

SUMMARY OF PROCEEDINGS  
SIXTH MEETING OF 1961  
REAL ESTATE COMMISSION  
DEPT OF TREASURY AND REGULATION  
STATE OF HAWAII

June 27, 1961

Chairman Aaron M. Chaney called the meeting to order at 9:10 a.m. Tuesday, June 27, 1961 in Room 205 Empire Building

Present were: Aaron M. Chaney, Chairman  
Dorothy S. Ahrens, Member  
Charles C. Cross, Member  
Yukio Kashiwa, Member  
Jack K. Palk, Member  
Erling P. Wick, Member  
Hirotooshi Yamamoto, Member  
Robt E. Bekeart, Executive Secretary  
Dick Okaji, Investigator  
Hannah Furuta, Recording Secretary

ORDER OF BUSINESS

The Chairman opened the meeting by introducing Jack K. Palk, newly appointed commissioner replacing Mr. James C. Ching whose term of office expired December 31, 1960.

MINUTES OF PREVIOUS MEETING

Mrs. Ahrens moved the approval of the minutes of May 2, 1961. Mr. Wick seconded the motion. Motion carried.

FISCAL REPORTS

Mr. Kashiwa moved approval, seconded by Mr. Wick, that the financial reports for months of April and May 1961 be approved. Motion carried.

CONFIRMATION OF BROKERAGE LICENSES ISSUED UNDER TENTATIVE APPROVAL

Mr. Kashiwa moved, seconded by Mr. Palk, that the following brokerage licenses issued under tentative approval of Exec Secy be officially confirmed and recorded:

HICKS CONSTRUCTION CO., INC dba HICKS HOMES CONSTRUCTION AND SALES  
- Wendell F. Brooks, Jr., Principal Broker  
APPRAISAL AND ACQUISITION CONTRACTORS - Partnership: Clair DeVault  
and Vern V. Gilligan  
REALTY SALES CORPORATION, Br. Off. - Leeward Shopping Center, Ewa -  
Grace M. Pozzini, Broker-in-Charge  
Theodore Loo - dba TED LOO REALTY  
William L. Barnette - dba NEIGHBORHOOD REALTY  
William A. Cummings - dba NAHIKINA REALTY  
Stanley Pantell - dba STANLEY PANTELL COMPANY  
James C. Ching - dba JAMES C. CHING REALTY COMPANY  
Mun Bo Chang - dba ESTATE BUILDERS (relinquished by  
Kwock Hin, Ltd)

EQUIPMENT PURCHASES

Mrs. Ahrens moved approval of staff purchase of new typewriter and stand and 8 conference chairs. Mr. Yamamoto seconded. Motion carried.

After considerable discussion given to the conversion from our present Wilson-Jones records-keeping system to Kardex, Mr. Cross moved approval of purchase of the Kardex equipment as recommended by staff at a cost of \$1800 and directed that Executive Secretary move the project along as soon as possible, authorizing him to hire additional staff if he deems it necessary to implement transition within a reasonable time. Cost of additional hire not to exceed \$500.00. Mr. Wick seconded the motion. Carried unanimously.

JULY EXAMINATION

- a. Mr. Yamamoto moved approval of accepting the four applications submitted 5 days after the June 15 closing date due to misunderstanding of their sponsoring brokerage, Realty Investment Co., Ltd. Mr. Kashiwa seconded. Carried.
- b. Chairman introduced a letter received from Patricia B. Davis of Kamuela, Hawaii in which she asserted she did not receive application form requested by letter. Form was subsequently airmailed to her with reply that acceptance of late filing will be discussed at meeting. Mr. Cross moved, with Mr. Wick's second, that her application be accepted for the July examination if received within a reasonable time. Motion carried.
- c. Mrs. Ahrens presented the case of two Kauai applicants who orally informed her they had filed application with their sponsoring broker for the July test but the completed applications had not been received by RELCO to date. Members ruled that in the absence of any form of filing received by RELCO no consideration need be given.
- d. Examination content was reviewed and staff was directed to check Broker Multiple Choice questions #29 and #83 for duplication and to remove completion question #7. Examination content for broker and salesman was otherwise accepted for July examinations. Moved by Mr. Wick and seconded by Mr. Kashiwa.

SUCCESSFUL APPLICANTS WITH DEROGATORY POLICE AND/OR CREDIT REPORTS

- a. Eustacio De Los Reyes

Mr. Kashiwa moved the approval of issuance of salesman's license to Eustacio De Los Reyes. Mrs. Ahrens seconded. Motion carried.

- b. Harold Vogel

Successful March applicant Harold Vogel with certain credit record and derogatory criminal abstract was reported by staff to have been issued a salesman's license after extensive personal interview of applicant and discussions with his sponsoring broker, Wendell F. Brooks. A special credit check had also been filed as part of this investigation.

Commissioners were of the opinion that because of his recent collection accounts, license should have been withheld pending clearance with Commission.

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Mr. Kashiwa moved that to ratify the premature issuance of a license to an applicant with questional background, approval of licensing be granted contingent on a detail inspection of this man's performance by staff, with a report to members, before renewal of license is granted on or before January 1, 1962. Mrs. Ahrens seconded the motion and motion carried.

#### NEW LEGISLATION

Chairman related to membership the events on the passing of H.B. 1142 and H.B. 28 in the final hours of the First State Legislature. Chairman also circulated a proposed questionnaire for developers of condominiums under H.B. 1142 for members' study and suggestions should the bill become law. Mr. Wick made oral invitation to hold an off-island meeting on Maui to discuss implementation of these two important functions to be absorbed by the Real Estate Commission upon bills being signed into law.

#### REORGANIZATION - LICENSING DIVISION

The proposed Licensing Division which will encompass the Real Estate Commission under the reorganization of the Department of Treasury and Regulation was discussed at great length. Mr. Palk moved, seconded by Mr. Kashiwa, that the Commission go on record as opposing the proposed Licensing Division and request the Department Head to set up a separate Real Estate Division because of the changing concept of the real estate industry and due to new legislation which broadens Commission's powers and duties concerning subdivisions and condominiums and no longer limits Commission to a licensing agency. Functions such as personnel recruitment, facilities, budget review, liaison with Legislature could be consolidated under Treasurer for administrative purposes as has been the case since early 1960 but control of licensing and disbursement of fees should be retained by Commission. Executive Secretary was directed to prepare a letter to Department for Chairman's signature. Members were urged to contact Department Head and Budget Director Raymond Ho to effect a Real Estate Division.

#### COMPLAINT OF MASASHI NISHIKAWA AGAINST EDWARD G. BLY (B), A.D. CASTRO & CO., LTD.

The investigator's report on this complaint is made of part of these minutes. Mr. Wick moved that no hearing be called on this complaint and a formal reprimand by letter to Mr. Bly and his employing broker is in order. Mrs. Ahrens seconded. Motion carried.

#### ISLAND CONSTRUCTION CO., INC. dba JOE R. PAO REALTY COMPANY

Two recent instances of irregularities of failing to meet building code and subdivision requirements were brought to the attention of the members. Mr. Palk moved, seconded by Mr. Kashiwa, that the report be noted and filed in licensee's folder.

#### VANNATTA REALTY CO., LTD.

a. Appointment of Kenneth Nobuta as principal broker.

Approved by Mr. Palk's motion, seconded by Mrs. Ahrens. Carried.

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b. RELCO vs Vannatta Realty Co., Ltd.

Investigator's complete report on his findings is made a part of these minutes.

After some discussion, it was moved by Mr. Yamamoto and seconded by Mr. Pall: that the investigation file on this complaint be referred to the Attorney General's office for decision as to course of action.

RECOGNITION OF SERVICE OF JAMES C. CHING

The members were unanimous in the suggestion that Mr. James C. Ching be given recognition of his service to the Real Estate License Commission and Executive Secretary was directed to write a letter of recognition and appreciation to Mr. Ching.

There being no further business, meeting was adjourned at 2:30 p.m.

Respectfully submitted,



Robt E. Bekeart  
Executive Secretary

APPROVED:



AARON M. CHANEY  
Chairman