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

CONDOMINIUM PUBLIC REPORT

on

1339 and 1343 RIDGE AVENUE
Wahiawa, Hawaii

Registration No. 2109 (Conversion)

Issued: February 7, 1990
Expires: March 7, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of November 18, ,19 89 , and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

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

__X__ **FINAL:** *(white)* The developer has legally created a condominium and has filed complete information with the Commission.
[ ] No prior reports have been issued
[ ] Supersedes all prior public reports
[ ] Must be read together with _____

_____ **SUPPLEMENTARY:** *(pink)* Updates information contained in the
[ ] Prelim. Public Report dated _____
[ ] Final Public Report dated _____
[ ] Supp. Public Report dated _____

And [ ] Supersedes all prior public reports
[ ] Must be read together with _____

[ ] This report reactivates the _____
public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[ ] Required [X] 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.

[X] No prior reports have been issued by the Commission.

[ ] Changes made are as follows:

SPECIAL ATTENTION

This project is a conversion of two existing dwellings. The dwellings met all code requirements at the time of their construction.

If either of the two dwellings is destroyed by any cause to an extent of more than fifty 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 of the City and County of Honolulu.

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GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's *"Condominium Property Act"* (Chapter 514A, Hawaii Revised Statutes) must be followed.

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

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

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

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

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

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

Operation of the Condominium Project

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

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

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

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

[X] Fee simple interest in an apartment and an undivided fee/old interest in the common elements.
[ ] Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
[ ] Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

Types of Project:

1. [ ] New Building(s) [X] Conversion
   [ ] Both New Building(s) and Conversion

2. [X] Residential [ ] Commercial
   [ ] Mixed Residential and Commercial
   [ ] Other _____

3. [ ] High Rise (5 stories or more) [X] Low Rise

4. [ ] Single or [X] Multiple Buildings

5. Apartment Description

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
A	1	1/1	720	
B	1	1/1	720	

Total 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.

6. Parking:

	Number of Stalls
Assigned Stalls (Individual Units)	2
Guest Stalls	
Unassigned Stalls	
Extra Stalls Available for Purchase	
Other: _____	
Total Parking Stalls	2

7. Recreational amenities: None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: See Exhibit "A"
Name

Phone: _____ (Business)

Business Address

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

Real Estate Sales Agent: Herbert K. Horita Realty, Inc.
Name

Phone: 487-1561 (Business)

2024 N. King Street
Business Address

Honolulu, HI 96819

Escrow: Developers Escrow Services, Inc.
Name

Phone: 848-2340 (Business)

2024 N. King St., Rm. 202
Business Address

Honolulu, HI 96819

Managing Agent: Self-Managed
Name

Phone: _____ (Business)

Business Address

Attorney for Developer: Law Offices of Kinji Kanazawa
Name

220 S. King St., Suite 675
Business Address

Honolulu, HI 96813

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

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
[X] Recorded - Bureau of Conveyances - Book 23225 Page 561
[ ] Filed - Land Court - Document Number _____

Amendment date(s) and recording/filing information:

First Amendment dated October 17, 1989, Book 23858, Page 506

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
[X] Recorded - Bureau of Conveyance Condo Map No. 1213
[ ] Filed - Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

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

The Bylaws for this condominium are:

[ ] Proposed
[X] Recorded - Bureau of Conveyances - Book 23225 Page 574
[ ] Filed - Land Court - Document Number _____

Amendment date(s) and recording/filing information:

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

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

The House Rules for this condominium are:

[ ] Proposed [ ] Adopted

[X] 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:

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%	100%
Bylaws	65%	100%
House Rules	---	

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

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

None

III. THE CONDOMINIUM PROJECT

A. **Interest to be Conveyed to Buyer:**

[X] Fee Simple: Individual apartments and the common elements which includes the underlying land will be in fee simple.

[ ] Leasehold or Subleasehold: Individual apartments and the common elements which includes the underlying land will be leasehold.

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

Exhibit _____ contains further explanations.

Lease Term Expires: _____
Rent Renegotiation Date(s): _____
_____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per
[ ] Month [ ] Year.

[ ] Individual Apartments in Fee Simple Common Interest in the Underlying Land in Leasehold or Subleasehold:

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

Exhibit _____ contains further explanations.

Lease Term Expires: _____
Rent Renegotiation Date(s): _____
_____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per
[ ] Month [ ] Year.

[ ] Other:

For Subleaseholds:

[ ] Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is
[ ] Cancelled [ ] Foreclosed

[ ] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is cancelled or foreclosed.

B. **Underlying Land:**

Address: 1339 and 1343 Ridge Avenue
Wahiawa, Hawaii
Tax Map Key: 7-4-11-84 (TMK)

[ ] Address [ ] TMK is expected to change because _____

Land Area: 8121 [X] square feet [ ] acre(s) Zoning: R-5

Fee Owner: See Exhibit "A"
Name

Address

Sublessor:
Name

Address

C **Buildings and Other Improvements:**

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

2. Buildings: 2 Floors Per Building 1

   [ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

   [ ] Concrete [ ] Hollow Tile [X] Wood

   [ ] Other _____

4. Permitted Uses:

	No. of Apts.		No. of Apts.
[ ] Commercial		[ ] Industrial	
[X] Residential	2	[ ] Agricultural	
[ ] Timeshare/Hotel		[ ] Recreational	
[ ] Other: _____			

5. Special Use Restrictions:

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

[ ] Pets _____

[ ] Number of Occupants: _____

[X] Other: See Exhibit "B"

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators None Stairways None Trash Chutes None

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
A	1	1/1	720	
B	1	1/1	720	

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 "C"

Permitted Alterations to Apartments:

See Exhibit "D"

7. Parking Stalls:

Total Parking Stalls: 2

	Regular		Compact		Tandem		
	covered	open	covered	open	covered	open	TOTAL
Assigned (for individual units)	2						
Guest							
Unassigned							
Extra Available for Purchase							
Other:							
Total Covered & Open	2						

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.

[X] There are no recreational or common facilities.

[ ] Swimming pool

[ ] Recreation Area

[ ] Tennis Court

[ ] Storage Area

[ ] Laundry Area

[ ] Trash Chute

[ ] Other: _____

_____

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least five years):

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

The structural components, mechanical and electrical installations are in good condition.

The Developer makes no express or implied representations as to the expected useful life of the components and installations.

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

The structures presently comply with the Building Code.

10. Conformance to Present Zoning Code

a. [X] 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.

	Conforming	Non-Conforming	Illegal
Uses		X	
Structures		X	
Lot		X	

(See Exhibit "I" for an explanation.)

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

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

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

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

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

   [X] Exhibit E describes the common elements.

   [ ] 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.

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

   [ ] described in Exhibit _____

   [X] as follows:

Certain parts of the Common Elements are hereby set aside and reserved for the exclusive use of each Apartment Space and shall constitute "Limited Common Elements". Each Apartment Space will have as an appurtenance thereto, all for the exclusive use of such Apartment Space, the site of each dwelling unit, consisting of the land beneath such dwelling, together with the land surface adjacent to each dwelling unit enclosed by the perimeter boundaries of each lot, all as shown on the aforesaid Condominium Map.

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

   [ ] Exhibit _____ describes the common interests for each apartment.

   [X] As follows:

AN UNDIVIDED 50.0 PERCENTAGE INTEREST in the common elements, for all purposes, including voting, shall be conveyed with each Apartment Space.

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

Exhibit F describes the encumbrances against the title contained in the title report dated July 6, 1989 and issued by Long & Melone, Ltd.

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

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

[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. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

Type of Lien	Effect on Buyer's Interest If Developer Defaults
GECC Financial Corporation Mortgage	Buyer shall receive a refund of all deposits.

F. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

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

The initial managing agent for this condominium is:

[ ] not affiliated with the Developer.

[ ] the Developer or the Developer's affiliate.

[X] self-managed by the Association of Apartment Owners.

[ ] other _____

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

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

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

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

H. **Utility Charges for Apartments:**

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

[ ] Electricity

[ ] Gas

[ ] Other _____

[X] Not applicable

[ ] Television Cable

[ ] Water & Sewer

I. **Construction Warranties:**

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

1. Building and Other Improvements:

None

2. Appliances:

None

J. **Status of Construction and Estimated Completion Date:**

All of the structures are existing structures.

K. **Project Phases:**

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

Summary of Developer's Present Plans for Future Development:

L. **Sales Documents Filed With the Real Estate Commission:**

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

[ ] Notice to Owner Occupants

[X] Specimen Sales Contract

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

[X] Escrow Agreement dated July 7, 1989

Exhibit "K" contains a summary of the pertinent provisions of the escrow contract.

[ ] Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

Preliminary Report: Sales made by the Developer are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to $250.00.

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

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

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

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

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

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

B. Rights Under the Sales Contract:

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

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

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

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs.

This Public Report is a part of Registration No. 2109 filed with the Real Estate Commission on July 21, 1989.

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

[ ] yellow paper stock [X] white paper stock [ ] pink paper stock

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

PETER N. YANAGAWA, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

EXHIBIT "A"

LIST OF DEVELOPERS

The names and addresses of the Developers/Owners of the Project are as follows:

ADELINE HATSUYO ICHINO

[redacted]

MANUEL RAMONES MADAMBA

[redacted]

RYAN DEAL KUMABE

[redacted]

EXHIBIT "B"

USE RESTRICTIONS:

Each Apartment Space shall be occupied and used for residential purposes only, and no dwelling shall be used as a rooming house or in connection with the carrying on of any trade or business whatsoever. The foregoing notwithstanding, the Owner of each Apartment Space shall have the absolute right to lease such Apartment Space for residential purposes, for periods of any duration, subject to all of the provisions of the Declaration of Condominium Property Regime of 1339 and 1343 Ridge Avenue and the By-Laws of the 1339 and 1343 Ridge Avenue Homeowners Association.

EXHIBIT "C"

BOUNDARIES OF APARTMENTS:

There shall be two (2) separate and distinct freehold estates, each consisting of the space of area described and delineated as Unit A and Unit B on the Condominium Map, said spaces being defined and referred to herein as "Apartment Spaces". Each Apartment Space shall be deemed to include all of the air space enclosed by its perimeter boundaries as delineated on the Condominium Map and extending on a vertical plane upward from the surface of the lot, but not including said surface, or any area below the surface except such surface and subsurface that shall be reasonably necessary to establish the stability and permanence of the foundations of the dwelling unit and other structures constructed therein, landscaped plantings and such other installations deemed appurtenant and necessary for the full enjoyment of the Apartment Space. Each Apartment Space shall include the specific dwelling unit as shown on said Condominium Map, and all ducts, pumps, pipes, conduits, wires and other utility lines running through such Apartment Space which do not serve or not utilized by any other Apartment Space but excluding any such which do serve or are utilized by any other Apartment Space and excluding all easements shown on the Condominium Map, all of which shall be deemed to be common elements.

(a) Apartment Space A contains a one-story dwelling consisting of one bedroom, one living room, one dining room, one kitchen, one bathroom, and one garage. The dwelling constructed within Apartment Space A contains a net living area of approximately 720 square feet. The dwelling is constructed primarily of wood.

(b) Apartment Space B contains a one-story dwelling consisting of one bedroom, one living room, one dining room, one kitchen, one bathroom and one garage. The dwelling constructed within Apartment Space B contains a net living area of approximately 720 square feet. The dwelling is constructed primarily of wood.

EXHIBIT "D"

ALTERATION OF PROJECT:

No work shall be done by any Owner of an Apartment Space or any other person which could jeopardize the soundness or safety of the Project, reduce the value thereof, or impair any easement or hereditament, nor may any Owner of an Apartment Space or any other person add any material structure or excavate any additional basement or cellar, without in every such case first obtaining the unanimous consent of the Owner(s) of the other Apartment Spaces, which consent shall not be unreasonably withheld. All other additions to or alterations of any Apartment Space or its appurtenant Limited Common Elements by the Owner of such Apartment Space shall be permitted without restriction, provided that the owner making such additions or alterations shall comply strictly with all applicable laws, ordinances, and regulations of any governmental entity, and shall also obtain all necessary permits, at such Owner's sole expense.

EXHIBIT "E"

COMMON ELEMENTS:

The Common Elements shall consist of the remaining portion of the real property, being the common areas and facilities which shall include, but are not limited to the following:

(a) The land in fee simple;

(b) The ducts, pumps, pipes, wires, conduits and generally all equipment, apparatus, installations and personal property existing for common use on the land hereinabove described;

(c) All common ways, landscaping within the common areas, sewers, drains and ditches situate on the land hereinabove described and existing for common use and all easements shown on the Condominium Map;

(d) All utility installations which serve more than one Apartment Space;

(e) All portions of the project not deemed to be included as an Apartment Space.

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

1. Any rights of way and water rights as were conveyed by Hawaiian Fruit and Plant Company, Limited, et al., to Wahiawa Water Company, Limited, by Deeds dated April 18, 1903, recorded in the Bureau of Conveyances of the State of Hawaii in Book 266, Page 26, and Book 269, Page 2, respectively.

2. That certain Mortgage dated May 7, 1987 in favor of GECC Financial Corporation recorded in the Bureau of Conveyances of the State of Hawaii in Book 20654, Page 437.

3. Real property taxes which may be due and owing. For further information, check with the Tax Assessor for the First Division.

4. Declaration of Horizontal Property Regime dated April 5, 1989, recorded in the Bureau of Conveyances in Book 23225, Page 561, and By-Laws of The 1339 and 1343 Ridge Avenue Homeowners' Association dated April 5, 1989, recorded in the Bureau of Conveyances in Book 23225, Page 574. Condominium Map No. 1213 was designated for the project. The Declaration was amended by instr ument dated October 17, 1989, recorded in The Bureau of Conveyances in Book 23858, at Page 506.

EXHIBIT G

ESTIMATE OF INITIAL MAINTENANCE FEES AND ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Apartment	Monthly Fee x 12 months =	Yearly Total
A	0	-0-
B	0	-0-

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

- Air Conditioning
- Electricity
  - [ ] common elements only
  - [ ] common elements and apartments
- Gas
- Refuse Collection
- Telephone
- Water and Sewer

Maintenance, Repairs and Supplies

- Building
- Grounds

Management

- Management Fee
- Payroll and Payroll Taxes
- Office Expenses

Insurance

Reserves

Taxes and Government Assessments

Audit Fees

Other

TOTAL

I/We, ADELINE HATSUYO ICHINO, as developer for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Adeline Hatsuyo Ichino

Date: July 6, 1989

DEVELOPERS' DISCLOSURE ABSTRACT

Pursuant to HRS Section 514-A-61, the undersigned Developers state the following:

1. NAME AND ADDRESS OF THE PROJECT:

"1339 and 1343 RIDGE AVENUE"
1339 and 1343 Ridge Avenue
Wahiawa, Hawaii

2. NAME, ADDRESS, AND TELEPHONE NUMBERS OF THE DEVELOPERS:

See Exhibit "A"

3. No monthly maintenance fees are expected to be assessed initially.

4. No warranties exist for the individual apartments and the common elements.

5. All apartments in the project will be used exclusively for residential purposes.

6. There will be no commercial or other non-residential development in the project.

7. Based upon a report prepared by Roland Ejercito, Jr., an independent registered architect, the undersigned developers state that all structural components and mechanical and electrical installations of the structures in Apartments A and B are in good condition.

8. No representations whatsoever are made as to the useful life of the items mentioned in Paragraph 7 above.

9. There are no outstanding notices of uncured violations of building code or other municipal regulations.

DATED: Honolulu, Hawaii, April 5, 1989.

Adeline Hatsuyo Ichino
ADELINE HATSUYO ICHINO

Manuel Ramones Madamba
MANUEL RAMONES MADAMBA

Ryan Deal Kumade
RYAN DEAL KUMADE

"Developers"

EXHIBIT "H"

BUILDING DEPARTMENT

CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813

FRANK F. FASI
MAYOR

HERBERT R. MURAOKA
DIRECTOR AND BUILDING SUPERINTENDENT

Ex87-107

July 21, 1987

Mr. Kinji Kanazawa
Law Offices of Kinji Kanazawa
Suite 675, Central Pacific Plaza
220 South King Street
Honolulu, Hawaii 96813

Dear Mr. Kanazawa:

Subject: Condominium Conversion Project
236 Crest Avenue, 1339 and
1343 Ridge Avenue
Tax Map Key: 7-4-11: 04

This is in reply to your letter dated June 19, 1987 requesting confirmation that the three single-family dwellings located at 236 Crest Avenue and 1339 and 1343 Ridge Avenue met all code requirements at the time of construction.

Investigation revealed that the three single-family dwellings with three off-street parking spaces met the code requirements when they were constructed.

For your information, the three dwellings are nonconforming dwellings because the lot is not subdivided.

If a dwelling 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.

EXHIBIT "I"

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

Very truly yours,

Herbert K. Muraoka

HERBERT K. MURAOKA
Director and
Building Superintendent

Subscribed and sworn to
before me this 22nd day of
July, 1987.

Stephen M. L. Chun

Notary Public, First Judicial Circuit
State of Hawaii
My commission expires: 3-21-89

LS

EXHIBIT "J"

SUMMARY OF SALE CONTRACT: The specimen Sales Contract contains, among other things, the following provisions:

1. Warranties. Developer makes no warranties, express or implied, including any warranties of merchantability; habitability or fitness for a particular purpose or use.

2. No Interest on Deposits. Any and all interest received by the Developer and/or the Escrow-Agent on the purchaser's payments shall become the sale property of the Developer.

3. Standard Terms. All standard terms provided on the DEPOSIT RECEIPT, OFFER AND ACCEPTANCE standard form of the Hawaii Association of Realtors shall be incorporated in the Sales Contract.

EXHIBIT "K"

SUMMARY OF ESCROW AGREEMENT: An escrow agreement (hereinafter called the "Escrow Agreement") detailing the manner in which purchasers' funds are to be handled, has been executed and a copy thereof has been filed with the Commission. The Escrow Agent is Developers Escrow Services, Inc., a Hawaii corporation. The escrow agreement, among other things, contains the following provisions:

Sales Contracts. Seller will have each purchaser sign a Deposit Receipt, Offer and Acceptance, (the "Sales Contract").

All Deposits Will be Paid to Escrow.

(a) Payments. Seller will turn over the purchasers' initial deposits to Escrow. All other payments to be made by the purchasers are required to be paid to Escrow. This includes any loan payments from purchasers' lenders.

(b) Collection Notices. Seller will notify Escrow when a payment is due under the Sales Contracts. Escrow shall then give written notice to the purchasers and call for such payments to be made to Escrow.

What Will Happen to Purchasers' Deposits. Escrow will accept purchasers' deposits and payments and will hold them or pay them out according to this Escrow Agreement.

a. Deposit in Trust Fund. Escrow will deposit all of the money from the purchasers in a special savings account (the "Trust Fund") with a federally insured Hawaii bank (the "Bank"). The Trust Fund will pay interest at the passbook rate. As stated in the Sales Contracts the Seller will get all of the interest paid on the Trust Fund. Escrow will make the deposits into the Trust Fund at least once each week. If Seller tells Escrow to make a deposit more than once in a calendar week, Seller will pay Escrow a reasonable service charge of Twenty-Five Dollars ($25.00) for each additional deposit made during that week. Seller shall have the right to find out the status of the Trust Fund directly from the Bank. Escrow will not be responsible and will not have any liability for any loss of funds not caused by Escrow during the time such funds are deposited in the Bank.

b. When a Purchaser's Funds May be Removed from the Trust Fund. A purchaser's funds may be taken out of the Trust Fund but only after the following have happened:

i. the Real Estate Commission has issued a

final public report (the "Final Report") on the Project, and

ii. the purchaser has received a copy of the Final Report and given the Seller a receipt for it, and

iii. two full working days have gone by since Seller notifies Escrow that he has received the receipt, and

iv. Seller notifies Escrow in writing that all of the requirements of Sections 514A-39, 514A-63, and 514A-65, Hawaii Revised Statutes then applicable to the Project have been satisfied, and

v. Seller notifies Escrow in writing that the Sales Contract has become a binding sales contract and that the Purchaser's rights of cancellation have lapsed or have become void.

c. Payment of Purchaser's Funds to Seller. Purchaser's funds in the Trust Fund, as well as any payments made at closing as described in the Sales Contract, shall be paid to Seller when purchaser's Deed has been filed in the Bureau of Conveyances of the State of Hawaii (the "Bureau of Conveyances").

d. Seller's Funds. Seller's funds may be released from escrow and disbursed without any of the above limitations.

Refunds to Purchasers.

a. When Refunds Will be Made. The Sales Contract explains when purchasers may obtain refunds. Escrow agrees to make the refunds promptly if Seller tells Escrow in writing that a refund should be made according to the Sales Contract. No refund is to be made at a purchaser's request unless Escrow receives written approval from the Seller.

b. Interest. Refunds to purchasers will be made without any interest.

c. Deduction of Cancellation Fees. Under the Sales Contracts there are times when Escrow is to deduct cancellation fees from the refund amount. Escrow will deduct the cancellation fees from the refund unless Seller instructs Escrow not to do so. The words "cancellation fees" mean Escrow's cancellation fees which are defined in Paragraph 11.b of the Escrow Agreement and any cancellation fees of the lender from whom the purchaser has arranged a loan to buy the condominium unit.

d. Notice of Refunds. Escrow shall give each purchaser entitled to a refund notice of the refund by registered

mail. It will be addressed to such purchaser at the address shown on his or her Sales Contract. If a purchaser gives Escrow another address, then Escrow will send the notice to that address.

Purchaser's Default. Seller will notify Escrow in writing that a purchaser has defaulted and that Seller has cancelled that purchaser's Sales Contract. Escrow will then notify that purchaser by registered mail that the Seller has cancelled the Sales Contract because of the default. After ten (10) days following the Purchaser's receipt of such notice, Escrow will then treat the purchaser's funds, less Escrow's cancellation fees, as belonging to the Seller.