

**REAL ESTATE COMMISSION**

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

1010 RICHARDS STREET  
P. O. BOX 3469  
HONOLULU, HAWAII 96801

**PRELIMINARY  
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)  
PUBLIC REPORT**

THE SUMMER PALACE  
1848 Kahakai Drive  
Honolulu, Hawaii

REGISTRATION NO. 744

**IMPORTANT — Read This Report Before Buying**

**This Report Is Not an Approval or Disapproval of This Condominium Project**

It reflects information obtained by the Real Estate Commission in its investigation of the project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project but may only take reservations therefore after

- (1) A copy of this Report has been given to the prospective purchaser,
- (2) The latter has been given an opportunity to read same, and,
- (3) His receipt taken therefor.

Issued: January 9, 1975

Expires: February 9, 1976

SPECIAL ATTENTION

A comprehensive reading of the report is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the purchaser or prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED WITH THE REAL ESTATE COMMISSION ON JANUARY 6, 1975. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. THE SUMMER PALACE is a proposed leasehold condominium project consisting of one hundred forty-six (146) residential apartments arranged throughout one 24-story building. One hundred fifty-two (152) covered and/or uncovered, full size and/or compact parking spaces will be available in the parking area of the project, the assignment of these parking spaces being in accordance with the "DESCRIPTION" section herein.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and issuance of this Preliminary Public Report.
3. The basic documents (the Master Leases, Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners, and a copy of the approved floor plan) have been recorded in the Office of the Recording Officer.
4. No advertising or promotional matter has been submitted pursuant to rules and regulations promulgated by the Commission; however, it is anticipated that such material will be submitted prior to any sales.
5. The Developer has advised the Commission that pursuant to the terms of The Summer Palace Sales Contract and The Summer Palace Escrow Agreement, purchasers' escrowed downpayments may, under certain circumstances, be used to defray construction and other costs of the project after the issuance of a Final Report. The prospective purchaser is advised to acquaint himself specifically with the provisions of The Summer Palace Sales Contract and The Summer Palace Escrow Agreement.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Horizontal Property Act, Chapter 514, Hawaii Revised Statutes, and the Rules and Regulations promulgated pursuant thereto.
7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, January 9, 1975, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: THE SUMMER PALACE

LOCATION: The project is located at 1848 Kahakai Drive, Honolulu, Hawaii, and contains approximately 26,827 square feet of land, in leasehold, which is comprised of four (4) adjoining parcels of real property.

TAX KEYS: FIRST DIVISION: 2-3-36-20 (Lot 54)  
2-3-36-21 (Lot 55)  
2-3-36-22 (Lot 57)  
2-3-36-23 (Lot 56)

ZONING: A-4 (Apartment District)

DEVELOPER: The Developer of the project is THE ASSOCIATES OF THE SUMMER PALACE, a Hawaii limited partnership, whose principal place of business and post office address is c/o Mattoch, Kemper & Brown, Suite 1401 Davies Pacific Center, 841 Bishop Street, Honolulu, Hawaii 96813. The General Partner is In-Sites: A Land Corporation, which maintains its office at 23 South Vineyard Boulevard, Suite 301, Honolulu, Hawaii 96813. Its officers are: Edwin Y. Fujinaga, President/Treasurer, Andrea S. Fujinaga, Vice President/Secretary.

ATTORNEYS REPRESENTING DEVELOPER: MATTOCH, KEMPER & BROWN (Ian L. Mattoch), Suite 1401 Davies Pacific Center, 841 Bishop Street, Honolulu, Hawaii 96813, telephone 523-2451.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime reflects that the project is to consist of one hundred forty-six (146) residential apartments contained within a twenty-four story building, the floors of which are numbered one(1) through twenty-five (25), there being no designation of a "thirteenth" floor, constructed principally of reinforced concrete, glass, hydroban roofing and appropriate trim. There will be one hundred fifty-two (152) parking spaces arranged throughout the first five stories of the building. There will be a swimming pool with a recreational area on the third floor and a recreational area on the twenty-fourth floor.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or of interior loadbearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall include an adjacent balcony. Each apartment shall be deemed to include all walls and partitions which are not loadbearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and fixtures originally installed therein.

(a) Location of Apartments. There are eight (8) apartment units on each of the sixth through twenty-fourth floors (exclusive of the thirteenth floor), and two apartment units on the twenty-fifth floor. The apartments will be numbered "01", "02", "03", "04", "05", "06", "07" and "08". Each apartment number is preceded by a number denoting the floor on which such apartment is located; e.g., Apartment 601 is the corner apartment on the east end of the building on the sixth floor. The "02" units are to the west side of the "01" units with each subsequent unit following and concluding with the "08" units which are the corner units on the opposite end of the "01" units.

(b) Area of Apartments. The 146 apartments contained within the building vary in type and number and are described as follows:

TYPE A:           Eighteen (18) one-bedroom apartments each containing three (3) rooms and a floor area of 553.65 square feet excluding the adjacent balcony of approximately 159.69 square feet and numbered 608, 708, 808, 908, 1008, 1108,

1208, 1408, 1508, 1608, 1708, 1808, 1908, 2008, 2108, 2208, 2308 and 2408.

- TYPE B: Fifty-four (54) one-bedroom apartments each containing three (3) rooms and a floor area of 542.23 square feet excluding the adjacent balcony of approximately 105.75 square feet and numbered 602, 604, 606, 702, 704, 706, 802, 804, 806, 902, 904, 906, 1002, 1004, 1006, 1102, 1104, 1106, 1202, 1204, 1206, 1402, 1404, 1406, 1502, 1504, 1506, 1602, 1604, 1606, 1702, 1704, 1706, 1802, 1804, 1806, 1902, 1904, 1906, 2002, 2004, 2006, 2102, 2104, 2106, 2202, 2204, 2206, 2302, 2304, 2306, 2402, 2404 and 2406.
- TYPE BR: Eighteen (18) one-bedroom apartments each containing three (3) rooms and a floor area of 542.23 square feet excluding the adjacent balcony of approximately 105.75 square feet and numbered 607, 707, 807, 907, 1007, 1107, 1207, 1407, 1507, 1607, 1707, 1807, 1907, 2007, 2107, 2207, 2307 and 2407.
- TYPE B-PH: One (1) one-bedroom apartment containing five (5) rooms and a floor area of 672.23 square feet excluding the adjacent balcony/lanai of approximately 671 square feet and numbered 2502.
- TYPE C: Fifty-four (54) one-bedroom apartments each containing three (3) rooms and a floor area of 546.86 square feet excluding the adjacent balcony of approximately 105.75 square feet and numbered 601, 603, 605, 701, 703, 705, 801, 803, 805, 901, 903, 905, 1001, 1003, 1005, 1101, 1103, 1105, 1201, 1203, 1205, 1401, 1403, 1405, 1501, 1503, 1505, 1601, 1603, 1605, 1701, 1703, 1705, 1801, 1803, 1805, 1901, 1903, 1905, 2001, 2003, 2005, 2101, 2103, 2105, 2201, 2203, 2205, 2301, 2303, 2305, 2401, 2403 and 2405.
- TYPE C-PH: One (1) one-bedroom apartment containing three (3) rooms and a floor area of 558.86 square feet excluding the adjacent balcony of approximately 235.5 square feet and numbered 2501.

Each apartment has immediate access to a balcony passage on the floor on which it is located, which leads to the elevators (2) and stairways, which in turn afford access to the elevator lobby as well as other floors of the building, the elevator lobby floor connecting to the street by walkways and driveways.

The floor area of each respective apartment measured as set forth in the Declaration, including the separately itemized area of each such apartment's appurtenant balcony, the appurtenant individual percentage interest in the common elements and the designated parking space of each such apartment are as follows:

THE SUMMER PALACE

<u>Apt.No.</u>	<u>Type</u>	<u>Sq.Ft. Apt.Area</u>	<u>Sq.Ft. Balcony Area</u>	<u>Sq.Ft. Total Area</u>	<u>% Int. Common Area</u>	<u>Parking Stall</u>
601	C	546.86	105.75	652.61	.0068556	E-518 (UC)*
602	B	542.23	105.75	647.98	.0067976	E-519 (UC)
603	C	546.86	105.75	652.61	.0068556	A-130
604	B	542.23	105.75	647.98	.0067976	B-201 (C)**
605	C	546.86	105.75	652.61	.0068556	B-202 (C)
606	B	542.23	105.75	647.98	.0067976	B-208 (C)
607	BR	542.23	105.75	647.98	.0067976	B-215 (C)
608	A	553.65	159.69	713.34	.0069407	B-217 (C)
701	C	546.86	105.75	652.61	.0068556	B-226 (C)
702	B	542.23	105.75	647.98	.0067976	B-227 (C)
703	C	546.86	105.75	652.61	.0068556	B-228 (C)
704	B	542.23	105.75	647.98	.0067976	B-229 (C)
705	C	546.86	105.75	652.61	.0068556	B-225 (C)
706	B	542.23	105.75	647.98	.0067976	B-230 (C)
707	BR	542.23	105.75	647.98	.0067976	C-301 (C)
708	A	553.65	159.69	713.34	.0069407	C-302 (C)
801	C	546.86	105.75	652.61	.0068556	C-308 (C)
802	B	542.23	105.75	647.98	.0067976	C-312 (C)
803	C	546.86	105.75	652.61	.0068556	C-318 (C)
804	B	542.23	105.75	647.98	.0067976	C-322 (C)
805	C	546.86	105.75	652.61	.0068556	D-401 (C)
806	B	542.23	105.75	647.98	.0067976	D-402 (C)
808	A	553.65	159.69	713.34	.0069407	D-412 (C)
901	C	546.86	105.75	652.61	.0068556	D-421 (C)
902	B	542.23	105.75	647.98	.0067976	D-423 (C)
903	C	546.86	105.75	652.61	.0068556	E-508 (PC)** *

\* (UC) designates an uncovered parking stall

\*\* (C) designates a compact parking stall

\*\*\* (PC) designates a partially covered parking stall

<u>Apt.No.</u>	<u>Type</u>	<u>Sq.Ft. Apt.Area</u>	<u>Sq.Ft. Balcony Area</u>	<u>Sq.Ft. Total Area</u>	<u>% Int. Common Area</u>	<u>Parking Stall</u>
904	B	542.23	105.75	647.98	.0067976	E-512 (PC)
905	C	546.86	105.75	652.61	.0068556	E-524 (C) (UC)
906	B	542.23	105.75	647.98	.0067976	E-528 (C) (UC)
907	BR	542.23	105.75	647.98	.0067976	E-514 (UC)
908	A	553.65	159.69	713.34	.0069407	E-513
1001	C	546.86	105.75	652.61	.0068556	E-526 (UC)
1002	B	542.23	105.75	647.98	.0067976	E-527 (UC)
1003	C	546.86	105.75	652.61	.0068556	E-529 (UC)
1004	B	542.23	105.75	647.98	.0067976	E-530 (UC)
1005	C	546.86	105.75	652.61	.0068556	E-531 (UC)
1006	B	542.23	105.75	647.98	.0067976	E-532 (UC)
1007	BR	542.23	105.75	647.98	.0067976	E-533 (UC)
1008	A	553.65	159.69	713.34	.0069407	E-515 (UC)
1101	C	546.86	105.75	652.61	.0068556	E-507 (PC)
1102	B	542.23	105.75	647.98	.0067976	E-509 (PC)
1103	C	546.86	105.75	652.61	.0068556	E-510 (PC)
1104	B	542.23	105.75	647.98	.0067976	E-511 (PC)
1105	C	546.86	105.75	652.61	.0068556	E-521 (UC)
1106	B	542.23	105.75	647.98	.0067976	E-522 (UC)
1107	BR	542.23	105.75	647.98	.0067976	E-523 (UC)
1108	A	553.65	159.69	713.34	.0069407	E-525 (UC)
1201	C	546.86	105.75	652.61	.0068556	D-430
1202	B	542.23	105.75	647.98	.0067976	D-413
1203	C	546.86	105.75	652.61	.0068556	D-414
1204	B	542.23	105.75	647.98	.0067976	D-415
1205	C	546.86	105.75	652.61	.0068556	E-503 (PC)
1206	B	542.23	105.75	647.98	.0067976	E-504 (PC)

<u>Apt.No.</u>	<u>Type</u>	<u>Sq.Ft. Apt.Area</u>	<u>Sq.Ft. Balcony Area</u>	<u>Sq.Ft. Total Area</u>	<u>% Int. Common Area</u>	<u>Parking Stall</u>
1207	BR	542.23	105.75	647.98	.0067976	E-505 (PC)
1208	A	553.65	159.69	713.34	.0069407	E-506 (PC)
1401	C	546.86	105.75	652.61	.0068556	D-420
1402	D	542.23	105.75	647.98	.0067976	D-422
1403	C	546.86	105.75	652.61	.0068556	D-424
1404	B	542.23	105.75	647.98	.0067976	D-425
1405	C	546.86	105.75	652.61	.0068556	D-426
1406	B	542.23	105.75	647.98	.0067976	D-427
1407	BR	542.23	105.75	647.98	.0067976	D-428
1408	A	553.65	159.69	713.34	.0069407	D-429
1501	C	546.86	105.75	652.61	.0068556	D-407
1502	B	542.23	105.75	647.98	.0067976	D-409
1503	C	546.86	105.75	652.61	.0068556	D-410
1504	B	542.23	105.75	647.98	.0067976	D-411
1505	C	546.86	105.75	652.61	.0068556	D-416
1506	B	542.23	105.75	647.98	.0067976	D-417
1507	BR	542.23	105.75	647.98	.0067976	D-418
1508	A	553.65	159.69	713.34	.0069407	D-419
1601	C	546.86	105.75	652.61	.0068556	C-324
1602	B	542.23	105.75	647.98	.0067976	C-325
1603	C	546.86	105.75	652.61	.0068556	C-326
1604	B	542.23	105.75	647.98	.0067976	C-327
1605	C	546.86	105.75	652.61	.0068556	D-403
1606	B	542.23	105.75	647.98	.0067976	D-404
1607	BR	542.23	105.75	647.98	.0067976	D-405
1608	A	553.65	159.69	713.34	.0069407	D-406
1701	C	546.86	105.75	652.61	.0068556	C-314

<u>Apt.No.</u>	<u>Type</u>	<u>Sq.Ft. Apt.Area</u>	<u>Sq.Ft. Balcony Area</u>	<u>Sq.Ft. Total Area</u>	<u>% Int. Common Area</u>	<u>Parking Stall</u>
1702	B	542.23	105.75	647.98	.0067976	C-315
1703	C	546.86	105.75	652.61	.0068556	C-316
1704	B	542.23	105.75	647.98	.0067976	C-317
1705	C	546.86	105.75	652.61	.0068556	C-319
1706	B	542.23	105.75	647.98	.0067976	C-320
1707	BR	542.23	105.75	647.98	.0067976	C-321
1708	A	553.65	159.69	713.34	.0069407	C-323
1801	C	546.86	105.75	652.61	.0068556	C-304
1802	B	542.23	105.75	647.98	.0067976	C-305
1803	C	546.86	105.75	652.61	.0068556	C-306
1804	B	542.23	105.75	647.98	.0067976	C-307
1805	C	546.86	105.75	652.61	.0068556	C-309
1806	B	542.23	105.75	647.98	.0067976	C-310
1807	BR	542.23	105.75	647.98	.0067976	C-311
1808	A	553.65	159.69	713.34	.0069407	C-313
1901	C	546.86	105.75	652.61	.0068556	B-219
1902	B	542.23	105.75	647.98	.0067976	B-220
1903	C	546.86	105.75	652.61	.0068556	B-221
1904	B	542.23	105.75	647.98	.0067976	B-222
1905	C	546.86	105.75	652.61	.0068556	B-223
1906	B	542.23	105.75	647.98	.0067976	B-224
1907	BR	542.23	105.75	647.98	.0067976	B-231
1908	A	553.65	159.69	713.34	.0069407	C-303
2001	C	546.86	105.75	652.61	.0068556	B-209
2002	B	542.23	105.75	647.98	.0067976	B-210
2003	C	546.86	105.75	652.61	.0068556	B-211
2004	B	542.23	105.75	647.98	.0067976	B-212
2005	C	546.86	105.75	652.61	.0068556	B-213

<u>Apt.No.</u>	<u>Type</u>	<u>Sq.Ft. Apt.Area</u>	<u>Sq.Ft. Balcony Area</u>	<u>Sq.Ft. Total Area</u>	<u>% Int. Common Area</u>	<u>Parking Stall</u>
2006	B	542.23	105.75	647.98	.0067976	B-214
2007	BR	542.23	105.75	647.98	.0067976	B-216
2008	A	553.65	159.69	713.34	.0069407	B-218
2101	C	546.86	105.75	652.61	.0068556	A-122
2102	B	542.23	105.75	647.98	.0067976	A-132
2103	C	546.86	105.75	652.61	.0068556	A-131
2104	B	542.23	105.75	647.98	.0067976	B-203
2105	C	546.86	105.75	652.61	.0068556	B-204
2106	B	542.23	105.75	647.98	.0067976	B-205
2107	BR	542.23	105.75	647.98	.0067976	B-206
2108	A	553.65	159.69	713.34	.0069407	B-207
2201	C	546.86	105.75	652.61	.0068556	E-516 (UC)
2202	B	542.23	105.75	647.98	.0067976	E-502 (C)
2203	C	546.86	105.75	652.61	.0068556	E-501 (C)
2204	B	542.23	105.75	647.98	.0067976	E-520 (UC)
2205	C	546.86	105.75	652.61	.0068556	A-121
2206	B	542.23	105.75	647.98	.0067976	A-120
2207	BR	542.23	105.75	647.98	.0067976	A-119
2208	A	553.65	159.69	713.34	.0069407	A-118
2301	C	546.86	105.75	652.61	.0068556	A-113
2302	B	542.23	105.75	647.98	.0067976	A-112
2303	C	546.86	105.75	652.61	.0068556	A-111
2304	B	542.23	105.75	647.98	.0067976	A-101
2305	C	546.86	105.75	652.61	.0068556	A-102
2306	B	542.23	105.75	647.98	.0067976	A-103 (C)
2307	BR	542.23	105.75	647.98	.0067976	A-104 (C)
2308	A	553.65	159.69	713.34	.0069407	E-517 (UC)
2401	C	546.86	105.75	652.61	.0068556	A-108

<u>Apt.No.</u>	<u>Type</u>	<u>Sq.Ft. Apt.Area</u>	<u>Sq.Ft. Balcony Area</u>	<u>Sq.Ft. Total Area</u>	<u>% Int. Common Area</u>	<u>Parking Stall</u>
2402	B	542.23	105.75	647.98	.0067976	A-107
2403	C	546.86	105.75	652.61	.0068556	A-106
2404	B	542.23	105.75	647.98	.0067976	A-105
2405	C	546.86	105.75	652.61	.0068556	A-110 (C)
2406	B	542.23	105.75	647.98	.0067976	A-116 (C)
2407	BR	542.23	105.75	647.98	.0067976	A-115
2408	A	553.65	159.69	713.34	.0069407	A-114
2501	C-PH	558.86	235.5	794.36	.007001	A-117
2502	B-PH	672.23	671.0	1343.23	.0084273	A-109

COMMON ELEMENTS: The proposed Declaration reflects that the common elements shall include all of the land and all of the improvements other than the apartments, specifically including but not limited to:

1. Said land in leasehold;
2. All foundations, columns, beams, supports, loadbearing walls, roofs, chases, entry halls, lobbies, stairs, walkways, entrances and exits of said building;
3. All yards, grounds, landscaping, access decks, swimming pool, swimming pool equipment and decking, refuse areas, including the trash room located on the ground floor and the Manager's office, electrical room, transformer room, mechanical room and lobby area, all of which are also located on the ground floor of the building;
4. All driveways, loading areas and parking areas;
5. All pipes, cables, conduits, ducts, electrical equipment, trash chutes, wiring and other central and pertinent transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, lights, gas, water, sewer, telephone, and television signal distribution, if any;
6. Any and all other apparatus and installations of common use and all other parts of the project necessary or convenient to its existence, maintenance and safety, or normally in common use;
7. The automatic electric passenger elevators with elevator housings and appurtenant equipment;
8. Six (6) guest parking spaces so designated on the plans as numbers A-123 through A-127 and A-129.

LIMITED COMMON ELEMENTS: The proposed Declaration states that certain common elements shall be limited common elements and shall be set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

1. One (1) automobile parking space designated according to the respective apartment number, all as set out in the "DESCRIPTION" section herein.
2. All other common elements of the project which are rationally related to less than all of said apartments shall be limited to the use of such apartments.

The proposed Declaration also states that each apartment shall have appurtenant to it a non-exclusive easement for the purpose of ingress and egress.

COMMON INTEREST TO BE CONVEYED TO PURCHASER: The Declaration states that each apartment shall have appurtenant thereto an undivided percentage interest in all the common elements of the project (referred to as the "common interest"), and the same proportionate share in all common profits and expenses of the project and for all other purposes, including rating. The various percentages have been set forth previously in the "DESCRIPTION" section herein. The purchaser will receive an apartment lease executed by In-Sites: A Land Corporation, as lessor, demising an apartment together with its aforementioned share of the common interest.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that all apartments shall at all times be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and guests and for no other purpose. The apartments shall not be rented for transient or hotel purposes which is defined as rental for any period less than 30 days or any rental in which the occupants of the apartment are provided customary hotel services. Except for the prohibition against use of the apartments for transient or hotel purposes, the owners of the respective apartments shall have the absolute right to lease or rent their apartment subject to all provisions of the Declaration and By-Laws.

OWNERSHIP OF LAND AND ENCUMBRANCES AGAINST TITLE: A preliminary report issued on November 11, 1974, by Long & Melone, Ltd., certifies that title to LOT 54 is held by Edwin Yoshihiro Fujinaga and Andrea Shinayo Fujinaga, husband and wife, as tenants by the entirety, under Transfer Certificate of Title No. 170,201; a preliminary report issued on November 25, 1974, by Long & Melone, Ltd., certifies that title to LOT 55 is vested in the Estate of Tokuichi Iwai, deceased, under Transfer Certificate of Title No. 74,586; a preliminary report issued on November 11, 1974, by Long & Melone, Ltd., certifies that title to LOT 56 is vested in George Dung Loy Mau and William Goon Seong Mau, Trustees under Agreement of Trust dated July 8, 1974, under Transfer Certificate of Title No. 169,617; a preliminary report issued on November 11, 1974, by Long & Melone, Ltd., certifies that title to LOT 57 is vested in Kim Fook Lyau, widower, under Transfer Certificate of Title No. 41,905. Each preliminary report issued

reflects the issuance of a lease by the respective owners of these parcels in favor of In-Sites: A Land Corporation, on July 30, 1974, the term of that lease being 65 years commencing August 1, 1974, and ending July 31, 2039.

The preliminary reports described above state that title to the parcels of land is vested as set forth in the preceding paragraph subject to the following encumbrances:

1. As to Lot 54: Portion of Easement A-4 (5 feet wide), as shown on Map No. 12, Land Court Consolidation No. 6, for purposes of storm drain, located along the westerly boundary of said Lot 54. Grant of easement in favor of City and County of Honolulu for the purpose of constructing an underground drainage structure, dated March 12, 1957, filed in the Office of the Assistant Registrar of the Land Court as Document No. 203,116, located over and across a portion of said Easement A-4. Lease dated August 1, 1974, by and between Edwin Yoshihiro Fujinaga and Andrea Shinayo Fujinaga, husband and wife, as lessors, and In-Sites: A Land Corporation, as lessee, filed in said Office of the Assistant Registrar of the Land Court as Document No. 692,198.
2. As to Lot 55: Lease dated July 30, 1974, by and between Torao Iwai, husband of Matsue Iwai, Trustee under Trust Indenture dated October 24, 1955, as lessor, and In-Sites: A Land Corporation, as lessee, filed in said Office of the Assistant Registrar of the Land Court as Document No. 692,204.
3. As to Lot 56: Lease dated July 30, 1974, by and between George Dung Loy Mau and William Goon Seong Mau, Trustees under Agreement of Trust dated July 8, 1974, as lessors, and In-Sites: A Land Corporation, as lessee, filed in said Office of the Assistant Registrar of the Land Court as Document No. 692,203.
4. As to Lot 57: Easement 10 feet wide as shown on Map No. 18, Land Court Consolidation No. 6, for the purpose of a storm drain located along the westerly boundary of said Lot 57. Grant of easement in favor of the City and County of Honolulu for the purpose of constructing a drainage structure as part of a drainage system, dated October 4, 1962, filed in said Office of the Assistant Registrar of the Land Court as Document No. 299,549, and located over and across the foregoing easement. Lease dated July 30, 1974, by and between Kim Fook Lyau and Violet Tung Mau Lyau, as lessors, and In-Sites: A Land Corporation, as lessee, filed in said Office of the Assistant Registrar of the Land Court as Document No. 692,201.
5. As to all lots: Taxes that are due and owing and a lien on the land.

It should be noted that Lot 55 is held in the name of Torao Iwai, Trustee under a Trust Indenture dated October 24, 1955, filed as Land Court Document No. 180,625. The Trust Indenture states in part that the Trust shall be terminated at the death of the settlor,

Tokuichi Iwai, and subsequent to that death, the subject matter of the Trust shall be distributed to its beneficiaries. Prior to the issuance of a policy of title insurance by Lawyers Title Insurance Corporation, the Developer has been informed that the subject matter of the Trust must be conveyed by trust deed to the beneficiaries, and there must be a subsequent confirmation of the lease entered into between Torao Iwai as Trustee and In-Sites: A Land Corporation, in order to assure clear title.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated December 30, 1974, identifies CROWN ESCROW, INC., a Hawaii corporation, as escrow agent. On examination, the Specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, and particularly Section 514-35 through Section 514-40 of the Hawaii Revised Statutes.

Among other provisions, the executed Escrow Agreement states that a purchaser under the Sales Contract, upon written request, shall be entitled to a refund of all monies deposited with Escrow, without interest, if any of the following events shall have occurred:

1. If Developer shall have requested in writing that Escrow return to purchaser the funds of purchaser;
2. If funds were obtained from an apartment purchaser prior to the issuance of a final public report upon the project by the Real Estate Commission, and there is a change in the plans for the said building requiring the approval of the official of the City and County of Honolulu having jurisdiction over the issuance of permits for the construction of buildings, unless Developer obtains the written approval or acceptance of such specific change in building plans by such apartment purchaser;
3. If the final public report differs in any material respect from the preliminary public report, unless the purchaser has given written approval or acceptance of the difference; or
4. If the final public report is not issued within one year from the date of issuance of the preliminary public report.

The Escrow Agreement also provides that the escrow agent shall deposit all funds received in a bank or savings and loan institution selected by the Developer and that any interest earned thereon shall be the sole asset of the Developer.

The Specimen Sales Contract states that certain of its terms are subject to the terms of the Escrow Agreement. The Specimen Sales Contract also provides that the Developer shall have the option to cancel the Sales Contract if less than 90 apartments are sold prior to February 15, 1975.

It is incumbent upon the purchaser or prospective purchaser to read with care the Specimen Sales Contract and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds paid into escrow will be retained and may be disbursed, in some circumstances disbursement being prior to the completion of the project.

MANAGEMENT AND OPERATIONS: The Sales Contract authorizes the Developer from time to time prior to closing, for and on behalf of purchaser at his proportionate common expense, to enter into contracts, licenses and concessions as are generally necessary or desirable for the management, operation and maintenance of the project. The Developer has entered into an agreement with TOWN MANAGEMENT, INC., a Hawaii corporation, for the employment of its services relating to the maintenance and management of the project, the term of this contract to be for one year. A copy of the Management Agreement has been delivered to the Real Estate Commission and is on file for the purchaser or prospective purchaser to review.

STATUS OF THE PROJECT: Construction has not yet begun on the project. The Developer has advised that it expects to begin construction on March 1, 1975.

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The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted January 6, 1975.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 744, filed with the Commission on January 9, 1975.

The report, when reproduced, shall be a true copy of the Commission's Public Report. In making facsimiles, the paper stock shall be yellow in color.

  
(for) DOUGLAS R. SODEVANI, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution: DEPARTMENT OF TAXATION  
BUREAU OF CONVEYANCES  
PLANNING DEPARTMENT, CITY  
AND COUNTY OF HONOLULU  
FEDERAL HOUSING ADMINISTRATION  
ESCROW AGENT

Registration No. 744  
January 9, 1975