

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

MINUTES OF MEETING

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

Date: March 24, 1988

Time: 9:00 a.m.

Place: Board Room, Second Floor
Kamamalu Building
1010 Richards Street
Honolulu, Hawaii

Present: Joseph Blanco, Acting Chairman
Peter Yanagawa, Member
Michele Matsuo, Public Member
Yoshiko Kano, Kauai Member
Douglas Sodetani, Maui Member
Calvin Kimura, Executive Secretary
Cynthia Yee, Information Officer
Russell Wong, Assistant Information Officer
Grant Tanimoto, Deputy Attorney General
Irene Kotaka, Secretary
Jean Creadick, RICO Attorney
Rodney Maile, Hearings Officer

John Ramsey, Editor, Real Estate Bulletin
Tom Bodden, President-Elect, Hawaii
Association of Realtors

Excused: Gloria Damron, Chairman
Marcus Nishikawa, Member
Constance Smales, Public Member
Yukio Takeya, Hawaii Member

Call to Order: The meeting was called to order at 9:05 a.m. by Acting Chairman Blanco at which time a quorum was established.

Executive Secretary's Report: The Executive Secretary requested that the Commission's representatives to the NARELLO Board of Director's Meeting in Salt Lake City, Utah, make their travel arrangements as soon as possible.

Approval of Minutes:

Upon a motion by Commissioner Kano, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to approve the minutes of the February 26, 1988 meeting with the following correction:

Chairman Damron and Commissioner Blanco will be attending the NARELLO Board of Directors Meeting in Salt Lake City, Utah. (Page 20)

Hearing Officer's Report:

HERBERT DICKEY THACKER, EARL THACKER, LTD., JOSEPH E. ZIMMELMAN, RE 87-17 AND RE 86-16-U

Upon a motion by Commissioner Sodetani, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the Settlement Agreement. Respondents Earl Thacker, Ltd. and Joseph E. Zimmelman shall pay a fine of \$250.

JOSEPH K. K. H. PAIKAI, RE 87-90, 87-100, 87-374, 87-375, AND 87-376

Upon a motion by Commissioner Sodetani, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the Settlement Agreement. Respondent Paikai shall pay a fine of \$2,500.

JOHN W. ALDRICH, RE-LIC-85-4

Upon a motion by Commissioner Sodetani, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to approve the Hearings Officer's Recommended Order Granting Motion to Dismiss.

Committee Reports:

EDUCATION COMMITTEE

Upon a motion by Commissioner Sodetani, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to accept the following recommendations of the March 9, 1988 Education Committee Meeting as follows:

1. The Commission will take under advisement the instructor applications of Jon Hudson and Oscar Morris.
2. Conditionally approve Betty Dower's application to operate a real estate school for salesperson candidates subject to the Commission's receipt from Betty Dower of a more detailed curriculum.
3. Approve merging the Waipahu licensing exam test site with the Leeward Community College test site and status quo on Keyway testing.
4. Approve the issuance of Certificates of Appreciation to Doris Smith, Jack Palk, Gregg Yamanaka, and Sheridan Ing as their respective terms of appointments come to an end.
5. Approve continuation to promote seminars through inclusion of the announcement in the Bulletin and keeping the media and press apprised of the dates and locations of the seminars.
6. Approve execution of a Memorandum of Agreement with the Hawaii Association of Realtors for administering a seminar on trust account rules and practices. The schedule is as follows: Kauai - Tuesday, May 17, 1988; Hilo - Friday, May 20, 1988; Kona - Wednesday, May 25, 1988; Honolulu - May 26, 1988; and Maui - Friday, May 27, 1988
7. Approve the renewal of consulting contract of John Ramsey for the publication of five Commission Bulletins and any Commission-approved advertising campaigns and activities.

REAL ESTATE RESEARCH AND EDUCATION CENTER
SUBCOMMITTEE

In the absence of Commissioner Nishikawa, the Commission's liaison to the Real Estate Research and Education Center, discussion was postponed.

Commissioner Yanagawa reported that he would be attending a meeting today with the Advisory Council members. Commissioner Blanco and the Information Officer will be attending the meeting.

Commissioner Yanagawa reported that Chairman Damron, Commissioner Nishikawa, David Ramsour, Tan Tek Lum, and Dean Bess met to discuss structural issues relating to the Center.

CONDOMINIUM AND COOPERATIVE REVIEW
COMMITTEE

The meeting was cancelled due to a lack of quorum.

LAWS AND RULES REVIEW COMMITTEE

The meeting was cancelled due to a lack of quorum.

Executive
Session:

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Matsuo, it was voted on and unanimously carried to enter into Executive Session, pursuant to Chapter 92-5(a)(1), "To consider and evaluate personal information relating to individuals applying for professional or vocational licenses cited in section 26-9 or both;" at 9:25 a.m.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Kano, it was voted on and unanimously carried to move out of Executive Session at 10:06 a.m.

REAL ESTATE COMMISSION'S ANNUAL SYMPOSIUM

The Real Estate Commission's Annual Budget and Planning Symposium will be held on April 14 and 15, 1988 at the Hawaiian Regent Hotel.

Licensing:

Restorations:

Hale, George E. Broker

After a review of the information submitted by the applicant, Commissioner Sodetani moved that restoration be approved upon successfully passing the real estate broker's licensing examination. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Jensen, Mark E. Salesperson

After a review of the information submitted by the applicant, Commissioner Sodetani moved that restoration be approved upon successfully passing the real estate salesperson's licensing examination. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Nerney, Philip Salesperson

After a review of the information submitted by the applicant, Commissioner Sodetani moved that restoration be approved upon successfully passing the real estate salesperson's licensing examination. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Aoki, Albert M. Salesperson

After a review of the information submitted by the applicant, Commissioner

Kano moved that restoration be approved upon successfully passing the real estate salesperson's licensing examination. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Peterman, Marjorie Salesperson

After a review of the information submitted by the applicant, Commissioner Matsuo moved that restoration be approved upon successfully passing the real estate salesperson's licensing examination. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Tubbs-Miller, Janice M. Salesperson

After a review of the information submitted by the applicant, Commissioner Matsuo moved that restoration be approved upon successfully passing the real estate salesperson's licensing examination. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Bugbee, Howard S. Broker

After a review of the information submitted by the applicant, Commissioner Yanagawa moved that restoration be approved upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Hulick, Ray E. Broker

After a review of the information submitted by the applicant, Commissioner Matsuo moved that restoration be approved

upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

McCoy, David Broker

After a review of the information submitted by the applicant, Commissioner Yanagawa moved that restoration be approved upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Chung, Stanley M. K. Salesperson

After a review of the information submitted by the applicant, commissioner Matsuo moved that restoration be approved upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Dellera, Nancy J. Salesperson

After a review of the information submitted by the applicant, Commissioner Matsuo moved that restoration be approved upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Sodegami seconded the motion. The motion was voted on and unanimously carried.

Paulachak, John C. Salesperson

After a review of the information submitted by the applicant, Commissioner Matsuo moved that restoration be approved

upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Sodehani seconded the motion. The motion was voted on and unanimously carried.

Paulachak, John N. Salesperson

After a review of the information submitted by the applicant, Commissioner Matsuo moved that restoration be approved upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Sodehani seconded the motion. The motion was voted on and unanimously carried.

Rawlings, Robert G. Salesperson

After a review of the information submitted by the applicant, Commissioner Matsuo moved that restoration be approved upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Sodehani seconded the motion. The motion was voted on and unanimously carried.

Williams, Gwendolyn Salesperson

After a review of the information submitted by the applicant, Commissioner Matsuo moved that restoration be approved upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Sodehani seconded the motion. The motion was voted on and unanimously carried.

Avecilla, MacArthur

Reconsideration of the Commission's decision dated February 26, 1988 was deferred due to a lack of quorum. Commissioner Yanagawa abstained from voting due to a conflict of interest.

Questionable Applications:

Sohn, Julia Y.

After a review of the information submitted by the applicant and the Department, Commissioner Matsuo moved to deny Ms. Sohn's salesperson's application. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

Emens, Richard W.

Commissioner Blanco disclosed that he was acquainted with one of the individuals who had submitted a letter on behalf of Mr. Emens but that he would not consider that letter when making his decision.

After a review of the information submitted by the applicant, Commissioner Yanagawa moved to approve Mr. Emens's salesperson's application. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Quilter, James T.

After a review of the information submitted by the applicant, Commissioner Yanagawa moved to approve Mr. Quilter's salesperson's application. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Tang, Gary R.

After a review of the information submitted by the applicant, Commissioner Matsuo moved to deny Mr Tang's salesperson's application for licensure because Mr. Tang failed to submit a completed application within 90 days after the examination date. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Shelton, Cassandra L.

There was no discussion on this matter as the applicant has withdrawn her application and her request for reconsideration on the "90-day Rule."

Chandler, Terry T.

After a review of the information submitted by the applicant, Commissioner Matsuo moved to approve Ms. Chandler's application for salesperson's license. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Rubio Realty, Inc.

After a review of the information submitted by the applicant, Commissioner Yanagawa moved to approve the application for corporation of Rubio Realty, Inc. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Stark Properties, Ltd.

After a review of the information submitted by the applicant, Commissioner Yanagawa moved to preliminarily approve the request for name change from Bruce Investments, Ltd. to Stark Properties, Ltd., subject to the Business Registration Division's approval and fulfillment of all broker application requirements. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Prudent Investors Realty, Inc. -
Prudential Capital Corporation dba
Prudential Realty

After a review of the information submitted by the applicant, Commissioner

Sodetani moved to deny the request to allow temporary usage of the prior name and/or tradename of broker licensee after a change form and/or broker application has been approved for the new name and/or tradename of subject licensee or to allow the use of multiple tradenames. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Island International Properties Corp. dba
Sam Sung Real Estate

Commissioner Yanagawa asked if there was a conflict of interest. One of the apartment units that he manages is rented by the daughter of the local Sam Sung owner. It was determined that there was no conflict of interest.

After a review of the information submitted by the applicant and based on the fact that Sam Sung means "three stars" in Korean and there is no individual named "Sam Sung," Commissioner Matsuo moved to approve the tradename application. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Tubman, Richard

After a review of the information submitted by the applicant, Commissioner Sodetani moved to deny Mr. Tubman's request for a waiver or equivalency to the three listing contracts requirement. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Miscellaneous:

HOCKING VS. DUBOIS

Mr. Bodden reported on the ongoing case of Hocking vs. DuBois which basically argues that if an condominium is sold in a

condominium project which has a rental pool, the buyers are subject to the Federal Securities Laws. Every apartment in the condominium project becomes a security.

Commissioner Blanco requested that Mr. Bodden submit a brief on the above mentioned case to the Commission. He also suggested that a summation of the case appear in the Real Estate Bulletin.

Commissioner Yanagawa requested that this issue be placed on the agenda of the next Laws and Rules Review Committee meeting.

Mr. Bodden will send a copy of the documents relating to the court case to the Commission.

COMMISSION AND COMMITTEE MEETING SCHEDULE
FOR THE MONTHS OF APRIL AND MAY

The meeting schedule for the months of April and May shall be as follows:

April 13, 1988

- 1 p.m. - Condominium and Cooperative Review Committee Meeting, Exam/Conference Room, Second Floor, Kamamalu Building
- 2 p.m. - Laws and Rules Review Committee Meeting, Exam/Conference Room, Second Floor, Kamamalu Building
- 3 p.m. - Education Committee Meeting
Exam/Conference Room, Second Floor,
Kamamalu Building

April 14, 1988

All day - Annual Planning and Budget Symposium, Hawaiian Regent Hotel

April 15, 1988

All day - Annual Planning and Budget
Symposium, Hawaiian Regent Hotel

3:30 p.m. - Real Estate Commission Meeting
Hawaiian Regent Hotel

April 28, 1988 (CANCELLED)

Condominium and Cooperative Review
Committee Meeting
Laws and Rules Review Committee Meeting

April 29, 1988 (CANCELLED)

Real Estate Commission Meeting

May 11, 1988 (CANCELLED)

Education Committee Meeting

May 25, 1988

9 a.m. - Condominium and Cooperative
Review Committee Meeting

10 a.m. - Laws and Rules Review Committee
Meeting, Board Room, Second Floor,
Kamamalu Building

May 26, 1988

9 a.m. - Real Estate Commission Meeting
Board Room, Second Floor, Kamamalu
Building

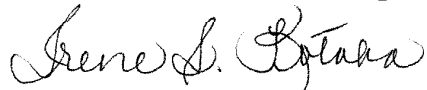
Next Meeting:

April 15, 1988; 3:30 p.m.
Hawaiian Regent Hotel
2552 Kalakaua Avenue
Honolulu, Hawaii

Adjournment:

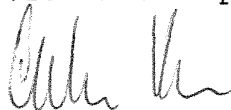
With no further business to discuss,
Acting Chairman Blanco adjourned the
meeting at 10:36 a.m.

Taken and recorded by:



Irene S. Kotaka, Secretary

Reviewed and approved:



Calvin Kimura
Executive Secretary

4/13/88
Date