

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
STATE OF HAWAII

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

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

ON

VINEYARD APARTMENTS
608 N. Vineyard Boulevard
Honolulu, Hawaii 96817

REGISTRATION NO. 1577 (CONVERSION)

IMPORTANT — Read This Report Before Buying

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

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

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

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

Issued: December 9, 1983
Expires: January 9, 1985

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 and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED NOVEMBER 15, 1983, AND INFORMATION SUBSEQUENTLY FILED AS OF December 5, 1983. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. VINEYARD APARTMENTS is a proposed fee simple condominium conversion project consisting of eighteen (18) residential apartments contained in one (1) three-story building with eighteen

(18) assigned uncovered compact parking stalls located on the grounds of the Project. Each apartment will have appurtenant to it one parking stall.

2. The Developer of the Project has submitted to the Commission for its examination all documents deemed necessary for the registration of the condominium project and the issuance of this Preliminary Public Report.
3. The Developer reports that the Declaration of Horizontal Property Regime, the Bylaws of the Association of Apartment Owners and the Condominium Map will be recorded in the Bureau of Conveyances of the State of Hawaii immediately prior to the application for a Final Public Report.
4. No advertising or promotional materials have been submitted to the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Rules and Regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Preliminary Public Report expires thirteen (13) months after issuance, December 9, 1983, unless a Final or Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective date of this report.
7. This Preliminary Public Report is made a part of the registration of VINEYARD APARTMENTS condominium. The Developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed copy of the receipt therefor.

NAME OF PROJECT: VINEYARD APARTMENTS.

LOCATION: The Project is located at 608 North Vineyard Boulevard, Honolulu, Hawaii 96817 and has a land area of approximately 13,000 square feet.

TAX KEY: 1-7-32-26 (1st Tax Division-City and County of Honolulu).

ZONING: Residential District (R-6) under the Ordinances of the City and County of Honolulu. The property was constructed in 1960 prior to the adoption of the Comprehensive Zoning Code. Because the property is a non-conforming structure and use, a variance would be required for rebuilding in the event of a major casualty.

DEVELOPER: LILIHA DEVELOPMENT CO., INC., a Hawaii corporation, whose principal place of business and post office address is 41 South Beretania Street, Suite B-101, Honolulu, Hawaii 96813 (telephone: (808) 521-8541). The officers of the corporation are: Peter B. Savio, President and Treasurer; Mary V. Savio, Vice President and Secretary.

ATTORNEY REPRESENTING DEVELOPER: Cades Schutte Fleming & Wright (Attention: Bernice Littman), Suite 1100, 1000 Bishop Street, P. O. Box 939, Honolulu, Hawaii 96808 (telephone: (808) 521-9200).

DESCRIPTION OF PROJECT: The proposed Project contains eighteen (18) residential apartments in one (1) three-story building with eighteen (18) compact parking stalls. The Project and the apartments are more specifically described in Exhibit "A" attached hereto and made a part hereof.

Each apartment shall be deemed to include: (i) any adjacent lanai to which such apartment has direct, exclusive access, (ii) all walls, columns and partitions which are not load-bearing within its perimeter walls, (iii) the inner decorated or finished surfaces of all walls, floors and ceilings, (iv) any doors, door frames, lanai railings, windows or window frames along the perimeters, (v) the air-space within the perimeters and (vi) all fixtures originally installed therein. The respective apartments shall not be deemed to include: (a) the undecorated or unfinished surfaces of the perimeter (party and non-party) walls, (b) the interior load-bearing columns, girders, beams and walls, (c) the undecorated or unfinished surfaces of the floors and ceilings surrounding each apartment, or (d) any pipes, shafts, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided.

COMMON ELEMENTS: One freehold estate is designated in all remaining portions and appurtenances of the Project, herein called the "common elements", including specifically, but not limited to:

- a. The Land in fee simple.
- b. All foundations, floor slabs, sewers, columns, girders, beams, supports, unfinished perimeter walls, load-bearing walls and roofs.
- c. All grounds, trees and landscaping.
- d. All refuse containers on the grounds of the Project.
- e. All roads, parking areas, driveways, walkways, stairways, building entries and corridors.
- f. All ducts, electrical equipment, wiring, pipes and other central appurtenant transmission facilities over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, sewer, telephone and television signal distribution.

g. Any and all other appurtenant installations of common use and all other parts of the Project necessary and convenient to its existence, maintenance and safety or normally in common use.

LIMITED COMMON ELEMENTS: Each apartment shall have appurtenant thereto an exclusive easement for the use of a mailbox which bears the letter and number corresponding to the apartment and a parking space as designated on Exhibit "B" attached hereto as being appurtenant to such apartment. Each ground floor apartment (apartment Nos. 101 through 106) shall have appurtenant thereto an exclusive easement for a yard area as designated on the Condominium Map.

INTEREST TO BE CONVEYED TO PURCHASER: The apartments have the percentage common interests in the common elements of the Project as set forth in Exhibit "B" attached hereto. Each apartment shall have such percentage interest in all common profits and expenses of the Project and for all other purposes, including voting. Interests in each apartment will be transferred by the Developer to each purchaser under an Apartment Deed conveying the improvements comprising the particular apartment, and an undivided percentage interest in the common elements, inclusive of the land.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The proposed Declaration provides that each apartment shall be occupied and used only for residential purposes and no apartment shall be used as a tenement or rooming house or for or in connection with the carrying on of any business, trade or profession whatsoever. The respective apartments shall not be rented by the owners thereof for transient or hotel purposes, which shall be defined as (i) rental for any period less than thirty days, or (ii) any rental in which the occupants of the apartment are provided customary hotel services, such as room service for food and beverage, maid service, furnishing of laundry and linen, and bellboy service. Neither the apartments nor any interest therein shall be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license", "travel club membership" or "time interval ownership" arrangement. The term "time-sharing" as used herein shall be deemed to include, but is not limited to, any plan, program or arrangement under which the right to use, occupy, own or possess an apartment or apartments in the Project rotates among various persons on a periodically recurring basis according to a fixed or floating interval or period of time, whether by way of deed, lease, association or club membership, license, rental or use agreement, co-tenancy agreement, partnership or otherwise. Other than the foregoing obligations, the owners of the respective apartments shall have the absolute right to lease the same, provided that such lease covers an entire apartment, is in writing and is made subject to the covenants and restrictions contained in the Declaration and Bylaws. The Bylaws provide, in part, that no livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the Project.

OWNERSHIP OF TITLE: A Preliminary Report dated September 22, 1983, issued by Title Guaranty of Hawaii, Incorporated states that fee simple title to the land is held by Gilbert Tadao Sakuma and Chiyome Sakuma Fukumoto, as tenants in common for the Estate of Warren Shigeki Sakuma, deceased. The Developer has entered into a Deposit Receipt Offer and Acceptance dated September 9, 1983 with the fee owners for the purchase of the Property.

ENCUMBRANCES: Said Preliminary Report dated September 22, 1983 states that the title to the property is subject to the following encumbrances:

1. Real Property Taxes that are 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. Grant in favor of Hawaiian Electric Company, Inc., and Hawaiian Telephone Company dated January 4, 1961, recorded in Book 3988, Page 207.

4. Probate No. 42646 (Pending) of the Estate of Warren Shigeki Sakuma, deceased.

PURCHASE MONEY HANDLING: A copy of a specimen Deposit Receipt and Sales Contract (the "Sales Contract") and an executed Escrow Agreement have been submitted as part of the registration. The Escrow Agreement, dated November 10, 1983 identifies Title Guaranty Escrow Services, Inc. as "Escrow." Upon 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 with Sections 514A-37, 39, 40 and 63 through 66. A prospective purchaser should carefully examine the form of Sales Contract and the Escrow Agreement to determine the time for and the amount of the installment payments on the purchase price and his obligations to pay the closing costs. It is incumbent upon the purchaser to read and understand the Escrow Agreement before signing the Sales Contract since the Escrow Agreement prescribes the procedure for receiving and disbursing the purchaser's down payments and the Sales Contract provides that the purchaser approves the Escrow Agreement.

Among other provisions, the Escrow Agreement provides that a purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such purchaser, and upon the terms and conditions provided for in the Sales Contract, if any one of the following has occurred:

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

(b) The Developer shall have notified Escrow of the 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 the Developer; or

(c) The Developer and the purchaser shall have requested Escrow in writing to return to the purchaser the funds of the purchaser held under the Escrow Agreement by Escrow because:

(1) The purchaser has been unable to obtain adequate financing or a commitment for adequate financing, for the purchase of his apartment unit, within thirty (30) calendar days following the end of the ten (10) day calendar period during which the Developer is limited to selling to owner-occupants, as required by Chapter 514A, Part VI, Hawaii Revised Statutes, or

(2) The purchaser desires to cancel the Sales Contract because of hardship circumstances such as those set forth in Section 514A-104(1), Hawaii Revised Statutes, or because the purchaser indicates an intent not to become an owner-occupant of the apartment unit covered by the Sales Contract.

In any of the foregoing events, Escrow shall, unless the purchaser has waived or has been deemed to have waived the right to a refund, pay said funds to said purchaser (less a cancellation fee to Escrow of not less than \$25.00 per apartment or a cancellation fee commensurate with the work done by Escrow prior to such cancellation, whichever fee is greater) and thereupon said Sales Contract and any Apartment Lease theretofore delivered to Escrow shall be returned and shall be deemed no longer held under the Escrow Agreement; provided, however, that no refund shall be made to a purchaser at purchaser's request prior to receipt by the Developer of written notice from Escrow of its intent to make such refund.

The Sales Contract, among other things, contains acknowledgments by each purchaser: (i) that the Developer will not sponsor, arrange or promote any program for the rental or temporary use and occupancy of apartments in the Project other than apartments owned by the Developer upon completion of the Project, if any; (ii) that the purchaser must make any such arrangements for his apartment, if desired, without the involvement or participation of the Developer; (iii) that the Developer has authorized no agents, salesmen or brokers to make any representations as to rental or other income from any apartment or any other economic benefit, including possible advantages from the ownership of an apartment under federal or state tax laws, to be derived from the purchase of an apartment in the Project; (iv) that the purchaser acknowledges that no such representations or warranties have been made and that the Developer expressly disclaims and repudiates any representation from any source as to any possible economic benefit arising from ownership of an apartment in the Project; (v) that the purchaser's right, title and interest under the Sales Contract shall be subject and subordinate to the liens and security interests of any mortgages or other security

instruments made by the Developer in favor of any lending institutions to secure one or more loans for the purpose of completing the conversion of the Project; (vi) that the Project and the apartment and anything installed or contained therein are being sold on an "as is" basis, without any warranties, express or implied but the Developer will provide to the Association a renovation fund of \$24,000.00 to be used as the Association desires; (vii) that the apartments in the Project may currently be occupied by tenants, and that it is the responsibility of the purchaser and not the Developer to evict any tenants in the purchaser's apartment; and (viii) that the Developer has the right to cancel the Sales Contracts if the Developer is unable to sell at least fifteen (15) apartments in the Project or is unable to complete the conversion of the Project for any reason beyond the Developer's control.

MANAGEMENT AND OPERATION: Article III, Section 3, of the Bylaws states that the Board of Directors shall at all times employ a responsible managing agent to manage and control the Project. The Developer anticipates selecting Savio Realty, Ltd., whose principal place of business and post office address is 41 South Beretania Street, Suite B-101, Honolulu, Hawaii 96813 (telephone (808) 521-8541) as the initial managing agent of the Project.

STATUS OF PROJECT: THE PROJECT IS A CONDOMINIUM CONVERSION, AND THE BUILDING AND APARTMENTS WERE CONSTRUCTED IN 1960. A LETTER DATED OCTOBER 21, 1983 FROM THE BUILDING DEPARTMENT, CITY AND COUNTY OF HONOLULU VERIFIES THAT THE PROJECT MET ALL CODE REQUIREMENTS AT THE TIME OF CONSTRUCTION AND NO VARIANCES OR SPECIAL PERMITS WERE GRANTED TO ALLOW DEVIATIONS FROM ANY APPLICABLE CODES. THE PROJECT, THE APARTMENTS AND ANYTHING INSTALLED OR CONTAINED IN THE APARTMENTS ARE BEING SOLD IN "AS IS" CONDITION, AND THE DEVELOPER WILL NOT MAKE ANY CORRECTIONS TO THE PROJECT OR APARTMENTS OR ANYTHING INSTALLED AS CONTAINED THEREIN. THE DEVELOPER SHALL NOT BE LIABLE FOR OR OBLIGATED TO CORRECT ANY CONSTRUCTION OR OTHER DEFECTS IN THE PROJECT OR APARTMENTS OR ANYTHING INSTALLED OR CONTAINED THEREIN, WHETHER OR NOT SUCH DEFECTS ARE HIDDEN OR LATENT. DEVELOPER IS CONTRIBUTING TO THE ASSOCIATION OF APARTMENT OWNERS AT THE TIME OF CLOSING THE FIRST APARTMENT SALES THE SUM OF \$24,000.00 FOR A RENOVATION RESERVE. BECAUSE THE APARTMENTS AND THE PROJECT ARE BEING SOLD IN "AS IS" CONDITION, THIS SUM MAY BE INSUFFICIENT TO MAKE ALL NECESSARY REPAIRS AND THE ASSOCIATION MAY HAVE TO MAKE SPECIAL ASSESSMENTS FOR REPAIRS IN THE FUTURE. DEVELOPER WILL NOT CONTRIBUTE ANY ADDITIONAL SUMS TO THE ASSOCIATION IN EXCESS OF THE \$24,000.00. THE DEVELOPER DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROJECT, THE APARTMENTS OR ANYTHING INSTALLED OR CONTAINED THEREIN, INCLUDING ANY IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

The purchaser and prospective purchasers should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted November 15, 1983 and information subsequently filed as of December 5, 1983.

This PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1577 filed with the Commission on November 15, 1983.

The report, when reproduced, shall be a true copy of the Commission's Public Report. Paper stock used in making facsimiles must be yellow.



G. A. "RED" MORRIS, Chairman
Real Estate Commission
State of Hawaii

Distribution:

Federal Housing Administration
Department of Finance, City and County of Honolulu
Bureau of Conveyances
Planning Department
City and County of Honolulu
Escrow Agent

Registration No. 1577

December 9, 1983.

PHYSICAL DESCRIPTION

- A. Project. The Project consists of one (1) existing three story, approximately "L" shaped building with no basement and 18 on-site uncovered parking stalls all of which are regular stalls and all of which are limited common elements. The building has two stairways, a walkway on the ground floor and lanai walkway on the second and third floors. The building is concrete and concrete block construction.
- B. Apartments. There are eighteen residential apartments, six (6) on each of the three (3) floors. Each apartment contains one living room/kitchen, one bedroom, one bathroom and a lanai. Odd-numbered apartments are the mirror-images of even-numbered apartments. Each apartment contains approximately 463 square feet, consisting of an interior area of approximately 381 square feet and a lanai area of approximately 82 square feet. All apartments are furnished with a shower, water heater, refrigerator and range/oven. Each apartment on the first floor has immediate access to a walkway connecting to the Project grounds. Each apartment on the second and third floors has immediate access to the lanai walkway which leads via the stairways to the Project grounds. Each lanai contains the water heater and a sink and has room for a washing machine.

Each apartment has assigned a parking stall which will be a limited common element appurtenant to that apartment and which is identified in Exhibit "B".

Apartments 101 through 106 are on the first floor, 201 through 206 on the second floor and 301 through 306 on the third floor. The apartments are numbered in a clockwise direction beginning with "01" which is closest to Vineyard Boulevard. "01" and "02" are in the portion of the building perpendicular to Vineyard Boulevard and "03" through "06" are in the portion parallel to Vineyard Boulevard.

<u>Apartment Number</u>	<u>Parking Stall Number</u>	<u>Percentage of Common Interest</u>
101	18	5.56
102	5	5.56
103	3	5.56
104	2	5.56
105	13	5.56
106	7	5.56
201	4	5.56
202	17	5.55
203	6	5.55
204	12	5.55
205	11	5.55
206	16	5.56
301	8	5.56
302	15	5.55
303	10	5.55
304	9	5.55
305	1	5.55
306	14	5.56

EXHIBIT "B"

VINEYARD APARTMENTS

DISCLOSURE ABSTRACT

(Section 514A-61, HRS)

1. Name of Project: VINEYARD APARTMENTS
608 North Vineyard Boulevard
Honolulu, Hawaii 96817
- Developer: Liliha Development Co., Inc.
41 South Beretania Street, Suite B-101
Honolulu, Hawaii 96813
Telephone: (808) 521-8541
- Project Manager: Savio Realty, Ltd.
41 South Beretania Street, Suite B-101
Honolulu, Hawaii 96813
Telephone: (808) 521-8541

2. Maintenance Fees:

Attached is a proposed operating budget prepared by the Developer as of November 15, 1983. As indicated in the operating budget, the annual maintenance fee estimated for the entire Project is \$ 14,160.00. Based on the percentage common interest appurtenant to the apartments as described in the Declaration, the monthly estimated maintenance fee for each apartment is set forth in the attached budget. The maintenance fees cover the "common expenses" as defined in the Bylaws of the Association of Apartment Owners of Vineyard Apartments.

Because the Association of Apartment Owners will be newly organized and will have no history of operation, the Developer can make no assurances regarding the estimated maintenance fees. In addition, such variables as inflation, insured casualty loss or damages, increased or decreased services from those contemplated by the Developer, apartment owner delinquencies and other factors may also cause the maintenance fees to be greater or lesser than the estimated maintenance fees. The attached breakdown of the estimated costs for each apartment does not include the purchaser's obligations for the payment of real property taxes or mortgage loans.

3. Warranties:

The Project was completed in 1960. The Project, the apartments and anything installed or contained therein are being sold on an "as is" basis, without any warranties whatsoever, express or implied. Paragraphs 13 and 14 of the Deposit Receipt and Sales Contract provide as follows:

13. Apartment Being Sold "As Is". THE APARTMENT AND THE PROJECT WERE INITIALLY CONSTRUCTED IN 1960 AND ARE NOW BEING SOLD IN "AS IS" CONDITION. THIS MEANS THAT THE SELLER SHALL NOT CORRECT ANY DEFECTS IN THE PROJECT, THE APARTMENT OR ANYTHING INSTALLED OR CONTAINED THEREIN. THE EXISTENCE OF ANY DEFECT IN THE PROJECT, THE APARTMENT OR ANYTHING INSTALLED OR CONTAINED THEREIN SHALL NOT EXCUSE THE BUYER'S OBLIGATION TO PERFORM ALL OF HIS OBLIGATIONS UNDER THIS CONTRACT.

THE SELLER WILL CONTRIBUTE TO THE ASSOCIATION OF APARTMENT OWNERS AT TIME OF CLOSING THE FIRST APARTMENT SALES THE SUM OF \$24,000.00 FOR A RENOVATION RESERVE. THIS SUM MAY BE INSUFFICIENT TO MAKE ALL NECESSARY REPAIRS AND THE ASSOCIATION MAY HAVE TO MAKE SPECIAL ASSESSMENTS FOR REPAIRS IN THE FUTURE. SELLER WILL NOT CONTRIBUTE ANY ADDITIONAL SUMS TO THE ASSOCIATION IN EXCESS OF THE \$24,000.00.

14. Seller's Disclaimer of Warranties.

a. No Warranties of Seller. THERE ARE NO SELLER'S WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROJECT. THE BUYER UNDERSTANDS AND AGREES THAT THE SELLER IS DISCLAIMING ANY WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PROJECT, THE APARTMENT OR ANYTHING INSTALLED OR CONTAINED THEREIN. EACH APARTMENT WILL BE DEEMED TO BE SOLD "AS IS", AND THE SELLER WILL NOT BE LIABLE TO THE BUYER FOR ANY CONSTRUCTION OR OTHER DEFECTS, INCLUDING ANY LATENT OR HIDDEN DEFECTS IN THE PROJECT, THE APARTMENT OR ANYTHING INSTALLED OR CONTAINED THEREIN. THIS MEANS THAT THE BUYER WILL NOT HAVE THE RIGHT TO FILE ANY LAWSUIT FOR DAMAGES AGAINST THE SELLER FOR ANY DEFECTS LATER DISCOVERED BY THE BUYER.

b. Seller's Disclaimer as Essential Factor for Low Purchase Price. THE BUYER ACKNOWLEDGES AND AGREES THAT THE SELLER'S DISCLAIMER OF WARRANTIES IS AN ESSENTIAL ELEMENT IN THE DETERMINATION OF THE LOW PURCHASE PRICE FOR THE APARTMENT BEING SOLD TO THE BUYER. THIS MEANS THAT THE APARTMENT WOULD NOT HAVE BEEN SOLD TO THE BUYER FOR THE AMOUNT OF THE PURCHASE PRICE STATED IN THIS CONTRACT WITHOUT THE SELLER'S DISCLAIMER OF WARRANTIES.

4. Residential:

The apartments in the Project may be used only for residential purposes and may not be used as a tenement or rooming house or for or in connection with the carrying on

of any business, trade or profession whatsoever. The apartments shall not be rented for transient or hotel purposes, which shall be defined as (i) rental for any period less than thirty days, or (ii) any rental in which the occupants of the apartment are provided customary hotel services. The apartments shall not be sold, leased, rented or used for any "time-sharing" or related or similar purpose. The Developer will not sponsor, arrange or promote any program for the rental or temporary use and occupancy of the apartments in the Project. The Developer has authorized no agents, salesmen or brokers to make any representations as to rental or other income from any apartment or any other economic benefit, including possible advantages from the ownership of an apartment under federal or state tax laws, to be derived from the purchase of an apartment in the Project. The Developer hereby expressly disclaims and repudiates any representation from any source as to any possible economic benefit arising from ownership or an apartment in the Project.

5. Commercial Development:

The Project contains no commercial development.

6. Existing Structure:

The present condition of the structural components, mechanical and electrical installations, material to the use and enjoyment of the Project are described in the reports attached hereto, prepared by Bennett & Drane Electrical Engineers, Ltd., Lange Motonaga, Inc. (mechanical engineers) and Martin, Bravo & Brancher (structural engineers).

No representations are made by the Developer with respect to the expected useful life of the structural components or the mechanical and electrical installations in the Project.

7. Notices:

As of October 21, 1983, no outstanding notices of uncured violations of building code or other municipal regulations exist.

DATED: November 11, 1983

VINEYARD APARTMENTS

ESTIMATED MAINTENANCE BUDGET

Grounds	\$ 300.00
Electrical	1,100.00
Building Repairs	600.00
Fire Control	360.00
Painting	400.00
Pest Control	200.00
Plumbing	700.00
Roof Repair	600.00
Supplies & Tools	220.00
Window Repair	120.00
Road Repairs	360.00
Refuse	280.00
Water & Sewer	3,600.00
Fire Insurance	500.00
Liability Insurance	500.00
Maintenance Upkeep & Reserve	1,400.00
Legal & Accounting	400.00
Management Fee	2,400.00
Office Expense	120.00
Total Estimated Annual Maintenance Budget	<u>\$14,160.00</u>

Estimated Monthly Maintenance Fee
for Each Apartment

Apartment #	Percentage Interest in Common Elements Per Apartment	Monthly Maintenance Fee Per Apartment (Estimated)
202, 203, 204, 205, 302, 303, 304, 305	5.55	\$65.49
101, 102, 103, 104, 105, 201, 206, 301, 306	5.56	\$65.68

The Developer hereby certifies that the foregoing estimated Annual and Monthly Maintenance Fee schedules have been based on generally accepted accounting principles.

LILIHA DEVELOPMENT CO., INC.

BY Peter B. Savio
Its President

Dated: November 17, 1983



BUILDING DEPARTMENT
CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813

EILEEN R. ANDERSON
MAYOR



ROY H. TANJI
DIRECTOR AND BUILDING SUPERINTENDENT

WILLIAM F. REMULAR
DEPUTY DIRECTOR

Ex83-130

October 21, 1983

Mr. Peter B. Savio
Liliha Development Co., Inc.
41 South Beretania Street, Suite B-101
Honolulu, Hawaii 96813

Dear Mr. Savio:

Subject: Three-Story Apartment Building
608 North Vineyard Boulevard
Tax Map Key: 1-7-32: 26

This is in reply to your letter dated September 13, 1983 requesting confirmation that the three-story apartment building located at 608 North Vineyard Boulevard met all code requirements at the time of construction.

Investigation revealed that the 3-story 18-dwelling-unit apartment building with 18 off-street parking spaces met the code requirements when it was constructed.

No variances or special permits were granted to allow deviations from any applicable codes.

If you have any questions regarding this matter, please contact Mr. Noboru Taketa or Mr. Robert Yakabe of this office at telephone number 523-4573.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Roy H. Tanji".

ROY H. TANJI
Director and Building Superintendent

Subscribed and sworn to
before me this 24th day of
OCTOBER 1983

A handwritten signature in cursive script, appearing to read "James Kalama".

Notary Public, First Judicial Circuit
State of Hawaii
My commission expires: 1-31-1984

MARTIN, BRAVO & BRANCHER

CONSULTING STRUCTURAL ENGINEERS

190 South King Street
Suite 2960
Honolulu, Hawaii 96813
(808) 521-4513

John C. Bravo, S.E.
Peter G. Brancher, S.E.
John A. Martin, S.E.
George M. Tsugawa

October 26, 1983

ERNEST M. UMEMOTO, AIA
3329 Sierra Drive
Honolulu, Hawaii 96816

Subject: Structural Engineering Inspection Report
Condominium Conversion, Liliha
608 No. Vineyard Blvd.
Honolulu, Hawaii

Dear Ernest:

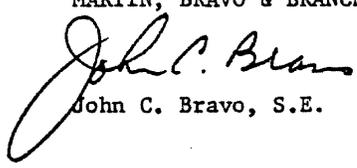
We have completed our structural engineering inspection on the abovenamed project. The structure is a reinforced concrete L-shaped building, three stories tall. The bearing walls are 8" concrete block. The first floor is a slab-on-grade with the two suspended floors and roof reinforced concrete structural slabs. At each end of the building there is a reinforced concrete stairwell, unenclosed.

We observed only minimal cracking and deflections in the reinforced concrete slabs. The only unit we entered was the manager's unit.

From our cursory observations we observed no structural deficiencies. We believe the structure is usable and safe for the intended purpose.

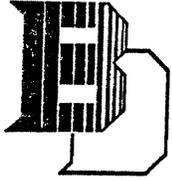
Very truly yours,

MARTIN, BRAVO & BRANCHER, INC.



John C. Bravo, S.E.

JCB/pd



BENNETT & DRANE ELECTRICAL ENGINEERS, LTD.

October 19, 1983

Ernest M. Umemoto, A.I.A.
3329 Sierra Drive
Honolulu, Hawaii 96816

Subject: 608 No. Vineyard Blvd.

In accordance with your letter of October 14, a site visit was made on October 18, 1983. The service for this building is overhead single phase 3-wire through a 400 A. fused switch with meters for each apartment and with one meter for the common area requirements. The load center in the kitchen closet has one 2P-50A. breaker for the range, one 2P-30A. breaker for the water heater, three 1P-20A full size breakers and two 1P-20A. half size breakers for lights and outlets and small appliances. Light and outlets are working normally and are in satisfactory condition. The electrical system is in keeping with codes and practices in effect at the time the building was constructed.

Forrest D. Bennett, P.E.

FDB:gjl

RECEIVED

OCT 20 1983

Umemoto Architect

October 28, 1983

Ernest Umemoto, AIA
3329 Sierra Drive
Honolulu, Hawaii 96816 .

Project: Vineyard Apartments
608 N. Vineyard Blvd., Honolulu, Hawaii

OBSERVATION REPORT

A site observation for the plumbing system was conducted for a typical unit, No. 301, within the above project on October 26, 1983.

All of the plumbing fixtures observed were in useable condition and functional for the intended purpose.

However, most of the fixtures are obsolete and the piping system has deteriorated from age and use. Because of this present condition, the plumbing system will require above normal repairs.

Some items noted for this unit which may require repairs include the following: rusty lavatory drain area at strainer, rusty galvanized pipe at hot water outlet of water heater, and faucet center set for kitchen sink and lavatory.

This may also apply to other units.

Submitted by:  P.E.
George Y. Motonaga
LANGE MOTONAGA, INC.