

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

November 28, 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  
John K. Clarke, Jr., Member  
Robt E. Bekeart, Administrator

Absent: Hirotoshi Yamamoto

The regular meeting of the Real Estate License Commission of the Territory of Hawaii was called to order by Chairman Magoon at 9:30 a.m. in the Commission's offices, Rooms 109 and 121, Honolulu Armory, 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

Interim Appointment by Governor King  
of Mr. John K. Clarke, Jr., as Member  
Real Estate License Commission

On behalf of the Real Estate License Commission, Chairman Magoon extended to Mr. Clarke, Jr., a cordial welcome on his recent interim appointment by Governor King to serve as a member of this Commission for the unexpired term to December 31, 1957, replacing Mr. J. Patton Odom, resigned. Mr. Clarke expressed his willingness to cooperate with the members and to try his best to work for the best interests of the Commission in the manner and spirit carried on by his immediate predecessor.

It was felt that Mr. D. D. Watson, Commissioner for California, should be advised of Mr. Clark's appointment. Mr. Robert W. Somenow, Secretary-Treasurer of NALLO, has already been informed.

NALLO Convention Report by Mr. Magoon

For the benefit of our new member, Mr. Clarke, Chairman Magoon stressed the importance of being a continuing member of this National Association of License Law Officials composed of all license law states in the Union. The benefits derived from such association are

manifold by actual participation in discussions, by sharing experiences to avoid pit-falls, by presenting problems peculiar to certain localities for review, and by hearing at first-hand latest court decisions relative to the field of real estate.

Mr. Magoon with Mr. Yamamoto were able to attend the 1955 NALLO Convention to represent the Hawaiian Real Estate License Commission which was held at The Commodore Hotel in New York City, November 1-5. The convention was very well attended with some states represented with as many as four to five delegates. Mr. Magoon expressed his desire that Mr. Clarke and the Administrator may have the opportunity to attend the next convention.

Mr. Magoon summarized the highlights of the convention on the following questions:

1. Budget - The budget as recommended by the Budget and Finance Committee was endorsed and recommended for adoption by the convention assembly.
2. Regional Vice Presidents - The possibility of creating the office of regional Vice Presidents was considered as being a worthwhile suggestion as it would allow for a better means of communication for neighboring states within certain regional boundaries to exchange ideas on matter of current interest to all license law officials. Suggestion was made that the NALLO Constitution could be so amended to provide five Vice Presidents and these officers would function on a regional basis linked together geographically. Meetings might be conducted under the chairmanship of a regional Vice President and any action taken would ultimately have to be ratified by NALLO's full membership.
3. Amendments to NALLO Charter - Certain amendments to the NALLO charter, as well as various proposals to amend the Constitution and By-Laws, were discussed at length. The report of the Constitution and By-Laws Committee was favorably received by the Board of Directors.
4. Reciprocity - Subject of reciprocity was taken under advisement by the members of the Board of Directors, and the report on the Reciprocity Committee was presented for study. Also available for study was the Formula Recommended for Reciprocal Agreements Between States as prepared by representatives of certain jurisdictions that met in the nation's capital on August 26, 1955, which was not felt truly representative because this formula represented the thinking of only a small

segment of the NALLO membership. (Mr. Magoon reported that a great majority were opposed to reciprocity. On behalf of this Commission he verbally expressed our opposition to reciprocity. It was the consensus of opinion that if the brokers want it, let them convince their legislators to make it a part of their laws.)

5. Adoption of Resolution - As part of the agenda there was a move to resolve in strong, slanderous, and near-libelous language banning the operation of Charles Ford Associates, an advance fee listing firm. Mr. Magoon spoke against such action and urged the Association not to pre-judge such an operation until a court decision was rendered against Ford Associates.

Mr. Magoon further reported that the presentation by Commissioner Yamamoto on Square-Inch sales was very well received and was highly commended. He strongly urged that the Commission secure a copy of dissertation by Lawrence Bemis on recent court decisions for our information.

The Commission unanimously moved that the above summarization be prepared into a report for the Governor by the Administrator as soon as possible.

Review of Results of Last Broker's  
and Salesman's Examination Given on 10/1/55

It was reported by the Administrator that at the last real estate examination conducted on October 1, 1955 the results were as follows:

Salesmen

Passed	87
Failed	<u>31</u>
Total applicants	118

Brokers

Passed	21
Failed	<u>10</u>
Total applicants	31

It was moved by Mr. Clarke, seconded by Mr. Magoon, and carried that the Commission reaffirms the action taken by the Administrator in handling the results of the examinations.

The salesmen who qualified in the examination and approved for licensure were as follows:

	<u>Name</u>	<u>Grade</u>
1.	May Evelyn Chung	91.03
2.	Walter S. S. Zane	90.34
3.	Jack K. Palk	90.34
4.	Ernest S. Fujinaga	89.65
5.	Albert Q. Y. Tom	89.65
6.	Ruth L. Myers	88.96
7.	Ralph S. Myers	88.96
8.	Donald C. Camp	88.96
9.	Albert R. Veveiros	88.96
10.	Edward J. Fearon	88.96
11.	James Zukeran	88.27
12.	Fumie Fujii	87.58
13.	Charles W. Sakuma	87.58
14.	K. R. Nurse	87.58
15.	Donald M. Avery	86.89
16.	Patrick K. P. Fong	86.89
17.	Roswell T. Allison	86.20
18.	Lillian Fortess	86.20
19.	William D. Flanders	85.51
20.	Lee Arnold	85.51
21.	Roy Ifuku	85.51
22.	Grover W. Lofton	85.51
23.	Tierney R. Hughes	84.82
24.	Carolyn Irvine	84.82
25.	Barbara Holbrook	84.82
26.	Gerald G. Lipham	84.82
27.	Theodore R. Di Tullio	84.82
28.	Linda D. Drew	84.82
29.	William H. Kerns	84.82
30.	Harold B. Q. Chun	84.13
31.	Rowland B. Reeve	84.13
32.	J. E. Walther	84.13
33.	Harold R. Kalaiwaa	84.13
34.	Patricia A. Joly	84.44
35.	Kazuo Shimabukuro	83.44
36.	Charles Hanatani	83.44
37.	Douglas S. Kidani	83.44
38.	Miyoshi Grace Hirota	82.75
39.	Jean S. Kobuke	82.75
40.	Merlyn C. Yap	82.75
41.	Gordon Y. D. Chun	82.75
42.	William M. Wilson	82.75
43.	David R. Yogi	82.06
44.	Owen G. Fowler	82.06
45.	Bernard N. Robarts	81.37
46.	Walter H. Barry	81.37
47.	Herbert O. Lagerfeld	81.37
48.	Carl R. Questad	81.37

	<u>Name</u>	<u>Grade</u>
49.	Norma T. Prout	81.37
50.	Alfred R. Cadinha	80.68
51.	Alfred J. Catracchia	80.68
52.	June P. Lawson	80.68
53.	Paul C. Andrus	80.68
54.	Harriet C. Mew	79.99
55.	Barbara Young	79.99
56.	Herbert Minn	79.99
57.	Joseph Ogawa	79.99
58.	Frank H. Castro	79.30
59.	Robert J. Culver	79.30
60.	George H. Yamashita	79.30
61.	Frank H. Okumura	79.30
62.	Harry K. Meyer	79.30
63.	Stuart H. W. Lum	78.61
64.	Joseph R. Francone	78.61
65.	Ken K. Hironaka	78.61
66.	Adam F. Ornelles	78.61
67.	Theodore H. Murray	78.61
68.	Russell W. Peters	78.61
69.	William H. Charlock, Jr.	77.92
70.	Grace Hotoke	77.92
71.	Tatsuo Arakaki	77.92
72.	Wallace S. Higashi	77.92
73.	Lloyd Wong	77.92
74.	Clinton I. Shiraishi	77.92
75.	Adele K. Ostrem	77.23
76.	Leonard K. Fong	77.23
77.	Harry S. Tsuha	77.23
78.	Barbara S. Nakamura	77.23
79.	Joseph Garcia	76.54
80.	Frances Nielson	75.85
81.	Marian T. Lynch	75.85
82.	Minoru Kamada	75.85
83.	Kenneth Segami	75.85
84.	Francis K. W. Chung	75.85
85.	Lillian W. Marshall	75.16
86.	James O. Mitchell	75.16
87.	Jean P. Wade	75.16

The following salesman applicants failed to qualify in the examination:

	<u>Name</u>	<u>Grade</u>
1.	Robert T. Arizumi	74.47
2.	Henry Sin Mow	74.47
3.	Isamu Hanaoka	73.78

	<u>Name</u>	<u>Grade</u>
4.	Joseph K. Pa	73.09
5.	Cecil L. Carson	73.09
6.	John J. Medeiros	73.09
7.	George Mendonca	72.40
8.	G. Paul Cooke, Jr.	72.40
9.	Roscoe W. Riley	72.40
10.	Angeles A. Fernandes	71.71
11.	Mildred M. Sunabe	71.71
12.	Andrew W. Y. Young	71.71
13.	Lurline L. Siu	71.02
14.	Shirley M. K. Young	71.02
15.	Geraldine B. Ornellas	71.02
16.	Matsuki Arashiro	69.64
17.	Chirn L. Worthington	68.95
18.	Raymond T. Sarmiento	68.26
19.	Paul K. Lau	68.26
20.	Helen V. Adams	67.57
21.	Kunichi Tanaka	67.57
22.	Marian N. Riggan	66.88
23.	Dick M. Sasaki	66.19
24.	John S. Ayamo	64.81
25.	Ellie S. Trueman	61.37
26.	David C. W. Au	61.37
27.	Henry Haitzuka	60.68
28.	George K. C. Yee	60.68
29.	Naomi C. Kerns	60.68
30.	John G. Duarte	57.93
31.	Henry F. N. Wong	57.24

The following broker applicants qualified and were approved for licensure: The Commission took into consideration the applicants who made below 85% and authorized the Administrator to interview Lawrence S. Marques, Harold G. Nishihara, and Shoji Fujishima. At the recommendation of the Administrator, they were approved for licensure as brokers.

	<u>Name</u>	<u>Grade</u>
1.	Kiyoyuki Yamashita	89.23
2.	Myra Fisher	88.72
3.	Winifred F. Lee	87.69
4.	John Nua	87.69
5.	Walter W. L. Loo	87.17
6.	Lawrence M. Kamiya	87.17
7.	Richard K. Matsuda	86.66
8.	William S. Marshall	86.15
9.	Lloyd P. Carlos	85.12
10.	Woo Hee Lee	84.61

	<u>Name</u>	<u>Grade</u>
11.	Kumao Kirihara	84.10
12.	Barbara Marcus	83.58
13.	John A. Ferreiro	83.58
14.	Jerry A. Y. Ching	83.58
15.	Herbert H. Hirano	83.07
16.	Corwith J. Roache	83.07
17.	Gloria T. Medeiros	82.56
18.	Frances Fitch	82.56
*19.	Lawrence S. Marques	81.53
*20.	Harold G. Nishihara	81.53
*21.	Shoji Fujishima	81.02

The following broker applicants failed to qualify:

	<u>Name</u>	<u>Grade</u>
1.	Yoshio Yoshida	80.51
2.	Edward M. Nakamura	80.51
3.	Thomas J. Soper	78.97
4.	D. C. Ching	78.46
5.	Robert B. Mew	76.41
6.	Beatrice A. Lewis	74.87
7.	Joseph K. Kam	72.82
8.	Jack G. Nosaka	71.79
9.	William A. Wong	69.74
10.	Amos A. Nakamura	67.17

Mr. Clarke offered his services in sitting in with the Administrator in preparing the next examination.

#### Applications for Brokerage Licenses

A motion was made by Mr. Clarke, seconded by Mr. Magoon, and carried that the temporary approval given by the Administrator to the following corporations for a brokerage license be officially approved:

- (a) Land Exchange, Ltd., 95 Merchant Street  
Masao Shintani, Principal Broker
- (b) Hawaiian Real Estate, Ltd., 280 Lewers Road, Room 5  
Mr. R. Jay Smith, Principal Broker
- (c) Waikiki Realty, Ltd., 1888-F Kalakaua Avenue  
George Yamashiro, Principal Broker
- (d) Island Living, 1344 Kapiolani Blvd.  
Partnership of Robert Paine and Edgar Kudlich, brokers

Applications for Trade Names

A motion was made by Mr. Clarke, seconded by Mr. Magoon, and carried that the temporary approval given by the Administrator to the following brokers to transact real estate business under a fictitious trade name is officially approved:

- (a) Larry S. Marques dba HAWAIIAN MORTGAGE & REALTY COMPANY.  
Mr. Marques has informed this office that Hawaiian Mortgage & Realty Company has dissolved as a corporation and he will be the sole proprietor hereafter.
- (b) James Koon Lum dba HOME REALTY.

Branch Office License Application

Mrs. Lillian Cargile applied to open a branch office in Kailua, Room 1, Davis Building with Mr. Walter Moreira broker-in-charge of the office. The Commission officially approved the temporary recommendation of the Administrator that a branch office license be granted to Mrs. Cargile.

Jed Glenn & Associates, Ltd.  
Application for Brokerage License

The Administrator recommended that approval be given for granting a brokerage license to Jed Glenn & Associates, Ltd., as investigation with the Treasurer's office revealed it is a local corporation and has complied with the requirements of this Commission. Mr. James Kumashiro is designated as the principal broker. A motion was duly made by Mr. Clarke, seconded by Mr. Magoon, and carried, that Jed Glenn & Associates, Ltd., be approved for a brokerage license.

Reinstatement Requests of  
Forfeited Licenses

The temporary approval for reinstatement of the following licenses by the Administrator was officially approved by the members:

Akira Hamaguchi, broker  
Berenice McLean Smith, saleswoman

Francis Y. Wong  
Reinstatement as Broker

For the record, the Administrator reviewed the events leading up to the reinstatement of Francis Y. Wong as real estate broker. On April 7, 1955, an informal hearing was held to question Mr. Wong on a complaint filed against him with this Commission. Subsequently, Mr. Wong voluntarily surrendered his broker's license and on April 11, 1955, the Commission mutually accepted the surrender of his license. Since



then the complainants had rescinded the complaint and Mr. Wong felt justified in immediately applying for reinstatement, claiming hardship if he is permanently deprived of his only livelihood. At a meeting held on September 23, 1955, the Commission considered his request for reinstatement and voted to leave the decision to the discretion of the Administrator. On September 30, 1955, the Administrator after an interview with Mr. Wong and a consultation with the Attorney General's office, approved his reinstatement as a real estate broker. A motion was put to order by Mr. Clarke, seconded by Mr. Magoon, and carried that the action taken by the Administrator is officially approved.

Richard H. Higa  
Reinstatement of Broker's License

The reinstatement of Richard H. Higa as a real estate broker was also reviewed with the Commissioners for the record. On January 14, 1954, Mr. Higa was cited for violation of Section 7741, Chapter 150, Revised Laws of Hawaii, as amended, and the Commission took remedial action by revoking his broker's license and restoring a salesman's license so that at all times he will have proper supervision by a responsible real estate broker. On July 19, 1955, Mr. Higa applied in person for restoration of his broker's license. Mr. John S. Pahk, Mr. Higa's broker, vouched for his character and reputation to date. The Administrator thoroughly investigated into the matter and after several conferences with both the offices of the Attorney General and Secretary of Hawaii, he satisfied himself to approve Mr. Higa's reinstatement as a real estate broker on 9/26/55. This action was unanimously approved officially by the Commission by a motion made by Mr. Clarke, seconded by Mr. Magoon, and carried.

Cross Reference Directory

Authorization to renew the subscription of the cross reference directory with monthly supplements was unanimously approved by a motion of Mr. Clarke and a second of Mr. Magoon. The Commission has to rely a great deal on the cross reference directory in its daily investigative work, especially in checking on newspaper real estate ads.

Financial Report

The financial report of the Commission was presented as follows:

Balance in Special Fund as of 9/30/55.....	\$26,068.97	
Fees Collected in October 1955.....	2,171.50	
		<u>\$28,240.47</u>
Office Expenditures.....	\$743.45	
Pay Roll.....	955.76	
5% Assessment Against Special Fund		
Receipts for Quarter Ended 9/30/55.....	220.14	<u>1,919.35</u>
Balance in Special Fund as of October 31, 1955.....	<u>\$26,321.12</u>	

There was some opposition to the 5% assessment against special funds maintained by the different Territorial commissions and boards which became mandatory by an act passed in the last legislature. The Real Estate License Commission was assessed \$220.14 on the total receipts of \$4,402.90 for the quarter ended September 30, 1955. The Administrator advised the Commissioners that in view of this recent Act, he has withheld transferring the \$10,000 contribution from our Special Fund to the Governor's contingent fund as authorized to do so at the last meeting held on September 23, 1955 unless he had first cleared this matter with the Commission. A motion was made by Mr. Clarke that this matter be deferred for further discussion at the next meeting. Motion was seconded by Mr. Magoon and carried.

Applicants Not Picking Up Licenses  
After Qualifying in Examinations

It was reported that there are quite a number of applicants who took the examination and qualified but have not picked up their licenses - some of them dating as far back as 1952. Chairman Magoon suggested that all applicants be contacted and requested to pick up their licenses as soon as possible or the Commission will be forced to cancel them. Further suggestion was made that a mimeograph circular letter be sent to all the NALLO states, asking their advice in handling a situation of this sort. The State of California might have helpful suggestions to offer. Then after hearing from the different NALLO states, the Commission can start working on adding a new rule and regulation requiring that licenses be picked up within a reasonable time after passing the examination or be requalified by taking another written real estate examination.

Mainland Reports on Recent  
Applicants for Licenses

There has been some question on the residence requirement as provided in Chapter 150, Section 7737, subparagraph 5, and close scrutiny has been given to the following whether they were in compliance to the said section:

1. Linda Drew
2. John Lipham
3. Gerald Lipham
4. David Patterson
5. Roswell Theron Allison

This office has put through inquiries with Commissioner Dean Watson and mainland Credit Bureaus to ascertain the applicants' residence. The Administrator reported that he has been more or less convinced with everyone except Mr. Allison. The Commission unanimously moved to defer action on Mr. Allison until the Administrator has had further information on him to determine his legal residence. The Administrator suggested that if our salesman's applications forms were amended, perhaps

our problem could be simplified. The Commission went along with this idea and suggested that he proceed into the matter at his earliest opportunity.

#### National Business & Property Exchange

The operations of the National Business & Property Exchange is making its headway in the Territory through its Territorial representative, Mr. Milton H. Carter who is unlicensed by this Commission. Mr. Carter has had a couple of interviews with Mr. Bekeart, Administrator, and he has been put on notice that his activities are under close scrutiny of this Commission. Mr. Carter's reiteration is that "he is only in the advertising field and will get compensated for advertising purposes only" therefore he is not in the real estate business. The National Business & Property Exchange and similar organizations set up for the same purpose all over the states have been cited as "advance fee listing" firms at past NALLO conventions. It was felt that great caution should be taken in handling this situation in order to avoid being involved in future litigation.

After some discussion, it was decided that the Commission write to California regarding their progress in the suit pending with the same organization, then seek the counsel of the Attorney General's office, and take this matter up at the next meeting when the whole membership is in attendance.

#### Preparation for Renewal of Licenses for 1956

Full authority was granted to the Administrator to go ahead and print the 1956 pocket cards for salesmen and brokers and license certificates. Chairman Magoon stressed the fact that all effort should be centered in getting the 1956 licenses typed and mailed out at the earliest possible date. Suggestion was made by the commissioners that we revert to the old system of pre-typing the licenses before the payments are received; however, it was felt inadvisable for this time since the license certificates have already been pre-numbered. This idea could be incorporated perhaps in 1957.

#### Violators of Rule 8, Rules and Regulations

Violations of Rule 8, Rules and Regulations of the Commission, have been so numerous that the Administrator explained a method he proposes to take at the earliest possible moment to confer with the different newspaper offices in coping with the many violations. The method this office has been following by calling the attention of the violators verbally and in writing was highly commended by the Commissioners as an excellent idea for public relation and otherwise.

Administrator Proposals Under Study

The Administrator presented to the members the proposed calendar for the year 1956 on the Commission activities and personnel:

- (a) Conducting of real estate examinations - Mr. Bekeart suggested that four (4) examinations be conducted during the year instead of three as in the past. It was felt this will cut down on the number of applications.
- (b) The granting of established vacation periods to the office staff.
- (c) The taking of military leaves.
- (d) Work on Biennium Budget Estimates in July.
- (e) NALLO Convention.
- (f) Inter-island trips as a Board - take the Commission out to the neighboring islands with appropriate advance notices to foster public relation to discuss current problems with neighboring island licensees, etc.
- (g) Amendments and Additions to Rules & Regulations of the Commission.
- (h) Circularization of Quarterly or even Monthly Commission Bulletins.
- (i) Printing of New real estate directory.
- (j) Schedule Commission Meetings for the Year.
  - 1. Frequency of Meetings
  - 2. Plan to give advance copies of agenda of meetings
  - 3. Distribute Smooth copies of minutes
- (k) Reports: Annual Inventory Report  
Governor's Report  
Biennium Budget Estimates  
Other requested reports
- (l) Renewal period for Licenses.

Trip to California by Administrator

The Commission unanimously agreed that it would be a very opportune moment for the Administrator to go to California at this time of the year to study their real estate laws, rules and regulations, and the procedure for administration of such laws so that this Commission can

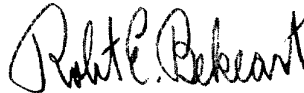
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benefit from his experiences and observation. It was unanimously voted that he be granted an advance per diem of \$20.00 a day for 14 days to cover his daily expenses, provided that Mr. Bekeart is able to seek his own transportation, and he was given full authorization to proceed with definite plans for the trip after clearance through proper official channels.

Respectfully submitted,



Robt E. Bekeart  
Administrator

REB:etk