

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, November 22, 1991

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
Barbara Dew, Oahu Member
Jerry Hirata, Hawaii Member
Yoshiko Kano, Kauai Member
Stanley Kuriyama, Oahu Member
Carol Mon Lee, Public Member
Marcus Nishikawa, Oahu Member
Douglas Sodetani, Maui Member

Calvin Kimura, Supervising Executive Secretary
Christine Rutkowski, Executive Secretary
Lynn Petry, Condominium Specialist
Lynn Miller, Real Estate Specialist
Russell Wong, Real Estate Specialist
Irene Kotaka, Secretary

Linda Nakamura, Licensee
Ralph Gray, Licensee
Robert Diffley, Licensee

Excused: Theo Butuyan, Public Member

Call to Order: Chairman Yanagawa called the meeting to order at 9:15 a.m.,
at which time quorum was established.

Chairman's Report: No report was presented.

Executive Secretary's Report: No report was presented.

Disciplinary Cases: There were no disciplinary cases for consideration.

Recovery Fund Report: No recovery fund report was presented.

Additions to the Upon a motion by Commissioner Sodetani, seconded by Commissioner Dew,
it was voted on and unanimously carried to add the following items

Agenda: to the agenda:

Licensing - Restoration of Forfeited Licenses
Steven J. Faulkner
Licensing - Questionable Applications
NS Realty, Inc.

Century 21 Associated Realty, Inc.
Ironwood Resorts, Inc.

Michael B. Griggs
Virginia R. Galace

Additional The additional handouts distributed were as follows:

3. Minutes of the October 25, 1991
6. Committee Reports

Condominium and Cooperative Review Committee
Laws and Rules Review Committee
Licensing - Questionable Applications
Ralph L. Gray

Minutes: The approval of the October 25, 1991 Minutes were deferred to

Licensing: **QUESTIONABLE APPLICATIONS**

Ms. Nakamura was present to request that the Commission grant her an equivalency to two listings that have closed escrow.

thesis in real estate, the recommendation from John Urner, and her resume as evidence of her meeting the broker's experience if granted, be effective from January 1992.

Commissioner Nishikawa asked Ms. Nakamura if she had any sales but they did not close. Her last closed transaction was a little over a year ago.

Dew, it was voted on and unanimously carried to take this matter under advisement.

Chairman Yanagawa and Commissioner Nishikawa was excused from the meeting due to a conflict of interest. Commissioner Sodetani, Chairman Pro Tem, presided

Mr. Gray was present to request that the Commission grant him an equivalency to three listings that have closed escrow and three

sales that have closed escrow transaction requirement.

Mr. Gray stated that he is relocating to Hawaii from the State of requesting that the Commission grant him a waiver of five months and that the Commission waive the transaction requirement.

property. Mr. Gray stated that he has a property under contract now and will be taking the lead in the developing of the property

Mr. Gray stated that Gray Management, Inc. is his operating company and is not a real estate company. The company is dormant

Upon a motion by Commissioner Hirata, seconded by Commissioner Dew, it was voted on and unanimously carried to take this matter

Chairman Yanagawa and Commissioner Nishikawa returned to the meeting. Chairman Yanagawa resumed presiding over the meeting.

Mr. Diffley was present to request that the Commission reconsider its previous decision and to grant his request for an equivalency estate salesperson's experience requirement.

Mr. Diffley stated that he does not meet the ten transaction related to condos. He has acted as the owner's representative in all the transactions. He feels that he has ample experience experience requirement, based on his education and out of state experience. He has been involved in the acquisition of property, other aspects of real estate development.

Upon a motion by Commissioner Sodetani, seconded by Commissioner under advisement.

Committee
Reports:

TTEE

Kano, it was voted on and unanimously carried to approve the recommendations of the November 21, 1991 Laws and Rules Review

1. Disability Act's Conflict with Real Estate Licensing
- Staff to secure a written opinion from the appropriate federal official about this subject
2. Commission's Committee Membership with Alternates

this matter to the December meeting.

"Persons" in Section 467-2 Exceptions as it Applies to Corporations, Partnerships, and its Employees
this issue thoroughly by researching previous Attorney General opinions and/or new opinions.

Waiving Part of Commission in Favor of Buyer and Seller -
interpretation, pending a request for an Attorney General's opinion and previous Attorney General's opinion.

Advertising - Stephen F. Santangelo - Staff to inform Mr. Santangelo of the present rules about advertising and that his request will be considered at the next rule making session.

6. The Society of Real Estate Agents/Brokers/Appraisers - Staff to pass on any public information on this matter to the Hawaii Association of Realtors.

Licensing and
Registration:

Ratification

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

Brokers

INI, Inc.
EMW Referral, Inc.
Langsford Norton Hooker II Enterprises, Inc.
Nikken Corporation
Kona-Pacific Rim Properties, Inc.

Partnerships

TJK Waikoloa Partners

Branch Office

USA Hawaii Realty, Inc., Honolulu, Hawaii

Site Office

Waikoloa Fairways - Nemo Realty, Inc.
The Cliffs Club - CPL Realty
Na Pali Haweo - Pacific Homes
The Bluffs - Locations, Inc.
'Iolani - Maryl Realty
The Peninsula - Bradley Properties

Condominium Hotel Operators

Pluta and Associates Inc. dba Maui Destination
Marketing
Sykes & Sykes Properties, Inc.

Trade Names

Jones, Inc. dba ERA Jones Properties International
Steven I. Koyama dba Koyama Realty
Edith Crabb dba Edith Crabb Realty

Crom/Max Corporation dba RE/MAX Properties

Condominium Property Regime Public Reports

Kona Barons II, Hawaii (Final)
The Masters at Kaanapali Hillsides, Phase F, Maui (Final)
273/273-A Muliwai Avenue, Honolulu (Final)
Kawaihau Road Estates, Kauai (Final)
The Palms at Wailea - Phase 2, Maui (Final)
The C. R. Fenner Building, Hawaii (Final)
Kahala Ridgeline Estates, Honolulu (Final)
Seacliff Ranch, Kauai (Final)
Palm Villas II, Increment GG, Honolulu (Final)
Kumelewai Court, Phase I, Honolulu (Preliminary)
Mamao Komohana, Kauai (Final)
Napili Gardens, Maui (Preliminary)
4344 Punee Road, Kauai (Final)
Anchetas' Court, Honolulu (Final)
Niupalu Point, Kauai (Final)
Ewa Estates, Kauai (Final)
Ninini View, Kauai (Final)
51-346 Hauhele Road, Honolulu (Final)
Souzaville, Kauai (Final)
2708/2712 Kekuanoni, Honolulu (Final)
Kailua Bay Resort, Hawaii (Third Supplementary)
Coastview One, Hawaii (Final)
Coastview Two, Hawaii (Final)
Coastview Three, Hawaii (Final)
Haena Land Company, Kauai (Final)

Committee **EDUCATION REVIEW COMMITTEE**
Reports:

Upon a motion by Commissioner Dew, seconded by Commissioner Lee, it was voted on and unanimously carried to approve the recommendations of the November 21, 1991 Education Review Committee meeting, as amended:

1. Budget and Finance Committee Report - Receive and accept the Financial Statements of the Real Estate Education Fund, the Condominium Management Education Fund, and the Real Estate Recovery Fund, dated July 1991, August 1991, and September 1991.
2. Maui County Real Estate Manual - Accept the draft version of the Maui County Manual, subject to Maui Community College's amending the manual to address the concerns expressed by Commissioner Sodeani and Dr. Nicholas Ordway and approve payment of the contract amount that is due and payable to the College upon the acceptance of the draft of the manual.
3. Continuing Education Report - Accept the draft version of the Center's Report on Continuing Education, subject to amendments, if any, of Commissioners and Staff and instruct the Center to timely transmit the report to the 1992 Legislature.
4. Continuing Education Issues
 - a. **Round Table Discussion Results** - Instruct staff to continue to make improvements to the Continuing Education Program, per the Real Estate Specialist Cynthia Yee's memorandum of November 5, 1991.
 - b. **Continuing Education Certification Fees** -Commission Chair will be coming in with the Commission's recommended fees for certification and renewal of providers, courses, and instructors.
 - c. **Instructor Development Workshop** - Allow, on a case-by-case basis, continuing education prelicense instructor candidates to be conditionally certified by viewing a Commission-approved instructor development video, together with making a live teaching presentation before a peer group approved by the Education Committee, and further subject to a favorable evaluation by such group. The conditional certification shall automatically expire when the conditionally certified instructor fails to successfully complete the next available IDW.
 - d. **Amended Statement of Ethical Teaching Practices** - Approve circulation of the statement for signature by continuing education instructors and administrators, subject to making amendments suggested by the Deputy Attorney General.
 - e. **Course Category Certification Procedures** - Instruct staff to continue to process instructor course

5. Prelicense Issues

Amended Statement of Ethical Teaching Practices -

prelicense instructors and principals, subject to making amendments suggested by the Deputy Attorney

b. **Guest Lector Non-Binding Interpretation**

binding interpretation that a prelicense guest lector is an individual who has evidenced an "expertise" in a instructor.

- c. - Approve the following requests to hold joint broker and year subject to the schools teaching the respective curriculum and the respective applicable required ability to teach the respective curriculum:

Pence School of Real Estate
tute of Real Estate
Maui School of Real Estate

Continuing Education Applications - Act on the following

- a. Certify the following instructors:

Kenneth Chong - Course Category, Property Development/Ownership as application
Ralph Foulger - Course Category, Property Management

Attorney General's opinion on the transfer of

Michael Curtis - Course Category, Financing, limited to those GRI financial

areas currently certified to teach, subject to the Attorney

transfer of instructor certification fees

approve for course, "How

apply for certification in the Real Estate Investment Category.

Defer the continuing education instructor application

of Ralph Foulger in the course categories of Property Development and Real Estate Investment for further documentation of command knowledge in the subject areas.

- c. Certify the continuing education elective course "How to Develop Real Estate", provider Duplanty School.

7. Prelicense Applications -
 - a. Approve the following as "Guest Lectors":

LeeAnn Allen - Math, ERA of Hawaii
Anna Bennett - Math, Hawaiian School of Real Estate
 - b. Deny the following as "Guest Lectors", based on the recommended non-binding interpretation of defining "Guest Lector" as specified in this report, in that the applicants have not evidenced "expertise" in a subject matter beyond that of an ordinary prelicense instructor:

Margie Abinosa - Listing Contract, ERA of Hawaii
Tom Street - DROA, ERA of Hawaii
Steve Hogin - Listing/DROA, ERA of Hawaii
Katya DeLaMatier - Property Management, Hawaiian School of Real Estate
 - c. Approve and register the following prelicense schools:

Homesite School of Real Estate - Brokers and Sales
Century 21 School of Real Estate - Broker Course,
Effective August 14, 1991
 - d. Approve and register the following prelicense instructor:

Harvey A. Wilson - Broker and salesperson's course,
Homesite School
8. NARELLO Research and Education Fund - Instruct the Executive Secretary and the Deputy Attorney General to make recommendations for the Commission's consideration and present the recommendations to the Commission at its December 1991 Meeting.
9. September 11, 1991, October 2, 1991, and August 9, 1989 Minutes - Accept the minutes as circulated.

CONDOMINIUM AND COOPERATIVE REVIEW COMMITTEE

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Lee, it was voted on and unanimously carried to approve the recommendations of the November 21, 1991 Condominium and Cooperative Review Committee Meeting as follows:

1. Condominium Association Registration - Refer the issue of requiring registration of all condominium projects/associations back to staff and Commissioner Kuriyama for further consideration.
2. Waterpark Towers and Phil Gray - L. Douglas Brown - Terminate any further inquiry into this matter as it may be a potential formal proceeding before the Commission in the future which may lead to possible disqualification of

Commission members under the Hawaii Administrative Law. Inform Mr. Brown of the option of filing a complaint with the Regulated Industries Complaints Office.

3. Lanikai Place and Uluniu Partners - Cynthia Thielen - The Supervising Executive Secretary to explain the provisions of the laws and rules to Ms. Thielen.
4. Clark/Emerson Venture, Inc., Punahou Sunset and Emerson Court - The Condominium Consultant to inform the developer that until the fee title is acquired for fee simple property, the purchasers' funds shall not be disbursed. In addition, this matter shall be considered for rule making.
5. Progress Sales and Development Corp. - The subject corporation shall immediately register as a condominium managing agent and, if applicable, submit a request for fidelity bond exemption.
6. Community Associations Institute Law Seminar, January 12 to 14, 1992, San Francisco, California - Commissioner Kuriyama and Chairman Yanagawa to attend the subject seminar, with funding through the Condominium Management Education Fund. Chairman Yanagawa reserves the right to substitute another Commissioner or staff member in his place.

Executive Session:

Upon a motion by Commissioner Nishikawa, seconded by Commissioner Sodetani, it was voted on and unanimously carried to move into executive session, at 10:29 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 Sodetani, it was voted on and unanimously carried to move out of executive session at 10:51 a.m.

Licensing: **RESTORATION OF FORFEITED LICENSES**

Anthony J. Behm

After a review of the information submitted by the applicant, Commissioner Nishikawa moved that restoration be approved, subject to submitting evidence of successfully passing the real estate broker's licensing examination within six months, with a waiver of the education and experience requirements and completion of the 1989-90 continuing education courses. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Roger H. Madsen
Hope L. Northway
Steven J. Faulkner

After a review of the information submitted by the applicants, Commissioner Sodetani moved that restoration be approved, subject to submitting evidence of successfully passing the real estate

salesperson's licensing examination within six months, with a waiver of the education requirement and completion of the 1989-90 continuing education courses. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

QUESTIONABLE APPLICATIONS

TMA Corporation

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

Lloyd F. Char

After a review of the information submitted by the applicant, Commissioner Nishikawa moved to deny Mr. Char's request to add the trade name of "L & A Realty". Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

Dean E. Schneider

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

Ricardo M. Barbati

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

Rose Marie Giasolli

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

James F. Zachary

After a review of the information submitted by the applicant, Commissioner Nishikawa moved to deny Mr. Zachary's request for an equivalency to three listings that have closed escrow and two sales transactions that have closed escrow. Commissioner Hirata seconded the motion. The motion was voted on and unanimously carried.

Ralph L. Gray

Chairman Yanagawa and Commissioner Nishikawa were excused from the meeting due to a conflict of interest. Commissioner Sodetani, Chairman Pro Tem, presided over the meeting.

After a review of the information presented by the applicant, Commissioner Lee moved to deny Mr. Gray's request for an equivalency to three listings that have closed escrow, three sales that have closed escrow, and four real estate transactions. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Chairman Yanagawa and Commissioner Nishikawa returned to the meeting. Chairman Yanagawa resumed presiding over the meeting.

Linda Y. Nakamura

After a review of the information presented by the applicant, Commissioner Sodegami moved to deny Ms. Nakamura's request for an equivalency to two listings that have closed escrow. Commissioner Nishikawa seconded the motion. The motion was voted on and unanimously carried.

Robert G. Diffley

After a review of the information presented by the applicant, Commissioner Nishikawa moved to deny Mr. Diffley's request for reconsideration and for an equivalency to ten transactions and one year full-time real estate salesperson's experience. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Yupin Syrop

After a review of the information submitted by the applicant, Commissioner Kuriyama moved to deny Ms. Syrop's request to reactivate her license without submitting the continuing education certificates. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

NS Realty, Inc.

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

Dixon Properties, Inc.

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

Century 21 Associated Realty, Inc.

After a review of the information submitted by the applicant, Commissioner Kano moved to approve the real estate branch office application of Century 21 Associated Realty, Inc. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Ironwood Resorts, Inc.

After a review of the information submitted by the applicant, Commissioner Sodetani move to deny the request to change the real estate corporation name to Hardin Group, Inc. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Roland A. Cairme

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

Michael B. Griggs

After a review of the information submitted by the applicant, Commissioner Kuriyama moved to deny Mr. Griggs's condominium managing agent registration application. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

Virginia R. Galace

After a review of the information submitted by the applicant, Commissioner Nishikawa moved to deny the request to back date the Licensing Branch's records to show Ms. Galace with Herbert K. Horita Realty - Maui Office, effective March 27, 1990. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Donald J. Smith

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Dew, it was voted on and unanimously carried to defer and delegate this matter to Commission staff.

Approval of Upon a motion by Commissioner Kano, seconded by Commissioner Sodetani, it was voted

Minutes: on and unanimously carried to approve the Minutes of the October 25, 1991 Real Estate Commission Meeting as circulated.

Next Meeting: Wednesday, December 11, 1991
Kuhina Nui Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Adjournment: With no further business to discuss, Chairman Yanagawa adjourned the meeting at 11:00 a.m.

Reviewed and approved by:

Calvin Kimura
Supervising Executive Secretary

Date