

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

MINUTES OF MEETING

Date: Friday, December 18, 1964

Place: Conference Room, 424 So. Beretania Street, Honolulu, Hawaii

Present: Mr. Jack K. Palk, Chairman            Mr. Harold J. Silva  
Mrs. Dorothy S. Ahrens                Mr. William H. C. Young  
Mr. William A. Beard                  Mr. Douglas R. Sodeani  
Mr. Yukio Kashiwa                      Mr. Robt E. Bekeart, Executive Secretary

Present by Invitation

Mr. Wesley F. Charlton, representing the Real Estate Assn. of Hawaii  
Mrs. Mary V. Savio, representing the Honolulu Board of Realtors

Absent: Mr. George P. Siu, Deputy Attorney General - excused

Call to Order: There being a quorum the Chairman, Mr. Jack K. Palk, called the meeting to order at 10:15 a.m.

Minutes: UPON MOTION, the minutes of the meeting of November 18, 1964 were approved.

Motion carried unanimously.

Financial Report: The Commission noted as received the Financial Report of the Real Estate Commission as of November 30, 1964.

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

RULES AND REGULATIONS - The Executive Secretary reported that on Monday, December 14, 1964, the Licensing Administrator stated that the Deputy Director, Mr. Tokunaga, had checked with the Governor on the Commission's revision to Paragraph 1.8 of the proposed Rules and Regulations. The revised language, incorporating additions to the paragraphs on Restoration of Forfeited Licenses meets with the Governor's approval. Mr. Okaji noted that processing of the final revision can be undertaken at once.

The Chairman instructed the Executive Secretary to record the Governor's approval of the revision was transmitted through the Department to the Commission.

OCTOBER 20, 1964 EXAMINATIONS

The Executive Secretary reported that two (2) letters of appeal against the scoring in the examination had been received. The Examination Branch stated that the applicant, Ransom I. Bovee, attained 13 out of 20 points in the forms section of the salesman examination and Damien Y. K. Dang attained 14 out of 20 points in the same section of the salesman test.

The Commission instructed the Executive Secretary to process these appeal letters within the framework of established policy.

DAVID ROBERT FORD - ID NO. 137 - The Chairman stated that the commissioners would study the application of the subject candidate for salesman license in executive session. Mr. Charlton and Mrs. Savio were excused from the meeting room.

Upon the Chairman's oral review of the application and communications from out-of-state authorities, it was agreed that the application be put aside until more reliable information is received from California law enforcement officials.

The matter will be taken up at the next meeting.

SUBDIVISIONS (section 170-30 through 170-38)

COLORADO CITY DEVELOPMENT COMPANY - The Edwards-Town, Inc. president, Mr. N. K. Mendelsohn, in his letter of November 4, 1964, invited the Commission to send, at the expense of the developer, a representative to inspect the CALIFORNIA CITY AND COLORADO CITY projects.

The consensus of the membership was that Mr. Mendelsohn's letter should be acknowledged with thanks. He is to be informed that the Commission has taken the invitation under consideration and after the first of the new year, there is a possibility that the offer may be resolved with the nomination of a representative to undertake the suggested trip.

The Chairman noted that it is educational for 2 members to make such an inspection. He made reference to Mr. Kashiwa's inspection trip to Japan and the results attained in broadening the Commission's knowledge in foreign and out-of-state land sales. He suggested to Mr. Sodetani that perhaps one of the three newest members appointed to the Commission should give consideration to making the trip and in early 1965 the selection could be forwarded to Mr. Mendelsohn.

CONDOMINIUM (sections 170A-1 through 170A-33)

REGISTRATION NO. 46 - PUNAHOU WILDER CONDOMINIUM - The Executive Secretary reported that on November 20, 1964, the Commission issued its Final Report on this project.

REGISTRATION NO. 47 - LEILANI CONDOMINIUM - The Executive Secretary reported that on December 2, 1964, the Commission issued its Final Report on this project.

REGISTRATION NO. 48 - SHIZANDE BUILDING - The Executive Secretary reported that on December 3, 1964, the Commission issued its Final Report on this project.

REGISTRATION NO. 49 - NIHI GARDENS - The Executive Secretary reported that on December 10, 1964, the Commission issued its Final Report on this project.

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REGISTRATION NO. 50 - KALANI-IKI - The Executive Secretary reported that on December 10, 1964, the Commission issued its Final Report on this project.

REGISTRATION NO. 51 - MAKAHA BEACH CABANAS - The Executive Secretary reported that on December 11, 1964, the Commission issued its Final Report on this project.

The commissioners noted receipt of the subject documents and accepted the report of the Executive Secretary.

New Business:

LICENSING

NEW CORPORATION, PARTNERSHIP, AND DBA - UPON MOTION, the Commission ruled that the licensees tentatively authorized by the Executive Secretary for the

Corporation

International Realty, Inc.                      Thomas T. Takeuchi, RPB

Partnership

Noland & Gordon                                      Gorman Noland, RPB

DBA

Don D. Miguel                      dba                      Miguel Realty Company

Branch Offices

(none)

be issued and his action ratified.

Motion carried unanimously.

1965 LICENSE RENEWAL PROJECT

	<u>Applications Mailed</u>	<u>Renewed To Date</u>
Salesmen	1,659 (active/inactive)	645
Broker/Corporations	1,193 (active/inactive)	529

SUBDIVISIONS

UPON MOTION, the Commission accepts as completed the registration statements filed on the following subdivisions:

DESERT CARMEL SUBDIVISION (LOTS 773-781, etc.)

Casa Grande, County of Pinal, Arizona; 109 lots; subdivider-Desert Carmel Development Corp., (Frank Ramsey, Authorized Officer or Agent, 330 South Scott Avenue, Tucson, Arizona); selling agent - Y. Kashiwa.

DESERT CARMEL GOLF PARK SUBDIVISION (LOTS 1-42)

Casa Grande, County of Pinal, Arizona; 42 lots; subdivider-Desert Carmel Development Corp., (Frank Ramsey, Authorized Officer or Agent, 330 South Scott Avenue, Tucson, Arizona); selling agent - Y. Kashiwa.

DESERT CARMEL GOLF PARK SUBDIVISION (LOTS 43-139)

Casa Grande, County of Pinal, Arizona; 97 lots; subdivider-Desert Carmel Development Corp., (Frank Ramsey, Authorized Officer or Agent, 330 South Scott Avenue, Tucson, Arizona); selling agent - Y. Kashiwa.

PAHALA VILLAGE SUBDIVISION (SECOND, THIRD AND FOURTH SERIES)

Pahala, Kau District, County of Hawaii, Hawaii; 135 lots; subdivider-Hawaiian Agricultural Company (C.R. Ewart, III, Manager, Land Department, C. Brewer & Company, Ltd., P. O. Box 3470, Honolulu, Hawaii); selling agent - none identified.

MOANALUA TERRACE SUBDIVISION

Moanalua Gardens, Honolulu, City and County of Honolulu, Hawaii; 112 lots; subdivider-Moanalua Hill Ventures (Shigeru Naito and Iwao Kishimoto, 2024 No. King Street, Honolulu, Hawaii); selling agent - H. K. Horita Realty, Inc.

Motion carried unanimously.

EDEN ROC ESTATES SUBDIVISION - The Executive Secretary presented the Subdivision Registration Statement submitted November 20, 1964 on this project. The members noted that the language in the multi-colored brochure submitted as an exhibit in the filing inferred that the development had been approved or endorsed by the regulators. The Chairman scanned the printing in the boxed statement under "YOUR GUARANTEE" and advised the membership that it contained the following: "...This brochure has also been cleared with said Planning Commission, as well as the Hawaii Real Estate Commission..."

The Executive Secretary stated that such language does not appear in the draft of proposed copy shown to the Commission by Attorney Luman Nevels in May, 1964. Although the initial copy refers to the Hawaii Planning and Traffic Commission, there is no mention made of the Real Estate Commission.

Considering this breach, a violation of section 170-35, Revised Laws of Hawaii 1955, as amended, the Chairman directed the Executive Secretary to inform the developer of the Commission's action in analyzing this an infraction that must be corrected.

CONDOMINIUMS

The Executive Secretary reported that Notices of Intention had been filed on behalf of the following Horizontal Property Regimes:

(UNASSIGNED) - INTERNATIONAL COLONY CLUB NO. 2

Puukoolii Road and Honoapiilani Highway, Kaanapali, Lahaina District, County of Maui, Hawaii; leasehold; 23 separate cottages;

developer - International Colony Club, Inc., (A.J. Huddleston, President, Kaanapali, Maui, Hawaii); selling agent - none identified.

The Executive Secretary reported that the Saturday, December 5, 1964 issue of the HONOLULU ADVERTISER carried a half-page promotional advertisement on the subject Horizontal Property Regime. As no public report, either preliminary or final had been issued, this action to solicit purchasers in INTERNATIONAL COLONY CLUB NO. 2 was considered a violation of the statute. The Chairman directed the Executive Secretary to inform the developer of the Commission's action in making this determination of an infraction of the law and implementing rules and regulations.

(UNASSIGNED) - NAPILI SHORES HOTEL CONDOMINIUM

Honoapiilani Highway, at Kaanapali, Lahaina District, County of Maui, Hawaii; leasehold; 181 apartment-hotel units; developer - Napili Shores Company, a joint venture, (Robert A. Clarkin, Philip Ching and Harry K. Myer); selling agent - developer will sell.

Miscellaneous:

ANTELOPE VALLEY LAND SALES

The Executive Secretary reported exploratory checks had been made with some of the parties offering these out-of-state properties. Continued efforts are being made to establish a schedule of appointments with known operators to discuss their sales organization, procedures and objectives.

The Investigation Report, RE-159 FAR-MAC INVESTMENT COMPANY, under date of December 18, 1964 was reviewed and accepted by the commissioners.

The Chairman suggested that an avenue for the buyer to explore in signing the Agreement of Sale would be to request the seller to furnish a preliminary policy of title insurance at the time the offer to buy was executed.

The commissioners considered other aspects of the problem, noting that the activity in the neighboring islands was expanding.

1965 LEGISLATIVE PROGRAM

The members reviewed the four (4) items on the Legislative Proposal memoranda of December 14, 1964. The Executive Secretary reported that these were prepared for presentation to the Governor for inclusion in the administration's program of sponsored legislation.

In discussing the proposal for a Registration Fee for Real Estate Subdivisions, the Chairman suggested that the language be expanded to give the Commission the authority to conduct inspections of out-of-state subdivisions or plans, and that the cost of such inspections would be borne by the subdivider. It was agreed that the Executive Secretary would assemble information from other jurisdictions to illustrate the fee schedule chargeable to a developer when lands outside a state are inspected.

In the matter of establishing a quorum for commission meetings, the members were of the opinion that the language in section 170-3, Revised Laws of Hawaii 1955, as amended, should be corrected to show that a quorum of four, rather than three, shall constitute a body to

do business. The Executive Secretary noted that the proposed Rules and Regulations, PART V, Article 5.3 speaks to the general language of what constitutes a quorum and the number of votes necessary to validate Commission acts. The members stated that revising the statutory language would be the best course of action and ruled that this should be proposed to the 1965 General Session.

In discussing the Definition of Advance Fee proposal, the Chairman directed the Executive Secretary to prepare a memorandum for the Commission, documenting specific complaints and reports on file. Mr. Palk believes it important that the Commission have its case well supported with facts and complaints if there are appearances to be made before the Legislature.

The Executive Secretary noted that the proposal regarding professional competency had been introduced in a previous Legislature. He reported that the suggested addition to the revocation and suspension section, section 170-12 was language found in the real estate laws of the majority of states. The Chairman noted that the objectives of the proposal were understood, but he was inclined to believe that it would be difficult to sway the legislators for their consideration of this improvement to strengthen the license law.

#### POWER OF ATTORNEY APPARATUS

There was nothing to report from the Deputy Attorney General George Siu on the Commission's request for an opinion.

#### ELECTION OF VICE CHAIRMAN

The Chairman stated that pressing business commitments would take him out of state for short periods during 1965. He was of the opinion that the Commission should elect a Vice Chairman to carry on with the required responsibilities during his absence. It was suggested that Mr. Kashiwa be considered as he has performed in this unofficial capacity in the past.

UPON MOTION, the Commission moved for the election of Mr. Yukio Kashiwa as Vice Chairman.

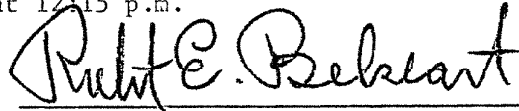
Motion carried unanimously.

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Meeting:

Adjournment:        There being no further business to transact, the Chairman declared  
the meeting adjourned at 12:15 p.m.



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ROBT E. BEKEART, Executive Secretary

APPROVED BY THE COMMISSION

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JACK K. PALK, Chairman

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1/12/65