

REAL ESTATE COMMISSION
Professional & Vocational Licensing Division
Department of Regulatory Agencies
State of Hawaii

MINUTES OF MEETING

Date: Tuesday, January 21, 1964

Place: Conference Room No. 1, 313 So. Beretania Street, Honolulu, Hawaii

Present: Dorothy S. Ahrens Erling P. Wick
William A. Beard Roy Y. Takeyama, Deputy Attorney General
Yukio Kashiwa Robt E. Bekeart, Executive Secretary
Jack K. Palk

Call to Order: The meeting was called to order by the Acting Chairman, Mr. Palk, at 10:00 A.M.

Minutes: UPON MOTION the Commission approved the minutes of the December 18-19, 1963 meeting in the County of Kauai.

Financial Report: The members noted the Financial Report for the REAL ESTATE COMMISSION for the month ending December 31, 1963 as received.

The next quarter allotment (January, February, March 1964) for expenses of the Commission's meetings was received from the fiscal officers as \$844.00. The members acknowledged that this figure would underwrite the expenses of two monthly meetings in the City and County of Honolulu and one monthly meeting in the County of Hawaii.

The Executive Secretary, noting that \$38,721.00 had been received to date by way of 1964 renewals and other processings presented a short report from the Licensing-Records branch on the renewal project.

<u>Salesman (active-inactive)</u>	<u>Broker (active-inactive)</u>	<u>Brokerages</u>
1,477 renewed at 12/31/63	1,002 renewed at 12/31/63	129 renewed
<u>142</u> not renewed	<u>85</u> not renewed	at 12/31/63
1,335 renewed at 1/21/64	917 renewed at 1/21/64	<u>3</u> closed
		126

Total number of licenses: 2,378

Business Out of Minutes: LICENSING (Sections 170-1 through 170-14)

EDWARD F. PEINE vs. PATRICK M. MURPHY - The Deputy Attorney General reviewed the respondent's notice of appeal from the decision of the Real Estate Commission, he spoke to his appearance on behalf of the Commission in the Circuit Court of the First Judicial Court, briefly summarized the present status of the appeal and answered such questions as the commissioners had in regards to the case.

The Executive Secretary reported that copies of papers on the appeal are on file.

The Commission accepted the report of the Attorney General's representative and acknowledged the Executive Secretary's statement.

RULES AND REGULATIONS - The Acting Chairman instructed the Executive Secretary to prepare copies of the proposed rules and regulations, with all changes and corrections agreed to at the County of Kauai meeting, for review by the members and licensees at next month's meeting in the County of Hawaii.

SUBDIVISIONS (Sections 170-30 through 170-38)

LAST CHANCE RANCH SUBDIVISION - The Acting Chairman read the subdivider's letter of January 4, 1964 in which Richard Mednick, Secretary, LAST CHANCE RANCH, INC., recited information on the status of this offering before the California Real Estate Commissioner.

The Executive Secretary reported that the file on this out-of-state subdivision is complete and that it was his opinion that the Commission has exercised discretion in its examination of this registration. He noted that as of this date, January 21, no amended Public Report from the California Commissioner has been received.

The Commission accepted the registration of this project situate at Elko, County of Elko, Nevada; developer - LAST CHANCE RANCH, INC., Richard Mednick, Secretary, and comprised of LAST CHANCE RANCH - UNIT #1 - 337 parcels; LAST CHANCE RANCH - UNIT #2 - 283 lots; and LAST CHANCE RANCH - UNIT #3 - 550 lots. The Executive Secretary was instructed to notify the Developer, and local counsel, Mr. Kinji K. Kanazawa, of the Commission's action.

KLAMATH (FALLS) FOREST ESTATES - The Executive Secretary noted that the Commission had accepted the Sprague River Unit of this development at last month's meeting in the County of Kauai. The subdivider now comes before the Commission registering their Sycan River Unit. The property in question is twenty-six miles from the town of Bly, in the unincorporated territory of Klamath County, Oregon; the subdivider states that this offering is comprised of 800 lots (200 forty acre parcels; developer - NATIONAL FOREST LAND DEVELOPMENT CO., Herbert E. Edwards, President and Arthur W. Carlsberg, Jr., President of RECREATIONAL LAND COMPANY).

The name of Mr. A. C. Schaefer, California broker, was presented to the commissioners as the person who will advise the Hawaii broker selling these offerings, James W. Peltier, on promotional and sales procedures, campaigns, and techniques of the parent company - RECREATIONAL LAND COMPANY, P. O. Box 606, Encino, California. The Executive Secretary reported that he had discussed,

in two conferences, with Mr. Peltier and Mr. Schaefer, the exact role that the latter is to play in setting up a promotional and merchandising effort in this jurisdiction.

The members viewed photographs taken on the property in question, correlated the pictures to existing landmarks of the area and satisfied themselves that this project was in substantially the same type of country and terrain as the earlier accepted Sprague River Unit of KLAMATH (FALLS) FOREST ESTATE development.

The Commission accepted the registration of this project and instructed the Executive Secretary to notify the subdivider accordingly. The local agent selling these lots, James W. Peltier, will also be informed of the members' decision.

HAWAIIAN VILLAGE JAPAN - The Executive Secretary reported that subsequent to the Commission's acceptance of this development at its Kauai meeting a representative of the Japanese firm - Mr. Chiaki Agata, Business Manager, Foreign Projects, TOTAKU IZU KAIHATSU CO., LTD., had conferred with the administrative officer on procedures to follow now that acceptance had been given. Mr. James Peltier, Hawaii broker selling this offering, was also present at this discussion where the Commission's requirements were reviewed.

CONDOMINIUMS (Sections 170A-1 through 170A-33)

REGISTRATION NO. 11 - THE SANDALWOOD - The Executive Secretary reported that the Developer had submitted additional information and updated documents on this project. A Final Public Report on this condominium was published January 16, 1964.

REGISTRATION NO. 24 - PRINCE KUHIO - The Commission noted their field inspection of the property in question and the improvements thereon during the December 18-19, 1963 Kauai meeting. The Executive Secretary reported that a Final Public Report had been published on January 14, 1964 on this conversion.

REGISTRATION NO. 27 - UNIVERSITY TOWERS - The Executive Secretary reported that he had attended, by invitation, the ground-breaking ceremonies on this project Wednesday, January 15, 1964. He noted that a Final Public Report had been published December 6, 1963 on the project and that exercising his best judgment, he had signed the document for the Commission as the two City and County of Honolulu commissioners were not available.

New
Business:

LICENSING (Sections 170-1 through 170-14)

NEW CORPORATIONS, PARTNERSHIPS and DBA's - UPON MOTION the Commission ruled that licensees tentatively authorized by the Executive Secretary for:

Corporations

AARON M. CHANEY, INC. - Aaron M. Chaney, RPB
 KAORU KAI REALTY - Kaoru Kai, RPB

Partnerships

LOWE AND PARESA - Leonard P. Paresa, RPB

DBA's

Marian F. Tsue, dba Casa Realty
 Yoshio Yoshida, dba Select Realty

be issued.

Motion passed unanimously.

UPON MOTION the Commission ratified the Executive Secretary's action not to issue a branch office license to Hugh Menefee, Inc. at 1617 Keeaumoku Street, Honolulu, as it would authorize the licensee to operate in a non-conforming use location.

Motion passed unanimously.

SUBDIVISIONS (Sections 170-30 through 170-38)

KALAPAKI SURF COTTAGES - The Commission accepted the registration of this project on property adjoining the grounds of the KAUAI SURF resort, Lihue, Kauai, Hawaii; 20 lots; developer - INTER PACIFIC INCORPORATED; authorized officer or agent - Clinton Lee, Treasurer; selling broker - Earl Thacker Co.

Mrs. Ahrens had initially briefed the members on the background of this development.

JACK HASKELL LAND INVESTMENTS, INC. - The Executive Secretary presented the merchandising arrangement whereby Frank G. Serrao, broker, would offer for sale in Hawaii listed properties vectored to him by the JACK HASKELL LAND INVESTMENT, INC. apparatus. In the instant case the listings are located in the Lancaster area of the County of Los Angeles, California, in what is referred to in real estates circles as Antelope Valley. As an exhibit the administrative officer presented an Agreement of Sale (California Real Estate Association Standard Form - FORM NO. 314) in which a seller's property, comprised of 1 1/4 acres in a described location, is being purchased by a Hawaii buyer under conditions and terms expressed in the agreement.

The Commission, after deliberation on the proposed selling arrangement, noted that such individual offerings would not be considered as subdivided lots or parcels falling within the definition section of the Regulations Over Transactions Involving Real Estate Subdivisions.

The participation of James P. McGowan, in the capacity of sales consultant to Mr. Serrao was discussed. Mr. McGowan identifies to the headquarters office of JACK HASKELL LAND INVESTMENT, INC. California Division of Real Estate reports they have no record of any license in the name of James Pasee McGowan. Assistant Commissioner G. E. Harrington, under a January 7, 1964 date, reports on the status of JACK HASKELL LAND INVESTMENT, INC. before the California Commissioner.

The Commission instructed the Executive Secretary to notify Mr. Serrao that his prospectus had been reviewed by the members and that it was not considered to be within the scope of offering subdivided lots for sale as required under ACT 154.

CONDOMINIUMS (Sections 170A-1 through 170A-33)

THE KULEANA - Executive Secretary reported that he was working up a public report on this project at Hanama Place, Kailua-Kona, Hawaii; 24 apartments; developer - Hale Akala, by David Twigg-Smith; sales agent - Kona Realty Co.

SEASIDE TOWERS - Executive Secretary reported that documents have been received on this conversion but counsel for Developer is preparing the Questionnaire for submitting; 435 Seaside Avenue, Waikiki, Honolulu, Hawaii; 126 apartments; developers - COOKE TRUST COMPANY, LIMITED and SEASIDE TOWERS DEVELOPMENT, INC.

MISCELLANEOUS

The Executive Secretary presented a letter from the Superintendent of Buildings, City and County of Honolulu, soliciting the Commission's cooperation in informing licensees of possible violation to the municipal's sign ordinance. The Acting Chairman suggested that the Deputy Attorney General review the letter in light of possible interpretations the members believed were present in the communication.

Temporary parking for commissioners coming to the Department on official business was discussed. The Executive Secretary reported that a system of permits had been initiated and hereafter the commissioners would have access to adequate parking facilities in Area G-1, entrance on Miller Street immediately mauka of the old Department of Economic Development offices.

The Licensing Services Manager, Mr. Okaji, appeared before the Commission to present the history behind the recently conducted study of the fee structure of the Boards and Commissions serviced by his Division. He reviewed the Department's position in relation to proposals advanced by the Department of Budget and Finance for changes or increases in fee charged licensees. Budget projections for 1963-64 Real Estate Commission, were presented in some detail for the commissioners to record. Mr. Okaji closed noting that on February 7, 1964, at 7:00 P.M., in the PUC Hearings Room the

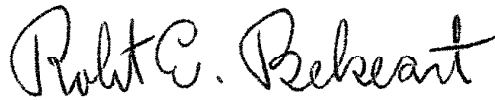
Director of the Department will meet with members of boards and commissions to review the Fee Structure Study and the Administration's proposals to the Budget Session of the Legislature. He noted that he is attempting to assemble information for board and commission members to study before the February 7 meeting.

(A separate paper will be prepared on the discussion of this agenda item.)

Date of
Next
Meeting:

The Commission ruled that the next meeting will be held in the County of Hawaii. The meeting will convene in Kailua-Kona on Thursday, February 13, and will reconvene again on Friday, February 14, 1964 in Hilo. At each location the licensees will be invited to participate and offer suggestions and comments on the improvements of the administration and enforcement of the real estate laws.

Adjournment: There being no fruther business meeting adjourned at 12:35 P.M.



Robt E. Bekeart, Executive Secretary

APPROVED BY THE COMMISSION:

Date February 13, 1964


Jack K. Palk, Acting Chairman

REB/rt
January 23, 1964