

The Executive Secretary presented SECOND ATTACHMENT showing the ranking of four hundred and forty-seven (447) applicants for real estate salesman license.

UPON MOTION, the Commission ruled that the following two hundred and eleven (211) applicants for real estate salesman license were found qualified in the November 19, 1968 written examination.

(See SECOND ATTACHMENT)

Motion carried unanimously.

Robert H. Moore - Applicant for Real Estate Salesman License

The Commission reviewed the written report of Commissioner Yamanaka which presented his findings and recommendation as a result of an informal hearing in Hilo, Hawaii, at which the applicant voluntarily appeared. It was decided, on the basis of the report, that a salesman license would issue conditioned on the employing broker being notified that he is to exercise careful supervision and control over this employee. The Principal Broker is to notify the Commission in writing if the salesman terminates his employment and reporting what broker he is seeking next sponsorship with.

RE-264 - Violet C. King

The Commission is anxiously awaiting the Administration's position on this matter. If fresh evidence has been presented or if there are grounds for a re-hearing, the Administration should bring the facts to the Commission's attention and make the appropriate recommendation for the complaint to be re-heard in light of new evidence brought forward.

Real Estate Research and Real Estate Education Program

Additions to the Memorandum of Agreement have been made by the University of Hawaii at Paragraph VI. The Chairman of the Commission has had an opportunity to review the revised draft.

The Project Approval Agreement will establish the distribution of the Publication, that is who will be on the distribution list and the reasons for being a recipient of the Publication.

As Mr. Donald W. Bell, Assistant Professor, University of Hawaii, was present the Chairman asked him for his observations or comments on the need or requirement to revise the Memorandum of Agreement.

It was decided that the Executive Secretary will be responsible for transmitting the Memorandum of Agreement and the Project Approval Agreement through the Director, Department of Regulatory Agencies, to the Attorney General for review and acceptance.

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

(See THIRD ATTACHMENT)

The Status Table was accepted as presented, noting that there are thirteen (13) public reports awaiting write-up. The Executive Secretary being on annual vacation leave, leaving Mr. Higuchi to examine the registrations to Commission standards, work up the public reports and at the same time conduct subdivision inspections out of state.

ACADEMY TOWER - REG. 156

It was decided that shortly after the first of the New Year arrangements will be set in motion to invite the Developers to meet informally with the Commission, probably the members on the Island of Oahu, for the purpose of clarifying issues brought to the attention of the regulators. The conference is to be an information gathering session to help the Commission determine what the next action will be.

New
Business:

LICENSING

New Corporations, Partnerships, DBAs and Branch Offices

Corporation

Audrey P. Bliss, Inc.

Principal Broker

Audrey P. Bliss

Note: A letter will be dispatched to the law offices of Anderson, Wrenn and Jenks regarding the use of an attorney's office as the official place of business of this registrant.

Vanguard Realty & Service, Inc. Eileen L. Wilhelm
dba Vanguard Realty

Real Property Investment Alfred B. Wiedeman
Engineering, Inc. *

Hawaii Resort Land Investment Wayne S. W. Wong
Corp. *

Hawaiian Management Corporation * Gordon Y. D. Chun

(*Last three applications to be approved with January 1, 1969 as effective date.)

Partnership

Bonded Realty
(Effective January 1, 1969)

Jack Komogone

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.

Mr. Sodehani will furnish additional details and particulars on the matter of Reliance Realty, holding no branch office for the County of Maui, has been advertising Maui property for sale in the Maui News.

Investigations:

RE-283, Clement K. Gondo
Executive Secretary still has responsibility for perfecting the Conclusions, Finding of Fact and Recommendation on this case which is long overdue.

RE-324 Wattie Mae Hedemann, dba West Hawaii Realty Co.
The Commission after carefully reviewing the investigation report concluded that the Broker should have adequately qualified her position in relation to her principal's instructions and desires. She should have addressed herself to the matter of establishing a price schedule that her principal, the subdivider/developer would expect.

It was agreed that a proper letter be sent the Respondent admonishing her for her unprofessional conduct and urging her to be more mindful of her responsibilities and duties in future transactions.

RE-326 Eugene Buffandeau
Having studied the information the Commission decided, on the basis of the facts presented in the investigation report, no action would be taken.

Commissioners' County of Hawaii - Commissioner Yamanaka

Observations - It is reported that examinees in the recent examinations are complaining about the grammatical construction or sentence structure/arrangement in the multiple choice part of the tests. There was a feeling that the material could be presented in a manner that is more understandable to the examinees.

Stadewide Round-Up:

The broker Paul A. Schattauer is considering incorporation and it is likely that E. H. Araujo may be involved. What specific arrangements are to be made remains to be seen, but it would appear that Schattauer is trying to live within the policy guidelines of the Commission as to offices in regional areas of the Big Island.

In reviewing the Commission's policy on two regional areas for the Island of Hawaii, the practitioners believe that the close relationship of the employee salesman to the proximity of the broker should be one of the determining factors in reviewing this problem.

There is a general partner and a limited partnership arrangement coming in on a Chad Dunstan prospectus - soliciting investments in a proposed condominium project.

County of Kauai - Commissioner Jenkins

Grove Farm, Ltd. is still building dwellings and offering them for sale, principally to employees of the company without a licensed broker. They do not have a plantation residence arrangement as do other pineapple and sugar organizations. It was agreed that a check will be made on the relationship where Clinton Childs is selling Grove Farm, Ltd. properties and real estate, without the arrangement involving Child's broker employer.

County of Maui - Commissioner Sodetani

HALE KAI O' KIHEI - REG. 169. There is a reported problem of purchasers buying on a reservation agreement and changes have been made in the plan between the issuance of the Preliminary and Final Report. Changes were reflected in the Final Public Report and an increase in price was made with condition that purchasers could get out of the deal. Mr. Sodetani will go back and discuss the matter in more detail with the Developer and his attorney.

There appears to be considerable misinformation on the Planned Unit Development concept. Mr. Sodetani is of the opinion that the performance or nonperformance of a Developer's promise rests at the foundation of a problem that requires a solution. He believes that the question of purchasers or buyers rights in a Planned Unit Development must be considered as whether the problem has merit for introduction to the 1969 Legislature.

One solution proposed was that there be established some office or agency that would monitor the problem by requiring registration and regulation similar to the manner in which the Commission administers and enforces the Horizontal Property Regimes Act. If the problem is sufficiently great encouragement should be given to seek remedial legislation, gain the support and interest of the Office of Consumer Protection, but keeping in mind that it is the promises of the Developer that are not fulfilled which presents trouble.

Recess: At 4:30 p.m., the Chairman declared a recess for the evening meal.

Reconvene: The Commission reassembled at 6:00 p.m. to review the 1969 Legislative Program objectives and formulate a course of action to seek introduction and passage of amendments to various sections of the licensing law and the condominium law.

Date of Next Meeting: Thursday, January 23, 1969 at 2:00 p.m.

Adjournment: There being no further business to transact, the Chairman declared the meeting adjourned at 8:00 p.m.