

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

July 7, 1953, at the offices of the Commission, Rooms 109 and 121,
Honolulu Armory, Hotel and Miller Streets, Honolulu, Hawaii

Present: Eaton H. Magoon, Chairman
Hirotooshi Yamamoto, Member
J. Paton Odom, 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., in the Commission offices, 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 the actions taken were as follows:

ORDER OF BUSINESS

Reinstatement Request

Mr. Juichi Takaoka, salesman, made proper application and payment to reinstate his license. The Administrator reported to the Commission that a thorough check made on Mr. Takaoka revealed no derogatory report and therefore recommended his reinstatement. A motion was duly made by Mr. Yamamoto, seconded by Mr. Odom and unanimously carried that Mr. Takaoka's request be approved and granted.

Case of Kaneo Kishimoto, Broker

As decided at the last Commission meeting, Mr. Kishimoto was called before the Commission for an informal questioning for violation of Rule 8, Rules and Regulations of the Real Estate License Commission of the Territory of Hawaii. Upon questioning of his second violation of Rule 8, Mr. Kishimoto readily admitted his mistake and requested favorable consideration of the Commission. The Commission deliberated on whether or not to take some action on his broker's license. However, Mr. Magoon moved to strongly caution Mr. Kishimoto against a similar violation and to dismiss the case. The motion was seconded by Mr. Odom and unanimously carried.

The Administrator reported on the great number of violations of Rule 8. Mr. Odom suggested that the person in charge of real estate advertising in the classified section in all the newspapers should be informed that our rules require that all licensees identify themselves

in the ads put out. Upon such suggestion, Mr. Magoon moved that the Administrator write a letter to all the leading papers informing them of this requirement which was seconded by Mr. Yamamoto and unanimously carried.

Request to Open Branch Office
by Mr. Howard Wolfe, Broker

At the last meeting there was some question on the request to open a branch office by Mr. Howard Wolfe in Kaneohe, Oahu. According to our records, Mr. Wolfe is the broker in charge of Mr. Wendell Brooks' branch office in Kailua. However, in a letter dated June 23, 1953, Mr. Wolfe requested cancellation of Mr. Brooks' branch office; therefore, the Administrator recommended approving Mr. Wolfe's request to establish a branch office in Kaneohe. The recommendation was duly moved for official approval by Mr. Yamamoto, seconded by Mr. Odom and unanimously carried.

Permission to Use Trade Names

(a) Mr. Ralph T. Yempuku, broker, filed a request to conduct his real estate business under the trade name of "Pacific Properties." Mr. Yempuku reported that Mr. Herbert S. Isonaga, broker, will be working in the capacity of a salesman in the same office. Mr. Odom moved that the Commission grant Mr. Yempuku's request, which was seconded by Mr. Yamamoto and unanimously carried.

(b) Mr. William Hee Kam, broker, similarly filed a request to do real estate business under the trade name of "Kam Realty Company". The Administrator recommended approval. Mr. Odom moved, seconded by Mr. Yamamoto and unanimously carried that approval be granted to Mr. Kam to do real estate business under the trade name requested.

Service to Bring Revised Laws
of Hawaii Up to Date

The Administrator read a letter received from Miss Peggy West, advising this Commission that she would like to provide services for bringing our copy of the Revised Laws of Hawaii, 1945, up to date. Many changes have been made in the laws during the past session of the 27th Territorial Legislature. The consensus of opinion among the members was that since the Commission is purely concerned with our real estate licensing statutes only, it would be inadvisable to spend \$75.00 to annotate the Revised Laws of Hawaii up to date at this time. Mr. Yamamoto moved, seconded by Mr. Magoon and unanimously carried that the Commission write to Miss West thanking her for her interest and advising her that the Commission voted to defer annotating our copy of the Revised Laws of Hawaii, 1945, as amended, since the Commission is only concerned with Chapter 150, Revised Laws of Hawaii, as amended 1953.

Free Copies of Our Statutes for the
Municipal Reference Library

Mrs. Rachel P. Comba, librarian at the Municipal Reference Library, City and County of Honolulu, requested this Commission to furnish the Municipal Library with three copies of Chapter 150, Revised Laws of Hawaii, as amended 1953. Mr. Odom moved, seconded by Mr. Yamamoto and unanimously carried that this Commission furnish the three copies without charge. It was also felt unanimously that a copy of our statutes should be sent to all the other libraries, to all the license law states, and to Mr. Robert W. Semenow, Secretary-Treasurer of the National Association of License Law Officials, of which this Commission is a member.

Approval of Draft Letter to be Sent to
Outgoing Commission Members

As requested at the last Commission meeting, the Administrator presented to the Commission a draft of a letter to be sent to both Mr. John K. Akau, Jr., and Mr. Charles H. Kimura, outgoing members, expressing this Commission's appreciation for the fine services they had rendered during their term in office.

Number of Salesmen and Broker Applicants
to Take the Examinations on July 11, 1953

The Administrator reported that a total number of 78 salesman applicants and a total number of 31 broker applicants have made applications to take the examinations on July 11, 1953. In the total included above, there were one broker and one salesman applicants from Kauai, one salesman applicant from Maui, and one salesman applicant from Hawaii. Mr. Magoon, Chairman, explained for the benefit of the new members that the Commission's policy in the past has been to send a member of this Commission to conduct examinations on the outside islands simultaneously with Oahu. It was unanimously decided that Mr. Odom be sent to Maui, Mr. Yamamoto to Kauai, and Mr. Magoon to Hawaii to conduct the examinations on the respective islands.

In a routine investigation of applicants, the following were found to have police records and unfavorable credit reports:

	<u>Name</u>	<u>Applicant</u>	<u>Police</u>	<u>Credit</u>
1.	Masato Tojo	broker	x	x
2.	Takeo Kameda	salesman	x	
3.	Abraham Song	salesman	x	
4.	Alfred F. H. Liu	salesman	x	
5.	Robert Ichiro Ikeda	salesman	x	
6.	William DeCampra	salesman		x
7.	Frank W. Clay	salesman		x
8.	Howard F. Mosher	salesman		x

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The Commission deliberated quite some time on whether Mr. Tojo should be allowed to take the broker's examination in view of his fairly recent gambling charges. The police record revealed three gambling charges on the following dates:

5/25/45	Gambling
5/25/45	Fined \$10
2/1/50	Gambling
2/2/50	Fined \$25
6/4/52	Gambling
7/11/52	Fined \$50

The question of whether "gambling" would be considered a crime involving moral turpitude was discussed. It was felt the Commission was in no position to determine this point. The Commission unanimously voted to allow Mr. Tojo to take the examination but, in the meantime, the Administrator should get a legal opinion from the office of the Attorney General as to whether a conviction of a gambling charge would involve a crime involving moral turpitude.

The police and credit reports of the rest of the applicants were reviewed. The members unanimously agreed that the records were not serious enough to bar them from taking the examinations. (Refer to individual folders for further information)

Mr. Magoon, Chairman, suggested that the Commission should publish a legal notice in one of the papers, letting the public know that the Real Estate License Commission office will be closed on Saturday, July 11, 1953. The suggestion was favorably voted and the Administrator was instructed to make immediate publication.

Petition Filed Against the Honolulu Realty Board

A petition signed by three brokers was received by the Commission on June 15, 1953. These brokers protested the "demoralizing effect" caused by the advertisements put out by the Honolulu Realty Board to the general public. The ads were reviewed by the members. The members felt the petition should be referred to the Honolulu Realty Board and to get their opinion on the matter. Mr. Miyagawa was instructed to send a copy of the petition to the Honolulu Realty Board for their comments.

In the meantime, the brokers who signed the petition should be notified of the action taken by the Commission. The Administrator was advised that in the future any communication received by the Commission should be acknowledged immediately and the actions taken by the Commission could follow later.

Out-of-State Nationwide Business
Opportunity Brokers

A communication from the State of Tennessee Real Estate Commission containing confidential information on Heinz, Johnson, Dunn & Associates, business opportunity brokers, was read to the members. The activities of these out-of-state nationwide business opportunity brokers are causing serious problems for many license law commissions in the several states. They would operate through a local representative to solicit listings and charge exorbitant advance listing or retainer fees. The Commission is well aware that Ford Associates of the West, Inc., just recently licensed by this Commission, is operating in the similar manner. The Administrator was advised to check into the activities of this organization or any other organization that is doing a similar sort of business. (See letter attached)

Pending Old Cases

(1) Case of Nelson Ahuna - The Administrator briefly summarized the facts of the case. Mr. Nelson Ahuna, without a real estate license, had approached four people in Kona and sold portions of a property and collected \$500 from each as deposits. In an attempt to consummate the sale, these people contacted the owner, Mr. Abraham Piiania, in Honolulu and found out that he had not given Mr. Ahuna authority to sell the property for him. They have never been able to recover the down payments made to Mr. Ahuna. Mr. Ahuna had issued checks to refund the money but they turned out to be bad checks. When this matter finally came to the attention of this Commission, the period of the Statute of Limitation had expired. It was unanimously voted to advise the complainants to seek the aid of a private attorney for restitution. It was also suggested that they be advised that there may be a possibility that the money paid to Mr. Ahuna could be recovered from Mr. Abraham Piiania, owner of the property. Case Closed. (Refer to folder on Nelson Ahuna)

(2) Case of Stowe-Way Homes, Ltd. - The Administrator reported to the members that Mr. Daniel Chu, who was designated as broker-in-charge of the brokerage firm of Stowe-Way Homes, Ltd., had officially notified him that he is not accepting that position. Therefore, Stowe-Way Homes, Ltd., is at present without a broker representative and would not qualify under the real estate licensing statutes of the Territory of Hawaii. It was unanimously voted that the Commission deny a brokerage license to Stowe-Way Homes, Ltd., at this time.

(3) Case of Antone Martines vs. Parker & Company - The minutes of April 22, 1953 was referred to the new members for details on this case. Mr. Odom and Mr. Yamamoto, new members, upheld the decision of that meeting to call Mr. Parker before the Commission for an informal hearing at a later date.

(4) Case of Kenneth J. S. Pang, Broker - Mr. Pang's broker's license was suspended for three months last December. His license was reinstated

with the condition that he serve a probationary period of one year by reporting on or before the 5th day of each month commencing May 5, 1953 on all his real estate transactions and accounting for same. Mr. Pang was notified by a registered mail that he has failed to meet our requirements, but the letter was returned to the Commission unclaimed. Attempts by this office to locate him were unsuccessful. A motion was made by Mr. Magoon which was seconded by Mr. Yamamoto and unanimously carried that a legal notice be put in the newspaper, serving notice to the general public that Mr. Kenneth J. S. Pang's license was revoked on July 7, 1953 for violation of the provisions of Chapter 150, Revised Laws of Hawaii, as amended.

(5) Case of Richard H. Higa, broker - On June 10, 1953, Mr. Joseph Louis, 5136-A Kalaniana'ole Highway, made a complaint against Mr. Richard Higa, broker, alleging that a sum of \$300 which was unaccounted for in a real estate transaction handled by Mr. Higa. Mr. Higa had deducted this sum which was supposed to be applied for sewer assessment from the total consideration. A year later the City and County Treasurer's office notified Mr. Louis that if he does not pay the assessment charge, action will be instituted against him. Mr. Louis went to Mr. Higa and demanded immediate payment, and Mr. Higa issued a \$300.00 check. However, the check "bounced." Finally, Mr. Higa took care of the bill. Now Mr. Louis is satisfied and came to the office to withdraw the complaint against Mr. Higa. The Commission was of the opinion that Mr. Higa had violated the provisions of Chapter 150, Revised Laws of Hawaii, as amended, and therefore he should be called in for an informal hearing in spite of the fact that Mr. Louis had withdrawn his complaint. The Administrator was advised to see Mr. Louis again and explain the matter of violation and the duty of the Commission in protecting the general public against similar violations.

New Cases

(1) Case of Richard Kageyama, Broker - The Commission reviewed a letter addressed to this Commission demanding a complete investigation of Mr. Richard Kageyama, broker, on a real estate transaction handled by him which appeared in the Honolulu Record, dated June 18, 1953. (See Kageyama's file for further information) The signature of the person who signed the letter was not legible and no other names were mentioned to trace the source of the writer. The Commission unanimously voted to direct the Administrator to send a letter to the Honolulu Record, acknowledging receipt of the information on Richard Kageyama and that this Commission would be very glad to investigate any of our licensees if the complainant would come in to our office and give us a signed statement of facts on which to base our investigation.
Case Closed.

(2) Case of Richard Imada, Broker - The Administrator requested more time to investigate this case which was unanimously granted by the Commission.

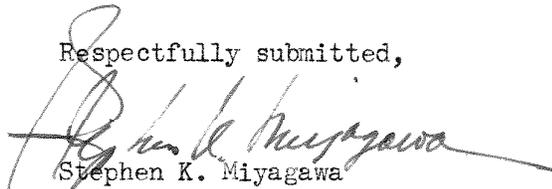
Examination Notice Card

The Administrator circulated the new form just printed by the Commission for use in all future examinations. This examination card will replace the form letters and thereby save a lot of time for the office staff. (See attached sample)

Adjournment

There being no further business to discuss, the meeting was adjourned at 11:45 a.m.

Respectfully submitted,



Stephen K. Miyagawa
Administrator

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