

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

February 1, 1955, at the office of Eaton H. Magoon, Chairman,
910 Alakea Street, Honolulu, Hawaii.

Present: Eaton H. Magoon, Chairman
J. Patton Odom, Member
Hirotooshi Yamamoto, 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 his office at 910 Alakea Street, Honolulu, Hawaii. 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 Requests

The following salesmen requested reinstatement of their forfeited licenses. They have met all the requirements of our statutes; therefore, official approval was given by the Commission to reinstate their licenses:

1. Harrison Tai On Au Hoy
2. Michael T. Nakamura
3. Peter A. Pak Chong
4. Frank E. Wolfgang
5. Shinsuke Nakamine
6. Charles E. Eggers
7. Oliver Kinney

Brokerage Applications

Mr. Hung Wai Ching and James N. Chiya, real estate brokers, filed an application for a partnership license to operate their real estate business under the trade title, Oahu Homes. The Administrator reported that they have met all the necessary requirements and recommended the Commission's approval. A motion was made by Mr. Odom, seconded by Mr. Yamamoto, and unanimously carried that Oahu Homes be granted a brokerage license.

Another application for a brokerage license was received from

Land Factors, Ltd., on January 21, 1955. The two officers of the corporation, John B. Shumway, President, and Fred H. Zieber, Secretary-Treasurer, are not licensed by this Commission. In compliance with Sections 7736 and 7737 (6), Chapter 150, Revised Laws of Hawaii, as amended, Mr. Horace T. Sakamoto was named as the principal broker. However, while the meeting was still in session, another brokerage application was received from Land Factors, Ltd., with Fred R. Giddings as principal broker. The Administrator reported that his investigation indicated that Land Factors, Ltd., has fulfilled the requirements of this Commission for a brokerage license and upon the verbal advice of the Attorney General's office, the corporation is in order for approval. A motion was made by Mr. Odom, seconded by Mr. Yamamoto, and unanimously carried that the Commission approve granting a brokerage license to Land Factors, Ltd., provided Mr. Giddings maintain his place of business in the same office as Land Factors, Ltd., and he be required to be in full control and charge of the brokerage activities of Land Factors, Ltd.

Attorney General's Opinion
On Credit Information

As instructed by the Commission at a previous meeting, the Administrator requested an opinion from the Attorney General's office as to whether this Commission may deny a license to an applicant on the basis that the applicant has an unfavorable credit record and may not deal fairly with the public in his real estate dealings.

The Office of the Attorney General has ruled that "an unfavorable credit record alone does not mean that an applicant does not possess good character and reputation for honesty, truthfulness and fair dealing."

Number of Applications Received
to Take Real Estate Examinations

At the close of the deadline for filing applications on January 31, 1955, there were on file 102 salesman applications and 36 broker applications, making a grand total of 139 applications from all the islands.

The Administrator presented for consideration the broker's application for Rudolph J. Brilhante which was received today. The Commission still wishing to maintain its former stand not to accept any late applicants decided to accept Mr. Brilhante's application only with the understanding that he produce evidence to prove that his application was ready for filing on January 31, 1955 but that he had no means to come to the Commission's office.

Regarding the real estate examinations for the outside island applicants, it was unanimously voted that Mr. Odom take the Island

of Maui, Mr. Yamamoto take the Island of Kauai, and Elaine Kakutani substitute for Mr. Magoon and take the Island of Hawaii. The Commission unanimously approved that allowances be made for official business for February 18, and 19, 1955.

Proposed Amendments and Additions to Rules and Regulations

In order to put more strength and to better enforce the implied powers of this Commission in carrying out the provisions of Chapter 150, Revised Laws of Hawaii, 1945, as amended, the proposed amendment to Rule 6 and the proposed adoption of Rules 15, 16, 17, and 18 were presented to the Commission for official approval. (see copy attached)

The Commission unanimously approved the adoption of the amendment to Rule 6. Regarding the proposed Rules 15, 16, and 17, the members suggested more time to review them and to compare with the Oregon and California real estate laws before final adoption. The Administrator was, therefore, instructed to present the Oregon and California real estate laws at the next regular meeting. Regarding Rule 18, the Administrator was instructed to get the feeling of the Honolulu Realty Board about requiring finger printing of new applicants.

Complaints and Violations

(1) The Administrator reported that in his routine investigation of real estate advertisements, he noted violations of Rule 8, Rules and Regulations of the Real Estate License Commission, by George K. Yamashiro, Mrs. Unita Tavares, and E. L. Christensen dba Island Homes, brokers. They have all made immediate correction when called to their attention of the violation.

The Commission unanimously voted that a letter of reprimand be sent to each broker, citing him for violation of Rule 8 and cautioning him to use more caution in the future. (see respective files)

(2) Mrs. Anne M. Grubb, real estate broker, was cited for failing to specify that the property for sale in the advertisement of January 23, 1955 in the Honolulu Advertiser as a leasehold. It was unanimously decided that a letter of reprimand be sent to Mrs. Grubb and she be instructed to specify all leaseholds in future advertisements in order to avoid misunderstandings with the general public. (see Mrs. Grubb's file on violation)

(3) Case of Ed Klein, broker, versus Frank G. Serrao, Broker.

The attached investigation report was read to the members by the Administrator. The Commission concurred with the findings of the Administrator that although it was determined there was no wilful misrepresentation on the part of Mr. Serrao, he, however, showed a degree of negligence when he failed to obtain an actual written acceptance before communicating to Ed Klein that the offer had been accepted.

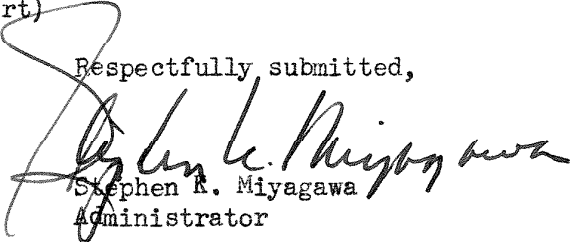
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Likewise, Mr. Klein should have ascertained actual acceptance before ordering the appraisal and search on the subject property. The case was voted closed and both brokers should be notified of their negligence in the case. (see attached report)

Respectfully submitted,



Stephen K. Miyagawa
Administrator

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