

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

March 22, 1955, 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 J. Patton Odom, Member Hirotooshi Yamamoto, Member Stephen K. Miyagawa, Administrator
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A special meeting of the Real Estate License Commission of the Territory of Hawaii was called to order by Chairman Magoon at 9:10 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

Hiring of a New Administrator

Mr. Ralph E. Corey, whose name was given as the only applicant on the certification of eligible list for the position of Administrator, was contacted by both Mr. Magoon and the incumbent Administrator. Mr. Corey has notified this Commission that he is unable to accept the position. Mr. Odom, member of this Commission, who was also approached for the position likewise is not interested at this time.

The Commission, therefore, unanimously voted to request from Civil Service office another list of eligible applicants for the position. The Administrator was instructed to contact the Civil Service office and request their cooperation. In the meantime, the members will look around for a qualified person and hire him on a provisional basis.

Results of Real Estate Salesman's
Examination Given on 2/19/55

A total of 96 applicants took the salesman's examination. A review of the results of the examination revealed that 38 applicants passed with a grade of 75 points and above, 17 made borderline grades, and 41 failed to qualify. A motion was made by Mr. Odom to pass the 38 applicants who made passing grades, to give oral examination to 17 borderline applicants and pass them at the discretion of the Administrator, and to notify the 41 applicants who failed to pass the examination. Motion was seconded by Mr. Yamamoto, and unanimously carried.

The following passed the salesman's examination:

	<u>Name</u>	<u>Grade</u>
1.	Daniel D. S. Moon	93.00
2.	Hiroshi Sakai	92.00
3.	Frank S. Yamamoto	91.50
4.	Elena S. Crow	89.00
5.	Steven M. T. Mau	88.75
6.	Allen L. Y. Ching	88.25
7.	Hyman T. Schulkin	88.00
8.	Margaret S. Williams	87.50
9.	Milton Allen	86.50
10.	Vernon T. Tashima	86.50
11.	Lawrence E. McNeil, Jr.	86.00
12.	George A. Henrickson	84.00
13.	Naomi M. Grout	83.75
14.	John R. Canright	82.75
15.	Robert W. B. Chang	82.75
16.	Thomas A. Chapman	82.00
17.	Lucille A. Schermerhorn	82.00
18.	Francis I. Tsuzuki	81.50
19.	John M. Urner	81.50
20.	Glenn A. Kaya	81.25
21.	Wade H. McVay, Jr.	81.00
22.	Erik C. Hinrichson	80.50
23.	June H. Chapman	80.25
24.	George A. Loomis	79.50
25.	Thomas A. Sampson	79.50
26.	Theodore K. C. Soong	79.50
27.	George M. Takane	79.50
28.	Herbert N. Hoo	79.00
29.	Herbert Y. Nishijo	78.50
30.	Amy T. Hoo	78.00
31.	Benjamin Akana	77.75
32.	Yoon Cho H. Chung	77.75
33.	Carl A. Farden, Jr.	77.50
34.	Mary E. T. Johnson	77.00
35.	Allen R. Hawkins	76.50
36.	William K. Amona	75.75
37.	Philip Ing	75.25
38.	Chozen Kanetake	75.25

The following made borderline grades and subject to oral examination:

	<u>Name</u>	<u>Grade</u>
1.	Irene D. Wiskow	74.75
2.	Stanley M. Sabihon	74.50
3.	Ricarte G. Gutierrez	74.00

<u>Name</u>	<u>Grade</u>
4. Ann Felzer	73.75
5. Charles T. Akama	73.50
6. Lester Irish	73.25
7. Bernaldo D. Bicoy	72.50
8. Gladys T. Leong	71.75
9. Peter V. Anastasopoulos(Mrs)	71.50
10. Volney A. K. Howard	71.50
11. Harriet Pollock	71.50
12. Margaret McNeil	71.00
13. Walter G. Wiskow	71.00
14. Wellington C. Wong	71.00
15. Patrick Tuohy	70.50
16. George A. Gonsalves	70.25
17. Moses S. Utsumi	70.00

The following failed to qualify in the salesman's examination:

<u>Name</u>	<u>Grade</u>
1. Frank K. S. Mow	69.25
2. George Splinter II	69.00
3. Albert F. Lee	68.75
4. Culver H. Rausch	68.75
5. Eugene K. Duvauchelle	68.00
6. Seiji Sakata	67.90
7. Kam Lum Young	67.25
8. Stanley T. F. Leu	67.00
9. Walter R. Kuwaye	67.50
10. Harry Y. H. Kim	66.75
11. Joseph R. Murphy	66.75
12. Julian H. Judd	66.25
13. Robert W. McGinness	66.05
14. George H. Hunter	64.75
15. Warren R. Carson	63.75
16. Robert A. Hinkley	63.75
17. Yun Choon Lee	63.00
18. Herbert C. H. Tong	63.00
19. James H. Zukeran	63.00
20. Shoji Kurisu	62.75
21. Jessie C. Matthias	62.50
22. Charles Gulick, Jr.	61.75
23. Harold R. Kalaiwaa	61.75
24. C. J. Plaisance	61.75
25. Donald W. Dietz	60.00
26. Herman K. Pang	59.25
27. Harry S. F. Lam	59.25
28. William H. Kerns	58.75
29. Ted T. Koizumi	57.75
30. Lurline L. Siu	57.75

<u>Name</u>	<u>Grade</u>
31. Wayne Monroe	57.50
32. Albert A. K. Cockett	52.75
33. Helen A. Luna	51.00
34. Eunice Matthews	49.00
35. Jerry M. Kotani	47.75
36. Frederick Y. C. Lum	46.50
37. Kuniichi Tanaka	45.50
38. Lawrence W. Ignacio	44.25
39. David S. Y. Char	43.00
40. Leonard L. Ignacio	38.00
41. Henry Shojiro Onohara	29.75

Results of Oral Examination
Given to Borderline Applicants

The following broker applicants were given oral examination on March 21, 1955, and the Administrator recommended that they be passed:

<u>Name</u>	<u>Grade Made in</u> <u>Written Examination</u>
1. Emil V. Carreira	83.56
2. Wesley F. Charlton	83.38
3. Kazuyuki Hiramoto	83.29
4. John D. McCurry	83.28
5. Thomas S. Evans	82.89
6. S. Anthony Kirkpatrick	82.76
7. Cyrenus L. Gillette	82.18
8. Dick C. Pang	80.00

Motion was made by Mr. Odom, seconded by Mr. Yamamoto and unanimously carried to pass the recommendation of the Administrator.

Brokerage Application by
Milton Allen Co., Ltd.

An application for a brokerage license was filed by Milton Allen Co., Ltd. Mrs. Helen Takekawa was named as the principal broker of the corporation. The Administrator reported that the corporation has complied with our requirements and a check with the Treasurer's office showed that the articles empower it to deal in real estate. Mr. Odom moved for acceptance, seconded by Mr. Yamamoto, and unanimously carried.

Case of Raymond Andrade Bartolome
Informal Hearing

The Administrator reviewed with the members of the Commission the

facts of the case on Mr. Bartolome. Mr. Bartolome petitioned the Commission for reinstatement of his salesman's license which has been forfeited since January 1, 1951. The Commission did not feel justified in reinstating his license before questioning him on the police and credit records against him.

(Mr. Bartolome was called before the Commission)

MAGOON: What's your name?

BARTOLOME: Bartolome, Raymond Bartolome.

MAGOON: You have a license to sell real estate?

BARTOLOME: Yes.

MAGOON: And then what happened to that license?

BARTOLOME: Well, I didn't have it renewed.

MAGOON: Why not?

BARTOLOME: I went into the magazine business.

MAGOON: How long you've been in the magazine business?

BARTOLOME: Until last year and I am in the insurance business.

MAGOON: What insurance?

BARTOLOME: I am with American Mutual Life.

MAGOON: Did you take the examination?

BARTOLOME: No, I didn't take any examination.

MAGOON: Did you sell any real estate?

BARTOLOME: Not at that time.

MAGOON: You have sold any?

BARTOLOME: No, I haven't.

MAGOON: You don't know anything about real estate?

BARTOLOME: I learned little from John Arafles.

MAGOON: How is that?

BARTOLOME: I share the office with him.

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MAGOON: You share some commission with him at all?

BARTOLOME: No, I haven't a license to sell real estate.

MAGOON: You bring in business sometimes?

BARTOLOME: Yes, when people ask me about lots to sell, I give to Mr. Arafiles.

MAGOON: Is he out there?

BARTOLOME: No, he isn't here.

MAGOON: You don't seem to have a very good record. From our report here you have a gambling charge against you in 1942.

BARTOLOME: 1942?

MAGOON: Yes, and you also have been charged with embezzlement in 1942.

BARTOLOME: That was verified on another.....

MAGOON: I didn't ask that question.....Were you charged with embezzlement?

BARTOLOME: There was no court case on that.

MAGOON: Well, you were arrested for.....

BARTOLOME: It was settled in a amicable manner because it wasn't reported.

MAGOON: You were discharged for further investigation. What was the reason for that?

BARTOLOME: Well, they said that I had mishandled the company funds.

MAGOON: Who's they?

BARTOLOME: The Coca Cola Bottling Company. Actually they called all the truck drivers whose records were not handled properly. So that's how this thing got out of hand and everybody else.....

MAGOON: Who is your lawyer?

BARTOLOME: We have no lawyer.

MAGOON: All right, you got all these judgments against you - accounts overdue. You owe anybody else any money?

BARTOLOME: I do owe lots of people. I did business which didn't turn out good.

MAGOON: In real estate you'll handle lots of money.....Why don't you do this before we issue a license to you. Why don't you go and study and take an examination and see how you come out on the examination. If you can show you can pass that then you can start again and.....

BARTOLOME: May I ask you, what has my personal records got to do with the issuance of a license?

MAGOON: We feel that a man who has judgments.....all kinds of judgments.....\$788, \$40, \$80, \$32, \$359, \$306, \$110, \$33, \$100, \$196.....all those amounts show that you owe.....

BARTOLOME: Well, I was in business.

MAGOON: What kind of business?

BARTOLOME: Magazine business.

MAGOON: How did you get all these?

BARTOLOME: Because of bills owing.....because of the business.

MAGOON: You sell magazines?

BARTOLOME: Well, I publish the magazine.

MAGOON: What magazine?

BARTOLOME: Let me explain. I don't want to leave this room with any misunderstanding. I am trying to clarify the point..... I feel that it is your contention that my handling of funds is not honest, that it doesn't warrant the issuance of a license.

MAGOON: No, I didn't say you didn't handle the money properly.

BARTOLOME: Let me explain. Lots of people charge this and charge that. I had a business - my business was to get subscriptions. Well, we had an office and we charged this, charged that, and charged other things and which business happened to broke up and we were unable to pay all that which happened to accumulate.

MAGOON: Where is the business? Were you incorporated?

BARTOLOME: It happened to be under my name.

MAGOON: How many people in the business:

BARTOLOME: Well, there were two people. One of them happened to come before you. His name is Hamaishi. Well, he was my business manager. It seems we didn't make good. It is sold now.

MAGOON: When did you give up this business?

BARTOLOME: Latter part of last year.

MAGOON: Is that your only livelihood?

BARTOLOME: Part time work - I did some writing on a string basis as part time reporter and selling appliances.

MAGOON: I see. Now how long you worked for Coca Cola?

BARTOLOME: Since 1939.

MAGOON: And then you worked from 1939 to when?

BARTOLOME: To 1943.

MAGOON: Is that when you had the trouble?

BARTOLOME: Yes.

MAGOON: You didn't work there any more?

BARTOLOME: No.

MAGOON: Well, I feel this way for meeting all these debts that you have. The fact that you admit that you are not very well versed in real estate, I feel that it is our duty to ask you to come up for an examination, and if you can pass the examination even with this record we can grant a license to you.

BARTOLOME: Well, that's fair enough if you feel that way.

MAGOON: Mr. Odom, would you like to say something?

(At this time Mr. Bartolome was requested to leave the room for a few minutes. However, Mr. Bartolome asked to be excused because of another engagement and requested the Commission to contact him for the final decision on his case.)

In view of Mr. Bartolome's credit record and since on his own volition Mr. Bartolome admitted that he doesn't know anything about real estate, the members unanimously voted to have him submit to an examination. The Administrator was instructed to personally contact Mr. Bartolome to make an appointment for him to take a very short written examination.

Case of Benjamin E. Ayson
Informal Hearing

The facts on the case as presented in an investigation report by the Administrator were reviewed just prior to the hearing of Henry R. Medeiros versus Benjamin E. Ayson, broker. (see attached report) Present were Mr. Henry R. Medeiros, complainant, Mr. Benjamin E. Ayson, broker, and his counsel, Mr. Moore.

Mr. Medeiros was called in first and was questioned by Mr. Miyagawa, Administrator.

MIYAGAWA: What is your name?

MEDEIROS: Henry Medeiros.

MIYAGAWA: Why did you come to this Commission about three weeks ago?

MEDEIROS: My doctor recommended me to come to the Commission on account of my wife. We couldn't get our money which we sold so after I put my wife in the hospital I came here.

MIYAGAWA: You sold your property?

MEDEIROS: Yes, I did.

MIYAGAWA: Who was your agent?

MEDEIROS: Benjamin Ayson.

MIYAGAWA: Who was the purchaser?

MEDEIROS: Halima (?)

MAGOON: You say it's a leasehold?

MEDEIROS: Yes, it's on an year to year basis under Damon Tract leasehold.

ODOM: You have the right to move the house off the land?

MEDEIROS: Yes, sir.

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MIYAGAWA: What was the specific subject that you wanted to discuss?

MEDEIROS: I wanted to know why we couldn't get our money back.

MIYAGAWA: Back from whom?

MEDEIROS: Why couldn't he give us our money before he transacted another deal.

MAGOON: He sold the land for you for \$4,500.

MEDEIROS: He said he had the money but I didn't see it. He found us another place at Aina Haina, and of the \$4,500 he used part of this - \$2,000 - as down payment.

ODOM: How long was it between the transaction when he was supposed to close your deal on the \$4,500.

MEDEIROS: About 3 days.

MAGOON: And then you waited and then after the 3 days of waiting, he found a place for you in Aina Haina?

MEDEIROS: He made an offer for the place and it was turned down by the owner of the property.

MAGOON: Who put down the \$500?

MEDEIROS: He said he would. He took it out from the money from the sale of the house. He said he put the \$500 down but the owner of the place rejected. I told him give us the money back, and we will find a place ourselves. He said you can't do that. He said we will lose the \$500, and my wife started getting sick and he called us again about 11 o'clock that night. My wife was on the verge of a breakdown so I made another offer.

MIYAGAWA: Was the amount \$15,000 with \$2,000 down payment?

MEDEIROS: That was the original offer.

MIYAGAWA: Didn't you see another broker?

MEDEIROS: Yes.

MIYAGAWA: Who was the other broker?

MEDEIROS: Mr. Bolles.

MIYAGAWA: Was the terms agreed upon?

MEDEIROS: Mr. Bolles seemed to be a very nice fellow. He gave us a rough description of Mr. Bolles.

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MIYAGAWA: What was the description?

MEDEIROS: He said Mr. Bolles as a rough guy and will take you to court and cause trouble for you. He pictured Mr. Bolles as out of the world, we were pretty scared of him. After talking with him we felt better myself.

MIYAGAWA: Did you execute an Agreement to purchase?

MEDEIROS: We talked about it, but we didn't sign for it.

MIYAGAWA: Did you sign anything?

MEDEIROS: No.

MIYAGAWA: Did you give Mr. Ayson a sum of money?

MEDEIROS: No. He called me and said he gave Mr. Bolles \$2,000 so I asked how come you give him that much.

MAGOON: Did you sign any papers?

MEDEIROS: No, sir. The only thing I signed was the other offer to buy the Aina Haina place which was rejected.

MIYAGAWA: Mr. Medeiros has gone down to see the Legal Aid Society, and the Legal Aid Society has advised him to go to see his own attorney. He has gone to see through his father Mr. Hyman Greenstein, who is representing him now. The last thing I know I reported the thing that happened to me with Mr. Ayson.

MEDEIROS: According to Mr. Greenstein, there is supposed to be a check in the amount of \$1,999.00.....something like that.....from Mr. Bolles. He said minus \$43.00 for his paper work and inconveniences, something like that.

ODOM: You're not going to take the house?

MEDEIROS: No, sir.

MAGOON: Did you get the balance?

MEDEIROS: He charged me \$250 for the offer.

MAGOON: He doesn't owe you any money now?

MEDEIROS: According to him I should get the money from him.

MAGOON: Did you get the \$2,000?

MEDEIROS: I didn't get the full amount of money yet.

(Mr. Medeiros was asked to leave the room for a while. Mr. Ayson and Mr. Moore, attorney, were called in before the Commission)

MAGCOON: Mr. Moore, this is sort of an informal hearing. We're only taking stenographic notes and not a court reporter's notes. We merely want to see whether we could iron out some of the difficulties that have gone on and the conduct of Mr. Ayson. I would like an explanation of what transpired between Mr. Medeiros and Mr. Ayson. From what I could understand, Mr. Medeiros owned a piece of land, a leasehold interest, down in Damon Tract for which he wanted to sell and Mr. Ayson was to sell that. Is that right?

AYSON: Yes.

MAGCOON: Mr. Ayson, you were to sell the leasehold for \$4500, and I understand you were to purchase another piece of property at Ains Haina. Correct?

AYSON: Yes.

MAGCOON: After you made the sale for \$4500, you put up a deposit for the purchase of the piece of property. Is that right?

AYSON: He made an offer, Mr. Magoon. He asked me to make an offer so I made an offer to him. He called me to his house so I went and they signed the Initial Payment contract to buy this property that's listed with Mr. Bolles and this is the offer. (Initial Payment receipt and contract signed 2/14/55, presented to Commission)

MAGCOON: That's for \$14,500?

AYSON: They signed this.

MAGCOON: Which is the \$500 down payment?

AYSON: Well.....

MAGCOON: Let's not get mixed up.

AYSON: You see, Mr. Magoon, I handled the sale of their leasehold, so when they signed the Initial Payment of this house, then they asked me to look for a home. Mr. Bolles had a listing so we went to see. I showed this house to both Mr. and Mrs. Medeiros and after looking this place, they made this offer then I presented it to Mr. Bolles.

MAGCOON: Is that the Ains Haina place and how much did they put up?

AYSON: We went to their house and that was the time they signed this offer, Mr. Magoon. Mr. Medeiros said you can take the proceeds from the sale of the house \$2,000. I hesitated to take \$2,000 so we put down \$500. I was stupid not to take a letter.....however, I acted in good faith by doing what he asked me to do so I took \$500. I presented to Mr. Bolles and he wrote a letter to the owner, Chittenden, in Arizona on February 14, 1955. I have a copy of the letter from Mr. Bolles to us. (copy presented to the members)

MAGOON: I see down payment.....

AYSON: \$500.00.

MAGOON: Oh, I see. You gave this to.....

MIYAGAWA: May I ask, was this \$500 actually transferred to Mr. Bolles?

AYSON: No.

MIYAGAWA: You had it in your own possession?

AYSON: No, you see.....there are times.....Mr. Bolles got all the copies of this.

MAGOON: But this \$500 you received.....you have the \$4500 in your possession all the time?

AYSON: Yes. We were holding until the Bishop Trust Company..... you see they got to meet once a week.

MAGOON: Now you went down with this \$500 you went to Mr. Bolles.

AYSON: Just the Initial Payment contract to Mr. Bolles. I didn't give him \$500.

MAGOON: Did you tell Mr. Medeiros that if he didn't come up with a higher figure of \$15,500 he couldn't buy that land?

AYSON: No.

MAGOON: In other words they gave you the \$500?

AYSON: As I said when he asked me to take from the proceeds of the sale of the leasehold, I should have written it down. I was merely acting in good faith. He wanted me to put down \$2,000 so.....

MAGOON: You put up \$500 but you didn't give that to Mr. Bolles, because he didn't ask for it. Can you explain that, Mr. Moore.

MOORE: Mr. Medeiros asked Mr. Ayson to try to sell this leasehold and there was a down payment or full payment.....but at any rate, it was \$2,000 or \$4,000. Did you have the whole \$4500?

AYSON: Yes.

MOORE: At any rate, Mr. and Mrs. Medeiros indicated interest in this Aina Haina property, and so this offer was made to buy at \$14,500. As a matter of fact, Mr. Medeiros was very anxious to arrange for the purchase of the house. At any rate, the Initial Payment contract was signed and at that time, Mr. Medeiros said, "Well, Mr. Ayson, here's \$2,000 which will become down payment." Mr. Ayson said \$500 was sufficient. He then went to Mr. Bolles with this offer, and Mr. Bolles said, "Well, I don't know, I will have to get hold of my mainland client." So he wrote to Mr. Chittenden, the owner, and Mr. Chittenden said, "No. " He replied, "I'll take \$15,000." That was passed on to Mr. Medeiros and he said he will take \$15,000. Mr. Bolles said he will have his attorney, Mr. Hamilton, draft the Agreement of Sale. They agreed for a down payment of \$2500 so the Agreement was fully drawn by Mr. Hamilton.

MAGOON: The purchase price was \$15,000?

MOORE: That's right.

MAGOON: Old offer - \$15,500?

MOORE: No, the offer was \$14,500 but the Chittendens said \$15,000. Mr. Bolles said he will have this thing drawn then it was agreed on \$2,000 down instead of \$500 and Mr. Bolles said, "Fine, you come back tomorrow." They were down the following day, and at that time, they said, "No soap."

MAGOON: Who said?

MOORE: The Medeiros. They decided they wanted their money back. Then Mr. Bolles said, "Now wait a minute, we can't toss the client's rights in a matter of seconds." So Mr. Ayson came to me, "Where do I stand - I am caught in the middle. I think the deal is through." The Medeiros had changed their minds twice and the papers had to be redrafted twice. In the meantime, the people were anxious to move in, and Mr. Bolles' clients expect to go through with the deal so at any rate I wrote to Mr. Medeiros that they make plans to move out. Then a letter was received from Mr. Greenstein, asking what we proposed to do and whether we were planning to return him the money. Mr. Bolles felt that he is looking out for his client's interest rather than

for his commission, and if a lawsuit is involved, it might be from six months to a year before it will be settled so he said, "I will forget the whole business and return the money." Mr. Bolles said he will be happy to come up here. He said he will forget the whole thing. Mr. Bolles will send the money to Mr. Greenstein. That's the entire story now and that's about the whole thing as I know.

MACOON: Thank you, Mr. Moore.

(to Ayson) Mr. Ayson, you were brought in here specifically for your conduct to this Commission and to the Administrator of this Commission. You have not conducted yourself in the proper manner. You recall, did you not? It wasn't very pleasant.

AYSON: Mr. Magoon, what.....

MAGOON: I am referring to your conduct.

AYSON: No, that's.....

MAGOON: Now, let's put the cards on the table- I am telling you why. It's because of your conduct to the Administrator and to the Commission. That's why you were brought in here. Do you recall your conduct here? You have made statements about this office, and I want to know that this office conducts itself in a proper manner and I won't have people come in and make insulting remarks in our office.

AYSON: Can I talk - I want/you to know that when I had talked with Mr. Medeiros I know that I had been acting in good faith. I am working on an Initial Payment contract which has been already signed by the buyer and seller and another broker working on it. I wanted to know what is the case against me. I wanted to know why he can't give me the answer. There's no case against me so I said.....

MAGOON: It's your conduct we're questioning. We have an Administrator making an investigation. That's our job. When we get a written complaint and signed - was it written, Mr. Miyagawa?

MIYAGAWA: No, it was a verbal complaint.

MAGOON: Mr. Miyagawa asked you to come and you flew off the handle. When you come to this office, I want you to treat this office with respect or else we will bring action against you.

MOORE: I can appreciate the fact. Mr. Ayson, you have to recognize that this Commission has a job to do and they have to do as they see fit. I know they do the job with impartiality and honesty. I'm sorry I wasn't aware of this. I didn't know about this.

MAGOON: As far as Mr. Ayson's conduct was concerned, it was unbecoming of a broker. That's the reason you were called in this office this morning. You owe this office an apology for your conduct. If you can't come in this office like a gentleman, we won't have you come in here. If you come in like a gentleman, you will be treated like a gentleman.

AYSON: I am sorry.

MAGOON: Why were you angry with this office?

AYSON: I.....

MIYAGAWA: For the records, the complaint was submitted on Tuesday.....

MAGOON: What day of the month?

MIYAGAWA: February. I believe it was on Tuesday, March 1st, this incident happened.

MOORE: I am awfully sorry I didn't know about this incident.

(Mr. Magoon and Mr. Odom examining the Initial Payment contract)

ODOM: I can see it's an awfully poor contract. There is no date of acceptance. There's no acceptance and that's one thing that's very wrong with the contract. May be there is something to indicate that date. No, there is nothing.

AYSON: This is only the copy - I have the original.

ODOM: Well, there is no date. Another thing, in handling money what man has the right to handle the other man's money as his own money and transferring without a written consent.

MOORE: Well, I don't know.....of course, everything can't be in writing. The agreement called for \$500 - that's all right. I don't know whether as I said if everything between principal and agent must be in writing - I think it would be a tremendous task.....

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MAGOON: I am not hopping on the \$500 or \$2,000 deposit but the way your client acted in here.

AYSON: I am sorry. I know I haven't done anything wrong.....

MAGOON: Anyhow contrary to instructions you gave \$2,000 when you only said \$500 and you threatened him and was responsible for the wife to go in the hospital.

AYSON: Mr. Magoon, I can tell you that Mrs. Medeiros was sick before the sale of the Damon Tract property.

MAGOON: Well, in this particular case, you're brought here because of your conduct. The way you conducted yourself - we feel was unbecoming.

MOORE: Perhaps he felt that he was unjustly accused. Of course, this Commission is obliged to look into a complaint. I think that's about the size of it. Mr. Ayson, this Commission has no choice but to investigate any complaint that is brought before it. That's one of the obligations you have as a broker.

MAGOON: You have anything to say Mr. Yamamoto or Mr. Odom?

ODOM: No.

YAMAMOTO: No.

MAGOON: As I said this is an informal hearing based upon your conduct. We feel that if you come in here as a gentleman, you will be treated like a gentleman. We are only trying to do our job as commissioners. If a person comes in with a complaint, it is our job to investigate it. After all, we are here to protect the public. We have lots of complaints and lots of them we find nothing wrong.

AYSON: I am sorry, Mr. Miyagawa.

MIYAGAWA: That's all right. Let's shake and forget the whole thing.
(Mr. Medeiros called in again before the Commission)

MAGOON: Mr. Medeiros, we have examined Mr. Ayson. Did you sign the agreement to purchase the lot for \$15,000?

MEDEIROS: No, sir.

MIYAGAWA: Mr. Magoon, there is no contract for it.

MAGOON: You bought it for \$14,500?

MEDEIROS: I didn't. I wouldn't have bought for \$15,000, but he kept saying Mr. Bolles will give trouble. Then he calls me up at 11 o'clock in the night and tells me to raise up from \$75.00 to \$80.00.

MAGOON: They did redraft all the papers?

MEDEIROS: Yes, but they wanted us to sign for \$2500 down payment.

MAGOON: Then, they agreed to \$2,000? In other words, they came to your terms. Then after they gave the \$2,000?

MEDEIROS: I didn't ever see the \$2,000.

MAGOON: Have you any complaint against Mr. Ayson?

MEDEIROS: He caused me lots of grief and caused me lots of days off work.

MAGOON: Where do you work?

MEDEIROS: Pearl Harbor.

MAGOON: What do you do?

MEDEIROS: Sheet metal worker. From this contract, he gives me 30 days but on the other guy's contract, he gives 15 days. Then he calls me up on the first day to move. Things like that.....or else I would have bought the place.

MAGOON: You got your money back?

MEDEIROS: I am supposed to have it.

MAGOON: There's nothing else we can do for you.

MEDEIROS: I came here because my doctor told me to come here.

ODOM: Well, you're getting your money back.

MEDEIROS: Yes, sir.

MAGOON: That's all.

MEDEIROS: Thank you.

From the evidence produced at the hearing, the Commission unanimously voted that Mr. Ayson should be reprimanded for his conduct towards the Administrator and the Commission.

Case of Talbert C. Long
Informal Hearing

Mr. Long by letter dated March 15, 1955 requested consideration by this Commission to reinstate his salesman's license which was suspended on October 31, 1945. The records on file on Mr. Long indicate that his real estate salesman's license was suspended for violation of Section 7741, subparagraph 7, Chapter 150, Revised Laws of Hawaii, as amended.

Mr. Howdy Reynolds, real estate broker, was present to testify his willingness to hire Mr. Long as his salesman, if he is reinstated.

Mr. Reynolds was called before the Commission.

- MAGOON: Would you mind telling us about what you know on Mr. Long?
- REYNOLDS: All I know was that he was with Shuttlewood under Pioneer Savings & Loan doing real estate business. Then he went into ranching business but had to give up because he developed a bad case of asthma and he came to me if he could work for me as a real estate salesman. I didn't know he was involved with Shuttlewood, Silva and others. I don't know too much about their history. I would appreciate knowing something about the case. If I have to fear his operation in my office.....I keep pretty close tab of my people in the office. Was it pretty bad charge?
- MIYAGAWA: He was charged for closing a real estate transaction while he was with Shuttlewood.
- MAGOON: That's not too bad.
- REYNOLDS: I had a chat with Mr. Long outside and apparently he said that Mr. Shuttlewood and Mr. Silva weren't paying very close attention to him, and he had to line up the business for their approval. I really don't know anything about it.
- MIYAGAWA: It boils down that he closed a transaction without being licensed as a real estate broker.
- MAGOON: From the man's record, this happened way back in 1945, and now it's 1955.....it's ten years. We can't condemn a man for the rest of his life. This was done 10 years ago. Has he lived an upright life since then? You feel you want to employ him?
- REYNOLDS: I see no objection.
- MAGOON: I believe he should be given a chance too. I don't see anything wrong here where it's not justified to give him a salesman's license.

ODOM: After ten years without doing real estate, do you suppose he understands.

REYNOLDS: I watch my employees pretty closely. I am pretty rough with my people. As far as the contracts are concerned, I take care of that. I think he understands the business. I'll do my best - I don't intend to have anyone acting as a broker for me. I want to know what's going on.

MAGOON: I don't see any objection. I don't think we can stop him from getting his license. I would rather he get in the hands of Mr. Reynolds rather than floating around.

REYNOLDS: He's been with many different brokers who have been very careless. In our office, we have a meeting every morning for about one half hour or so.

MAGOON: It's a question whether we will reinstate his license. I think that's all we want. Thank you, Mr. Reynolds.

(Mr. Talbert C. Long was called in for questioning.)

MAGOON: Have you applied to have your license reinstated?

LONG: Yes, I have.

MAGOON: It has been 10 years since your license was suspended.

LONG: Almost, I guess. It's about 10 years I lost my license. I went into contract business then I sold that out and I took a lease on the other side of the island. After a short time I contacted a serious case of asthma so I sold my property and came down here.

MAGOON: Did you realize you were suspended?

LONG: Yes. They suspended my license because they claimed that I was doing brokerage business without a brokerage license. Mr. Shuttlewood was the acting broker at the time. I owned my own equipment.....

MAGOON: (interrupting) We won't go through that. Well, that's all. We will take this under advisement. Have you been convicted of felony?

LONG: No, sir.

MAGOON: That's all.

LONG: I would like to go to Howdy Reynolds because there is nothing else that I can do.

(a short conference among the members was held)

MAGOON: Mr. Long, the board feels we will give you a real estate salesman's license.

LONG: I will be very glad to pay the back dues, if necessary.

MAGOON: That's not necessary.

LONG: Thank you very much.

The Commission unanimously voted to reinstate Mr. Long's salesman's license under the sponsorship of Mr. Howdy Reynolds, broker.

Progress of our Legislation

House Bill 786 and Senate Bill 470, bills proposing to amend our real estate laws, are still pending in their respective Judiciary Committees of the two houses. The Administrator reported that he will follow their progress in the legislature.

Pending Case - Case of Edwin G. F. Wee, Broker

As instructed at the previous meeting, the Administrator has written for an opinion whether a conviction for failure to file income tax returns is grounds for either a suspension or revocation of Mr. Wee's license. The reply has not been received to date.

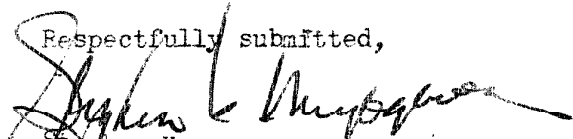
New Cases

- (a) Case of Beniamina vs. Joe R. Pao, Broker - The complaint filed with this Commission by Mr. and Mrs. Beniamina revealed that there was no violation of our laws by Mr. Pao. Therefore, the Administrator recommended that the case be closed for lack of evidence to prove violation of our laws. See Administrator's report on the case.
- (b) Case of Marian Tsue, Broker - The Administrator requested more time to investigate this case and assured the members that he will make every attempt to complete this case before he left the Commission.

Senate Concurrent Resolution 7

A circular letter has been received from the Bureau of the Budget, which directs the Director of the Bureau of the Budget under Senate Concurrent Resolution 7 to request all boards and commissions maintaining special funds of any kind to explain and justify the need or desirability of maintaining said special funds. This report must be filed with the chairman of the Joint Senate Ways and Means and House Finance Committees on or before March 24, 1955. The Commission directed the Administrator to take care of this matter as soon as possible.

Respectfully submitted,


Stephen K. Miyagawa
Administrator