should be handled as such. The Real Estate Commission will back them up on their decisions.

Legislative Update

Information on legislative bills were circulated earlier.

Update on Real Estate Center

Commissioner Damron reported that she has checked with the Chancellor at the U.H. and was told that they do not see any problems in approving this matter.

At present advisory council's resumes are being collected and the names will be circulated. Possibly the selection of the advisory council will be made in June.

Laws and Rules Review Committee

Laws and Rules Review Committee Chairman Takeya reported on the following:

Revoked Licenses

Commission adopted that no credit be given to licensee's experience and education experience previously used to satisfy the prerequisites for licensing.

Rules Relating to Dual Agency Disclosures

Deferred

Removal of Fine Limit Imposed by H.R.S. §467-26

Deferred

Savings and Loan Advertisement

Refer to RICO

Proposed Language for Disclosure of Various Code and Law Requirements on HPR Final Reports

Deferred

License Reciprocity

Deferred

Filing of Amicus Curiae Brief - In the Case of Property House, Inc. v. Roy C. Kelley, et al Civil No. 64344

Through Recovery Fund and channel it to Attorney General.

Temporary Broker Situation for Property
Management Business Creating a Dual Status

No exemptions be made

Introduction of a Legislative Resolution
Relating to HPR

Study to be conducted relating to simplifying
the style and language of public reports.

Upon motion by Commissioner Takeya and seconded by
Commissioner Sodetani, the Commission unanimously
adopted the foregoing Laws and Rules Review
Committee Report.

New Business:

LICENSING

Corporation

- Cadmus Properties Corporation - 2830 Kaonawai Pl
Caesar Paet, pb Ste C-4, Hon.
- Honolulu Business Management, Inc. dba Real
Estate Counselors - 850 Kapiolani Blvd. #204, Ho
Eileen K. Lum, pb
- Love Realty, Inc. - 715 So. King St., #416, Hon.
Donna Edwards, pb
- Barry R. Okuda, Inc. - 1001 Bishop St., Ste 1900
Barry R. Okuda, pb Hon.
- Poipu Shores Properties, Inc. - 2291 Nalo Rd.
Leonard H. Zalopany, pb #100 A, Koloa
- Princeville and Hanalei Interval Ownership, Inc.
3970 Wyllie Rd. Ka'eo Kai Phase II, 16B Prince-
Sterling M. Nii, pb ville
- RAV, Ltd. dba Realty Rentals - 1993 So. Kihei Rd
Jack C. Cross, pb Ste 210, Kihei
- Summit Realty, Inc. - 75-6082 Alii Dr., Ste A-1
Sandra T. Donnot, pb Kailua-Kona
- Systems Management and Realty, Inc. - 76-6246
Alii Dr., #104A, Kailua-Kona
Theo M. DiTullio, pb

Partnership

- Sullivan & Conlen - 930 Wainee St., Lahaina
Robert B. Sullivan, pb

Branch Office

Aaron M. Chaney, Inc. - Pali KeKue Admin Bldg.
Ke Haku Rd, Princeville
Richard E. Lopez, bic

Paradise Resorts, Inc. - 2301 Kuhio Ave., #302
Kathleen K. R. Bates, bic Hon.

Manuel L. Valin dba Realty Consultants - 94-693
Farrington Hwy, #201, Waipahu
Glenn R. Sambueno, bic

Tradenname

Argus Management Co. - Albert Michely, dba
Ellen Ellison, Realtor - Ellen R. Ellison, dba
Grantham Resorts - Nancy H. Grantham, dba
Karol Izumizaki Realty - Karol G. Izumizaki, dba
B. Menor Realty - Barney B. Menor, dba
Pink Realty - Heinz-Guenter Pink, dba
Westside Realty - Otto C. Bixler, dba
Ethel K. Widasky Realty - Ethel K. Widsaky, dba
Vern York Realty - Vernon W. York, dba

DBA Name Change

G-Gallery of Homes - formerly Gallery of Homes
(Hansel Chang, dba)

Kona Pacific Sales & Rentals - formerly
Vacationland (Margaret Close, dba)

The Pacific Real Estate Company - formerly
Island Properties Unlimited (Penny S. Craft,
dba)

Prestige Properties International - formerly
Century 21 Prestige Properties International
(Fund-Raising & Development, Inc. dba)

Ethel K. Widasky Realty - formerly Ethel K.
Widasky/Realtors (Ethel K. Widasky, dba)

The Commissioners reviewed the list of new corporations, partnership, branch offices, tradenames and dba name changes for the month of March.

Restorations

Jack Alexander	James S. Mayer
Hualani I. Baptiste	Christine M. Morrison
Bob M. Bee	David A. Schuelke
Gerhard Hausmann	Roy C. Smith
Inger Hojfeldt	Patricia A. Will
Ronald G. Jelley	Lorena T. Yoshimura

Upon motion by Commissioner Takeya and seconded by Commissioner Damron, the Commission unanimously approved the above individuals be required to take the pre-licensing exam with waiver of the education requirement one time only.

Catherine Donovan

Catherine Donovan has an incomplete application.

Thomas E. Straub

Thomas Straub appeared in his behalf.

Upon motion by Commissioner Sodetani, seconded by Commissioner Kawakami, the Commission unanimously approved to restore the real estate license of Thomas Straub on the basis that he is intimately involved with real estate associations and has kept up with current real estate laws.

Frank W. S. Seto

Frank Seto explained in his letter that his building burnt down with all his records.

It was moved by Commissioner Blanco and seconded by Commissioner Sodetani to restore Frank Seto's real estate license based on the fact that he had by letter informed the Commission of an address through which all correspondence from the Commission could be forwarded to. Yet Licensing Branch did not inform him of any deficiency. Motion carried unanimously.

Questionable Applications

Eileen Hunter Realty, Inc. - Lois E. Hunter is legal name

It was moved by Commissioner Takeya and seconded by Commissioner Blanco to approve the name of Eileen Hunter Realty, Inc. Motion carried unanimously.

Daniel S. James (check returned by bank)

Upon motion by Commissioner Damron, seconded by Commissioner Takeya, the Commission unanimously granted license to Daniel S. James.

Esther L. Glenn (check returned by bank)

Commissioner Kawakami moved and Commissioner Takeya seconded to deny license to Esther Glenn. Motion carried unanimously.

David D. Lavarias

Defer this matter until receipt of further information.

Sue C. Rutledge (late application)

Upon motion by Commissioner Kawakami, seconded by Commissioner Takeya, the Commission unanimously denied Sue Rutledge's application for real estate license.

Valerie Ann L. Wabinga

Upon motion by Commissioner Sodetani and seconded by Commissioner Damron, the Commission unanimously approved Valerie Wabinga's license.

Using Nickname for Tradename

Commissioner Kawakami moved and Commissioner Yanagawa seconded to approve the following nicknames for tradename:

Butch Arisumi Realty
Lynn Arp Realty
B & L Realty
Keola Childs, Realtor
Griggs & Grippe Prop. Hawaii
Dimples Kano, Realtor

George T. Realty
Sharly Kawasaki, Realtor
Liberty Lau
Badger Massera Management
Samie Olds Realty

Motion carried unanimously.

Possible filing by Commission of Amicus Curiae
brief in the case of Property House, Inc. v.
Roy C. Kelley, et al - Civil No. 64344 - Agency/
Sub-agency Issue

By adoption of the Laws and Rules Review Committee Report, the Commission is in favor of filing this matter. The funds will be paid out from the Real Estate Recovery Fund.

Commissioner Sodetani moved and Commissioner Damron seconded to authorize the Chairman of the Commission to negotiate with Sidney Ayabe to proceed with the filing and Commission can ratify action taken at the following meeting. Also, Sidney Ayabe can hire John Reilly, consultant to the Agency/Subagency issue, to assist him in preparing a brief on this matter. Motion carried unanimously.

Application for temporary Principal Broker
creating dual status situation - Menefee
Management Corp.

Richard Blum representing Menefee Management appeared in person to request that the Commission approve a temporary principal broker situation for a condominium project on Maui resulting in a dual status for the temporary principal broker.

Following the question and answer period, Commissioner Kawakami moved and Commissioner Blanco seconded to deny request. Motion carried unanimously.

Request for an exemption from prohibition against
dual residency license - Patricia Hearn

Patricia Hearn withdrew her request on this matter.

Miscellaneous:

Real Estate Recovery Fund - Orders Directing
Payment from Recovery Fund

1. John Wollenstein v. Clarence K. J. Fung
Civil No. SCD 82-1029 - \$1,184.19

2. Charles W. and Palmi M. Reilly v. Clarence K. J. Fung, Civil No. SCD 83-1734 - \$1,400.36
3. Duncan Campbell v. Clarence K. J. Fung, Civil No. SCD 84-113 - \$1,262.00

Upon motion by Commissioner Blanco, seconded by Commissioner Yanagawa, the Commission unanimously approved payments to the above 3 cases from the Real Estate Recovery Fund.

4. Ricarte Ramos and Yvonne Ramos vs. Francis Y. Wong, Jerry R. Wong, W.W. Investors One et al, Civil No. 72546

Upon motion by Commissioner Blanco, seconded by Commissioner Takeya, the Commission unanimously approved payment up to the limit from Jerry Wong's account.

5. Colin L. Love, Personal Representative for the Estate of Louisa Pettingill vs. Anton Leeb and Gertrude Leeb, Civil No. 8930

It was moved by Commissioner Blanco, seconded by Commissioner Damron to approve payment of \$10,000 from the Recovery Fund. Motion carried unanimously.

Status Report from Collection Agency

Commissioner Sodetani suggested that Commission request a status report from Reliable Collection Agency on a quarterly or semi-annually basis regarding repayment to the recovery fund cases.

Certificate of Appreciation

Commissioner Sodetani moved and Commissioner Takeya seconded that the Real Estate Commission's certificate of appreciation be awarded to Mrs. Ellen Kaneshige, secretary to the Hawaii Association of Realtors and the Honolulu Board of Realtors. She will be celebrating her 25th year with the Association on May 3, 1985. Motion carried unanimously.

Meeting Dates Changed

The Annual Symposium meeting dates have been changed to June 6 and 7, 1985 to be held at the Hawaiian Regent Hotel.

Commission Travel

Commissioner Blanco requested that the following travel be approved:

Annual Director's Meeting - Salt Lake City, Utah - May 3-5, 1985

"Red" Morris

RELE Conference - Princeton, New Jersey May 7-11, 1985

Joseph Blanco
Executive Secretary

ERA Conference - Chicago, Illinois May 22-24, 1985

Gregg Yamanaka
Joseph Blanco

Western District Conference - Jackson Hole, Wyoming - July 11-12, 1985

Yukio Takeya
"Red" Morris

Annual NARELLO Conference - Vancouver, B.C. Canada - October 1985

As many Commissioners allowed to travel

Commissioner Blanco requested per diem and registration fee to attend the REA Conference after attending the RELE Conference.

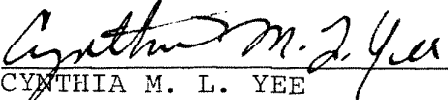
Upon motion by Commissioner Takeya and seconded by Commissioner Damron, the Commission unanimously approved Commissioner Blanco's requests for per diem and registration fee as well as travel on the above conference/meetings.

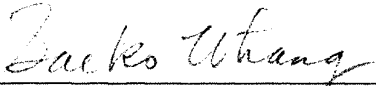
Next Meeting: April 26, 1985, 9:00 a.m., Board Room

Adjournment: There being no other business, the meeting was adjourned at 11:55 a.m.

Taken and recorded by:

APPROVED:


CYNTHIA M. L. YEE
Acting Executive Secretary


Saeko Whang, Secretary