

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

MINUTES OF MEETING

Date: Tuesday, March 31, 1964

Place: Boxing Commission Meeting Room
313 South 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: There being a quorum, the meeting was called to order at 2:15 p.m. by the Acting Chairman of the Commission, Mr. Jack K. Palk.

The Executive Secretary, at the direction of the Acting Chairman, read the NOTICE OF PUBLIC HEARING, as follows:

Notice is hereby given that the Real Estate Commission, Department of Regulatory Agencies, State of Hawaii, will hold a public hearing in the Public Utilities Commission Hearings Room, 313 So. Beretania Street, Honolulu, Hawaii, on Tuesday, March 31, 1964 at 2:00 p.m. for the purpose of hearing all persons interested in the proposed rules and regulations the Commission will adopt relating to applications, examinations, conduct of practitioners and clients' accounts.

All comments and suggested changes to the proposed rules and regulations should be filed in writing before the date of public hearing or presented in person at the time of the public hearing.

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313 South Beretania Street
P. O. Box 3469
Honolulu, Hawaii 96801

The Acting Chairman announced that in compliance with SECTION 3., Procedure for Adoption, Amendment or Repeal of Rules, Hawaii Administrative Procedures Act, the above notice was published in THE SUNDAY STAR-BULLETIN and ADVERTISER, March 8, 1964 at Page B-6 in the REAL ESTATE FOR SALE columns.

In answer to the Acting Chairman's inquiry, the Executive Secretary reported affirmatively that adequate notice had been published outside the Public Utilities Hearings Room that the

hearing had been moved to another location. The Executive Secretary also noted that a sign had been displayed at the Richard Street entrance to the hearing site.

The Acting Chairman welcomed the following persons to the proceedings and commended them for their interest in the Commission's program of improving and strengthening the rules and regulations:

Mary Ann McGuire, Island Homes
 Mary V. Sario, Tropic Shores Realty, Ltd.
 Arlene K. Ellis, Real Estate Hawaii
 Maxine V. McLean, Mid-Pacific Realty
 Albert D. Vincent, Tropic Shores Realty, Ltd.
 Drury Melone, Drury Melone, Realtor
 Lillian Cargile, Lillian Cargile, Realtor
 Richard A. Dole, Tropic Shores Realty, Ltd.
 Vivia A. Lee, Vivia A. Lee, Realtor
 Miriam B. Cook, Property Investment Company
 Loretta E. Hulén, Island Homes
 Wesley Charlton, Hawaiian Escrows, Ltd.

Mrs. Isabel Veech, Executive Secretary, HONOLULU BOARD OF REALTORS, represented Mr. Mason Hironaka, the board president.

Mr. Dick H. Okaji, Licensing Administrator, represented the Director, Department of Regulatory Agencies. Mr. Tamotsu Tomihara, Investigator, was present as an observer from the Division of Professional and Vocational Licensing.

Mr. Palk, the Acting Chairman of the Commission, gave a short resume of the public meetings held with licensees in the Counties of Maui, Kauai and Hawaii. He noted the interest of the licensees in this Commission project which started in the County of Maui with April 1963 meeting.

The Acting Chairman conducted the public hearing, giving all in the audience an opportunity to be heard and noting that their comments from the floor would be taken under study for incorporation in the rules that were to be adopted at this hearing.

At 3:40 p.m., the Acting Chairman, on the advice of counsel, Deputy Attorney General Roy Y. Takeyama, announced that the proposed rules and regulations as promulgated and heard this day stand adopted by the Commission. The public hearing was declared adjourned at 3:45 p.m., there being no comments from the floor.

A copy of the adopted Rules and Regulations:

TITLE VII
 PROFESSIONAL AND VOCATIONAL LICENSING

Chapter 20
 Real Estate Brokers and Salesmen

is attached to these minutes and made an official part of today's proceedings.

UPON MOTION, (Yukio Kashiwa), and second, (Earl P. Wick), the Commission ruled that the Proposed Rules and Regulations be approved and adopted.

Motion carried unanimously.

Minutes:

UPON MOTION, the minutes of the February 13, 14, 15, 1964 meeting in the County of Hawaii were approved as circulated.

Financial Report:

The members noted the Financial Report for the REAL ESTATE COMMISSION for the month ending February 29, 1964, as received.

Business Out of Minutes:

LICENSING (Sections 170-1 through 170-14

Violations of Rule 6 - The Executive Secretary reported that in conformance with the Commission's position of December 18, 1963 in the County of Kauai, the project requiring brokers to release salesmen who are operating independently in a county away from the Principal Broker's office, has been closed out with cooperation from the brokers and salesmen involved. In a few instances there remain license processing action to affect complete compliance.

Forfeitures of Licenses for 1964 - The Executive Secretary reported that a warning letter was sent out on March 16, 1964 to approximately sixty-four (64) licensees who had neglected or failed to renew.

At this date, the Licensing-Records Branch reports that twenty-one (21) licensees have submitted applications for restoration and ten (10) persons have notified the Commission that they do not intend to renew. The remaining thirty-three (33) persons have not responded to the warning letter sent by the Executive Secretary.

SUBDIVISIONS (Sections 170-30 through 170-38)

RIO RANCHO ESTATES UNIT #5, #6, #7, #8 and #16 SUBDIVISION - Mr. Beard reported that he had studied the material in the registration. He was of the opinion that the statement in the multicolored, three-fold brochure in regards to \$94 as being the price of a standard city lot measuring 20'x100' was misleading. The Commission instructed the Executive Secretary to notify the subdivider that acceptance of the registration is conditioned on the withdrawing of the statement under "ACT NOW TO TAKE ADVANTAGE OF THESE LOW PRICES," specifically that portion of the copy in the legal seal area carrying the language "Imagine! Only \$94 per city lot (standard 20' X 100') so close to a major city!" Mr. Palk noted that this type of a statement leads to false or misleading inference of facts non-existent when it is read in connection with the entire brochure or other related promotional material.

The Commissioners were in agreement that the registration of this RIO RANCHO ESTATES project, in the County of Sandoval, New Mexico, could be accepted when this discrepancy is cleared up to the satisfaction of the Commission.

BAYVIEW LOTS SUBDIVISION - The Commission accepted the registration of this project situate at Kaumana, Hilo, County of Hawaii, Hawaii; 41 lots; developer-Realty Investment Co., Ltd.; selling broker-Realty Investment Co., Ltd.

DESERT CARMEL SUBDIVISION - The Executive Secretary reported that it had been brought to his attention that these properties were being offered for sale through the media of press and radio, without the Subdivider having filed the advertising or promotional material with the Commission as is required. The Subdivider's local attorney, Chuck Mau, has given the Commission his oral assurance that this matter will be brought to the attention of the mainland based developers and full cooperation could be anticipated.

CONDOMINIUM (Sections 170A-1 through 170A-33

REGISTRATION NO. 26 - THE PARK TOWER - The Executive Secretary reported that the Developer had filed an Amendment of Declaration of Horizontal Property Regime through which the owner could offer a greater variety of floor plans to the purchaser. As this represented a material change in the plan of the project, a Supplementary Public Report was requested by the Developer. The Commission ruled that the additional report could be issued.

New Business:

LICENSING

NEW CORPORATIONS, PARTNERSHIPS and DBAs - UPON MOTION, the Commission ruled that licenses tentatively authorized by the Executive Secretary for:

Corporations

- Shirley Olds, Inc. - Shirley Olds, RPB
- Boyd & Aluli, Inc. - Nane A. Aluli, RPB
- Kailua Brokers, Inc. - Marshall F. Wright, RPB
- Scenic Oahu Realty, Co., Ltd. - S.W. Tompkins, RPB

DBAs

- Nick Pao & Associates - Nick Pao, RPB

be issued.

Motion carried unanimously.

SUBDIVISIONS

MAKANI SUBDIVISION - The Commission accepted the registration of this project situate at Pukalani, Island and County of Maui, Hawaii; 41 lots; developer-D and H Development Company, Inc. (Tadashi Fujitomo); selling broker-George Ezaki.

KEAPUKA TRACT, UNIT 3 SUBDIVISION - The Commission accepted the registration of this project situate at Kaneohe, City and County of Honolulu, Hawaii; 74 lots; developer-Tract Development Corporation (C.R. Short); selling broker-Hawaiian Housing Corporation, Ltd.

MAUNAWILI ESTATES SUBDIVISION - The Commission accepted the registration of this project situate at Maunawili, City and County of Honolulu, Hawaii; 201 lots; developer-Maunawili Estates Trust (Herbert Y. C. Choy, Trustee); selling broker-Clark & Simpson, Realty.

PACIFIC PALISADES UNIT II WEST SUBDIVISION - The Commission accepted the registration of this project situate at Pearl City, City and County of Honolulu, Hawaii; 63 lots; developer-Momilani Land Company (Harold Kometani); selling broker-Palisades Realty, Inc.

WAIPAHU TRIANGLE UNIT I SUBDIVISION - The Commission accepted the registration of this project situate at Waipahu, City and County of Honolulu, Hawaii; 650 lots; developer-Pacific Land Hui (Hung Wai Ching); selling broker-Oahu Homes.

PUKALANI TERRACE FIRST INCREMENT SUBDIVISION - The Commission accepted the registration of this project situate at Pukalani, Island and County of Maui, Hawaii; 79 lots; developer-Landco (Frank Munoz, D. H. Tokunaga, Trustees); selling broker-Maui Realty Company, Inc.

CONDOMINIUMS

Robert Anderson Proposed Office Building - The Commission, having reviewed a letter from the Developer's counsel requesting information on whether a Preliminary Report would issue for a project where Mr. Anderson proposes to acquire an option to purchase land on which to build a condominium, ruled that a Preliminary Report could issue conditioned on the requirement that the Developer file with the Notice of Intention an executed copy or certified copy of his option to purchase the land. Further, the Commission ruled that in the Preliminary Report the nature and contents of the option agreement, including description of the land, would be fully disclosed.

Minutes of the Meeting of March 31, 1964

BUDGET SESSION, SECOND LEGISLATURE OF THE STATE OF HAWAII -

H.B. NO. 378, H.D.1, S.D.1 (with SENATE STANDING COMMITTEE REPORT NO. 450) was presented to the members as it was enacted by the recently adjourned Legislature. The bill, relating to Horizontal Property Regimes, is presently on the Governor's desk awaiting his signature.

NALLO WESTERN DISTRICT CONFERENCE -

An invitation by cablegram from Commissioner Robert J. Jensen, Oregon Real Estate Department, asking Hawaii to moderate the Subdivision Panel at the Spring regional meeting was placed before the Commissioners.

It was agreed that the Acting Chairman would discuss the possibility of this Commission sending a representative to this June conference with the Director, Department of Regulatory Agencies.

HAWAII UNLIMITED INVESTMENT COMPANY -

The Executive Secretary reported on the apparatus Mr. Harry Hutchens, Realtor, North Hollywood, California, has proposed to affiliate with Hawaii licensees in the listing and selling of Hawaii properties in California. It was the position of the members that Mr. Hutchens' proposal appeared to be within the requirements of our law and that Mr. Wick could monitor the arrangement to see that the recently amended section of the law permitting the division of commissions with out-of-state brokers was complied with.

LARRY MEDEIROS, Realtor, Regarding Real Estate Loan Brokers -

A communication from Mr. Medeiros on the operations of persons or firms engaged in soliciting clients on prospects for real estate financing was presented to the Commission.

MARCH 24, 1964 EXAMINATIONS -

The Executive Secretary reported the following statistics on the recently conducted tests:

	<u>Salesmen</u>	<u>Brokers</u>
City & County of Honolulu	238	42
County of Hawáii (Hilo)	16	1
County of Hawaii (Kailua-Kona)	1	1
County of Kauai	0	1
County of Maui	2	0
Total Examined	257	45

(A copy of the list of those eligible to take the examinations, upon acceptance of their applications by the Commission is attached.)

LAKE VALLEY SUBDIVISION -

The Executive Secretary introduced the material forwarded on the Federal Case in the Pendleton, Oregon District Court, in which the Harney County Land Development Corporation was brought to trial for false advertising and misrepresentation. The Acting Chairman noted that as this subdivision had been registered with the Commission, a letter should be forwarded the developers noting that this registration has been reopened and that the filing would be withdrawn as an acceptable registration until the promotional material has been cleaned up.

Commissioner Erling P. Wick's Final Meeting

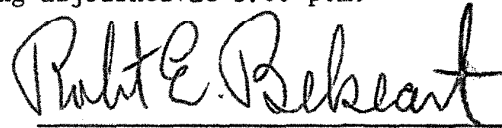
Mr. Palk, the Acting Chairman of the Commission, speaking on behalf of the members, noted with regret that this was Mr. Wick's final meeting. He noted Mr. Wick's objective and sincere dedication to the problems of real estate, law enforcement which have faced this tribunal during the past four years. All members acknowledged with serious tribute that Mr. Wick had served the interests of the public in a most commendable manner.

Date of
Next Meeting:

Tuesday, April 28, 1964 at 10:00 a.m.

Adjournment:


There being no further business to transact, the Acting Chairman declared the meeting adjourned at 5:00 p.m.



ROBT E. BEKEART, Executive Secretary

APPROVED BY THE COMMISSION:

Date April 28, 1964


JACK K. PALK, Acting Chairman

REB: km
April 27, 1964