

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, January 24, 1992

Time: 9:00 a.m.

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

Present: Peter Yanagawa, Chairman
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
Douglas Sodetani, Maui Member

Calvin Kimura, Supervising Executive Secretary
Christine Rutkowski, Executive Secretary
Cynthia Yee, Real Estate Specialist
Russell Wong, Real Estate Specialist
Irene Kotaka, Secretary

William J. Lazar, Applicant

Excused: Barbara Dew, Oahu Member

Call to Order: Chairman Yanagawa called the meeting to order at 9:24 a.m., at which time quorum was established.

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

9. Licensing - Restoration of Forfeited Licenses
Under Two Years - Salespersons
Stephen K. Morse
Request for Reconsideration
John R. Peterson
10. Licensing - Questionable Applications
Linda Tkachenko Realty, Inc.
Arruda Properties, Ltd.
Robert C. Beck

Licensing: **QUESTIONABLE APPLICATIONS**

WILLIAM J. LAZAR

Mr. Lazar was present to request that the Commission approve his application for a real estate salesperson's license. Mr. Lazar stated that the tax liens against him were a result of poor personal financial management. He has worked out an agreement to pay off his debt with the Internal Revenue Service. He has set a personal goal to pay off the debt earlier than anticipated and requested that his license be granted so that he may be able to maintain this commitment. Mr. Lazar submitted letters of recommendation from personal references. He showed the Commissioners copies of the money order receipt and Express mail receipt as evidence of his mailing the payment to the Internal Revenue Service.

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

Executive
Secretary's

Report: No report was presented.

Disciplinary
Cases:

JLB, INC. DBA MDR MAUI DIVERSIFIED REAL ESTATE AND JAMES L. BURCHETT, REC 91-252

Upon a motion by Commissioner Sodetani, seconded by Commissioner Lee, it was voted on and unanimously carried to approve the Settlement Agreement Prior to Filing Petition for Disciplinary Action and Board's Final Order.

LOUIS E. ABRAMS AND CHARLEE & ASSOCIATES, LTD. DBA ERA CHARLEE & ASSOCIATES, REC 90-439

Upon a motion by Commissioner Sodetani, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the Settlement Agreement Prior to Filing of Petition for Disciplinary Action and Commission's Final Order.

Recovery Fund

Report: No report was presented.

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 January 23, 1992 Education Review Committee, as follows:

1. Minutes of Previous Meetings. Accept and approve as circulated the minutes of the April 23, 1987, June 4, 1987, June 10, 1987, May 23, 1987, January 11, 1989, March 30, 1989, April 26, 1989, June 14, 1989, November 21, 1989, November 21, 1991, and December 11, 1991.

2. Budget and Finance Committee Report. Accept respectively the financial statements of the Real Estate Education Fund, Condominium Management Education Fund, Real Estate Recovery Fund, dated October 1991 and November 1991. Amend the Real Estate Education Fund and Condominium Management Education Fund budgets as prepared by the Budget and Review Committee, dated January 23, 1992.
3. HUD Commission Project and Award of Monies. Assign and delegate Commission's duties and responsibilities for doncuting a "Study to Determine the Feasibility to Allow Tax Credit for Leasehold Payments," to the Hawaii Real Estate Research and Education Center, via RCUH, together with all federal monies received to conduct the study. The assignment and delegation is subject to and shall include but not be limited to HUD and the Research Center's written agreement that the Real Estate Commission shall be absolved from any damages arising out of any research, performance, preparation, report and dissemination of the results of the study. And subject further, where necessary, to amending the Commission's budget.
4. Continuing Education Issues.
 - a. Administrative Issues
 - (1) Jack N. Oliver. Approve his request to complete continuing education courses for license restoration by home study based on submitted documents indicating a medical hardship.
 - (2) Continuing education proposed rules. Defer action and discussion on any proposed rule changes for continuing education and reschedule the discussion to the Laws and Rules Review Committee of February 12, 1992.
 - (3) Request for CE course reciprocity. Instruct staff to inform the Kentucky Real Estate Commission of the current law on this matter.
 - (4) Hawaii Institute of Real Estate Newsletter. Instruct Real Estate Specialist, Lynn Miller, to send an advisory letter informing the Hawaii Institute of Real Estate about the Commission's concerns relating to a current letter sent to all former and current students of the Institute.
 - (5) Topics for CE core course. Request that the Real Estate Research Center, in the next writing of the core course include, but not be limited to the following topics: American State Disability Laws, Hazardous Waste, Environmental Issues, Federal and State Reporting Requirements impacting on the practice of Residential, Commercial and Industrial Real Estate.
 - b. Instructor Applications.
 - (1) Richard Rosenthal. Certify applicant as a CE instructor for the course categories of "Real Estate Consulting and Investment Brokerage", subject to the applicant providing Commission staff, in writing, a better description/definition of the category of "Real Estate Consulting" and "Investment Brokerage"; applicant has submitted documentation supporting his ability to teach and command knowledge pursuant to §16-99-104(4). Certify applicant as a CE

- course instructor for the course category "Risk Management"; applicant has submitted documentation supporting his ability to teach and command knowledge pursuant to §16-99-104(4).
- (2) Michael Curtis. Defer the application and request applicant to appear before the Education Review Committee at the February 27, 1992 meeting and present further evidence of his command knowledge in the course category "property management."
 - (3) Ralph Foulger. Defer this application to the next Education Review Committee Meeting on February 27, 1992, pursuant to the applicant's oral request.
- c. Course certification.
- (1) "Buyer Agency: Your Competitive Edge in Real Estate" - Honor applicant's request to withdraw application.
 - (2) "Mondo Condo: Chapter 514A" (Duplanty School provider) - Certify the course as a continuing education elective course.
5. Annual Report and Bulletin Contract. Renew contract with consultant, John Ramsey, for the preparation, writing, editing, publication and distribution of the Commission's Annual Report and Bulletins on the same terms and conditions of the current contract for another two-year period.
 6. Exam Administration. Instruct staff to respond to ASI's request that Commission staff direct license candidates to report to the Center in the negative, in that, the current contract requires the services of ASI in administering the exams.
 7. Exam Pre-Qualification. Deny Madeline Shaw's request for release of her exam scores for failure to meet the prerequisite exam qualifications prior to sitting for the written license exam of December 14, 1991, pursuant to section 467-9.5, HRS, and to cancel her scores accordingly.
 8. ASI Ex Pro Testing. Instruct Commissioner Hirata, Real Estate Specialist Russell Wong, together with representatives from the real estate prelicense schools, to explore, research, study other states' experience with ASI's Ex Pro computer testing and any other similar use of computer testing; and report back to the Commission its findings and recommendations.
 9. Advisory Council. Send letters of invitation to serve on the Hawaii Real Estate Research and Education Center to David Pietsch, Jr. and Alton T. Kuioka.

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 January 8, 1992 Condominium and Cooperative Review Committee Meeting, as follows:

1. Standing Committees Organization Policy. Add the recommendation of "written appointment" to the policy, finalize the last draft and distribute.

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2. Five Year Education and Research Plan. All comments are due immediately, through the Executive Secretary, to the Hawaii Real Estate Research and Education Center for the next draft.
3. Budget and Reserves Rule Making. All comments are due immediately , through the Executive Secretary, to the Consultant for the next draft.
4. Rule Making, Chapter 107, Hawaii Administrative Rules. All comments are due immediately, through the Executive Secretary, to the Consultants, for their next draft.
5. Condominium Reference Library. Approve the Condominium Specialist's report of the proposed program, increasing the Condominium Management Education Fund's Budget to \$27,750 from \$6,000, subject to the Budget and Finance Review Committee Chairman's approval, and providing a detailed accounting of the cost for each reference manual.
6. CAI Law Seminar. Accept the participation cancellation by Commissioners Yanagawa and Kuriyama, with the initiation of a cancellation memorandum to the Director.
7. REC Brochures, Bulletin and Reports. Allow the reproduction of the Commission's brochures, bulletins, and reports, as long as the material is reproduced in its entirety and as long as the costs passed on are the actual cost of reproduction and distribution. Under no circumstances shall it be for profit or any other type of compensation or gain.

Laws and Rules Review Committee

Upon a motion by Commissioner Kano, seconded by Commissioner Nishikawa, it was voted on and unanimously carried to approve the recommendations of the January 8, 1992 Laws and Rules Review Committee Meeting, as follows:

1. Administration Bill - Mandatory Continuing Education. Work with real estate brokers, salespersons, schools, instructors, providers, the Hawaii Association of Realtors, local boards, the local chapter of REEA, the Hawaii Real Estate Schools Association, the Hawaii Real Estate Research and Education Center and others in lobbying, providing oral and written testimony in support of this bill.
2. 1992 Legislature. Resolutions to be introduced for a study by the Hawaii Real Estate Research and Education Center on mandatory seller disclosure. The Commission shall include this in the program of work and budget for the symposium.
3. Special Issues - Owner-Building Exemption, Chapter 444, Hawaii Revised Statutes, James Kobashigawa, Executive Secretary. Defer discussion on this issue to the February 12, 1992 meeting.
4. Special Issues - Jon P. Haig's Request on Branch Office Without Salespersons. Staff to respond to requestor on the provisions of the laws and rules relating to branch offices.

5. Special Issues - Edward W. Brinkman's Request on Referral Fees to Nonprofit Organizations. Staff to respond to requestor on provisions of the laws and rules relating to referral fees.
6. Special Issues - Idaho Real Estate Commission's Request for Permission to Utilize the Commission's Agency Brochure Example. Approve the Idaho Real Estate Commission's request, subject to staff review of text before and after where the Commission's agency brochure example to appear in the curriculum for the seminar.

Licensing:

Ratifications

Brokers:

Leburta Chock Inc. dba Leburta Chock, Realtor
Sylvianne K.L. Young dba Young Properties, Inc.
Zaisen, Inc.
R & R Realty Rentals, Inc.
Pan Pacifica Properties, Ltd.
William R. Sewell Realty, Inc.
Joseph A. Kinoshita
Sandra Sakuma & Company, Inc.
Gary L. Pinkston
Global Equity Management, Ltd.
Kauai Paradise Vacations, Inc.
Steve K. Mooko Realty, Ltd. dba NP Properties

Trade Names:

Condominium Fiscal Management (fka Frank L. Robar Management, Inc.)

Site Office:

Kapalua Realty Co., Ltd./Plantation Estates
Shell Development Corporation - Kona/Keauhou Gardens, Phase 2
Charlee & Associates, Ltd./The Pointe at Poipu
Nikken Corporation/The Bay Club at Waikoloa Beach Resort
Finance Realty Co., Inc./Makakilo Ridge
ERA Chaney Brooks, Realtors/Piilani Village

Condominium Managing Agents:

Fred M. Uedoi dba Komo Mai Asset Management

Condominium Hotel Operators:

Molokai Partnership
Hotel Corporation of the Pacific, Inc. dba Aston Hotels & Resorts

Condominium Property Regime Public Reports Issued:

The Waialae Residence, Honolulu (Supplementary)

Noelani Gardens, Hawaii (Preliminary)
713 Hausten, Honolulu (Preliminary)
Keapana Valley, Kauai (Final)
Kahei Ohana, Hawaii (Final)
Pearl Horizons, Phase II-A, Honolulu (Supplementary)
Hale La'i La'i, Honolulu (Final)
5-6691-B/D Kuhio Highway, Kauai (Final)
6500 Kahuna Road, Kauai (Final)
Fernandes Farms, Kauai (Final)
Kapu Townhouse, Maui (Preliminary)
The Arbors, Increment B, Honolulu (Final)
The Arbors, Increment E, Honolulu (Preliminary)
The Arbors, Increment F, Honolulu (Preliminary)
The Arbors, Increment G, Honolulu (Preliminary)
Dynasty Acres Lot No. 6, Kauai (Final)
7 East Waiakalua, Kauai (Final)
Kalihi Kai Industrial Center, Honolulu (Preliminary)
116-118 Kaneohe Bay Drive, Honolulu (Final)
Keonekai Villages, Maui (Supplementary)
Palm Villas, Increment I, Honolulu (Supplementary)

Recess: Chairman Yanagawa recessed the meeting at 9:45 a.m.

Reconvene: Chairman Yanagawa reconvened the meeting at 10:12 a.m.

Executive Session: Upon a motion by Commissioner Nishikawa, seconded by Commissioner Sodetani, it was voted on and unanimously carried to enter into executive session at 10:12 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 11:06 a.m.

Licensing: **Restoration of Forfeited Licenses**

Upon a motion by Commissioner Nishikawa, seconded by Commissioner Sodetani, it was voted on and unanimously carried to delete the GRI courses offered by the Hawaii Association of Realtors from the list of Commission-approved courses for restoration of a forfeited real estate license. The GRI courses may still be used for continuing education credit.

Hilario J. C. Mangapit	Salesperson
Francisco S. Pagay	Salesperson
Karen C. Spellmeyer (fka Ikei)	Salesperson

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

Square Properties, Inc.

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

The Land Office, Inc.

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

Triad Realty Incorporated

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

2Y Hawaii, Inc.

After a review of the information submitted by the applicant, Commissioner Sodemani moved to approve the real estate branch office application of 2Y Hawaii, Inc. Commissioner Butuyan seconded the motion. The motion was voted on and unanimously carried.

Consolidated Resorts

The application for Consolidated Resorts was withdrawn from consideration.

Savio Realty Ltd.

After a review of the information submitted by the applicant, Commissioner Butuyan moved to approve the real estate branch office application of Savio Realty Ltd. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Marian Joan Kupihea

After a review of the information submitted by the applicant, Commissioner Kuriyama moved to approve the trade name of Cochran & Co. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

Maurice B. Jones

After a review of the information submitted by the applicant, Commissioner Nishikawa moved to deny Mr. Jones's application for a real estate salesperson's license as he failed to provide further information as to his reputation for truthfulness, honesty, fair dealing, and financial integrity. Commissioner Sodemani seconded the motion. The motion was voted on and unanimously carried.

Maxyne D. Edsman

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

Linda K. Okamoto

After a review of the information submitted by the applicant, Commissioner Lee moved to approve a one-year extension which would allow Ms. Okamoto to be associated with ERA Chaney Brooks. No further extensions shall be granted. The extension shall expire on December 31, 1992. Commissioner Hirata seconded the motion. The motion was voted on and unanimously carried.

Jo Ann M. Mullen

After a review of the information submitted by the applicant, Commissioner Sodemani moved to approve Ms. Mullen's request for a home occupation place of business located at 1600 Ala Moana Boulevard, #300, Honolulu, Hawaii 96815, subject to the conditions imposed upon her by the City and County of Honolulu. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

John D. Mullen

After a review of the information submitted by the applicant, Commissioner Sodemani moved to approve Mr. Mullen's request for a home occupation place of business located at 1600 Ala Moana Boulevard, #300, Honolulu, Hawaii 96815, 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.

U.S. Pacific, Inc.

After a review of the information submitted by the applicant, Commissioner Nishikawa moved to approve the renewal of the Condominium Hotel Operator registration of U.S. Pacific, Inc., based on the approval granted by the City and County of Honolulu. The approval expires on September 28, 1992. Commissioner Sodemani seconded the motion. The motion was voted on and unanimously carried.

William J. Lazar

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

Leslie A. Kramer

After a review of the information submitted by the applicant, Commissioner Butuyan moved to

approve Ms. Kramer's application for a real estate salesperson's license. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Mehl A. Almogela

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

David F. Henderson

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

Raymond Y. Kang

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

J. L. B. Inc., dba MDR/Maui Diversified Real Estate

This application was deferred.

Christopher A. White

After a review of the information submitted by the applicant, Commissioner Butuyan moved to deny Mr. White's request for an educational equivalency based on a designation from the American Institute of Real Estate Appraisers and the real estate appraiser courses he completed. Commissioner Nishikawa seconded the motion. The motion was voted on and unanimously carried.

Thomas H. Moore

After a review of the information submitted by the applicant, Commissioner Sodetani moved to deny Mr. Moore's request for an equivalency to the two listings which have closed escrow requirement. Commissioner Nishikawa seconded the motion. The motion was voted on and unanimously carried.

Edward Leao

After a review of the information submitted by the applicant, Commissioner Lee moved to approve Mr. Leao's request for an equivalency to one sales contract which has closed escrow requirement. Commissioner Hirata seconded the motion. The motion was voted on and unanimously carried.

Arruda Properties, Ltd.

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

Robert C. Beck

After a review of the information submitted by the applicant, Commissioner Kuriyama moved to approve Mr. Beck's request for a home occupation plate of business located at 54-245 Kaipapau Loop, Hauula, Hawaii 96717, 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.

Approval of Minutes: Upon a motion by Commissioner Kano, seconded by Commissioner Butuyan, it was voted on and unanimously carried to approve the minutes of the July 26, 1991, August 30, 1991, and December 12, 1991 Real Estate Commission meetings as circulated.

Next Meeting: Friday, February 28, 1992
9:00 a.m.
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 11:26 a.m.

Reviewed and approved by:

Christine Rutkowski
Executive Secretary

Date