

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, October 24, 1997

Time: 9:00 a.m.

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

Present Alvin Imamura, Chair
Carol Mon Lee, Vice Chair (Late arrival)
Charles Aki, Hawaii Member
Michael Ching, Kauai Member
Mitchell Imanaka, Oahu Member
Helen Lindemann, Oahu Member
Nora Nomura, Public Member

Calvin Kimura, Supervising Executive Officer
Christine Rutkowski, Executive Officer
Edmond Ikuma, Senior Real Estate Specialist
Lee Ann Teshima, Real Estate Specialist
Russell Wong, Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Camille Chun-Hoon, Condominium Specialist
Gina Watumull, Condominium Specialist
Shari Wong, Deputy Attorney General (Late arrival)
Irene Kotaka, Secretary

Martha Reber
Laurie Lee
Joseph M. Przygodzinski
John R. Stevens
Robert Warner, Esq.
Margaret Taylor
Robin Kaai
Nicki Thompson, Hawaii Association of REALTORS
Steve Gilbert, Hawaii Real Estate Research and Education Center
Rodney S. Nishida, Esq., Real Estate Recovery Fund Counsel

Excused: Alfredo Evangelista, Public Member
John Ohama, Oahu Member

Call to Order: The Chair called the meeting to order at 9:06 a.m., at which time quorum was established.

Chair's Report: No report was presented.

Executive Officer's Report: **Announcements, Introductions, Correspondence and Additional Distributions**

Additions to the Agenda

Upon a motion by Commissioner Aki, seconded by Commissioner Lindemann, it was voted on and unanimously carried to add the following items to the agenda:6.

Licensing - Questionable Applications
 Commercial Brokers Hawaii, LLC

Additional Distribution

The following materials were distributed prior to the start of the meeting:

- 3. Executive Officer's Report - Minutes of Previous Meetings
- 6. Licensing - Questionable Applications
 Rodney L. Gilliland
 Mauna Loa Village Resort, Inc., ReMax Resort Properties
 Robin D. Kaai

The Deputy Attorney General arrived.

Licensing and
 Registration -
 Ratification:

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

<u>Brokers - Corporations and Partnerships</u>	<u>Effective Date</u>
DiVito & Associates, Inc.	09/25/97
The Able Company, Inc.	10/07/97

<u>Brokers - Sole Proprietor</u>	<u>Effective Date</u>
Namiko Sherman	09/22/97
Louise R. Hewett	09/22/97
Nedra M. Chung	09/24/97
Raymond Y. Ifuku	09/11/97
Real Estate Assoc.	
John C. Patterson	09/29/97
Mary Louise Blackburn	09/29/97
Ena Road Realty	
Vernon N. K. Chock	09/22/97
Emma J. A. Frias	10/06/97

<u>Tradenname</u>	<u>Effective Date</u>
Bryn James, All Community Management	09/09/97

<u>Corporation Name</u>	<u>Effective Date</u>
Michael Spalding Realty, Inc. (fka Michael Spalding Land Company, Ltd.)	09/11/97

<u>Site Office</u>	<u>Expiration Date</u>
Day-Lum, Inc., Coldwell Banker Day-Lum Properties Wailani	04/07/98
ERA Maui Real Estate, Inc. Kua'u Bayview at Pa'ia	04/17/98
Marcus & Associates, Inc. Iwalani - Village 5 of the Villages of Kapolei Westview Plaza Lapa'olu	04/23/98
Realty Executives Hawaii Keala Plantation Estates	03/23/98
Finance Realty, Ltd. Westhills	03/03/98
Gerald P. Hokoana, Aikane Properties The Cliffs at Kahakuloa	04/09/98
Concepts Unlimited Inc., ERA Concepts Unlimited	04/20/98

1450 Young Street Education Waiver Certificate
Expiration Date

Vanessa R. Fletcher	09/22/98
Irene Bianchi	09/22/98
Anthony Joseph DiMauro	10/13/98
Gerald D. Smith	10/13/98
John C. Welch	10/14/98

Real Estate Broker Experience Certificate

	<u>Expiration Date</u>
Michael Perius	09/18/98
Theresa L. Goodson	09/18/98
Gretchen I. Watson-Kabei	09/23/98

Real Estate Broker Experience Certificate

	<u>Expiration Date</u>
Christine DeSilva	09/24/98
Beverly A. Wellman	09/24/98
Christopher M. Fujiyama	10/14/98
Shelley M. Yamamoto-Higa	10/14/98
Michael A. Abrams	10/16/98

Real Estate Broker (upgrade)

	<u>Effective Date</u>
Frederico P. Asuncion	09/15/97
Christine M. Gallagher	09/18/97
Allan F. Diemert	09/23/97
David L. Turner	09/15/97
Nobuko S. Holyfield	10/01/97
Itsumi K. Takase	09/22/97
Michael R. Hannon	10/08/97

Condominium Hotel Operator

	<u>Effective Date</u>
Robert J Teitelbaum Shalom Realty	10/06/97
Jeanie Blum Waikiki Beach Condominiums	10/08/97

Condominium Managing Agent

	<u>Effective Date</u>
Bryn James All Community Management	9/17/97

Licensing - Restoration
 of Forfeited Licenses:

Martha A. Reber

Martha A. Reber was present to request that the Commission restore her real estate salesperson's license.

Ms. Reber stated that she was originally from Honolulu but she has lived on the Big Island for the last 15 years. She stated that she took the prelicensing course from Dower School of Real Estate. She flew over to take the month-long course to satisfy the restoration requirement. Because she was going back and forth, she was able to keep current on her CE courses. She stated that because she was travelling back and forth, her CE certificates got misplaced. She reordered her certificates, but that turned into a nightmare. She had to replace the six CE certificates. She stated that one real estate school did not exist. She had to call someone and on that person's day off, she had to go down to where the records were stored and fish out the information. She stated that another real estate school had to reissue the certificates three separate times. It got lost in the mail one time. She contacted Duplanty School of Real Estate for some of her certificates and Gretchen Duplanty had told her that she would be happy to provide them. Another CE provider was Kapiolani Community College. She said she had difficulties getting the certificates

because it was summer and some of the staff were on vacation, they were moving offices, and there had been some changes in staff assignments. It was very frustrating for her. Ms. Reber stated that she had taken the courses in good faith, had paid all of the necessary fees, which amounted to hundreds of dollars. She stated that she hoped that the Commission would consider restoring her license.

She was not aware that her license had expired. In October 1994, she gave birth to a daughter and did not know that her license had expired. She stated she was very sorry and she hoped that the Commission would reconsider restoring her license.

Ms. Reber stated that she had recently sold off a business that she had for twelve years because it was not conducive to raising her daughter. She had sold the business in anticipation of resuming her real estate career. She stated that it would cause her extreme hardship if she were not able to practice real estate.

Commissioner Ching asked if Ms. Reber had completed the CE courses in a timely manner. Ms. Reber had completed the courses in a timely manner. She stated that at the time that she had submitted her restoration application, she had made copies of the CE certificates and misplaced the originals. She has since found the originals.

The EO informed Ms. Reber that the law does not require an individual to restore a forfeited real estate license. A person with a forfeited license can begin the licensing process all over again, without paying the back fees and penalty fee.

Ms. Reber stated that time is a valuable commodity for her. She stated that it might be more expeditious for her to continue with the restoration process instead of having to go through the entire licensing process again. She stated that money was less important than the time and energy she has spent in getting it going again.

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

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

Licensing -
Questionable
Applications:

Mauna Loa Village Resort Inc., ReMax Resort Properties

John R. Stevens, President; Joseph M. Przygodzinski, Principal Broker; and Robert Warner, Esq., were present to provide oral testimony on the condominium hotel operator registration of Mauna Loa Village Resort Inc., ReMax Resort Properties.

Condominium Specialist Chun Hoon summarized the discussion which occurred at the September 26, 1997 Real Estate Commission meeting.

Ms. Chun Hoon stated that the Commission received documents from Mr. Warner last week and would like to ask questions regarding the Stipulation dated March 3, 1986. Ms. Chun Hoon asked Mr. Stevens if that was his signature on the Stipulation, dated March 3, 1986. Mr. Stevens stated that it was. He was also asked if he signed the Addendum to the Stipulation. He stated that it was his signature.

Ms. Chun Hoon summarized the Stipulation for those present. She stated that Mr. Stevens, on behalf of Mountain Vacation Properties ("MVP"), entered into the Stipulation with the Colorado Real Estate Commission, that all units were to be registered by March 10 and that moneys were to be deposited into an escrow account. If they were not registered, all of the moneys would be returned to the purchasers.

Mr. Stevens stated that he had engaged a real estate broker to sell the properties and the broker was responsible for keeping the registrations in place. He did so in 1984 and 1985.

In 1985, it came to his attention that his agent had taken the moneys out of a trust account for twelve transactions. He was brought before the Commission at that time. He stated that Grant Alley, Commission Chair, pointed to him and to the principal broker and told them that there was a problem and to fix it. The principal broker was no longer in business. Mr. Stevens stated that the Stipulation was a vehicle to keep them legal as long as they were working diligently to solve the problem. Mr. Stevens stated that he signed the Stipulation and did what was stated on the document. Mr. Stevens stated that he made the individuals whole by deeding them properties that he owned or by returning their earnest money. Mr. Stevens stated that in each instance, he did exactly as the paper provided. It was an arrangement to solve the problem.

Mr. Stevens stated that there were only twelve people who the broker sold properties to without his knowledge. Mr. Stevens was the president of the company. Mr. Stevens stated that he did not have any trust accounts because he was not a real estate company. When it was required, he hired real estate brokers to do the work. Mr. Stevens stated that in each instance, no losses were incurred, no consumer harm was done and no action was taken against the reserves in the State. The real estate broker's license was eventually revoked.

Mr. Stevens stated that there were twelve parties with the potential to be injured. They had invested in a time share project and had put an earnest money deposit of ten percent. The accounts were then raided by his broker. The consumers were asked if they wanted to get their money back or if they wanted to transfer their interest into a superior project.

Mr. Stevens stated that the Commission wanted to make sure that the time share developer was on the hot seat to solve the problem. Mr. Stevens stated that this was only the second time that he has been in front of a group like this. He was 32 years old at the time that this incident occurred. He was fairly scared and listened to Mr. Alley and fixed the problem. Mr. Stevens stated when the company ceased to be in business, the properties were deeded back to the bank in lieu of foreclosure. The bank continued to sell its properties.

Ms. Chun Hoon asked Mr. Stevens if there were any active sales after the he signed the Stipulation and before the properties were conveyed to the lender. Mr. Stevens stated that it was only to those who had bought their properties and whose moneys were taken. Those properties were conveyed out in accordance with the agreement.

Mr. Stevens was asked if he had actively participated in any sales. Mr. Stevens stated that as of April 15, 1985, he did not have the ability to sell since MVP had no brokerage. Mr. Stevens stated that he has the corporate minutes to support this fact. He stated that he engaged other real estate brokers to do that job. Mr. Stevens stated that he had a contract with Mr. Grimes of Resort Marketing I and that Mr. Grimes was to deposit the moneys into an escrow account. Mr. Grimes deposited the moneys into a trust account instead. Mr. Grimes then raided the accounts. Mr. Stevens found out about this when he received a letter from his client. Mr. Stevens said that he had taken it upon himself to solve the problem at his own expense. He also stated that he had proof of conveyance. Many of those harmed opted to convey their interest into the Timber Ridge project. Mr. Stevens stated that before he left the State, everything had been solved. The conveyance was done in early May.

Mr. Stevens stated that he was in Arizona with his family seeking employment. He stated that he still had people working for him in Colorado.

Ms. Chun Hoon read a portion of the May 8, 1986 minutes of the Colorado Real Estate Commission meeting. Ms. Chun Hoon asked Mr. Stevens about the allegation that the documents provided to purchasers of MVP contained a statement that purchasers were required to waive their rescission rights, which is in violation of Colorado laws.

Mr. Stevens stated that he had relied on his real estate brokers and other companies. He is not exactly sure what there were saying. There were no rescission rights in the early years and there were some companies who could waive your rescission rights. Mr. Stevens stated that he was not aware if they required the purchasers to waive their rescission rights in this instance. Mr. Stevens stated that they were not in active sales and did not use a waiver form, as he recalls.

Mr. Stevens was asked what events led to the Stipulation. Mr. Stevens stated that he had several businesses. He was in time share because the whole units were not selling as well as they should. He was used to liquidating properties. In the latter part of 1985, he received a letter in the mail, saying that his client had tendered earnest moneys and the contract had not yet closed escrow. He was informed that if the situation was not dealt with promptly, the client would go to the Real Estate Commission. The client went to the Real Estate Commission. He was called in and asked what was going on. His real estate broker provided documentation. His real estate broker was to have provided marketing services and was responsible for depositing the moneys into the trust account. After depositing the moneys into the trust account, the broker then raided the trust account. Mr. Stevens discovered that there were no funds available when he tried to pay out from that account. Mr. Stevens stated that he then met with the regulators. He was angry with the broker because he felt that he should not have done this. He understood that it was his responsibility because he had hired the real estate broker.

Mr. Stevens was asked about his relationship with All Seasons Resorts. Mr. Stevens stated that he became a principal with that company and that the company was properly registered in the State of Arizona. The letter from Arizona stated that as a result of severance of employment with All Seasons Resort, they closed their investigation of him.

Mr. Stevens stated that it was a minor and inconsequential event. The State of Arizona was made aware of what had occurred in Colorado six years earlier, through anonymous letters. Mr. Stevens stated that Arizona then made inquiries based on the anonymous letters. He stated that he moved to Arizona in 1989. In 1990, he became involved in All Seasons Resorts. He was the company's founder. He sold 20,000 time share units. He has no complaints against him. In September 1996, he had difficulty with a previous real estate broker that they had fired. The broker used whatever methods that they could and made inquiries with the State of Colorado and had disjointed records from the State of Colorado sent to Arizona. Arizona felt that he should have disclosed that he had been denied a renewal six years ago. Mr. Stevens stated that in his mind, he left the State without having to renew. The properties to be renewed did not have to be renewed because he did not own them any more. His attorney had advised him that it was not a disclosure issue. The State of Arizona wanted him to put a disclosure into the public report which he did not do at that time because it would hurt his company. He stated that he voluntarily resigned from his position until they could have a hearing.

Mr. Stevens stated that from October 1989 to February 3, 1997, he was involved with All Seasons Resorts. He was the President of the real estate company and an executive officer of 18 other companies.

Mr. Stevens was asked if he had more documents on this matter. He stated that he had a letter that was written to the Real Estate Commission which informed them of what would have happened to the twelve purchasers had they received their moneys back and bought another property. He also stated that he does not have a lot of documents because that incident occurred 15 years ago.

Mr. Stevens was asked about the status of the judgments from his failed construction business. Mr. Stevens stated that as he recalls, he was a principal in many companies in Colorado. As he left the State, he lost his business fortune and his personal fortune. He had his house repossessed. After he left the State, he continued to have a place of

business. Mr. Stevens stated that judgments were filed against him, which he didn't contest. He was functionally bankrupt but did not file for bankruptcy. He stated that if he was called upon, he would pay his outstanding bills. Many companies went broke and are no longer in business. He stated that he has a good credit report and has a high net worth and he stands ready to take care of any legal or moral claims against him. He stated that he has a hard time when creditors used tactics against him. He does not have anyone chasing him for money.

Ms. Stevens was asked if he pursued the payment of any outstanding judgments. Mr. Stevens answered, "No." He stated that the judgments may have been written off as real estate was bad in Colorado at that time.

Commissioner Nomura moved to take this matter under advisement. Commissioner Lindemann seconded the motion.

Mr. Warner stated that All Seasons Resorts was in the time share business in Arizona for seven years. During that time, as the principal of the company, Mr. Stevens registered and renewed the registrations in the States of Arizona and Colorado without any difficulty. Mr. Warner asked Mr. Stevens how many sales were completed during the seven years. Mr. Stevens responded that during the seven years that All Seasons Resorts had 20,000 sales. Mr. Warner then asked Mr. Stevens how many consumers had been contacted for the 20,000 sales. Mr. Stevens stated that they had to have contacted 150 to 200,000 customers. Mr. Warner asked Mr. Stevens if there were any outstanding consumer complaints that were filed against him or his company in Colorado during the seven-year period. Mr. Stevens answered, "No."

The Deputy Attorney General interrupted Mr. Warner's questioning and asked if there were any further questions by the Commissioners.

The motion to take this matter under advisement was voted on and unanimously carried.

Commissioner Imanaka returned to the meeting.

Margaret D. Taylor

Margaret D. Taylor was present to request the Commission for an equivalency to two sales contracts/commercial or industrial leases that have closed escrow.

Ms. Taylor stated that she has been a full-time property manager since 1990 with DAI Property Management. She stated that real estate is her profession and career. She would like to obtain her real estate broker's license.

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

Laurie A. Lee

Laurie A. Lee was present to request an equivalency to three sales contracts/commercial or industrial leases that have closed escrow.

Ms. Lee thanked the Commission for the opportunity to speak before them. She stated that she is seeking to obtain her real estate broker's experience certificate. She spent the last three years selling at the Courtyards at Punahou project, which is the best quality building in Honolulu. She has been selling million dollar condos and has been dealing with high-end buyers which gave her greater experience. Despite the declining real estate market, people have been willing to purchase the units. She stated that she was with the project since 1995/96, through 1997, but that she has sold herself out of a job.

Ms. Lee stated that she was associated with Watt Hawaii for one year at the Villages of Kapolei. She stated that she dealt with local families buying their first home or a step-up home. She represented the developer at both projects and assisted the buyer who did not have outside broker representation. She stated that she spent her first three years at Bradley Properties, representing the buyers in the transactions. Her experience includes representing buyers and sellers and developers of single family homes.

Ms. Lee stated that she was born, raised and educated in Hawaii. She has a degree in Japanese and an MBA in International Business. She has skills in communications, negotiations and management. If the Commission looked over her experience in total, they would see that she met the requirements although not within the immediate four years preceding her application. She also stated that she has completed the real estate broker's preclicensing course.

Commissioner Imanaka asked Ms. Lee to explain to what extent she helped the buyer as a customer while she was involved in project sales.

Ms. Lee stated that she did not participate in any dual agency transactions. She assisted the buyer from the point of contact in making the offer, providing information that would assist the buyer in making their own independent decision. She stated that she gave the buyer full disclosure and provided them with any information they would need to make a decision without affecting the seller.

Commissioner Aki asked Ms. Lee about her experience while at Bradley Properties. Ms. Lee stated that she had started her career at Bradley Properties. She was an independent contractor and was involved in general brokerage. She represented the buyers of condominiums, first-time home buyers and represented the sellers and had a small amount of exposure to commercial real estate. When asked how many transactions she participated in while at Bradley Properties, she stated that she participated in approximately five or six transactions representing the buyer and approximately twelve representing the seller.

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

Robin D. Kaai

Robin D. Kaai was present to request an equivalency to two listing contracts or commercial or industrial listings that have closed escrow and three sales contracts or commercial or industrial leases closed escrow.

Ms. Kaai stated that she is involved in commercial real estate. She does not do residential real estate and has no intention of doing residential real estate. She stated that the only residential real estate transaction she was involved with was when she purchased a home. She stated that she could be in real estate for ten or fifteen years but she will not be having a closed sale because she is not involved in general real estate.

Ms. Kaai stated that she passed the real estate broker's preclicensing course. She has met the education requirement. She stated that she will never have the experience for the closed sales or listing transactions. She would like an opportunity to take the exam.

Commissioner Lindemann asked if she had represented the lessee in some of the transactions. Ms. Kaai stated that her broker owns properties so she does not have to solicit properties. She represents the lessor. She stated that she has received inquiries for properties, but she has not been able to show them any of the properties that they have. She stated that H & R Block is one of their clients. When asked how many lessees were placed outside of the property, she stated that only four or five were.

She stated that there were six closed transactions in 1996. The person she is working for is an investor who buys properties on the mainland. She is not representing him, although she works with him in writing up the offers. She is a salaried employee and as such, she

did not receive credit or a commission for that. Normally, her boss represents himself or he has a real estate broker representing him for the mainland transactions.

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

Recess:

The Chair recessed the meeting at 10:15 a.m.

Reconvene:

The Chair reconvened the meeting at 10:20 a.m.

Executive Session:

Upon a motion by Commissioner Ching, seconded by Commissioner Aki, it was voted on and unanimously carried to enter into executive session, pursuant to Section 92-5(a)(1), HRS, "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 Ching, seconded by Commissioner Aki, it was voted on and unanimously carried to move out of executive session.

Vice Chair Lee arrived.

Chapter 91, HRS,
Adjudicatory Matters:

The Chair called a recess from the meeting at 10:36 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91, HRS:

New Life Realty, Inc. and Mary H. Rogde, REC 96-6-L

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

Ronald L. Nakatsu and Ron Nakatsu Realty, Inc. dba Century 21 Ron Nakatsu Realty, REC-96-183-L

Upon a motion by Commissioner Lee, seconded by Commissioner Aki, 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.

Iris Riber dba Iris Riber Realty and Condominium Managing Agent's License of Iris Riber dba Iris Riber Realty, REC-95-90-L

Upon a motion by Commissioner Nomura, seconded by Commissioner Aki, 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 and the Commission orders that Ms. Riber successfully complete the Professional Responsibility Course, administered by the Hawaii Real Estate Research and Education Center, within one year from the date of the Settlement Agreement.

Eulogio J. Tabisola dba E. J. Tabisola Realty and Sonia P. Argel, REC-95-11-L

Upon a motion by Commissioner Nomura, seconded by Commissioner Lee, it was voted on and unanimously carried to accept the Hearings Officer's Findings of Fact, Conclusions of Law and Recommended Order and the Commission orders that Eulogio J. Tabisola and

Sonia P. Argel successfully complete the Professional Responsibility Course, administered by the Hawaii Real Estate Research and Education Center, within four months of the Commission's Final Order.

Following the Commission's review, deliberation and decision in this matter, pursuant to Chapter 91, HRS, the Chair announced that the Commission was reconvening its scheduled meeting at 10:43 a.m., pursuant to Chapter 92, HRS.

Executive Session:

Upon a motion by Commissioner Ching, seconded by Commissioner Aki, it was voted on and unanimously carried to enter into executive session, pursuant to Section 92-5(a)(4), HRS, "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 Aki, seconded by Commissioner Ching, it was voted on and unanimously carried to move out of executive session.

Committee Reports:

Laws and Rules Review Committee

Commissioner Ching commended the SEO on an outstanding job reporting to those present on the island of Maui.

Upon a motion by Commissioner Ching, seconded by Commissioner Nomura, it was voted on and unanimously carried to accept the report of the October 8, 1997 Laws and Rules Review Committee meeting, as follows:

1. **Accept** the minutes of the September 15, 1997 Laws and Rules Committee meeting as circulated.
2. HREREC Report
 - a. Laws and Rules Manual - will send out as soon as 1997 Session Laws is received and reviewed.
 - b. Real Estate Seminars -**Recommend** that the LRRC Chair and Vice Chair meet with HREREC to determine the topic for the next real estate seminar, targeted for May or June 1998. The method of delivery still needs to be determined.
3. Program of Work , FY98
Rule Making, Chapter 53, HAR , Fees - Proposed Amendments - **Recommend approval** of the proposed amendments to Chapter 53, HAR, Fees, per Licensing Administrator that 100% of the fees collected for the registration of real estate schools and continuing education providers and the certification of prelicensing and continuing education instructors and courses to be deposited into the Real Estate Education Fund.
4. Open Forum - REB staff to discuss with the Hawaii Association of REALTORS on the issues raised by Ms. Janis Casco regarding liability concerns for private property owners whose property abuts government land, especially near the ocean or beach.
5. Next Meeting: Wednesday, November 10, 1997
9:00 a.m.
Kapuaiwa Room
1010 Richards Street, Second Floor
Honolulu, Hawaii

Education Review Committee

Upon a motion by Commissioner Aki, seconded by Commissioner Lee, it was voted on and unanimously carried to accept the report of the October 8, 1997, Education Review Committee meeting, as follows:

1. HREREC Report

- a. Broker Curriculum and Resources - REB comments on drafts of modules five and six to be delivered to Dr. Ordway within the week. Chair noted that Dr. Ordway has yet to contact Senior Real Estate Specialist to develop a schedule for the submission of the remaining modules.
 - b. Continuing Education Core Course - Final draft contingent on inclusion of comments by Commissioner Lindemann.
 - c. Continuing Education Elective Course - Chair noted that Committee and REB are still awaiting contact by Dr. Ordway on Committee/REB comments to first draft of Seller Disclosure course delivered to HREREC on August 29, 1997.
 - d. Chair, SEO and Senior Real Estate Specialist will meet later today to develop a recommendation on the prioritization of programs assigned to HREREC. Recommendations to be made at the next ERC meeting.
2. Prelicensing Education Administration, Curriculum, Schools, Instructors, and Waiver
Request to use REC Publication in Book by Madge Walls. **Recommend approval** with disclaimer recommended by Deputy Attorney General.
 3. Real Estate Specialist of the Day and Licensing Examination Monitoring- Schedule for Joint Specialist of the Day and examination monitoring:
11/07/97 Regulated Industries Complaints Office
1063 Lower Main Street, Ste. C-216
Wailuku, Maui
11/08/97 Maui (Exam Monitoring)
 4. Next Meeting: Monday, November 10, 1997, 10:30 a. m.
Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, HI 96822

Condominium Review Committee

Upon a motion by Commissioner Imanaka, seconded by Commissioner Ching, it was voted on and unanimously carried to accept the report of the October 8, 1997 Condominium Review Committee meeting, as follows:

1. HREREC Report
 - a. Hawaii Condominium Bulletin - First bulletin printed and then reprinted for larger distribution.
 - b. Board of Director's Guide --
 1. Hawaii Condominium Living: An Introduction and Reference Guide - Comments on Draft 2 received from REC and staff. Draft 3 will be submitted to REB no later than Friday, October 31, 1997 noon or earlier for inclusion in the November CRC meeting packet materials.
 2. Fair Housing - Received REC and staff's comments regarding Draft 1. Draft 2 to be submitted to REB no later than November 28, 1997 noon or earlier for inclusion in the December CRC meeting packet materials.
2. HREREC Program of Work and Budget For Fiscal Year 1998
Recommend approval of the following priorities for REC's program of work items assigned to the HREREC for fiscal year 1998:
 1. Timely publication and mail out of 4 Bulletins according to schedule, including increased printing/distribution costs;
 2. Completion of two Board of Director's Guide - Hawaii Condominium Living: Introduction and Reference Guide (booklet and small brochure); Fair Housing booklet according to schedule, including increase

- printing/distribution costs;
3. Condominium Seminars if feasible; consider planning/and presentation of one seminar during the last quarter of fiscal year, after completion of bulletin and board of director guides;
 4. Condominium survey; consider investing time without expanding scope to complete program, after giving priority to bulletin and two guides;
 5. Other items of HREREC's program of work are to be held; and
 6. HREREC is to prepare a statement on the scope of what has been completed and what needs to be completed for all the originally assigned programs, including the amount of expenditures and funds remaining for all program items no later than Friday October 31, 1997 or earlier for inclusion in the November CRC meeting packet.
3. Condominium Governance and Management.
 - a. AOA Registrations Issued Effective Dates through September 30, 1997 for the 1997 Interim Registration - **Recommend approval.**
 - b. AOA Registrations Issued Effective Dates through September 30, 1997 for the 1997-1999 Registration - **Recommend approval.**
 4. Condominium Project Registration, Public Reports, and Limited Equity Housing Cooperatives
 - a. CPR Registration, Public Reports, Extensions Issued- **Recommend approval** to ratify issuance of effective dates for public reports and extensions for the month of September, 1997.
 - b. Contingent Public Report Effective Date - Act 135 (SLH 1997) - **Recommend approval** for public distribution the revised "Checklist for Filing Condominium Project" dated 9/25/97 as amended at the October 8, 1997 CRC meeting for preliminary, contingent final and final public reports; subject to staff making stylistic non-substantive changes.
 5. Next Meeting: Monday, November 10, 1997
1:30 p.m.
Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Executive Officer's Report:

Minutes of Previous Meetings

Upon a motion by Commissioner Aki, seconded by Commissioner Lee, it was voted on and unanimously carried to approve the minutes of the September 26, 1997, Real Estate Commission meeting, as circulated.

Additions to the Agenda

Upon a motion by Commissioner Lee, seconded by Commissioner Nomura, it was voted on and unanimously carried to add the following item to the agenda:

8. Recovery Fund Report

Kathryn Glenn Fisher v. Milagros Baradi, et al., First Circuit Court, Civil No. 92-3897-10

Recovery Fund Report:

Kathryn Glenn Fisher v. Milagros Baradi, et al., First Circuit Court, Civil No. 92-3897-10

Upon a motion by Commissioner Aki, seconded by Commissioner Lee, it was voted on and unanimously carried to approve the appeal of the court's order requiring payment out of the real estate recovery fund.

Licensing - Restoration

Martha A. Reber

of Forfeited License:

After a review of the information presented by the applicant, Commissioner Nomura, moved to deny Martha A. Reber's request to accept the school completion certificate, delinquent fees, penalty fees and other documents submitted after the deadline. Commissioner Imanaka seconded the motion. The motion was voted on and unanimously carried.

The Chair was excused from the meeting due to a conflict of interest. The Vice Chair presided over the meeting.

Licensing -
Questionable
Applications:

Rodney L. Gilliland

After a review of the information submitted by the applicant, Commissioner Ching moved to deny Mr. Gilliland's request for an equivalency to the ten (10) Hawaii written real estate transaction requirement, of which three are sales contracts or commercial or industrial leases closed escrow and three are listing contracts or commercial or industrial listings closed escrow, based on §16-99-38(a)(2)(A), HAR. Commissioner Nomura seconded the motion. The motion was voted on and carried.

The Chair returned to the meeting and resumed presiding over the meeting.

Mauna Loa Village Resort Inc., ReMax Resort Properties

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

After a review of the information presented by the applicant, Commissioner Aki moved to approve the condominium hotel operator registration of Mauna Loa Village Resort Inc., dba ReMax Resort Properties. Commissioner Ching seconded the motion. The motion was voted on and unanimously carried.

Commissioner Imanaka returned to the meeting.

Denise P. Goodwin

After a review of the information submitted by the applicant, Commissioner Ching moved to approve the real estate salesperson's application of Denise P. Goodwin. Commissioner Aki seconded the motion. The motion was voted on and unanimously carried.

David E. Hardy

After a review of the information submitted by the applicant, Commissioner Nomura moved to deny the real estate salesperson's application of David E. Hardy, unless within 60 days he submits proof of payment or written payment plan for his outstanding IRS tax obligations. Commissioner Lee seconded the motion. The motion was voted on and carried. Commissioner Ching abstained from voting.

JWO Inc.

After a review of the information submitted by the applicant, Commissioner Aki moved to deny the real estate corporation application of JWO Inc., based on §467-8(3), HRS. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

Margaret D. Taylor

After a review of the information presented by the applicant, Commissioner Ching moved to approve Margaret D. Taylor's request for an equivalency to the ten (10) Hawaii written real estate transactions, of which three are sales contracts or commercial or industrial leases closed escrow and three are listing contracts or commercial or industrial listings closed escrow. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

Laurie A. Lee

After a review of the information presented by the applicant, Commissioner Lindemann moved to approve Laurie A. Lee's request for an equivalency to the ten (10) Hawaii written real estate transactions, of which three are sales contracts or commercial or industrial leases closed escrow and three are listing contracts or commercial or industrial listings closed escrow. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

Robin D. Kaai

After a review of the information submitted by the applicant, Commissioner Nomura moved to deny Robin D. Kaai's request for an equivalency to the ten (10) Hawaii written real estate transaction requirement, of which three are sales contracts or commercial or industrial leases closed escrow and three are listing contracts or commercial or industrial listings closed escrow, based on §16-99-38(a)(2)(A), HAR. Commissioner Lee seconded the motion. The motion was voted on and carried.

Marc G. Weinberg

After a review of the information submitted by the applicant, Commissioner Ching moved to deny Marc G. Weinberg's request for an equivalency to the ten (10) Hawaii written real estate transaction requirement, of which three are sales contracts or commercial or industrial leases closed escrow and three are listing contracts or commercial or industrial listings closed escrow, based on §16-99-38(a)(2)(A), HAR. Commissioner Nomura seconded the motion. The motion was voted on and carried.

Commercial Brokers Hawaii, LLC

After a review of the information submitted by the applicant, Commissioner Lindemann moved to approve the real estate limited liability company application of Commercial Brokers Hawaii, LLC. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

Next Meeting:

Wednesday, November 26, 1997
9:00 a.m.
Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Adjournment: With no further business to discuss, the Chair adjourned the meeting at 11:38 a.m.

Reviewed and approved by:

Christine Rutkowski
Executive Officer

November 26, 1997
Date

[X] Approved as circulated.

[] Approved with corrections; see minutes of _____ meeting.