

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer YOSHIMI RIKIHISA
Business Address 2419 Kanealii Avenue, Unit 1, Honolulu, Hawaii 96813

Project Name (\*): PAUOA HALE
Address: Unit 1, 2419 Kanealii Avenue, & Unit 2, 207 Koalele Street, Honolulu, Hawaii 96813

Registration No. 1901
Effective date: December 2, 2015
Expiration date: January 2, 2017

Preparation of this Report:

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

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

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

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

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

Type of Report:

PRELIMINARY: (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.

FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
[ ] No prior reports have been issued.
[ ] This report supersedes all prior public reports.
[ ] This report must be read together with

X SUPPLEMENTARY: (pink) This report updates information contained in the:
[ ] Preliminary Public Report dated:
[X] Final Public Report dated: January 12, 1988
[ ] Supplementary Public Report dated:

And [X] Supersedes all prior public reports.
[ ] Must be read together with
[ ] This report reactivates the public report(s) which expired on

(\*) Exactly as named in the Declaration
This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

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

Required and attached to this report     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 developer.  
 Changes made are as follows:

1. To further identify Building 1 and Building 2, as follows:
  - a) From Building 1 to Unit 1 with address of 2419 Kanealii Avenue, and
  - b) From Building 2 to Unit 2 with address of 207 Koalele Street.
2. To change the Description of Sites:
  - a) From Site 2419 Kanealii to Site 1 with metes and bounds description, and
  - b) From Site 207 Koalele to Site 2 with metes and bounds description
3. To Identify Common Elements Immediately Accessible By Each Unit;
4. To Amend Condominium Site Plan Map to depict the Sites upon which each Unit is located;
5. To change the "Limited Common Elements" in identifying the yard space surrounding each Unit and the Site upon which each Unit is situated;
6. To include Joinder and Consent to Amendments by Shuji Rikihisa, husband of Yoshimi Rikihisa, as described in the First Amendment of Declaration dated October 20, 2015 and filed as Land Court Document No. T – 9426249 and noted as TCT Nos. 815,830 and 815,831;
7. Up-dated Master Conveyance: Apartment Deeds regarding Unit 1 and Unit 2
8. Up-dated Fidelity National Title & Escrow of Hawaii Preliminary Title Report dated 10-28-2015; and
9. Purchase Contract Reference Date of 08-13-2015 regarding Unit 1, 2419 Kanealii Avenue.

**SPECIAL ATTENTION**

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOLLOWING.

This public report does not constitute approval of the Project by the Real Estate Commission, or any other governmental agency, nor does it ensure that all applicable County codes, ordinances, and subdivision requirements have necessarily been complied with.

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## **General Information On Condominiums**

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

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

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

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

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

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

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

## **Operation of the Condominium Project**

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

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

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

I. PERSONS CONNECTED WITH THE PROJECT

Developer: YOSHIMI RIKIHISA Phone: (808) 286-4887  
Name\* (Cell)  
2419 Kanealii Avenue  
Business Address  
Honolulu, Hawaii 96813

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):  
Not Applicable

Real Estate Broker\*: TH Realty Inc. Phone: (808) 947-9995  
Name (Business)  
1440 Kapiolani Blvd., Suite 106  
Business Address  
Honolulu, Hawaii 96814

Escrow: Fidelity National Title & Escrow of Hawaii, Inc. Phone: (808) 536-0404  
Name (Business)  
201 Merchant Street, #2100  
Business Address  
Honolulu, Hawaii 96813

General Contractor\*: N/A Phone: \_\_\_\_\_ (Business)  
Name  
Business Address

Condominium Managing Agent\*: Self-Managed Phone: \_\_\_\_\_ (Business)  
Name  
Business Address

Attorney for Developer: Vernon T. Tashima, Esq. Phone: (808) 521-2951  
Name (Business)  
220 South King Street, Suite 888  
Business Address  
Honolulu, Hawaii 96813

\* For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

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

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

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

The Declaration for this condominium is:

Proposed  
 Recorded - Bureau of Conveyances: Document No. \_\_\_\_\_  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. T - 1498472

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

**First Amendment of Declaration dated October 20, 2015, filed as Land Court Doc No. T - 9426249**

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

The Condominium Map for this condominium project is:

Proposed  
 Recorded - Bureau of Conveyances Condo Map No. \_\_\_\_\_  
 Filed - Land Court Condo Map No. 642

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

**Amended Condominium Site Plan Map No. 642 dated 10-5-2015, marked as Exhibit "A", attached thereto with First Amendment of Declaration, dated October 20, 2015, filed as Land Court Document No. T - 9426249**

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

The Bylaws for this condominium are:

Proposed  
 Recorded - Bureau of Conveyances: Document No. \_\_\_\_\_  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. T - 1498473

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

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

The House Rules for this condominium are:

Proposed       Adopted       Developer does not plan to adopt House Rules

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

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

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

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

2. Developer:

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

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

1. To grant, reserve, or adjust easements for common or public purposes.
2. To amend the Declaration to comply with Section 514A-12 HRS..

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or Sub-leasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

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

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

Lease Term Expires: \_\_\_\_\_ Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable:     Monthly                       Quarterly  
                                  Semi-Annually                       Annually

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

For Sub-leaseholds:

- Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:             Canceled                       Foreclosed
- As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

- Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Sub-leasehold:

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

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

Lease Term Expires: \_\_\_\_\_ Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable:     Monthly                       Quarterly  
                                  Semi-Annually                       Annually

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

Other:

**IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS**

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

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

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

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

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

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

**B. Underlying Land:**

Address: 2419 Kanealii Ave, Unit 1 Tax Map Key (TMK): (1) 2-2-017:059 CPR No. 0001  
Honolulu, Hawaii 96813

AND

Address: 207 Koalele St., Unit 2 Tax Map Key (TMK): (1) 2-2-017:059 CPR No. 0002  
Honolulu, Hawaii 96813

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

Land Area: 5,655  square feet  acre(s) Zoning: R-3.5

Fee Owner: SHUJI RIKIHISA and EMILY YOSHIMI RIKIHISA,  
husband and wife  
Name

Lessor: \_\_\_\_\_  
Name  
\_\_\_\_\_  
Business Address  
\_\_\_\_\_

C. Buildings and Other Improvements:

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

2. Number of Buildings: 2 Floors Per Building: 1

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

3. Principal Construction Material:

Concrete       Hollow Tile       Wood  
 Other \_\_\_\_\_

4. Uses Permitted by Zoning:

	No. of Apts.	<u>Use Permitted By Zoning</u>	
<input checked="" type="checkbox"/> Residential	<u>2</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Industrial	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Agricultural	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Other	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?  
 Yes       No

5. Special Use Restrictions:

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

Pets: no restriction

Number of Occupants: no restriction

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

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 0 Trash Chutes: 0

<u>Apt Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
<u>Unit 1, 2419 Kanealii Ave</u>	<u>1</u>	<u>3 / 1</u>	<u>930</u>	<u>180</u>	<u>1 car-carport and laundry area</u>
<u>Unit 2, 207 Koalele St.</u>	<u>1</u>	<u>2 / 1</u>	<u>696</u>	<u>200</u>	<u>1 car-carport and laundry area</u>

Total Number of Apartments: 2

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

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

Boundaries of Each Apartment:

These are two (2) separate buildings for the two apartments. The boundaries of each apartment shall be the outer surfaces of the entire building, including all pipes, wires, conduits, ducts or other utilities running through such apartment.

Permitted Alterations to Apartments:

The Declaration of Horizontal Property Regime provides for the reconstruction, repair or restoration of damage to or destruction of any building of the project, or any part thereof, at the sole cost and expense of the owner thereof with the written consent of all lien holders affecting the apartment.

Apartments Designated for Owner-Occupants Only:

Fifty percent (50%) of residential apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by section 514A-102, HRS; or include the information here in this public report and in the announcement (see attachment 11a). Developer has not elected to provide the information in a published announcement or advertisement.

7. Parking Stalls:

Total Parking Stalls: 2

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	
Assigned (for each unit)	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Guest	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Extra for Purchase	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other: _____	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Covered & Open:	<u>2</u>		<u>0</u>		<u>0</u>		<u>2</u>

Each apartment will have the exclusive use of at least 1 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                       Storage Area                       Recreation Area
- Laundry Area                       Tennis Court                       Trash Chute/Enclosure(s)
- Other: \_\_\_\_\_

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

- There are no violations. – See Page 20                       Violations will not be cured.
- Violations and cost to cure are listed below:                       Violations will be cured by \_\_\_\_\_  
(Date)

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations (For conversions of residential apartments in existence for at least five years):

Good condition; no representation made as to useful life.

11. Conformance to Present Zoning Code

- a.  No variances to zoning code have been granted.  
 Variance(s) to zoning code was/were granted as follows:

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

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

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

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

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

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

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

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

- described in Exhibit     "A"    .  
 as follows:

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

There are no limited common elements in this project.

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

described in Exhibit "B".

as follows:

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

described in Exhibit "C".

as follows:

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

Exhibit "D" describes the encumbrances against the title contained in the title report dated October 28, 2015 and issued by Fidelity National Title & Escrow of Hawaii.

**Blanket Liens:**

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

[ ] There are no blanket liens affecting title to the individual apartments.

[X] There are blanket liens which may affect title to the individual apartments.

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

**Type of Lien**

**Effect on Buyer's interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance**

1. Mtg dated 05-26-2006 and recorded as Land Court Doc No. 3437499, in favor of Downey Svgs & Ln Assn, FA., a federally Chartered svgs assn org & existing under the laws of the United States of America.
2. Mtg dated 05-22-2006 and recorded as Land Court Doc No. 3436478 in favor of MERS as nominee for Chevy Chase Bank, FSB, a federally chartered svgs bank org & existing under the laws of the United States of America.

Both apartment units are subject to the lien of the first mortgage and Buyer's interest in the apartments are subject to the first mortgage.

**F. Construction Warranties:**

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

1. Building and Other Improvements:

None

2. Appliances:

None

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

(See Page 20) Unit No. 1, 2419 Kanealii Avenue was constructed in 1938.  
Unit No. 2, 207 Koalele Street was constructed in 1938.

Regarding Unit 2, 207 Koalele Street: Ohana Building Permit No. 226655 dated July 23, 1986 has been issued for the single-family dwelling.

H. **Project Phases:**

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

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

IV. CONDOMINIUM MANAGEMENT

A. **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 condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium 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 condominium managing agent for this project, named on page five (5) of this report, is:

not affiliated with the Developer  the Developer or Developer's affiliate  
 self-managed by the Association of Apartment Owners  Other: \_\_\_\_\_

B. **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, a lien may be placed on your apartment and the apartment may be 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.

Exhibit "E" contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. **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:

None  Electricity (\_\_\_ Common Elements only \_\_\_ Common Elements & Apartments)  
 Gas (\_\_\_ Common Elements only \_\_\_ Common Elements & Apartments)  
 Water  Sewer  Television Cable  
 Other \_\_\_\_\_

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

- Notice to Owner Occupants
- Specimen Sales Contract  
Exhibit "F" contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated October 19, 2015  
Exhibit "G" contains a summary of the pertinent provisions of the escrow agreement.
- Other \_\_\_\_\_

B. Buyer's Right to Cancel Sales Contract:

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

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

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

Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:

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

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

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND
- B) The buyer has not waived the right to rescind.

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

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

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

Website to access official copy of laws: [www.capitol.hawaii.gov](http://www.capitol.hawaii.gov)

Website to access unofficial copy of laws: [www.hawaii.gov/dcca/hrs](http://www.hawaii.gov/dcca/hrs)

Website to access rules: [www.hawaii.gov/dcca/har](http://www.hawaii.gov/dcca/har)

This Public Report is a part of Registration No. 1901 filed with the Real Estate Commission on January 12, 1988.

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

YELLOW paper stock

WHITE paper stock

PINK paper stock

C. Additional Information Not Covered Above

1. Compliance with Building Code and Municipal Regulations; Cost to Cure Violations  
(continued from page 13; Section 9 b):

Investigation revealed that the two, one-story single family dwellings, with four off-street parking spaces met code requirement when they were constructed in 1938.

Ohana Building Permit No. 226655 dated July 23, 1986 has been issued for the single-family dwelling located at 207 Koalele Street, Unit 2.

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

See Exhibit "H" - , attached hereto.

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

YOSHIMI RIKIHISA, now known as EMILY YOSHIMI RIKIHISA

Printed Name of Developer

*Yoshimi Lih*

By: *Emily Yoshimi Lih*  
Duly Authorized Signatory\*

11/25/15

Date

DEVELOPER / FEE SELLER & OWNER

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

***\*Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.***

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

SHUJI RIKIHISA

Printed Name of Developer

By: Shuji Rikihisa  
Duly Authorized Signatory\*

11/25/15  
Date

FEE OWNER / SELLER

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

***\*Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.***

## EXHIBIT "A"

### COMMON ELEMENTS

#### III. The Condominium Project – Section D (continued from page 13)

##### 1. Common Elements:

The common elements will include the limited common elements and all other portions of the land and improvements other than the apartments, the land on which it is located and all elements mentioned in the Horizontal Property Act which are actually constructed on the land herein described, and specifically shall include, but not limited to:

- a) Land herein described in metes and bounds of Exhibit A-1 for Site 1 (2419 Kanealii Avenue) and Site 2 (207 Koalele Street), attached hereto, and as described in First Amendment of Declaration dated October 20, 2015 and recorded as Land Court Document No. T-9426249, in fee simple.
- b) All yards, boundary walls, if any, grounds and landscaping.
- c) All walkways, sidewalks, pathways, parking areas and driveway, if any.
- d) All electrical equipment, wiring and other appurtenant installations, including power and light, water, sewer and gas lines; all pipes, wires, conduits or other utility or service lines, including TV cable, if any, which are utilized by or serve more than one building.
- e) Site 1, Unit 1 of 2419 Kanealii Avenue will have direct access to Kanealii Avenue a public street.
- f) Site 2, Unit 2 of 207 Koalele Street will have direct access to Koalele Street, a public street.

**Pauoa Hale  
Site 1**

Being a portion of Lot 222 of Land Court Application No. 746 as shown on Map 2.

Situated at Kewalo, Auwaiolimu and Kaakaukui, Pauoa Valley, Honolulu, Oahu, Hawaii.

Beginning at the Northwest corner of this parcel, being also the Northeast corner of Lot 221, and on the South side of Kanealii Avenue, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,307.24 feet North and 2,515.26 feet East, and running by azimuths measured clockwise from True South:

1.   250° 00' 40"                                   33.90 feet   along the South side of Kanealii Avenue;
2.   Thence, along the Southwest corner of Kanealii Avenue and Koalele Street on a curve to the right with a radius of 12.00 feet, the chord azimuth and distance being:  

300° 08' 50"                                   18.44 feet;
3.   350° 17'                                       59.96 feet   along the West side of Koalele Street;
4.   80° 17'   47.50 feet   along the remainder of Lot 222 (Map 2) of Land Court Application No. 746;
5.   170° 17'                                       65.72 feet   along Lot 221 (Map 2) Land Court Application No. 746; to the point of beginning and containing an area of 3,280 square feet.



October 5, 2015  
Honolulu, Hawaii

Wan Tuen Cliff Yim  
Licensed Professional Land Surveyor  
Certificate Number 16048

Tax Map Key: (1) 2-2-017: 059 (Por.)

**Pauoa Hale  
Site 2**

Being a portion of Lot 222 of Land Court Application No. 746 as shown on Map 2.

Situated at Kewalo, Auwaiolimu and Kaakaukui, Pauoa Valley, Honolulu, Oahu, Hawaii.

Beginning at the Northeast corner of this parcel, and on the West side of Koalele Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,250.48 feet North and 2,573.17 feet East, and running by azimuths measured clockwise from True South:

1. 350° 17' 50.00 feet along the West side of Koalele Street;
2. 80° 17' 47.50 feet along Lot 224(Map 2) Land Court Application No. 746;
3. 170° 17' 50.00 feet along Lot 221(Map 2) Land Court Application No. 746;
4. 260° 17' 47.50 feet along the remainder of Lot 222 (Map 2) of Land Court Application No. 746; to the point of beginning and containing an area of 2,375 square feet.



October 5, 2015  
Honolulu, Hawaii

A handwritten signature in black ink, appearing to read "Wan Tuen Cliff Yim".

Wan Tuen Cliff Yim  
Licensed Professional Land Surveyor  
Certificate Number 16048

Tax Map Key: (1) 2-2-017: 059 (Por.)

**EXHIBIT "A-2"**

### III The Condominium Project – Section D (cont'd from page 14)

#### Section D.2 – Limited Common Elements

Limited Common Elements: A limited common elements is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.

#### EXHIBIT "B"

Description: Each building will occupy and use, an area of land, as shown on the Condominium Map, as a limited common element, and described as follows:

Yard Space Site.

As hereunder noted, each unit will have a certain area of land, designated on said Condominium Map as "Site", upon which each building is situated, and which is a limited common element for such unit.

UNIT No.	Location	<u>SITE</u>	<u>SQ FT</u>
1	2419 Kanealii Avenue	1	3,260
2	207 Koalele Street	2	2,375

Each building owner shall maintain repair and keep in good order and condition, the limited common element appurtenant to such owner's unit.

**NOTE:** Land areas referenced herein are not legally subdivided lots.

**EXHIBIT "C"**

**III The Condominium Project**

**Section D.3 Common Interest (continued from page 14)**

**Common Interest:** Each unit will have a percentage interest in the common elements appurtenant to each unit. This interest is called the "common interest". It is used to determine each unit's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by unit owners. The common interest for each unit in this project, as described in Declaration, is:

**Percentage of Undivided Interest:** Each unit shall have appurtenant thereto an undivided percentage interest in all common elements of the project, and the same interest in all expenses of the project and for all other purposes including voting and the maintenance of the common elements, except as hereinafter otherwise provided, as follows:

<b>Unit No / Street Address</b>	<b>Site No.</b>	<b>Undivided % Interest</b>
<b>Unit 1 – 2419 Kanealii Avenue</b>	<b>1</b>	<b>50%</b>
<b>Unit 2 – 207 Koalele Street</b>	<b>2</b>	<b>50%</b>
<b>TOTAL</b>		<b>100%</b>

**EXHIBIT "D"**

**Section E      Encumbrances Against Title (Continued from page 14)**

**ENCUMBRANCES AGAINST TITLE**

Date of Title Report ..... October 28, 2015  
Company that issued the Title Report ..... Fidelity National Title & Escrow of Hawaii

1. Property taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2015-2016, Tax Map Key (1) 2-2-017:059 CPR No. 0002.

1<sup>st</sup> Installment:            \$827.58 Paid  
2<sup>nd</sup> Installment:            \$827.57 Due, February 22, 2016

2. Mineral and water rights of any nature in favor of the State of Hawaii.
3. Declaration Submitting Property to the Horizontal Property Regime "Pauoa Hale" dated June 30, 1987 and recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. T-1498472.

The foregoing Declaration was amended by First Amendment of Declaration dated October 20, 2015 and recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. T-9426249.

4. By-Laws of the Association of Apartment Owners of "Pauoa Hale", a Horizontal Property Regime, dated June 30, 1987, recorded September 29, 1987 in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. T-1498473.
5. Covenants, conditions and restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin) as set forth in Quitclaim Deed dated December 22, 2001 and recorded December 31, 2001 in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2466263.
6. Land Court Condominium Map No. 642, and any amendments thereto.
7. Covenants, conditions and restrictions (deleting therefrom any restrictions indicating any preference, limitation of discrimination based on race, color, religion, sex, handicap, familial status or national origin) as set forth in the Life Estate Deed dated November 23, 1983 and recorded in the Office of Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1232067.

8. Covenants, conditions and restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin) as set forth in the Apartment Deed dated January 6, 1989 and recorded in the Office of Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1606695.
9. Covenants, conditions and restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin) as set forth in the Quitclaim Deed dated December 22, 2001 and recorded in the Office of Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2466263.
10. Covenants, conditions and restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin) as set forth in the Quitclaim Deed dated September 14, 1995 and recorded in the Office of Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2262406.

TMK No. (1) 2-2-017:059 CPR No. 0001  
Property: 2419 Kanealii Avenue, Unit 1

TMK No. (1) 2-2-017:059 CPR No. 0002  
Property: 207 Koalele Street, Unit 2

**EXHIBIT "E"**  
**ESTIMATE OF INITIAL MAINTENANCE FEES**  
**AND**  
**ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months = Yearly Total</u>			
2419 Kanealii Avenue, Unit No. 1	0.00	x 12	=	0.00
207 Koalele Street, Unit No. 2	0.00	x 12	=	0.00

Each Unit has it own driveway; therefore, there are no common elements to both units.

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



## EXHIBIT "F"

### SUMMARY OF PURCHASE CONTRACT

Hawaii Association of Realtors Standard Form (Rev 7/12 NC)

#### **Section 5.1 Sales Documents Filed with the Real Estate Commission** (Continued from page 13)

The Purchase Contract contains the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Project.

- (a) The total purchase price, method of payment and additional sums, which must be paid in connection with the purchase of an apartment (D-2).
- (b) That the purchaser must close the purchase at a certain date and pay closing costs, in addition to the purchase price (F-1).
- (c) That the transaction shall be processed by an escrow company, licensed to do business in Hawaii (F-4).
- (d) Risk of loss passes to Buyer upon closing or possession, whichever occurs sooner (F-10).
- (e) Requirements relating to the purchaser's financing of the purchase of an apartment (H-1, H-2, H-3 and H-4).
- (f) Seller obligation to disclose any fact defects or condition affecting value (I-1, I-2, I-3, I-7 and I-8).
- (g) That the Developer shall provide to Buyer all existing warranty documents covering the improvements, appliances, etc., but makes no warranties regarding the apartment, the Project or anything installed or contained in the apartment of the Project (J-7).
- (h) That the purchase is subject to the Buyer's review and approval of condominium documents (M-1, M-2, M-3, & M-4).
- (i) That the Developer makes no representations concerning rental of an apartment, income or profit from an apartment, or any other economic benefit to be derived from the purchase of an apartment (N-2).

The Purchase Contract contains various other important provisions relating to the purchase of an apartment in the Project including cancellation and termination rights. Purchasers and prospective purchasers should carefully read the specimen Purchase Contract on file with the Real Estate Commission.

Purchaser's Right to Rescind a Binding Sales Contract:

If a "material change" in a project occurs after a purchaser has signed a sales contract that has become binding, the purchaser will have a 30-day right to rescind after notification and description of the material change. A material change is defined in the Condominium Property Act to be any change that "directly, substantially and adversely affects the use or value of (1) a purchaser's unit or appurtenant limited common elements; or (2) those amenities of the project available for the purchaser's use."

The purchaser will be informed of the material change by the developer on a form prescribed by the Commission containing a description of the material change.

After notice of the material change, the purchaser may waive the right to rescind by:

- (1) Checking the waiver box on the rescission form; or
- (2) Letting the 30-day rescission period expire, without taking action to rescind; or
- (3) Closing the purchase of the unit before the 30-day rescission period expires.

The rescission form must be signed by all purchasers of the affected unit and delivered to the developer no later than midnight of the 30<sup>th</sup> calendar day after the purchasers received the rescission form from the developer. Purchasers who validly exercise the right of rescission shall be entitled to a prompt and full refund of any moneys paid.

A rescission right shall not apply in the event of any additions, deletions, modification and reservations including, without limitation, the merger or addition or phasing of a project, made pursuant to the terms of the project's Declaration.

These provisions shall not preclude a purchaser from exercising any rescission rights pursuant to a contract for the sale of a unit or any applicable common law remedies.

**END OF EXHIBIT "F"**

## EXHIBIT "G"

### SUMMARY OF THE PROVISIONS OF THE ESCROW AGREEMENT

#### **5.1 Sales Documents Filed with the Real Estate Commission (Continued from page 13)**

Among other provisions of the Escrow Agreement, the Agreement provides that:

Disbursement from the escrow fund may be made to pay for construction costs upon certification and approval for payment by an architect or engineer, and approved by Seller's lender. However, the agreement further provides that no disbursement of Purchaser's funds shall be made until (a) Escrow is notified by Seller that Real Estate Commission has issued an effective date for a Developer's Public Report, superseding all prior reports, on the project and that each purchaser has been given a copy of said Developer's Public Report; (b) Purchaser executes the form of Receipt for Public Report and Notice of Right to Cancel and waives his right to cancel; and (c) the completion of construction of the project and the forty-six day lien period has expired or Seller has posted a Surety Bond or submits title insurance with lien waivers.

Further, Purchaser shall be entitled to a refund of Purchaser's funds, and Escrow shall pay the funds to Purchaser, without interest and less Escrow's cancellation fee upon receipt by Escrow of a written request from Seller to return to Purchaser the funds of such Purchaser then held hereunder by Escrow.

Subject to such deduction as may be provided in the Sales Contract, and an escrow cancellation fee, the Purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to the Purchaser, without interest, upon Purchaser's written request, and, if any, one of the following events has occurred:

(a) Seller has instructed Escrow in writing to return to the Purchaser the funds of the Purchaser then being held hereunder by Escrow; or

(b) Seller has notified Escrow in writing of the Seller's exercise of the option to rescind the Sales Contract pursuant to any right of rescission stated herein or otherwise available to the seller; or

(c) With respect to a Purchaser whose funds were obtained prior to the issuance of the Developer's Public Report, the Purchaser has exercised his right to cancel the contract pursuant to Section 514A-62, Hawaii Revised Statutes, as amended; and, upon any such cancellation, Purchaser shall be entitled to a prompt refund of all monies paid, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.00; or

## EXHIBIT "G"

(d) A Purchaser has exercised his right to rescind the contract pursuant to Section 514A-62, Hawaii Revised Statutes, as amended; or

(e) If, in accordance with Part IV, Chapter 514A, Hawaii Revised Statutes:

i) no sales contract is offered to purchaser who was place on the Developer's reservation list of owner-occupants, or upon a request from a person who is on the final reservation list but who has elected not to execute a sales contract; or

ii) the Purchaser has been unable to obtain adequate financing, or a commitment for adequate financing, for his unit within fifty (50) calendar days following the end of the ten (10) calendar-day period during which the Developer is limited to selling to owner-occupants.

Upon the return of said funds to the purchaser as aforesaid, Escrow shall return to Seller such Purchaser's Sales Contract and any conveyancing documents theretofore delivered to Escrow pursuant to such Sales Contract. Other documents delivered to Escrow relating to the sale of the units identified in such Sales Contracts will be returned to the person from whom or entity from which they were received.

(f) In the event of default of the Purchaser, Purchaser's initial deposits shall be retained by Seller, as liquidated damages.

**END OF EXHIBIT "G"**

BUILDING DEPARTMENT  
CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING  
650 SOUTH KING STREET  
HONOLULU, HAWAII 96813

FRANK F. FASI  
MAYOR



HERBERT K. MURAOKA  
DIRECTOR AND BUILDING SUPERINTENDENT

Ex87-29

February 23, 1987

Mr. Vernon T. Tashima  
Suite 888, Central Pacific Plaza  
220 South King Street  
Honolulu, Hawaii 96813

Dear Mr. Tashima:

Subject: Condominium Conversion Project  
2419 Kanealii Avenue  
207 Koalele Street  
Tax Map Key: 2-2-17: 59

This is in reply to your letter dated January 27, 1987 requesting confirmation that the two one-story single-family dwellings located at 2419 Kanealii Avenue and 207 Koalele Street met all code requirements at the time of construction.

Investigation revealed that the two one-story single-family dwellings with four off-street parking spaces met code requirements when they were constructed in 1938.

Ohana Building Permit No. 226655 dated July 23, 1986 has been issued for the single-family dwelling located at 207 Koalele Street.

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

If you have any questions regarding this matter, please contact Mr. Noboru Taketa of this office at telephone 527-6341.

Very truly yours,

  
HERBERT K. MURAOKA  
Director and Building Superintendent

Subscribed and sworn to  
before me this 24th day of  
February, 1987.

  
Notary Public, First Judicial Circuit  
State of Hawaii  
My commission expires: 1/13/88

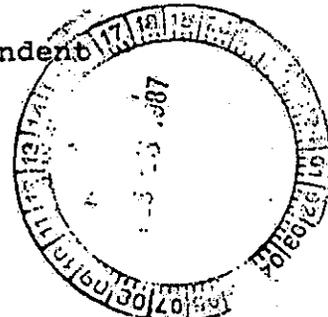


EXHIBIT "H"