



**REAL ESTATE COMMISSION  
STATE OF HAWAII**  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
1010 Richards Street  
P. O. Box 3469  
Honolulu, Hawaii 96801

**CONDOMINIUM PUBLIC REPORT**

on

IWILEI BUSINESS CENTER  
Iwilei Road and Sumner Street  
Honolulu, Hawaii

(AFFECTING APARTMENTS 5A-2A, 5A-2B, and 6J IN PARTICULAR)

Registration No. 1588 (Conversion)

Issued: April 10, 1987  
Expires: October 10, 1987

**Report Purpose:**

This report is based on information and documents submitted by the developer to the Real Estate Commission as of March 20, 19 87 and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

**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.

- Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_

**THIRD  
SUPPLEMENTARY:**  
(pink)

Updates information contained in the  
 Prelim. Public Report dated June 19, 1984  
 Final Public Report dated December 12, 1984  
 Supp. Public Report dated July 23, 1985 & January 31, 1986

And  Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_

This report reactivates the \_\_\_\_\_  
public report(s) which expired on \_\_\_\_\_

**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.

1. Specific Limited Common Element L 6J, 260 square feet in area, to be used for parking, loading, access purposes and for the placing of refuse containers, has been created for the exclusive use of Apartment 6J.
2. Out of Apartment 5A-2 has been created Apartment 5A-2A, 816 square feet in area, and Apartment 5A-2B, 3420 square feet in area. The sum equals the original area of Apartment 5A-2. The sum of the common interests appurtenant to 5A-2A & 5A-2B equals the original common interest appurtenant to 5A-2. Thus, no other units are affected by the change.
3. The Declaration and Condominium Map were amended twice more since issuance of the Second Supplementary Report. Copies of said amendments shall be available for inspection if so requested of the developer.

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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 Hawaii's "Horizontal Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

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 they 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 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.

Some condominium projects are leasehold. This means that the land or the land, 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 owner/tenant) 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. The 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.

### 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 a vote of the owners. Some of these actions may significantly impact the quality of life for all 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 vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

**SUMMARY OF THE CONDOMINIUM PROJECT**

(cite to appropriate pages  
in text of report)

**Interest to be Conveyed to Buyer:**

A fee simple interest in an apartment and an undivided common interest in the land.

**Type of Project:**

- 1.  New Building(s)  Conversion  
 Both New Building(s) and Conversion
- 2.  Residential  Commercial  
 Mixed Residential and Commercial  
 Other Industrial
- 3.  High Rise (5 stories or more)  Low Rise
- 4.  Single or  Multiple Buildings

**5. Apartment Description**

<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	(SEE ATTACHED EXHIBIT A)	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 31

\*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.

**6. Parking:**

	<u>Number of Stalls</u>	
Assigned Stalls (Individual Units)	_____	Apartment 8 is a parking apartment, that will be sold to the Association of Apartment Owners upon the sale of 200,000 sq. ft. of space within the project. All apartment owners will have the right to rent stalls therein.
Guest Stalls	_____	
Unassigned Stalls	<u>278</u>	
Extra Stalls Available for Purchase	_____	
Other: _____	_____	
<b>Total Parking Stalls</b>	<u>278</u>	

**7. Recreational amenities:**

None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Iwilei Business Center, Inc. Phone: 531-8091  
Name (Business)  
Suite 1700, Central Pacific Plaza, 220 S. King St.  
Business Address  
Honolulu, Hawaii 96813

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

Gail Sims - President  
Warner Owen - Vice President/Secretary  
Leonard Ganialongo - Treasurer

Real Estate Sales Agent: Grubb & Ellis Phone: 531-4202  
Name (Business)  
1001 Bishop Street  
Business Address  
Honolulu, Hawaii 96813

Escrow: Title Guaranty Escrow Services, Inc. Phone: 521-0211  
Name (Business)  
235 Queen Street  
Business Address  
Honolulu, Hawaii 96813

Managing Agent: Hawaiiana Management Company, Ltd. Phone: 528-3800  
Name (Business)  
1100 Ward Avenue  
Business Address  
Honolulu, Hawaii 96814

Attorney for Developer: Kaito & Ishida (Attn: Lincoln J. Ishida)  
Name  
PH, 888 Mililani Street  
Business Address  
Honolulu, Hawaii 96813

**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 Horizontal Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. **Declaration of Horizontal 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 – Book 18280 Page 459  
 Filed – Land Court – Document Number 1268640

Amendment date(s) and recording/filing information:

First Amendment dated June 18, 1985, Liber 18778 at Page 122, Document No. 1309775.  
Second Amendment dated December 13, 1985, Liber 19214 at Page 51, Document No. 1345297.

\*See Below

- 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 Conveyance Condo Map No. 935 as amended  
 Filed – Land Court Condo Map No. 530 as amended

Amendment date(s) and recording/filing information:

First Amendment - July 12, 1985  
Second Amendment - January 9, 1986  
Third Amendment - February 27, 1987  
Fourth Amendment - February 27, 1987

- 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 way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

Proposed  
 Recorded – Bureau of Conveyances – Book \_\_\_\_\_ Page Attached to Declaration of  
 Filed – Land Court – Document Number \_\_\_\_\_ Horizontal Property Regime

Amendment date(s) and recording/filing information:

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Third Amendment dated February 3, 1987, Liber 20414 at Page 534, Document No. 1443502.  
Fourth Amendment dated February 20, 1987, Liber 20414 at Page 541, Document No. 1443503.

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, keeping of pets, and occupancy limits. 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 apartment owners who 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>65%</u>
House Rules	--	<u>--</u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:** The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules:

Developer reserves the right to merge or add other phrases to the project. Developer has the right to modify and alter the apartments. Developer reserves the right to file As-built Plans & Verified Statement.

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to 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.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

Fee Simple: Individual apartments and the underlying land will be in fee simple.

Leasehold or Subleasehold: Individual apartments and the underlying land will be leasehold.

The leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (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.

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.

Individual Apartments in Fee Simple, Underlying Land in Leasehold or Subleasehold:

The 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; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit \_\_\_\_\_ contains further explanations.

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:

For Subleaseholds:

Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is  
 Cancelled  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 cancelled or foreclosed.

**B. Underlying Land:**

Address: Iwilei Road and Sumner Street Tax Map Key: 1-5-12-1: 4 & 9  
Honolulu, Hawaii (TMK)

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

Land Area: 292,429  square feet  acre(s) Zoning: I-1

Fee Owner: Iwilei Business Center, Inc.  
name  
Suite 1700, Central Pacific Plaza  
address  
220 S. King Street, Honolulu, Hawaii 96813

Sublessor: \_\_\_\_\_  
name  
\_\_\_\_\_  
address  
\_\_\_\_\_

**C. Buildings and Other Improvements:**

1.  New Building(s)  Conversion of Existing Building(s)  
 Both New Building(s) and Conversion One per building, with the exception  
of Buildings 4, 5 & 6, which have

2. Buildings: 6 Floors Per Building: two stories.

Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

Concrete  Hollow Tile  Wood

Other \_\_\_\_\_

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	_____	<input checked="" type="checkbox"/> Industrial	<u>30</u>
<input type="checkbox"/> Residential	_____	<input type="checkbox"/> Agricultural	_____
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input checked="" type="checkbox"/> Other: <u>One parking apartment</u>	_____		_____

5. Special Use Restrictions:

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

Pets: No restrictions

Number of Occupants: No restrictions

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

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 30 (Plus one exterior apartment consisting of 278 parking stalls)

Elevators None Stairways 2 exterior Trash Chutes \_\_\_\_\_

<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	(SEE EXHIBIT A)	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

\*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 floor area may have been used.

Boundaries of Each Apartment:

Each apartment shall include walls and partitions which are not load-bearing and which are within its perimeter or party walls.

Permitted Alterations to Apartments:

Developer and apartment owners have the right to modify and alter the apartments including the right to subdivide and consolidate.

7. Parking Stalls:

Total Parking Stalls: 278

	<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 individual units)	_____	_____	_____	_____	_____	_____	_____
Guest Unassigned	_____	<u>278</u>	_____	_____	_____	_____	<u>278</u>
Extra Available for Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	_____	_____	_____	_____	_____	_____	_____
Total Covered & Open	<u>278</u>	_____	_____	_____	_____	_____	_____

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

- 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
- Recreation Area
- Tennis Court
- Other: \_\_\_\_\_
- Storage Area
- Laundry Area
- Trash Chute

9. Present Condition of Improvements

(For conversions of residential apartments in existence for five years): Not Applicable - This is a Commercial/Industrial Conversion.

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

b. Compliance with Building Code and Municipal Regulations; Cost to Cure Violations

10. 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>	_____	_____
Structures	<u>X</u>	_____	_____
Lot	<u>X</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 intended to be used by all apartment owners. They are owned jointly by all apartment owners.

Exhibit  B  describes the common elements.

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.

The limited common elements and the apartments which may use them are:

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 often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

Exhibit  D  describes the common interests for each apartment.

as follows:

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property.

Exhibit E describes the encumbrances against the title contained in the title report dated November 15, 1984. Developer's attorney has represented that with respect to unsold units no additional encumbrances have placed on the apartments since the date of said title report.

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It 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.
- 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. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
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F. Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

Initial Managing Agent: When the developer or the developer's affiliate is the initial managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The ~~initial~~<sup>present</sup> managing agent for this condominium is: Hawaiiana Management Company, Ltd.

- not affiliated with the Developer.
- the Developer or the Developer's affiliate.
- other \_\_\_\_\_

**G. Estimate of Initial Maintenance Fees:**

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

Exhibit  H  contains a schedule of maintenance fees and maintenance fee disbursements.

**H. Utility Charges for Apartments:**

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Electricity | <input type="checkbox"/> Television Cable         |
| <input type="checkbox"/> Gas                    | <input checked="" type="checkbox"/> Water & Sewer |
| <input type="checkbox"/> Other _____            |   |

**I. 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:**

Developer makes no warranties, express or implied, as the project in part consists of existing buildings. However, as renovations and improvements are made to the project and in the event there is a construction defect from such renovations or improvements, upon Developer being notified of same in writing promptly after the discovery of same and within the warranty period set forth in Developer's contract with the contractor, notice of same shall be forwarded to contractor with a request to correct such condition.

**2. Appliances:**

Developer makes no warranties, express or implied on any equipment, appliances and furnishings. In the event any of such equipment, appliances and furnishings are covered by any manufacturer's or dealer's warranties, developer shall attempt to assign to Buyer the unexpired term, if any, of such warranties.

J. Status of Construction and Estimated Completion Date:

Conversion completed and most of apartments sold.

K. Project Phases:

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

Summary of Developer's Present Plans for Future Development:

None

L. 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

Specimen Sales Contract

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

Escrow Agreement dated January 24, 1984

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

Other \_\_\_\_\_

**IV. ADDITIONAL INFORMATION NOT COVERED ABOVE**

**Buyer's Right to Cancel Sales Contract:**

**A. Rights Under the Condominium Statute:**

Preliminary Report: Sales made by the Developer 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:

1. The Developer delivers to the buyer a copy of:
  - a. Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report;
  - AND
  - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
  - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
  - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
  - c. 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:

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

**B. Rights Under the Sales Contract:**

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Horizontal Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other \_\_\_\_\_

If these documents are not in final form, the buyer should ask to see the most recent draft.

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 Law (Chapter 514A, HRS and Hawaii Administrative Rules Chapter 16-107) are available at the Department of Commerce and Consumer Affairs.

This Public Report is a part of Registration No. 1588 filed with the Real Estate Commission on February 1, 1984.

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Supplementary Public Reports expire on the expiration date given on the front of the report.

  
\_\_\_\_\_  
G. A. "RED" MORRIS, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

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

EXHIBIT "A"

Apartment Description

<u>Apt Type</u>	<u>Qty</u>	<u>Br/Bath</u>	<u>Net Living Area</u>	<u>Lanai/Patio</u>
1	1	none	30,505 sq. ft.	none
2	1	none	16,341 sq. ft.	none
3A	1	none	31,178 sq. ft.	none
3B-1	1	none	24,532 sq. ft.	none
3B-2	1	none	15,345 sq. ft.	none
3C	1	none	525 sq. ft.	none
4A	1	none	7,321 sq. ft.	none
4B	1	none	186 sq. ft.	none
4C	1	none	18 sq. ft.	none
4D	1	none	5,322 sq. ft.	none
5A-1	1	none	3,109 sq. ft.	none
5A-2A	1	none	816 sq. ft.	none
5A-2B	1	none	3,420 sq. ft.	none
5B	1	none	275 sq. ft.	none
5C	1	none	7,650 sq. ft.	none
6A	1	none	9,608 sq. ft.	none
6B	1	none	4,652 sq. ft.	none
6C	1	none	3,136 sq. ft.	none
6D	1	none	3,064 sq. ft.	none
6E	1	none	2,746 sq. ft.	none
6F	1	none	3,063 sq. ft.	none
6G	1	none	1,570 sq. ft.	none
6H	1	none	4,358 sq. ft.	none
6I	1	none	108 sq. ft.	none
6J	1	none	6,647 sq. ft.	none
6K-1	1	none	6,712 sq. ft.	none
6K-2	1	none	16,124 sq. ft.	none
6K-3	1	none	24,567 sq. ft.	none
6K-4	1	none	19,641 sq. ft.	none
7	1	none	964 sq. ft.	none
8*	1	none	39,719 sq. ft.	none

\*Parking apartment

EXHIBIT "B"

Common Elements

1. Land in fee simple.
2. Sidewalks, driveways, yards, gardens and the vehicular ramp and stairways leading to the roof of Building 3.
3. All ducts, sewer lines, drain lines, waterlines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities, installations which serve more than one apartment for services such as power, light, water, fire sprinkler system, refuse, telephone, radio and television signal distribution.
4. All tools, pumps, motors, fans, compressors and ducts.
5. The area other than the clerestory structure and portions of Apartment 8 on the roof of Building 3.
6. Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance or safety, and normally in common use.

EXHIBIT "C"

Limited Common Elements

Specific limited common elements to be used for parking, loading, access purposes and the placing refuse containers for the apartments are as follows:

<u>Apartment</u>	<u>Specific Limited Common Element</u>	<u>Gross Area</u>
1	L1	1,306 sq. ft.
3A	L3A	836 sq. ft.
3B-1	L3B-1	1,332 sq. ft.
3B-2	L3B-2	1,113 sq. ft.
3C	L3C	229 sq. ft.
4A	L4A	1,561 sq. ft.
4A	L4A & 4C	145 sq. ft.
4C	L4A & 4C	145 sq. ft.
5C	L5C	123 sq. ft.
	L5C	56 sq. ft.
6H	L6H	172 sq. ft.
6J	L6J	260 sq. ft.

EXHIBIT "D"

Common Interest Percentage

<u>Basement</u>	<u>Common Interest Percentage Interest</u>
1	.104
2	.056
3A	.106
3B-1	.084
3B-2	.052
3C	.002
4A	.025
4B	.001
4C	.001
4D	.017
5A-1	.010
5A-2A	.003
5A-2B	.010
5B	.001
5C	.026
6A	.033
6B	.016
6C	.011
6D	.011
6E	.009
6F	.010
6G	.005
6H	.015
6I	.001
6J	.022
6K-1	.023
6K-2	.055
6K-3	.084
6K-4	.068
7	.003
8	.136

EXHIBIT "E"

Encumbrances Against Title

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

2. -AS TO PARCEL FIRST ONLY:- Encroachment as set forth in Land Title Survey prepared by John Cline Mann, Registered Professional Land Surveyor, dated May 16, 1983 (revised July 11, 1983, July 18, 1983, September 14, 1983 and September 26, 1983), to-wit:

"7. An eave appurtenant to the building on Lot A, Land Court Application No. 449, encroaches into Parcel Second approximately 6 feet for a length of approximately 68 feet."

3. -AS TO PARCEL SECOND ONLY:- Encroachment as set forth in Land Title Survey prepared by John Cline Mann, Registered Professional Land Surveyor, dated May 16, 1983 (revised July 11, 1983, July 18, 1983, September 14, 1983 and September 26, 1983), to-wit:

"8. A conveyor belt and support beams appurtenant to the building on Parcel Third crosses the Northerly boundary of said Parcel Third."

4. -AS TO PARCEL THIRD (C) ONLY:-

(A) Grant in favor of the City and County of Honolulu, dated February 24, 1939, recorded in Liber 1488 at Page 415; granting the right, in the nature of an easement, to be exercised and enjoyed by the Board of Water Supply, City and County of Honolulu, to install, maintain, operate, repair and remove an underground water pipe line or pipe lines under and across a portion of said parcel, said easement being more particularly described as per survey of John Cline Mann, Registered Professional Land Surveyor, dated May 16, 1983 (revised July 11, 1983, July 18, 1983, September 14, 1983 and September 26, 1983).

(B) Reservation contained in Deed dated July 18, 1939, recorded in Liber 1512 at Page 239, of a perpetual easement in the nature of a right-of-way in favor of the Board of Water Supply of the City and County of Honolulu for an underground water pipe line or pipe lines under and across a

portion of said parcel, said easement being more particularly described as per survey of John Cline Mann, Registered Professional Land Surveyor, dated May 16, 1983 (revised July 11, 1983, July 18, 1983, September 14, 1983 and September 26, 1983).

(C) Grant in favor of the City and County of Honolulu, dated ----- (acknowledged August 15, 1978), recorded in Liber 13158 at Page 780; granting easements to construct, reconstruct, install, maintain, operate, repair and remove an underground sewer pipe line or pipe lines through, under and across a portion of said parcel, said easements being more particularly described per survey of John Cline Mann, Registered Professional Land Surveyor, dated May 16, 1983 (revised July 11, 1983, July 18, 1983, September 14, 1983 and September 26, 1983).

(D) Encroachments as set forth in Land Title Survey prepared by John Cline Mann, Registered Professional Land Surveyor, dated May 16, 1983 (revised July 11, 1983, July 18, 1983, September 14, 1983 and September 26, 1983), to-wit:

"10. A conveyor belt crosses Iwilei Road, joining the buildings on Parcels Fourth and Fifth.

11. Two 8 inch downspouts, two cleanouts and two 1-1/2 inch electrical conduit pipes encroach into Sumner Street by distances ranging from zero to 0.7 foot."

"15. Decorative projections at two levels, approximately 16.5 feet and 20 feet above sidewalk encroach approximately 0.8 foot into Sumner Street and Iwilei Road from structural columns."

"18. A 2 inch pipe crosses over Sumner Street from Parcel Fourth to Parcel Seventh.

19. An eave encroaches into Iwilei Road by distances ranging from zero to approximately 0.5 foot for a length of approximately 115 feet.

20. Stairs, landing and pump on concrete appurtenant to the building on Parcel Sixth encroach into Parcel Fourth: Stairs and landing encroach into Parcel Fourth by distances of approximately 2 feet and 5.5 feet for a length of approximately 6 feet; pump and concrete pad encroach into Parcel Fourth by approximately 5 feet for a length of approximately 5.5 feet.

21. An eave appurtenant to the building on Parcel Sixth encroaches into Parcel Fourth for a distance of approximately 3 feet for a length of approximately 7 feet.

22. An overhead 8 inch pipeline joins the building on Parcel Fourth to the building on Parcel Sixth.

23. An 8 inch PVC pipe appurtenant to Parcel Fourth encroaches into Parcel First by distances of zero to approximately 1.3 feet for a length of approximately 110 feet.

24. A wood frame shed appurtenant to Parcel First encroaches into Parcel Fourth by a distance of 0.37 foot for a length of 10 feet.

25. Eight structural columns appurtenant to the building in Parcel First encroach into Parcel Fourth by distances of zero to approximately 0.2 feet."

EXHIBIT "F"

SUMMARY OF SALES CONTRACT

The Sales Contract among other things contains:

1. Description of the property;
2. Financing of the Sale;
3. Purchaser shall not receive interest on money deposited in escrow.
4. Purchaser responsible for a proportionate share for the purchase of Apartment 8.

EXHIBIT "G"

SUMMARY OF ESCROW AGREEMENT

1. Monies received with sales contracts will be held in interest bearing accounts. Interest shall not go to Purchaser.
2. Escrow will close transaction.
3. Agreement explains under what circumstances monies will be returned Purchaser.
4. Escrow shall notify Purchaser of payments to be made.
5. Purchaser loses money in escrow if Purchaser defaults.

EXHIBIT     H    

**ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> x 12 months =	<u>Yearly Total</u>
1	\$1,574.56	\$18,894.72
2	847.84	10,174.08
3A	1,604.84	19,258.08
3B-1	1,271.76	15,261.12
3B-2	787.28	9,447.36
3C	30.28	363.36
4A	378.50	4,542.00
4B	15.14	181.68
4C	15.14	181.68
4D	257.38	3,088.56
5A-1	151.40	1,816.80
5A-2A	37.91	454.92
5A-2B	158.91	1,906.92
5B	15.14	181.68
5C	393.64	4,723.68
6A	499.62	5,995.44
6B	242.24	2,906.88
6C	166.54	1,998.48
6D	166.54	1,998.48
6E	136.26	1,635.12
6F	151.40	1,816.80
6G	75.70	908.40
6H	227.10	2,725.20
6I	15.14	181.68
6J	333.08	3,996.96
6K-1	348.22	4,178.64
6K-2	832.70	9,992.40
6K-3	1,271.76	15,261.12
6K-4	1,029.52	12,354.24
7	45.42	545.04
8	2,059.04	24,708.48

[ ] Revised on \_\_\_\_\_

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

PROJECTED MAINTENANCE FEE DISBURSEMENT  
IWILEI BUSINESS CENTER

The Projected Maintenance Fee Disbursement for the Iwilei Business Center shall be as follows:

	Monthly Fee x 12 months =	Yearly Total
Accounting/Legal	500.00	6,000.00
Management Fees	1,200.00	14,400.00
Fire	2,000.00	24,000.00
Liability	500.00	6,000.00
Grounds Maintenance	300.00	3,600.00
Refuse Service	1,200.00	14,400.00
Repairs and Maintenance	1,100.00	13,200.00
Supplies	200.00	2,400.00
Electricity	500.00	6,000.00
Telephone	100.00	1,200.00
Water/Sewer	400.00	4,800.00
Miscellaneous Expenses	100.00	1,200.00
Reserves	1,200.00	14,400.00
Security Guard	<u>5,840.00</u>	<u>70,080.00</u>
TOTAL:	<u>\$15,140.00</u>	<u>\$181,680.00</u>

I/We, Hawaiiana Management Company, Ltd., as managing agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

BY Richard M. Gouley  
Its President

Date: April 9, 1987