## 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: Thursday, December 12, 1991

<u>Time:</u> 9:00 a.m.

Place: Kuhina Nui Room

HRH Princess Victoria Kamamalu Building

1010 Richards Street, Second Floor

Honolulu, Hawaii

Present: Marcus Nishikawa, Vice Chairman, Oahu Member

Theo Butuyan, Public Member Jerry Hirata, Hawaii Member Yoshiko Kano, Kauai Member Stanley Kuriyama, Oahu Member Carol Mon Lee, Public Member Marcus Nishikawa, Oahu Member

Calvin Kimura, Supervising Executive Secretary Christine Rutkowski, Executive Secretary Cynthia Yee, Real Estate Specialist Russell Wong, Real Estate Specialist Lynn Petry, Condominium Specialist Lynn Miller, Real Estate Specialist Russell Wong, Real Estate Specialist Diane Erickson, Deputy Attorney General

Irene Kotaka, Secretary

Dawn Kubota, Examination Branch Jodi Leandro, Examination Branch

John Reilly, Real Estate Continuing Education Company

Jack Watkins, Pacific Commercial Joseph Blanco, Pacific Commercial Bruce Butler, Family Realty

Ron Bock, ASI Regional Director, Western Region

Excused: Peter Yanagawa, Chairman

Barbara Dew, Oahu Member Douglas Sodetani, Maui Member

Call to Vice-Chairman Nishikawa called the meeting to order at 9:07.m., at

Order: which time quorum was established.

Chairman's

Report: No report was presented.

**Disciplinary** 

<u>Cases:</u> There were no disciplinary cases for consideration.

Recovery

Fund

Report: No recovery fund report was presented.

Additions Upon a motion by Commissioner Kano, seconded by Commissioner Hirata,

to the it was voted on and unanimously carried to add the following items

Agenda: to the agenda:

10. Licensing - Questionable Applications

Russell S. Kyono Jack D. Watkins

<u>Additional</u>

The additional handouts distributed were as follows:

**Handouts:** 

3. Executive Secretary's Report

b. Minutes of the November 22, 1991 Meeting

6. Committee Reports

a. Education Review Committee

b. Condominium and Cooperative Review Committee

c. Laws and Rules Review Committee

8. Licensing and Registration - Ratification Condominium Public Reports Issued

Approval of

The approval of the November 22, 1991 Minutes were deferred to

Minutes: later in the meeting.

Licensing:

**QUESTIONABLE APPLICATIONS** 

Jack D. Watkins

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

Mr. Watkins was present to provide oral testimony.

Mr. Watkins stated that he has experience in the banking industry. He was a loan officer for HonFed. He sold foreclosures and developments. He later moved to HonVest Corporation and developed three warehouse properties in the Salt Lake area. He did not generate any listing contracts for the sales because everything was completed in-house. He stated that he has worked in a commercial leasing and property management position and that he does a lot of leasing and property management work.

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

## Commissioner Kuriyama returned to the meeting.

Executive

<u>Secretary's</u> The Supervising Executive Secretary reported that the Real Estate Branch will be moving Report: to the HRH Princess Victoria Kamamalu Building in early 1992.

# <u>Licensing:</u> **QUESTIONABLE APPLICATIONS**

Bruce Butler - Family Realty

Mr. Butler was present to request that the Commission grant his request for a home occupation place of business. Mr. Butler stated that he was the top producer for Coldwell Banker's Windward Office for the past three years. He also stated that he and his wife, who is a real estate salesperson, are full-time farmers and will not be involved in a lot of transactions.

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

Executive Upon a motion by Commissioner Kano, seconded by Commissioner Hirata, it was voted on Session: and unanimously carried to move into executive session at 9:20 a.m., pursuant to Section 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 Kano, seconded by Commissioner Hirata, it was voted on and unanimously carried to move out of executive session at 9:30 a.m.

<u>Assessment</u> Presentation

Systems,

Inc. (ASI): Mr. Ron Bock, ASI's Western Region Director, Business Development Section, gave an oral

presentation of the services that ASI offers. He also discussed how problems that the Real Estate Commission had with ASI have been handled and the types of services the Commission could

expect to receive if the examination contract with ASI is renewed.

Recess: Vice-Chairman Nishikawa recessed the meeting at 11:10 a.m.

Reconvene: Vice-Chairman Nishikawa reconvened the meeting at 11:20 a.m.

Committee Education Review Committee

Reports:

Upon a motion by Commissioner Hirata, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the recommendations of the December 11, 1991 Education Review Committee, as follows:

1. Instructor Development Workshop. Pursuant to the contract between the Commission and the Hawaii Association of Realtors, dated June 28, 1991, approve payment to HAR, in the amount of \$3,201.09, as compensation and costs of necessary expense for administering and producing the Commission-sponsored instructor development workshop, held on July 15 and 16, 1991.

- 2. CE and Initial Licensure Period. Interpret 16-99-91 in the following manner: CE requirements are inapplicable to licensees who desire to activate their license during their first license biennium but thereafter must satisfy all CE requirements for license renewal.
- 3. Amended HUD/NARELLO Fair Housing Brochure Reprint. Reprint 6,000 copies, through the Hawaii Real Estate Research and Education Center, subject to the Budget and Finance Committee Chairman's review and amendments, if necessary, of the Real Estate Education Fund, Condominium Management Education Fund, and HREREC budgets to cover the cost of reprinting and distribution. Distribution shall be to DCCA Administration, PBs/BICs, schools, registered condominium associations, real estate schools, and the balance for the Real Estate Commission Office.
- 4. Request of Thomas G. Delmore. Deny the request of Thomas G. Delmore for a waiver of one missed license exam question for lack of authority to do so, and based on the fact that the claimed subject matter is a part of the prelicense curriculum.
- 5. CE Applications.
  - a. Certify Max Sherley as an instructor for the following elective courses: "Residential Financing" and "How to Manage Residential Properties."
  - b. Certify Brian Thomas as an instructor in the course category, Arbitration/Mediation.
  - c. Certify Gretchen Duplanty as an instructor in the course category, "Real Estate Investment" and limit her certification in the course category, "Real Estate Development" to the topics and areas of GRI 401 Financing for which she is a certified instructor.
- 6. CE Provider Renewal. Register Leeward Community College as a CE provider for both elective and core CE courses.
- 7. Certificate of Appreciation. Issue a Certificate of Appreciation to Carolyn Paet for her contributions to the real estate industry.

#### ASI/NARELLO Education and Research Fund Issue

After advisement by the Deputy Attorney General, Commissioner Kuriyama moved that the funds held by ASI be released to NARELLO, subject to the conditions to be negotiated by the Chairman of the Budget and Finance Committee and Commission staff. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

# **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 December 11, 1991 Condominium and Cooperative Review Committee Meeting, as follows:

- 1. Condominium Management Study. Accept the Condominium Management Study conducted by Melvin Sakurai and Randy Sing; distribute copies of the report to the members of the key Legislative Committees; provide copies of the report to the Legislative Reference Bureau; and that the Commission draft a cover letter to accompany the transmittal of the reports, stating that distribution of the report by the Commission does not necessarily endorse the recommendations of the report; and include a synopsis of the report in the Condominium Management Education Fund Report to the Legislature.
- 2. Rule Making, Chapter 107, Hawaii Administrative Rules. Commission and staff to report their comments on the proposed draft rules to the consultants as soon as possible and approve final payment for the Agreement for Consultant Services, subject to conditions.
- 3. Condominium Association Registration. The Commission is to require that condominium associations register by January 1, 1992, if the declaration is recorded in the Bureau of Conveyances and the certificate of occupancy was issued prior to 1990.
- 4. South Maui Condominium Council Request. Commission staff to inform Mr. Esker that each individual county has a Fair Housing Officer and if they are interested in having a Commission staff member present at one of their seminars, they should submit their request in writing.
- 5. Hawaii Real Estate Research and Education Center Report Five Year Education and Research Plan. Commission staff to work with the Center in calculating the budgeted amounts for the Five-Year Education and Research Education Plan and that the Commission review the draft of the plan for discussion at the January 8, 1992 Condominium and Cooperative Review Committee Meeting.

#### **Laws and Rules Review Committee**

Committee Membership and Alternates - Deputy Attorney General Report. After advisement by the Deputy Attorney General, Commissioner Kuriyama moved that the Chairman of the Real Estate Commission be authorized the discretion to appoint an alternate member if any standing committee member notifies the Chairman that he/she is unable to attend a committee meeting, in whole or in part, effective January 1, 1992, and Commissioner Nishikawa is to be a member of all standing committees. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

## **Ratification:**

Upon a motion by Commissioner Kano, seconded by Commissioner Butuyan, it was voted on and unanimously carried to approve the ratification of the following:

#### **Real Estate Brokers**

Pacific Coast Properties, Inc. Charles Aki Realty, Inc. de Beer Enterprises, Inc. Puna Coast Properties, Inc.

> HP Kauai, Inc. Michael Y. W. Lum Hawaii Real Estate Developers

# **Condominium Hotel Operators**

B.W.T., Inc.

W. E. Denison Corporation dba Marine Surf Waikiki Hotel

#### **Trade Names**

Morgen M. E. Bahurinsky dba Morgen Realty Robert C. Beck dba Bob Beck Realtors

# **Condominium Managing Agents**

Paul W. Van Marter dba Van Marter & Associates Ironwood Resorts, Inc.
National Mortgage & Finance Co., Ltd.

Condominium Property Regime Public Reports

### November 1991

Kinohou I, Hawaii (Final)

Kinohou II, Hawaii (Final)

Akuleana Hale, Honolulu (Final)

6414 Puu Pilo, Kauai ((Final)

Palm Villas II, Increment FF, Honolulu (Final)

Palm Villas II, Increment HH, Honolulu (Final)

Wailea Beach Parcel 24, Hawaii (Final)

Kinohou Estates, Lot 17, Hawaii (Final)

549 Kawailoa Road/107 Alala Road, Honolulu (Final)

5191 Puuwai, Kauai (Final)

Southpointe at Waiakoa, Phase II, Maui (Preliminary)

Lunalilo, Kauai (Final)

820 Kaipii, Honolulu (Final)

Dynasty Court, Kauai (Final)

Lawai Beach Resort, Kauai (Fourth Supplementary)

One Kalakaua, Honolulu (Supplementary)

Loomis Estates, Honolulu (Supplementary)

66-401/66-403 Paalaa Road, Honolulu (Final)

Wiliwili Vista, Honolulu (Preliminary)

Executive Plaza, Honolulu (Final)

Pono Kai, Kauai (Supplementary)

The Pointe at Poipu, Kauai (Preliminary)

43 Puako Beach Drive, Hawaii (Final)

Punahou Sunset, Honolulu (Supplementary)

Emerson Court, Honolulu (Supplementary)

Kohola, Hawaii (Final)

Beers Road, Hawaii (Final)

> Kanaele Road, Kauai (Final) 7074 Kaholalele, Kauai (Final) Nonou Rise Estates No. 6, Kauai (Final) 91-669A & A-1 Pohakupuna Road, Honolulu (Final) Dynasty Professional Building, Kauai (Final) Kealakekua Bay Villas, Hawaii (Final) 54-026/54-028 Waikulana Street, Honolulu (Final)

ASI Upon a motion by Commissioner Kuriyama, seconded by Commission

<u>Presentation:</u> Butuyan, it was voted on and unanimously carried to extend the contract for another year.

#### Licensing: Restoration of Forfeited Licenses

John J. Moeschler Salesperson
Fay E. Wilson Salesperson

After a review of the information submitted by the applicants, Commissioner Kano 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 and experience requirements and completion of the 1989-90 continuing education courses. Commissioner Hirata seconded the motion. The motion was voted on and unanimously carried.

## **Questionable Applications**

Zaisen, Inc.

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

R & R Realty & Rentals, Inc.

After a review of the information submitted by the applicant, Commissioner Butuyan moved that the real estate corporation application of R & R Realty & Rentals, Inc. be approved. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

E. Ann Tkachyk

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

Roy M. Okimoto

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

Maurice B. Jones

Upon a motion by Commissioner Hirata, seconded by Commissioner Butuyan, it was voted on and unanimously carried to defer Mr. Jones's application until further information is received.

Manor Properties, Inc.

After a review of the information submitted by the applicant, Commissioner Hirata moved that the Commission grant Manor Properties's request to surrender their real estate broker's license and be granted an exemption to the condominium hotel operator requirement.

Bruce Butler

After a review of the information presented by the applicant, Commissioner Hirata moved to approve Mr. Butler's request for a home occupation place of business located at 59-215 Ke Nui Road, Haleiwa, Hawaii 96712, subject to the conditions imposed upon him by the City and County of Honolulu. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Russell S. Kyono

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

Jack D. Watkins

After a review of the information presented by the applicant, Commissioner Hirata moved to approve Mr. Watkin's request for an equivalency to three listing contracts that have closed escrow. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Approval of Minutes:

Upon a motion by Commissioner Kano, seconded by Commissioner Lee, it was voted on and unanimously carried to approve the minutes of the November 22, 1991 Real Estate Commission Meeting, as circulated.

Next Meeting:

Wednesday, January 8, 1992 Kapuaiwa Room (fka Exam/Conference Room) HRH Princess Victoria Kamamalu Building 1010 Richards Street, Second Floor Honolulu, Hawaii

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Adjournment:	With no further business to discuss, V a.m.	Vice-Chairman Nishikawa adjourned the meeting at 11:5
		Reviewed and approved by:
		Calvin Kimura Supervising Executive Secretary
		<u>January 24, 1992</u> Date