

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

May 13, 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 9:00 a.m., at the offices of the Commission, Rooms 109 and 121, Honolulu Armory, 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

Results of Oral Examinations  
for Salesmen and Brokers

The Administrator reported that the following list of applicants who made borderline grades were given oral examinations and recommended that they be considered as qualified to be licensed as brokers and salesmen:

Brokers

1. Richard W. C. Ho
2. Russell E. Smith
3. Clarence H. F. Lee
4. Sigurd E. Johnson
5. Clair J. De Vault

Salesmen

1. James Y. Ohta
2. Charles B. L. Pang
3. Jerome Campbell
4. Neill Ryan
5. Larry Matsuo
6. Herbert T. Doi
7. Yoshio Maida
8. Koojin Goya
9. Shizue Matsumori
10. Harry M. Oda

Upon the recommendation of the Administrator, Mr. Kimura moved, seconded by Mr. Akau, and was unanimously carried that the above applicants having passed the oral examinations be approved for licensure.

Review of Mr. Frank E. Howes'  
Written Examination

On April 27, 1953, Mr. Howes was given another written examination

in due deference to his age and experience. After a very thorough review of his examination papers, Mr. Akau moved, seconded by Mr. Kimura, and was unanimously carried that Mr. Howes did not pass the broker's examination. The Commission felt it had given Mr. Howes all due consideration and ample opportunity to pass the examination. Mr. Magoon suggested that in the future similar consideration be granted to anyone due to age and other good reasons.

#### Request for a Branch Office License

Mr. N. B. McQuerrey of McQuerrey Realty Company requested the permission of this office to open a branch office at 1011 University Avenue under the general supervision of Mr. Cyril D. Williams, broker. Mr. McQuerrey has met all the requirements; therefore, the Administrator recommended that the Commission approve the issuance of a branch office license. A motion was duly made by Mr. Akau, seconded by Mr. Kimura, and was unanimously carried that a branch office license be approved for issuance.

#### Commission Financial Report

The financial report was given as follows:

Expenditure for the month of April 1953.....	\$	111.79
Total Cash Receipts for same period.....	\$	596.20
Cash balance in Special Fund as of 4/30/53.....	\$	19,899.65

A motion was made by Mr. Akau, seconded by Mr. Kimura, and unanimously carried that the above report be approved and accepted.

#### Report on Senate Bill 415 and House Bill 453

The Administrator reported that Senate Bill 415 has passed third reading with some changes as follows:

- (1) deletion of two years' experience before a salesman can apply for a broker's license.
- (2) the requirement of a definite place of business was put under a separate section. It now appears under Sec. 7740.01.
- (3) Section 7741 was completely deleted, which read as follows:
 

"17. Whenever a final judgment is obtained in a civil action against any real estate licensee upon grounds of fraud, misrepresentation or deceit with reference to any transaction for which a license is required by this commission."

The Commission unanimously agreed that this section would hamper rather than add to the Commission's power and felt it should be deleted altogether.

The Administrator further reported that H. B. 453 has been reported out of the Finance Committee and is now on the House floor. Mr. Magoon advised the Administrator to follow through very closely on our bill and keep the Commission informed on further developments.

#### Publication of Real Estate Directory

The idea of printing a directory of licensed real estate brokers and salesmen together with Chapter 150, Revised Laws of Hawaii, Code of Ethics, and the Outline Study Guide was unanimously approved by the Commission. Bids for printing the handbook will be submitted to the printers, pending the passage of H.B. 453. The Commission approved a minimum assessment to defray the expenses of printing the handbook.

On our last printing of the Commission handbooks, Chapter 150, Revised Laws of Hawaii, as amended, the Commission ordered 2,000 copies for \$123.00. To date the Commission realized \$74.20 from the sale of these handbooks; therefore, it actually cost the Commission \$48.40 to defray the printing expenses.

#### Flat Rate Mileage Request

The Administrator requested whether he could be allowed a flat rate mileage expense each month to carry on the Commission's investigation and other business on his personal car. In view of the Administrator doing two jobs that of the Administrator and Investigator efficiently and in line with the economy policy undertaken by the Commission, and in view of the use of the Administrator's personal automobile not only for the extensive investigations that are necessary but also for the other routine commission work, Mr. Magoon moved, seconded by Mr. Akau, and unanimously carried that the Administrator be allowed a flat rate of \$50.00 each month as car mileage allowance.

#### Case of Charles J. Pietsch Jr. and Sr.

The Administrator reported on the investigation he conducted as instructed in the meeting of February 25, 1953 which definitely disclosed the fact that Mr. Charles J. Pietsch Jr., and Mr. Charles J. Pietsch, Sr., are operating a real estate office without a partnership license as required under the provisions of Chapter 150, Revised Laws of Hawaii, as amended. The Administrator's recommendation to require Charles J. Pietsch, Jr., to file an application for a co-partnership license and to pay an application fee of \$5.00, a license fee of \$25.00, renewal fees of \$5.00 for 1948, 1949, 1950, and 1951, and \$10.00 renewal fees for 1952 and 1953, making a total of \$70.00, was so moved by Mr. Akau, seconded by Mr. Kimura, and unanimously carried.

#### Complaints and Violations

- (1) Kenneth Ing, broker, versus Leon L. M. Chun, salesman

Mr. Ing reported to the Commission that his salesman,

(1) Kenneth Ing, broker, vs. Leon L. M. Chun, salesman (cont'd.)

Mr. Chun, had put the following ad in the paper without his permission:

"3121 William St., prac. new 3 BR home, 2 baths,  
bordered by Indian blanket & bright ti's.  
Ph 536145 - 97141."

Upon checking with the owner of the property, he voluntarily admitted the information that Mr. Chun is merely taking telephone calls for him. The Commission was doubtful whether this constituted a violation of our laws and therefore instructed the Administrator to call on Mr. Chun to discourage such acts in the future and consider the case as closed.

(2) Alexander Rice vs. Ernest M. Calhau, broker,  
and Henry Gonsalves, broker

In the matter of complaint by Mr. and Mrs. Alexander Rice against Mr. Ernest M. Calhau, agent for the sellers, and Mr. Henry Gonsalves, agent for the purchasers, was thoroughly investigated by the Administrator. The results of the investigation showed that Mr. and Mrs. Paul J. Lopez had offered to purchase the property from Mr. and Mrs. Alexander Rice on the condition that they make a total down payment of \$3,700.00 and the balance to be financed and subject to their ability to obtain a GI loan from any banking or loan association. An initial down payment of \$100.00 was made with the contract. All evidences showed that Mr. Calhau, broker who represented the sellers, did everything to consummate the sale of the property and therefore had not violated any of the statutes or the rules and regulations of the Real Estate License Commission as alleged by the Rices. (see attached copy of complaint and the reply sent to Mr. Rice)

Upon a motion of Mr. Akau, a second of Mr. Kimura, it was unanimously carried in approving the findings and action taken by the Administrator. Case closed.

(3) Case of Nelson Ahuna, Unlicensed

Mr. Nelson Ahuna, acting in the guise of agent for the owner, Mr. Abraham Piiania, collected \$500 each from Mr. Hiroshi Ushijima, Mr. Tamao Hanato, and two other prospective purchasers as initial down payment on a piece of property in Kona, Hawaii. Mr. Haruo Tanouye who filed the complaint in behalf of the above claimed that the transaction took place about two years ago. In the meantime, since nothing was done to consummate the sale, the purchasers contacted Mr. Piiania in Honolulu and found that at no time did the owner authorize Mr. Nelson to negotiate the sale of the property, that he has no intention to sell, and that he has not received the \$2,000 Mr. Nelson collected from the purchasers.

Upon contacting Mr. Nelson to request the refund of the \$500.00 down payment by Mr. Ushijima, Mr. Nelson issued a personal check which was returned from the bank as "insufficient fund."

Recognizing that there was enough evidence to allege violation of our statutes by Mr. Ahuna and realizing the importance of immediate action in this case to be within the Statute of Limitation, the Commission unanimously voted to hold an informal hearing in the Hookena Courthouse on May 20, 1953 at 1:00 p.m. with the complainants present. After the necessary information is obtained, the Commission will decide to expedite the case in one of the following manner:

- (1) Refer it immediately to the Hilo Police Department since this falls within that jurisdiction;
- (2) Refer it to the Attorney General's office and request that office to refer the matter immediately to the proper authorities for action, alleging violation of the real estate laws;
- (3) Locate Mr. Ahuna and bring him in before the Commission and refer him to the proper jurisdiction for criminal action.

(4) Case of F. L. James, broker

Mr. F. L. James, broker, was cited for violation of Rule 13, rules and regulations of the Real Estate License Commission. The licenses of six salesmen and the broker's license of Mr. James are being held in the Commission's office since the first of the year. Mr. James is no longer at his old address at 239 Merchant Street and to date no word has been received advising this Commission of his present business address. The Administrator was instructed by the Commission to make an immediate attempt to locate Mr. James and to find out what are his future plans for himself and his salesmen.

(5) Case of Walter Wong, broker

Mr. Walter C. Wong, licensed broker, was cited for violation of Rule 8, rules and regulations of the Real Estate License Commission for the advertisement which appeared in the Honolulu Advertiser, dated May 10, 1953:

"KAIMUKI

Brand new 3 BR to be built in choice section (100% imp. dist.) in Kaimuki. 5,000 sq. ft. lot. WE CAN SECURE FHA LOAN FOR BUYER REGARDLESS BUYER BANKS. Ph 64712; Eve. 846835-65874 - 71353."

The Administrator's recommendation to send a letter of reprimand to Mr. Wong for the violation was unanimously approved by the members.

Statistics on the Number of  
Real Estate Licensees in the Territory

The latest compilation of real estate licensees which include salesmen, brokers, brokerages and branch offices in the Territory of Hawaii were reported as follows:

Total Number of Licensees - Territory-wide

Salesmen - Active.....	958
Inactive.....	<u>105</u>
	1063
Brokers - Active.....	594
Inactive.....	<u>20</u>
	614
Brokerages.....	65
Branch Offices.....	<u>7</u>
	1749

Divided into Islands

Salesmen - Active	
Oahu.....	896
Hawaii.....	39
Kauai.....	12
Maui.....	<u>11</u>
	958
Inactive.....	<u>105</u>
	1063
Brokers - Active	
Oahu.....	557
Hawaii.....	23
Kauai.....	4
Maui.....	<u>10</u>
	594
Inactive	<u>20</u>
	614
Total number of licensees.....	1749
Less number of inactive.....	<u>125</u>
	1624
Less Brokerages and Branch Offices	<u>72</u>
Actual individual licensees	1552

Minutes

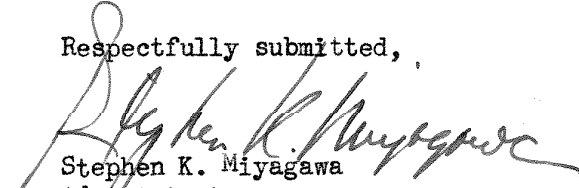
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May 13, 1953

Adjournment

There being no further business to discuss, the meeting was adjourned at 10:30 a.m.

Respectfully submitted,



Stephen K. Miyagawa  
Administrator

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