

**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, March 19, 1992

Time: 9:00 a.m.

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

Present: Peter Yanagawa, Chairman, Oahu Member  
Marcus Nishikawa, Vice Chairman, Oahu Member (Early Departure)  
Theo Butuyan, Public Member  
Barbara Dew, Oahu Member  
Jerry Hirata, Hawaii Member  
Yoshiko Kano, Kauai Member  
Stanley Kuriyama, Oahu Member  
Carol Mon Lee, Public Member  
Douglas Sodetani, Maui Member (Early Departure)

Calvin Kimura, Supervising Executive Secretary  
Christine Rutkowski, Executive Secretary  
Cynthia Yee, Real Estate Specialist  
Russell Wong, Real Estate Specialist  
Lynn Miller, Real Estate Specialist  
R. Victoria Shiroma, Condominium Specialist  
Irene Kotaka, Secretary

Dennis M. Benson, Hawaii Association of Realtors  
Harry Saunders, Castle & Cooke Residential, Inc.  
Wally Miyahira, Castle & Cooke Properties  
Randy Rogers, Scully Rogers, Ltd.  
Julie Cecil, Pacific Island Investments  
Karen Jeffrey, Pacific Island Investments  
Rodney Nishida, Libkuman, Ventura, Ayabe, Chong & Nishimoto

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

Chairman's Report: The Chairman reminded the Commissioners that any communication received from licensees involving any disciplinary action that was considered should be referred to the Commission staff for handling. The Deputy Attorney General can determine if a response is necessary.

A copy of the Chairman's letter to Senator Ikeda regarding the continuing education bill was distributed to the Commissioners for their information.

The Chairman, Commissioners Nishikawa, Sodetani, and Dew will be meeting with the Director at 10:15 a.m. this morning.

Additions to the Agenda:

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

6. Committee Reports
  - a. Education Review Committee
    - (1) Advisory Council
8. Licensing - Restoration of Forfeited License
  - Under Two Years - Broker  
Floyd J. Rozewski, Jr.
  - Under Two Years - Salesperson  
David W. Booth
9. Licensing - Questionable Applications  
Susan F. Bonifacio  
Randy M. Rogers

Executive Secretary's Report: 6.

The following additional information was distributed to the Commissioners:

- Committee Reports
- a. Education Review Committee
  - b. Condominium and Cooperative Review Committee
    - (1) Kumelewai Gardens Bond Variance Request
    - (2) Bay Club at Waikoloa Beach
  - c. Laws and Rules Review Committee
7. Licensing and Registration - Ratification
  8. Licensing - Questionable Applications  
Julie M. Cecil

Chapter 91, Adjudicatory Matters

The Commission will no longer have to go into executive session for decision making on disciplinary matters. The Chairman will call a recess and the Commission will move into a meeting under Chapter 91, HRS, to consider adjudicatory matters. When decision making has been completed, the Chairman will reconvene the meeting under the provisions of Chapter 92, HRS.

Real Estate Branch Office

The Commissioners were reminded that the Real Estate Branch Office would be closed on March 25 and 27, 1992. The Real Estate Branch will be moving to 250 South King Street, Seventh Floor. The Branch's telephone numbers will remain unchanged.

Committee Reports:

**Condominium and Cooperative Review Committee**

Kumelewai Gardens, Phase I

Mr. Harry Saunders of Castle and Cooke Residential, Inc. was present to request the Commission's assistance with a problem relating to the owner-occupant notice. Mr. Saunders stated that Castle and Cooke would like to limit the reservation list to only low income owner-occupants as they are working with the City and County of Honolulu in providing low-income housing to owner-occupants. Under the present law, the developer must offer at least fifty percent of the units to owner-occupants and they cannot discriminate by limiting the units for sale to only a certain targeted group. The current law does not allow the developer to hold a lottery, however, there is legislation which is expected to pass which would allow developers to conduct lotteries.

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

Recovery  
Fund Report:

Rodney Nishida, of Libkuman, Ventura, Ayabe, Chong & Nishimoto, was present to request that the Commission approve the payment of \$2,000 from the real estate recovery fund to pay for title searches to determine if funds paid out on behalf of real estate licensees could be repaid.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Dew, it was voted on and unanimously carried to approve the payment of \$2,000 from the real estate recovery fund to conduct title searches and that Mr. Nishida shall report to the Commission his findings, once the title search has been completed for further instructions.

Committee  
Reports:

**Laws and Rules Review Committee**

1. Meetings and Annual Symposium  
Cancel the mid-biennium symposium and consider it only for the program of work and budget for a fiscal biennium. That the deadlines and procedures for finalizing the program of work and budget for fiscal year 1992-1993 remain unchanged. That each program will be reviewed by assigned Commissioner and staff member, determine carryovers, reevaluate budget item, reevaluate or determine scope of program, whether consultant is needed, if Center should be consultant, reevaluate or determine deadlines, etc. Supervising Executive Secretary will meet with Legislators, Department personnel, and Division personnel for input and requests. Each Committee to finalize and make recommendations at the May 1992 Meetings with the final approval and prioritization to be completed at the May 1992 Real Estate Commission Meeting. Final approved program of work and budget for fiscal year 1992-93 shall be presented to the Director on June 1, 1992.

The HREREC should finalize the Real Estate and Condominium Five-Year Program of Work by April 1992 as the Committees have to finalize their programs of work by May 1992. The Center should submit the program of work and budget request by the May 1992 meetings as the Committees have to finalize their program of work at the May 1992 meetings.

2. Real Estate Assistance Programs, Inc. (REAP)

Staff to respond to the Oregon Real Estate Agency and acknowledge the Real Estate Commission's position on this matter.

3. NARELLO Exam Contribution

Commission to research this matter and consider the Presidents recommendation. The President has requested a response as soon as possible as he desires to start the task force at the NARELLO Mid-Year Meeting, April 26-29, 1992, and develop guidelines to present to the April 29, 1992 Board of Director's Business meeting for approval.

Recess: The Chairman recessed the meeting at 10:15 a.m.

Reconvene: The Chairman reconvened the meeting at 10:50 a.m., at which time quorum was reestablished.

Commissioner Sodetani was excused from the meeting.

Licensing: **Questionable Applications**

Julie M. Cecil

Ms. Cecil was present to request a reconsideration. Ms. Cecil's application for a real estate salesperson's license had been denied previously by the Commission because she failed to submit her application within 90 days of the examination. Ms. Cecil stated that her failing to submit her application within the 90 days was a result of her being misinformed from the Licensing Branch and also because she experienced problems with the U. S. Postal Service.

Karen Jeffrey, spoke on behalf of Ms. Cecil, saying that she thinks that Ms. Cecil is well-qualified to be licensed as a real estate salesperson and that she feels that her daughter is being penalized for mistakes which she did not make.

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

Randy Rogers

Mr. Rogers was present to request that the Commission reinstate his real estate broker's license. Mr. Rogers stated that he is truly sorry and feels that he has paid the price for his mistake. He stated that the Circuit Court ruled that there was a valid contract. The buyer has purchased a home in Florida, the seller has moved on, but he is still feeling the repercussions of the transaction. He has been licensed for ten years and has prided himself on his referral business. Given the circumstances, he felt that he was doing the right thing for his clients. He has a GRI designation and has taken his continuing education courses.

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

Committee Reports:

**Education Review Committee**

Upon a motion by Commissioner Dew, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the recommendations of the March 18, 1992 Education Review Committee Meeting, as follows:

1. Budget and Finance Committee Report. Accept respectively the Financial Reports of the Real Estate Education Fund, Condominium Management Education Fund, and the Real Estate Recovery Fund, for the period ending January 31, 1992.
2. REEA Instructor Development Workshop - May 27 & 28, 1992. Accept, where applicable, for satisfying the requirement of completing an instructor's workshop, the successful completion of the beginning or basic REEA Instructor Development Workshop, including the workshop scheduled for May 27 and 28, 1992, in San Diego.
3. Continuing Education Fee's Report. Accept the report prepared by the Commission Chair, dated March 18, 1992, relating to "Recommendations on fees for Continuing Education" and: (1) distribute it to any interested parties for comment; and (2) instruct the Education Review Committee to refer the report to the Laws and Rules Review Committee to initiate drafting of proposed rules subject to further content amendments.
4. Continuing Education Summary Report of Proposed Rules. Receive and accept the written comments from the participants of the recent educator's forum and refer the comments for further study by the Laws and Rules Review Committee.
5. Continuing Education Applications. Approve as follows:
 

Instructors	Course Category
Donald Brough	Finance
David Bourgoin	Real Estate Law
Hawaii Association of Realtors - CRB Instructors*	Market Analysis
	Financial Planning

\*finding CRB instructor certification and recertification process equivalent to Commission's instructor and certification and recertification requirements and procedures.

Michael Curtis	Elective Course - "How to Manage Residential Properties"
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Elective Courses	Provider
Hot Spots in Real Estate Contracts*	Duplanty
CRB 411 "Staying on Top of a Changing Market"***	HAR
CRB 412 "Evaluating Your Competitive Environment"***	HAR
CRB 413 "If When and How to Expand Your Business"***	HAR
CRB 421 "Developing and Using Financial Plans"***	HAR
CRB 422 "Managing Cash Flow and Expenses"***	HAR

CRB 423 "If When and How to Take Risks"***	HAR
"Basic Exchanging" (Brough)*	Pence School
"Advanced Exchanging" (Brough)*	Pence School
"The Use and Marketing of Real Estate Trusts"* (Bourgoin)	Pence School

\*Approval is subject to the applicant's review, consideration, and where applicable, incorporation of the suggested changes recommended by the CE Panel.

\*\*Finding these CRB courses as meeting the requirements of 16-99-100; and not finding these courses to be excluded courses pursuant to 16-99-101(1) and (3).

6. Prelicense Administrative Issues. Education Waiver Updates: Amend the Hawaii Real Estate Commission-Approved Current Out-of-State Educational Waiver List to reflect the recommendations of staff per memorandum dated March 13, 1992 for the states of Missouri, Tennessee, and Wisconsin.

Guest Lecturer Application. Approve the guest lecturer application of Leinaala A. Isa for prelicense sales Math.

7. ASI EXPRO System. Accept the report prepared by the Ex Pro Task Force, dated March 16, 1992, chaired by Commissioner Jerry Hirata, and instruct staff to begin dialogue with ASI on the mechanics of implementing statewide, the administration of the real estate license exams by Ex Pro; subject to actual implementation conditioned on the Commission's approval of the administration fees to be charged to license candidates. Refer the memorandum to the Laws and Rules Review Committee for drafting of the proposed necessary rule amendments.
8. Examination of License Candidate Stanley Irion. Fail to recognize the license examination of Stanley Irion on February 22, 1992, pursuant to 16-99-29(g); in that candidate did not present the required school completion certificate at the location for examination.
9. Restoration Courses. Leave status quo as the required license restoration courses: prelicense sales or broker courses and SBMP "Real Estate Essentials."
10. Certificate of Appreciation. Approve the issuing of a Certificate of Appreciation from the Real Estate Commission to Cynthia M.L. Yee, Real Estate Specialist.

### **Condominium and Cooperative Review Committee**

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the recommendations of the March 11, 1992 Condominium and Cooperative Review Committee Meeting, as follows:

1. Five Year Education and Research Plan. Commissioners and staff to review and comment on the plan. Commissioner Kuriyama will discuss his concerns with Real Estate Specialist Yee.
2. Tamotsu Tanaka Inquiry on Sales to Owner-Occupants and Parking Stalls. Inform Mr. Tanaka that all apartments of the subject project are exempt from Part VI, Sales to Owner-Occupants, based on rule 16-107-28; and that an apartment utilized for hotel purposes would not require a parking stall appurtenant to it.
3. Honalo Plaza, M & C Nakano, Ltd. - Ken Harimoto. Inform Mr. Harimoto that a supplementary public report is not required.
4. CAI Annual Conference, May 2 to 4, 1992. Approve Commissioner Lee and one staff member's attendance at the CAI Annual Conference. The staff member is to be determined by the Supervising Executive Secretary.

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Dew, it was voted on and unanimously carried that the developer is required to obtain a supplemental CPR to disclose hotel use and the change in Condominium Managing Agent. If available, the developer may file a short-form supplemental public report, along with an amended disclosure abstract which is consistent with the public report.

### Licensing:

#### **Ratification**

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

#### Site Offices

Pacific Homes, Inc. - Kalele Kai  
Gentry Realty, Ltd. - The Arbors  
Maryl Realty, A Division of Maryl Development - 'Iolani Subdivision Project  
Worrall McCarter Maui, Inc. - Maui Kamaole  
Pacific Homes, Inc. - Moanalua Village  
Sherian Bender Realty - Kaanapali Alii  
Kumai Realty, Inc. - Olaloa  
Shell Realty Maui, Inc. - Maui Schooner Resort Time Share Project  
Castle & Cooke Residential, Inc. - Mililani Town Subdivision

Trade Names

Gregory S. Skaltas dba OKI-SPAR  
Vera W. Fredrickson dba Verity Realty  
Ruth V. Nettleship dba Ruth Realty  
Aloha Relocation Service Ltd. (fka Keith Delong Realty, Inc.)  
Nationwide Realty Inc. (fka RE/Locations Real Estate Specialists Inc.)  
Sheila M. Machado dba Sheila Machado Real Estate  
Loren G. McNeil dba McNeil Realty

Condominium Project Registration - Public Reports Issued for the Month of February 1992

2040 Nuuanu, Honolulu - Second Supplementary  
Apoki Plantation, Hawaii - Final  
Wiliwili Vista, Honolulu - Final  
Panui Condominium, Kauai - Final  
Sandy Beachfront Manor, Honolulu - Final  
Silva Condominium, Kauai - Final  
The Arbors, Increment B, Honolulu - Supplementary  
Nonou Rise #8, Kauai - Final  
3264 and 3266 Charles Street, Honolulu - Final  
Banyan Cove, Honolulu - Preliminary  
451 and 451A Halapia Place, Honolulu - Final  
Hanai Loop Duplex, Honolulu - Final  
Kurtistown Village, Hawaii - Final  
Salt Lake Manor, Honolulu - Final  
Southpointe at Waiakoa, Phase I, Maui - Final  
Lokahi Hales, Hawaii - Final  
Kuahea Highlands, Honolulu - Final  
Kumelewai Court, Phase II, Honolulu - Final  
The Arbors, Increment C, Honolulu - Final  
Century Park Plaza, Honolulu - Supplementary  
Lot 14 of Kalani Makai, Unit 1, Hawaii - Final  
Pukumu Agricultural Condominium, Kauai - Final  
Secret Cove, Kauai - Final  
Sunrise Farms, Kauai - Final

Commissioner Nishikawa was excused from the meeting.

Adjudicatory The Chairman called for a recess from the meeting at 12:10 p.m. to discuss and deliberate on Matters: the following adjudicatory matters pursuant to Chapter 91, Hawaii Revised Statutes:

Thomas F. Schmidt dba Thomas Schmidt Realtors, REC 89-349 and REC 90-117

Deny Mr. Schmidt's request to accept the continuing education completion certificates submitted as meeting the course requirement. Mr. Schmidt is to complete a Commission-approved real estate course by July 31, 1992 and within thirty days of completion, submit evidence of successfully passing the course.



Following the Commission's review, deliberation and decision in these matters pursuant to Chapter 91, Hawaii Revised Statutes, Chairman Yanagawa announced that the Commission was reconvening to its scheduled Commission meeting at 12:17 p.m., pursuant to Chapter 92, Hawaii Revised Statutes.

Executive Session: it was Upon a motion by Commissioner Dew, seconded by commissioner Kuriyama, voted on and unanimously carried to move into executive session, at 12:17 p.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 Dew, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to move out of executive session at 12:25 p.m.

Licensing:           **Restoration of Forfeited License**

Herschel S. W. Chu	Broker
Donald H. Graham III	Broker
Charles T. Cain	Salesperson
Floyd J. Rozewski, Jr.	Broker
David W. Booth	Salesperson
Jacqueline Johnson	Salesperson
Craig K. Minami	Salesperson
Dominick Provenzano	Salesperson
Mary Serene	Salesperson
Sandra-Sue N. Yama	Salesperson

After a review of the information submitted by the applicants, Commissioner Sodetani moved that restoration be approved, subject to submitting evidence of successfully completing a Commission-approved real estate course. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

**Questionable Applications**

Manor Resorts Realty, Inc.

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

Gold Star Properties, Incorporated

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

Bay Realty, Inc.

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

Bay Realty, Inc.

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

Pamela F. Carroll

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

Louis J. F. Deetman

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

Steven C. Parker

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

Yu Fong Okoji

After a review of the information submitted by the applicant, Commissioner Kano moved to approve Ms. Okoji's request for a home business occupation, located at 4332 Hardy Street, Lihue, Kauai, Hawaii 96766, subject to the conditions imposed upon Ms. Okoji by the County of Kauai. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

Upon a motion by Commissioner Kano, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to delegate the approval of home business occupation requests to staff to handle.

Takayuki Nikko

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

Marvin G. Sheram

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

Julie M. Cecil

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

Susan F. Bonifacio

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

Committee  
Reports:

**Condominium and Cooperative Review Committee**

Kumelawai Gardens Bond Variance Request

After a review of the information presented, Commissioner Kuriyama moved that based upon an informal opinion by the Attorney General, the Commission cannot agree with the interpretation provided by Castle and Cooke Residential and the Commission requests that Castle and Cooke provide the Commission with their legal analysis and that the developer pursue government certification.

Bay Club at Waikoloa Beach Resort

After a review of the information submitted by Nikken Corporation, Commissioner Kuriyama moved that the developer is required to submit a supplemental public report which discloses hotel use and the change in Condominium Managing Agents and that a amended disclosure abstract also be filed. Commissioner Dew seconded the motion. The motion was voted on and unanimously carried.

Next Meeting: Friday, April 24, 1992, 9 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 12:35 p.m.

Reviewed and approved by:

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Calvin Kimura  
Supervising Executive Secretary

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Date