

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

MINUTES OF MEETING

Date: Tuesday, May 27, 1969

Place: Board Room, Kamamalu Building  
1010 Richards Street, Honolulu, Hawaii

Present: Jack K. Palk (Oahu) Chairman  
Herbert S. Isonaga (Oahu) Vice-Chairman  
Irving A. Jenkins (Kauai)

Harold J. Silva (Oahu)  
Douglas R. Sodehani (Maui)  
Hiromu Yamanaka (Hawaii)

Dick H. Okaji, Division Administrator  
Robt E. Bekeart, Executive Secretary

George A. Morris, Jr., representing Honolulu Board of Realtors  
Marcus Engle, representing Real Estate Association of Hawaii

Absent: William H. C. Young - out of state

Call to Order: There being a quorum, Mr. Palk, in the Chair, called the meeting to order at 2:10 p.m.

It was agreed to move into the lower part of the agenda pending arrival of Mr. Isonaga and Mr. Yamanaka who have advised they will be present shortly.

The Dilrock - Eastern Company                      South Kohala Development  
The Chairman briefed the members on the May 8 meeting with representatives of the Developer where a presentation was made to the Oahu members of the Commission on the development program which embraces the initial condominium registration, THE FAIRWAYS, UNIT I-1. The information gathering session was held to give the Developer an opportunity to lay out the short-range and long-range aspects of their plan and provide the regulatory body with a basis to make a determination on whether the land development program, with proposed horizontal property regimes features, can be accepted within the intent of the Legislature's enabling act. Following a complete airing of the matter, it was agreed that an opinion would be sought of the Attorney General.

A request for an opinion has been forwarded on May 22 and the Commission expects the General's response shortly.

Return to the order of the agenda.

Business Out of Minutes:      Licensing (Sec. 467-1. through 467-26 HRS)

(None)

Condominiums (Sec. 514-1. through 514-55 HRS)

(See FIRST ATTACHMENT)

Investiga-  
tions:

RE-283, Clement K. Gondo - Associated Realty, Inc.

The Chairman acknowledged the report that the Commission's decision and order, on the recommendation of the Hearing Officers, to revoke real estate broker license No. RB-2927 of Clement K. Gondo and the real estate broker license No. RB-5734 of Associated Realty, Inc., had been served on the respondent.

RE-318, Robert W. Lucas

An informal meeting is to be held at which the Oahu members will gather information on the allegations made against the broker. The purpose of the meeting, with all interested parties asked to attend, will be to develop the point that either the broker did have knowledge that the Hale O'Kona condominium project was in danger of going into bankruptcy or that he was not aware of the Developer's financial problems.

RE-328, Mahina Surf

Prepare the case for a hearing by forwarding the required notice of hearing and the case file to the Attorney General. The Commission discussed the possibility of delegating a hearing officer to the County of Maui for the proceedings. Consideration was given to directing Mr. Sodetani to sit as one of the hearing officers.

RE-329, Condominium Hawaii, Inc.

The Chairman reported on his attempts to get the parties together in order to resolve this matter without involving the more formal hearing situation. As he was unsuccessful in these efforts, it was agreed that the matter would be set down for a hearing.

RE-333, Corbett-Tharp, Inc.

The Commission noted that the investigation report was incorrect regarding the assignment of lease. The assignment was executed and recorded in the Bureau of Conveyances according to the commissioners' understanding. In studying the case the matter of the annuity payment of \$200 was determined to be an Insurance Commissioner concern and it was agreed that this element of the transaction would be brought to the attention of the Insurance Division.

The complainant is to be advised that based on the information in the investigation report there is no violation of effective law or regulations.

RE-335, Circle Realty, Inc.

Advise the respondent broker that the complaint of Jack Anderson has been considered by the Commission and the licensed firm is urged to understand the importance of sound lines of communications with clients, tenants and public.

The complainant is to be advised that the Commission finds no violation of statute or regulations.

The broker is to receive notice that this complaint, and the Commission's recorded position on this allegation of unethical conduct is to be made a part of the RB-6404 file.

RE-339, Norman Mau

The Commission took the matter of alleged failure to return rental funds under consideration.

No action is to be taken; however, the complainant is to be advised that because he proposed a contingency for the last three days of November 1968 his position requesting refund of the amount supposedly overpaid cannot be sustained.

RE-340, Morris Moche

The file has been forwarded to the Attorney General on April 28, and it is expected that the notice of hearing is being reviewed by that office for earliest service on the respondent.

Minutes:

The proceedings of the Thursday, April 24, 1969 meeting at the first page are to be corrected as follows:

Absent: Douglas R. Sodetani - out of state  
Harold J. Silva - in court as witness

UPON MOTION, the Commission approved the minutes of April 24, 1969, with the above corrections.

Motion carried unanimously.

New

Business:

Mr. Okaji was present to advise the Commission that he proposes to assume the Examination and Licensing responsibilities and duties performed by Mr. Bekeart. This was being done to permit the Executive Secretary to devote more time to condominium registration and public report writing requirements. Such a re-assignment will take effect shortly. In answer to the Chairman's inquiry on what specific items the Executive Secretary is responsible for, Mr. Okaji stated that he will administer to the Commission in all areas except examinations and licensing; also, he will handle the complaints and matters to be set for hearings.

Corporations, Partnerships, DBAs and Branch Office

<u>Corporation</u>	<u>Principal Broker</u>
The LTR Corporation	Linda Y. Wong
Trans Isle Realty, Inc.	Harold Y. K. Kam
Real Estate-Kauai, Inc.	Arthur S. Komori
King, Limited	J. Kaniau Evans

Partnerships

(None)

DBAs

(None)

Branch Offices

(None)

UPON MOTION, the Commission ruled that the license processings immediately above, as tentatively authorized by the Executive Secretary, be accepted with approval and entered of record.

Motion carried unanimously.

International Condominium & Land Exchange, Inc.

The Executive Secretary briefed the Commission on the persons making application for corporate broker license. Nominated Principal Broker - Gibert T. Shimakage.

Adrianus Holgen - Applicant for Salesman License

The Executive Secretary briefed the Commission on background file information of unlicensed activity by this individual.

Mr. Sodetani reported on the activities of Action Realty, Betsy Christian, Principal Broker, holding out as a real estate office in the lobby of the Wailuku Hotel where no branch office or main office operations have been authorized. The investigator is to verify what facilities, signs, equipment and personnel are at the hotel site in order to proceed with enforcement plan.

Miscellaneous: Real Estate Research/Real Estate Education Program

The Chairman reported that he executed the Agreement and the Project Approval Agreement on May 19, 1969. That same day the two documents were hand-delivered to Professor Bell who will see to the signing of the agreements by Dean Hook, College of Business Administration and Clinton Tanimura, President, University of Hawaii Foundation.

Educational Advisory Committee

The Commission, moving with the framework of the master Agreement acknowledged that chairman of this committee is Mr. Sodetani, and that other representatives from the Commission are Mr. Yamanaka (Hawaii), Mr. Jenkins (Kauai) and Mr. Young (Oahu). One representative from each of the two industry organizations, the Honolulu Board of Realtors and the Real Estate Association of Hawaii will also serve. The University of Hawaii shall be represented by two persons selected by the Dean of the College of Business Administration.

Real Estate Recovery Fund

It was agreed that a determination is to be made as of May 27, 1969 on the funds that are available for earliest transfer to the University of Hawaii Foundation's Real Estate Education Fund.

Real Estate Broker Application Requirements

Policy Statement

If any licensed real estate salesman completes the Graduate Realtor Institute (GRI/HAWAII) series as conducted under the auspices of the Small Business Management Program at the University of Hawaii, and successfully passes all examinations, he shall be considered as a qualified waiver of one year apprenticeship as required under the experience to be met pursuant to Sec. 467-8(b) HRS.

Hawaii Reference Manual, Primer or Handbook

Mr. Sodetani is to represent the Commission as its liaison member in the Honolulu Board of Realtors' plan to develop a publication as assembled and distributed in other jurisdictions.

Fingerprint Identification Clearance

UPON MOTION, the Commission decided to move ahead with a change in the rules and regulations which would reduce the delay that a broker applicant experiences in meeting the present fingerprint identification requirements. A request is to be submitted to the Administration that a public hearing be held at which the appropriate change to Rule 3.1(c), Fingerprint Record, can be adopted and promulgated.

Motion carried unanimously.

Next Examination - July 1, 1969; deadline - June 2, 1969

1969 NARELLO Western District Conference

Mr. Isonaga is making preparations to attend the July 7, 8, and 9 conference at the Washington Plaza Hotel, Seattle, Washington.

Confirmation of Governor's Nominees to Commission

William H. C. Young - term expires 12/31/71

Herbert S. Isonaga - term expires 12/31/71

Date of

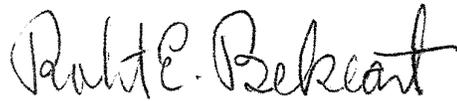
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Meeting:

Thursday, June 26, 1969 in Honolulu

Adjournment:

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



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ROBT E. BEKEART  
Executive Secretary