

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

MINUTES OF MEETING

Date: Thursday, July 25, 1968

Place: Public Utilities Commission Hearings Room
1010 Richards Street, Honolulu, Hawaii

Present: Jack K. Palk (Oahu) Chairman Douglas R. Sodetani (Maui)
Irving Jenkins (Kauai) Hiromu Yamanaka (Hawaii)

James H. S. Choi, Deputy Attorney General
Robt E. Bekeart, Executive Secretary

By Invitation

(Mrs.) Mary V. Savio, representing Honolulu Board of Realtors
Wesley F. Charlton, representing Real Estate Association of Hawaii

The Honorable Lyn E. Davis, President, National Association of Real Estate Boards, paid an official call on the Commission. An illuminating discussion of such problems as reciprocity and professionalization throughout the nation was held at the opening of the agenda. Mr. Davis was accompanied and introduced by Mr. George A. Morris, Executive Vice President, Honolulu Board of Realtors.

Absent: Yukio Kashiwa (Oahu) Vice Chairman
Harold J. Silva (Oahu)
William H. C. Young (Oahu)

Call to Order: The meeting was called to order at 2:50 p.m.

Business LICENSING (Section 170-1. through 170-24.)

Out of
Minutes: Richard F. Stenstrom - Application for Salesman License
Mr. Joseph L. Dwight, Jr., Attorney, appeared before the Commission on behalf of Mr. Stenstrom, his client.

Counsel established his position as one who has witnessed the applicant's conduct for many years and does not see that the requirements of the statute for issuing a license have been contravened. He stated that the entries in the Abstract of Criminal Records do not show conduct unworthy of one seeking a license.

Chairman Palk, in direct discussion with Counsel, made an entry by entry examination of the abstract. On each point raised Mr. Dwight presented his position as to why he did not believe such a charge was a demonstration of misconduct and a grounds for denial of application for a license.

It was agreed that Counsel will secure three letters from persons who are to attest to the reputation and character

of the applicant. Upon receipt of the required letters another meeting will be held, before the Oahu members, and the Attorney will have his client appear for person to person confrontation.

July 2, 1968 Examinations

Executive Secretary presented the Examination Branch statistics on applicants appearing for examination.

	<u>Examinces</u>	
	<u>Broker</u>	<u>Salesman</u>
County of Hawaii (Hilo)	1	24
County of Hawaii (Kailua-Kona)	2	9
City and County of Honolulu	66	290
County of Kauai	1	12
County of Maui	<u>4</u>	<u>17</u>
TOTAL	<u>74</u>	<u>352</u>

The Executive Secretary presented FIRST ATTACHMENT showing the ranking of seventy-four (74) applicants for a real estate broker license.

UPON MOTION, the Commission ruled that the following nineteen (19) applicants for real estate broker license were found qualified in the July 2, 1968 written examination.

(See FIRST ATTACHMENT)

Motion carried unanimously.

The Executive Secretary presented SECOND ATTACHMENT showing the ranking of three hundred and fifty-two (352) applicants for real estate salesman license.

UPON MOTION, the Commission ruled that the following one hundred and forty-nine (149) applicants for real estate salesman license were found qualified in the July 2, 1968 written examination.

(See SECOND ATTACHMENT)

Motion carried unanimously.

Fingerprint Record Procedure

There is nothing to report on developing legislative proposals for presentation to the 1969 General Session, Fifth Legislature, on incorporating the fingerprint identification clearance procedures of the California Division of Real Estate in Chapter 170, R.L.H., and the Commission's rules and regulations.

Smith, Wild, Beebe and Cades letter of March 21, 1968

The Commission's literature, court case information and legislative proposals on the corporate officer and owner exception problem has been placed at the disposal of Mr. Choi,

Deputy Attorney General, to assist him in his research of improving and strengthening the Section 170-1 (b), (c) and (d), R.L.H. 1955. The study will be based on the expression of Mr. Tom L. Peterson, Deputy Attorney General, in his opinion No. 66-6 of February 25, 1966.

CONDOMINIUMS (Sec. 170A-1. through 170A-46.)

The Commission accepted the information set forth in the agenda material as an attachment.

(See THIRD ATTACHMENT)

New Business:

LICENSING

New Corporations, Partnerships, DBAs and Branch Offices

Corporation

(None)

Partnerships

(None)

DBAs

Alohaland Real Estate	Marie P. Burns dba
Leon Realty	Larry Leon dba
A B Realty	Monica von Friesen dba
Charles Kimura Realty	Charles H. Kimura dba

Branch Offices

First Management & Sales, Inc., Br. (Aiea)	Cary S. Kuroda, BIC
Portrait of Homes, Inc., Br. (Temporary 7-1-68 to 7-7-68)	Peter T. Namkoong, BIC
Portrait of Homes, Inc., Br.	Barbara G. Liddle, BIC

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.

Note: It has been determined that Ralph S. Yagi, Broker, in Charge nominee for Maui branch office of Walter N. Clark Realty Co., is employed by the U. S. Army and cannot serve during the normal business day in the responsible position of a manager to supervise and control operations of a real estate office. No branch office license is to be authorized until this matter has been resolved to the satisfaction of the Commission.

Investiga-
tions:RE-264, Violet C. King

The Commission directed that the respondent be advised by certified mail that the April 26, 1968 order of revocation of license stands. Mrs. King is to surrender her license and pocket identification card to the Commission. If the respondent fails to comply with these instructions the matter of full compliance, with assistance from the Courts, will be pursued through the office of the Attorney General.

The Commission instructed the Executive Secretary to make copies of all correspondence to the respondent available to Mr. Kinji Kanazawa, Attorney for the respondent, in the appeal proceedings. Also, a copy of the letter in which Mrs. King dismissed Mr. Kanazawa as her counsel is to be forwarded to the attorney.

RE-297, Gilbert Ikeda

The information in the investigation report presents no facts that warrant moving the matter to a hearing. Case dismissed.

RE-280, Clement K. Gondo

No action reported.

RE-283, Clement K. Gondo

Awaiting Executive Secretary's preparation of Hearings Officers' findings and recommendation.

RE-284, Marine Surf WaikikiRE-285, Marine Surf Waikiki

The Executive Secretary, in monitoring the closings and recordings program through Security Title Corporation, finds that the project will shortly be closed out with all purchasers having ownership.

RE-287, Mark-Crosetti, Inc.

Executive Secretary reported that the Corporation, having filed voluntary bankruptcy under Chapter X reorganization proceedings in the United States District Court, District of Hawaii, is subject to a reorganization plan proposed by a Mr. Robert Romer, who has come to the Commission office to examine the status of the HALE O'KONA condominium project.

RE-295, Clement K. Gondo

No action reported.

RE-300, Floyd Kaneshiro

An internal investigation item, not circularized to the membership. Executive Secretary reported that Mr. Kaneshiro's character and credit record discloses several judgments. The Commission ruled that reactivation of the license is to be denied, if license has not already been restored, because of notices of judgments on file with the Courts. If he seeks a hearing to place his position before the Commission he will be afforded that right.

RE-307, First Management & Sales, Inc.

The acts as alleged by the complainant and set forth in the investigation report do not warrant that a hearing be held on the matter. Case dismissed.

Commissioners' County of Kauai - Commissioner Jenkins

Observations- Land locators, counselors and real estate consultant types
Statewide are running rampant with various unlicensed activities. It is
Round-Up: believed that the public is woefully unprotected in their exposure
to these operators who appear to be preying on Kauai residents
without restrictions.

Sugar and pineapple companies, such as Lihue Plantation Co., Ltd., and Grove Farm Co., Inc., may be acquiring, developing, or disposing of subdividable lands without qualifying under the Uniform Land Sales Practices Act. Clinton Childs, through an article in a recent edition of the Honolulu Star-Bulletin, is identified as a consultant to Grove Farm, Ltd., in their offering of subdivided lots for sale. He is to be advised, through typical letter of warning, that Commission has no record of his being qualified as a Broker.

County of Maui - Commissioner Sodetani

Suggestion offered that a follow-up investigation be made of Maui stock cooperative apartment projects and condominium administration to determine if the managers or custodians have curtailed their unlicensed activity in offering apartments or dwelling units for sale. It is premature to expect that the Executive Secretary's warning letter to approximately eleven organizations has been taken into consideration by the violators. A follow-up investigation would assist in bringing these violations to a halt.

The Maui representative requested that a check be made to determine if ELEVENTH INCREMENT-KAHULUI TOWN SUBDIVISION, a project of Kahului Development Co., Ltd., has been registered as required by law.

City and County of Honolulu - Executive Secretary

The operation of Raymond X. Aki and his HAWAII HOME VISITOR PLAN, as it is being offered on all of the principal island, should be brought to a halt. A warning letter is to go out advising Mr. Aki and his organization that he is conducting an operation that requires a real estate license. He is to be admonished for engaging in this scheme without determining that it had to be qualified under the real estate licensing statute.

Miscellaneous:NARELLO Western District Conference

Chairman Palk made an oral presentation to the assembled commissioners on the highlights of the June 27-29, 1968 regional meeting at West Yellowstone, Montana:

Reciprocity: A "blueprint" for ultimate program of reciprocity between the eleven (11) Western states is envisioned. The question now appears to be the removing of long standing barriers that have restricted free movement of real estate brokers. It was observed that in areas of dynamic and greatly expanding economic growth the ability of brokers to move freely across jurisdictional lines must be encouraged.

Education: A significant and inspiring presentation by the Dean of the College of Business Administration, University of Montana. A particularly broad philosophical approach to the problems and courses of action that will face the Real Estate Commission as organized industry advances to professionalism.

EDUCATION TASK FORCE

Mr. Sodetani, Task Force spokesman, suggested that the Commission accept the memorandum agreement prepared by Assistant Professor Don Bell. In acting on Chairman Sodetani's recommendation, the Commission agreed that the agreement be submitted to Mr. Choi, Deputy Attorney General, for careful review and acceptance or approval as to form. Once Counsel has had an opportunity to study the proposal and set down his findings, the agreement will be presented to the Commission for execution.

A short oral report on the sub-committee task of reviewing examination content and procedure was made by Mr. Sodetani. A letter is to be forwarded to Honolulu Board of Realtors inquiring on the status of the reference manual or handbook project. The Commission is desirous that this undertaking can be moved ahead within the framework of cooperation between organized real estate industry, the educators and the regulatory authorities.

Date of Thursday, August 29, 1968 at 1:30 p.m.

Next Meeting: Commissioner Yamanaka asked to be officially excused from the next meeting as he will be out of state on personal affairs.

Preliminary plans are to be set in motion for the Commission to meet in the County of Hawaii during October, preferably after the 13th Annual Hawaii Real Estate Convention, October 14-16, 1968.

Adjournment: There being no further business to transact, the Chairman declared the meeting adjourned at 5:45 p.m.



ROBT E. BEKEART
Executive Secretary

REB:km 8/28/68
Attachments