



**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

STANLEY-KOPKE WAREHOUSE  
Stanley and Kopke Streets  
Honolulu, Hawaii

Registration No. 1897 (Conversion)

Issued: January 12, 1988  
Expires: February 12, 1989

**Report Purpose:**

This report is based on information and documents submitted by the developer to the Real Estate Commission as of January 4, 19 88 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 \_\_\_\_\_
- SUPPLEMENTARY:**  
(pink) Updates information contained in the
  - Prelim. Public Report dated \_\_\_\_\_
  - Final Public Report dated \_\_\_\_\_
  - Supp. Public Report dated \_\_\_\_\_

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.

No prior reports have been issued by the Commission.

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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:**

Leasehold interest in the apartment and an undivided leasehold interest in the common elements of the project including 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>
1	1	0	1,263	0
2	1	0	1,671	0
3	1	0	1,776	0
4	1	0	2,111	0
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 4

\*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)	<u>12</u>
Guest Stalls	<u>0</u>
Unassigned Stalls	<u>0</u>
Extra Stalls Available for Purchase	<u>0</u>
Other: _____	<u>0</u>
<b>Total Parking Stalls</b>	<u>12</u>

**7. Recreational amenities:**

None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Quality Masons, Inc. Phone: 487-3614  
Name (Business)  
99-970C Iwaena Street  
Business Address  
Aiea, Hawaii 96701

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

Stanley A. Wada - President  
George Y. Wada - Treasurer  
Carol E. Wada - Secretary

Real Estate Sales Agent: N/A Phone: \_\_\_\_\_  
Name (Business)  
Business Address

Escrow: Island Title Corporation Phone: 526-9171  
Name (Business)  
1001 Bishop Street, Suite 600  
Business Address  
Honolulu, Hawaii 96813

Managing Agent: National Mortgage and Finance Co., Ltd. Phone: 531-9276  
Name (Business)  
1165 Bethel Street  
Business Address  
Honolulu, Hawaii 96813

Attorney for Developer: Jonathan S. Durrett Phone: 526-0892  
Name (Business)  
1001 Bishop Street, 1250 Pauahi Tower  
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 21282 Page 164  
 Filed — Land Court — Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

- 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. 1090  
 Filed — Land Court Condo Map No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the 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 21282 Page 186  
 Filed — Land Court — Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

D. **House Rules.** The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, 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>Not applicable</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:

Paragraph 18 of the Declaration provides, in part, as follows:

"... the Landlord and Developer expressly reserve the right to successively amend this Declaration without the consent or joinder of persons then owning or leasing the units ... (ii) as may be necessary to redesignate any or all of the parking stalls as limited common elements appurtenant to certain units other than the unit to which it is assigned as hereinbefore set forth, provided that no conveyance shall have previously been issued conveying such stall; or (iii) as may be required by law, the Real Estate Commission of the State of Hawaii, any title insurance company issuing a title insurance policy on the project, or any institutional lender lending funds on the security of the project or any of the units thereof ...."

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: January 31, 2047

Rent Renegotiation Date(s): February 1, 2013, February 1, 2023, and February 1, 2035

Lease Rent Payable:  Monthly  Quarterly  
 Semi-Annually  Annually

Exhibit "A" 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: NOTE: Upon expiration of the leasehold, Buyer is aware that all improvements on the property shall belong to the Lessor.

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: 804 and 810 Kopke Street Tax Map Key: (1) 1-2-11-58  
2022 Stanley Street (TMK)

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

Land Area: 9,633  square feet  acre(s) Zoning: I-1

Fee Owner: Hawaiian Trust Company, Limited, Trustee  
name  
Financial Plaza, 111 S. King Street  
address  
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

2. Buildings: 1 Floors Per Building: 1

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>4</u>
<input type="checkbox"/> Residential	_____	<input type="checkbox"/> Agricultural	_____
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input type="checkbox"/> Other: _____			_____

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: \_\_\_\_\_
- Number of Occupants: \_\_\_\_\_
- Other: \_\_\_\_\_
- There are no special use restrictions, except as prohibited by law

6. Interior (fill in appropriate numbers):

Total Apartments 4

Elevators 0                      Stairways 1 (Units 2, 3 and 4)                      Trash Chutes 0

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
<u>1</u>	<u>1</u>	<u>0</u>	<u>1,263</u>	<u>0</u>
<u>2</u>	<u>1</u>	<u>0</u>	<u>1,671</u>	<u>0</u>
<u>3</u>	<u>1</u>	<u>0</u>	<u>1,776</u>	<u>0</u>
<u>4</u>	<u>1</u>	<u>0</u>	<u>2,111</u>	<u>0</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

\*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:

The inner decorated or finished surfaces of walls, floors and ceilings of each apartment.

Permitted Alterations to Apartments:

See Exhibit "B"



9. Present Condition of Improvements NOT APPLICABLE  
 (For conversions of residential apartments in existence for five years):

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:

By letter dated October 8, 1987, the Building Department indicated that the project met all code requirements at the time of construction in 1984.

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

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

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

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

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

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

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

1. Common Elements: Common Elements are those parts of the condominium project intended to be used by all apartment owners. They are owned jointly by all apartment owners.

Exhibit "C" 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 \_\_\_\_\_

as follows:

<u>Commercial Space Unit No.</u>	<u>Parking Stalls Nos.</u>
1	1, 4 and 5
2	2, 7c and 9
3	3, 8c and 10
4	6c, 11 and 12

(Parking Stalls Nos. 6, 7 and 8 are compact stalls)

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 \_\_\_\_\_ describes the common interests for each apartment.

as follows: 1/4 undivided interest

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

Exhibit "D" describes the encumbrances against the title contained in the title report dated November 5, 1987.

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.

[ X ] 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 managing agent for this condominium is:

[ X ] 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 "E" 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 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:**

NONE

**2. Appliances:**

NOT APPLICABLE

J. Status of Construction and Estimated Completion Date:

Building was completed on or about October 4, 1984

K. Project Phases:

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

Summary of Developer's Present Plans for Future Development:

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

[X] Specimen Sales Contract

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

[X] Escrow Agreement dated October 16, 1987

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. 1897 filed with the Real Estate Commission on November 13, 1987.

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

yellow paper stock                       white paper stock                       pink paper stock

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

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



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GLORIA DAMRON, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

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

STANLEY-KOPKE WAREHOUSE  
SCHEDULE OF ANNUAL LEASE RENTS

First period to January 31, 1993: \$6,750.00 per year

Next 10 years to January 31, 2003: \$9,000.00 per year

Next 10 years to January 31, 2013: \$11,750.00 per year

Remaining 10-year period and 2 final 12-year periods to be renegotiated as provided for in the lease.

STANLEY-KOPKE WAREHOUSE  
PERMITTED ALTERATIONS TO APARTMENTS

Paragraph 16 of the Declaration provides:

"16. Alteration of Project. Restoration or replacement of the project or of any building, or other facility or construction of any additional building or structural alteration or addition to any structure, different in any material respect from said Condominium Map of the project, shall be undertaken by the Association or any unit owners only pursuant to an amendment of this Declaration, duly executed by or pursuant to the affirmative vote of seventy-five per cent (75%) of the unit owners, together with the consent of all unit owners whose units or limited common elements appurtenant thereto are directly affected, and accompanied by the written consent of the holders of all liens on the units affected, and in accordance with complete plans and specifications therefor first approved in writing by a majority of the unit owners, and promptly upon completion of such restoration, replacement or construction, the Association shall duly record or file of record such amendment together with a complete set of floor plans of the project as so altered, certified as built by a registered architect or professional engineer; PROVIDED, HOWEVER, that notwithstanding any other provision in this Declaration to the contrary, the owner of a unit may make any alterations or additions within such unit, and the owner of any two or more units separated by a common element which is a wall may alter or remove all or portions of the intervening wall, if the structural integrity of the building is not thereby affected and if the finish of the common element then remaining is then restored to a condition substantially comparable to that of the common element prior to such alterations. Such alterations, other than alterations or additions within a unit, shall require only the written approval thereof, including the unit owner's plans therefor, by the holder of first mortgage liens affecting such units (if the lien holders require such approval), by the appropriate agencies of the State of Hawaii and the City and County of Honolulu if such agencies so require, by the Board (which approval by the Board shall not be unreasonably or arbitrarily withheld), and by all other unit owners thereby directly affected (as determined in a reasonable manner by the Board) and such alterations may be undertaken without an amendment to this Declaration or filing of a complete set of floor plans of the project as so altered. Prior to the termination of the common ownership of such adjacent units, if the intervening wall shall have been altered or removed pursuant to the foregoing provisions and any entry to hallways sealed, the owner of such units shall be obligated to restore such intervening wall and hallway entries to substantially the same condition in which the same existed prior to such alteration or removal."

Paragraph 14 of the Apartment Lease provides:

"14. Construction of Buildings. Except as otherwise herein provided, Tenant shall not remodel, reconstruct, demolish or subtract from

STANLEY-KOPKE WAREHOUSE  
COMMON ELEMENTS

The common elements for the project will include the limited common elements described in Paragraph 6 of the Declaration and all other portions of the land and improvements, excluding those areas and items defined as a part of a unit in Paragraph 4 of the Declaration. The common elements shall also include the following:

(a) Said land in fee simple.

(b) All foundations, columns, girders, beams, supports, main walls, and the roof of said building.

(c) Any and all apparatus and installations of common use, including all ducts, sewer lines, electrical equipment, pipes, wiring, tanks, pumps, motors, fans and compressors, and all other parts of the project necessary or convenient to its existence, maintenance or safety, and normally in common use.

STANLEY-KOPKE WAREHOUSE  
ENCUMBRANCES AGAINST TITLE

1. Title to all mineral and metallic mines reserved to the State of Hawaii.
2. Terms, provisions, conditions and reservations of that certain Lease dated February 1, 1982, executed by and between Masakazu Kimura and Doris Kimeko Kimura, husband and wife, Minoru Kimura and Shirley Kinue Kimura, husband and wife, Stanley Yukio Kimura and Doris T. Kimura, husband and wife, Yoshiteru Kimura and Jean Tomeko Kimura, husband and wife, Kishiko Yoshimura, wodiw, and Evelyn Hideko Yoshimura, unmarried, as Lessors, and JML, Ltd., a Hawaii corporation, as Lessee, for a term of 65 years commencing on February 1, 1982 and ending on January 31, 2047, recorded March 3, 1983, in the Bureau of Conveyances, State of Hawaii, in Book 16888, Page 567. Said lease was assigned to Quality Masons, Inc., a Hawaii corporation, Tenant in Severalty, as Lessee, by assignment dated February 6, 1986, recorded March 4, 1986, in said Bureau, in Book 19330, Page 404, with consent thereto by Hawaiian Trust Company, Limited, as Trustee under that certain Trustee Agreement dated March 24, 1982, recorded concurrently in said Bureau, in Book 19330, Page 410.
3. Any facts, rights, interest or claims which may arise by virtue of parties in possession and or unrecorded documents pertaining to said property.
4. Real property taxes as may be due and owing.
5. Declaration, By-Laws and Condominium Map as noted on page 7 of this Public Report.

EXHIBIT "E"

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, 2, 3 and 4	\$57.71	\$692.52

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

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

[ ] common elements only

[ ] common elements  
and apartments

Gas

Refuse Collection

Telephone

Water and Sewer

20.00

240.00

Maintenance, Repairs and Supplies

Termite treatment (every 6 yrs) 8.33

100.00

Building reroofing (every 12 yrs) 41.67

500.00

Grounds (Landscaping) 40.00

480.00

Building painting (every 6 yrs) 41.67

500.00

Management

Management Fee 33.33

400.00

Payroll and Payroll Taxes

Office Expenses

Insurance

Building shell 29.17

350.00

Liability (common area) 16.67

200.00

Reserves

Taxes and Government Assessments

Audit Fees

Other

TOTAL

230.84

2,770.00

I/We, NATIONAL MORTGAGE AND FINANCE COMPANY, LIMITED, 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.

  
Date: January 4, 1988

STANLEY-KOPKE WAREHOUSE  
SUMMARY OF SALES CONTRACT PROVISIONS

The Deposit Receipt and Sales Contract (the "Sales Contract") used in connection with the project contains, among other things, acknowledgments by each Purchaser that: (i) Time is of the essence in the Sales Contract, and if Purchaser fails to perform any obligations required in the Sales Contract, the Developer may, upon written notice of 5 days, terminate the Sales Contract and keep all sums previously paid by Purchaser as liquidated damages; (ii) 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; (iii) 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; (iv) that the project and the apartment and anything installed or contained therein are being on an "AS IS" basis, without any warranties, express or implied; (v) that all interest on deposits in Escrow belong to Seller; and (vi) that paragraph I.7. pertaining to closing costs and expenses of sale, provides as follows:

"7. CLOSING COSTS; EXPENSES OF SALE. Buyer further agrees to pay all notary and recording fees, cost of credit report, cost of preparing the Condominium Lease and/or assignment thereof, note(s) and mortgage(s), loan finance fees, conveyance taxes, the cost of any required title insurance, the entire Escrow Agent's fees, and Buyer's share of maintenance fees payable to the Association of Owners (the 'Association') including the first month's fee and start-up fee. The start-up fee shall be a single assessment to each unit owner and shall be in addition to the normal monthly assessment as determined to be necessary by the Managing Agent. The start-up fee shall be equal to a minimum of two months' maintenance fees. Buyer shall also pay the lease rents referred to in Paragraph G.5 hereof. All of the payments referred to herein shall be paid to Escrow Agent at the time of preclosing."

Purchaser is cautioned that this is a brief summary of the Sales Contract and Purchaser should carefully read the Sales Contract for Purchaser's rights and obligations therein.

STANLEY-KOPKE WAREHOUSE  
SUMMARY OF ESCROW AGREEMENT PROVISIONS

Among other provisions, the Escrow Agreement provides as follows:

"4. A Purchaser shall be entitled to a refund of his or her funds, and Escrow shall pay said funds to said Purchaser, without interest if Purchaser shall in writing request refund of his or her funds and any one of the following shall have occurred:

(a) Escrow receives a written request from Developer to return to Purchaser the funds of such Purchaser then held hereunder by Escrow; or

(b) If a Purchaser's funds were obtained prior to the issuance of a final public report and the request is prior to the time the final public report is issued; or

(c) If a Purchaser's funds were obtained prior to the issuance of a final public report, then in the event that the Purchaser exercises his or her right to cancel at any time prior to the earlier of (1) the conveyance of the commercial unit to the Purchaser, or (2) midnight of the thirtieth (30th) day following the date of delivery of the final public report to such Purchaser; provided, however, that the Purchaser has not previously waived his or her right to cancel; or

(d) If a Purchaser's funds were obtained after the issuance of a final public report and purchaser exercises his or her right to cancel prior to the earlier of (1) the conveyance of the commercial unit to Purchaser or (2) midnight of the thirtieth (30th) day following the date of delivery of the final public report, provided however, that the Purchaser has not previously waived his or her right to cancel; or

(e) If there is a material change in the Project which directly, substantially and adversely affects the use or value of (1) such Purchaser's commercial unit or appurtenant limited common elements, or (2) those amenities of the Project available for such Purchaser's use, unless the Purchaser has waived his or her rights of rescission in writing; or

(f) If the final public report is not issued within one (1) year from the date of issuance of the preliminary public report, if any.

Upon refund of said funds to Purchaser as aforesaid, Escrow shall return to Developer such Purchaser's Sales Contract and any condominium lease and assignment thereof, if any, theretofore delivered to Escrow, and thereupon Escrow shall have no further obligations hereunder with respect to said Purchaser."