

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer Thomas Theodore Au
Business Address 73-1093 Kaiminani Drive, Kailua-Kona, Hawaii 96740

Project Name (\*): 53-866C KAMEHAMEHA HIGHWAY
Address: 53-866C Kamehameha Highway, Hauula, Hawaii 96717

Registration No. 2025 (Conversion) Effective date: July 16, 2008
Expiration date: August 16, 2009

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: May 2, 1989
[ ] 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. The Developer's new address is: 73-1093 Kaiminani Drive, Kailua-Kona, HI 96740.
2. An updated title report by Fidelity National Title dated March 13, 2003 reflects mortgages on units in the project. This is reflected in Exhibit C attached hereto.
3. Exhibit F regarding nonconforming dwelling units and Existing Use Permit obtained by Developer.
4. Exhibit G - Disclosure Abstract.
5. The Existing Use Permit obtained by the Developer from the Department of Planning and Permitting is attached hereto as Exhibit H.
6. The real estate agent is: Mie V. Wells, Benn Pacific Group  
1777 Ala Moana Blvd., #225, Hon., HI 96815
7. The escrow company is: Fidelity National Escrow, 4211 Waiialae Ave., #106, Hon., HI 96816.
8. The attorney for Developer is: Alan J. Ma, Esq., 841 Bishop St., #702, Hon., HI 96813.
9. The Developer is using the standard Hawaii Association of Realtors Standard Form of Purchase Contract as the intended sales contract for the Project.

SPECIAL ATTENTION

THE DEVELOPER'S PUBLIC REPORT EXPIRED ON JUNE 2, 2003. PURSUANT TO SECTION 16-107-19, HAWAII ADMINISTRATIVE RULES, SALES CONTRACTS EXECUTED DURING THE PERIOD THAT THE PUBLIC REPORT WAS NOT IN EFFECT MAY BE RESCINDED AT THE OPTION OF THE PURCHASER AND ALL MONIES REFUNDED TO THE PURCHASER. THE PURCHASER'S RIGHT TO RESCIND UNDER THIS RULE SHALL BE VOID THIRTY (30) DAYS AFTER RECEIPT OF WRITTEN NOTIFICATION OF THESE RIGHTS FROM THE DEVELOPER OR HIS REAL ESTATE AGENT.

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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: Thomas Theodore Au Phone: (808) 325-0200  
Name\* (Business)  
73-1093 Kaiminani Drive  
Business Address  
Kailua-Kona, Hawaii 96740

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):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Broker\*: Benn Pacific Group, Inc. Phone: (808) 221-2335  
Name (Business)  
1777 Ala Moana Blvd., #225  
Business Address  
Honolulu, HI 96815

Escrow: Fidelity National Title & Escrow Phone: (808) 735-3867  
of Hawaii, Inc. (Business)  
Name  
4211 Waiialae Ave., #106  
Business Address  
Honolulu, HI 96816

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

Condominium Managing Agent\*: Self-managed by the Association Phone: \_\_\_\_\_  
Name (Business)  
Business Address  
\_\_\_\_\_

Attorney for Developer: Alan J. Ma, Esq. Phone: (808) 526-0892  
Name (Business)  
841 Bishop St., #702  
Business Address  
Honolulu, HI 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. 1599596

The Declaration referred to above has been amended by the following instruments [state name of document, date 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 Conveyances Condo Map No. \_\_\_\_\_  
 Filed - Land Court Condo Map No. 691

The Condominium Map has been amended by the following instruments [state name of document, date 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 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. 1599597

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

First Amendment to By-Laws of the Association of Apartment Owners dated June 26, 2008, filed as Land Court Document No. 3766209.

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>67%</u>
House Rules	---	<u>N/A</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:



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: 53-866C Kamehameha Highway Tax Map Key (TMK): (1) 5-3-013-005  
Hauula, HI 96717

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

Land Area: 43,174  square feet  acre(s) Zoning: R-5 (5,000 sf)

Fee Owner: Thomas Theodore Au  
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: 8 Floors Per Building: 1

Exhibit A contains further explanations.

3. **Principal Construction Material:**

Concrete  Hollow Tile  Wood

Other \_\_\_\_\_

4. **Uses Permitted by Zoning:**

	No. of <u>Apts.</u>	<u>Use Permitted By Zoning</u>	
<input checked="" type="checkbox"/> Residential	<u>8</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: \_\_\_\_\_

[ ] Number of Occupants: \_\_\_\_\_

[x] Other: The condominium units are restricted to residential use only.

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 0 Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
SEE EXHIBIT "A" FOR DETAILED UNIT DESCRIPTIONS					
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Total Number of Apartments: 8

\* 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: See Exhibit "A" attached hereto.

Permitted Alterations to Apartments: Individual unit owners may, at their sole discretion, remodel, expand or otherwise alter their unit, provided same is permitted by and done in complete accordance with all applicable ordinances, codes, rules, regulations or other requirements in force at the time of said construction. Pursuant hereto, said alterations shall not require the consent or\*\*

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 \_\_\_\_\_ elected to provide the information in a published announcement or advertisement.

\*\*permission of other unit owners or the Association; provided, however, that any newly-constructed improvements remain a minimum of five (5) feet from all property lines (including individual limited common element land area perimeter boundaries); and provided further that said newly-constructed improvements do not alter the essential nature and character of the Project, and do not unreasonably interfere with any other unit owner's enjoyment of their unit.





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 \_\_\_\_\_.

as follows: Each unit and its owner(s) shall have appurtenant thereto a one-eighth (1/8) fractional interest (12.5 percentage interest) in the common elements of the Project, for all purposes including voting, said interest being referred to as the "common interest".

- 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 C describes the encumbrances against the title contained in the title report dated March 13, 2008 and issued by Fidelity National Title & Escrow of Hawaii, Inc.

**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.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgage(s) on each Unit	The lender(s) has priority over a Buyer's rights under the sales contract upon foreclosure of its mortgage before an apartment sale is closed. If foreclosed, Buyer's deposit shall be refunded (less any escrow cancellation fees) and the sales contract between Seller and Buyer shall be cancelled.

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 included in sale

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

Project is a conversion of existing dwellings relocated to their present location in 1967-1968. Their actual age is at least 48 years or more.  
(See Exhibit E attached hereto.)

H. **Project Phases:**

The developer [ ] has [ x] 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):

None anticipated.



## 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 (Standard Purchase Contract is being used)  
Exhibit D contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated May 19, 2008  
Exhibit D 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 \_\_\_\_\_

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. 2025 filed with the Real Estate Commission on January 23, 1989.

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**

HAZARDOUS MATERIALS. The Developer neither prepared nor commissioned a Phase 1 Environmental Site Assessment and makes no representations or warranties whatsoever. The developer has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of, hazardous materials laws. Buyer acknowledges that in light of the age of the Project, there may be asbestos and other hazardous substances in the apartments, or in, under or around the Project. Because of the possible presence of such substances, Buyer should have the apartment inspected to determine the extent (if any) of such contamination and any necessary remedial action. The developer will not correct any defects in the apartments or in the Project or anything installed or contained therein and Buyer expressly releases the Developer from any liability to Buyer if any hazardous materials are discovered.

LEAD WARNING STATEMENT. Pursuant to federal law, 42, U.S.C. 4852(c), the Residential Lead-Based Paint Reduction Act, "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessments or inspection for possible lead-based paint hazards is recommended prior to purchase". The Developer discloses that he does not have an assessment or inspections relating to lead-based paint.

- 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.

Thomas Theodore Au

Printed Name of Developer

By: Thomas Theodore Au 3/6/2008  
 Duly Authorized Signatory\* Date

Thomas Theodore Au, Developer

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City & County of Honolulu

Planning Department, City & 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"

### INDIVIDUAL UNIT DESCRIPTIONS

The Declaration of Condominium Property Regime and plans submitted by the Developer indicate that 53-866C KAMEHAMEHA HIGHWAY is a fee simple condominium conversion project consisting of a total of eight condominium units, each unit comprising a separate single-family structure. The units are described as follows:

- (a) Unit "53-866C Kamehameha Highway" consists of a separate single-story wood-frame structure, without basement, containing two bedrooms, one bath, living room and kitchen -- all containing a net interior living area of approximately 690 square feet. Said unit also contains an attached carport.
- (b) Unit "53-866C-1 Kamehameha Highway" consists of a separate single-story wood-frame structure, without basement, containing two bedrooms, one bath, living room and kitchen -- all containing a net interior living area of approximately 690 square feet. Said unit also contains an attached carport.
- (c) Unit "53-866C-2 Kamehameha Highway" consists of a separate single-story wood-frame structure, without basement, containing two bedrooms, one bath, living room, dining room and kitchen -- all containing a net interior living area of approximately 648 square feet.
- (d) Unit "53-866C-3 Kamehameha Highway" consists of a separate single-story wood-frame structure, without basement, containing two bedrooms, one bath, living room and kitchen -- all containing a net interior living area of approximately 588 square feet. Said unit also contains an attached carport.
- (e) Unit "53-866C-4 Kamehameha Highway" consists of a separate single-story wood-frame structure, without basement, containing two bedrooms, one bath, living room and kitchen -- all containing a net interior living area of approximately 592 square feet.
- (f) Unit "53-866C-5 Kamehameha Highway" consists of a separate single-story wood-frame structure, without basement, containing two bedrooms, one bath, living room, dining room and kitchen -- all containing a net interior living area of approximately 612 square feet.
- (g) Unit "53-866C-6 Kamehameha Highway" consists of a separate single-story wood-frame structure, without basement, containing two bedrooms, one bath, living room and kitchen -- all containing a net interior living area of approximately 612 square feet. Said unit also contains an attached carport.
- (h) Unit "53-866C-7 Kamehameha Highway" consists of a separate single-story wood-frame structure, without basement, containing two bedrooms, one bath, living room, kitchen, enclosed patio, storage area, garage and laundry area -- all containing a net interior living area of approximately 952 square feet.

## **EXHIBIT "B"**

### **COMMON ELEMENTS**

One freehold estate is designated of all the remaining portions of the Project, herein referred to as "common elements", including specifically, but not limited to:

- (a) The land in fee simple;
- (b) The Common Driveway, as shown on the Condominium Map;
- (c) All ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, sewage, irrigation and telephone;
- (d) Any and all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the Project.

The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof, except as provided in the Condominium Property Act. Any such partition or division shall be subject to the prior consent thereto by the holder(s) of all mortgage(s) of any apartment which are filed of record.

### **LIMITED COMMON ELEMENTS**

Certain parts of the common elements, herein referred to as the "limited common elements", are designated and set aside for the exclusive use of one or more apartments, and such apartment(s) shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

- (a) That certain land area, shown and designated on the Condominium Map as being 3,701 square feet, is deemed a limited common element appurtenant to and for the exclusive use of unit 53-866C Kamehameha Highway.
- (b) That certain land area, shown and designated on the Condominium Map as being 4,283 square feet, is deemed a limited common element appurtenant to and for the exclusive use of unit 53-866C-1 Kamehameha Highway.
- (c) That certain land area, shown and designated on the Condominium Map as being 3,911 square feet, is deemed a limited common element appurtenant to and for the exclusive use of unit 53-866C-2 Kamehameha Highway.
- (d) That certain land area, shown and designated on the Condominium Map as being 10,050 square feet, is deemed a limited common element appurtenant to and for the exclusive use of unit 53-866C-3 Kamehameha Highway.
- (e) That certain land area, shown and designated on the Condominium Map as being 2,908 square feet, is deemed a limited common element appurtenant to and for the exclusive use of unit 53-866C-4 Kamehameha Highway.

- (f) That certain land area, shown and designated on the Condominium Map as being 3,171 square feet, is deemed a limited common element appurtenant to and for the exclusive use of unit 53-866C-5 Kamehameha Highway.
- (g) That certain land area, shown and designated on the Condominium Map as being 3,778 square feet, is deemed a limited common element appurtenant to and for the exclusive use of unit 53-866C-6 Kamehameha Highway.
- (h) That certain land area, shown and designated on the Condominium Map as being 8,564 square feet, is deemed a limited common element appurtenant to and for the exclusive use of unit 53-866C-7 Kamehameha Highway.

\*NOTE: The land area appurtenant to each apartment does not represent a legally subdivided lot.

## EXHIBIT C

### ENCUMBRANCES AGAINST TITLE

1. Real property taxes that may be due and owing. Reference is made to the Tax Assessor's Office, City and County of Honolulu.
2. Condominium Map No. 691, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.
3. The terms and provisions contained in the Declaration of Condominium Property Regime of 53-866C Kamehameha Highway dated October 15, 1988, filed in said Office as Document No. 1599596.
4. The terms and provisions contained in the By-Laws of the Association of Apartment Owners of 53-866C Kamehameha Highway dated October 15, 1988, filed in said Office as Document No. 1599597.
5. As to Apartment No. 53-866C Only:

Mortgage in favor of JP Morgan Chase Bank, N.A., a national banking association organized and existing under the laws of the United States of America, dated November 21, 2006, filed in said Office as Document No. 3520556.
6. As to Apartment No. 53-866C-1 Only:

Mortgage in favor of Wells Fargo Bank, N.A., a national association organized and existing under the laws of the United States of America, dated October 31, 2006, filed in said Office as Document No. 3509304.
7. As to Apartment No. 53-866C-2 Only:

Mortgage in favor of Wells Fargo Bank, N.A., a national association organized and existing under the laws of the United States of America, dated October 31, 2006, filed in said Office as Document No. 3509305.
8. As to Apartment No. 53-866C-3 Only:

Mortgage in favor of Mortgage Electronic Registration Systems, Inc., a separate corporation acting solely as nominee for First Magnus Financial Corporation, an Arizona corporation and existing under the laws of Arizona, dated July 21, 2006, filed in said Office as Document No. 3461278.
9. As to Apartment No. 53-866C-4 Only:

Mortgage in favor of Wells Fargo Bank, N.A., a national association organized and existing under the laws of the United States of America, dated October 31, 2006, filed in said Office as Document No. 3509306.

10. As to Apartment No. 53-866C-5 Only:

Mortgage in favor of Wells Fargo Bank, N.A., a national association organized and existing under the laws of the United States of America, dated October 31, 2006, filed in said Office as Document No. 3509307.

11. As to Apartment No. 53-866C-6 Only:

Mortgage in favor of Wells Fargo Bank, N.A., a national association organized and existing under the laws of the United States of America, dated October 31, 2008, filed in said Office as Document No. 3509308.

12. As to Apartment No. 53-866C-7 Only:

- a) Mortgage in favor of Mortgage Electronic Registration Systems, Inc., a separate corporation acting solely as nominee for First Magnus Financial Corporation, an Arizona corporation and existing under the laws of Arizona, dated May 18, 2006, filed in said Office as Document No. 3435353.
- b) Mortgage in favor of Mortgage Electronic Registration Systems, Inc., a separate corporation acting solely as nominee for GMAC Mortgage USA Corporation, a Delaware corporation, dated May 22, 2007, filed in said Office as Document No. 3626592.

## **EXHIBIT D**

### **SUMMARY OF PURCHASE CONTRACT AND ESCROW AGREEMENT**

#### **PURCHASE CONTRACT**

1. In the event Buyer is in default for failure to perform Buyer's obligations under the Purchase Contract (Seller not being in default), Seller may terminate the Purchase Contract and (a) bring an action for damages for breach of contract, or (b) retain the initial deposit and all additional deposits. Buyer shall be responsible for any costs incurred in accordance with the Purchase contract.
2. In the event Seller is in default for failure to perform Seller's obligations under the Purchase Contract (Buyer not being in default), Buyer may (a) bring an action for damages for breach of contract, or (b) seek specific performance of the Purchase Contract. Seller shall be responsible for any costs incurred in accordance with the Purchase Contract.
3. Risk of loss to the unit and percentage interest in the common elements will be borne by Seller until the date of final closing at which time risk of loss will be borne by Buyer.
4. Buyer may have the right to rescind the Purchase Contract and obtain a refund of all money paid by Buyer without interest if there is any material change in the Condominium (other than any additions, deletions, modifications and reservations including, without limitation, the merger of increments accomplished pursuant to the terms of the Condominium Declaration) which directly, substantially, and adversely affects the use or value of the unit or the limited common elements appurtenant thereto.

#### **ESCROW AGREEMENT**

Seller has entered into an Escrow Agreement dated May 19, 2008, with Fidelity National Title & Escrow of Hawaii, Inc. The Escrow Agreement sets up an arrangement under which the deposits which a Buyer makes under a Purchase Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement the following will or may happen:

- (a) Seller will require all payments due to be made to Escrow.
- (b) All money received by Escrow will be deposited in an interest-bearing account in a federally-insured bank or savings and loan institution. All interest earned in the account will be credited to the account of the Buyer.
- (c) The Sales Contract shows when refunds of escrow deposits may be made to Buyers. Escrow will make any refunds as soon as possible after Buyer and Seller tell Escrow in writing that a refund should be made as shown in the Sales Contract. No refund is to be made to any Buyer who asks for it unless Escrow obtains written approval from Seller. In any case where a refund is being made to Buyer, Escrow will check with Buyer's mortgage lender, if any, and any other parties who may have cancellation fees or other charges against Buyer's deposit.

(d) Escrow will not disburse Buyer's funds until:

(1) The Real Estate Commission has issued a Final Public Report on the Project; and

(2) Buyer has been given a copy of the Final Public Report and has given the Seller a Receipt for Public Report(s) and Notice of Right to Cancel and has waived the right to cancel as provided in HRS §514A-62; and

(3) Seller has delivered a certification to Escrow that all of the requirements of HRS §§514A-39.5, 514A-62 and 514A-63, if applicable; and

(4) Seller gives Escrow a letter stating that, since the above things have happened, the agreement to purchase and to sell the apartment has become binding and neither Buyer nor Seller may back out of the Sales Contract; and in the same letter, Seller informs Escrow that, either the time specified in the Sales Contract in which Seller and buyer could back out of the Sales Contract has passed, or that Seller and Buyer have said they will not back out of the agreements in the Sales Contract.

(e) If Buyer is in default under the Purchase Contract, Escrow shall promptly notify Seller, and if Seller subsequently certifies in writing to Escrow that Seller has terminated the Purchase Contract in accordance with the terms thereof, Escrow shall thereafter treat all funds of the Buyer paid on account of such Purchase Contract as funds of Seller and not as funds of the Buyer.

(f) Escrow is relieved from all liability for acting in accordance with the terms of the Escrow Agreement.

(g) The compensation of Escrow shall be based on the scheduled rate, plus Hawaii general excise tax for each unit sold under a binding Purchase Contract and of which a deed has been fully recorded in the Bureau of Conveyances of the State of Hawaii; provided, however, that if Escrow shall for any reason without fault on its part to be required to change, subsequent to the commencement of pre-closings for the Project, any closing statement or document previously approved as to form and figures by the Seller, Seller agrees to pay an additional charge for each such statement or document which is changed.

BUILDING DEPARTMENT  
**CITY AND COUNTY OF HONOLULU**

HONOLULU MUNICIPAL BUILDING  
650 SOUTH KING STREET  
HONOLULU, HAWAII 96813

FRANK F. FASI  
MAYOR



HERBERT K. MURAKA  
DIRECTOR AND BUILDING SUPERINTENDENT

Ex87-63

May 11, 1987

Mr. Roger V. Meeker  
250 South Hotel Street  
Courtyard Suite  
Honolulu, Hawaii 96813

Dear Mr. Meeker:

Subject: Condominium Project  
53-866C Kamehameha Highway  
Tax Map Key: 5-3-13: 05

This is in reply to your letter dated March 12, 1987 requesting confirmation that the condominium conversion project located at 53-866C Kamehameha Highway met all code requirements at the time of construction.

Investigation revealed that the 8 one-story single-family dwellings met the code requirements when they were relocated between 1967 and 1968.

Inspection showed the following deficiencies:

Building 53-866C-1

1. Roof Eaves

a. Laie Eaves

1. Approximately 20% of the sheathing is termite and rot damaged.
2. The seventh 2x4 rafter from the mauka end is termite and rot damaged.

b. Makai Eaves

1. Approximately 25% of the sheathing is termite and rot damaged.

EXHIBIT E

Mr. Roger V. Meeker  
May 11, 1987  
Page 2

2. The makai-Laie 2x4 hip rafter is termite and rot damaged.
3. The third and fourth 2x4 rafters from the Laie end are termite and rot damaged.

Building 53-866C-2

1. Roof Eaves

Punaluu Eaves

The third 2x4 rafter from the mauka end is termite and rot damaged.

2. Laie Wall

Approximately 10% of the wall boards are termite and rot damaged.

3. Laie Row of 4x4 Posts

The first post from the makai end is not secured to the concrete foundation block.

Building 53-866C-3

1. Roof Eaves

a. Mauka Eaves

1. The fourth and seventh 2x4 rafters from the Punaluu end are termite and rot damaged.
2. The sheathing located between the fourth and eighth rafters from the Punaluu end is termite and rot damaged.

b. Punaluu Eaves

The sheathing located between the seventh and eighth rafters from the mauka end are termite and rot damaged.

Mr. Roger V. Meeker  
May 11, 1987  
Page 3

2. Laundry Area

Makai Wall

Approximately 25% of the wall boards  
are termite and rot damaged.

Building 53-866C-4

1. Roof Eaves

a. Punaluu Eaves

Approximately 20% of the sheathing is  
termite and rot damaged.

b. Laie Eaves

1. Approximately 20% of the sheathing is  
termite and rot damaged.

2. The first 2x4 rafter from the makai  
end is termite and rot damaged.

3. The second 2x4 hip rafter from the  
Laie end, located above the kitchen  
door, is termite and rot damaged.

2. Punaluu Row of 4x4 Posts

The second 4x4 post from the makai end is  
termite and rot damaged.

Building 53-866C-5

1. Roof Eaves

a. Makai Eaves

Approximately 20% of the sheathing is  
termite and rot damaged.

b. Punaluu Eaves

1. Approximately 20% of the sheathing  
is termite and rot damaged.

2. The eighth 2x4 rafter from the makai  
end is termite and rot damaged.

Mr. Roger V. Meeker  
May 11, 1987  
Page 4

c. Laie Eaves

Approximately 20% of the sheathing is termite and rot damaged.

2. Mauka Wall

Approximately 10% of the wall boards are termite and rot damaged.

Building 53-866C-6

1. Roof Eaves

Mauka Eaves

Approximately 20% of the sheathing is termite and rot damaged.

2. The electrical service drop lacks the required 8 foot minimum clearance over the garage roof.

All units lack adequate number of electrical receptacle outlets to preclude the use of extension cords.

Some of the plumbing drains and vents were corroded and/or broken.

For your information, the 8 dwellings on this property are nonconforming dwelling units because the lot is not subdivided.

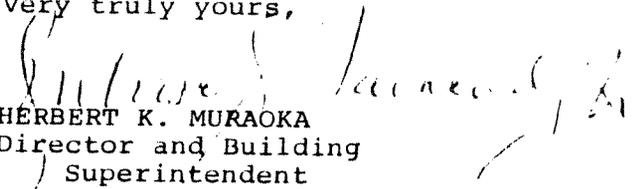
If a dwelling unit is destroyed by any means to an extent of more than 50 percent of its replacement cost at the time of destruction, it can only be reconstructed in conformance with the current code unless a variance or existing use permit is obtained from the Department of Land Utilization.

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

Mr. Roger V. Meeker  
May 11, 1987  
Page 5

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

Very truly yours,

  
HERBERT K. MURAOKA  
Director and Building  
Superintendent

Subscribed and sworn to  
before me this 13th day of  
May, 1987.

  
Notary Public, First Judicial Circuit  
State of Hawaii  
My commission expires: 9-29-90

## **EXHIBIT F**

### **REPAIRS BY DEVELOPER & RECONSTRUCTION OF DWELLINGS**

As noted in the Building Department letter dated May 11, 1987 (attached to the Public Report as Exhibit "E"), most of the dwellings comprising the Project were in need of repairs to correct certain deficiencies. Specifically, investigation revealed varying degrees of termite and wood rot damage to the eaves, walls or posts of some of the units. In addition, some of the electrical and plumbing installations were in need of repair.

Since May of 1987, the Developer has been completing numerous repairs to the property to correct these deficiencies. No individual dwelling unit will be sold without said deficiencies having first been corrected or repaired. To the best of the knowledge, information and belief of the Developer, there are no outstanding notices of uncured violations of the building code or other municipal regulations of the City and County of Honolulu. No variance has been granted from any ordinance, code, rule, regulation, or other requirement in force at the time of their construction or from any other ordinance, code, rule, regulation, or other requirement.

At present, the eight dwellings on the property are considered nonconforming dwelling units. The Developer has obtained from the Department of Planning and Permitting an Existing Use Permit for the property, which will allow the reconstruction of any of the existing dwellings in the event of their accidental or intentional destruction. Pursuant to an Existing Use Permit, a dwelling of the same size and configuration may be reconstructed as long as it conforms with appropriate set-back, height, off-street parking, and other code regulations in effect at the time of reconstruction.

## **EXHIBIT G**

### **DISCLOSURE ABSTRACT**

Pursuant to Section 514A-61, Hawaii Revised Statutes  
Horizontal Property Act

---

#### **Developer**

Thomas Theodore Au  
73-1093 Kaiminani Drive  
Kailua-Kona, Hawaii 96740  
Phone: (808) 325-0200

#### **Project Manager**

Thomas Theodore Au  
73-1093 Kaiminani Drive  
Kailua-Kona, Hawaii 96740  
Phone: (808) 325-0200

#### **Estimated Maintenance Fees/Costs Per Condominium Unit**

The regular maintenance and repair of each condominium apartment unit, including all utility charges individually metered, is the sole responsibility of each respective unit owner. All eight units share a common water meter, and will be charged a monthly assessment for their water service. Developer estimates that the required monthly maintenance fees to cover said water expenses for each unit shall be \$100.00 per month per unit, or \$1,200 per year per unit.

#### **Common Driveway:**

All eight units are served by a common driveway. Although said driveway does not require regular monthly maintenance, it may require periodic repairs or maintenance from time to time. The determination of when such repairs or maintenance are necessary is solely that of the Association, and the costs of said repairs or maintenance shall be by special assessment and shall be shared equally by all unit owners.

In the event of improvements to any of the existing units, the Existing Use Permit requires the construction of a City & County of Honolulu standard cul-de-sac or hammerhead turn around at the end of the common driveway.

#### **Cesspools:**

All eight units are served by cesspools, some of which service more than one unit. Although not requiring regular monthly maintenance or repair, said cesspools may require periodic service or repair. The determination of when such maintenance or repairs are necessary is solely that of owner(s) of the unit(s) serviced by the cesspool needing repair or maintenance, and the cost shall be borne equally by the owner(s) of the unit(s) so served.

Any cesspool requiring one or more pumping per week for a period of three weeks shall be replaced or rehabilitated within 90 days after the owner is legally responsible has been notified to do so by the County. Failure to take corrective action required by the director may result in termination of pumping services by the County.

#### **Individual Insurance:**

Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the improvements portion of the Project. Developer anticipates that the Association will elect to obtain separate policies for each individual condominium unit pursuant to Section XIV(c) of the Declaration. As such, the premiums on said policies will be the individual responsibility of each unit owner rather than common expenses of the Project.

**Warranties:**

Purchasers should be aware that the "condominium units" of the Project are all single-family homes originally built more than 25 years ago, and were relocated to their present location in 1967 and 1968. Although the eight dwellings met all code requirements in effect at the time of their relocation, a recent inspection by the Building Department revealed several deficiencies detailed in the letter dated May 11, 1987 (attached as an exhibit to the Public Report). These deficiencies are presently being corrected by Developer, and will be completed prior to the sale of the individual condominium units. In spite of the recent repairs, however, purchasers should be aware that the homes have unavoidably undergone a certain amount of "wear and tear" commensurate with their age. Accordingly, purchasers should not expect the home they desire to buy to be in "like-new" condition. NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO ANY OF THE INDIVIDUAL CONDOMINIUM UNITS OR THE COMMON ELEMENTS OF THE PROJECT. PURCHASERS ARE ADVISED TO CONDUCT THEIR OWN INSPECTION OF THE DWELLING THEY DESIRE TO BUY. THE DWELLINGS ARE SOLD "AS IS".

**Use of Units:**

All eight units comprising the Project are for residential purposes only. There is no non-residential development in the Project.

**Structural Components and Mechanical & Electrical Installations:**

Inspection by an independent registered architect in May 1987 revealed deficiencies in the structural components and mechanical and electrical installations material to the use and enjoyment of the dwelling units. However, as a result of the subsequent repairs to the property presently being completed by the Developer since May of 1987, it is the Developer's opinion that the structural components and mechanical and electrical installations material to the use and enjoyment of the condominium unit(s) appear to be sound and in satisfactory working condition. Nevertheless, NO REPRESENTATIONS OF ANY KIND ARE MADE AS TO THE EXPECTED USEFUL LIFE, IF ANY, OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS MATERIAL TO THE USE AND ENJOYMENT OF THE CONDOMINIUM UNIT.

**Code Violations:**

To the best of the knowledge, information and belief of the undersigned, there are no outstanding notices of uncured violations of the building code or other municipal regulations of the City and County of Honolulu.



---

THOMAS THEODORE AU

Fee Owner/Developer

DEPARTMENT OF LAND UTILIZATION  
**CITY AND COUNTY OF HONOLULU**

650 SOUTH KING STREET  
HONOLULU HAWAII 96813 • (808) 523-4432

FRANK FASI  
MAYOR



DONALD A. CLEGG  
DIRECTOR

LORETTA K. CHIEE  
DEPUTY DIRECTOR

93/EU-6(PS)

December 14, 1993

Mr. Gregory A. Quinn  
45-955 Kamehameha Highway, #200  
Kaneohe, Hawaii 96744

Dear Mr. Quinn:

Subject: Section 3.130 Existing Use (LUO)  
Project Name: Au Existing Use  
Location: 53-866 C Kamehameha Highway  
Tax Map Key: 5-3-13: 005  
Owner: Mr. Tom Au

The application for the development is approved as an Existing Use under Section 3.130 of the Land Use Ordinance in accordance with the application plans DLU date-stamped September 3 and October 13, 1993, subject to the following conditions:

1. Approval is only for alterations, additions, repairs and reconstruction of 8 existing dwelling units and accessory uses. All proposed improvements shall be subject to compliance with the Land Use Ordinance such as yards, heights, parking and lot coverage, Subdivision Rules and Regulations, Building Code, and other regulations. Reconstruction shall be compatible in design with the existing and surrounding structures and in the same general location and size. Final plans shall be approved by the Department of Land Utilization prior to issuance of building permits.
2. Major modification to the size, location or design of reconstructed structure(s) shall not be allowed under this Existing Use permit and will require the approval of a Cluster Housing permit in accordance with Sections 6.50-1 to 6.50-3 of the Land Use Ordinance.
3. Improvements to any of the existing dwelling units shall also include:
  - a. Construction of City standard cul-de-sac or hammerhead turn around at the end of the common driveway.

EXHIBIT H

Mr. Gregory A. Quinn  
Page 2

- b. A fire hydrant for fire protection services as required by the Fire Department.
  - c. Additional landscape buffering to reduce the impact of future additions upon adjacent dwellings.
  - d. Future building permit plans shall include these elements prior to issuance of any permits.
6. The number of dwelling units (8) on the property shall not be increased, unless applied for through a Cluster Housing Permit. A restrictive covenant shall be filed with the Bureau of Conveyances prior to the issuance of any building permits.
7. This Existing Use approval does not certify that the existing structures and improvements comply with the requirements of the zoning code or other regulations. They are subject to separate review and approval.

Should you have any questions, please contact Patrick Seguirant of our staff at 527-5837.

Very truly yours,



DONALD A. CLEGG  
Director of Land Utilization

DAC:gc  
au.pbs