

# 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

on  
PEARL HARBOR GARDENS  
(formerly Waipahu Garden Court)  
94-125 Pahu Street  
Waipahu, Oahu, Hawaii

REGISTRATION NO. 884

### 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: December 27, 1976  
Expires: January 27, 1978

#### SPECIAL ATTENTION

A comprehensive reading of this report by the purchaser or prospective purchaser 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:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED October 28, 1976 AND INFORMATION SUBSEQUENTLY FILED AS OF December 22, 1976. 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. Pearl Harbor Gardens is a leasehold condominium project consisting of sixty-four (64) free-standing dwelling units and sixty-seven (67) parking stalls. The Project was previously registered with the Real Estate Commission as Waipahu Garden Court, Registration No. 387, which registration has expired.
2. The Developer of the Project has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the approved floor plans) have not yet been filed in the office of the recording officer.
4. The Developer has advised the Commission that advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public exposure.
5. This Preliminary Public Report is made a part of the registration of the PEARL HARBOR GARDENS condominium project. The Developer is responsible for placing a true copy of this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers. Any such purchaser or prospective purchaser shall sign the required receipt or receipts signifying that he has had an opportunity to read the report.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations promulgated thereunder which relate to the Horizontal Property Regime.
7. This Public Report automatically expires thirteen (13) months after the date of issuance, December 27, 1976, unless a Supplementary or Final Public Report is published or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: PEARL HARBOR GARDENS.

LOCATION: The Project consists of approximately 414,302 square feet of leasehold property and sixty-four (64) dwelling units situate at 94-125 Pahu Street, Waipahu, Oahu, Hawaii.

TAX MAP KEY: First Division, 9-4-11-01.

ZONING: R-5.

DEVELOPER: Jack Ujimori, Suite 269, 1077 Bishop Street, Honolulu, Hawaii. Telephone Number: 536-7718.

ATTORNEY REPRESENTING DEVELOPER: Mukai, Ichiki, Raffetto & MacMillan (Wesley Y. S. Chang and Michael R. Garner), 345 Queen Street, Suite 800, Honolulu, Hawaii, Telephone Number: 531-6277.

DESCRIPTION OF PROJECT: The proposed Declaration of Horizontal Property Regime describes the Project as follows:

1. Description of Buildings. The proposed Declaration of Horizontal Property Regime reflects that the Project shall consist of sixty-four (64) separate buildings, each containing one (1) single-family apartment unit. The units are numbered 1, 2, 4 through 11, inclusive, 13, 14, 16, 17, 19, 21, 22, 24 through 28, inclusive, 30, 32, 33, 35 through 56, inclusive, 58 through 72, inclusive, 74, and 75, as shown on the Condominium Map. Each of these apartment units is a single-story wood frame building, constructed principally of wood, glass, and allied building materials on a post and pier foundation.

2. Description of Apartments. Each apartment contains six (6) rooms, consisting specifically of three bedrooms, a bathroom, a living-dining room, and a kitchen. Each apartment has a net floor area of approximately 884 square feet. Two (2) types of floor plans, designated as "A" and "B" on said Condominium Map, have been utilized for the apartments. Certain of said apartments are designated as "rev." on said Condominium Map, indicating that their floor plans are the reverse or apposite hand of the typical type A and type B units.

The number designation and type of each of the apartments of the Project are as follows:

<u>Apartment</u>	<u>Type</u>	<u>Apartment</u>	<u>Type</u>
1	A	22	Brev.
2	Arev.	24	A
4	A	25	A
5	A	26	Arev.
6	A	27	Brev.
7	A	28	Arev.
8	Arev.	30	B
9	A	32	A
10	Arev.	33	Arev.
11	Brev.	35	A
13	A	36	B
14	A	37	Arev.
16	Brev.	38	Brev.
17	B	39	A
19	A	40	Arev.
21	B	41	Brev.

<u>Apartment</u>	<u>Type</u>	<u>Apartment</u>	<u>Type</u>
42	B	59	A
43	A	60	B
44	A	61	Arev.
45	A	62	Arev.
46	Brev.	63	A
47	B	64	B
48	A	65	B
49	A	66	A
50	Arev.	67	Brev.
51	Brev.	68	Brev.
52	B	69	B
53	Arev.	70	B
54	A	71	Arev.
55	Arev.	72	A
56	A	74	Brev.
58	A	75	B

### 3. Developer's Option to Build Additional Improvements.

The proposed Declaration provides that Developer shall, from time to time, have the right at his option, up to but not later than December 31, 1986, to require alteration of the Project by constructing any or all of the following: (a) not more than eleven (11) additional residential condominium units (hereinafter called the "Additional Apartments"), with appurtenant common elements, which Additional Apartments are designated as Apartment Nos. 3, 12, 15, 18, 20, 23, 29, 31, 34, 57, and 73 on said Condominium Map; (b) additional common recreational facilities, such as a swimming pool and tennis court within the area delineated on said Condominium Map as "Future Improvement Area"; and (c) not more than fifty-eight (58) additional parking stalls; provided that Developer may, at his option, omit all or any part of such Additional Apartments, recreational facilities, and/or parking stalls from any such future construction. Upon completion, said Additional Apartments, and any new common recreational facilities and parking stalls, shall be merged with the existing apartments and common elements of the Project as provided therein. In the event that Developer should exercise his option to construct Additional Apartments thereunder, said Additional Apartments shall be constructed in accordance with complete plans and specifications therefor, as set forth in the Condominium Map, or in accordance with such modified plans and specifications as shall be approved by Developer, and on the following terms and conditions:

a. No such plans and specifications shall require the alteration or demolition of any existing apartment or its appurtenant limited common elements, or any improvements constituting part of the common elements; provided, however, that Developer shall have the right to install, in and across the common elements and limited common elements, utilities, cesspools, sanitary and storm sewers, cable televisions, refuse disposal, driveways, parking areas, and roadways.

b. Developer shall, at his own expense and without being required to obtain the consent or joinder of any existing apartment owner or lienholder, execute and file an amendment to the Declaration and said Condominium Map:

(i) to create and describe the Additional Apartments, recreational facilities, and parking stalls, if any; (ii) to describe the common interests and common elements appurtenant to the Additional Apartments; (iii) to decrease the common interest appurtenant to each existing apartment; (iv) when applicable, to add, delete, relocate, realign, reserve, and grant all easements and rights-of-ways over, under, and on the common elements necessary or desirable, including, but not limited to, easements and rights-of-way for utilities, cesspools, sanitary and storm sewers, cable televisions, refuse disposal, driveways, parking areas, and roadways; provided that such easements and rights-of-way do not materially impair the use of any apartment or its appurtenant interest in the common elements or limited common elements; and (v) to effect the merger of the Additional Apartments, and any common elements and limited common elements constructed in connection therewith, with the existing apartments and common elements and limited common elements of the Project.

c. To the extent that the joinder of all apartment owners may be required in order to validate any amendment of the Declaration as contemplated under subparagraph 3b hereinabove, such joinder shall be accomplished by power of attorney from each of the owners to Developer, and the acceptance of ownership of an apartment in the Project shall constitute a grant of such power and such grant, being coupled with the interest of the Developer as reserved to construct said Additional Apartments, recreational facilities, and parking stalls, shall be irrevocable so long as the rights reserved to Developer shall remain in existence.

d. Developer shall secure a performance and payment bond naming as obligees the fee owner, Developer and, collectively, the owners of all existing apartments as their interest may appear through the Association of Apartment Owners, in a penal sum of not less than 100% of the cost of the construction of the Additional Apartments, recreational facilities, and parking stalls guaranteeing completion of construction, free and clear of all mechanic's and materialman's liens. Developer, his employees, agents, contractors, and subcontractors shall thereafter have the right to enter upon the Project and the common elements and limited common elements thereof and to do all things reasonably necessary, desirable, or useful for constructing and completing the Additional Apartments, recreational facilities, parking stalls, appurtenant common elements, and limited common elements connecting the Additional Apartments and common elements and limited common elements to the utilities of the Project and marketing the Additional Apartments.

e. The construction of the Additional Apartments and any recreational facilities and parking stalls shall be performed in such manner as shall cause the least practicable annoyance to and interference with the then existing apartment owners. Each purchaser of an apartment in the Project, by his acceptance and occupancy of his apartment on closing, agrees: (i) to remain outside of any fenced or posted construction areas or any other areas upon which work is being performed pending completion, and to exert diligent

efforts to prohibit entry into such areas by members of his household and by his invitees; and (ii) to indemnify and save harmless the fee owner, Developer, and Developer's contractors and agents from and against any and all loss or liability for death or injury to persons or damage or loss of property on account of such entry either by the apartment purchaser or his family and invitees.

f. The common interest appurtenant to each existing apartment shall be decreased and a common interest appurtenant to each Additional Apartment shall be allocated on the following basis: The aggregate floor area of all existing apartments and the Additional Apartments to be added to the Project by merger shall first be determined. The floor area of each existing apartment and each Additional Apartment shall then be divided by such total floor area and the resulting quotient shall be the common interest appurtenant to each such apartment.

g. The foregoing provisions to the contrary notwithstanding, Developer shall have the right to merge the Additional Apartments in one or more increments at the same or at different times, and the merger of less than all of said Additional Apartments shall not affect the right of Developer to construct and merge the remainder of said Additional Apartments at a later date, subject to all of the terms, covenants, and conditions described above.

h. The merger of the Additional Apartments with the existing apartments shall take effect only after the completion of the apartments to be merged and the issuance of a Certificate of Occupancy therefor and upon the recording by Developer of an Amendment to the Declaration which shall certify that the Additional Apartments have been completed as aforesaid and that the merger has been consummated. Without limiting the generality of the foregoing, the following consequences shall ensue from and after the effective date of each merger:

(i) After any such merger, the Additional Apartments and the existing apartments shall be treated for purposes of administration, use, and sharing of common expenses as though they had been developed, divided into apartments, and used by the owners thereof as a single undivided Project. The Additional Apartments and the existing apartments shall have an equal and non-exclusive right to use the common elements of the Project, subject to the terms, conditions, and limitations provided therein and in the By-Laws attached thereto, and each of said apartments shall be allocated a new undivided interest in the common elements of the Project and the same proportionate share in all common profits and expenses of the Project, and for all other purposes, including voting, as computed in accordance with subparagraph 3f above.

(ii) Developer may require the owners of the Additional Apartments added to the Project by merger to make contribution, in addition to their share of the common

elements, to the maintenance reserves of the Project. Developer may provide that such contributions may be made over a period of time, and in establishing the amounts and terms of such contribution, Developer shall take into account the amount of maintenance reserves accumulated prior to the addition of such apartments and the condition of the pre-existing apartments in the Project. The owners of Additional Apartments added to the Project by merger shall not be obligated to pay or assume any outstanding debts, expenses, costs, or other obligations of the owners of pre-existing apartments in the Project as of the effective date of the merger, with the exception of any such debts, expenses, costs, or obligations which were incurred for the common benefit of the pre-existing apartments and the owners of the Additional Apartments added to the Project by merger.

4. Apartments. The additional apartments shall be constructed of the same materials and shall contain the same number and type of rooms as the existing apartments, provided, that such additional apartments shall have a floor area of approximately 900 square feet. The additional apartments shall utilize the floor plans designated as type "C" on said Condominium Map, or such modified plans as shall be hereafter approved by Developer.

Each apartment, whether or not existing, has or will have immediate access to its entries and to the walkways connecting such apartment to the grounds and parking areas of the Project.

Each apartment, whether or not existing, shall be deemed to include its foundations, the exterior walls and roof, all interior walls, ceilings, floors and partitions and the finished surfaces thereof, and all fixtures originally installed therein. The respective apartments shall not be deemed to include any structural service elements which are utilized by or serve more than one apartment, the same being deemed as common elements as hereinafter provided. Notwithstanding the foregoing designation of the limits of the respective apartments, the approximate floor area of each apartment has been computed by measuring from the outside of the exterior walls, without deduction for interior walls, ducts, vent shafts and the like located within the perimeter walls.

COMMON ELEMENTS: The proposed Declaration states that the common elements shall include, but not be limited to, the following:

- a. The land in fee simple;
- b. All yards, grounds, landscaping, mailboxes, and refuse facilities;
- c. All ducts, electrical equipment, wiring, and other central and appurtenant installations, including power, light, water, sewer, and telephone; and

d. All roadways, sidewalks, driveways, and recreational areas of the Project.

LIMITED COMMON ELEMENTS: The proposed Declaration provides that certain parts of the common elements are to be limited common elements. The limited common elements so set aside and reserved by said Declaration are as follows:

a. The site of each apartment, consisting of the land beneath and adjacent thereto, as shown and delineated on said Condominium Map, shall be a limited common element for the exclusive use of the apartment to which it is appurtenant, and the owner of each such apartment shall be responsible for and shall bear the expense of installing and maintaining all landscaping within such limited common element area and of repairing, restoring, or reinstating any walkways, fences, walls, and other improvements located within such designated limited common element area.

b. The walkways connecting the apartments to Pahu Street or to the roadways of the Project shall be a limited common element for the exclusive use of the apartments to which said walkways are appurtenant; and

c. One parking stall and the storage area adjacent to said parking stall shall be a limited common element appurtenant to and for the exclusive use of each apartment. The three existing parking stalls which are not appurtenant to any existing apartment (designated on the Condominium Map to be filed in the office of the recording officer as Nos. 2, 15, and 16) shall be offered for sale or lease by Developer to apartment owners upon such terms and conditions as Developer shall determine. All proceeds derived from the sale or lease of such additional stalls shall be the property of Developer and neither any apartment owner nor the Association of Apartment Owners shall have any interest therein. In the event Developer should exercise his option to construct any or all of the Additional Apartments and parking stalls pursuant to the right reserved to him in the Declaration, one (1) parking stall shall be transferred with each such Additional Apartment upon the conveyance thereof, and any remaining stalls shall be offered for sale or lease by Developer as aforesaid.

INTEREST TO BE CONVEYED TO PURCHASERS: The proposed Declaration states that each apartment shall have appurtenant thereto an undivided 1/64 fractional interest (a 1.5625 percentage interest) in the common elements for purposes of voting on all matters requiring action by the owner and the same proportionate share in all common profits and expenses of the Project and for all other purposes. This interest is subject to future adjustment should the Developer exercise his option, reserved in the Declaration, to build any or all of the Additional Apartments as set forth more particularly above under "Description of Project; 3. Developer's Option to Build Additional Apartments." Purchasers will receive apartment subleases from the Developer for a term to end on June 30, 2032.

RESTRICTIONS AS TO USE: The proposed Declaration states that the apartments are for residential apartment use. However, an owner of an apartment is allowed to rent or lease the same from time to time in the apartment owner's discretion for any period not less than thirty (30) days; provided that any such lease or rental shall not involve the provision of customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service.

OWNERSHIP OF TITLE: A Preliminary Title Report dated December 6, 1976 by Title Guaranty of Hawaii, Inc. reports that title to the land is vested in Tatsuichi Ota and Yasu Ota (deceased) who leased said property by that certain Lease dated December 1, 1962 and recorded in the Bureau of Conveyances, State of Hawaii, in Liber 4422, Page 384 to Oliver Kinney, which Lease was amended by instrument dated February 25, 1964 and recorded in said Bureau in Liber 4694, Page 267. Said Lease, as amended, was assigned by mesne assignments by Buzzy T. Okazaki, the duly appointed and acting commissioner in that certain civil action entitled Pacific Savings and Loan Association, Plaintiff, vs. Amity Waipahu, Inc. et al, Defendants, Civil No. 42900, Circuit Court of the First Circuit, State of Hawaii, as Assignor, to Jack H. Ujimori, husband of Harumi Ujimori, as Assignee, by instrument dated October 14, 1976 and recorded in said Bureau in Liber 11855, Page 16.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report dated December 6, 1976, issued by Title Guaranty of Hawaii, Inc. reports that title to the land is subject to the following:

1. Real property taxes that may be due and owing. Reference is hereby made to the Office of the Tax Assessor, First Division.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. A grant in favor of Oahu Railway and Land Company, dated March 8, 1940, recorded in Liber 1558 at Page 234; granting an easement for sewer purposes to lay sewer line and connections thereof.
4. A grant in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, dated July 19, 1946, recorded in Liber 1977 at Page 94; granting a perpetual easement to build, construct, rebuild, reconstruct, repair, maintain and operate a pole and wire line or underground power line over and across a portion of the westerly boundary of the land.
5. A grant in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, dated September 24, 1952, recorded in Liber 2627 at Page 168; granting a perpetual right and easement to build, construct, rebuild, reconstruct, repair, maintain and operate an extension to their existing pole and wire line along, across, over and under the land.

6. A grant in favor of the City and County of Honolulu, dated January 29, 1968, recorded in Liber 6022 at Page 95; granting an easement to construct, install, maintain, operate, repair and remove an underground water pipeline or pipe lines under and across certain parcels of land.

7. A grant in favor of the City and County of Honolulu, dated August 6, 1969, recorded in Liber 6938 at Page 285; granting an easement to construct, reconstruct, install, maintain, operate, repair and remove an underground sewer pipe line or pipe lines through, under and across Parcel 17.

8. Terms, agreements, reservations, covenants, conditions and provisions contained in lease recorded in Liber 4422 at Page 384, as amended.

9. Mortgage, security agreement and financing statement

Mortgagor: Jack Hisatsugu Ujimori, husband of Harumi Ujimori, as tenant in severalty

Mortgagee: State Savings and Loan Association, a Utah corporation

Dated: November 3, 1976

Recorded: Liber 11855, Page 40

Amount: \$1,800,000.00 on the land described in Schedule C, besides other land

Consent: Given by Tatsuichi Ota, by instrument dated November 11, 1976, recorded in Liber 11855 at Page 91

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- N O T E :-

1. The possible effect of the pending proceedings for an arrangement under Chapter XI of the Federal Bankruptcy Act, the same having been filed by Amity Waipahu, Inc. in the District Court of the United States for the District of Hawaii as Bankruptcy No. 76-0161.

Judgment dated July 13, 1976, filed in said District Court of the United States for the District of Hawaii on July 13, 1976; re: the automatic stay of May 27, 1976 is vacated in its entirety.

Notice of Appeal filed in said District Court on August 2, 1976.

Stipulation for Dismissal of Appeal with Prejudice filed on October 12, 1976 and recorded in the Office of the Registrar of Conveyances in Liber 11729 at Page 400.

2.(a) The possible effect of the pending proceedings for an arrangement under Chapter XII of the Federal Bankruptcy Act, the same having been filed by Waipahu Garden Court Venture in the District Court of the United States for the District of Hawaii as Bankruptcy No. 76-0241.

Judgment dated July 19, 1976, filed in said District Court of the United States for the District of Hawaii on July 19, 1976; re: the automatic stay of June 30, 1976 is vacated in its entirety.

Notice of Appeal from Bankruptcy No. 76-0241, District Court of the United States for the District Court of Hawaii, filed in the United States Court of Appeals for the Ninth Circuit, as No. 76-2610, on July 20, 1976.

Stipulation for Dismissal of Appeal with Prejudice filed on October 8, 1976.

(b) Notice of Lis Pendens dated July 17, 1976, recorded in Liber 11541 at Page 280.

Pursuant to the Order of Judge Dick Yin Wong of the District Court of the United States for the District of Hawaii, an Order releasing, discharging and discontinuing above Notice of Lis Pendens was filed in said District Court on September 7, 1976 and recorded in the Office of the Registrar of Conveyances in Liber 11661 at Page 361.

3. The possible effect of the proceedings had in Civil No. 42900 in the Circuit Court of the First Circuit, State of Hawaii, filed August 23, 1974, Pacific Savings and Loan Association, Plaintiff vs. Amity Waipahu, Inc., a Hawaii corporation, Rex Blackburn, Rosalie Blackburn, Philip S. Arthur, Sarah L. Arthur, Richard P. Moore, Catherine L. Moore, Joseph E. Scallon, Jewel Scallon and Amfac Financial Corporation, Defendants; re: foreclosure of mortgages recorded in Liber 8398 at Pages 149 and 159.

Interlocutory Decree of Foreclosure dated July 29, 1975, filed in said Circuit Court on August 1, 1975, recorded in Liber 11554 at Page 254, in favor of Pacific Savings and Loan Association.

Interlocutory Decree of Foreclosure dated November 10, 1975, filed in said Circuit Court on November 10, 1975, recorded in Liber 11238 at Page 439, in favor of Amfac Financial Corporation.

Decree of Foreclosure and Order Authorizing and Confirming Sale dated July 23, 1976, filed in said Circuit Court on July 23, 1976, recorded in Liber 11554 at Page 272.

SPECIAL NOTE: Developer has been advised by legal counsel that the proceedings described in the Note above should not affect the leasehold interest in the property owned by Developer.

PURCHASE MONEY HANDLING: An executed Escrow Agreement, dated November 15, 1976, identifies State Savings & Loan Association as the Escrow Agent. Upon examination, the specimen Deposit Receipt and Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-35 through Section 514-40.

Among other provisions, the Escrow Agreement provides that a purchaser shall be entitled to a refund on his funds, without interest and less the \$15.00 cancellation fee, if purchaser requests in writing refund of his funds and any one of the following has occurred:

a. Developer has requested Escrow in writing to return to purchaser the funds of purchaser then being held by Escrow; or

b. Developer has notified Escrow of Developer's exercise of the option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available to Developer; or

c. There is any change in the Project subsequent to the execution of the Sales Contract requiring approval of a county officer having jurisdiction over the issuance of building permits unless the purchaser has given written approval of the specific change.

It is incumbent upon the purchaser or prospective purchaser to read and understand the Escrow Agreement before executing the Deposit Receipt and Sales Contract since the Escrow Agreement describes the procedure for receiving and disbursing purchasers' funds and the Deposit Receipt and Sales Contract specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided.

The purchaser and prospective purchaser should also read with care the Deposit Receipt and Sales Contract which provides, among other things, that (1) either party may rescind the Contract if Seller is unable to convey good title by May 1, 1977; (2) that the apartments, appliances and fixtures are being sold "as-is" with no warranties attached; and (3) that the purchaser's rights under the Contract are subordinate to the rights of the project's mortgagees.

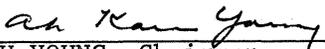
MANAGEMENT OF PROJECT: The By-Laws which are incorporated in the Declaration provide that the Board of Directors shall employ a responsible managing agent to manage and control the Project at such compensation and with such administrative powers and duties as the Board may establish and delegate, subject to prior approval of every such employment contract by a majority of apartment owners. The proposed Declaration provides that Ujimori Realty, Inc., whose principal place of business and post office address is at Suite 269, 1077 Bishop Street, Honolulu, Hawaii, has been appointed as the initial managing agent for the Project.

STATUS OF PROJECT: The Notice of Intention submitted by the Developer reflects that the rental units were completed sometime in 1965. The Developer has advised the Commission that the units were refurbished, renovated, and improved upon and are presently being used as rental units.

The purchaser or prospective purchaser shall be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted October 28, 1976 and information subsequently filed as of December 22, 1976.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 884 filed with the Commission on October 28, 1976.

The report, when reproduced, shall be a true copy of the Commission's public report. The paper stock must be yellow in color.

  
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AH KAU YOUNG, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:  
Department of Taxation  
Bureau of Conveyances  
Planning Commission, City  
and County of Honolulu  
Federal Housing Administration  
Escrow Agent

Registration No. 884  
December 27, 1976