

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

December 19, 1961

Chairman Aaron M. Chaney, presiding, called the meeting to order at 9:15 a.m. in Room 205, Empire Building, Honolulu 13, Hawaii

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
Hirotoshi Yamamoto, Oahu Member
Robt E. Bekeart, Executive Secretary
Dick H. Okaji, Investigator
Hannah Furuta, Recording Secretary

ORDER OF BUSINESS

MINUTES OF PREVIOUS MEETING

Mr. Palk moved approval of the minutes of the November 28, 1961 meeting, seconded by Mrs. Ahrens. Motion carried.

CONFIRMATION OF NEW BROKERAGE LICENSES ISSUED

New corporation licenses and branch office license issued under tentative approval by Executive Secretary were officially recorded as approved by motion of Mrs. Ahrens, seconded by Mr. Yamamoto and carried unanimously, as follows:

New Corporations: Polynesian Resort Developers, Inc.
Arthur K.Y. Zane, Principal Broker
Monarch Realty & Land Development, Ltd.
Harold Kobayashi, Principal Broker
Branch Office: Hawaiian Pacific Realty, Inc.
412 Kuulei Road, Kailua - Harriet T. Gega, Broker in Chge

APPLICANTS WITH DEROGATORY POLICE RECORDS:

Theodore A. T. Yap (New Salesman) - Approved
Henry Gonsalves (Reinstatement - Broker) - Approved
Francis Kim Chong Foo (New Salesman)

Mr. Palk moved that in view of violations recorded bordering moral turpitude, Mr. Foo be requested to submit letters from at least two business people who will attest to his good character and integrity before a license can issue. Mrs. Ahrens seconded the motion. Carried.

1962 COMMISSION PROGRAM PLANNING

Executive Secretary presented graphic calender of events, meeting dates, reports due dates, and major Commission projects for the year 1962 for planning purpose and assured members that a desk-size copy will be furnished each member for planning purpose and as a reminder. The calender schedule was accepted by the members.

FIRST MEETING OF 1962

Members concurred that the FIRST MEETING OF 1962 be held in Maui. Mr. Palk moved that date of meeting be moved up from the scheduled January 16 to the 17th. Mr. Kashiwa seconded the motion. Motion carried.

INFORMAL CONFERENCE WITH EVELYN A. SEDLACHEK dba EVE LYNN REALTY

Evelyn A. Sedlachek appeared with counsel Charles K. C. Chang in response to Commission's request to be present for an informal conference to discuss certain questions regarding the TIKI GARDENS subdivision.

(Summary: Commission has jurisdiction over this broker-developer as the subject subdivision was offered for sale by Eve Lynn Realty, a licensee. Cash of \$17,000 was deposited in Bank of Hawaii, Hilo Branch, and \$10,000 with Contractor Robert Yamada, the equivalent to one-half the cost of road construction within the subdivision. Access road to property is now under construction and will be shared by adjoining subdivisions. Second half of road cost was given 9-months extension by Hawaii Planning and Traffic Commission. Size of lots 8,100 sq. ft, total number of lots 882 of which 50 were set aside for schools, parks, etc. 90% of remaining lots sold to a Denver corporation and 100 lots retained for local sale of which approximately 20 lots left. No agreement of sale or deed recorded to date and no demand made by purchasers. Developer reported that 4,000 brochures were sent to the Denver corporation but these were never used. Mrs. Sedlachek has instructed the firm to block out statement on status of King's Landing development before distribution of brochures in the resale of lots. Survey will be made at same time roads are put in, lots sold with road (oil-treated gravel) and staked. Subdivision roads are scheduled to start construction early 1962.)

Mrs. Sedlachek was dismissed with instructions to withdraw the brochure. Staff was directed to verify certain statements made by Mrs. Sedlachek and Attorney Chang in regard to funds deposited for road construction. The status of the subdivision before the Hawaii County Planning and Traffic Commission will also be checked for accuracy.

REVISION OF CORPORATION/PARTNERSHIP APPLICATION FORM

Revision of the outdated application form was deferred to the next meeting.

REVIEW AND ADOPTION OF CONDOMINIUM RULES AND REGULATION, QUESTIONNAIRE and SUBDIVISION REGISTRATION FORM

Mr. Kashiwa moved approval for adoption of proposed condominium rules and regulations as edited and approved by Henry H. Shigekane, Special Deputy Attorney General, and Arthur S.K. Fong, Deputy Attorney General, and seconded by Mr. Palk. Motion carried.

Condominium questionnaire and Subdivision Registration Statement were also approved with the changes inserted pinning down escrow or clients' account provision statements.

ENFORCEMENT

CENTRAL REALTY, INC. (BEACHWALK TERRACE)

Executive Secretary orally reported that a Mrs. Oka, investor in Beachwalk Terrace, informed Investigator that she had been refunded in full to the amount of \$1,800. Also, Mr. Hamaishi orally informed Investigator that a total of \$10,000 had been refunded to various investors the past week.

AGNES S. CORDEIRO (B)

Oral report was made to members on the follow-up check of Mrs. Cordeiro's accounts following her assurance to Commission at the informal conference that she will straighten her accounts-keeping to separate personal funds from that of clients'. Investigator was satisfied that this has been done upon checking her current bank statement of Clients' Account and a conference had with broker. Members ruled satisfactory compliance of instructions.

1962 NALLO CONFERENCE PLANNING

Mrs. Isabel Veech was present at this phase of meeting on invitation of Chairman.

The Executive Secretary displayed a wall chart presentation which graphically established for the members' consideration a six-day conference schedule. He made the recommendation that our planning be phased into 1962 Aloha Week Festival arrangements where possible. It was agreed that the opening day of the annual meeting is suggested as Monday, October 15, 1962 and the final day would be Saturday, October 20, 1962. The members noted that the proposed schedule appeared to be a heavy one insofar as license law subjects and material were concerned. Mr. Yamamoto was of the opinion that we should reduce the running time of the conference and permit a day or two in which afternoons could be free for delegates' own relaxation. The Executive Secretary assured members that this was only the first proposal for a conference program and flexibility is one of the points of early preparations. With a revised program of five days, ending on Friday, October 20, 1962 there was the possibility that delegates would also want to visit neighboring islands to see their Aloha Week activities. Mr. Kashiwa suggested that consideration be given to a get-acquainted session early in the conference.

In discussing the general program the Chairman suggested that NALLO be queried on possibility of having license law officials participate in Honolulu Realty Board education conference being staged during the last two days of 34th Annual Conference. A letter was to be dispatched to President Borgschatz inquiring into feasibility of local realtors attending NALLO sessions which would be of interest and beneficial to real estate practitioners. Mrs. Veech assured members she could foresee no problem in melding the programming with that of the Educational Conference.

Members were unanimous in their feeling that we had a moral obligation to the Sheraton group because of their contribution to the Las Vegas "Hawaiian Night" program. Mr. Kashiwa moved, seconded by Mr. Wick that the 34th Annual NALLO Conference be centered in the Princess Kaiulani Hotel with the meetings to be conducted in the Sheraton Meeting House.

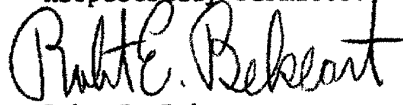
This broad concept of planning for 1962 meeting is acceptable as a preliminary report to be forwarded to Elmer Borgschatz, NALLO President and Roy E. Hays, 1962 Conference Program Committee Chairman.

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ADJOURNMENT

Meeting adjourned at 12:30 p.m.

Respectfully submitted,



Robt E. Bekeart
Executive Secretary

APPROVED:



Chairman, Real Estate Commission