

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

MINUTES OF MEETING

Date: Thursday, April 20, 1967

Place: Conference Room, 424 South Beretania Street, Honolulu, Hawaii

Present: Jack K. Palk (Oahu) Chairman Hiromu Yamanaka (Hawaii)
Yukio Kashiwa (Oahu) Vice Chairman Takeo Yoneji (Kauai)
Harold J. Silva (Oahu) William H. C. Young (Oahu)

Tom L. Peterson, Deputy Attorney General
Robt E. Bekeart, Executive Secretary

By Invitation:

H. Dickey Thacker, representing Honolulu Board of Realtors
Wesley F. Charlton, representing Real Estate Association of Hawaii

Absent: (None)

There being no representative for the County of Maui, the Chair noted this vacancy for the record.

Call to Order: There being a quorum, the Chairman called the meeting to order at 10:07 a.m.

Minutes: UPON MOTION, the Commission approved the minutes of the March 21, 1967 meeting as distributed.

Motion carried unanimously.

Financial Report: The Commission received the financial report for the Third Quarter, Fiscal Year 1967--January, February and March months.

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

IWAO WALTER FURUYA and ARTHUR MASAYOSHI FUJITA Appearance.

The two respondent brokers presented themselves to the Commission, accompanied by Mr. Albert W. Evensen, Attorney. Counsel thanked the Commission for the opportunity to appear and make observations and argument against the Hearing Officer's Findings of Fact, Conclusions of Law and Recommendations. The Commission permitted respondent's attorney to develop the background of the CYMBIDIUM ACRES SUBDIVISION problem and the present state of litigation in the Third Circuit Court, Hilo, Hawaii, as well as the status of the subdivision before the Planning Commission of the County of Hawaii. There was agreement between the appellants and the Commission that the proceedings are not to be considered as reopening the case; the meeting was established to allow the respondent's counsel to put additional information before the regulators in arguing against the Hearing Officer's paper.

Minutes of Meeting of April 20, 1967

After a full discussion and questions by the commissioners, the appellants withdrew.

UPON MOTION and following a review of the information just presented, the Commission, with the advice of Mr. Peterson, Deputy Attorney General, ruled that the record could be reopened in light of the morning's discussion. The Attorney for the respondents is to be notified that as part of the decision to reopen the record, he is to submit a written statement to the Commission disputing the Findings of Fact and the Conclusions of Law, together with any pertinent documents or exhibits in support of his position to question the factuality of the Hearing Officer's position.

The Commission's decision to revoke the two (2) licenses will be stayed for a period of time necessary to complete an examination of new evidence.

Motion carried unanimously.

The Deputy Attorney General was excused at 11:40 a.m.

LUCILLE BUNN

A request for a ruling on whether real estate is a permitted use in Airport District has been made of the Planning Director, City and County of Honolulu. No response has been received as of this date.

JONATHAN MANOR, INC.

The commissioners studied the April 19, 1967 letter from the respondent firm's Principal Broker, Raymond Ponzo.

UPON MOTION, the Commission ruled that the matter be referred to the City and County of Honolulu for appropriate action.

Motion carried unanimously.

Recess:

At 11:45 a.m., the Chairman declared a break for the noon meal and attending the General Membership Meeting of the Honolulu Board of Realtors at the Ala Moana Banquet Hall.

Reconvene:

At 1:25 p.m., the Chairman reassembled the meeting.

SUBDIVISIONS

SPRING HILL UNITS 1, 2, 3, 4, 5, 6 and 7 SUBDIVISIONS

Mr. Young will examine the seven (7) Hernando County, Florida, registrations with the Executive Secretary and make his recommendations.

TWIN LAKE RANCH (J. M. SMITH & SONS)

The registrant has been given written notice that the registrations are not complete to the Commission's standards.

TAHOE KEYS DEVELOPMENT

The registrant has been given written notice that only one (1) of the five (5) filings is complete. Subdivider will perfect the remaining four (4) registrations and these will be examined by a member of the Commission.

CONDOMINIUMS

The commissioners accepted the report on projects registered and set down a timetable for completing the issuance of public reports on the following:

KAANAPALI SHORES III	4/11/66
KAAHUMANU TOWER	7/12/66
WEST WIND	8/12/66
MAUNAIHI TOWERS	12/15/66
PAWAA GARDENS	12/16/66
WALEHUA APARTMENTS	1/26/67
KAPIOLANI TERRACE	1/26/67
HALE KAI II	3/10/67
POMAIKAI	3/10/67

The first three projects are deemed inactive at request of Developer; the last six filings are active and reports are to be expedited, commencing with MAUNAIHI TOWERS, for issuance starting April 21, 1967.

New Business:

LICENSING

NEW CORPORATIONS, PARTNERSHIPS, DBAs and BRANCH OFFICES

Corporations

Parker & Co., Ltd., formerly Security Finance Co.; Ltd.
Brevet, Holbrook & Flinn, Inc., formerly Brevet & Holbrook, Ltd.

Partnerships

(None)

DBA

Alfred J. Toulon, Jr. dba Al Toulon, Realtor

Branch Office

Erling P. Wick, Lahaina, Maui Herbert P. Brook, BIC

UPON MOTION, the Commission ruled that the license processings immediately above, as tentatively authorized by the Licensing Administrator, be approved and entered of record.

Motion carried unanimously.

SUBDIVISION

MAUI MEADOW UNIT 1 SUBDIVISION - Paeahu, Honuaula, Makawao, Maui, Hawaii; 224 residential lots; developer - George M. Hasegawa and Mitsuyuki Kido (Maui Meadow Development Co., Suite 515, 33 South King Street, Honolulu); selling broker - George M. Hasegawa.

The Executive Secretary reports that the registrant is appearing before the Maui Planning & Traffic Commission today, April 20, to seek final approval for his project. Mr. Hasegawa is to advise the Commission at the earliest on the ruling of the county.

CONDOMINIUMSReport published:

REG. NO. 43 MAKIKI WINDS APARTMENTS Supplementary

New registrations:

GOLFLINKS APARTMENTS	3/29/67
WAIPEHE APARTMENTS	4/4/67
THE WAILANA AT WAIKIKI	4/13/67

For more effective control over registrations received ~~and reports published, all~~ condominium information hereafter will appear in only one part of the proceedings. The arrangement of active, inactive and published is to be the manner of display.

INVESTIGATIONSRE-235, WINDWARD OAHU REALTY CO.

By request, the Commission permitted the complainant, Major Charles L. Govern, to appear and state his position of opposing the Commission's findings in the matter of his allegations that the respondent broker misrepresented the facts in a real estate transaction.

Similarly, the respondent broker Byron J. Connell, Windward Oahu Realty Co., was present before the Commission, accompanied by his attorney, Morris J. Skinner. The respondent stated that he did not misrepresent in the 220 Ohana Street, Kailua transaction. Mr. Connell agreed to forward the regulatory body a copy of the letter he sent Major Govern in which he offered to buy the property and Windward Oahu Realty Company would absorb the costs of closing.

UPON MOTION, the Commission decided that the complainant will be given written notice that on the oral presentations of each party and reconsideration by the members there appears to be no justification to support a charge of misrepresentation. Motion carried unanimously.

The Chairman will review the case file and prepare the letter to be sent Major Govern. The avenue has been left open for the complainant to ask for a formal hearing if he is so inclined.

RE-225, ROQUE PERALTA

The matter has been resolved to the satisfaction of the complainant by an agreement to exchange lots. The respondent is to give the Commission written notice of disposition of this matter.

RE-236, ROBINSON & LOWE REALTY, INC.

The Commission reviewed the investigation report and deliberated on the allegations and charges of the complainant. Following a full discussion on the matter, the action was as follows:

UPON MOTION, the Commission decided that reasonable doubt exists as to whether there was a knowing intent to misrepresent the lessee's interest by the licensee's failure to mention this at the first meeting with prospective purchasers or any subsequent meetings mentioned by the complainant and witnesses interviewed in the investigation. As to a conflict, the commissioners' decision was that Robinson and Lowe Realty, Inc., the respondent broker, has no interest in J. G. Lowe Enterprises, (Hawaii) Inc., and the licensee, Charles E. K. Robinson, the Principal Broker of the respondent broker corporation, has no personal owner interest in the land of the owner corporation, according to the information presented in the investigation report.

The Commission concluded that there was no duty or obligation under rule 1.3(g), rules and Regulations, for the respondent to disclose that Mr. J. G. Lowe was a stock holder in the land owner corporation.

Motion carried unanimously.

The Commission observed that the investigator apparently concluded, on the facts and information in his report, that a violation had occurred. The members restated their earlier position that it was not within the province of the staff nor is it the responsibility of the investigator to make a determination that there was an apparent infraction of the law or effective regulations.

RE-244, VIPS, INC.

The matter of an unlicensed person collecting advance fees in a rental scheme is to be referred to the Attorney General and a request made for a ruling on a possible violation.

RE-245, RUTH THOMPSON & DUKE THOMPSON

The failure of the respondent broker to properly register the "dba", Kokua Realty, Kailua-Kona, Hawaii, has been corrected by administrative prerogative. No action to be taken.

RE-246, TRUSTCO REALTY, INC.

After a full discussion of the information presented in the investigation report, the Commission decided that the explanation of Cullen K. M. Chee, Principal Broker of Trustco Realty, Inc., was not acceptable. The respondent will initiate a program to remedy this breach by preparing a notice of retraction that is to be mailed to each of the addressees that received the original brochure. The modified promotional and advertising copy is to make a clear distinction as to what is meant by the term "closing costs."

Upon conclusion of the program to notify the 7,000 recipients of the brochure, the respondent broker is to report to the Commission in writing that the ruling of April 20, 1967 has been complied with. The respondent's technical services agency, Winter Bunn Associates, will be advised of the regulators' decision and instructed to report compliance.

The program of correction should be concluded and the Commission advised accordingly within thirty days from the date of the Executive Secretary's order.

RE-247, MATT SIMMONS

Commission accepts the report and notes that the respondent, by leaving this jurisdiction, has helped in the disposition of this matter.

The commissioners' questions went to whether any sales were made by the respondent during his short exposure here and is it likely that if sales had been made is there reason to believe the public may suffer.

RE-251, OCEANSIDE PROPERTIES, INC.

The report was accepted and the matter deferred. The Commission decided that the reorganization plans of the respondent are to be kept under surveillance and the commissioners are to monitor developments and information from an industry position.

Miscellaneous: 1967 GENERAL SESSION, FOURTH LEGISLATURE

A general review of the status of all proposed legislation and where the bills rest as of April 19, 1967: The Chairman stated that the members should recognize that the remaining seven legislative days were critical ones if the Commission's Legislative Program was to be successfully concluded. He

urged each commissioner to conduct such liaison as was possible with friends and associates in the legislative halls. On Monday, April 24, the Chairman will personally conduct a survey to determine where the various bills and committee reports are in the referral and reading procedure.

NARELLO WESTERN DISTRICT CONFERENCE

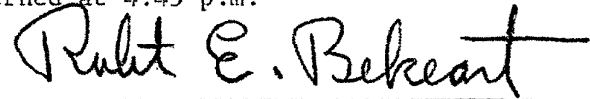
The Commission decided that in order to continue effective relationships with the eleven Western states, two commissioners are selected to attend the June 8 - 10, 1967 regional meeting in Salt Lake City, Utah. The Hawaii representatives are Jack K. Palk (Oahu), Chairman, and Hiromu Yamanaka (Hawaii). The necessary out-of-state travel request and justification are to be prepared at once.

Date of
Next Meeting:

Departmental approval will be solicited for the Commission to conduct its next meeting in the County of Maui, Friday, May 26, 1967, for the purpose of inspecting new offerings of subdivided land that have been registered, examining the condominium plans and set up of condominium projects and holding a public meeting with Valley Isle real estate brokers, salesmen, developers and municipal officials.

Adjournment:

There being no further business to transact, the Chairman declared the meeting adjourned at 4:45 p.m.



ROBT E. BEKEART
Executive Secretary

APPROVED BY THE COMMISSION

JACK K. PALK, Chairman

REB:km
4/24/67