

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: Friday, February 23, 1990

Time: 9:00 a.m.

Place: Exam/Conference Room, Second Floor
HRH Princess Victoria Kamamalu Building
1010 Richards Street
Honolulu, Hawaii

Present: Peter Yanagawa, Chairman
Barbara Dew, Member
Yoshiko Kano, Kauai Member
Stanley Kuriyama, Member
Michele Matsuo, Public Member (Late Arrival)
Yukio Takeya, Hawaii Member (Early Departure)

Calvin Kimura, Executive Secretary
Cynthia Yee, Real Estate Specialist
Russell Wong, Real Estate Specialist
Rodney Maile, Senior Hearings Officer
Glenn Grayson, Deputy Attorney General
Sharon On Leng, Supervising Attorney, RICO

Marshall Goldman, Licensee
R. Steven Geshell, Attorney for Mr. Goldman
Lena Soto, Hawaii Association of Realtors
Bill Pumphrey, Hawaii Association of Realtors
Peggy Comeau, Honolulu Board of Realtors
Dennis Benson, Hawaii Association of Realtors
John Ramsey, Consultant
Harold Bronstein, Attorney for Regina Guy
Regina Guy, Licensee
Lea Hollingsworth, Applicant
Dana W. Smith, Attorney for Lea Hollingsworth
Jo Brooks, Witness for Lea Hollingsworth
Margaret Orrick, Witness for Lea Hollingsworth
Dale Scott, Witness for Lea Hollingsworth
Melody J. Bixler, Applicant
Melodie E. McCrimone, Applicant

Absent: Marcus Nishikawa, Member
Douglas Sodetani, Maui Member

Call to Order: Chairman Yanagawa called the meeting to order at 9:20 a.m., at which time quorum was established.

Chairman's Report: No report was presented.

Executive Secretary's Report: The report was deferred to later in the meeting.

Disciplinary Case Reports: UTAH-WAIKIKI REAL ESTATE CORPORATION, ET AL.,
RE 87-90, ET AL.

This matter was deferred to the March 30, 1990 Real Estate Commission Meeting.

Commissioner Matsuo arrived.

NICKI C. BERG AND MARSHALL F. GOLDMAN, RE 85-134,
ORAL ARGUMENTS TO PROPOSED ORDER

Mr. Goldman was present and was represented by his attorney, R. Steven Geshell. Sharon On Leng was present and represented the Regulated Industries Complaints Office.

Stephen Geshell representing Marshall Goldman: "It is my understanding that you have chosen to discipline Mr. Goldman in this case because you have determined that the Hearings Officer's Findings were correct, but you don't like his conclusions. You think you have the power to discipline someone for losing \$340,000 in a limited partnership and that's what brings us here. It is our position and it has been throughout all of this, that the real estate transactions in these proceedings were involving property. The property was acquired. The limited partnership had title to the land, so what is wrong with that? So the next thing is the.....option was acquired and it was transferred over to the limited partnership and what is wrong with that? So those were the real estate transactions in this case. Beyond that we are talking about conducting a limited partnership business. So where is it in the law that says that you can do this to this man who has been practicing real estate in this State for over 18 years, has

this blemish on his record. If he had been such a bad character, you'd have heard of him before as being before this commission. The incidence that gave rise to this thing occurred in 1981. So in the last nine years, he could have been suspended three times by you for all these terrible things that he did, losing his own money in the process, not even charging a commission for the transactions that were involved and yet the RICO office paints him as a terrible, terrible individual. He is ripping off these people's money like water. Whoever heard of defrauding yourself out of over \$200,000 - \$300,000 and don't even take a commission. Now that's a real terrible person, isn't it? Now that's what you are doing. By your proposed order, you are turning a business transaction in a limited partnership, which is personal property by statute, you are transforming that statute by your edict into a new statute that says that you can go and do anything you want in this area of personal property and consider it a real estate transaction. Even though the transactions themselves were all documented. So what is it that the State is complaining about for Marshall Goldman? What did he do that is so wrong? Well, they are saying, he took these people's money. We don't know what happened to all this money. He didn't account for all this money. He put this money in these various accounts and he transferred it in and out. Ladies and gentlemen, the documents that were drawn in this case permit the general partners to do exactly that. It says they may make loans. It says they may handle the entire affairs of the limited partnership. If a bank officer had the authority to do that and he would have to be a broker. Are you then going to say that he mishandled the funds? No. It's not such a case. So what happened to the money? It's like that old saying, where's the beef? We prepared a document, an exhibit that was received by the Hearings Officer, Mr. Maile, and it tells you what happened to the money. I took the liberty of making some photocopies of that because I thought that was a pretty significant item. I would like to pass that out."

Ms. Leng objected, stating that today's hearing

does not provide an opportunity to submit new evidence.

Stephen Geshell: "I could have done it two ways. I could have made a big old poster here and I could show it to you or I could do it this way and everybody can see it. You say this is what we got. We got this objection because I am trying to do something that is good for my client so I get an objection. Well, if you guys want to know what happened to the money, here it is. This piece of paper will tell you what happened to the money. That is what the hearings officer had before him. I trust that you will be interested in knowing that. Apparently, the RICO officer doesn't think you should. Now, lets talk about something else here. What is it that is wrong with the conduct? By your rules, 16-99-3, you are supposed to deal with conduct and what does the first sentence say? To protect the public in its real estate transactions. Now, what did Marshall Goldman do wrong in the real estate transaction? Nothing. The property was acquired. The partnership had the title. They had the title to the Kamitake option was available to them to put the building on. But you know what happened? The interest rates went through the ceiling. I'm sure you all remember that period in our history, when interest rates soared and banks were lending money out at 18 to 20%. You know what happened to sales? We all know what happened to sales. You couldn't presell this venture. So what happened to the project? It went under. In order to avoid even further loss after my client had pledged his entire net worth on this project to the mortgagee in favor of the mortgagee for the benefit of the limited partnership, he had to pay another \$70,000 on top of his investment so as to not go into further debt to avoid that foreclosure. Then to top it off, this broker went out and gave these people who were partners in the limited partnership, gave them an interest in another project down the road another two to three miles called Holualoa Bay in which that limited partnership had already been formed, was in existence and ready to start but it suffered the same problem. So John Blockey and a whole bunch of other people all lost their money and his father-in-law, too. So these people who invested

in Kona 75 really lost their money in Holualoa Bay because they exchanged their interest in that to the Holualoa Bay project. So where is the beef? Now Mr. Zuzack came in to testify about the terrible things that occurred to him. Now come to find out, he's a real estate broker. I think he's a broker. Anyway put it this way, he's a licensee.

Come to find out that Mr. Zuzack lives within two miles of the project. He's lived in Kona for many years. He is an investment advisor and he is the one that came in and said, 'Oh yeah, I lost my money and to top it off, I didn't even know Marshall Goldman before I got into the project. I knew Nick Berg and I put my money in there and I lost it too.' So now he files a complaint and the complaint says, give me my money back. He lost twice in court to get his money back because he had his money in Holualoa Bay. He made thewhat you called satisfaction and he exchanged that and he went into Holualoa Bay. Why did Mr. Zuzack lie?

There is some argument that is made by the RICO office that because Marshall Goldman's tremendous ability and the real estate market that Zuzack relied on that in investing his money. He also says that he relied on the fact that the agreement said that ...the general partners were going to put/have a \$400,000 pledge in cash in this limited partnership and therefore they weren't supposed to touch this money until the partnership was formed and all this ... I don't believe Mr. Zuzack ever said that Marshall Goldman ever misrepresented anything. He didn't even know Marshall Goldman. So how can you have misrepresentation in this case.

Moreover, where is the intent to defraud or misrepresent? Nothing. And that is the only man who testified against Marshall Goldman, about the terrible deeds of Marshall Goldman. So again, there is just no support for that.

Let me review my notes. I have this tremendous argument. I want to be sure I covered all my points. So I ask you ladies and gentlemen, to review and defend your decision. This is different from someone involving the transaction of a business that did not deal directly with a real estate transaction. Your findings in Paragraph 1 that there is a real estate transaction. What were the transactions? Sure,

acquisition of the property. What was wrong with that? Nothing. You conclude that the investors relied on the speculation. What does that have to do with the case? Nothing. He didn't go out and represent anything to Mr. Zuzack. He didn't even know the man. Are you going to be holding the actions of Mr. Berg somehow rub off against Mr. Goldman and because Mr. Berg has turned in his license, then Mr. Goldman should be disciplined? I sure hope not. Does that mean that one doctor standing next to the surgeon should be ..commenced or guilty of malpractice should also turn his license in, too. That is what you are proposing to do. You say that Goldman engaged in dishonest dealings. What did he do that was dishonest? Was proposing to give the investors their money back dishonest? Not charging the commission on this project. That is dishonest? Was offering to use parts of his own money? Was that dishonest? He failed to deliver the agreement. Mr. Zuzack said he got the agreement. He failed to account for the money. You have the accounting right here but the RICO attorney doesn't even want you to see it. That's a good deal. Placed client funds in trust. The money was in. It was used for partnership purposes. It was all accounted for. We have tax returns, CPA accounting. its all been accounted for. Failed to disclose pertinent facts. That is a mystery to me. Mr. Zuzack should know the history of the project in Kona. He put his money. Do you think he was deceived by my client in Honolulu? I think when you boil it all down, you have a simple case. You are going out of your boundaries. You are going against the law. It is a bad step, do not set this policy, it is bad. I think I've said it all."

Sharon Leng: "We have heard Mr. Geshell say that his client lost between \$200,000 and \$300,000 in this project. This isn't the issue. The fact is that there was no documentation of where the loans came from, and where the funds in the Kona 75 account went. There was no documentation showing the loans to Kona 75 or actually how much he was investing in the project. Not until it was an accounting for purposes of the civil litigation that ultimately occurred between one of the investors and Mr.

Goldman and Mr. Berg that an accounting was done. The only reason why RICO does not want you to look at this document is because you have access to the other exhibits that were admitted as evidence which are in the hearings officers possession and those are the documents which you are to make a decision for this case."

Ms. Leng stated that Mr. Goldman, a real estate broker, became involved in developing a condominium project in Kona. Both he and his partner did not have the money to develop the property by themselves. So they formed a limited partnership for the purpose of developing and acquiring the property and the condominium. Mr. Goldman and Mr. Berg became general partners in the limited partnership of the Kona 75 Investors. The real estate transaction which resulted in the acquisition of the Nozak property began with Mr. Goldman entering into a DROA on September 15, 1980.

In order for the partnership to acquire the property, they solicited funds to get people to invest in the limited partnership. The closing of the Nosek property occurred on August 17, 1981. One of the investors, Mr. Frank Zuzack, stated that he relied upon Mr. Goldman's status as a real estate broker to invest his moneys in this property. Mr. Goldman states that the bottom fell out of the real estate market and this downward trend caused him to lose hundreds of thousands of dollars. The State feels that the problem lay with the way the funds of the limited partnership were handled. For instance, although investors moneys were religiously placed into the Kona 75 bank account, money was removed by Mr. Goldman and Mr. Berg from the account and then transferred to the various limited partnerships and associates. According to Mr. Goldman, the funds were transferred to entities as loan repayments or advances that were made to the investors of Kona 75. However, none of the loans or the assignment of loans were ever documented by Mr. Berg or Mr. Goldman as admitted by them. It was that lack of documentation which caused Mr. Goldman to testify at the hearing in two different ways as to what the \$50,000 checks that were made out to Mr. Fitzpatrick represented. Mr. Goldman said that Mr.

Fitzpatrick was paid the \$50,000 because he exercised his option to terminate becoming a limited partner in Kona 75. However, when Mr. Goldman took the stand and was questioned by his counsel, he testified that the money was for the repayment of Mr. Fitzpatrick's loan so that Mr. Goldman could acquire the Kamitaki

option. The latter story is verified by Mr. Fitzpatrick's testimony. This story is an example of why the lack of documentation causes conflicting and changing stories.

Ms. Leng stated that some of the checks which were paid out on the Kona 75 account which were loan repayments to First Hawaiian Bank were written months before the Kona 75 loan. I think those two examples were good examples of the problems in money handling of the limited partners funds in Kona 75 account.

Ms. Leng stated that there were also problems involving the formation of the partnership. The partnership papers that were filed state that the partnership was formed with an initial deposit of \$20,000 per investor, and the general partners were to contribute a pledge of \$400,000. Prior to the formation of the partnership, the investors funds were to be placed into an interest-bearing account. However, to this day, there is no evidence of a written pledge in favor of the partnership by Mr. Berg and Mr. Goldman. The partnership papers were not filed with the Department until October 31, 1981. Yet it is undisputed that the investors' funds were not placed in an interest-bearing account even though some of the funds were received by the general partners as early as January 5, 1981. RICO believes that the Commission does have jurisdiction over this matter and that the evidence justifies the sanctions it has imposed. RICO submits its Petitioner's Statement in Support and if the Commission has any doubts as to what the evidence shows, they are free to listen to the taped proceedings and look at the evidence.

Mr. Geshell stated that the pledge is in the DROA where Mr. Goldman pledged his net worth to Mr. Nosek when they started acquiring the properties. The pledge preceded the investment and at that point, a de facto limited partnership existed and from then on, it was a matter of administering it. As far as the minor points that RICO considers major, the problem was in the transactions. The real estate was acquired and there was no misrepresentation made about the real estate. RICO

is under the impression that the Commission has jurisdiction over the developers who administer construction projects. That is not considered a real estate transaction. It is business transaction. Mr. Geshell requested that the Commission reverse their decision and reaffirm the Hearings Officer's Recommended Order.

Commissioner Takeya asked Mr. Geshell was happened to the \$400,000 and also why wasn't it used to retain the property? Mr. Geshell stated that Mr. Goldman paid \$70,000 out of his own pocket to pay the deficiency. The \$400,000 was not used to pay the deficiency because the one year payment was so high, the \$400,000 would not be enough to cover it.

Commissioner Takeya then asked what happened to the moneys collected from the investors if it wasn't put into an interest-bearing account.

Mr. Geshell stated that the money went into the partnership. It went to close the acquisition of the property. The partnership did not have enough funds to pay the down payment all at once. The general partners had another building that sold in Kona. They closed the building simultaneously and used the proceeds so one closing could fund part of the acquisition costs for the Kona 75 property. Most of the money was consumed in that acquisition or it was used to pay for the Kamitaki option.

Ms. Leng stated that it was a back-to-back closing which occurred on April 3, 1981.

Upon a motion by Commissioner Takeya, seconded by Commissioner Matsuo, it was voted on and unanimously carried to take this matter under advisement.

The Hearings Officer stated that paragraph 77 of the Recommended Decision contains an accounting of the funds.

Executive Secretary's Report: The Executive Secretary reported that Judge Klein upheld the Commission's Final Order in the Walter Clark case.

Additions to
the Agenda:

Upon a motion by Commissioner Matsuo, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to add the following items to the agenda:

4. Disciplinary Cases
 - c. Richard H. Fujiwara, RE 87-160
8. Licensing - Restoration of Forfeited License Over Two Years - Salesperson, 01/01/87
 - Patrick J. Duynslager
 - Under Two Years - Salesperson, 01/01/89
 - Daniel K. M. Ching
 - Ralph S. Gallagher, Jr.
 - Murray Rose
9. Licensing - Questionable Applications Land Development Services Corp.
 - Patricia A. McFadden
 - Carol Hebert
 - Fabian Setsuko Saballa

Additional Distribution: The following additional information was distributed to the Commissioners:

6. Committee Reports
 - b. Condominium and Cooperative Review Committee
 - c. Laws and Rules Review Committee
9. Licensing - Questionable Applications Reconsideration - Regina Guy

Disciplinary
Case Report:

RICHARD H. FUJIIWARA, RE 87-160

After a review of the information submitted by the applicant, Commissioner Takeya moved to approve Mr. Fujiwara's request to complete the Graduate Realtors Institute 101 course, offered by the Hawaii Association of Realtors, as meeting the terms of the Settlement Agreement. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Recovery
Fund Report:

No report was presented.

Committee
Reports:

EDUCATION COMMITTEE

Upon a motion by Commissioner Dew, seconded by

Commissioner Matsuo, it was voted on and unanimously carried to approve the recommendations of the February 14, 1990 Education Committee Meeting, as follows:

1. Continuing education courses be offered through the end of 1990.
2. Accept the report of the Real Estate Research and Education Center, "A Proposal to Permit Elective Real Estate Continuing Education Courses in Hawaii."
3. Staff to further study the issues of requiring new licensees to fulfill continuing education requirements, including consideration of passing the prelicense course as an equivalent to the continuing education course.
4. NARELLO name to remain the same.
5. No examinations to be offered in the months of October, November, and December 1990.
6. Approve the assignment of the testing service from the ETS to ASI, subject to the review and recommendations of the Commission's Attorney General.
7. Approve the following actions taken on the prelicensing school and instructor applications:
 - a. Approve Hawaii Real Estate Academy for the real estate salesperson's course, subject to incorporation of the Residential Property Transfer Code into the curriculum.
 - b. With regards to Hawaiian School of Real Estate's request to use advertise its affiliation with ERA, the Commission denies use of advertising which includes the name of an entity that is not a certified school.
 - c. Approve Samuel K. Yoshida's application

to teach the salesperson's prelicensing course.

8. Approve the following actions taken on the following continuing education provider and instructor applications:
 - a. Approve Dower School of Real Estate as a continuing education provider.
 - b. Approve Max Sherley Real Estate Center as a continuing education provider, subject to remedying the deficiencies in the application.
 - c. Approve Elizabeth L. Dower's application for instructor for the Laws Update and Ethics module.
 - d. Deny William G. Fields's application to teach the Contracts, Finance, Laws Update and Ethics modules because the applicant has not demonstrated that he has command knowledge of the subject matters.
 - e. Approve Mark R. James's application to teach the Finance module, subject to the applicant being properly licensed as a mortgage broker.
 - f. Approve Barton M. Schwartz's application to teach the Contracts, Finance, Laws Update and Ethics modules.
 - g. Approve Kinji Kanazawa to teach the Contracts, Finance, and Laws Update and Ethics modules.

CONDOMINIUM AND COOPERATIVE REVIEW COMMITTEE

Upon a motion by Commissioner Matsuo, seconded by Commissioner Takeya, it was voted on and unanimously carried to approve the recommendations of the February 22, 1990 Condominium and Cooperative Review Committee Meeting, as follows:

1. Thank James Stubenberg, Esq., for his offer to

organize a group of attorneys to help reduce the backlog of condominium projects for review, but inform him that the Commission will defer a decision on the offer until the Commission can determine whether its recent efforts to speed the processing of reports will reduce the backlog.

2. Take under advisement the request of Steve Lee, Esq., to have the condominium consultants develop standardized treatment of minor disclosure requirements in sections of the public reports.
3. The Condominium Specialist to research the law of California and Florida on requiring condominium associations to set aside reserves; include discussion of reserve requirements on the agenda for the Commission's Annual Symposium; and consider proposing a Commission-sponsored bill on reserves for the 1991 legislative session, for the next meeting.
4. The Commission to terminate consultant, Bill Alexander's contract for reviewing condominium projects and that staff to work out the details of compensation due to him for services performed, if any.

Upon a motion by Commissioner Matsuo, seconded by Commissioner Takeya, it was voted on and unanimously carried to delete requirement 15 (requiring county approval of plans) of the Guidelines for Filing Condominium Projects attached to the Notice of Intention and Questionnaire. The Committee may reconsider its position if strong objections are received with respect to future filings.

Upon a motion by Commissioner Matsuo, seconded by Commissioner Takeya, it was voted on and unanimously carried that the Committee undertake, as part of its program of work, the drafting of proposed legislation to change the process of the public report filing from the Commission to the developer.

LAWS AND RULES REVIEW COMMITTEE

Upon a motion by Commissioner Takeya, seconded by Commissioner Matsuo, it was voted on and unanimously carried to approve the recommendations of the February 22, 1990 Laws and Rules Review Committee Meeting, as follows:

1. Staff to work on the draft of an Administration bill relating to the prelicensing and renewal licensing requirements for "financial integrity."
2. Staff to work with the Attorney General's Office on the exceptions to licensing - owner and custodian/caretaker, and report back at the next Laws and Rules Review Committee Meeting.
3. The Commission interpretation of Rule 16-99-6 Display of License would include that the wall certificate license of the broker, principal broker, broker-in-charge, and branch office shall be "conspicuously displayed" and that in cases where there are a number of salespersons, the broker may place a sign in a conspicuous place that all salespersons's wall certificates are located in the office, in an easily accessible area for anyone's review.
4. Commissioner Kano to review the NARELLO Final Fair Housing Agreement and Recognition Award material and report her findings to the Commission.
5. Staff to look into preparing the RICO report in a Commission-reportable manner.

Licensing: QUESTIONABLE APPLICATIONS

Chairman Yanagawa reported that they would be considering agenda items out of order in consideration of the applicants present.

Regina Guy

Ms. Guy was present and represented by her attorney, Harold Bronstein.

The Commission had previously denied Ms. Guy's request for a home occupation office because the County of Kauai did not grant approval for a home office.

Ms. Guy, through her attorney, Harold Bronstein, requested that the Commission reconsider its previous decision denying Ms. Guy a home occupation office.

Upon a motion by Commissioner Takeya, seconded by Commissioner Matsuo, it was voted on and unanimously carried to reconsider Ms. Guy's request for a home occupation office.

Mr. Bronstein stated that he had submitted a letter from the Planning Department, County of Kauai, and an affidavit from Tom Shigemoto, Planning Director, County of Kauai, stating that a home occupation office is permissible for Ms. Guy. Mr. Bronstein stated that Ms. Guy does not have any employees who are associated with her and will not be hiring any employees. Ms. Guy has signed a letter from the County Planning Department stating that she will meet the conditions imposed upon her by the Planning Department.

In light of the information presented by the Planning Department for the County of Kauai, Commissioner Kuriyama moved to approve Ms. Guy's request for a home occupation office, subject to her complying with the requirements imposed by the Planning Department, County of Kauai. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Melodie E. McCrimone

Ms. McCrimone was present to request that the Commission reconsider the denial of her application for real estate license due to failure to submit her application within 90 days of the examination date.

Upon a motion by Commissioner Takeya, seconded by Commissioner Matsuo, it was voted on and unanimously carried to grant Ms. McCrimone's request for reconsideration.

Ms. McCrimone stated that she had taken the application and the supporting documentation to Liz Benton, Realtors on January 2, 1990 for signatures. She checked with Liz Benton, Realtors, on the status of her application. She later received a letter from the Licensing Branch informing her that her license application was not received within 90 days from the date of the examination.

Upon checking with her broker, she discovered that the business manager had thought that she had taken the December examination and had delayed submitting her application so that she could submit it together with another application for license.

Commissioner Takeya asked Ms. McCrimone for the date when the cashier's check was purchased. The Executive Secretary informed him that the check was dated January 2, 1990.

Upon a motion by Commissioner Takeya, seconded by Commissioner Matsuo, it was voted on and unanimously carried to take this matter under advisement.

Lea Hollingsworth

Ms. Hollingsworth was present and was represented by her attorney, Dana W. Smith. Dale Scott, Jo Brooks, and Margaret Orrick were present as witnesses for Ms. Hollingsworth.

Upon a motion by Commissioner Takeya, seconded by Commissioner Matsuo, it was voted on and unanimously carried to grant Ms. Hollingsworth's request for reconsideration.

Mr. Smith stated that Ms. Hollingsworth had passed the October 21, 1989 examination and had completed and signed her application for licensure on January 4, 1990. On January 5, 1990, she was interviewed by ERA Hawaii Properties. From January 5 to 10, 1990, she prepared the documentation for her application,

obtained her cashier's check, and delivered her application to ERA Hawaii Properties on January 10, 1990. The application was then placed on the secretary's desk for mailing, but the application was not mailed until January 26, 1990.

Mr. Smith argued that Ms. Hollingsworth had completed her application in a timely manner and was told, when she submitted her application to the principal broker, that the broker would see that the application was mailed.

Commissioner Matsuo asked Ms. Hollingsworth, Ms. Brooks, Mr. Scott, and Ms. Orrick if they agreed with the testimony as presented by Mr. Smith. They all agreed that the testimony was correct.

Upon a motion by Commissioner Matsuo, seconded by Commissioner Takeya, it was voted on and unanimously carried to take this matter under advisement.

Melody J. Bixler

Ms. Bixler was present to request that the Commission reconsider its denial of her application for license as she failed to submit a completed application form within 90 days of the examination.

Upon a motion by Commissioner Matsuo, seconded by Commissioner Takeya, it was voted on and unanimously carried to grant Ms. Bixler's request for reconsideration.

Ms. Bixler stated that she had called the phone number on the instruction sheet to ask about the proper fees for licensing. She was then told to read the form and to do what it said. When she submitted her application, she had attached a note requesting that all correspondence to her be sent to her on the mainland. When she returned to Hawaii, she received a letter stating that she did not submit the correct licensing fees and she was given a deadline in which to submit the correct fees. She did not receive the letter until two days after the deadline.

Ms. Bixler stated that she was confused by the instructions because the instructions state two

different fees, one if you expect to be licensed in an even-numbered year and one if you expect to be licensed in an odd-numbered year. Since she was submitting her application in December, she was not sure if she would be licensed in the even or the odd numbered year.

Commissioner Matsuo noted that Ms. Bixler's 90 day filing deadline was in 1989 and therefore she should have remitted the correct amount for the odd-numbered year.

Upon a motion by Commissioner Matsuo, seconded by Commissioner Kano, it was voted on and unanimously carried to take this matter under advisement.

Executive Upon a motion by Commissioner Matsuo, seconded by
Session: Commissioner Kano, it was voted on and unanimously carried to enter into executive session at 11:10 a.m., 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;"

Upon a motion by Commissioner Kano, seconded by Commissioner Matsuo, it was voted on and unanimously carried to move out of executive session at 12:30 p.m.

Licensing: RATIFICATION

Upon a motion by Commissioner Kano, seconded by Commissioner Matsuo, it was voted on and unanimously carried to ratify the following:

Brokers

Frank L. Robar Management, Inc.
Malia, Ltd.
Pacific Investment Partners, Ltd.
Newton Y. S. Kim
Fred A. Redman
EM International Realty Corp.
The O'Connor Group
Mike Pickett and Associates, Inc.
Choon Huay James

Branch Offices

Newhall Corporation dba ERA Newhall Realty
Coldwell Banker McCormack Real Estate
Sherbourne Maui, Inc.

Partnership

Island Realty Investments

Trade Names

Hotel W. E. Denison Corporation dba Marine Surf Waikiki

Realtors Suzanne E. Jackson, Realtor dba Main Street,

Thomas Shiroma dba Tom Shiroma Realty
GRK Ltd. dba Ocean Pacific Properties
Yvonne C. Bailey dba Bailey Realty
John H. Sakamoto dba JH Sakamoto & Associates
J. Allen Johnson dba Johnson Associates
Angelita Pasion dba Island Properties Unlimited
Kevin J. Petrelli dba Petrelli Properties
Larry T. Topliss dba Pacific Land Company
Resort Marketing Systems, Inc. dba Shell Resorts
Hawaii
Valerie J. Polson dba Properties in Paradise
Lucien R. Howsley dba Ocean View Realty

Condominium Managing Agents

SHC - Real Estate & Management, Inc.
Bobby L. Brock dba VIP Village Rentals
Iris Riber dba Iris Riber Realty

Condominium Property Regime Public Reports

Ka'eo Kai Phase III, Final
1615-E and 1615-F 10th, Supplementary
The Sands of Kahana, Third Supplementary
Paradise Island Ranch Agricultural Condominium,
Preliminary
Vista Waikoloa, Preliminary
The Imperial Plaza, Supplementary
1814 Waiola, Final
Executive Centre, Supplementary
Keith Ranch Agricultural Condominium, Final
The Masters at Kaanapali Hillside, Phase D, Final

Su Casa, Preliminary
Island Valley Ranch Condominium, Final

RESTORATION OF FORFEITED LICENSE

Howard M. K. Kim Broker

After a review of the information submitted by the applicant, Commissioner Dew moved that restoration be approved upon submitting evidence of successfully passing the real estate broker's licensing examination, with a one-time waiver of the experience and education requirements. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

James M. Adkins Salesperson
David O. Ashodian Salesperson
Wayne P. Hagar Salesperson
George C. Weir Salesperson
Herm Dentz Salesperson
Kyung J. Kim fka Salesperson
 Kyung Ja Chun
Theresa Y. Ko Salesperson
Patrick J. Duynslager Salesperson

After a review of the information submitted by the applicants, Commissioner Dew moved that restoration be approved upon submitting evidence of successfully passing the real estate salesperson's licensing examination, with a one-time waiver of the education requirement. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Richard A. Wheelock Broker
Ghary D. Won Broker
 fka Gary D. Won

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

Patricia Y. Ching Salesperson

Patricia A. Craw	Salesperson
Richard D. Drayton	Salesperson
Elyne C. Greene	Salesperson
Matthew T. Ihara	Salesperson
Lawrence H. Leckie	Salesperson
Kimberley Jean Lum	Salesperson
Jerry S. Von Schott	Salesperson
fka Jerry S. Scott, Jr.	
Michael H. Seto	Salesperson
Deborah Jane Speer	Salesperson
fka Deborah J. Aldrich	
Lloyd S. Tsukayama	Salesperson
Charles F. Wolverton	Salesperson
Daniel K. M. Ching	Salesperson
Ralph S. Gallagher, Jr.	Salesperson
Murray Rose	Salesperson

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

QUESTIONABLE APPLICATIONS

Pearl Rein, Inc. dba Rein & Gifford Realtors

After a review of the information submitted by the applicant, Commissioner Kano moved to approve the real estate trade name of "Rein & Gifford Realtors", subject to receipt of the real estate change forms. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Louie & Associates, Inc.

After a review of the information submitted by the applicant, Commissioner Kano moved to approve the real estate corporation application of Louie & Associates, Inc. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Shirley Varoa Tiki Bither dba Varoa Tiki V. P.

After a review of the information submitted by the

applicant, Commissioner Kano moved to deny the real estate corporation application of Shirley Varoa Tiki Bither dba Varoa Tiki V. P. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Kujira Hawaii, Inc.

After a review of the information submitted by the applicant, Commissioner Kano moved to approve the real estate corporation application of Kujira Hawaii, Inc. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

World Trade Enterprises, Inc. dba A. M. Realty

After a review of the information submitted by the applicant, Commissioner Kano moved to deny the real estate corporation application of World Trade Enterprises, Inc. dba A. M. Realty. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Ala International, Inc.

After a review of the information submitted by the applicant, Commissioner Kano moved to approve the real estate corporation application of Ala International, Inc. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Heneliaka Realty, Inc.

After a review of the information submitted by the applicant, Commissioner Kano moved to deny the real estate corporation application of Heneliaka Realty, Inc. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Dorothy Faye Iwanaga dba Allgood-Iwanaga Realty

After a review of the information submitted by the applicant, Commissioner Kano moved to approve the real estate trade name, Dorothy Faye Iwanaga dba Allgood-Iwanaga Realty. Commissioner Dew seconded the motion. The motion was voted on and

unanimously carried.

Laurene Properties, Inc.

After a review of the information submitted by the applicant, Commissioner Kano moved to deny the application for real estate corporation of Laurene Properties, Inc. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

GK Properties, Inc.

After a review of the information submitted by the applicant, Commissioner Kano moved to deny the real estate corporation of GK Properties, Inc. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Company

Land Development Services Corp. dba Veltri &

After a review of the information submitted by the applicant, Commissioner Dew moved to approve the extension of the site office registration for the Kamani Trees Condominium Project, TMK 7-6-13.11(3).

Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Margaret Pocock

After a review of the information submitted by the applicant, Commissioner Kano moved to approve the home occupation of Margaret Pocock, subject to the conditions imposed by the City and County of Honolulu's Department of Land Utilization. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Princeville and Hanalei Interval Ownership, Inc.

After a review of the information submitted by the applicant, Commissioner Kano moved to approve the change in office address to a residential district, subject to the conditions imposed by the County of Kauai's Planning Department. Commissioner Dew seconded the motion. The motion was voted on and unanimously

carried.

Mary A. Faubert

After a review of the information submitted by the applicant, Commissioner Dew moved to approve the home occupation, subject to the conditions imposed by the County of Hawaii's Planning Department and the Attorney General's advisement. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Hale Koa Realty, Inc./Better Homes and Gardens

After a review of the information submitted by the applicant, Commissioner Takeya moved to conditionally approve the information kiosk located 30 yards from Hale Koa Realty, Inc./Better Homes and Gardens' Hawaii Kai Branch Office. Commissioner Kuriyama seconded the motion. The motion was voted on and carried. Commissioner Matsuo opposed the motion.

Wailea Point Realty, Inc.

After a review of the information submitted by the applicant, Commissioner Matsuo moved to approve the conditional real estate broker's license of Wailea Point Realty, Inc. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Blue Water Development, Inc.

After a review of the information submitted by the applicant, Commissioner Matsuo moved to approve, subject to advisement from the Attorney General's Office, with restrictions, Blue Water Development, Inc.'s request for issuance of a fidelity bond in the name of the association of apartment owners with the applicant as the employee. If the Attorney General's Office advises against approval, applicant is subject to the requirements of the present law. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Eugene F. McElroy

After a review of the information submitted by the applicant, Commissioner Matsuo moved to approve the real estate salesperson's application of Eugene F. McElroy. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Barry K. Machado

After a review of the information submitted by the applicant, Commissioner Matsuo moved to deny Mr. Machado's request for reinstatement of his revoked license as he failed to provide evidence of his reputation for honesty, truthfulness, and fair dealing. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Melody J. Bixler

After a review of the information presented by the applicant, Commissioner Matsuo moved to reaffirm the Commission's previous decision to deny Ms. Bixler's application for license as she failed to submit her application within 90 days of the examination date. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

T. James Quilter

After a review of the information submitted by the applicant, Commissioner Matsuo moved to deny Mr. Quilter's request for reconsideration. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Commissioner Takeya was excused from the meeting.

Virginia C. St. Cyr

After a review of the information submitted by the applicant, Commissioner Matsuo moved to deny Ms. St. Cyr's request for reconsideration. Commissioner Kuriyama seconded the motion. The

motion was voted on and unanimously carried.

Regina C. Guy

After a review of the information presented by the applicant, Commissioner Matsuo moved to approve Ms. Guy's home occupation request, subject to the conditions imposed by the County of Kauai's Planning Department. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Melodie E. McCrimone

After a review of the information presented by the applicant, Commissioner Matsuo moved to reaffirm the Commission's decision to deny Ms. McCrimone's real estate license application as she failed to submit her application within 90 days of the examination date. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

D. L. MacArthur, Inc. dba MacArthur & Company

After a review of the information submitted by the applicant, Commissioner Matsuo moved to preapprove the real estate corporation application of MacArthur, Inc. dba MacArthur & Company, subject to submission of the proper documents. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Thomas C. Patas

After a review of the information submitted by the applicant, Commissioner Matsuo moved to deny Mr. Patas's request for reconsideration. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Lea Hollingsworth

After a review of the information presented by the applicant, Commissioner Matsuo moved to reaffirm the Commission's decision to deny Ms. Hollingsworth's application for real estate license

as she failed to submit her real estate license application within 90 days of the examination date. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Patricia A. McFadden

After a review of the information submitted by the applicant, Commissioner Matsuo moved to deny Ms. McFadden's application for real estate license as she failed to submit her application within 90 days of the examination date. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Carol Hebert

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

Fabian Setsuko Saballa

After a review of the information submitted by the applicant, Commissioner Matsuo moved to deny Ms. Saballa's application for real estate salesperson's license as she failed to submit her application within 90 days of the examination date. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Next Meeting:

Friday, March 30, 1990
Kuhina Nui Room, Second Floor
HRH Princess Victoria Kamamalu Building
1010 Richards Street
Honolulu, Hawaii

Adjournment:

With no further business to discuss, Chairman Yanagawa adjourned the meeting at 12:37 p.m.

Respectfully submitted,

Irene S. Kotaka, Secretary

Minutes of the February 23, 1990
Real Estate Commission Meeting
Page 29

Reviewed and approved by:

Calvin Kimura
Executive Secretary

Date