

Minutes of the Meeting
of the
REAL ESTATE LICENSE COMMISSION
OF THE TERRITORY OF HAWAII

March 24, 1953, at the offices of the Commission, Rooms 109 and 121,
Honolulu Armory, corner of Hotel and Miller Streets, Honolulu, T. H.

Present: Eaton H. Magoon, Chairman
John K. Akau, Jr., Member
Charles H. Kimura, Member
Stephen K. Miyagawa, Administrator

The regular meeting of the Real Estate License Commission of the Territory of Hawaii was called to order by Mr. Eaton H. Magoon, Chairman, at 1:30 p.m., at the offices of the Commission, Rooms 109 and 121, Honolulu Armory, corner of Hotel and Miller Streets, Honolulu, T. H. The reading of the minutes of the previous meeting was dispensed with. The order of business and actions taken were as follows:

ORDER OF BUSINESS

Brokerage Application by
American Hawaiian Mortgage & Co., Ltd.

A brokerage application under the name of American Hawaiian Mortgage Co., Ltd., was filed with the Commission for consideration, which will eventually replace King Limited, now in the process of being dissolved. This change of organization was necessary because Mr. Samuel W. King, who was the principal broker of King Limited became governor of Hawaii, and he wished to remain inactive during his tenure in office. Mr. J. Kaniau Evans was appointed principal broker of American Hawaiian Mortgage Co., Ltd. A motion was duly made by Mr. Magoon, seconded by Mr. Kimura, and unanimously carried that approval be granted for the issuance of a brokerage license to American Hawaiian Mortgage Co., Ltd., immediately upon payment of \$25.00 license fee.

Brokerage Application by
Stowe-Way Homes, Ltd.

The Administrator reported that upon the legal advice of the Attorney General's office, an official notice was published in the Honolulu Star-Bulletin, making known to the public that Stowe-Way Homes, Ltd., has applied for a real estate brokerage license and that any person desiring to protest issuance of license to the above applicant is requested to file a written notice of protest on or before the date of this meeting.

To date no written notice of protest has been received from the public; therefore, it was moved by Mr. Magoon, seconded by Mr. Kimura, and unanimously carried that approval be granted for the issuance of a brokerage license to Stowe-Way Homes, Ltd., upon the payment of the \$25.00 license fee. (see legal notice and copy of Attorney General's legal opinion)

Application for a Trade Name by
McQuerrey Realty Company

A communication was received serving notice to this Commission that the partnership of Maury-McQuerrey Realty Company has been dissolved. Mr. N. B. McQuerrey, licensed broker, wishes to continue to operate the real estate business at the same address at 280 Lewers Road, Honolulu, T. H., under the trade name of McQuerrey Realty Company. Upon the recommendation of the Administrator, Mr. Kimura moved, seconded by Mr. Magoon, and unanimously carried that this request be approved and a license be issued as follows: Norton B. McQuerrey dba McQuerrey Realty Company.

Reinstatement Requests

Mr. Stanley S. Sugimoto, Mr. Lyle R. Lappin, salesmen, and Mr. Herbert Go, broker, have properly petitioned and made payments to request reinstatement of their forfeited licenses. A routine check was conducted and recommended by the Administrator for approval. It was duly moved by Mr. Akau and seconded by Mr. Magoon and unanimously carried that approval be granted for reinstatement of the above petitioners.

George Harvey Bowles

Mr. Bowles was denied a salesman's license on the grounds of his adverse police records. He was served notice to appear before the Commission, but since he has thus far made no attempt to contact this office, it was recommended by the Administrator that the case be closed and the original decision of the Commission remain the same. Upon such recommendation, it was duly moved by Mr. Akau, seconded by Mr. Kimura, and unanimously carried that the case on Mr. George H. Bowles be closed and filed.

Rental of Cross Reference Directory

The Administrator reported that the Mutual Telephone Company is preparing its annual cross reference directory on June 1, 1953 and wanted to know whether the Commission would like to rent one for \$50.00 for a 10-month period or until the next publication. The cross reference directory is needed to do the Commission investigation work. A motion was made by Mr. Akau, seconded by Mr. Kimura, and unanimously carried that the Commission subscribe for a cross reference directory on a rental basis for \$50.00.

Financial Report

The Commission financial report was given as follows:

Gross receipts for February 1953.....	\$ 883.10
Office Expenditures for February 1953.....	213.88
Cash Balance in Special Fund as of 2/28/53.....	\$20,824.58

The above report was motioned for approval by Mr. Akau, seconded by Mr. Kimura, and unanimously carried.

Real Estate Examinations
Scheduled for April 4, 1953

The following number of applicants have applied thus far to take the examinations for salesmen and brokers on April 4, 1953:

	<u>Salesmen</u>	<u>Brokers</u>	<u>Total</u>
Honolulu	66	24	90
Maui	1		1
Kauai	<u>1</u>	<u> </u>	<u>1</u>
	68	24	92

The place of the examination has been definitely set to be held at the Robert L. Stevenson Intermediate School's cafeteria.

A question was raised as to who should conduct the real estate examinations on the islands of Maui and Kauai. It was unanimously agreed that Mr. Akau conduct the examination on Kauai and Mr. Miyagawa, Administrator, conduct the examination on Maui.

A draft of the broker's examination was presented to the Commission members for approval by the Administrator. After a thorough review, it was moved by Mr. Magoon, seconded by Mr. Akau, and unanimously carried that the examination as drafted be approved. The Administrator reported that the salesman's examination would be similar in content, except that it will include some true and false questions.

A routine investigation of applicants who applied to take the examinations revealed police records and poor credit rating on the following:

1. Fauston Flor Frial.....police and credit
2. Mercedes Y. Serra.....credit
3. Jerome Jennings Campbell.....credit
4. Ricarte Gorgonio Gutierrez.....police

After some discussion, it was decided that the Administrator interview each one and determine for himself whether the above should be allowed to take the coming examination.

In the matter of Mr. Ricarte G. Gutierrez, the Commission outright denied his application to take the salesman's examination unless he could secure from the Governnor a full and free pardon of his conviction of October 18, 1946. A check with the Police Department showed the following record on Mr. Gutierrez:

9/18/46	Sex under 16
9/19/46	Comm to Circuit Court
10/3/46	True Bill returned by Grand Jury
10/18/46	Convicted in 1st Circuit Court T.H. of Sexual intercourse with a female under 16, and placed on 5 years' probation. (Mr. Gutierrez admitted he later married the girl)

Mr. James Kent filed to take the broker's examination. There was considerable discussion whether he should be allowed to take the broker's examination in view of the statement made by his present employing broker that he had worked for him approximately one year. The Administrator was instructed to interview him also to determine his eligibility.

There were several applications received after the deadline which was March 16, 1953. It was felt that the Commission would be subject to criticism if exceptions were made; therefore, Mr. Magoon moved, Mr. Akau seconded, and unanimously carried that the deadline for filing the applications be extended another week to Monday, March 23, 1953. The Administrator was instructed to give notice to the public of such announcement in the newspaper.

As suggested by the Commission at a previous meeting, legal notice has been published of all the names of applicants planning to take the coming examinations. (See attached copy of legal notice)

Completion of Administrator's Probationary Period

Mr. Stephen K. Miyagawa, Administrator, has served his probationary period in his present position as Commission Administrator. The Commission members were requested to give a "Job Performance Report" on the Administrator. The members unanimously felt that he had performed exceptionally well on his job and that he should be retained as a permanent employee of the Commission.

Amendments to Chapter 150, Revised Laws of Hawaii

The Administrator reported that the proposed amendments to Chapter 150, Revised Laws of Hawaii, have been simultaneously introduced in both the House of Representatives and the Senate of the Territorial Legislature

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in session now. Representatives Clarence Y. Shimamura and Hiram L. Fong have introduced our bill under H.B. 453 and Senator Ben Dillingham has introduced the same bill in the Senate under S.B. 415. There was a long discussion on the controversial H.B. 715 which purports to classify real estate salesmen of this Commission independent contractors. This bill would be in direct contradiction of our statutes which define a real estate salesman as an employee of the broker. H.B. 714 has also been introduced by some other group which is designed to reduce the present license fees, to compensate commission members for attending meetings, to increase the membership of the Commission, to change the renewal deadline, and to receive appropriation from the general revenue of the Territory.

Mr. Kimura offered to attend the meeting of the Honolulu Realty Board which will be held on March 27, 1953 to get their thinking on the matter of classifying salesmen as independent contractors. The Commission instructed the Administrator to follow very closely on the progress of the real estate bills and to report to the members immediately if there is any announcement of a public hearing at which time this Commission could voice its views and opinions. (See attached copies of bills on real estate)

Case of Antone Martinez vs. Parker & Company

The Administrator reported that Mr. Antone Martinez came in to the office to register a complaint against Mr. Sanford Parker of Parker & Company. Mr. Martinez is alleging misrepresentation on the part of Mr. Parker when he sold the subject property at Nakula Street. Mr. Martinez bought a 3-bedroom home with a furnished 2-bedroom quonset located in the rear of the main dwelling. Upon applying for the rent control ceilings on his two dwellings, Mr. Martinez was served notice by the City Prosecutor's office that he was in violation of the zoning law and that the quonset hut should be removed.

Mr. Martinez and the Administrator had gone out to Wahiawa to see the property and to see Mr. Parker. Mr. Parker gave the copy of the advertisement which appeared in the Rural Oahu Reporter which read as follows:

"NAKULA ST. - Fully furnished 3 bedroom home with furnished 2-bedroom quonset on the rear of property, land area 7,820 sq. ft. Selling price \$14,500."

The Commission felt Mr. Martinez should seek the services of his attorney. However, it was later decided that the Commission should get a statement from Mr. Martinez. The Administrator was instructed to advise Mr. Martinez to appear before the next Commission meeting.

Respectfully submitted,


Stephen K. Miyagawa
Administrator