

REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

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

on

99-1086 IWAENA STREET
Aiea, Hawaii

REGISTRATION NO. 1499

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 until

- (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: July 21, 1982
Expires: August 21, 1983

SPECIAL ATTENTION

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

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED ON APRIL 29, 1982, AND INFORMATION SUBSEQUENTLY SUBMITTED AS OF JUNE 25, 1982. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. 99-1086 IWAENA STREET is a leasehold condominium project consisting of two (2) industrial/commercial warehouse apartment units in a two (2) story building, with eight (8) parking stalls (two (2) will be compact size stalls) situated in front of the building.

2. This Final Report is made part of the registration on the 99-1086 Iwaena Street condominium project. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers. Securing a signed copy of the receipt therefor from each purchaser or prospective purchaser is also the responsibility of the Developer.

3. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of this condominium project and the issuance of this Final Public Report.

4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved floor plans) have been recorded in the Bureau of Conveyances, State of Hawaii, in Liber 16299, at Page 236, Condominium File Plan No. 845, and also filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1113737, Condominium Map No. 477.

5. No advertising or promotional materials have been submitted to the Commission pursuant to the rules and regulations promulgated by the Commission.

6. The purchaser and prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

7. This Final Report automatically expires thirteen (13) months after its date of issuance, July 21, 1982, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: 99-1086 IWAENA STREET

LOCATION: The land submitted to the Regime, approximately 23,684 square feet, is located at 99-1086 Iwaena Street, Aiea, Hawaii.

TAX MAP KEY: FIRST TAXATION DIVISION 9-9-73-3

ZONING: Industrial I-1 District

DEVELOPER: Walter Yutaka Arakaki and Carolyn Keiko Arakaki, husband and wife, whose residence and post office address is 99-923 Hulumanu Street, Aiea, Hawaii.

ATTORNEY REPRESENTING DEVELOPER: Shim, Sigal, Tam & Naito,
(Attention: Henry N. Kitamura) Suite 900, 333 Queen Street,
Honolulu, Hawaii 96813, Telephone No.: 524-5803.

DESCRIPTION: The land is improved, according to the Declaration and the Condominium Map, with a two (2) story building containing two (2) industrial/commercial warehouse apartment units, with eight (8) parking stalls (two (2) are compact size stalls) situated in front of the building. The principal materials used in the construction of the project are concrete, glass, concrete block, steel, aluminum and allied building materials. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior loadbearing walls or partitions, the ceilings and floors located within or at the perimeter of or surrounding such apartment or any pipes, wires, conduits or other utility service lines running through such apartments which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided.

Each apartment shall be deemed to include all the walls and partitions which are not loadbearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, doors and door frames, windows and window frames, and the built-in fixtures, if any, within the apartment.

Each apartment will consist of two floors with a large warehouse room and a toilet facility on the ground floor; and on the second floor, access being from a stairway from the ground floor, a large storage room, two office spaces and a toilet facility, with an opening to the ground floor surrounded by a removable railing and measuring approximately 20 x 20 feet.

There are two (2) types of apartments -- Type A apartment will contain a total floor area of 4,146 square feet, with 2,247 square feet on the ground floor and 1,899 square feet on the second floor; Type B apartment will contain a total floor area of 4,105 square feet, with 2,233 square feet on the ground floor and 1,872 square feet on the second floor.

The approximate apartment total floor areas set forth above are based on measurements taken to the exterior of all perimeter walls, except that, where a perimeter wall separates two apartments, the measurement is taken to the centerline of such perimeter wall, and no reduction is made to account for interior walls, ducts, vents, shafts, stairways and the like located within the perimeter walls.

All floor areas set forth above are not exact but are approximations based on the floor plans of each apartment and are measured in accordance with local architectural practice.

(NOTE: The total net floor area of the Type A apartment is 3,871 square feet (2,126 square feet on the ground floor and 1,745 square feet on the second floor). The total net floor area of the Type B apartment is 3,844 square feet (2,113

square feet on the ground floor and 1,731 square feet on the second floor).

Each of the apartments has access to the parking area and driveway located in front of the building, and said driveway leads to Iwaena Street.

COMMON ELEMENTS: The Declaration provides that the common elements shall include, but are not limited to, the following: (a) the land in fee simple; (b) all foundations, floor slabs, columns, beams, supports, unfinished perimeter and loadbearing walls, roofs, chases, corridors, stairs, entry halls, stairways, walkways, entrances and exits of said building; (c) all sidewalks, driveways, loading space, fire escapes, yards, grounds, landscaping, refuse areas, planter boxes and mailboxes; (d) all pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any; (e) and any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein designated as "limited common elements", are set aside and reserved for the exclusive use of certain apartments as follows:

(a) Each apartment shall have appurtenant to it one or more parking spaces as designated on the condominium map and as indicated below:

<u>APARTMENT NO.</u>	<u>PARKING STALL NOS.</u>
A	1, 2, 3 and 4
B	5, 6, 7 and 8

(b) Any entrance, exit, entry patio, porch, decks or steps which would normally be used only for the purposes of ingress to and egress from a specific apartment shall be a limited common element appurtenant to and reserved for the exclusive use of such apartment.

(c) All meters, cables, conduits, ducts, pipes, wires, and other facilities used for gas, water, sewer, electricity, telephone and television distribution to a specific apartment shall be a limited common element appurtenant to and reserved for the exclusive use of such apartment.

INTEREST TO BE CONVEYED TO PURCHASER: The Declaration discloses that each apartment, according to its type, shall have appurtenant thereto an undivided percentage interest in all of the common elements of the project, called "common interest" in the Declaration, and the same proportionate share in all common profits and expenses of the project and

for all other purposes including voting as follows: Type A apartment, 50% common interest; and Type B apartment, 50% common interest.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that the apartments shall be used for warehouse purposes and for such other lawful purposes not prohibited by the applicable zoning or building ordinance or regulation. The apartments may not be used for transient rentals (rentals for any period of less than thirty (30) days), nor may the apartments be assigned or otherwise conveyed to a land trust established pursuant to Chapter 558, Hawaii Revised Statutes, or any other similar trust permitted under the laws of any jurisdiction.

OWNERSHIP OF TITLE: The fee simple title to the land is vested in The Queen Emma Foundation, a Hawaii non-profit corporation, and the Developer is the lessee of said land.

ENCUMBRANCES AGAINST TITLE: A Preliminary Report on Title issued by Island Title Corporation, dated April 26, 1982, shows that the land is subject to the following encumbrances:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent No. 6717.

2. Easement 295, as shown on Map 163, and set forth by Land Court Order No. 59926, filed June 3, 1981.

3. Improvement District No. 252, Halawa Industrial Park, Assessment Lot No. 26.

4. Lease dated October 16, 1979, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 977492, and recorded in the Bureau of Conveyances, State of Hawaii, in Liber 14160 at Page 156, made by and between The Queen Emma Foundation, as Lessor, to Walter Yutaka Arakaki and Carolyn Keiko Arakaki, husband and wife, as Tenants by the Entirety, as to an undivided one-half (1/2) interest, and Nakaoka Painting, Inc., a Hawaii corporation, as to an undivided one-half (1/2) interest, as Lessees; which one-half (1/2) interest of said Nakaoka Painting, Inc., a Hawaii corporation, was assigned to said Walter Yutaka Arakaki and Carolyn Keiko Arakaki, husband and wife, as Tenants by the Entirety, as Lessees, by Assignment of Lease dated June 10, 1980, filed in said Office as Document No. 1062440; the aforesaid Lease was amended and restated in its entirety by Indenture of Lease dated April 6, 1982, filed in said Office as Document No. 1113614, and recorded in the Bureau of Conveyances in Liber 16296, at Page 391, and further amended by Lease Amendment dated June 1, 1982, filed in said Office as Document No. 1119552, and recorded in the Bureau of Conveyances in Liber 16398, at Page 426.

5. The covenants, conditions, restrictions, reservations, easements, liens for assessments, limitations and all other provisions contained in or incorporated by

reference in the Declaration of Horizontal Property Regime and By-Laws attached thereto, filed in said Office as Document No. 1113737, Condominium Map No. 477, and also recorded in said Bureau of Conveyances in Liber 16299 at Page 236, Condominium File Plan No. 845, as amended by instrument dated June 1, 1982, filed in said Office as Document No. 1119551 and in said Bureau of Conveyances in Liber 16398, at Page 419.

6. That certain mortgage, dated May 22, 1981, in favor of City Bank, filed in said Office as Document No. 1069187, and also recorded in said Bureau of Conveyances in Liber 15571 at Page 292.

7. That certain Financing Statement covering certain personal property as described therein, in favor of City Bank, recorded on May 27, 1981, in the Bureau of Conveyances, State of Hawaii, in Liber 15571 at Page 301.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement between Guardian Escrow Services, Inc. as a Depository, and Developer, as Seller, has been submitted to the Commission as part of the registration. On examination, the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended, and particularly Sections 514A-37 and 514A-39, and Sections 514A-63 through 514A-66, Hawaii Revised Statutes.

Prospective buyers should be aware that the Seller's interim mortgage loan used for the construction of the project shall be and remain at all times a superior lien on the project, and buyers intentionally waive and subordinate the priority of lien under the sales contract or reservation agreement in favor of the mortgage loan.

Since the Sales Contract gives both the prospective purchaser and the Developer the option of cancellation upon the occurrence of certain events; and since the Escrow Agreement establishes the procedure for receiving and disbursing purchasers' funds deposited in escrow; and since the Sales Contract specifically provides that the purchaser approves the Escrow Agreement, it is incumbent upon the prospective purchaser to read and understand both the Escrow Agreement and the Sales Contract before executing the latter.

Subject to the deductions as provided in the Sales Contract and the escrow cancellation fee in the Escrow Agreement, a buyer is entitled, without interest, to a return of his funds if one of the following has occurred: (a) Escrow receives a request in writing from Seller to return to buyer under a sales contract the funds of such buyer then held by Escrow, or (b) prior to the time the final public report is issued, buyer requests in writing the return of his funds so deposited, or (c) prior to the time the final public report is issued, changes in the building plans are made subsequent to the execution of the sales contract requiring approval of a county official having jurisdiction over the issuance of building permits and the buyer's written approval of such

change has not been obtained or ninety (90) days have not elapsed since the buyer has accepted in writing the apartment or has first occupied the apartment and the buyer requests the refund, or (d) the final public report is not issued within one year from the date of issuance of the preliminary public report or as otherwise provided for in Section 514A-66, Hawaii Revised Statutes, and the buyer requests a refund, or (e) the buyer requests in writing a refund for any reason for which his sales contract shall entitle him to a refund.

The Sales Contract provides that the Seller has the option to terminate the Sales Contract under the following circumstances: (1) the Seller determines that Buyer is not financially qualified to purchase the premises; (2) there are material discrepancies in the financial information furnished by the Buyer; (3) there is an increase in the apartment sales price, resulting from the increase in development and construction costs caused by unforeseen contingencies; (4) there is a breach of the Sales Contract provisions by the Buyer; and (5) the Real Estate Commission has not issued a Final Public Report for the Project.

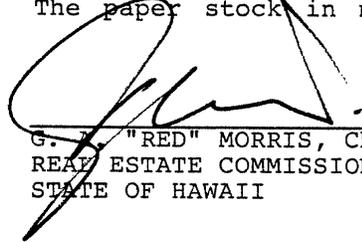
MANAGEMENT AND OPERATION: The Declaration and By-Laws of the Association of Apartment Owners provide that the operation of the project shall be conducted for the Association by a responsible managing agent under the direction of the Association's Board of Directors. The Sales Contract authorizes the Developer to employ the first managing agent; gives the managing agent authority for the management, operation, and maintenance of the project; and provides that upon being billed for the same, the purchaser will pay his proportionate share of project maintenance expenses and reserves. The Developer advises that it presently intends to retain Hara & Nishimura, Inc., as the initial managing agent, whose principal place of business and post office address is Suite 121, 1550 Rycroft Street, Honolulu, Hawaii, 96814.

STATUS OF PROJECT: The Developer advises that construction of the project was completed in September 1981.

The purchaser or prospective purchaser should recognize that this published report represents information disclosed by the Developer in the required Notice of Intention submitted on April 29, 1982 and information subsequently filed as of June 25, 1982.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made part of REGISTRATION NO. 1499 filed with the Commission on April 29, 1982.

This Report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock in making facsimiles must be white.



G. R. "RED" MORRIS, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

DEPARTMENT OF FINANCE
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 1499
July 21, 1982

99-1086 IWAENA STREET CONDOMINIUM

Disclosure Statement

PROJECT: 99-1086 Iwaena Street Condominium, Aiea, Hawaii 96701.

DEVELOPER: Walter Yutaka Arakaki and Carolyn Keiko Arakaki,
99-923 Hulumanu Street, Aiea, Hawaii 96701, Telephone: 841-8828.

MANAGING AGENT: Hara & Nishimura, Inc., Suite 121, 1550 Rycroft
Street, Honolulu, Hawaii 96814, Telephone: 941-2154.

USE: All units shall be used for warehouse purposes and for such other lawful purposes not prohibited by the applicable zoning or building ordinance or regulation. The apartments may not be used for transient rentals (rentals for any period of less than thirty (30) days).

WARRANTY: Developer anticipates but DOES NOT WARRANT that the construction contract with the general contractor for the Project shall contain a warranty clause similar to Section 13.2.2 of AIA Document A201 which generally provides as follows:

If, within one year after the date of substantial completion of the work or designated portion thereof or within one year after acceptance by the Developer of designated equipment, any of the work is found to be defective or not in accordance with the contract documents, the contractor shall correct it promptly after receipt of a written notice from the Developer to do so unless the Developer has previously given the contractor a written acceptance of such condition. The Developer shall give such notice promptly after discovery of the condition.

Developer makes no warranties itself but Developer hereby agrees that if Buyer shall give Developer written notice of any such condition promptly after discovery thereof, and during the unexpired term of such contractor's warranty, Developer shall forward such notice together with a written notice to the contractor to correct such condition. The filing and recordation of the Buyer's Apartment Lease shall constitute an assignment by Developer to the extent assignable, of the unexpired term, if any, of any manufacturer's or dealer's warranties covering any furnishings, fixtures, appliances and consumer products in the apartment. Buyer acknowledges and agrees that Developer is not adopting any such contractor's, manufacturer's or dealer's warranties or acting as co-warrantor, but is merely attempting to pass through to Buyer the benefit of any such warranties. THE DEVELOPER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT OR THE PROJECT (INCLUDING THE COMMON ELEMENTS AND LIMITED COMMON ELEMENTS), OR WITH RESPECT TO ANY FURNISHINGS, FIXTURES, APPLIANCES OR OTHER

CONSUMER PRODUCTS OR OTHER ITEMS WHATSOEVER INSTALLED, AFFIXED OR OTHERWISE CONTAINED IN THE APARTMENT OR THE PROJECT (INCLUDING THE COMMON ELEMENTS AND LIMITED COMMON ELEMENTS), INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMAN-LIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR PURPOSE.

THE ATTENTION OF THE BUYER IS DIRECTED TO PARAGRAPH 30 OF THE RESERVATION AGREEMENT, DEPOSIT RECEIPT AND CONTRACT (INCORPORATED HEREIN BY THIS REFERENCE) PERTAINING TO THE ABSENCE OF REPRESENTATIONS AND WARRANTIES CONCERNING THE APARTMENT AND THE PROJECT.

ESTIMATED ANNUAL MAINTENANCE FEES: The following is a breakdown of the annual maintenance charges and the monthly estimated cost for each apartment in the Project, as prepared by the Managing Agent as of DECEMBER 17, 1981 and certified to have been based on generally accepted accounting principles. The following breakdown of annual maintenance charges and the estimated cost for each apartment is subject to revision based on actual cost for the items enumerated.

<u>Apartment No.</u>	<u>Percentage Common Interest</u>	<u>Monthly Estimated Cost</u>	<u>Estimated Annual Maintenance Charges</u>
A	50%	\$140.00	\$1,680.00
B	50%	\$140.00	\$1,680.00

The Developer can make no assurances regarding the estimated maintenance charges. Variables such as inflation, uninsured casualty loss or damages, increased or decreased services from those contemplated by the Developer, apartment owner delinquencies and other factors may cause the maintenance assessments to be greater or lesser than the estimated maintenance assessments. The breakdown of the estimated cost for each apartment does not include the Buyer's obligation for the payment of real property taxes and lease rent.

THE DEVELOPER ADVISES THAT COSTS AND EXPENSES OF MAINTENANCE AND OPERATION OF A CONDOMINIUM PROJECT ARE DIFFICULT TO ESTIMATE INITIALLY AND EVEN IF SUCH MAINTENANCE FEES HAVE BEEN ACCURATELY ESTIMATED, SUCH FEES WILL TEND TO INCREASE IN AN INFLATIONARY ECONOMY AND AS THE IMPROVEMENTS AGE. MAINTENANCE CHARGES CAN VARY DEPENDING ON SERVICES DESIRED BY APARTMENT OWNERS. THE BUYER SHOULD CHECK THE ATTACHED PRELIMINARY BUDGET FOR MAINTENANCE AND OPERATION OF THE PROJECT TO SEE WHAT SERVICES ARE INCLUDED THEREIN.

CERTIFICATE

I, the undersigned, duly sworn on oath, depose and affirm as follows:

1. That I am the President of Hara & Nishimura, Inc., a Hawaii corporation, designated by the Developer of the 99-1086 Iwaena Street condominium project (the "Project") to act as the Managing Agent for the management and administration of the Project.

2. That I hereby certify that the breakdown of the annual maintenance charges and the monthly estimated cost for each apartment in the Project, as set forth in Exhibit A attached hereto and hereby incorporated herein by reference, are reasonable estimates as of December 17, 1981, based on generally accepted accounting principles.

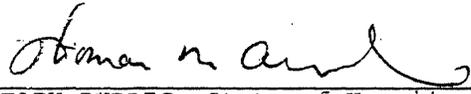
DATED: Honolulu, Hawaii, this 25 day of

MARCH, 1982.



TOORU HARA

Subscribed and sworn to before me this 25th day of March, 1982.



NOTARY PUBLIC, State of Hawaii

My commission expires: 2004

EXHIBIT A

Estimated Monthly Maintenance Fee: \$140.00 (Each Unit)

Fire & Liability Insurance	\$85.00
Management Services	\$37.50
Miscellaneous	\$17.50