

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

October 28, 1961

Chairman Aaron M. Chaney, presiding, called the meeting to order at 8:15 a.m. in the executive offices lanai at the Hilton Hawaiian Village Hotel. Site of meeting was selected for convenience of members who were congregated for the Sixth Annual Educational Conference of the Honolulu Realty Board October 25-28, 1961 at the hotel.

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

ORDER OF BUSINESS

MINUTES OF THE PREVIOUS MEETING

Mrs Ahrens moved approval of September 26, 1961 minutes. Mr. Kashiwa seconded. Carried.

CONFIRMATION OF BROKERAGE LICENSES

Mr. Wick moved the approval for confirmation of the following brokerage licenses, seconded by Mr. Kashiwa, and carried:

New Corporation: BUDGET REALTY, LIMITED - Richard Y.H. Mew, Prin. Bkr.
DBA : Wendell Brooks, Jr. - dba BROOKS ASSOCIATES
Gertrude Dang - dba INVESTORS' REALTY

No action was taken on OCEANIC PROPERTIES, INC. pending submission of copy of resolution appointing the principal broker and designation of his duties and responsibilities.

RESULTS OF OCTOBER EXAMINATIONS

Mrs. Ahrens moved, seconded by Mr. Yamamoto, for approval for licensing of the following from staff's report. Motion carried.

Salesman: Candidates #1 thru #58
Broker : Candidates #1 thru #17

1962 EXAMINATION SCHEDULE

Mr. Kashiwa suggested that the staff recommend the dates for 1962 testing schedule. It was agreed that proposed dates will be forwarded to members for their approval. Feeling was that next year's schedule should be spaced near to present year's program. Conflict with important events should be avoided. Late February, June and September were suggested.

October 28, 1961

Page two

REQUEST OF EVERT BOERRINGER

On the request of Evert Boerringter for a special salesman examination due to his illness on the regular scheduled date, Mr. Kashiwa moved the adoption of policy allowing staff to weigh the merits of requests of this nature. Decision to be made at staff level. Mrs. Ahrens seconded. Carried.

PROCEDURE FOR RE-APPLICATION FOR FAILURE CANDIDATES

The members, appreciating the hardship of failing candidates to complete a new application form, voted to allow applicants to re-file for the one test immediately following the one which they did not qualify in by submitting letter-application certifying that all conditions remain unchanged as originally filed and endorsed by the sponsoring broker, together with the required filing fee, and submitted before the announced closing date. Mr. Wick moved, seconded by Mr. Yamamoto. Motion carried.

STATE OFFICE SPACE AT SCHUMAN CARRIAGE BUILDING

Staff explained the formula for arriving at pro-rating of assessment for necessary renovation, janitorial and telephone costs. Commission went on record as opposing removal to the Schuman Carriage Building for a short period pending the new state service building being built. Executive Secretary was directed to check with departmental staff as to status of reorganization plans and report his findings in the areas of budget, personnel and facilities.

SPECIAL ATTORNEY HIRE

Executive Secretary brought members up to date on the contract to hire Henry H. Shigekane as Special Deputy Attorney General to serve as counsel to this agency, on a fee basis, on the administration of our two new laws. Chairman reported that he is planning to have a conference with Dr. Silva and seek his support of the special hire.

1962 NALLO CONFERENCE PLANNING

Executive Secretary was directed to contact carriers and hotels for rate estimates on travel and accommodations. No particular travel agency is to be singled out for special consideration. The Chairman emphasized that there was a great deal of advance work that had to be done in budget, program and facilities. It was held likely that a decision could be made at the next meeting on the actual site for October meeting.

Mr. Bekeart will contact Executive Vice-President Semenow and NALLO administrative officers to secure budget reports on conferences held in other states. Commissioners were of the opinion that steps should be taken now to secure an appropriation as a means of defraying part of the cost of staging the conference.

The members considered holding part of the convention on the neighboring islands. Island of Maui was mentioned as a possibility and Mr. Wick enthusiastically endorsed the proposal.

NEW ENACTMENTS - ACTS 154 and 180

Staff presented a suggested change to the proposed subdivision registration form. During the previous day's subdivision law panel it was offered from the floor that the language concerning setting aside schools and park areas in planned subdivisions

should be more specific. Members concurred in this improvement and the Investigator was instructed to re-work this section.

ENFORCEMENT

Signs on Public Roads

Executive Secretary reported on the problem of agencies placing their OPEN HOUSE signs and directional arrows on medial strips as well as on public roads. State Highway authorities have solicited Commission's help to bring these violations to a stop. Severe penalties could be invoked because of Federal Aid provisions in our state highway system.

Eve Lynn Realty - TIKI GARDENS

Investigator's report made a part of these minutes. Staff directed to check with Deputy Attorney General Fong for violations of Chapter 170 and schedule hearing at next meeting if review warrants setting it down.

Salesman Representing Himself as a Broker

Investigator's report on a broker's complaint that Thomas K. Lalakea represented himself to be a broker, is made a part of these minutes.

Executive Secretary was directed to have Mr. Lalakea come into office for a discussion on this matter.

Central Realty, Inc. - BEACHWALK TERRACE

Acme Realty, Inc. - EBBTIDE HOTELS

Vannatta Realty Co., Ltd - WAIKIKI CABANAS

Investigator's report is made a part of these minutes. Staff was directed to write Central Realty, Inc. and Vannatta Realty Company, Ltd. brokers a letter requesting report on the projects as against oral assurances given the Commission in an earlier meeting.

Kalia Development Company, Inc. - THE KALIA

Executive Secretary reported that this civil suit recently filed in courts will be monitored. The Commission's interest is to be restricted to the operations and conduct of licensees working under the Principal Broker Kep Choy Aluli. It was noted for the record that Elmer C. Jenkins is also registered as a real estate broker.

THE ILIKAI

Attorney Matsuo Takabuki had presented documents to the Commission which illustrated that the project was continuing as a cooperative apartment undertaking. In his letter of transmittal he referred to a clause in one of the documents which permits the project to be converted to the horizontal property regimes concept.

It was the Commission's opinion that an acknowledgement of Mr. Takabuki's letter would suffice.

October 28, 1961

Page four

Real Estate Service Bureau, Inc. (HAWAII)

Executive Secretary reported on the flurry of calls for information on this new advertising apparatus. Mr. Bieber, identified in a prematurely published promotional newsbit as the manager, is unlicensed and unknown to this agency.

At time of first public story this operation had not registered with Corporation Law Registrar. The owner of the local franchise, Robert W. Hall, is in contact with staff and assures Commission he wants to cooperate. Mr. Bekeart stated that we had received a form letter inquiry earlier from the Silver Spring, Maryland, headquarters of this organization. He is cautious of their proposal as it resembles advance fee operators' pitch.

Liaison-Hawaii, Inc. - Clarence S. L. Tam

Mrs. Ahrens produced a form letter solicitation she had received from this new entity who were specializing in fee simple listings for select clientele. Other members acknowledged receiving this same direct mail type of invitation.

CHARACTERISTIC AND PERFORMANCE STUDY

Dr. Michael T. Wermel, Dean, College of Business Administration, and Donald Bell, Assistant Professor of Real Estate, University of Hawaii, were present to speak to the proposed research project. Dr. Wermel outlined what they intended to do in the study. He spoke about the objectives of such an undertaking and closed with the suggestion that the Commission consider using some of its licensing revenues to help defray the cost of such a survey. He expressed his belief that the study and its results would be invaluable to the regulatory agency in long-range planning.

Members concurred in the Dean's suggestion and agreed that the project did have merit. The Chairman asked Dr. Wermel for a budget or breakdown on the expenses in order to approach the department head for his approval. Dr. Wermel assured the Chairman that such a budget presentation will be submitted in a few days. He stated his total estimate for the study is approximately \$6,000.

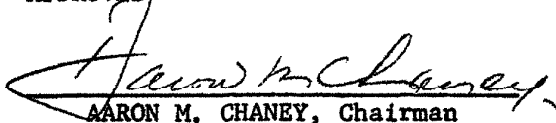
TENTH MEETING OF 1961

Mr. Wick suggested November 21, 1961 as the date for the next meeting. This was approved by the membership.

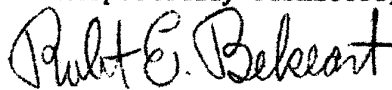
ADJOURNMENT

There being no further business the Chairman declared the meeting adjourned at 11:30 a.m.

APPROVED


AARON M. CHANEY, Chairman

Respectfully submitted,



Robt E. Bekeart
Executive Secretary