

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

MINUTES OF MEETING

The agenda for this meeting was filed with the Lieutenant Governor's Office as required by Section 92-7(b), Hawaii Revised Statutes.

Date: Thursday, September 3, 1987

Time: 8:34 a.m.

Place: Kaanapali Alii, Lahaina, Hawaii

Present: Gloria J. Damron, Chairperson
Yoshiko Kano, Kauai Member
Michele Matsuo, Public Member
Douglas Sodetani, Maui Member (late arrival)
Yukio Takeya, Hawaii Member
Peter Yanagawa, Member
Marcus Nishikawa, Member (late arrival)

Red Morris, DCCA Special Assistant
Calvin Kimura, Executive Secretary
Cynthia Yee, Information Officer

Nick Ordway, Director of Research Center
Gary Au Young, Recovery Fund Counsel

Excused: Joseph Blanco, Member
Constance Smales, Public Member

Call to Order: The meeting was called to order at 8:34 a.m. by Chairperson Gloria Damron. Quorum was established.

Chairman's Report: Items on Agenda will be taken out of proposed order.

Approval of Minutes: Commission Yanagawa questioned if the name of Gaddis on page 7 is spelled as Gaddes and correct version is Gaddis. Executive Secretary stated that matter has been discussed previously with Recovery Fund attorney. That the court documents reflect "GADDES" and it was another name that the licensee utilized.

Executive Secretary states page 7, Committee Reports: Education Committee, subparagraph 3 "general fund" should be corrected to "recovery fund."

Upon a motion by Commissioner Takeya, second by Commissioner Yanagawa, the Commission unanimously approved the minutes of the July 24, 1987 Commission Meeting as circulated with noted correction. The motion was voted on and unanimously carried.

Recovery Fund Orders:

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Matsuo and voted on and unanimously carried that we record the judgments of our deficiency licensees.

VICTORIA L. N. IKEDA VS. ROBERT DALE GADDIS, DBA CONDOPLUS REALTY, CIVIL NO. H86-3908

Counsel reviewed issues on the case. Commissioner Takeya moved to pay from the Recovery Fund a total of \$1,726.30 for the claim against the licensee. The motion was seconded by Commissioner Yanagawa, voted and unanimously carried.

PAMELA WRIGHT VS. INTERISLAND PROPERTIES, INC., ET AL; CIVIL NO. 6869

Counsel reviewed the facts in this case: In 1975 Pamela Wright, plaintiff, and her husband entered into an agreement of sale with the licensees Interisland Properties, Inc. and Harry De Gregory. The licensees did not disclose that there was a mortgage on the property. The licensees forfeited their license as of January 1, 1979. On March 17, 1980 defendants informed plaintiff's then husband that defendants were not able to get clear title to said property with the final payment. Complaint was filed in March 31, 1981.

Counsel does not recommend payment because 1) plaintiff failed to provide all pleadings to the Commission; 2) plaintiff failed to file lawsuit (complaint) within

two years after the licensees' license was forfeited. The Commission will have to decide if they want to settle the matter and make payment or recommend no payment.

Commissioner Nishikawa Commissioner Sodetani arrives at 8:58 a.m.

Chairman Damron and Mr. Au Young recaps issues for Commissioners Nishikawa and Sodetani.

Upon a motion by Commissioner Takeya, seconded by Commissioner Yanagawa, it was voted and unanimously carried not to grant recovery fund payment.

ALBERT K. KOBAYASHI, INC. VS. STEVEN M. ROSEN AND ELEANORE ROSEN VS. JAMES C CALABRESE AND JC REALTY INVESTMENTS, INC.; CIVIL NO. 70580

Counsel summarized case as follows: James C. Calabrese fka James C. Callan and JC Realty Investments, Inc. are licensed brokers and are the defendants. Steven M. and Eleanore Rosen are the recovery fund claimants and a third party plaintiff. The Defendants represented the seller, Kobayashi, and listed the subject property as over 10,247 sq. ft. The defendants prepared a DROA for the claimants on July 1980 that stated the subject property as 15,427 sq. ft.

In April 1982, the seller filed a complaint against the defendants and claimants seeking cancellation of the agreement of sale. Claimants filed a third party complaint in October 1983 against the defendants on misrepresentation of the square footage. The court found that the square footage was a typographical error. The complaint was not filed within two years. The claimants have a default judgement against the defendants with no findings of fraud, misrepresentation or deceit. The finding of facts found discrepancy but not an intentional act.

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Upon motion by Commissioner Sodetani, seconded by Commissioner Nishikawa, it was voted and unanimously carried to deny the request for payment from recovery fund.

SUMMARY ON CASES ON APPEAL

Ching - Walter Wong Case

Oral Hearing scheduled for September 25.

Recent appeal. Objected to Order because plaintiffs did not notify Commission at the time they filed the lawsuit. According to statute you have to notify the Commission. Plaintiffs appeal comes back.

Napili Sands

File complaint against insurance company.

Hearings Office
Report:

MADELINE MING STIRES AND E. M. A., LTD.,
RE-85-144

Upon a motion by Commissioner Takeya, seconded by Commissioner Kano, it was voted and unanimously approved to deny the motion to accept further evidence.

Commissioner Takeya moved to revoke Stires broker license. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Discussion followed regarding E. M. A., Ltd. corporation license and Stires involvement.

Commissioner Nishikawa moved to revoke E. M. A., Ltd. corporation license. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Commissioner Matsuo questioned corporation's role and the non-supervision by principal broker.

Upon a motion by Commissioner Matsuo, seconded by Commissioner Yanagawa, it was voted and unanimously carried to question RICO about the principal broker's role,

why no disciplinary action, and about RICO's policy on disciplinary action against a principal broker when the licensee and/or corporate license are revoked.

Commissioner Yanagawa is concerned about the application for broker experience certificate, false statements, and that the transactions submitted are not certified by principal brokers. Requests administration to look into.

SEBASTIANO VANI AND PROFESSIONAL RENTAL MANAGEMENT CORPORATION, RE-85-147, 85-260, 86-17, 86-43, 86-45, 86-51, 86-79, 86-82, 86-56, and 86-252

Upon a motion by Commissioner Matsuo, seconded by Commissioner Sodetani, it was voted and unanimously carried to defer this matter until the September 25, 1987 meeting.

ROBIN C. VENTURA, DBA ISLAND PARADISE REALTORS, RE-85-150

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Takeya, it was voted on and unanimously carried to accept the Hearings Officer's Recommended Order for revocation of license.

BRENDA S. KUAMOO, RE-85-112, 129, 179, 86-96

Commissioner Sodetani, seconded by Commissioner Kano, it was voted on and unanimously carried to accept the Hearings Officer's Recommended Order for revocation of license.

ROBERT H. MIDDLETON, RE-86-268

Commissioner Kano declares conflict, Chairperson Damron excuses Commissioner Kano.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Takeya, it was

voted and unanimously carried to accept the Settlement Agreement for fine of \$800 and restitution of \$296.48.

Commissioner Kano returns.

Committee Reports:

EDUCATION COMMITTEE

Upon a motion by Commissioner Takeya, second by Commissioner Yanagawa, it was voted and unanimously carried to accept the recommendations of the August 12, 1987 Education Committee Meeting as circulated.

1. Proposed Budget and Program of work for 1987/88 by Education Committee subject to review and acceptance of Real Estate Research and Education Center's program of work and budget.
2. Policy: provide funding from Education Fund for staff and/or commission to attend state or national conferences/seminars/workshops to present Real Estate Commission education or research projects.
3. Additional expenditure of \$625 for September Real Estate Commission seminar for rental of VCR equipment to tape the Legislative portion for Neighbor Islands seminars as speakers unable to attend. In addition, Neighbor Island equipment rental of \$150 per seminar.
4. Seminar Policy: All Real Estate Commission sponsored seminars/workshops to be attended by Commissioners of respective island and said Commissioner shall give opening remarks at seminar.
5. Acceptance of Dr. Raymond Panko's consulting study, "Questionnaires Survey on Prelicensing Preparation and Continuing Education" for approval of final payment.

LAWS AND RULES REVIEW COMMITTEE

Upon a motion by Commissioner Nishikawa, seconded by Commissioner Sodetani, it was voted and unanimously carried that Red Morris be the designated NARELLO voting member, with Chairman Damron as alternate.

Commissioner Sodetani moved that Commission respond to NARELLO through the Executive Vice President as to Red Morris' status with the Commission and the Department. A copy sent to President-Elect, District Vice Presidents, and the Chairman of the Constitution/By-Laws Committee. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Licensing:

Restorations

Addition to agenda: Jennifer Broad, salesman, forfeited January 1, 1985.

Upon a motion by Commissioner Takeya, seconded by Commissioner Yanagawa, it was voted and unanimously carried to add to Agenda.

Commissioner Yanagawa stated a possible conflict that he knew James Wada but never dealt with him in any real estate transactions.

Chairman Damron ruled that it is not a conflict of interest.

Restorations - after a review of information submitted.

Kanit Raktakanishta Broker

Upon a motion by Commissioner Sodetani, seconded by Commissioner Takeya, it was voted and unanimously carried to take the exam.

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Yanagawa seconded the motion. The motion was voted on with Commissioner Nishikawa abstaining and carried.

Julialana Corporation dba Al Curry Realty

After a review of the information submitted, Commissioner Sodetani moved to deny license. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Carolyn Darr

After a review of the information submitted, Commissioner Sodetani moved to grant broker experience certificate as applicant has equivalency to two listing requirement. Commissioner Takeya seconded the motion. The motion was voted on with negative votes by Commissioners Matsuo and Nishikawa and carried.

Robert M. Davies

After a review of the information submitted, Commissioner Sodetani moved to deny broker experience certificate, as applicant has not met two years full-time experience with waivers. Applicant must also document ten Hawaii transactions. Commissioner Nishikawa seconded the motion. The motion was voted on and unanimously carried.

Kathleen A. Fong

Upon a motion by Commissioner Sodetani, seconded by Commissioner Takeya, it was voted and unanimously carried to refer this matter to the Executive Secretary for review and decision. Chairman abstained from voting.

Joan N. Maksut

Commissioner Matsuo declared conflict because she represented Dillingham Land Co. Chairman excused her.

After a review of the information submitted, Commissioner Sodetani moved to grant broker experience certificate. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Commission Sodetani moved that the Real Estate Commission send a letter to licensing division concerning Commission's policy decision, that hereafter any closing of any site office does not automatically make each licensee assigned to site office inactive unless notified in writing. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Commissioner Matsuo returns.

James A. Barber

After a review of the information submitted, Commissioner Sodetani moved to approve application. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

James W. Chase

After a review of the information submitted, Commissioner Sodetani moved to approve application. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Faith W. Childs

After a review of the information submitted, Commissioner Sodetani moved to approve application. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Judah K. Lyons

After a review of the information submitted, Commissioner Sodetani moved to approve application. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Joe H. Mann

After a review of the information submitted, Commissioner Sodetani moved to approve application. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Frank J. Spring

After a review of the information submitted, Commissioner Sodetani moved to approve application. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Alvin Jenkins

After a review of the information submitted, Commissioner Takeya moved that applicant is an unsuccessful candidate subject to reexamination. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

Victor Mataele

After a review of the information submitted, Commissioner Sodetani moved to approve applicant to take exam again. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Miscellaneous:

STAFF CONTRACT - JANICE SEVILLA

Upon a motion by Commissioner Sodetani, seconded by Commissioner Takeya, it was voted and unanimously carried to extend consultant contract of Janice Sevilla for one month.

Next Meeting:

September 25, 1987, 9:00 a.m.
Board Room, Second Floor
1010 Richards Street
Honolulu, Hawaii

Adjournment:

With no further business to discuss,
Chairperson Damron adjourned the meeting
at 11:26 a.m.

Respectfully submitted,

Gayle T. K. Kauihou
Gayle T. K. Kauihou, Secretary

Reviewed and approved:

Calvin Kimura
Calvin Kimura, Executive Secretary

09/11/87
Date