

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

MINUTES OF MEETING

Date: Tuesday, February 16, 1965

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

Present: Mr. Jack K. Palk, Chairman (Oahu) Mr. Harold J. Silva (Oahu)  
Mr. Yukio Kashiwa, Vice Chairman (Oahu) Mr. Douglas R. Sodehani (Maui)  
Mrs. Dorothy S. Ahrens (Kauai) Mr. William H. C. Young (Oahu)  
Mr. William A. Beard (Hawaii)  
Mr. Robt E. Bekeart, Executive Secretary

By Invitation:

Mr. Wesley F. Charlton, representing Hawaii Real Estate Association  
Mrs. Shirley B. Olds, representing Honolulu Board of Realtors

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

Call to Order: There being a quorum the Chairman, Mr. Palk, called the meeting to order at 1:30 p.m.

Minutes: The RULES AND REGULATIONS of the previous proceedings were corrected to reflect that the regulations are to become effective January 23, 1965.

UPON MOTION the minutes of the January 19, 1965 meeting, with the above correction, were approved.

Motion carried unanimously.

Financial Report: The Commission noted the Financial Report for the month of January 1965 as received.

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

RULES AND REGULATIONS - The approved changes, modifications and additions to the Commission's Rules and Regulations became effective Saturday, January 23, 1965.

VALIDATION REQUIREMENTS - The members reviewed PART III of the regulations and were in agreement that the new requirements, having the force and effect of law, were binding on any person making application for a real estate salesman or real estate broker license. The applicability of requirements for an Abstract of Criminal Record and the identification photograph as part of the filing of an application was thoroughly discussed. The other Character and Reputation

checks, the three (3) letters attesting to the applicant's reputation, the fingerprint identification record and the credit and character report were reviewed as permissive requirements the Commission may direct an applicant to comply with if there is cause for additional information to be filed.

The Commission accepted the Executive Secretary's recommendation that there be a policy change in the filing of applications for re-examination. His suggested change will mean that an applicant may file the original application, if he does not appear for the test after giving written notice in advance or fails to qualify in the written examination he may be considered for the next two (2) ensuing examinations if he files a required application, and remits the fee of \$7.50 each time. The basis for this recommendation is that with the strengthened requirements under Part III of the regulations the validation as to character and reputation should be acceptable for the original examination and the two (2) immediately following tests.

SUBDIVISIONS (Sec. 170-30. through Sec. 170-38.)

EDEN ROC ESTATES SUBDIVISION - The commissioners discussed the Nevels and Chang January 22, 1965 letter in which the subdivider's attorney reported on the processing and distribution of the questionable multicolored promotional brochure. The suggested notice of correction to the guarantee statement of the pamphlet was reviewed. The statement to remedy the violation was found acceptable to the Commission. The developer is to be advised that it is the opinion of the Commission a violation of Sec. 170-35, (d) and (f) exists in the registration. The ruling to be forwarded to the subdivider is that the remaining balance of the brochures which have not been distributed are to be forwarded to the Real Estate Commission. It is expected that the number of undistributed pamphlets is in the neighborhood of 15,000 copies on the basis of the report of Mr. Otto Roethemund, Vice President, Deak and Company, New York, N.Y. to Attorney Nevels in response to the latter's January 19, 1965 telegram. The principle of equal circulation of the notice of correction to all who have received the distribution of the 10,000 brochures was discussed. The Commission further ruled that a copy of the proposed correction statement is to be given to all who received the initial promotional piece. The Chairman directed the Executive Secretary to prepare the letter in draft form for review before dispatching it to the subdivider and his counsel.

CONDOMINIUMS (Sec. 170A-1 through Sec. 170A-33)

REGISTRATION NO. 51 - MAKAHA BEACH CABANAS - As the Developer made material changes in the project as against the information submitted in the Notice of Intention, and later represented in Final Public Report dated December 11, 1964, a Supplementary Public Report was issued on January 22, 1965.

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REGISTRATION NO. 54 - WHITE PEARL APARTMENTS - Final Public Report issued January 28, 1965.

REGISTRATION NO. 55 - 999 WILDER - Final Public Report issued January 29, 1965.

The above information on public reports issued was accepted by the Commission.

New  
Business:

LICENSING

NEW CORPORATIONS, PARTNERSHIPS AND DBAs

UPON MOTION, the Commission ruled that the licenses tentatively authorized for the following be approved, ratifying the action of the Executive Secretary:

Corporation

First Realty, Inc.	Clarence A. Lee, RPB
Leo Manol, Inc.	Leo P. Manol, RPB
Alexander & Alexander, Ltd.	Norma Taliaferro, RPB
Honolulu Finance, Inc. dba State Realty Co.	William K. M. Chee, RPB
Hironu Yamanaka Realty, Inc.	Hironu Yamanaka, RPB

Partnerships

Kaiko Realty	Carl L. K. Ching, RPB
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DBAs

Security Finance dba	Parker and Company Seisuke Niino, RPB, Wahiawa Principal Office
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Branch Offices

Security Finance dba Parker and Company	Sanford Parker, BIC, Moanalua Shopping Center Branch Office
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The First Trust Co. of Hilo, Ltd.	W. A. Beard, BIC, Kailua-Kona Branch Office
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In the matter of the request of The First Trust Co. of Hilo, Ltd. to continue its established Branch Office for West Hawaii, the Commission ruled that Mr. Beard is to be given a re-issuance of his Real Estate Broker license and pocket identification card to serve temporarily as BIC at designated Kailua-Kona office and that such a temporary permit will be in effect for ninety (90) days from this date. It was suggested that The First Trust Co.

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of Hilo, Ltd., may want to amend or modify their request to seek the Commission's approval of an extension if a licensed broker cannot be employed within the time allowed.

Motion carried unanimously.

SUBDIVISIONS

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

PACIFIC PALISADES UNIT VII SUBDIVISION - Manana Uka, Ewa, City and County of Honolulu, Hawaii; 98 residential lots; subdivider Momilani Land Company (Harold Kometani, Authorized Officer or Agent, P. O. Box 2930, Honolulu, Hawaii); selling agent - Palisades Realty.

NUUANU PARK PLACE SUBDIVISION - Nuuanu, City and County of Honolulu, Hawaii; 131 residential lots; subdivider - Nuuanu Venturers (Partnership - Shigeru Horita and Twaio Kishimoto, 2024 N. King Street, Honolulu, Hawaii); selling agent - H. K. Horita Realty, Inc.

Motion carried unanimously.

CONDOMINIUMS

(UNASSIGNED) ALA WAI MANOR - 620 McCully Street, Honolulu, Hawaii; leasehold; 91 units to be sold; developer - Holiday Investment Co., Inc. (Harry H. Otsuji, President, 801 Kaheka Street, Honolulu, Hawaii); selling agent - none identified.

(UNASSIGNED) HOLIDAY MANOR - 1650 Kanunu Street, Honolulu, Hawaii; leasehold; 221 units to be sold; developer - Condominium Hawaii, Inc., (August Akin Yee, President, 801 Kaheka Street, Honolulu, Hawaii); selling agent - developer.

(UNASSIGNED) THE MARINA CLUB - (Hawaii-Kai Condominium Project, Lots 6-7, File Plan 801) Kawaihae Street and Kawaihae Place, Honolulu, Hawaii; leasehold; 21 units to be sold; developer - Personal Security Investment Company, Inc., (L. L. Fortna, President, 2424 Kalakaua Avenue, Honolulu, Hawaii); selling agent - Bishop Realty, Inc.

(UNASSIGNED) MOILIILI GARDENS - 2760 Kahoaloha Lane, Moiliili, Honolulu, Hawaii; leasehold; 54 units to be sold; developer - Jutaro Sotomura (2025 Ilikai Apartment Building, 1777 Ala Moana Boulevard, Honolulu, Hawaii); selling agent - D & S Realty Company.

(UNASSIGNED) 3003 KALAKAUA - 3003 Kalakaua Avenue, Waikiki, Honolulu, Hawaii; leasehold; 24 units to be sold; developer - Kapiolani Park Land Company, Ltd. (George Brangier, President, P. O. Box 939, Honolulu, Hawaii); selling agent - none identified.

REGISTRATION NO. 33 NAOE APARTMENTS - Under letter of February 8, 1965 the Developer, through counsel, advises the Commission of his giving notice to withdraw the project from the Horizontal Property Act.

Miscellaneous:

Appearance - Walter E. Bliss, Attorney

Counsel was present in the capacity of attorney for the client Audrey P. Bliss, broker. His request to meet with the Commission was founded on his belief that the requirement that his client maintain her office in an area zoned for business was not a valid reason for the Commission to refuse to process the application for renewal and issue the required broker registration. The Commission reviewed its experiences in such matters and solicited Counsel's understanding that in order to maintain a higher level of professionalism within the practice of real estate, such controls had been placed in effect. Mr. Bliss agreed that the requirement was not an unreasonable one and he appreciated the regulators' responsibilities and duties in administering the real estate law, but he wanted the record to show that this was a protest and the issue as he saw it was one where his client would not be actively engaged during 1965 as her prime responsibility is her children and real estate affairs would occupy a small amount of her time.

The Commission position on this renewal application was agreed to by Counsel and he noted that an arrangement had been worked out whereby she would display her permanent license and conduct real estate affairs out of a downtown building.

The Chairman commended Mr. Bliss on his presentation making note that the position he took was of serious concern to the members and his cooperative attitude on behalf of his client was appreciated.

Communication - Kenneth M. Young, President, Honolulu Board of Realtors - The Board's letter of January 13, 1965 requesting that the Commission withdraw the Statement Of Prospective Broker-Employer from the Salesman application form was taken under advisement. An earlier acknowledgment on receipt of the letter had been made to President Young.

Communication - Sidney I. Hashimoto, Director, Department of Regulatory Agencies - The Director's referral of the H. Baird Kidwell memorandum regarding Amendments to the Horizontal Property Act was reviewed. Seeing the three (3) changes as administrative remedies to the condominium law, the Commission noted their acceptance of Mr. Kidwell's February 1, 1965 proposal. The Director is to be advised of the Commission action.

Antelope Valley Land Sales - The Executive Secretary reported that cursory checks had been made with some of the operators but there was nothing to report in the way of a penetrating investigation as the Chairman had directed. The Chairman instructed the Executive Secretary to prepare a set of questions which could be

used in an examination of how the various offices are offering these lands for sale, once the check-list of questions is in draftform the Chairman will review them and the field inspection work should commence, without delay.

Dave Robert Ford - The applicant was advised that upon review of his application for a salesman license, the Commission ruled that he is to submit three statements, in the form of an affidavit, from persons in Hawaii who have known him for a period of five (5) years preceding the filing of the application. Such letters would attest to his character and reputation, in private life as well as in the business world. Under instructions from the Chairman, the applicant was advised of this requirement. As at the date of this meeting the Commission has received no submission from Mr. Ford.

1965 Legislative Program - The request for an opinion from the Attorney General on the Hawaiian Beaches and Hawaiian Parks power of attorney apparatus has not been answered. The Executive Secretary will study out-of-state laws and regulations in order to assist the Deputy Attorney General Siu in the preparation of a legislative proposal to curb this practice.

At this date, the Attorney General has not prepared for submission to the Legislature, as an administration sponsored bill, any proposal to control the Advance Fee operators. The Executive Secretary is to review the Commission's file on earlier legislative suggestions and document the justification for this additional law.

The administration sponsored measure to establish a filing fee schedule for subdivision registration rests with the Attorney General. There is nothing to report at present on the Quorum For Meetings amendments nor the Executive Secretary's suggested proposal to add professional incompetency as a cause for suspension or revocation of a real estate broker or salesman license.

The Executive Secretary spoke to the Department's interest in the Commission's acceptance of the proposal to increase the re-issuance fee from \$1.50 to \$3.00. The Chairman stated that before the membership could validly support such a measure, the justification would have to be documented. The pattern of continually searching for more revenues from licensee should be explained to the satisfaction of the Commission.

Investigations:

RE-163 CLIFFORD L. STARK - The investigation report, having been circulated to the membership, was accepted for information. There was no cause within the framework of the facts presented for the Commission to do otherwise.

Bad-Checks:

Mr. Liu-Siu Lai and Mr. Buster Woo - Both licensees had been orally admonished by the Executive Secretary for submitting checks in payment of renewal fees which were identified by two banks as drawn on accounts with insufficient funds. The record of each licensee is to show this infraction.

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Date of  
Next  
Meeting:

1:30 p.m., Thursday, March 18, 1965 in the City and County of Honolulu.

Adjournment: There being no further business to transact, the Chairman declared the meeting adjourned at 4:45 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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3/18/65