

STATE LOSES SUITS TO ESCHEAT LANDS

Supreme Court Rules No Japanese Ownership Was Shown in King County Cases.

Special to The Times.

OLYMPIA, Wednesday, Nov. 4.—Two actions brought by the prosecuting attorney of King County under the alien land law for the escheat to the State of Washington of lands which it was contended were being held for Japanese, have been decided by the Supreme Court against the state in decisions handed down yesterday afternoon.

In one of these, directed against J. T. Kusumi, S. Hayashi, the Enterprise Investment Company and the Japanese Commercial Bank of Seattle, the lower court had held against the defendants and gave judgment for escheat, which judgment is now reversed.

In the second case, in which Ryoton Kurita and the Enterprise Investment Company are respondents, the lower court held for defendants, and this judgment is accordingly affirmed.

Japanese as Tenants.

The Supreme Court recites that the facts in both cases are strikingly similar. In the Kusumi case three Japanese had taken over a lease on a tract of land in 1917 containing an option of purchase and at termination of the lease sought an extension, but were granted only a month-to-month tenancy. They went to Walter A. Keene, a lawyer in good standing who, after inspection, decided to buy the place and lease it to the Japanese, and Kusumi loaned him \$3,600 which he applied in the purchase of the tract, taking title in the name of the Western American Realty Company, and giving the note of that company for the amount borrowed.

Several other transactions followed, vesting record title in the Enterprise Investment Company, Kasumi and associates remaining as tenants and paying rent.

Consistent With Honest Purpose.

The high court states the lower court refused to accept the explanation given by Kasumi and Hayashi as their reasons for loaning \$3,600 to Mr. Keene with which to purchase the property, and considered the deal subterfuge; but the Supreme Court says that if the testimony is to be disregarded, then the case stands upon the record of facts, and holds the facts and circumstances are lawful in themselves and consistent with an honest purpose. It seems plain, says the high court, that what Kasumi and Hayashi sought to do was to continue their leasehold interest in the land and operate it as they were then doing. The case is reversed and remanded for dismissal.

Both decisions were written by Judge Main and signed by Judges Parker and Holcomb, with Judge Tolman dissenting.