

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer CLARK-EMERSON VENTURE, INC.  
Address 41-050 Kalaniana'ole Highway, Waimanalo, Hawaii

Project Name(\*): PUNAHOU SUNSET (formerly 1617 Clark)  
Address: 1617 Clark Street, Honolulu, Hawaii

Registration No. 1269 (Conversion) Effective date: February 22, 1993  
Expiration date: March 22, 1994

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other governmental agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

- PRELIMINARY:**  
(yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
- FINAL:**  
(white) The developer has legally created a condominium and has filed complete information with the Commission.
- [ ] No prior reports have been issued
- [ ] Supersedes all prior public reports
- [ ] Must be read together with \_\_\_\_\_
- SECOND SUPPLEMENTARY:**  
(pink) Updates information contained in the
  - [ ] Prelim. Public Report dated \_\_\_\_\_
  - [ X ] Final Public Report dated August 5, 1980
  - [ X ] Supp. Public Report dated November 25, 1991
- And  [ X ] Supersedes all prior public reports
- [ ] Must be read together with \_\_\_\_\_
- [ ] This report reactivates the \_\_\_\_\_ public report(s) which expired on \_\_\_\_\_

(\*) Exactly as named in the Declaration

**Disclosure Abstract:** Separate Disclosure Abstract on this condominium project:

Required                     Not Required - disclosures covered in this report.

**Summary of Changes from Earlier Public Reports:**

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued by the Commission.

Changes made are as follows:

This Project, formerly named "1617 Clark", is now called "PUNAHOU SUNSET".

The Developer of the Project Clark-Emerson Venture, Inc. is also the developer of a Fee Simple Condominium Property Regime known as "Emerson Court" located in Honolulu and which is the subject of Condominium Public Report Registration Number 1271 (conversion). Both Punahou Sunset and Emerson Court (the "Two Projects") are the subject of that certain Purchase and Sale Agreement dated September 19, 1991 (the "Purchase Contract") and the Settlement Agreement dated October 2, 1992, pursuant to which the Developer has agreed to buy and the Seller therein (the "Fee Owner") has agreed to sell the Two Projects. The scheduled closing dates under the Purchase Contract and the Settlement Agreement have now passed.

Note that not all Apartments have assigned parking stalls, and that four (4) of the assigned stalls are for compact cars only.

A portion of the Land as shown on the Condominium Map has been converted into "parking spaces" and are limited common elements and are to be used by the owners of the apartments to which a parking space is not otherwise appurtenant as listed on attached Exhibit "A"; provided, however, if the City and County of Honolulu or another governmental authority prevents the usage of such areas for parking purposes, the designation of such area as a limited common element shall lapse and be of no further force or effect.

The Apartments in the Project are being offered for sale in fee simple only.

The previously effective Escrow Agreement between Developer and Security Title Corporation has been cancelled, and Developer has entered into an Escrow Agreement with Long & Melone Escrow, Ltd.

The Apartments in the Project are being offered for sale in fee simple.

Other material changes are as follows:

1. The Managing Agent for the Project is Paulin Pacific Group, Ltd.

2. The Developer has recently filed for protection under Chapter XI of the Federal Bankruptcy Act. In its petition for protection, a copy of which is attached hereto as Exhibit "K", Developer is seeking among other things (a) that Developer remain as a debtor in possession of the Project; (b) that Developer be allowed to buy the Property under its Agreements with the Fee Owner (Dr. Kunimoto); (c) that Developer be able to set aside all of the pending sales contracts other than those for full price (d) that Developer be given a reasonable period of time to sell at fair market value all of the remaining Apartments; and (e) that the Court stay any foreclosure or other action against the Developer by Dr. Kunimoto and the Developer's other creditors.

Under its Chapter XI filing, the Developer is seeking to continue its sales program. Each Apartment sale would be subject to approval by the Developer's creditors or by the Bankruptcy Court. Each sale would also be subject to the issuance of a title insurance policy in favor of a buyer indicating that title for an Apartment upon closing will be free from any liens and encumbrances other than the Declaration and Bylaws and other matters which would not materially affect the value of the Apartment. Closings may be delayed, as they are subject to resolution of creditor concerns.

3. The updated (December 9, 1992) preliminary title report for the Project indicates several lawsuits which affect the Project. They include the following:

- (i) Notice of Pendency of Action - Third Circuit Court - Civil No. 92-220K (Foreclosure) between Jeffery W.B. Woo, Gerald Kim and Frank Craig Bamer as Plaintiffs and Clark-Emerson Venture, Inc., et als. as Defendants, dated August 28, 1992.

- (ii) Complaint; Demand for Jury Trial; Summons - Civil No. 92-2777-07 (Contract ) - First Circuit Court, between Boisse Philip Correa as Plaintiff and Clark-Emerson Venture, Inc., et als. as Defendants, dated July 31, 1992.

- (iii) Civil No. 92-4137 - First Circuit Court - between Bank of Hawaii as Plaintiff and Allan R. Kunimoto, et als. as Defendants, filed November 13, 1992, re foreclosure of that certain Mortgage dated December 26, 1986.

- (iv) Notice of Pendency of Action - First Circuit Court - Civil No. 92-4404-12, dated December 4, 1992, between Ignacio Torres, as Trustee, as Plaintiff, and Clark-Emerson Venture, Inc., Nowlin P. Correa and Lloyd Martinez, as Trustees, as Defendants Re Apartment Nos. 804, 604, 202, 302, 803, 902, 904 and PH-1.

4. The Mortgages affecting the Project are presently in default and one or more of the mortgagees have commenced foreclosure actions.
5. The Declaration of Condominium Property Regime is now in the process of being amended to provide for conversion of the project to fee simple and certain other changes. A copy of the proposed amendment is available from the Developer for inspection.

**NOTE:** The purpose of this Report is to disclose matters of fact and not to assess all their legal and economic ramifications. Prospective buyers are urged to check with their attorneys regarding any legal implications of the information herein.

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## General Information on Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

## Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Clark-Emerson Venture, Inc.  
Name  
41-050 Kalaniana'ole Highway  
Business Address  
Waimanalo, Hawaii 96795

Phone: 259-9240  
(Business)

Names of officers or general partners of developers who are corporations or partnerships:

Nowlin P. Correa - President, Secretary and Treasurer  
Lloyd Martinez - Vice President  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate  
Broker: Sutton Group - Banyan Realty, Inc.  
Name  
1221 Kapiolani Blvd., Suite 808  
Business Address  
Honolulu, Hawaii 96814

Phone: 522-1831  
(Business)

Escrow: Long & Melone Escrow, Ltd.  
Name  
6700 Kalaniana'ole Highway, Suite 104  
Business Address  
Honolulu, Hawaii 96825

Phone: 395-9426  
(Business)

General  
Contractor: N/A  
Name  
\_\_\_\_\_  
Business Address  
\_\_\_\_\_

Phone: \_\_\_\_\_  
(Business)

Condominium  
Managing  
Agent: Paulin Pacific Group, Ltd.  
Name  
2155 Kalakaua Avenue, Suite 710  
Business Address  
Honolulu, Hawaii

Phone: 971-1700  
(Business)

Attorney for  
Developer: Jeffrey S. Grad  
Name  
841 Bishop Street, Suite 2001  
Business Address  
Honolulu, Hawaii 96813

Phone: 521-4757  
(Business)

**II. CREATION OF THE CONDOMINIUM;  
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

A. Declaration of Condominium Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

- Proposed
- Recorded - Bureau of Conveyances - Document No. \_\_\_\_\_  
Book 14435 Page 401
- Filed - Land Court - Document No. \_\_\_\_\_

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]:

- Amendment No. 1 dated November 14, 1980, recorded in Book 15145, Page 621
- Amendment No. 2 dated October 31, 1991, recorded as Document No. 91-152198
- Amendment No. 3 dated November 21, 1991, recorded as Document No. 91-160802
- Amendment No. 4 dated has been drafted but is not yet signed. A copy is available for inspection upon request.

B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

- Proposed
- Recorded - Bureau of Conveyances Condo Map No. 681
- Filed - Land Court Condo Map No. \_\_\_\_\_

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]:

C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed
- Recorded - Bureau of Conveyances - Document No. \_\_\_\_\_  
Book 14435 Page 425
- Filed - Land Court Condo Map No. \_\_\_\_\_

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]:

D. House Rules. The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the developer.

The House Rules for this condominium are:

Proposed       Adopted       Developer does not plan to adopt house rules.

E. Changes to Condominium Documents

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. Apartment Owners: Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75% *	<u>75%</u>
Bylaws	65%	<u>75%</u>
House Rules	--	<u>Majority of Board of Directors</u>

\* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. Developer:

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules.

**See attached Exhibit "G"**

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

[ X ] Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.

[ ] Leasehold or Subleasehold: Individual apartments and the common elements, which includes the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit \_\_\_\_\_ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: \_\_\_\_\_

Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable: [ ] Monthly [ ] Quarterly  
[ ] Semi-Annually [ ] Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per [ ] Month [ ] Year.

For Subleaseholds:

[ ] Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is [ ] Canceled [ ] Foreclosed

[ ] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

[ ] Individual Apartment in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit \_\_\_\_\_ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: \_\_\_\_\_

Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable: [ ] Monthly [ ] Quarterly  
[ ] Semi-Annually [ ] Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per [ ] Month [ ] Year.

[ ] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

**B. Underlying Land:**

Address: 1617 Clark Street Tax Map Key: (1) 2-8-12-25  
Honolulu, Hawaii (TMK)

[ ] Address [ ] TMK is expected to change because \_\_\_\_\_

Land Area: 8,992 [ X ] square feet [ ] acre(s) Zoning: **A-3**

Lessor

(Fee Owner): Allan Kunimoto, Trustee  
Name

1126 S. King Street  
Address

Honolulu, Hawaii 96814

Sublessor: \_\_\_\_\_  
Name

\_\_\_\_\_  
Address

\_\_\_\_\_

**C. Buildings and Other Improvements:**

- 1.  New Building(s)  Conversion of Existing Building(s)  
 Both New Building(s) and Conversion

- 2. Number of Buildings: 1 Floors Per Building Nine (9) plus  
 Exhibit \_\_\_\_\_ contains further explanations. Penthouse Level and basement

3. Principal Construction Material:

Concrete  Hollow Tile  Wood

Other concrete block, cement, plaster, gypsum board, metal and glass

4. Permitted Uses by Zoning:

	No. of <u>Apts.</u>	Use Permitted <u>By Zoning</u>	No. of <u>Apts.</u>	Use Determined <u>By Zoning</u>
<input checked="" type="checkbox"/> Residential	<u>33</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Industrial	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Agricultural	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?

Yes  No

5. Special Use Restrictions:

The Declaration, Bylaws, and House Rules may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to:

[ X ] Pets: Not allowed

[ X ] Number of Occupants: The maximum number of individuals permitted to reside in or occupy the one-bedroom Apartments shall be three (3) individuals

[ ] Other: \_\_\_\_\_

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators One                      Stairways One                      Trash Chutes -0-

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>A</u>	<u>8</u>	<u>1/1</u>	<u>552</u>	<u>113</u>
<u>B</u>	<u>8</u>	<u>1/1</u>	<u>544</u>	<u>113</u>
<u>C</u>	<u>8</u>	<u>1/1</u>	<u>552</u>	<u>113</u>
<u>D</u>	<u>8</u>	<u>1/1</u>	<u>544</u>	<u>113</u>
<u>E</u>	<u>1</u>	<u>1/1</u>	<u>678</u>	<u>142</u>

SEE ATTACHED EXHIBIT "A" FOR MORE DETAILS

Total Apartments: 33

\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment:

Each Apartment shall be deemed to include all walls and partitions which are not load bearing within its perimeter walls, the inner decorated and finished surfaces of all walls, floors, ceilings, windows and window frames, door and door frames, and all fixtures originally installed therein for its exclusive use, and the adjoining lanai (if any), as shown on the Condominium Map. The respective Apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each such Apartment, or any pipes, wires, conduits or other utility or service lines running through such Apartment which are utilized for or serve more than one Apartment or the common elements.

Permitted Alterations to Apartments:

See attached Exhibit "H"

7. Parking Stalls:

Total Parking Stalls: 26

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for each units)	<u>22</u>	_____	<u>4</u>	_____	_____	_____	_____
Guest	_____	_____	_____	_____	_____	_____	_____
Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra for Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	_____	_____	_____	_____	_____	_____	_____
Total Covered & Open	<u>26</u>	_____	_____	_____	_____	_____	_____

Each apartment will have the exclusive use of at least one (1)\* parking stall(s).  
Buyers are encouraged to find out which stall(s) will be available for their use.

\* **Note: See Exhibit "A" for further disclosure**

Commercial parking garage permitted in condominium project.

Exhibit \_\_\_\_\_ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool     Storage Area     Recreation Area

Laundry Area     Tennis Court     Trash Chute

Other: \_\_\_\_\_

9. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

There are no violations.     Violations will not be cured.

Violations and cost to cure     Violations will be cured by \_\_\_\_\_  
are listed below.

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

(For conversions of residential apartments in existence for at least five years):

The condition of all structural components and mechanical and electrical installation material to the use and enjoyment of the apartments appears to be good. No warranty is made as to the expected useful life of the Project.

11. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>    X    </u>	<u>          </u>	<u>          </u>
Structures	<u>    X    </u>	<u>          </u>	<u>          </u>
Lot	<u>    X    </u>	<u>          </u>	<u>          </u>

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit     B    .

as follows:

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

[ ] There are no limited common elements in this project.

[ X ] The limited common elements and the apartments which use them, as described in the Declaration, are:

[ X ] described in Exhibit C

[ ] as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

[ X ] described in Exhibit A.

[ ] as follows:

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit D describes the encumbrances against the title contained in the title report dated December 9, 1992 and issued by Security Title Corporation.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

- [ ] There are no blanket liens affecting title to the individual apartments.
- [ X ] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. The Buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgages	Buyer's interest may be terminated by mortgagee but Seller shall be obligated to return Buyer's deposit.
Purchase and Sale Agreement (including Purchase Money Mortgage in favor of Allan R. Kunimoto, Trustee)	Buyer's interest may be terminated if Developer defaults under Agreement or fails to close; but Buyer shall be entitled to return of his deposit

F. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

The Developer advises that the Building was completed in 1959 and was renovated in 1992. All Apartments will be sold "as is" without any warranties whatsoever and without any warranties of merchantability or fitness for a particular purpose with respect to Purchaser's Apartment, appliances or anything installed therein, the common elements of the Project or any portions of the Project.

2. Appliances:

Purchaser shall have the direct benefit of any manufacturer's or dealer's warranties covering the furnishings and appliances in the Apartments.

**G. Status of Construction and Estimated Completion Date:**

The Building was completed in 1959 and renovated in 1992.

**H. Project Phases:**

The developer [ ] has [ X ] has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's plans or right for future development (such as additions, mergers or phasing):



V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

[ ] Notice to Owner Occupants

[ X ] Specimen Sales Contract

Exhibit  E  contains a summary of the pertinent provisions of the sales contract.

[ X ] Escrow Agreement dated  December 13, 1991

Exhibit  G  contains a summary of the pertinent provisions of the escrow agreement.

[ ] Other \_\_\_\_\_

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the Developer may be binding on the developer unless the Developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

A) The Developer delivers to the buyer a copy of:

- 1) Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;

AND

- 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;

B) The buyer is given an opportunity to read the report(s); AND

C) One of the following has occurred:

- 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
- 2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
- 3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

A) There is a material change in the condominium which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND

B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. these include but are not limited to the:
- A) Condominium Public Reports issued by the Developer which have been given an effective date by the Hawaii Real Estate Commission.
  - B) Declaration of Condominium Property Regime.
  - C) Bylaws of the Association of Apartment Owners.
  - D) House Rules.
  - E) Condominium Map.
  - F) Escrow Agreement.
  - G) Hawaii's Condominium Law (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission, as amended).
  - H) Other \_\_\_\_\_

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107) are available at the Cashier's Office, Department of Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P.O. Box 541 Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 1269 filed with the Real Estate Commission on March 14, 1980.

Reproduction of Report. When reproduced, this report must be on:

[ ] yellow paper stock      [ ] white paper stock      [X] pink paper stock

C. Additional Information Not Covered Above

D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

CLARK-EMERSON VENTURE, INC.

Name of Developer

By *Nowlin P. Correa* February 11, 1993  
Duly Authorized Signatory Date

Nowlin P. Correa, President

print name & title of person signing above

Distribution:

Department of Finance, City and County of Honolulu  
Planning Department, City and County of Honolulu  
Federal Housing Administration

EXHIBIT "A"

DESCRIPTION OF APARTMENTS

<u>APT.#</u>	<u>TYPE</u>	<u># BEDRMS</u>	<u>NET APT. AREA(S)* (sq.ft.)</u>	<u>LANAI (sq.ft.)</u>	<u>GROSS APT. AREA(S)**</u>	<u>PARKING</u>	<u>COMMON INTEREST</u>
201	A	1	552	110	722	27 ●	3.01%
202	B	1	544	110	709	28 ●	2.99%
203	C	1	552	110	722	29 ●	3.01%
204	D	1	544	110	709	30 ●	2.99%
301	A	1	552	110	722	31 ●	3.01%
302	B	1	544	110	709	32 ●	2.99%
303	C	1	552	110	722	33 ●	3.01%
304	D	1	544	110	709	19C	2.99%
401	A	1	552	110	722	26	3.01%
402	B	1	544	110	709	7C	2.99%
403	C	1	552	110	722	6C	3.01%
404	D	1	544	110	709	20C	2.99%
501	A	1	552	110	722	22	3.01%
502	B	1	544	110	709	23	2.99%
503	C	1	552	110	722	24	3.01%
504	D	1	544	110	709	25	2.99%
601	A	1	552	110	722	16	3.01%
602	B	1	544	110	709	17	2.99%
603	C	1	552	110	722	18	3.01%
604	D	1	544	110	709	21	2.99%
701	A	1	552	110	722	13	3.01%
702	B	1	544	110	709	5	2.99%
703	C	1	552	110	722	14	3.01%
704	D	1	544	110	709	15	2.99%
801	A	1	552	110	722	9	3.01%
802	B	1	544	110	709	10	2.99%
803	C	1	552	110	722	11	3.01%
804	D	1	544	110	709	12	2.99%
901	A	1	552	110	722	2	3.01%
902	B	1	544	110	709	3	2.99%
903	C	1	552	110	722	4	3.01%
904	D	1	544	110	709	8	2.99%
PH 1	E	1	678	132	875	1	4.00%
							<u>100.00%</u>

● These parking spaces are not "legal" parking spaces; however, they have been assigned to those apartments that do not otherwise have an appurtenant specific parking stall as a limited common element. If the City and County of Honolulu or other governmental authority prevents the usage of such areas for parking spaces, the designation of such area as a limited common element shall lapse and be of no further force or effect and such spaces shall become a common element for the benefit of the entire Project.

\* The net living area of each Apartment is measured from the interior surfaces of the apartment perimeter walls.

\*\* The total gross area of each Apartment is measured from the exterior walls and the exterior faces of the lanai walls and the center line of the party wall.

Type A Apartments - One-Bedroom Apartments. Type A Apartments are located in the northeast corner of the building on the Second through Ninth Floors, numbered "01" preceded by the floor number on which the Apartment is located, and contain 3 rooms, consisting of the bedroom, bathroom, kitchen/living room and the lanai, as shown on the Condominium Map. Measured from the exterior faces of the exterior walls and the exterior faces of the lanai walls and the center line of the party wall and the corridor face of the corridor wall, each Type A Apartment has a gross area of approximately 722 square feet, consisting of the total of the following approximate areas: 609 square feet enclosed and 113 square feet of lanai. Notwithstanding the foregoing, the "net living area" of each Type A Apartment is measured from the interior surfaces of the apartment perimeter walls, and such net living area of the apartment consists of 552 square feet and the net area of the lanai is approximately 110 square feet.

Type B Apartments - One-Bedroom Apartments. Type B Apartments are located in the southeast corner of the building on the Second through Ninth Floors, numbered "02", preceded by the floor number on which the Apartment is located, and contain 3 rooms, consisting of the bedroom, bathroom, kitchen/living room and the lanai, as shown on the Condominium Map. Measured from the exterior faces of the exterior walls and the exterior faces of the lanai walls and the center line of the party wall and the corridor face of the corridor wall, each Type B Apartment has a gross area of approximately 709 square feet, consisting of the total of the following approximate areas: 596 square feet enclosed and 113 square feet of lanai. Notwithstanding the foregoing, the "net living area" of each Type B Apartment is measured from the interior surfaces of the apartment perimeter walls, and such net living area of the apartment consists of 544 square feet and the net area of the lanai is approximately 110 square feet.

Type C Apartments - One-Bedroom Apartments. Type C Apartments are located in the northwest corner of the building on the Second through Ninth Floors, numbered "03", preceded by the floor number on which the Apartment is located, and contain 3 rooms, consisting of the bedroom, bathroom, kitchen/living room and the lanai, as shown on the Condominium Map. Measured from the exterior faces of the exterior walls and the exterior faces of the lanai walls and the center line of the party wall and the corridor face of the corridor wall, each Type C Apartment has a gross area of approximately 722 square feet, consisting of the total of the following approximate areas: 609 square feet enclosed and 113 square feet of lanai. Notwithstanding the foregoing, the "net living area" of each Type C Apartment is measured from the interior surfaces of the apartment perimeter walls, and such net living area of the apartment consists of 552 square feet and the net area of the lanai is approximately 110 square feet.

Type D Apartments - One-Bedroom Apartments. Type D Apartments are located in the southwest corner of the building on the Second through Ninth Floors, numbered "04", preceded by the floor number on which the Apartment is located, and contain 3 rooms, consisting of the bedroom, bathroom, kitchen/living room and the lanai, as shown on the Condominium Map. Measured from the exterior faces of the exterior walls and the exterior faces of the lanai walls and the center line of the party wall and the corridor face of the corridor wall, each Type D Apartment has a gross area of approximately 709 square feet, consisting of the total of the following approximate areas: 596 square feet enclosed and 113 square feet of lanai. Notwithstanding the foregoing, the "net living area" of each Type D Apartment is measured from the interior surfaces of the apartment perimeter walls, and such net living area of the apartment consists of 544 square feet and the net area of the lanai is approximately 110 square feet.

Type E Apartment - One-Bedroom Apartment. The Type E Apartment is located on the Penthouse level and is numbered "PH 1" and contains 3 rooms, consisting of the bedroom, bathroom and kitchen/living room and the lanai, as shown on the Condominium Map. Measured from the exterior faces of the exterior walls and the exterior faces of the lanai walls, the Type E Apartment has a gross area of approximately 875 square feet, consisting of the total of the following approximate areas: 733 square feet enclosed and 142 square feet of lanai. Notwithstanding the foregoing, the "net living area" of the Type E Apartment is measured from the interior surfaces of the apartment perimeter walls, and such net living area of the apartment consists of 678 square feet and the net area of the lanai is approximately 132 square feet.

EXHIBIT "B"

PERMITTED ALTERATIONS TO APARTMENTS

1. The Declaration states:

"The owner of an Apartment shall not, without the prior written consent of the Board and Fee Owner, make any structural alterations in or additions to the Apartment or make any alterations in or additions to the exterior of the Apartment (including, without limitation, awnings, jalousies or screens) or to any other portion or portions of the common elements, except as permitted in the Bylaws."

2. The Declaration further states:

Merger of Apartments. The owner of any two or more adjacent Apartments separated by a common element which is a wall may (i) alter or remove all or portions of the intervening wall, if the structural integrity of the building is not thereby affected and if the finish of the common element then remaining is then restored to a condition substantially comparable to that of the common element prior to such alterations; and (ii) make any alteration or additions within the portion of the hallway constituting a limited common element appurtenant to such Apartment, including the installation of a door or doors to such opening or openings in the intervening common element. Alterations or additions within an Apartment, within the above-specified adjacent Apartments, or within the aforesaid portion of the hallway constituting a limited common element appurtenant to such adjacent Apartments shall require only the written approval thereof, including the Apartment Owner's plans therefor, by the holders of first mortgage liens affecting such Apartments (if the lien holders require such approval), by the appropriate agencies of the State of Hawaii and the City and County of Honolulu if such agencies so require, by the Board of Directors (which approval shall not unreasonably or arbitrarily withheld or delayed), and by all other Apartment Owners thereby directly affected (as determined in a reasonable manner by the Board of Directors), and such alterations or additions may be undertaken without an amendment to this Declaration or filing of a complete set of floor plans of the Project as so altered; provided, however, if the alterations or additions are substantial in nature as reasonably determined by the Board of Directors, the Board of Directors may require that the Owner of the Apartment provide evidence satisfactory to the Board of Directors of sufficient financing to complete such alterations or additions or, in lieu thereof, require that the Owner obtain a performance and lien payment bond, naming as obligees the Fee Owner and the Board of Directors and the Association and collectively all Apartment Owners and their respective mortgagees of record, as their interests may appear, for a penal sum of not less than one hundred percent (100%) of the estimated cost of such construction. Prior to the termination of the common ownership of any such adjacent apartments, if the intervening

wall shall have been altered or removed pursuant to the foregoing provisions and/or any entry to hallways sealed, the Owner of such Apartments shall be obligated to restore such intervening wall and/or hallway entries to substantially the same condition in which the same existed prior to such alteration or removal."

EXHIBIT "C"

COMMON ELEMENTS

The Declaration provides that one estate shall be designated in all portions of the Project, other than the Apartments, and all other common elements mentioned in the Act, which are actually included in the Project, herein called "common elements", including specifically but not limited to:

- a. Said land in fee simple;
- b. All foundations, floor slabs (if any), columns, girders, beams, supports, unfinished perimeter and loadbearing walls, chases, entries, stairways and roof;
- c. All yards, grounds, landscaping, walls and recreational facilities (if any);
- d. All parking areas, and spaces, driveways and walkways;
- e. The elevator(s) (if any) and all ducts, electrical equipment, central water heating system (if any), wiring, pipes and any other central and appurtenant transmission facilities and installations, on, over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, refuse, disposal, heating, cooling, sewer, telephone, radio and television signal distribution;
- f. 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.

EXHIBIT "D"

LIMITED COMMON ELEMENTS

Certain parts of the common elements hereinafter called "limited common elements" are designated and set aside and reserved for the exclusive use of certain Apartments, and such Apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The Declaration provides that the limited common elements so set aside and reserved are as follows:

a. The parking spaces which are numbered and shown on the Condominium Map are each designated as limited common elements. Each Apartment shall have appurtenant to it for its exclusive use the parking space (if any) designated as appurtenant to such Apartment. Parking space(s) may be transferred from Apartment to Apartment in the Project as hereinafter more particularly set forth or as otherwise permitted by law.

b. Each of Parking Stall Nos. 27, 28, 29, 30, 31, 32 and 33 (shown on the prior Condominium Map as "common area") are designated on the present Condominium Map as limited common elements and may be used for parking purposes by the owners of Apartments to which a parking space is not otherwise appurtenant as listed below; provided, however, if the City and County of Honolulu or other governmental authority prevents the usage of such areas for parking purposes, the designation of such area as a limited common element shall lapse and be of no further force or effect.

c. All other common elements of the Project which are rationally related to less than all of the Apartments shall be limited to the use of such Apartment(s).

d. Each Apartment shall have for its exclusive use one mailbox located in the basement of the Building, which mailbox is identified by the same number as the Apartment to which it is appurtenant.

<u>Apartment No.</u>	<u>Parking Stall No.</u>
201	30
202	29
203	28
204	27
301	33
302	32
303	31

EXHIBIT "E"

ENCUMBRANCES AGAINST TITLE

1. For Real Property Taxes that may be due and owing, reference is made to the Office of the Tax Assessor, City and County of Honolulu.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Restrictive covenant contained in Deed dated July 30, 1920, recorded in the Bureau of Conveyances of the State of Hawaii in Book 564, Page 189.
4. Limitation of abutters rights into and from Lunalilo Freeway, as set forth in Deed dated September 14, 1954, recorded as aforesaid in Book 2872, page 237.
5. Restrictions, covenants and conditions contained in Deed dated April 23, 1974, recorded as aforesaid in Book 9882, Page 366.
6. Declaration of Condominium Property Regime dated December 27, 1979, recorded in Book 14435, Page 401, as amended (Project covered by Condominium Map No. 681). By-Laws dated December 27, 1979, recorded in Book 14435, Page 425.
7. The terms and provisions of those certain Ground Leases and Apartment Deeds dated February 25, 1980.
8. Mortgage, Security Agreement and Financing Statement dated December 26, 1986, recorded as aforesaid in Book 20237, Page 119, in favor of Bank of Hawaii.
9. Terms of unrecorded Allan Kunimoto Trust Agreement dated February 19, 1981.
10. Financing Statement filed on December 31, 1986, in Book 20237, Page 154.
11. Assignment dated December 26, 1986, recorded in Book 20237, Page 161.
12. First Additional Charge Mortgage dated January 14, 1988, recorded in Book 21552, Page 465.
13. Second Mortgage dated September 26, 1990, recorded as Document No. 90-151138 and Document No. 1768271, which was amended by instrument dated March 20, 1992, recorded as Document No. 92-047847 and Document No. 1900876.
14. Financing Statement filed on September 28, 1990, recorded as Document No. 90-151139.

15. Mortgage dated October 23, 1991, recorded as Document No. 91-147405.
  16. Assignment dated October 23, 1991, recorded as Document No. 91-147407.
  17. Financing Statement filed on October 28, 1991, recorded as Document No. 91-147409.
  18. Purchase and Sale Agreement dated September 19, 1991, recorded as Document No. 91-131424.
  19. Notice of Pendency of Action - Third Circuit Court - Civil No. 92-220K (Foreclosure) between Jeffery W.B. Woo, Gerald Kim and Frank Craig Bamer as Plaintiffs and Clark-Emerson Venture, Inc., et als. as Defendants, dated August 28, 1992, recorded as Document No. 92-142519.
  20. Complaint; Demand for Jury Trial; Summons - Civil No. 92-2777-07 (Contract) - First Circuit Court, between Boisse Philip Correa as Plaintiff and Clark-Emerson Venture, Inc., et als. as Defendants, dated July 31, 1992.
  21. Civil No. 92-4137 - First Circuit Court - between Bank of Hawaii as Plaintiff and Allan R. Kunimoto, et als. as Defendants, filed November 13, 1992, re foreclosure of that certain Mortgage dated December 26, 1986, recorded in Book 20237, Page 119.
  22. Notice of Pendency of Action - First Circuit Court - Civil No. 92-4404-12, dated December 4, 1992, recorded as Document No. 92-198881, re Apartment Nos. 804, 604, 202, 302, 803, 902, 904 and PH-1.
- Also, a Lien and Financing Statement report on Nowlin Correa attached to the title search reveals 10 financing statements in favor of GECC from October 1988 to February 1991 and three of the above suits (Items 19, 20 and 22).

EXHIBIT "F"

SUMMARY OF THE PROVISIONS OF THE SALES CONTRACT

1. Description of the Property to be Conveyed: Fee simple interest in the Apartment, together with the furnishings and appliances.
2. Purchase Price and Terms. The purchase price set forth on page 1 of the Sales Contract is to be paid as follows:
  - a. An initial deposit of a percentage of the total purchase price upon execution of the Sales Contract, as stated therein;
  - b. The balance of the purchase price is to be paid to escrow by purchaser on the Closing Date.
3. Financing of Purchase. If Purchaser desires financing, a loan application must be made within ten (10) days and if Purchaser's application is not approved within forty-five (45) days after the application, then either Seller or Purchaser may cancel the Sales Contract. Upon such cancellation, Purchaser's deposits will be refunded by escrow without interest.
4. Closing Costs. In addition to the purchase price, the Purchaser is required to pay at closing all escrow fees, notary and recording fees, cost of credit report, if any, any loan fee and the cost for preparing any notes and mortgages, the cost of any required title insurance, and appraisal fees and any obligations of purchaser to his mortgage lender. In addition to the foregoing, the Purchaser may be required to prepay insurance premiums for as much as one year in advance, prepay maintenance fees for as much as two months in advance, and prepay real property taxes for the remainder of the tax year.
5. Closing. Seller has agreed to cause the Apartment to be sold to the Purchaser within the time period set forth on page 1 of the Sales Contract, which is expected to occur within 90 days of the date of the Sales Contract. If Purchaser fails to close as required, then after ten (10) days following Seller's notice of Purchaser's default, if Purchaser has not cured his default under the Sales Contract, the Seller may cancel the Sales Contract and all sums previously paid by Purchaser will belong absolutely to the Seller as liquidated damages. Additionally, Seller may pursue any other remedy, and all costs, including reasonable attorney's fees, incurred by reason of default by the Purchaser shall be borne by the Purchaser.
6. Seller's Rights to Cancel Sales Contract. The Seller may cancel the Sales Contract with the Purchaser if (a) Purchaser fails to qualify for a permanent loan (paragraph 16); (b) Purchaser defaults under the Sales Contract (paragraph 5.2); (c) Purchaser dies prior to Closing Date (paragraph 5.1) or (d) there cannot be issued to Purchaser at closing a title insurance policy insuring that title to the Apartment will be vested in Purchaser free from any liens and encumbrances other than the Declaration of Condominium Property Regime and Bylaws and other matters which

would not materially affect the value of the Apartment ("Title Conditions"). If Seller cancels the Sales Contract, Escrow will return to Purchaser all of Purchaser's funds earlier deposited in the escrow, without interest.

Seller's obligations to sell to the Purchaser is expressly subject to (a) the Title Conditions; (b) the closing of Seller's purchase of the Project pursuant to the Purchase Contract or Settlement Agreement; and (c) the delivery of partial release(s) from the holders of the mortgages now or hereinafter encumbering the Apartment, including the Purchase Money Mortgage. Should any of the foregoing conditions not be met, then Seller may elect to terminate this Agreement by giving a written notice thereof, whereupon this Agreement shall terminate, all deposits shall be returned to Purchaser, and neither party shall have any further recourse against the other on account of this Agreement.

7. No Present Transfer and Subordination to Construction Loan. The Sales Contract may be subject to existing loans and any security interest obtained by Lender or the Seller Dr. Kunimoto ("Kunimoto"), as applicable, is prior and senior to any rights arising under the Sales Contract. Seller may assign by way of security all of its interest in the Sales Contract, as collateral for the repayment of the loan or the Purchase and Sale Agreement, and if the Lender or Kunimoto acquires the Seller's interest in the Sales Contract, then the Purchaser is obligated to perform the Sales Contract, and to attorn to and recognize the Lender or Kunimoto, as the case may be, as the seller under the Sales Contract.

8. Rights of Purchaser to Cancel the Sales Contract. The Purchaser has the right to cancel the Sales Contract under the following conditions:

a. At any time within thirty (30) days following the date the Final Public Report is delivered to Purchaser. If Purchaser so cancels, Purchaser will be entitled to receive refund of any deposits, less any escrow cancellation fees and other costs up to \$250. If Purchaser does not act within the thirty (30) day period, or if the Apartment is conveyed to the Purchaser, Purchaser will be deemed to have executed the receipt for the Final Public Report and to have waived his right to cancel (paragraphs 6.1 and 6.3).

b. The Purchaser may cancel his purchase if there is a material change in the Project which directly, substantially and adversely affects the use or value of the Purchaser's Apartment or the amenities available for the Purchaser's use (paragraph 7.1).

c. Purchaser fails to qualify for permanent financing (paragraph 16) or the Title Conditions are not met by closing.

EXHIBIT "G"

SUMMARY OF THE MATERIAL PROVISIONS OF THE ESCROW AGREEMENT

Summary of the Condominium Escrow Agreement between the Developer and Long & Melone Escrow, Ltd..

1. All deposits will be paid to Escrow. A copy of each Sales Contract and all payments made to purchase an Apartment shall be turned over to the Escrow Agent.

2. Refunds. A Buyer shall be entitled to a return of his funds, and Escrow shall pay such funds to such Buyer, without interest, in accordance with the Sales Contract if any of the following has occurred:

(a) Developer and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held hereunder by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, the purchaser has exercised his right to cancel the contract pursuant to Section 514A-62, Hawaii Revised Statutes, as amended; or

(d) A purchaser has exercised his right to rescind the contract pursuant to Section 514A-63, Hawaii Revised Statutes, as amended.

Upon such refund, Escrow Agent shall be entitled to a reasonable fee not less than \$25 or a fee commensurate with the work done by Escrow prior to cancellation.

3. Requirements Prior to Disbursement of Buyer's Funds. Escrow Agent shall make no disbursements of Buyer's funds, pursuant to paragraph 5 of the Escrow Agreement until all of the following have occurred:

(a) the Real Estate Commission has issued a final public report (the "Final Report") on the Project;

(b) Seller or Seller's attorney has given a written opinion to Escrow stating that all of the requirements of Sections 514A-39, 514A-62 and 514A-63 of the Hawaii Revised Statutes, then applicable to the Project, have been satisfied and if the project is a conversion project, that the requirement of Section 514A-38 have been met.

(c) Seller shall have given Escrow a written waiver of any option reserved in any sales contract to cancel such sales contract;

4. Purchaser's Default. Seller must notify Escrow in writing if Purchaser defaults, and must certify that Seller has cancelled the Purchaser's Sales Contract. After such cancellation Escrow will treat the Purchaser's funds less Escrow's cancellation fees as belonging to the Seller.

EXHIBIT "H"

DEVELOPER'S RESERVED RIGHTS

The Developer (Declarant) has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

Paragraph 22 of the Declaration states:

"(a) Except as otherwise provided herein or in said Horizontal Property Act, this Declaration may be amended by affirmative vote of the Apartment owners representing not less than seventy-five percent (75%) of the Apartment owners and shall be effective only upon the recording in said appropriate governmental recording office of an instrument setting forth such amendment and vote executed by such owners or by two (2) officers of the Association.

(b) Notwithstanding any other provisions contained herein to the contrary and in addition to any provisions concerning amendments to Declarations contained in the Horizontal Property Act, as amended:

Apartment owners shall have the right to transfer from Apartment to Apartment in the Project any parking spaces which are appurtenant to their respective Apartments by amendment of the Apartment deed affected by such transfer, and each such amendment of an Apartment deed shall be an amendment of this Declaration and shall be incorporated herein by reference and be made a part hereof, each such amendment to be executed solely by the respective Apartment owners and shall be consented to by affected mortgagees, if consent is required by the mortgagee of such affected Apartments; provided, however, that any parking space appurtenant to an Apartment for which an Apartment deed has not yet been recorded in said recording office may be transferred and made appurtenant to another Apartment by an Amendment to this Declaration executed solely by the respective Apartment owners and shall be consented to by affected mortgagees, if consent is required by the mortgagee of the affected Apartments; provided, further:

(i) That each such amendment shall expressly identify the Apartment from which the parking space is transferred, as well as the Apartment to which the parking space is transferred;

(ii) That each such amendment shall be effective only upon the recording of same in said recording office;

(iii) That a copy of each such amendment, together with the recording data, shall be given to the Association by the affected Apartment owners within thirty (30) days after the recording thereof.

(c) Notwithstanding any other provisions contained herein to the contrary and in addition to any provisions concerning amendments to Declarations contained in the Horizontal Property Act, as amended: Successor Declarant hereby reserves the right, without joinder by any other person or persons, to amend this Declaration, the Bylaws and said Condominium Map to add as one or more limited common elements any parking spaces which may hereafter become legally permissible (it being understood that the Successor Declarant may from time to time, among other things, seek to cause portions of the land to be designated for use as parking spaces for the Project), and in connection therewith, the Successor Declarant may designate one or more parking spaces as being appurtenant to one or more of the apartments which theretofore did not have an appurtenant stall, and each such designation shall be considered an amendment of the Apartment Deed affected by such transfer. Any such Amendment may be executed solely by the Successor Declarant provided further, (i) that each such Amendment shall expressly identify the Apartment to which the parking space is appurtenant; (ii) that each such Amendment shall be effective only upon recording of same in said recording office; and (iii) that a copy of each such Amendment together with the recording data, shall be given to the Association by the Successor Declarant within thirty (30) days after the recording hereof.

(d) In case of a modification or amendment to the Bylaws, this Declaration may be amended to set forth such modification or amendment pursuant to such percentage vote as is required by the Bylaws to render the modification or amendment thereof effective. The provisions of this paragraph are in addition to and not in lieu of any provisions with respect to amending declarations provided by law."

EXHIBIT "I"

AMENDED DISCLOSURE ABSTRACT  
(pursuant to Section 514A-61,  
Hawaii Revised Statutes)

1. (a) PROJECT: PUNAHOU SUNSET  
1617 Clark Street  
Honolulu, Hawaii
  - (b) DEVELOPER: Clark-Emerson Venture, Inc.  
41-050 Kalaniana'ole Highway  
Waimanalo, Hawaii  
Telephone: (808) 259-9240
  - (c) MANAGING AGENT: Paulin Pacific Group, Ltd.
2. Breakdown of annual maintenance fees and monthly estimate costs for each unit (revised and updated every twelve (12) months and certified to have been based on generally accepted accounting principles).
  3. DESCRIPTION OF ALL WARRANTIES COVERING THE UNITS AND COMMON ELEMENTS:  

The Developer is not making any warranties relating to the materials and workmanship of the Project or the common elements.
  4. USE OF UNITS. The PUNAHOU SUNSET Condominium Project consists of thirty-three (33) unit(s) which will be used for residential purposes by the respective owners thereof, their tenants, families and domestic servants and social guests, and for no other purpose.
  5. EXISTING STRUCTURES BEING CONVERTED. Based upon a report prepared by Endre Toth, Registered Professional Engineer, the Developer states:
    - a. The present conditions of all structural components and mechanical and electrical installation material to the use and enjoyment of the condominium appears to be satisfactory.
    - b. The Developer makes no statement with respect to the expected useful life of each item set forth in paragraph (a);
    - c. There are no outstanding notices of uncured violations of building code or other municipal regulations.

ESTIMATED OPERATING EXPENSES

For Period January 1, 1993 to December 31, 1993  
As Prepared by Developer

Estimated Annual Expenses

Ground and building Maintenance:	
Landscape	\$ 1,500
Water/Sewer and Electricity (common area):	\$ 8,800
Fire/Liability & Casualty Insurance:	\$ 7,200
Management Fee:	\$ 9,375
Fiscal Management (bookkeeping):	\$ 6,875
Building Repairs:	\$ 2,400
Property Tax (common area):	\$ 6,000
Refuse:	\$ 1,400
Reserve Fund:	\$ 6,000
Miscellaneous:	\$ 2,400
 TOTAL ANNUAL EXPENSES	 \$51,950

Estimated Monthly Expenses

(\$51,950 ÷ 12 months): \$ 4,329

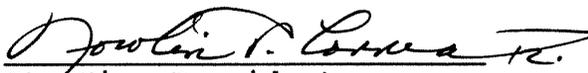
Approximate Monthly Maintenance Fee for Each Apartment:\*

Estimated Monthly Expenses: \$ 4,329  
÷ 33 Apts =

APPROXIMATE MONTHLY MAINTENANCE  
FEE FOR EACH APARTMENT:\* \$ 131

The Developer certifies that the maintenance fees and costs as estimated by the Developer is based on generally accepted accounting principles.

CLARK-EMERSON VENTURE, INC.

By   
Its Vice President

"Developer"

\* The actual amount will be based on each apartment's common interest as shown in Exhibit A.

Dated: February 11, 1993

# EXHIBIT "J"

United States Bankruptcy Court		VOLUNTARY PETITION
District of <u>HAWAII</u>		
IN RE (Name of debtor - If individual, enter Last, First, Middle) <b>CLARK EMERSON VENTURE, INC.</b>		NAME OF JOINT DEBTOR (Spouse) (Last, First, Middle)
ALL OTHER NAMES used by the debtor in the last 6 years (Include married, maiden, and trade names.) dba Punahou Sunset Emerson Court		ALL OTHER NAMES used by the joint debtor in the last 6 years (Include married, maiden, and trade names.) <h1 style="font-size: 2em; text-align: center;">92-01388</h1>
SOC. SEC. / TAX I.D. NO. (If more than one, state all.) 99-029-4151		SOC. SEC. / TAX I.D. NO. (If more than one, state all.)
STREET ADDRESS OF DEBTOR (No. and street, city, state, and zip code) Punahou Sunset 1617 Clark St. Honolulu, HI 96822		STREET ADDRESS OF JOINT DEBTOR (No. and street, city, state, and zip code)
COUNTY OF RESIDENCE OR PRINCIPAL PLACE OF BUSINESS <u>Honolulu</u>		COUNTY OF RESIDENCE OR PRINCIPAL PLACE OF BUSINESS
MAILING ADDRESS OF DEBTOR (If different from street address)		MAILING ADDRESS OF JOINT DEBTOR (If different from street address)
LOCATION OF PRINCIPAL ASSETS OF BUSINESS DEBTOR (If different from addresses listed above) Emerson Court 1423 Emerson Street Honolulu, HI 96813		VENUE (Check one box) <input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District. <input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.
INFORMATION REGARDING DEBTOR (Check applicable boxes)		
TYPE OF DEBTOR <input type="checkbox"/> Individual <input type="checkbox"/> Corporation Publicly Held <input type="checkbox"/> Joint (Husband & Wife) <input checked="" type="checkbox"/> Corporation Not Publicly Held <input type="checkbox"/> Partnership <input type="checkbox"/> Municipality <input type="checkbox"/> Other:		CHAPTER OR SECTION OF BANKRUPTCY CODE UNDER WHICH THE PETITION IS FILED (Check one box) <input type="checkbox"/> Chapter 7 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 9 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Sec. 304 - Case Ancillary to Foreign Proceeding
NATURE OF DEBT <input type="checkbox"/> Non-Business / Consumer <input checked="" type="checkbox"/> Business - Complete A & B below  A. TYPE OF BUSINESS (Check one box) <input type="checkbox"/> Farming <input type="checkbox"/> Transportation <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Professional <input type="checkbox"/> Manufacturing/ <input type="checkbox"/> Construction <input type="checkbox"/> Retail / Wholesale <input type="checkbox"/> Mining <input checked="" type="checkbox"/> Real Estate <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Other Business		FILING FEE (Check one box) <input type="checkbox"/> Filing fee attached <input type="checkbox"/> Filing fee to be paid in installments (Applicable to individuals only) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b) See Official Form No. 3
B. BRIEFLY DESCRIBE NATURE OF BUSINESS  Condominium development		NAME AND ADDRESS OF LAW FIRM OR ATTORNEY Kessner Duca & Maki 220 So. King St., 19th Floor Honolulu, HI 96813 Telephone No. (808) 536-1900
		NAME(S) OF ATTORNEY(S) DESIGNATED TO REPRESENT THE DEBTOR (Print or Type Names) James N. Duca <input type="checkbox"/> Debtor is not represented by an attorney
STATISTICAL ADMINISTRATIVE INFORMATION (28 U.S.C. § 604) (Estimates only) (Check applicable boxes) <input type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.		THIS SPACE FOR COURT USE ONLY  <div style="font-size: 2em; font-weight: bold; text-align: center;">FILED</div> UNITED STATES BANKRUPTCY COURT  DEC 2 1992 RELIEF ORDERED DISTRICT OF HAWAII At <u>1</u> o'clock and <u>06</u> min. <u>4</u> p.m. DOROTHY K. IPPONGI, CLERK
ESTIMATED NUMBER OF CREDITORS		
ESTIMATED ASSETS (In thousands of dollars)		
ESTIMATED LIABILITIES (In thousands of dollars)		
ESTIMATED NO. OF EMPLOYEES - CHAPTER 11 & 12 ONLY		
ESTIMATED NO. OF EQUITY SECURITY HOLDERS - CHAPTER 11 & 12 ONLY		

Name of Debtor CLARK EMERSON VENTURE, INC.

Case No. \_\_\_\_\_

### FILING OF PLAN

For Chapter 9, 11, 12 and 13 cases only. Check appropriate box.

A copy of debtor's proposed plan dated \_\_\_\_\_ is attached.

Debtor intends to file a plan within the time allowed by statute, rule, or order of the court.

#### PRIOR BANKRUPTCY CASE FILED WITHIN LAST 6 YEARS (If more than one, attach additional sheet)

Location Where Filed	Case Number	Date Filed
N/A		

#### PENDING BANKRUPTCY CASE FILED BY ANY SPOUSE, PARTNER, OR AFFILIATE OF THIS DEBTOR (If more than one, attach additional sheet)

Name of Debtor	Case Number	Date
N/A		

Relationship	District	Judge

### REQUEST FOR RELIEF

Debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

### SIGNATURES

James N. Duca ATTORNEY Date 12/21/92  
Signature James N. Duca

**INDIVIDUAL/JOINT DEBTOR(S)**

I declare under penalty of perjury that the information provided in this petition is true and correct.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

**CORPORATE OR PARTNERSHIP DEBTOR**

I declare under penalty of perjury that the information provided in this petition is true and correct, and that the filing of the petition on behalf of the debtor has been authorized.

Nowlin Correa  
Signature of Authorized Individual

\_\_\_\_\_  
Print or Type Name of Authorized Individual

Nowlin Correa

\_\_\_\_\_  
Title of Individual Authorized by Debtor to File this Petition

President

\_\_\_\_\_  
Date

12/21/92

#### EXHIBIT "A" (To be completed if debtor is a corporation requesting relief under chapter 11.)

Exhibit "A" is attached and made a part of this petition.

#### TO BE COMPLETED BY INDIVIDUAL CHAPTER 7 DEBTOR WITH PRIMARILY CONSUMER DEBTS ( SEE P.L. 98-353 § 322)

I am aware that I may proceed under chapter 7, 11, or 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7 of such title.

If I am represented by an attorney, exhibit "B" has been completed.

\_\_\_\_\_ Date \_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_ Date \_\_\_\_\_  
Signature of Joint Debtor

#### EXHIBIT "B" (To be completed by attorney for individual chapter 7 debtor(s) with primarily consumer debts.)

I, the attorney for the debtor(s) named in the foregoing petition, declare that I have informed the debtor(s) that he, she, or they may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter.

\_\_\_\_\_ Date \_\_\_\_\_  
Signature of Attorney

**UNITED STATES BANKRUPTCY COURT**

\_\_\_\_\_ District of Hawaii \_\_\_\_\_

In re Clark Emerson Venture, Inc.  
Debtor

Case No. \_\_\_\_\_

Chapter Eleven

**Exhibit "A" to Voluntary Petition**

1. Debtor's employer identification number is 99-029-4151.
2. If any of debtor's securities are registered under section 12 of the Securities and Exchange Act of 1934, the SEC file number is N/A.
3. The following financial data is the latest available information and refers to debtor's condition on \_\_\_\_\_.

a. Total assets	\$ <u>12,500,000</u>
b. Total liabilities	\$ _____

		Approximate number of holders
Fixed, liquidated secured debt	\$ _____	_____
Contingent secured debt	\$ _____	_____
Disputed secured claims	\$ _____	_____
Unliquidated secured debt	\$ <u>8,670,000</u>	<u>1</u>

		Approximate number of holders
Fixed, liquidated unsecured debt	\$ _____	<u>33</u>
Contingent unsecured debt	\$ _____	_____
Disputed unsecured claims	\$ _____	_____
Unliquidated unsecured debt	\$ _____	_____

Number of shares of preferred stock	_____ <u>N/A</u> _____
Number of shares of common stock	_____ <u>100</u> _____ <u>1</u> _____

Exhibit "A" continued

Comments, if any: Secured debt represents the unpaid balance of a land sales contract. Unsecured debt includes principal and interest to be refunded to buyers on existing sales contracts, plus obligations to contractors and suppliers.

4. Brief description of debtor's business: Condominium development

5. List the name of any person who directly or indirectly owns, controls, or holds, with power to vote, 20% or more of the voting securities of debtor: Nowlin P. Correa (100%)

6. List the names of all corporations 20% or more of the outstanding voting securities of which are directly or indirectly owned, controlled, or held, with power to vote, by debtor: None

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A CORPORATION OR PARTNERSHIP

I, [the president or other officer or an authorized agent of the corporation] [or a member or an authorized agent of the partnership] named as the debtor in this case, declare under penalty of perjury that I have read the foregoing Exhibit "A" and that it is true and correct to the best of my information and belief.

Date 12-21-92

CLARK EMERSON VENTURE, INC.

by Signature *Nowlin P. Correa*

Nowlin P. Correa, President  
(Print Name and Title)

LIST OF ALL CREDITORS

Ann Turner White Trust  
431 Nahua St., #1304  
Honolulu, HI 96815

Boise Correa  
280 Paiko Dr.  
Honolulu, HI 96821

Malia Correa  
332 Kuliouou Rd.  
Honolulu, HI 96821

Yen Pui & Lucy Lu Chan  
1212 Nuuanu Ave., #2308  
Honolulu, HI 96817

Dan's Electric  
6094 Manukapu Pl.  
Honolulu, HI 96821

Herman & Tita Encarnacion  
506 Keolu Dr.  
Kailua, HI 96734

Jeffrey Grad  
841 Bishop St., Ste. 2001  
Honolulu, HI 96813

Carol Higa  
1650 Yount St., #404  
Honolulu, HI 96826

Albert & Roberta Hironaka  
1557-B Paula Dr.  
Honolulu, HI 96816

Joseph Hou & Grace Hou  
548 Waipa Lane  
Honolulu, HI 96817

Joseph Hou & Geraldine Hou  
1469 Kaminaka Dr.  
Honolulu, HI 96816

Jeff Woo & Hui  
94-903 Farrington Hwy.  
Waipahu, HI 96797

May & Clement Hung  
94-665 Kauluiluu Pl.  
Mililani, HI 96789

Alvin & Mary Lou Iida  
46-282 Kalali St.  
Kaneohe, HI 96744

Island Plumbing  
45-219 Namoku Pl.  
Kaneohe, HI 96744

Alice Kai  
1808 Punahou St., #202  
Honolulu, HI 96817

Michelle Kidani  
94-134 Keahilele St.  
Mililani, HI 96789

Thomas Kim  
60 N. Beretania St.  
Honolulu, HI 96817

Catherine & Steve Liu  
1212 Punahou St., #1808  
Honolulu, HI 96822

Mid Pac Lumber  
1001 Ahua St.  
Honolulu, HI 96819

Jan Munemitsu  
1320 Alexander St., #503  
Honolulu, HI 96826

Richard Albert Plumbo  
829 Pensacola St.  
Honolulu, HI 96814

Shi Qiang & Shao Yuan Mai  
624 Waipa Lane  
Honolulu, HI 96817  
released

Kathleen Query  
1419 Auwaiku St.  
Kailua, HI 96734

Hans & Eleanor Sandrock  
2366 Carolyn Pl.  
Encinitas, CA 92024

George Shimabuku  
91-825 Makaonaona St.  
Ewa Beach, HI 96706

Glen & Evelyn Shimabukuro  
1612-A Kilohi St.  
Honolulu, HI 96826

Lisa Sur  
883 Ahuwale St.  
Honolulu, HI 96821

Thomas P. Walen Painting  
95-353 Ikaloa St.  
Mililani, HI 96789

Ignacio A. Torres  
2228 Liliha St., #107  
Honolulu, HI 96817

Wayne's Carpet  
3025 Waialae Ave.  
Honolulu, HI 96816

Zi Chao Zhang  
326 Iolani Ave., #5  
Honolulu, HI 96813

UNITED STATES BANKRUPTCY COURT  
 \_\_\_\_\_ DISTRICT HAWAII \_\_\_\_\_

In re CLARK EMERSON VENTURE, INC. \_\_\_\_\_  
 Debtor

Case No. \_\_\_\_\_

Chapter \_\_\_\_\_

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101(30), or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims.

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed or subject to setoff</i>	<i>Amount of claim (if secured also state value of security)</i>

See attached "Schedule TLUC"

(Continued on next sheet)

In re CLARK EMERSON VENTURE, INC.

Case No. \_\_\_\_\_

**LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS**  
(Continued)

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed or subject to setoff</i>	<i>Amount of claim (if secured also state value of security)</i>

See attached "Schedule TLUC"

**DECLARATION UNDER PENALTY OF PERJURY  
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, [the president or other officer or an authorized agent of the corporation] [or a member or an authorized agent of the partnership] named as the debtor in this case, declare under penalty of perjury that I have read the foregoing "List of Creditors Holding 20 Largest Unsecured Claims" and that it is true and correct to the best of my information and belief.

Date 12-21-92

Signature 

Nowlin P. Correa, President  
(Print Name and Title)

<u>Names</u>	<u>Addresses</u>	<u>Amount</u>	<u>U/L/C</u>	<u>Basis</u>
Ann Turner White Trust	431 Nahua St., #1304 Honolulu, HI 96815	\$131,000.00	N	Escrow deposit released
Boise Correa	280 Paiko Dr. Honolulu, HI 96821	\$168,750.00	N	Lumber/ windows
Yen Pui & Lucy Lu Chan	1212 Nuuanu Ave., #2308 Honolulu, HI 96817	\$100,000.00	N	Escrow deposit released
Albert & Roberta Hironaka	1557-B Paula Dr. Honolulu, HI 96816	\$45,000.00	N	Escrow deposit released
Joseph Hou & Grace Hou	548 Waipa Lane Honolulu, HI 96817	\$100,000.00	N	Escrow deposit released
Joseph Hou & Geraldine Hou	1469 Kaminaka Dr. Honolulu, HI 96816	\$100,000.00	N	Escrow deposit released
Jeff Woo & Hui	94-903 Farrington Hwy. Waipahu, HI 96797	\$900,000.00	N	Escrow deposit release
May & Clement Hung	94-665 Kauluiluu Pl. Mililani, HI 96789	\$80,000.00	N	Escrow deposit released
Alvin & Mary Lou Iida	46-282 Kalali St. Kaneohe, HI 96744	\$155,042.00	N	Escrow deposit released
Alice Kai	1808 Punahou St., #202 Honolulu, HI 96817	\$100,000.00	N	Escrow deposit released
Michelle Kidani	94-134 Keahilele St. Mililani, HI 96789	\$75,000.00	N	Escrow deposit released
Catherine & Steve Liu	1212 Punahou St., #1808 Honolulu, HI 96822	\$100,000.00	N	Escrow deposit released
Mid Pac Lumber	1001 Ahua St. Honolulu, HI 96819	\$275,686.00	N	Escrow deposit released
Jan Munemitsu	1320 Alexander St., #503 Honolulu, HI 96826	\$100,000.00	N	Escrow deposit released
Shi Qiang & Shao Yuan Mai	624 Waipa Lane Honolulu, HI 96817	\$100,000.00	N	Escrow deposit released
Kathleen Query	1419 Auwaiku St. Kailua, HI	\$70,000.00	N	Escrow deposit released
Hans & Eleanor Sandrock	2366 Carolyn Pl. Encinitas, CA 92024	\$100,000.00	N	Escrow deposit released
George Shimabuku	91-825 Makaonaona St. Ewa Beach, HI 96706	\$50,000.00	N	Escrow deposit released
Lisa Sur	883 Ahuwale St. Honolulu, HI 96821	\$50,000.00	N	Escrow deposit released
Ignacio A. Torres	2228 Liliha St., #407 Honolulu, HI 96817	\$200,000.00	N	Escrow deposit released

SCHEDULE T L U C