

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

MINUTES OF MEETING

Date: Monday, Tuesday and Wednesday, November 17, 18 and 19, 1969

Place: Monday - Pagoda Hotel and Restaurant, 1523 Rycroft Street, Honolulu
 Tuesday - Waikiki Suite, Ilikai Hotel, Honolulu, Hawaii
 Wednesday - Gold Room, Hilton Hawaiian Village Hotel, Honolulu, Hawaii

Present: Herbert S. Isonaga (Oahu), Chairman Hiromu Yamanaka (Hawaii)
 Douglas R. Sodehani (Maui), Vice Chairman William H. C. Young (Oahu)

Robt E. Bekeart, Executive Secretary

Donald W. Bell, Assistant Professor, School of Travel Industry
 and Management, College of Business Administration, University
 of Hawaii

Absent: Louis Cannelora (Oahu) Irving A. Jenkins (Kauai)
 Harold J. Silva (Oahu)

Call to Order: There being a quorum, the meeting was called to order at 7:30 a.m.,
 Monday, November 17, 1969, with Mr. Isonaga in the Chair.

The Chairman opened the meeting by stating the purpose as bringing the members together in a working session in order to properly plan for the public meeting on education at the 14th Annual Hawaii Real Estate Convention.

The framework in which the panel EDUCATION - PRE AND POST LICENSING STATUS REPORT will function is as follows:

Chairman Isonaga - opens the discussion and introduces the participants. He will (a) review the Commission's objective in real estate research and real estate education, (b) speak on the present status in moving towards defined goals - after reviewing what has happened in the past, and (c) discuss what future action is required in the Commission's forward movement: modifications or changes to effective rules and regulations, revising the real estate license law and establishing workable procedures and statements of policy.

Mr. Sodehani - as Chairman of the Educational Advisory Committee will concentrate on the more specific aspects of the Commission educational program by covering (a) the characteristics study of real estate licensees, (b) the survey underway on private school licensing, (c) a proposed master plan for licensing through inducements for those wanting to professionalize, and (d) the broad objectives established at County of Kauai meeting with representatives of organized real estate industry.

Mr. Young - as Hawaii's delegate to the recently adjourned 41st ANNUAL NARELLO CONFERENCE in San Francisco will present excerpts from his report to the Governor which encompasses (a) the California Blueprint to achieve professionalism, (b) the efforts by many state association to adopt higher standards for members of their respective realtor organizations, (c) the NARELLO Blueprint Conclusion and (d) the National Examination Question Bank proposal.

Exposure copies of Mr. Young's report for the November 4-7, 1969 was distributed to the panelists.

Professor Bell -- will present a capsule report on what early reading of responses to the characteristics study of real estate licensees is tending to show. He will outline the steps that his staff takes in gathering information and data from the questionnaires and also identify problem areas that the sampling tool has uncovered.

Organized Real Estate Industry - It was agreed that Mr. James K. Trask, Jr., representing the Honolulu Board of Realtors, and Mr. Marcus Ingle, representing Real Estate Association of Hawaii, will discuss their responsibilities as liaison members of the Educational Advisory Committee.

Executive Secretary - will respond to questions of a technical nature and cover any portions of the educational program on which the audience makes inquiries.

Executive Vice President NARELLO - The Honorable Robert W. Semenow, from an overview position, will speak informally on the expansion of educational programs in various NARELLO provinces and states. His remarks will embrace the variety of legislative problems that had to be solved in order to set up an effective real estate research and educational program.

The Chairman stated that the Commission should be prepared, if panel time permitted, to discuss the Real Estate Recovery Fund Act.

Mr. Young - would review the Commission's investment and re-investment procedures and present a status report on the funds now available to the regulators as well as the monies soon to be made available.

Mr. Sodetani - will illustrate the manner in which the funds can be used to underwrite projects that are considered essential as the Commission moves ahead towards its goals, i.e., (a) work book, study or reference manual, (b) possible restoration of the house organ RECO COMMENTS as enforcement and educational aid, (c) setting up specialized educational

program opportunities for neighboring-island counties, (d) underwriting or partially funding a new position for the real estate program under Assistant Professor Bell, and (e) participation in locally sponsored educational seminars and conferences by underwriting the travel, housing and related expenses in bringing authorities in real estate to Hawaii.

Recess: At 9:00 a.m. the Chairman declared a recess.

Reconvene: The Commission re-assembled at 8:00 a.m., Tuesday, November 18, 1969, for the Round Table Workshop portion of the 14th Annual Hawaiian Real Estate Convention and Educational Conference, in the Waikiki Suite, Ilikai Hotel.

The Commission followed its normal procedure of passing out the agenda for this public meeting.

The proposed agenda was the order of business and Messrs. Trask and Ingle were not present as they had responsibilities in other areas of the convention program. Commission members Jenkins, Cannelora and Silva did not attend.

Approximately thirty-five (35) persons attended the Commission's workshop and there was a good exchange of questions and answers between the audience and the regulators.

A copy of the agenda is made an attachment to these proceedings.

Recess: Following an evaluation of the workshop, the Chairman directed that a recess be called at 9:45 a.m.

Reconvene: The Commission reconvened to handle routine monthly business at 8:00 a.m., Wednesday, November 19, 1969, in the Gold Room, Hilton Hawaiian Village Hotel.

Minutes: UPON MOTION, the Commission approved the minutes of the Wednesday, September 24, 1969, meeting.

Motion carried unanimously.

Business Out of Minutes: Licensing (Sec. 467.1 through 467.25 HRS)
(No carry over items.)

Condominium (Sec. 514.1 through 514.55 HRS)

Condominium Status Table - September 25 through November 17, 1969
(See ATTACHMENT)

The Dilrock-Eastern Company, South Kohala Development
Awaiting opinion requested May 22, 1969 of Attorney General.

Developer advises that they do not intend to pursue the condominium concept for this particular part of the South

Kohala general plan. They are to advise the Commission in writing that the Fairways Units I series of registrations are to be abandoned. Commission is of the opinion that it should still seek the advisement of the Attorney General as noted above.

Investigations: RE-238 Harold Singleton - MAHINA SURF Condominium
The case rests with Acting Attorney Arthur Ueoka for the County of Maui. On the earlier advisement of the Attorney General, the matter was processed to the respective county official for prosecution.

RE-329 Condominium Hawaii, Inc. - KAHALA TOWER Project
Notice of hearing and setting down the charges has been approved by the Attorney General. A determination is to be made on whether Mr. Cannelora can serve as Hearing Officer on the tentative date of December 22, 1969; if not, Mr. Young should be assigned the case representing the Commission.

RE-359 Portrait of Homes, Inc.
The Executive Secretary introduced a promotional brochure displayed at the recent Condominium Seminar in Kailua-Kona, wherein there is a specific reference to a branch office being operated in Hilo. The investigation file is to be re-examined and the requirement put on the Respondent for a full explanation of the false advertising and misleading information in the subject brochure.

RE-346 MAGELLAN Condominium Project
The Commission accepted the report that the complainant has been advised on his charges or allegation against the Developer are dismissed. The merchandising broker and the Developer have both received strong letters admonishing each of them for the ineffective communication and the lack of supervision and control over sales personnel at the model apartment display facility.

RE-361 Richard Dollnig
The Commission denies the issuance of a salesman license based on the facts and information available to the Commission by law enforcement authorities in the County of Hawaii and the City and County of Honolulu. The basis of the Commission's denial of license is that the applicant does not possess the moral character required of persons who seek to become licensed.

Applicant is to be advised that the avenue to request a hearing is open to him pursuant to Sec. 467-15 if he elects to take a position opposite to the Commission on the matter of his possessing a bad character.

RE-350 Chase Pacific, Inc.
File is to be re-examined to establish whether new evidence or fresh information is available to support the Complainant's charge that a misrepresentation was made. Note was made that there has been a failure to refund or return the deposit in the subject

transaction. A check is to be made with Complainant, Mrs. Vecuy, to learn what the status of this matter is and also a determination is to be made on whether litigation has been initiated or is pending on this case.

The Executive Secretary is to study the file and make a recommendation to the Commission.

New Business: Licensing

<u>Corporation</u>	<u>Principal Broker</u>
Tapa Realty, Ltd.	Thelma T. Steichen
Pacific Realty & Mortgage Co., Inc.	Edwin J. Klein
Midkiff Realty, Inc. (Kauai)	Annie B. Midkiff
George Isaacs (Hawaii), Ltd.	Edwin C. Saunders
Norris, Beggs & Simpson, Ltd.	Tan Tek Lum

<u>Branch Offices</u>	<u>Broker in Charge</u>
Action Realty, Inc. BR-1	Edward E. Wright
West-Hawaii Realty Co. BR-1	George V. Di Cesare
Walter N. Clark Realty Co. BR-1	Raymond Harada
Walter N. Clark Realty Co. BR-2	Edwin Wee
Kenny Young, Realtor BR-1	Sanford K. Murata
Island Homes BR-3	Clyde L. Hull
Hugh Menefee, Inc. BR-1	Kamehameha Maertens

<u>DBAs</u>	
5 Star Real Estate	Richard M. Kageyama dba
Mutual Homes Realty	Frank N. Watanabe dba
Realty Associates	Wilfred K. Muramoto dba

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

Motion carried unanimously.

Miscellaneous: With Honorable Robert W. Semenow, Executive Vice President of the National Association of Real Estate License Law Officials (NARELLO), and Mr. George A. Morris, Jr., Executive Vice President, Honolulu Board of Realtors, joining in the Commission reviewed certain problems or concerns, such as (a) centralization of licensing through various reorganization plans--the history and experience of the commissions throughout the nation as viewed by Dr. Semenow; (b) experience and trends across the country to establish a reasonable compensation for commission members--in addition to funds allocated and authorized for travel and lodging; (c) growth and expansion of the audit programs and procedures initiated and successfully carried out in many jurisdictions, not as a punitive apparatus, but as a method of helping the broker

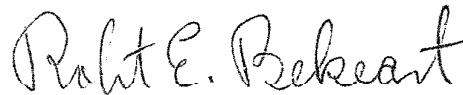
and salesman gain a better understanding of required bookkeeping and trust fund accounting; (d) the acceptance of the Recovery Fund concept by more states and some of the problems involved in the legal machinery; and (e) the continued improvements in relationships between regulators and organized real estate industry through the NARELLO/NAREB liaison pacts and agreements.

Date of
Next Meeting:

Left open for the present.

Adjourned:

There being no further business to transact, the Chairman declared the three-day meeting adjourned at 10:30 a.m.



ROBT E. BEKEART, Executive Secretary

REB:va
12/17/69

Att.