

**REAL ESTATE COMMISSION**  
Professional & 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, October 29, 1993

Time: 9:00 a.m.

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

Present: Barbara Dew, Vice-Chairperson, Oahu Member  
Theo Butuyan, Public Member  
Jerry Hirata, Hawaii Island Member  
Alvin Imamura, Maui Member  
Yoshiko Kano, Kauai Member  
Stanley Kuriyama, Oahu Member  
Carol Mon Lee, Public Member, Late Arrival

Calvin Kimura, Supervising Executive Secretary  
Jan Yamane, Senior Real Estate Specialist  
Russell Wong, Real Estate Specialist  
Lee Ann Teshima, Real Estate Specialist  
R. Victoria Shiroma, Condominium Specialist  
Benedyne Stone, Condominium Specialist  
Diane Erickson, Deputy Attorney General  
Irene Kotaka, Secretary

Shari Wong, Special Deputy Attorney General  
Sheryl Nagata, Hearings Officer  
Dr. Nicholas Ordway, Hawaii Real Estate Research & Education Center  
Dennis Benson, Hawaii Association of Realtors  
Howard A. Pryor, Applicant  
Barrie W. Parker, Applicant  
Patricia T. Lewis, Applicant  
Debra Willis, Home Buyer's Club  
James W. Wright, Hale Ohana Realty  
Barbara Pratt, Licensee  
Larry Newhall, Pacific Rim Properties

Excused: Marcus Nishikawa, Chairperson, Oahu Member  
Francine Duncan, Public Member

Call to Order: Vice-Chair Dew called the meeting to order at 9:05 a.m., at which time quorum was established.

Additional  
Distribution:

The following were distributed to the Commissioners for their consideration:

3. Supervising Executive Secretary's Report
  - b. Minutes of Previous Meetings - Amended August 27, 1993 Meeting
6. Committee Reports
  - c. Education Review Committee

Chair's Report:

The Chair wished those present a Happy Halloween.

Adjudicatory Matters:

Vice-Chair Dew called for a recess from the Commission meeting at 9:06 a.m., to discuss and deliberate on the following adjudicatory matters pursuant to Chapter 91, Hawaii Revised Statutes:

- a. Henry G. Zapata, Jr., REC-LIC-92-9. Upon a motion by Commissioner Kuriyama, seconded by Commissioner Imamura, it was voted on and unanimously carried to defer decision making on the Hearings Officer's Findings of Fact, Conclusions of Law and Recommended Order and strongly recommend that the Petitioner consider a request for reconsideration at the next REC meeting to present updated evidence and any new evidence for consideration.

Commissioner Lee arrived.

- b. Brenda S. Kuamoo, REC-TAX-93-1. Upon a motion by Commissioner Kuriyama, seconded by Commissioner Imamura, it was voted on and unanimously carried to approve the Stipulated Agreement and the Hearing Officer's Recommended Order.
- c. JLB, Inc., dba MDR Maui Diversified Real Estate; REC 92-14-L. Upon a motion by Commissioner Kuriyama, seconded by Commissioner Imamura, it was voted on and unanimously carried to approve the Settlement Agreement Prior to Filing of Petition for Disciplinary Action and Proposed Commission's Final Order.
- d. The Realty Team, Inc., Lorna M. Silkwood, and Rose C. Kirland, REC 91-491-L. Upon a motion by Commissioner Kuriyama, seconded by Commissioner Imamura, it was voted on and unanimously carried to approve the Settlement Agreement with The Realty Team, Inc. and Lorna M. Silkwood Prior to Filing of Petition for Disciplinary Action and Proposed Commission's Final Order.
- e. Cynthia Wilder Supnet, REC 92-106-L. Upon a motion by Commissioner Kuriyama, seconded by Commissioner Imamura, it was voted on and unanimously carried to approve the Settlement Agreement Prior to Filing of Petition for Disciplinary Action and Proposed Commission's Final Order.

- f. Royal Management, Inc., Weiland W. L. Tang and Joseph M. Taitano, REC 93-4-L, 93-12-L, 93-21-L, 92-122-L, and 92-121-L. Upon a motion by Commissioner Kuriyama, seconded by Commissioner Imamura, it was voted on and unanimously carried to approve the Settlement Agreement as to Respondents Royal Management, Inc. and Weiland W. L. Tang After Filing of Petition for Disciplinary Action and Proposed Commission's Final Order.

Following the Commission's review, deliberation and decisions in these matters, pursuant to Chapter 91, Hawaii Revised Statutes, Vice-Chair Dew announced that the Commission was reconvening its scheduled Commission meeting at 9:20 a.m., pursuant to Chapter 92, Hawaii Revised Statutes.

Licensing:

**Restoration of Forfeited License**

Howard A. Pryor

Mr. Pryor was present to answer any questions relating to his application for restoration of his forfeited real estate broker's license. Mr. Pryor acknowledged and waived his right to discuss and present oral testimony on his application in executive session.

Mr. Pryor stated that in late 1992, he had received a request to provide assistance to someone in locating a shop space and he earned a fee from CBI, Inc. for that transaction. He advised the person and negotiated the terms of the lease. He was not acting as an employee of the beauty shop operator. He did not have a contractual agreement. He was acting as if he was a real estate broker, even though he was not licensed.

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

**Questionable Applications**

The Supervising Executive Secretary announced to those present that pursuant to Section 467-20, Hawaii Revised Statutes, it is unlawful for any person or the person's agent to file with the real estate commission any notice, statement, or other document required under this chapter, which is false or untrue or contains any material misstatement of fact. Any violation of this section shall constitute a misdemeanor punishable pursuant to 706-640 or 706-663, or both, and not pursuant to section 467-26.

The Supervising Executive Secretary also asked those who were present if they wished to present oral testimony on their applications in executive session. The applicants acknowledged and waived their rights to discuss and present oral testimony in executive session.

Barrie W. Parker

Mr. Parker was present to request an equivalency to one closed listing transaction.

Mr. Parker stated that he was licensed as a real estate broker in Saskatchewan, Canada and lived for 17 years in Canada. He was licensed for six years as a real estate broker and owned his own firm, Coldwell Banker. There were 162 licensees under his real estate broker's license. He moved to Hawaii two years ago. He is the sales manager and marketing manager for Benchmark International. He is building affordable homes and luxury condos in Kailua-Kona.

Mr. Parker submitted a letter of reference from International Assets Limited.

Commissioner Kuriyama asked Mr. Parker for the status of Pualani Estates and Hualalai Gardens. Mr. Parker presented the brochures from Hualalai Gardens and the Kona Business Center for review. He stated that Hualalai Gardens has obtained its preliminary report and they will be making the final adjustments to the plan on Monday. They have a wait list for Pualani Estates but they have not commenced sales as yet. They inherited the wait list from the previous developer. They have a preliminary public report for the Kona Business Center.

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

Kona Sun Coast Properties, Inc.

Ms. Patricia T. Lewis, President of Kona Sun Coast Properties, Inc., was present to answer any questions on the condominium hotel operator registration of Kona Sun Coast Properties, Inc.

Ms. Lewis stated that Eileen Heath is the principal broker of Kona Sun Coast Properties, Inc. Kona Sun Coast Properties, Inc. does not have any employees. All of the individuals are independent contractors. Ms. Lewis stated that the independent contractors accept the checks, which are made out to the company and they have the right to deposit the checks. Only Ms. Lewis or Ms. Heath have the authorization to sign the checks.

Ms. Lewis was informed that there was a complaint filed in 1991 with the Regulated Industries Complaints Office (RICO) in which an advisory letter was sent. Ms. Lewis stated that she had owned a company called Re/Max Sun Coast and had sold it to another real estate broker in October. In December, they opened Kona Sun Coast Properties, Inc. During the two month period, Re/Max operated under Re/Max Properties. They did not write new contracts during that two month period. A complaint arose because of that. They had had a problem tenant who was not given a new contract. The owner filed a complaint because they did not receive the moneys that was owed to them. Ms. Lewis stated that they should have changed the contract to Re/Max Properties during the two month period. They were issued an advisory letter by RICO.

Ms. Lewis stated that she forgot to include the complaint relating to operating a condominium hotel without registering as a condominium hotel operator registration. Ms. Lewis stated that rental agents in Kona who did not have front desks received cease and desist letters from RICO. Since the receipt of that letter, she has ceased and desisted activities as a condominium hotel operator.

Ms. Lewis stated that although she is the President of Kona Sun Coast Properties, Inc., she has a real estate broker's license, but Eileen Heath is the principal broker. Ms. Lewis's license is with Re/Max Properties and she is involved in sales transactions. She stated that Kona Sun Coast Properties, Inc. does not sell real estate. Re/Max Properties gives their rentals to Kona Sun Coast Properties, Inc. to manage and as a result, do not have to worry about the company taking the clients away. Ms. Heath has been the principal broker for 1-1/2 years.

Ms. Lewis was informed that pursuant to §467-8(5), HRS, the corporation must be under the direct supervision of an officer or an employee of the corporation. Ms. Heath is not an officer or an employee of the corporation.

Ms. Lewis stated that Kona Sun Coast Properties, Inc. handles property management and rentals of over 30 days in length and would like to handle rentals under 30 days. They manage 70 properties and have five licensees who are all independent contractors. Ms. Lewis was asked if there was anyone who was not a licensee who is an independent contractor. She answered, "No." She stated that most of the independent contractors, with the exception of one, brought their own rental accounts to the company.

Ms. Lewis was asked who would open the mail, which includes moneys (cash or checks) for reservations. She stated that in the past the person to whom the mail was directed to would open the envelope. She understands that it is not acceptable for condominium hotel operations. Ms. Heath would handle all the mail or all the moneys. The moneys would be deposited into the trust account.

Ms. Lewis was asked if the moneys received from rentals under 30 days and over 30 days kept in separate trust accounts. Ms. Lewis answered, "Yes." Ms. Lewis stated that Ms. Heath will be handling the funds. Ms. Lewis may handle the funds when she is acting as the temporary principal broker. She stated that they do not have a front desk as everything is done in advance via the mail.

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

Home Buyers Club, Inc.

Ms. Debra Willis, the administrator with the Home Buyers Club, Inc., was present to answer any questions regarding the real estate broker corporation application of Home Buyers Club, Inc.

Ms. Willis stated that Derrick Fujisaki is the proposed principal broker of the Home Buyers Club, Inc. When asked about the complaints that were filed against Peter B. Savio, Ms. Willis stated that all of the occupants of one building filed a complaint with RICO regarding leasehold issues.

Ms. Willis was asked if there has been any confusion between Home Buyers Club, Inc. and HFDC's Home Buyers Club. Ms. Willis stated that their name is registered and HFDC is in the process of changing the name of its Home Buyers Club.

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

Property Merchants, Inc.

Mr. James Wright and Ms. Barbara Pratt were present to answer any questions regarding the real estate broker corporation application of Property Merchants, Inc.

Mr. Wright stated that he is the president and proposed principal broker of Property Merchants, Inc.

Mr. Wright was asked to clarify the complaint that was filed against Barbara Pratt. Mr. Wright stated that RICO had stated that the charges against Ms. Pratt were unfounded and that the State of Georgia had jurisdiction over the complaint. Ms. Pratt was the licensee involved in the transaction and represented the seller. The complaint involved the sale of a condo in Hawaii and the purchasing of property in Georgia. They had hired a Hawaii real estate broker and a dispute arose when the seller refused to pay the commission. They were not aware of any complaint being filed.

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

Pacific Rim Properties, Ltd.

Mr. Larry Newhall, Principal Broker of Pacific Rim Properties, Ltd., was present to answer any questions the Commissioners may have regarding his place of business.

Mr. Newhall stated that their branch office will be changing to their main office. He stated that almost all of their business is in the Marco Polo Condominium. The approval that he obtained from the City and County of Honolulu is the same as the one that was granted to him in 1979. He stated that he does not have any problems complying with the conditions set forth by the City and County of Honolulu.

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

Committee Reports:            **Condominium and Cooperative Review Committee**

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Lee, it was voted on and unanimously carried to accept the report and recommendations of the October 6, 1993 Condominium and Cooperative Review Committee meeting, as follows:

1.        Accept the minutes of the September 16, 1993 meeting, subject to amendment on page three, under the heading HREREC Report, Workshops, Survey of Apartment Owners and Directors, should read: "They will convene a focus group on September 29, 1993 to discuss the survey questionnaire and request suggestions about possible inclusion of questions."
2.        Hawaii Real Estate Research and Education Center Report  
Distributed Status Report to Commissioners via mail.
  - a.        Program of Work and Budget FY 94 - Planning has been completed.
  - b.        Condominium Association Budget and Reserves
    - (1)       Guide - The Reserve Guide is being reviewed.
    - (2)       Workshop - The workshop is scheduled for October 23, 1993, on Kauai, at the Kauai Community College.
  - c.        Hawaii Condominium Bulletin
    - (1)       Summer 1993 - Issue has been mailed out together with Chapter 514A, HRS (unofficial version).
    - (2)       Fall 1993 - Issue will feature information on the upcoming 1994 CMA, CHO, and AOA registrations. Recommend article on Richard Gourley's contributions to the REC's program of work.
  - d.        Board of Director's Guide
    - (1)       Liability Chapter - Draft three is currently being worked on. Center to receive comments from Committee by September 28, 1993.
    - (2)       Curriculum (for Guide) - The Center and REC agreed that the next chapters for the Guide will be about (1) "Proxies [including sample proxy forms], (2) "House Rules" - adoption, enforcement, assessment, and fines.
  - e.        Media Articles - Center anticipates providing the committee with specifics about this project towards the end of the fiscal year.
  - f.        Five Year Education and Research Plan - Substantially completed; fine tuning of document in progress.
  - g.        Condominium Seminars - CAI Kailua-Kona seminar is set for December 4, 1993. Administrative issues are being worked on.
  - h.        Survey of Apartment Owners and Directors - Center's staff met with focus group of individuals on September 29, 1993, which included condominium managing agents, board members and owners. There was a discussion of various issues relevant to the board of directors guide.

- i. HREREC Interaction Program - Ms. Yee reported that the Center's staff does attend the various programs and workshops related to real estate and condominium issues offered in the community.
  - j. Federal Leasehold Study - Work is continuing as scheduled.
  - k. All oral and written reports from HREREC for REC Committee meetings follow the order of the Committee's meeting agenda.
3. Budget and Finance Committee Report - Accept the June 30, 1993 Condominium Management Education Fund Financial Report.
  4. Program of Work
    - a. Condominium Mediation Program - Specialist Stone to meet with the Director of the Neighborhood Justice Center, Sara Lynn Smith, to discuss upcoming year, contract terms and expectations.
    - b. Condominium Reference Library - Specialist Okumura reported that he is meeting with the State Library officials to finalize details of display of the Condominium Reference Library publications. He noted that there are 32 publications per set of reference materials and that REC has issued 49 sets for distribution to various libraries throughout the state.
    - c. Condominium Association Registration - Specialist Stone reported that to date 1,129 associations are registered and only 37 remain outstanding. This is the most ever registered due to a job well done by Condominium Clerk, Victoria Campbell, in getting the AAOs registered.
    - d. Condominium Managing Agent Registration - Specialist Stone reported that staff is in the process of getting the 1994 applications for condominium managing agents and condominium association registration ready and they will be mailed out during the last week of October.
    - e. Condominium Specialists Office for the Day - Specialist Stone reported that she and Condominium Specialist Shiroma will be spending the day at the Kauai Regulated Industries Complaints Office on October 22, 1993, as part of the Condominium Specialists Office for the Day program.
  5. Condominium Governance and Management
    - a. Application of Budget and Reserve Requirements to Projects Created Before January 1, 1993 - Approve the language for proposed reserve rules, subject to housekeeping clarifications by Commissioner Kuriyama and Condominium Specialist Okumura.
    - b. Lease Term Restrictions and Discrimination in Real Property Transactions - Condominium Specialist Stone briefly discussed lease term restrictions and Section 8 Housing Assistance recipients.
    - c. The Director's Guide to Hawaii Condominium Law - John A. Morris - Written by former Condominium Specialist, John A. Morris, was distributed to the Commissioners, Supervising Executive Secretary, and condominium staff.
    - d. Open Forum - Ms. Ing-Leong of the Hawaii Association of Realtors (HAR) graciously offered the Commission a forum for publicity of



certain real estate issues in the HAR Journal. The Commissioners accepted the offer.

6. Project Registration, Public Reports, and Sales to Owner-Occupants
  - a. Request for §514A-108(b) Exemption - Because of the ambiguity of the term "family" in §514A-108(b), HRS, in relation to the intent of the owner-occupant requirements, that the Commission is unable to determine whether the developers of Palolo Agricultural Terraces Condominium fall under the §514A-108(b), HRS, exemption. Request that to ascertain the necessity for an owner-occupant announcements, that the Commission seek the Deputy Attorney General's advisement to determine whether the developers of the Palolo Agricultural Terraces Condominium falls under the §514A-108(b), HRS, exemption, or whether publication of the owner-occupant announcement, pursuant to §514A-102, HRS, is required prior to issuance of an effective date for a public report.
  - b. §514A-40(B)(1), HRS - County Statement Requirements - Defer this issue pending additional study and research by REC staff.
7. Cooperative Housing Corporations - Act 282, 1993 SLH. An AG opinion states that Act 282 applies to all cooperative housing corporations in existence prior to the Act's effective date of July 1, 1993, as well as those established after the effective date.
8. Next Meeting: Friday, November 5, 1993  
10:00 a.m.  
Kuhina Nui Room  
HRH Princess Victoria Kamamalu Building  
1010 Richards Street, Second Floor  
Honolulu, Hawaii

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

Upon a motion by Commissioner Kano, seconded by Commissioner Butuyan, it was voted on and unanimously carried to accept the report and recommendations of the October 6, 1993 Laws and Rules Review Committee Meeting, as follows:

1. REC Certificate of Appreciation to H. Dickey Thacker and Richard Gourley for their contributions to the Commission's program of work. The next Real Estate Bulletin should include an article on their contributions.
2. Accept the June 30, 1993 Real Estate Recovery Fund Report.
3. HREREC Report
  - a. Recommend that HREREC and its Director reserve the three REC meeting days per month for the Commission to ensure that the responsible person for each program being presented is present at the meeting. It shall be mandatory for presentation of work product drafts, for request responses/work products, for Commission set deadlines, and for an HREREC agenda item that could result in Commission decision making.
  - b. Approve the Continuing Education 1993-94 Elective Course - Residential Property Management, subject to incorporation of staff

- housekeeping recommendations. This approval is effective as of the date of the LRRC meeting.
- c. HREREC not utilize the US Postal Service's Overnight mail to meet any deadlines on delegated REC programs and that Federal Express be utilized. The Commission expresses extreme disappointment that the Commission's submission for the NARELLO Education Award was received some 35 days after the deadline date and mailing. In addition, the Commission is concerned that no HREREC follow-up was done within days of the mailing, with either the US Postal Service or Pat Anderson's Office, to verify receipt of the submission, knowing that the submission was mailed one day after the deadline date and the priority of this assignment. The submission, CE Laws and Ethics 1993-94, based on its content and NARELLO history, would most likely have been selected. It was the intent of the Commission to broadly publicize the award and use the award as part of its efforts to pass CE legislation.
  4. CHO Registration - Defer to next LRRC meeting. Commissioner Dew's report to be reviewed, and it is recommended that staff discuss the issues with the Deputy Attorney General and Commissioner Dew prior to the next meeting.
  5. Approve Brian R. Thomas as CE Instructor for "Basic Real Estate Investment Analysis 1993-94". This approval is effective as of the date of the LRRC Meeting.
  6. Sales Information Office - Maui County. Staff to secure any additional information on the issue and secure a written response from the County.
  7. Next Meeting: Friday, November 5, 1993  
11:30 a.m.  
Kuhina Nui Room  
HRH Princess Victoria Kamamalu Building  
1010 Richards Street, Second Floor  
Honolulu, Hawaii

#### **Education Review Committee**

Upon a motion by Commissioner Hirata, seconded by Commissioner Imamura, it was voted on and unanimously carried to accept the recommendations and report of the October 28, 1993 Education Review Committee meeting, as follows:

1. Accept the minutes of the July 29 and August 26, 1993 meetings.
2. Budget and Finance Committee Report - Accept the Real Estate Education Fund's Report, dated June 30, 1993.
3. HREREC Report
  - a. Advisory Council - Commissioner Dew to pursue nominations for new advisory council members to replace Elizabeth Benton and Clifton Kagawa, plus the renominations of Aaron Chaney, Donald Clegg, Karen Nakamura, John Reilly, and Oswald Stendor.

Resumes of candidates will be distributed at the next ERC meeting, November 23, 1993.

- b. Program of Work and Budget, FY 1994
- 1) Five Year Education and Research Plan - HREREC has not yet completed the five-year plan, but reports that it will take two days of work to finalize, and will meet with SES next week to finalize. HREREC plans to interface Education Quality Control Process flow chart with staff's five year plan draft, and create a budget and time line. HREREC to meet with Commission staff to finalize.
    - a) Final draft will be submitted to the Commission staff by November 15, 1993, for mail out with ERC agenda to Commissioners.
    - b) Final Five-Year Education and Research Plan will be presented at the November 23, 1993 ERC meeting.
  - 2) Evaluation System for Schools, Providers, Instructors, and CE Courses - Commission staff will implement and comment on evaluation system.
  - 3) Real Estate Summit - SES Kimura clarified that Summit it not only designed for salespersons but all licensees, especially PBs, BICs, sales managers, and key non-licensee administrative personnel. Coordination for the Summit is ongoing.
  - 4) Broker Curriculum and Resources - HREREC has entered into a contract with Consultant Sherry Goya to conduct research for the development of this program.
  - 5) Continuing Education 1993-94 Core Course - HREREC is working on third course update and will distribute update at the November 23, 1993 ERC meeting.
  - 6) Continuing Education 1993-94 Three Elective Courses
    - a) Accept the revised course, entitled "Residential Property Management: Laws and Rules".
    - b) HREREC reports that fair housing course is 60% completed. Center will have a final draft for distribution at the November 23, 1993 ERC meeting.
  - 7) Examination - ASI Laws & Rules Report, Curriculum Review, and Item Writing - HREREC to verify that laws and rules update has been sent to ASI. If no update has been provided, HREREC to provide same as soon as possible as it is a priority item.
  - 8) Neighbor Island Outreach - Maui Manual - HREREC will provide Commission staff with clean final copy of manual for reference. Further work on manual has been preempted; no plans to publish product.
  - 9) Start-up Kit for New Licensees - HREREC awaiting direction from ERC committee on renaming kit.
  - 10) HCR 476, H.D. 2 - Accept the report, entitled "How Nonprofit Organizations Produce Affordable Housing: The National

Component of a Study in Response to House Concurrent Resolution 476, H.D. 2, Requesting the Legislative Reference Bureau in Conjunction with the Hawaii Real Estate Research and Education Center to Conduct a Study on the Role of Nonprofit Organizations in the Development of Housing in the State of Hawaii." HREREC to submit report through REC to the Legislative Reference Bureau after Chair's initials.

3. Continuing Education Administration, Curriculum, Courses, Providers and Instructors

- a. Special Forum on Mandatory Continuing Education - Of the letters received by the Commission on mandatory continuing education, 22 endorsed the program, three were neutral, five opposed the program, and one was unclassified. Paulette Wray offered comments on behalf of the commercial real estate sector. Although she endorsed mandatory continuing education, she expressed reservations about the course offerings and pointed out that few, if any, pertained to the commercial sector. Discussion centered around certification of courses offered by national organizations (e.g., IREM, CCIM, CLE International, etc.) to satisfy the needs of a diverse industry. It was also noted that Hawaii, once at the forefront of continuing education and the model jurisdiction upon which others built, has since slipped behind the pack and now struggles to maintain its program. 49 of the 50 states and the District of Columbia now have mandatory continuing education.

The Education Review Committee, on behalf of the REC Chair, Marcus Nishikawa, applauded and thanked those licensees who commented on mandatory continuing education, whether in support of or opposition to the program.

- b. Administrative Issues - Qualifications for Instructor Certification - 1993-94 Core Course - Approve CE Instructor certification qualifications as stated in the memorandum to the ERC, dated October 19, 1993, and the directive therein expanding core course certification and designating it as a course category entitled, "Core Course."
- c. Application and Certification
- 1) Approve continuing education elective course application, "Contract Solutions".
  - 2) Approve continuing education instructor certification for John W. Reilly to teach in the course category of "Contracts."

4. Prelicensing Education Administration, Curriculum, Schools and Instructors

- a. Administrative Issues - Commission staff to contact ASI and demand ExPro on-site hands-on forum for real estate schools and instructors:
- 1) Request Barbara Rubin, ASI, to provide on-site forum; or
  - 2) Request that ASI permit forum to be held with ASI test-site personnel present; or
  - 3) Request Ron Bock, ASI (Western District) to provide hands-on forum.

5. Program of Work and Budget, FY94
  - a. Information Distribution System - SES Kimura reports that the Star Bulletin will run a one-page real estate column on Fridays and has invited REC to submit requests.
  - b. Annual Report and Quarterly Bulletin - Next edition of the Bulletin is scheduled for November, 1993.
6. Prelicensing Examination - ASI - ExPro - Deny Carmen Lindsey's request for extension of school completion certificate on the basis that the Commission has no authority to extend such certificates. Commission staff to contact ASI and conduct an investigation into the examination questions described by Ms. Lindsey and determine whether such questions impacted her examination results.
7. NARELLO and REEA Report - Accept the accounting and update of contributions from ASI to NARELLO's education fund, dated September 3, 1993.
8. Next Meeting: Tuesday, November 23, 1993, 9 a.m.  
Kapuaiwa Room  
HRH Princess Victoria Kamamalu Building  
1010 Richards Street, Second Floor  
Honolulu, Hawaii

Licensing:

**Licensing and Registration - Ratification**

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

**Real Estate Brokers**

Rex L. Fa  
Ranulfo D. Ramones  
Mary J. Tiwanak  
Riley K. Hakoda  
Property Concepts Group, Inc.  
Robert L. Bates  
Ken and Co., Inc.  
Leinaala S. P. Isa dba L and I Realty  
Kolu Corporation

**Real Estate Branch Office**

The Landmark Property Corporation (Kihei, Hawaii)

**Real Estate Site Office**

Central Pacific Realty, Inc., Halona Kai  
Castle & Cooke Residential, Inc., Mililani Mauka  
McCormack Real Estate dba Coldwell Banker McCormack Real Estate, The Palms  
at Wailea, Phase 2  
Pacific Island Properties, Inc., Manoa Hillside Estates  
Castle & Cooke Residential, Inc., Hillsdale, Phases I, II, III and IV

Aloha Resorts International, Kahana Falls  
Castle & Cooke Residentials, Inc., Mililani Town Subdivision

**Real Estate Trade Name**

Howard Shermer dba Howard Shermer, Realtors  
Martin, Inc. dba Kilohana Properties  
Rex L. Fa dba Golden Gate Realty

**Condominium Managing Agents**

Village West Realty, Inc. dba Island Property Management

**Condominium Project Registration - Public Reports Issued for the Month of  
September 1993**

Porter/DeCorte Condominium, Hawaii (Final)  
Mana Road Condominium, Hawaii (Final)  
Hualalai Gardens, Hawaii (Preliminary)  
Hualalai Gardens - Commercial Increment (aka Kona Business Center), Hawaii  
(Preliminary)  
Summit at Kaneohe Bay, Honolulu (Final)  
Nanea Estates, Kauai (Final)  
Hale Makalei, Honolulu (Preliminary)  
Hoaloha Venture II, Honolulu (Preliminary)  
Hillsdale, Phase IV, Honolulu (Final)  
Moanalua Village, Honolulu (4th Supplementary)  
Cal-Cam Centre III, Hawaii (Final)  
3849 Kaimuki Avenue, Honolulu (Final)  
Kaloku Farms, Kauai (Final)  
Farstrup/Carter-Reischmann, Honolulu (Preliminary)  
Westview at Makakilo Heights, Honolulu (Preliminary)  
Kalamania, Kauai (Final)  
Kaapahu Homesteads, Hawaii (Final)  
Kipapa Kani Agricultural Condominium, Kauai (Final)  
Phase 2C, Keauhou Gardens, Hawaii (2nd Supplementary)  
Phase 2D, Keauhou Gardens, Hawaii (3rd Supplementary)  
15th at Waialae, Honolulu (3rd Supplementary)  
Kaiwiki Estates, Hawaii (Final)  
Kaehulua Kai, Kauai (Final)  
Kaumana Villas, Hawaii (Final)  
Hawaiikalua Estates, Kauai (Final)  
Annapurna, Kauai (Final)  
The Gardens at Launani Valley, Phase I, Honolulu (Preliminary)  
The Gardens at Launani Valley, Phase II, Honolulu (Preliminary)  
The Gardens at Launani Valley, Phase III, Honolulu (Preliminary)  
Aliomanu Estates VII Condominium, Kauai (Final)  
Aliomanu Estates VIII Condominium, Kauai (Final)  
Aliomanu Estates IX Condominium, Kauai (Final)  
Aliomanu Estates XI Condominium, Kauai (Final)  
Ward Kinau, Honolulu (Final)

Birch & Elm, Honolulu (Supplementary)  
Uke'e Plaza, Honolulu (Final)  
Hale Akua Estates, Honolulu (2nd Supplementary)  
58 Mohala, Maui (Preliminary)  
Waipouli Hale Estates, Kauai (Final)

Executive Session:

Upon a motion by Commissioner Lee, seconded by Commissioner Butuyan, it was voted on and unanimously carried to enter into executive session, pursuant to Section 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 Lee, seconded by Commissioner Butuyan, it was voted on and unanimously carried to move out of executive session.

Licensing:

**Restoration of Forfeited License**

Bevin B. Cushnie

After a review of the information submitted by the applicant, Commissioner Kano moved to deny Ms. Cushnie's request for an extension of time to fulfill the examination requirement. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

Howard A. Pryor

After a review of the information presented by the applicant, Commissioner Hirata moved that restoration be approved upon submitting evidence of successfully passing the real estate broker's licensing examination. Commissioner Butuyan seconded the motion. The motion was voted on and unanimously carried.

Francis K. Lee

After a review of the information submitted by the applicant, Commissioner Hirata moved that restoration be approved upon submitting evidence of successfully passing the real estate salesperson's licensing examination. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

### **Questionable Applications**

#### Home Buyers Club, Inc.

After a review of the information presented by the applicant, Commissioner Lee moved to approve the real estate broker corporation application of Home Buyers Club, Inc. Commissioner Hirata seconded the motion. The motion was voted on and unanimously carried.

#### Tadao Kurosu

After a review of the information submitted by the applicant, Commissioner Lee moved to approve the sole proprietor application of Tadao Kurosu. Commissioner Imamura seconded the motion. The motion was voted on and unanimously carried.

#### Property Merchants, Inc.

After a review of the information presented by the applicant, Commissioner Butuyan moved to approve the real estate broker corporation application of Property Merchants, Inc. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

#### Tropic Properties Hawaii, Inc.

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

#### Waikiki Realty II, Inc.

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

#### Pacific Rim Properties, Ltd.

After a review of the information presented by the applicant, Commissioner Kano moved to approve the conditional place of business, located at 2333 Kapiolani Boulevard, Suite One, Honolulu, Hawaii 96826. Commissioner Butuyan seconded the motion. The motion was voted on and unanimously carried.

#### Hugh Francis Gallagher III

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Lee, it was voted on and unanimously carried to deny any "other professional designation or certificate" that does not have any educational requirement and delegates this to the



staff. If the "other professional designation or certificate" does have educational requirements, the Commission will decide if they are equivalent or superior to the prelicensing education requirements.

After a review of the information submitted by the applicant, Commissioner Hirata moved to deny Mr. Gallagher's request for an educational waiver application based on his expired mortgage solicitor license. Commissioner Butuyan seconded the motion. The motion was voted on and unanimously carried.

Barrie W. Parker

After a review of the information presented by the applicant, Commissioner Kano moved to approve Mr. Parker's request for an equivalency to one closed listing transaction. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

C. J. Kimberly

After a review of the information submitted by the applicant, Commissioner Hirata moved to approve the condominium hotel operator registration of C. J. Kimberly. Commissioner Butuyan seconded the motion. The motion was voted on and unanimously carried.

Kona Sun Coast Properties, Inc.

After a review of the information presented by the applicant, Commissioner Lee moved to approve a conditional condominium hotel operator registration of Kona Sun Coast Properties, Inc., subject to the applicant's compliance to the laws and rules. Commissioner Imamura seconded the motion. The motion was voted on and unanimously carried.

Next Meeting:

Wednesday, November 24, 1993  
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, the Vice-Chair adjourned the meeting at 11:16 a.m.

Reviewed and approved by:

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Calvin Kimura  
Supervising Executive Secretary

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Date