#### 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, May 25, 1990

Time: 9:00 a.m.

Place: Kuhina Nui Room

HRH Princess Victoria Kamamalu Building

1010 Richards Street, Second Floor

Honolulu, Hawaii

Present: Peter Yanagawa, Chairman

Yoshiko Kano, Kauai Member Stanley Kuriyama, Member

Michele Matsuo, Public Member, Late Arrival/

Early Departure

Douglas Sodetani, Maui Member Yukio Takeya, Hawaii Member

Calvin Kimura, Executive Secretary Russell Wong, Real Estate Specialist Glenn Grayson, Deputy Attorney General

Irene Kotaka, Secretary

Rodney Maile, Senior Hearings Officer

John Ramsey, Consultant

Steve Gilbert, Associate Director, HRREC

Lynn Minagawa, RICO Attorney

Primo Racuya, Licensee

Excused: Barbara Dew, Member

Marcus Nishikawa, Member

Call to Order: Chairman Yanagawa called the meeting to order at

9:07 a.m., at which time quorum was established.

Chairman's

Report: No report was presented.

Executive

Secretary's

Report: No report was presented.

Approval of Minutes: the

Commissioner Sodetani stated that the minutes of the February 23, 1990 should be amended. Commissioners Nishikawa and Sodetani were excused and not absent. The April 27, 1990 Minutes of the Meeting should be amended to reflect that Commissioner Sodetani was excused and not absent.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the minutes of the February 23, 1990 and the April 27, 1990 Real Estate Commission Meeting, as amended.

Declaratory Relief:

WATERLAND & COASTAL ESTATES, RE-DR-89-1

Commissioner Takeya was excused from the meeting due to a conflict of interest.

Discussion on this matter was deferred due to a lack of quorum.

Commissioner Takeya returned to the meeting.

Executive Session:

Upon a motion by Commissioner Takeya, seconded by Commissioner Kano, it was voted on and unanimously carried to enter into executive session at 9:14 a.m., pursuant to Chapter 92-5(a)(4), "To consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities;".

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Kano, it was voted on and unanimously carried to move out of executive session at 9:23 a.m.

Commissioner Matsuo arrived.

<u>Disciplinary</u> LANGSFORD HOOKER, RE 87-489 Cases:

Based upon the review of the First Amended Settlement
Agreement, Commissioner Kuriyama moved to approve
the First Amended Settlement Agreement as to
Langsford Hooker After Filing of Petition for
Disciplinary Action and Commission's Final Order.
Commissioner Kano seconded the motion. The motion

was voted on and unanimously carried.

## Declaratory Relief:

WATERLAND & COASTAL ESTATES, RE-DR-89-1

Commissioner Takeya was excused from the meeting due to a conflict of interest.

The Hearings Officer reported that the Commission had requested that the Hearings Officer research Waterland and Coastal Estates' petition declaratory relief. Based upon the facts presented Waterland & Coastal Estates, the Hearings Officer found that Waterland did not participate in the transaction; that the purchasers participated as individuals; and that no commission sharing would be allowed under the statutes.

Commissioner Sodetani moved to approve the Hearings Officer's Recommended Order. Commissioner Kano seconded the motion.

Commissioner Kuriyama raised concerns that the Hearings
Officer's Recommended Order could be
interpreted in two ways. He stated
that the issue was not whether or
not there was sufficient evidence to
pay out the commission but whether
the paying of the commission itself
would violate the Commission's rules
and statutes.

Commissioners Sodetani and Kano withdrew their motion. The matter was deferred.

Commissioner Takeya returned to the meeting.

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

- 6. Committee Reports
  - d. Budget and Finance Committee
- 8. Licensing Restoration of Forfeited Licenses  $\frac{\text{Over Two Years Salesperson}}{\text{01/01/87 Clarence B. H. Lee}}$  Under Two Years Salesperson

> 01/01/89 - Peter C. Blacksberg - Leonardo Mijares, Jr. Reconsideration Floyd J. Rozewski, Jr.

9. Questionable Applications
J-R Morgan, Ltd.
PATDI, Inc.
Willette Fung Yin Ho
Marlene R. DeCosta
Primo Racuya

John B. Holmes

# Committee Reports: EDUCATION COMMITTEE

Upon a motion by Commissioner Takeya, seconded by Commissioner Sodetani, it was voted on and unanimously carried to approve the recommendations of the May 9, 1990 Education Committee Meeting, as follows:

- 1.Commission staff to send out a draft of the Continuing Education Advisory Panel description information to industry, instructors, providers and other interested persons for review and comments.
- 2. Real Estate Specialist to send out draft of Instructor Evaluation description information to industry, instructors, providers, and other interested persons for review and comments.
- 3.Approve the Maui School of Real Estate as a continuing education provider.
  - 4. Deny the application of Clarence Chun for continuing education instructor in the Contracts, Finance, and Laws and Ethics modules due to insufficient documentation of command knowledge of the subject matters.
  - 5. Approve the application of Jane Muramatsu for continuing education instructor Contracts and Finance modules, subject to, and submission conditioned on her to the Commission's satisfaction, narrative а explanation of who compiled the materials submitted for Commission review and explanation of the theory and methodology

involved in, and the curriculum objectives of

- the compiled materials. Commission staff to give final approval of her application once the questions have been answered satisfactorily.
- Yamashiro's application for continuing 6.Approve George education instructor in the Contracts Finance modules, subject to, and conditioned onhis submission, to the Commission's satisfaction, a narrative explanation of who compiled the materials submitted Commission review and an explanation of the theory and methodology involved in, and the curriculum objectives of the compiled materials. Commission staff to give final approval once the questions have been answered satisfactorily.
  - 7. Approve Ricardo Seiler's application for continuing education instructor in Contracts and Finance modules, subject to, and conditioned on, his submission to Commission's satisfaction, а narrative explanation of who compiled the materials submitted for Commission review and explanation of the theory and methodology involved in, and the curriculum objectives of the compiled materials. Commission staff to give final approval once the questions raised have been answered satisfactorily.

#### LAWS AND RULES REVIEW COMMITTEE

- Upon a motion by Commissioner Takeya, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the recommendations of the May 24, 1990 Laws and Rules Review Committee, as follows:
  - 1. Commission staff to request that the Real Estate Research and Education Center send a representative to the Hawaii Association of Realtor's Risk Reduction Committee Meeting on Wednesday, May 30, 1990, at which time they will discuss Senate Resolution No. 87. relating to mandatory errors and omissions insurance.
  - 2. Attendees to the National Association of Real

Estate License Law Officials Conference in Jackson Hole, Wyoming, to meet prior to the conference to prioritize and discuss Committee meeting attendance.

- 3. Commission to approve payment of car rental expenses from the real estate education fund for the attendees to the NARELLO Western District Conference in Park City, Utah, as this is the most economical ground transportation available.
- 4. The Commission, pursuant to a recommendation made by the Director of the Department of Commerce and Consumer Affairs, shall refrain from testifying as expert witnesses in legal cases with respect to the conduct of licensees.
- 5. The Commission shall recommend an amendment to the fees assessed for the reactivation of an inactive license to \$50, subject to a review of the administrative costs involved in processing the change forms.
- 6. Commission staff to work on the final program of work and budget for fiscal year 1990-1991, as amended.
- 7. Chairman Yanagawa shall send a "thank you" letter to G. A. "Red" Morris in acknowledgement of his donation to NARELLO.

#### CONDOMINIUM AND COOPERATIVE REVIEW COMMITTEE

- Upon a motion by Commissioner Matsuo, seconded by Commissioner Sodetani, it was voted on and unanimously carried to approve the recommendations of the May 24, 1990 Condominium and Cooperative Review Committee Meeting, as follows:
  - 1. Defer the seminar proposal by HCAAO to the June 21, 1990 Condominium and Cooperative Review Committee Meeting.

- 2. Based on the expertise of HCAAO, Commission to consider using HCAAO as a consultant for a portion of the condominium governance project.
- Approve the Public Information Sheet, as amended.
- 4. Approve the following:
  - a. Second Condominium Specialist for Fiscal Year 1991 be funded 50% from the General Fund and %50 from the Condominium Management Education Fund;
  - b. Clerk-Typist II for Fiscal Year 1991 be funded 100% from the Condominium Management Education Fund; and
  - c. Recommend to the Director to include in the biennium budget for Fiscal Years 1992/1993, 100% funding for the second Condominium Specialist out of the General Fund.
- 5. Deny Patrick G. O'Malley's request for fidelity bond exemption for the Condominium Managing Agent registration.
- 6. Staff to respond to Mr. Ken Harimoto's inquiry.
- 7. Staff to work on amendments to the program of work and the budget for presentation at the next Education Committee Meeting.

## BUDGET AND FINANCE COMMITTEE

Upon a motion by Commissioner Sodetani, seconded by Commissioner Kano, it was voted on and unanimously carried to acknowledge receipt of the proposed draft of the biennium budget and that the Commission shall consider the draft at the June 13, 1990 Education Committee Meeting.

## Licensing: RATIFICATION

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

## Real Estate Brokers

MacArthur & Company Deen Properties Iwado Realty, Inc. June S. Otake Realty, Inc. General Pacific Realty, Inc. Wallace S. Sakuma dba Sakuma Realty Hawaii Fudosan, Inc. Margaret Ann Jansson AME Realty, Inc. Asato Realty, Inc. Hawaii Business Agency, Inc. dba Home and Business Realty Vergel N. Adonis Realty, Inc. Royal Pacific Realty, Inc. Berger Realty, Inc. International Realty Corporation General Growth/Center Companies of Hawaii, Inc. Hana Coast Realty, Inc.

## Partnership

Alexander & Ewert

#### Branch Offices

Jones, Inc. dba ERA Jones Realty (Hawaii Kai/Honolulu) Mitch & Company, Inc. (Kailua-Kona, Hawaii)

## Condominium Managing Agents

Klahani Investments, Inc. Royal Management, Inc.

#### Real Estate Trade Names

Bruce Bulter dba Family Realty Albert Y. Fujisawa dba Al Fujisawa & Associates

> Kenneth H. Flood dba Puna Coast Properties Arthur Burciaga dba Lahaina Commercial Properties Coakley Properties dba Coakley Properties Champion Enterprises, Ltd. dba Ed Britton Realty

## Condominium Property Regime Public Reports

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May 1990
          Mamalahoa Acres, Hawaii (Final)
          Seabreeze, Honolulu (Preliminary)
          The Sands of Kahana, Maui (5th Supplementary)
          Waokanaka Estates II, Honolulu (Final)
          Palm Court, Increment IC, Honolulu (Final)
          Palm Court, Increment ID, Honolulu (Final)
          Kamalu-Keamoi, Kauai (Final)
          April 1990
          307 & 307A Iliaina Street, Honolulu (Final)
          Kawili Regency, Hawaii (2nd Supplementary)
          Pacific Heights Park Place, Honolulu (Final)
     C. Ragasa Farm, Kauai (Final)
          Cohn/Comola, Hawaii (Final)
          44-279 Kaneohe Bay Drive, Honolulu (Final)
          Lulani Hale, Honolulu (Final)
          1019/1019A Mokapu Boulevard, Honolulu (Final)
          The Pines at Kailua-Kona II, Hawaii (Final)
          54-125 & 54-125A Puuowaa Street, Honolulu (Final)
          The Villas at Keauhou Estates, Hawaii (Final)
          The Imperial Plaza, Honolulu (Final)
          Kailua Ocean View, Honolulu (Final)
          Pepperwood Plantation Agricultural Condominium,
             Kauai (Preliminary)
          Center Professional Center, Hawaii (Preliminary)
          Holua at Mauna Loa Village (fka Mauna Loa Village),
             Hawaii (Final)
          Beyond the Reef, Kauai (Preliminary)
          Hawaiakalua Estates, Kauai (Preliminary)
          Secret's Hideaway Condominium, Kauai (Preliminary)
          The Regency at Poipu Kai, Kauai (Preliminary)
          Waikulama Shores, Honolulu (Final)
          Maile Sky Courte, Honolulu (Supplementary)
          Kihei Villages Phase IV, Maui (Final)
          Kuani Hillside, Honolulu (Final)
          Nauru Tower, Honolulu (Final)
          Shangri-La, Honolulu (Final)
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Hale Kapaka, Honolulu (Final)

> March 1990 Laule'a, Maui (Supplementary)

#### QUESTIONABLE APPLICATIONS

Primo Racuya

Mr. Racuya was present to request an equivalency for two listings, three closings, and eight transactions in order to obtain his broker's experience certificate.

Mr. Racuya stated that he was unable to obtain copies of his transactions from his previous broker because the broker did not retain the files after seven years.

When asked how many transactions he participated in during the last seven years, Mr. Racuya stated that he participated in three transactions.

Mr. Racuya also stated that he has completed the continuing education courses and that he is enrolled to take the broker's prelicensing course.

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

Executive Session:

Upon a motion by Commissioner Matsuo, seconded by Commissioner Kano, it was voted on and unanimously carried to enter into executive session at 10:34 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 Sodetani, seconded by Commissioner Kano, it was voted on and unanimously carried to move out of executive session at 11:45 a.m.

Declaratory WATERLAND AND COASTAL ESTATES, RE-DR-89-1 Relief:

Commissioner Takeya was excused from the meeting due to a conflict of interest.

After a review of the evidence submitted by the petitioner and based upon a lack of evidence to grant the relief sought in the petition, Commissioner Sodetani moved to approve the Hearings Officer's recommendation. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Commissioner Takeya returned to the meeting.

Licensing: RESTORATIONS

Roy I. Kuwahara

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

Hyung K. Cha John K. Beebe George W. Groves, Jr. Clarence B. H. Lee

After a review of the information submitted by the applicants, Commissioner Sodetani 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 requirements. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Upon motion by Commissioner Sodetani, seconded by Commissioner Takeya, it voted was on unanimously successful carried to accept the the brokers salesperson's completion of or prelicensing course by an accredited provider as meeting the course requirement for restoration of forfeited license.

> Johanna M. Berger Peter C. Blacksberg

Leonardo Mijares, Jr.
Conrad B. Bush, III
Geriann Y. Hong
Gregory K. Kane
Augustin J. Lactaoen
Donald R. McGregor
Gabriel B. Pangilinan
Charles Rasmussen, Jr.
Michael R. Sauve
Whitman Symmes

After a review of the information submitted by the applicants, Commissioner Takeya moved that restoration be approved upon submitting evidence of successfully completing a series of Commission-approved real estate courses. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

## Ryozo Ariyoshi

Upon a motion by Commissioner Matsuo, seconded by Commissioner Sodetani, it was voted on and unanimously carried to approve Mr. Ariyoshi's request for reconsideration.

After a review of the information submitted by the applicant, Commissioner Matsuo moved to approve Mr. Ariyoshi's request for immediate restoration of his real estate salesperson's license and for completion of two of the series of Commission-approved courses. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

Floyd Rozewski, Jr.

Upon a motion by Commissioner Matsuo, seconded by Commissioner Sodetani, it was voted on and unanimously carried to deny Mr. Rozewski's request for reconsideration.

### QUESTIONABLE APPLICATIONS

Robert L. Paris dba A & R Paris Associates

After a review of the information submitted by the

applicant, Commissioner Matsuo moved to approve the real estate corporation application of Robert L.

Paris dba A & R Paris Associates. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Globe Realty Corporation dba MCS Properties

After a review of the information submitted by the applicant, Commissioner Matsuo moved to approve the real estate corporation application of Globe Realty Corporation dba MCS Properties. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

HP Realty, Ltd.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve the real estate corporation application of HP Realty, Ltd. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

TG Properties, Inc.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve the real estate corporation application of TG Properties, Inc. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Monarch Land and Livestock Co., Inc. dba Christie Realty

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve the real estate corporation application of Monarch Land and Livestock Co., Inc. dba Christie Realty. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Frank L. Robar Management, Inc.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve the Condominium Managing Agent application of Frank

L. Robar Management, Inc. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

MWJ Corporation

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve the renewal of the site office registration for the Hawaiian Princess time share project. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Rosemary Winn dba Winn Associates

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve Ms. Winn's application for a home office occupation located at 2981 Kaohe Road, Kilauea, Kauai, Hawaii, subject to the conditions imposed upon home occupation licensees for real estate brokers in the County of Kauai. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

David M. Matsuura

Commissioner Takeya was excused from the meeting due to a conflict of interest.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve Mr. Matsuura's application for real estate license. Commissioner Kuriyama seconded the motion. The motion was voted on and carried.

Commissioner Takeya returned to the meeting.

Michael S. Ferguson

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve Mr. Ferguson's application for real estate license. Commissioner Kano seconded the motion. The motion was voted on. Commissioners Matsuo and Kuriyama opposed the motion. The motion died.

Moonie Yong Hui Kim

After a review of the information submitted by the applicant, Commissioner Sodetani moved to rescind Ms. Kim's real estate salesperson's license as she failed to successfully complete the terms of her restoration order. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

#### Joanne P. Sonen

After a review of the information submitted by the applicant, Commissioner Sodetani moved to deny Ms. Sonen's request for early reinstatement of her real estate license without conditions. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Commissioner Takeya was excused from the meeting due to a conflict of interest.

#### Marlene R. DeCosta

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve Ms. DeCosta's request for an equivalency to three listings and three closed sales. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Commissioner Takeya returned to the meeting.

Commissioner Matsuo was excused from the meeting.

J-R Morgan, Ltd.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to deny J-R Morgan, Ltd.'s application for real estate corporation. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

PATDI, Inc.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve PATDI, Inc.'s application for real estate corporation. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

## Willette Fung Yin Ho

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

## Primo Racuya

After a review of the information presented by the applicant, Commissioner Sodetani moved to approve Mr. Racuya's request for an equivalency to two listing contracts, three closed sales, and eight transactions. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

#### John B. Holmes

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

Takeoka Real Estate USA, Inc.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve Takeoka Real Estate USA, Inc.'s application for real estate corporation. Commissioner Kano seconded the motion. The motion was voted on. Commissioner Kuriyama opposed the motion. The motion died.

SGR Investments, Ltd.

Commissioner Kano was excused from the meeting due to a conflict of interest.

Due to a lack of quorum, no action was taken.

Commissioner Kano returned to the meeting.

Next Friday, June 22, 1990

Meeting: Hawaiian Electric Auditorium

900 Richards Street, Second Floor

Honolulu, Hawaii

Adjournment: With no further business to discuss, Chairman

Yanagawa adjourned the meeting at 11:55 a.m.

Taken and recorded by:

Irene S. Kotaka, Secretary

Reviewed and approved by:

Calvin Kimura
Executive Secretary

Date