



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

SU CASA
 94-245 Leowahine Street
 Waipahu, Hawaii 96797

Registration No. 2170 (Conversion)

Issued: July 3, 1990
 Expires: August 3, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of June 18, 1990, 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:** 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.
(yellow)
- FINAL:** The developer has legally created a condominium and has filed complete information with the Commission.
(white)
- No prior reports have been issued
 Supersedes all prior public reports
 Must be read together with _____
-
- SUPPLEMENTARY:** Updates information contained in the
(pink)
- Prelim. Public Report dated _____
 Final Public Report dated _____
 Supp. Public Report dated _____
- And Supersedes all prior public reports
 Must be read together with _____
- This report reactivates the _____
 public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued by the Commission.

Changes made are as follows:

1. Title to the property is now held by Savio Development Co., Inc. by Deed dated May 2, 1990, recorded as Document No. 90-063011.
2. The Declaration, Condominium File Plan and By-Laws have been recorded as referred to on page 7 hereof.
3. The property is subject to those liens referred to on page 15 hereof.

TABLE OF CONTENTS

	page
Report Purpose	1
Type of Report	1
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Summary of the Condominium Project	5
I. PEOPLE CONNECTED WITH THE PROJECT	6
Developer	Managing Agent
Real Estate Sales Agent	Attorney for Developer
Escrow Company	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	7
B. Condominium Map (File Plan)	7
C. Bylaws	7
D. House Rules	8
E. Changes to Condominium Documents	8
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	9
B. Underlying Land	10
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	14
E. Encumbrances Against Title	15
F. Management of the Common Elements	15
G. Maintenance Fees	16
H. Utility Charges	16
I. Construction Warranties	16
J. Status of Construction	17
K. Project Phases	17
L. Sales Documents Filed with the Real Estate Commission	17
IV. ADDITIONAL INFORMATION NOT COVERED ABOVE	18
Buyer's Right to Cancel Sales Contract	19
Signature of Real Estate Commission Chairman	20
EXHIBIT A: Developer's Reserved Rights to Change Condominium Documents	
EXHIBIT B: Surrender of Property at End of Term or Sooner Termination of *	
EXHIBIT C: Schedule of Semi-Annual Lease Rent for Each Apartment; Option	
EXHIBIT D: Description of Buildings	
EXHIBIT E: Permitted Alterations to Apartments	
EXHIBIT F: Parking	
EXHIBIT G: Compliance with Building Code and Municipal Regulations	
EXHIBIT H: Description of Common Elements and Limited Common Elements	
EXHIBIT I: Common Interests	
EXHIBIT J: Encumbrances Against Title	
EXHIBIT K: Su Casa Estimated Maintenance Budget	
EXHIBIT L: Construction Warranties	
EXHIBIT M: Summary of Pertinent Provisions of Sales Contracts	
EXHIBIT N: Summary of Pertinent Provisions of Escrow Agreement	
EXHIBIT O: Letter from the Building Department of the City and County of Honolulu	
* Conveyance Under Condominium Conveyance Document	

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

(including the land)

Interest to be Conveyed to Buyer:

- Fee simple interest in an apartment and an undivided feehold interest in the common elements
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- OR Fee simple interest in an apartment and an undivided ~~leasehold~~ ^{fee simple} interest in the common elements.

Types of Project:

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

(exclusive of land and a leasehold interest in the land underlying the Project)

5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
1	84	2/1	598	N/A
2	90	3/1	799	N/A
3	18	2/1	633	N/A

Total Apartments: 192

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

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

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	192
Guest Stalls	1
Unassigned Stalls	
Extra Stalls Available for Purchase	
Other: _____	
Total Parking Stalls	<u>193</u>

7. Recreational amenities: Swimming Pool

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Savio Development Co., Inc.
Name
931 University Avenue, Suite 202
Business Address
Honolulu, Hawaii 96826

Phone: (808) 942-7701
(Business)

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

Peter B. Savio, Director, President and Treasurer
Phyllis D. Savio, Secretary

Real Estate Sales Agent: Savio Realty, Ltd.
Name
931 University Avenue, Suite 202
Business Address
Honolulu, Hawaii 96826

Phone: (808) 942-7701
(Business)

Escrow: Title Guaranty Escrow Services, Inc.
Name
235 Queen Street, First Floor
Business Address
Honolulu, Hawaii 96813

Phone: (808) 521-0211
(Business)

Managing Agent: Chaney, Brooks & Company
Name
94-1024 Waipio Uka Street, Suite 201
Business Address
Waipahu, Hawaii 96797

Phone: (808) 676-2255
(Business)

Attorney for Developer: Foley Maehara Judge Nip & Chang
Name (Attn: Edward R. Brooks & Paula W. Chong)
737 Bishop Street, Suite 2700
Business Address
Honolulu, Hawaii 96813

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

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of 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
 Recorded - Bureau of Conveyances - Book _____ Page Document No. 90-064627
 Filed - Land Court - Document Number _____

Amendment date(s) and recording/filing information:

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

The Condominium Map for this condominium project is:

- Proposed
 Recorded - Bureau of Conveyance Condo Map No. 1321
 Filed - Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

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

The Bylaws for this condominium are:

- Proposed
 Recorded - Bureau of Conveyances - Book _____ Page Document No. 90-064628
 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
- Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

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

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

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

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

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

B. Underlying Land:

Address: 94-245 Leowahine Street Tax Map Key: 9-4-28-26
Waipahu, Hawaii 96797 (TMK)

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

Land Area: 165,745 [x] square feet [] acre(s) Zoning: A-2

Fee Owner: Savio Development Co., Inc.
Name
931 University Avenue, Suite 202
Address
Honolulu, Hawaii 96826

Sublessor: N/A
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: 6 Floors Per Building 3 - 2 story
3 - 3 story

[x] Exhibit D contains further explanations.

3. Principal Construction Material:

[x] Concrete [x] Hollow Tile [] Wood

[] Other _____

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
[] Commercial	_____	[] Industrial	_____
[x] Residential	<u>192</u>	[] 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:

No livestock, poultry, rabbits, pets or other animals whatsoever
 Pets without the prior written consent of the Board of Directors

Number of Occupants: _____

Other: _____

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 192

Elevators 0

Stairways 17

Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)</u>	<u>Lanai/Patio (sf)</u>
<u>1</u>	<u>84</u>	<u>2/1</u>	<u>598</u>	<u>N/A</u>
<u>2</u>	<u>90</u>	<u>3/1</u>	<u>799</u>	<u>N/A</u>
<u>3</u>	<u>18</u>	<u>2/1</u>	<u>633</u>	<u>N/A</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

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

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

Boundaries of Each Apartment: The interior surface of the perimeter walls, floors and ceilings of each of the one hundred ninety-two (192) apartments of the Project.

Permitted Alterations to Apartments; See Exhibit E

7. Parking Stalls:

Total Parking Stalls: 193

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)				192			192
Guest				1			1
Unassigned							
Extra Available for Purchase							
Other:							
Total Covered & Open				193			

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 F contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities.

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute

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

No representations are made by the Developer regarding the condition and expected useful life of structural components, mechanical or electrical installments.

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

Exhibit G where Developer addresses certain non-conforming features in the Project. See Exhibit O (letter from City Building Director and Superintendent) of non-conformity of the twenty-ninth (29th) unit in the middle two-story building.

10. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

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

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

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

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.

*Please refer to the Disclosure Abstract which is a part of this filing and to Exhibits G and O

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

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

Exhibit H 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.

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

described in Exhibit _____

as follows:

1. The automobile parking stall designated on Exhibit F as being appurtenant to the respective apartments.
2. One (1) mailbox bearing the number corresponding to the number of the respective apartment.

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 I describes the common interests for each apartment.

As follows:

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

Exhibit J describes the encumbrances against the title contained in the title report dated May 10, 1990 and issued by Title Guaranty of Hawaii.

Blanket Liens:

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

- There are no blanket liens affecting title to the individual apartments.
- There are blanket liens which may affect title to the individual apartments.

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest if Developer Defaults</u>
1. Mortgage, Security Agreement and Financing Statement dated May 2, 1990, made by Savio Development Company Inc. in favor of GECC Financial Corporation.	The Mortgage and Assignment will be fully released and cancelled, respectively, upon Developer's sale of individual apartments in the Project.
2. Assignment of Leases dated May 2, 1990, made by Savio Development Company, Inc. in favor of GECC Financial Corporation.	

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.
- 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 K contains a schedule of maintenance fees and maintenance fee disbursements.

H. Utility Charges for Apartments:

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

- | | |
|---|---|
| <input type="checkbox"/> Electricity | <input type="checkbox"/> Television Cable |
| <input type="checkbox"/> Gas | <input checked="" type="checkbox"/> Water & Sewer |
| <input type="checkbox"/> Other _____ | |
| <input type="checkbox"/> Not applicable | |

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: See Exhibit L

2. Appliances: See Exhibit L

J. **Status of Construction and Estimated Completion Date:** Buildings A, B, C, D, E and one (1) wing of Building F were constructed in 1964. The laundry/maintenance storage building was constructed in 1965. The swimming pool was constructed in 1966 and the second wing of Building F was constructed in 1973.

K. **Project Phases:**

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

Summary of Developer's Present Plans for Future Development:

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

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

Notice to Owner Occupants

Specimen Sales Contract

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

Escrow Agreement dated December 28, 1989

Exhibit N contains a summary of the pertinent provisions of the escrow contract.

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

None

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. 2170 filed with the Real Estate Commission on
December 29, 1989.

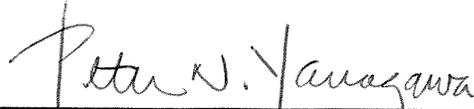
Reproduction of Report. When reproduced, this report must be on:

yellow paper stock

white paper stock

pink paper stock

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



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

DEVELOPER'S RESERVED RIGHTS
TO CHANGE CONDOMINIUM DOCUMENTS

The following provisions in the Declaration, By-Laws and the sales contracts, as indicated, reflect those rights which the Developer has reserved to change the Declaration, Condominium File Plan, By-Laws and Rules and Regulations ("House Rules"):

I. DECLARATION

Paragraph S. Except as otherwise provided herein or in the Act, this Declaration may be amended by a vote of the owners of seventy-five percent (75%) of the interests in the common elements effective only upon the recording of an instrument setting forth such amendment and vote duly executed by such owners or by any two (2) officers of the Association; provided, however, that an amendment required to transfer parking stalls pursuant to Section 514A-14 of the Act need only be executed by the owners of the apartments to which and from which such parking stalls are being transferred, and their mortgagee(s), if any, and such transfer of parking stalls between apartments shall be effective only upon recording such amendment in the Bureau; provided, further, that Developer may, at any time prior to the recordation of an apartment deed or condominium conveyance document in the Bureau conveying an apartment to a party not a signatory hereto, amend this Declaration and the By-Laws in any manner as Developer may deem fit, and specifically, may amend the designation of the parking stalls appurtenant to the apartments.

Paragraph U. In addition to any other rights reserved herein, Developer reserves the right for itself and its agents until the sale of the last apartment, to maintain development facilities and conduct sales of apartments on and at the Project, including, but not limited to, maintaining model apartments, operating a sales office, conducting advertising, placing signs, using parking spaces and erecting lighting in connection with such sales; provided, however, that Developer shall not use any apartment (or its limited common elements) with respect to which an apartment deed or condominium conveyance document has been recorded (other than in the name of Developer as grantee); provided, further, that in exercising such right, Developer shall not interfere with the rights of any apartment owner to the use of, or access to, his apartment or any of the common elements or limited common elements appurtenant thereto.

Developer, its successors and assigns also reserve, for a period of fifty (50) years from the date of the filing hereof, all rights and privileges in and to the airspace above the Project as it is constructed on the date of the filing hereof. The foregoing covenant, condition, restriction and reservation

(in addition to all other covenants, conditions, restrictions and reservations herein contained), shall apply to and run with the Project land and shall be binding upon all apartment owners and occupants of the Project.

II. BY-LAWS

Article II, Section 2. Developer shall be entitled to exercise the powers, vote and/or act for the Association and the Board on all matters until such time as the first conveyance of an apartment of the Project to a party not a signatory hereto. Thereafter, the Developer, as the owner of any unsold apartments, shall be entitled to vote the interest of each such apartment.

III. APARTMENT SALES CONTRACTS

The Developer has filed two (2) specimen sales contracts with the Hawaii Real Estate Commission as follows: (1) Deposit Receipt and Sales Contract (Apartment Deed Form) and (2) Deposit Receipt and Sales Contract (Condominium Conveyance Document Form). Developer, as "Seller" under both sales contracts, has reserved the following rights:

Paragraph 17. Seller shall have, and hereby reserves, the right to modify all documents related to the Project, including the Declaration, By-Laws, Condominium File Plan, the Condominium Conveyance Document, the Rules and Regulations, the Disclosure Abstract, and any exhibits to any such document, to make alterations of the Project (and to modify any of said documents accordingly) to change the configurations of, or to alter the number of rooms of or to decrease or increase the size of, or to change the location of any apartment in accordance with complete plans and specifications therefor prepared by a licensed architect, and to make other changes in the Apartment and other apartments and in the common elements, and to increase or decrease the purchase price of the Apartment or any other apartment in the Project. Seller shall disclose to Buyer all material changes in the Project which directly, substantially and adversely affect the use or value of the Apartment or the common elements.

EXHIBIT B

SURRENDER OF PROPERTY AT END OF TERM
OR SOONER TERMINATION OF CONVEYANCE
UNDER CONDOMINIUM CONVEYANCE DOCUMENT

Paragraph 12 of the Condominium Conveyance Document provides:

"12. Surrender. Subject to the provisions of paragraph 13 of this Agreement [paragraph 13 being captioned "Option to Purchase Fee Simple Interest in the Land"], at the end of the term of or upon sooner termination of this conveyance, Apartment Owner will peaceably deliver up to Developer the undivided interest in the Land demised hereunder, it being understood that Apartment Owner, with the approval of and together with all of the other apartment owners of the buildings situate on the Land, may during the term hereof, or within thirty (30) days of sooner termination, remove or dispose of the buildings. If the buildings shall not be so removed or disposed of, then Apartment Owner shall join with all the other apartment owners in delivering or in causing the Association to deliver up to Developer possession of the buildings in good order, repair and condition, reasonable wear and tear excepted. Regardless of whether the buildings shall be so removed or disposed of, Apartment Owner shall properly execute and deliver to Developer a document conveying Apartment Owner's Apartment and undivided interest in the common elements of the Project to Developer. If Apartment Owner should fail to execute such a document, and regardless of whether the buildings shall be so removed or disposed of, it shall be deemed to have been executed thirty (30) days from the termination of the term hereof, or upon removal of the buildings, whichever shall first occur; and in either such event, Developer is hereby irrevocably appointed the attorney in fact of Apartment Owner, with power in the name of Apartment Owner to execute such document and to effectually convey the Apartment and its appurtenant undivided interest in the common elements to any party, including the power to cause such document to be recorded with the Bureau, or any other governmental agencies, recordation or filing of which would be necessary or useful to convey such Apartment and its interest in the common elements to any party."

EXHIBIT C

SCHEDULE OF SEMI-ANNUAL
LEASE RENT FOR EACH APARTMENT; OPTION

	<u>799 Sq. Ft. Apartments</u>	<u>633 Sq. Ft. Apartments</u>	<u>598 Sq. Ft. Apartments</u>
First Rental Period:	\$ 46.00	\$ 36.00	\$ 34.00
Second Rental Period:	\$ 92.00	\$ 72.00	\$ 68.00
Third Rental Period:	\$138.00	\$108.00	\$102.00
Fourth Rental Period:	(See Paragraph IV below)		
Fifth Rental Period:	(See Paragraph IV below)		
Sixth Rental Period:	(See Paragraph IV below)		

(a) From the Effective Date of each Condominium Conveyance Document until the anniversary date of such Effective Date in 2000, a semi-annual rental equal to the rental set forth above as the rental for "First Rental Period"; for the next succeeding ten (10) years of the term of each Condominium Conveyance Document, being the day following the anniversary date of such Effective Date in 2000, through the anniversary date of such Effective Date in 2010, a semi-annual rental equal to the rental set forth above as the rental for the "Second Rental Period"; for the next succeeding ten (10) years of the term of each Condominium Conveyance Document, being the day following the anniversary date of such Effective Date in 2010, through the anniversary date of such Effective Date in 2020, a semi-annual rental equal to the rental set forth above as the rental for the "Third Rental Period". If Apartment Owner's undivided interest in the Land shall change from the percentage shown on the first page of the Condominium Conveyance Document, then the semi-annual rental amounts set forth above shall also change from time to time in proportion to each such change in Apartment Owner's undivided interest, so that Developer's total semi-annual rental from Apartment Owner and others shall not be decreased by any amendment to the Declaration, or by any replacement declaration, or by any removal of the Land from the condominium property regime in connection with a condemnation, casualty, or otherwise.

(b) For the Fourth Rental Period of each Condominium Conveyance Document, being the day following the anniversary date of such Effective Date in 2020, through the anniversary date of such Effective Date in 2030, such semi-annual rental payable as aforesaid shall be Apartment Owner's proportionate share of the total semi-annual rental established for the Land.

(c) For the Fifth Rental Period of each Condominium Conveyance Document, being the day following the anniversary date of such Effective Date in 2030, through the anniversary date of such Effective Date in 2040, such semi-annual rental payable as

aforesaid shall be Apartment Owner's proportionate share of the total semi-annual rental established for the Land.

(d) For the Sixth Rental Period of each Condominium Conveyance Document, being the day following the anniversary date of such Effective Date in 2040, through the anniversary date of such Effective Date in 2045, such semi-annual rental payable as aforesaid shall be Apartment Owner's proportionate share of the total semi-annual rental established for the Land.

Wherever it shall herein provide for Apartment Owner's "proportionate share", Apartment Owner's share shall be equal to the total amount of semi-annual rental established for the Land multiplied by Apartment Owner's then percentage undivided interest in the Land. The total semi-annual rental for the Fourth, Fifth and Sixth rental periods for the Land shall be equal to the Land's fair market rental value, but not less than eight percent (8%) of the fair market value of the Land (exclusive of any buildings or other improvements) at the beginning of the respective period valued as though the Land had not been leased, but encumbered by its existing use, as shall be agreed upon in writing between a majority of the Board of Directors (the "Board") of the Association of Apartment Owners of the Project (the "Association") and Developer; provided, however, that in no event shall the total semi-annual rent for any rental period be less than the total semi-annual rental for the preceding rental period.

In the event Developer and the Board are unable to agree upon the fair market rental value of the Land ninety (90) days prior to the commencement of either the Fourth, Fifth or Sixth rental periods, then the same shall be determined by three (3) impartial real estate appraisers, one (1) to be appointed by each of Developer and the Board not later than seventy-five (75) days prior to the commencement of such period, and in case either party shall fail to appoint such appraiser, the party who has named an appraiser may apply to a judge of the Circuit Court of the First Circuit of the State of Hawaii requesting him or her to appoint a second appraiser, and the two (2) appraisers thus appointed, in either manner, shall appoint the third appraiser, and in case the two (2) appraisers so appointed shall fail to agree within ten (10) days on the appointment of a third appraiser, either party may apply to such judge to appoint a third appraiser, and the three (3) appraisers so appointed shall thereupon proceed to determine the fair market rental value. The unanimous decision of such appraisers, or a decision by a majority of them, shall be final, conclusive and binding upon the parties; provided, however, that if the appraisers shall fail within a reasonable time to reach such a decision on the matter in question, the matter shall be determined by three (3) new appraisers appointed in the same manner as aforesaid, and this process shall be repeated until a decision is finally reached; and provided, further, that the costs of the arbitration shall be divided as follows:

Developer shall pay for its appointee and one-half of all other legitimate costs of said appraisal, and Apartment Owner shall pay his proportionate share of the cost of appointee and one-half of all other his legitimate costs of the appraisal; provided, also, that all attorneys' fees and witnesses fees shall be borne by the respective parties incurring them.

If and whenever the fixing of such fair market rental value is under arbitration, Apartment Owner, pending the determination thereof, shall continue to pay the same rental which he had been paying during the previous rental period, and shall promptly pay the deficiency, if any, upon the conclusion of the arbitration proceedings.

The Condominium Conveyance Document grants an option to purchase the fee simple interest in the land for \$11,300.00 for apartments having 799 square feet, \$8,500.00 for apartments having 633 square feet, and \$8,500.00 for apartments having 598 square feet. The purchase option period expires on the anniversary date of the execution of the Condominium Conveyance Document in 2000. Any future assignment of the fee simple purchase option must be with the written consent of Developer; which consent may be withheld at the sole discretion of Developer.

EXHIBIT D

DESCRIPTION OF BUILDINGS

The Project consists of six (6) buildings designated as Buildings A through F, respectively, and contains a total of one hundred ninety-two (192) apartments (the "apartments"). The buildings are constructed principally of concrete, wood, metal and related building materials on a concrete slab foundation. There are one hundred ninety-three (193) parking stalls in the Project. None of the buildings has any lanai or basement.

Building A is a two-story structure and consists of a total of twenty-eight (28) apartments, including fourteen (14) apartments on the ground floor and fourteen (14) apartments on the second floor. Apartments 101 through 114 and 201 through 214 are located in Building A.

Building B is a two-story structure and consists of a total of twenty-eight (28) apartments, including fourteen (14) apartments on the ground floor and fourteen (14) apartments on the second floor. Apartments 115 through 128 and 215 through 228 are located in Building B.

Building C is a two-story structure and consists of a total of twenty-eight (28) apartments, including fourteen (14) apartments on the ground floor and fourteen (14) apartments on the second floor. Apartments 129 through 142 and 229 through 242 are located in Building C.

Building D is a three-story structure and consists of a total of thirty-six (36) apartments, including twelve (12) apartments on the ground floor, twelve (12) apartments on the second floor and twelve (12) apartments on the third floor. Apartments 1001 through 1012, 2001 through 2012 and 3001 through 3012 are located in Building D.

Building E is a three-story structure and consists of a total of thirty-six (36) apartments, including twelve (12) apartments on the ground floor, twelve (12) apartments on the second floor and twelve (12) apartments on the third floor. Apartments 1013 through 1024, 2013 through 2024 and 3013 through 3024 are located in Building E.

Building F is a three-story structure and consists of a total of thirty-six (36) apartments, including twelve (12) apartments on the ground floor, twelve (12) apartments on the second floor and twelve (12) apartments on the third floor. Apartments 1025 through 1036, 2025 through 2036 and 3025 through 3036 are located in Building F.

EXHIBIT E

PERMITTED ALTERATIONS TO APARTMENTS

The By-Laws permit alterations to the apartments as follows:

Article VIII, Section 3(A). Additions, alterations, repairs or improvements to the common or limited common elements of the Project may be made only by or at the direction of the Board, except as provided for in the Declaration. No owner of an apartment may, except with the written consent of the Board, make any alteration, addition, repair or improvement to any of the common elements including, without limitation, common or limited common elements within, encompassing or adjacent to such owner's apartment, except as provided for in the Declaration or if such alteration, addition, repair or improvement shall be required by law.

Article VIII, Section 4. No apartment owner shall do any work which could jeopardize the soundness or safety of the property, reduce the value thereof, or impair any easement or hereditament, nor may any apartment owner add any material structure or excavate any additional basement or cellar, without in every such case the consent of seventy-five percent (75%) of the apartment owners, together with the consent of all apartment owners whose apartments or limited common elements appurtenant thereto are directly affected, being first obtained. Except as may be otherwise provided herein or in the Declaration, no owner shall install any solar energy devices or make any addition or alteration in or to such owner's apartment which may affect the common elements or change the exterior appearance of the Project, without the prior written consent thereto of the Board. The Board shall have the obligation to answer any written request by an apartment owner for approval of a proposed addition or alteration in such owner's apartment within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition or alteration.

EXHIBIT F

PARKING

The parking stalls are limited common elements for the exclusive use of the owners of the apartments bearing the same numbers as the numbers of the apartments.

The Condominium Property Act (Chapter 514A, Hawaii Revised Statutes) provides that owners shall have the right to change the designation of parking stalls which are appurtenant to their respective apartments by amendment of the Declaration and the respective apartment deeds or condominium conveyance documents involved, which said amendment need only be signed and approved by the owners of the apartments whose parking stalls are being changed, their respective mortgagees, if any, and the condominium conveyance document lessor, if applicable.

The House Rules contain specific provisions about vehicles and parking, which owners should thoroughly understand. The provisions concern requirements and restrictions on vehicle registration by residents with the Board of Directors, Managing Agent or Resident Manager, if any, washing vehicles, storage of personal items in parking stalls, and avoidance of access problems caused by vehicles. The House Rules also address particular problems such as tow-away for unauthorized parking and operation of vehicles while in the Project. Nuisances created by repairs, maintenance, noise and improper or unsafe vehicle operating conditions are prohibited. Owners will be held responsible for violations of parking rules by their lessees, renters or guests.

Parking space designations are as follows:

<u>Apt. No.</u>	<u>Stall No.</u>	<u>Apt. No.</u>	<u>Stall No.</u>	<u>Apt. No.</u>	<u>Stall No.</u>
101	1	102	3	103	5
104	7	105	9	106	11
107	13	108	53	109	55
110	57	111	59	112	61
113	63	114	65	115	191
116	67	117	69	118	71
119	73	120	75	121	77
122	125	123	127	124	129
125	131	126	133	127	135
128	137	129	139	130	141
131	143	132	145	133	147
134	149	135	151	136	179
137	181	138	183	139	185
140	187	141	189	142	192
201	2	202	4	203	6
204	8	205	10	206	12

<u>207</u>	<u>14</u>	<u>208</u>	<u>52</u>	<u>209</u>	<u>54</u>
<u>Apt. No.</u>	<u>Stall No.</u>	<u>Apt. No.</u>	<u>Stall No.</u>	<u>Apt. No.</u>	<u>Stall No.</u>
210	56	211	58	212	60
213	62	214	64	215	66
216	68	217	70	218	72
219	74	220	76	221	78
222	124	223	126	224	128
225	130	226	132	227	134
228	136	229	138	230	140
231	142	232	144	233	146
234	148	235	150	236	178
237	180	238	182	239	184
240	186	241	188	242	190
1001	15	1002	18	1003	21
1004	24	1005	27	1006	30
1007	33	1008	36	1009	39
1010	42	1011	45	1012	48
1013	83	1014	86	1015	89
1016	92	1017	95	1018	98
1019	101	1020	104	1021	107
1022	110	1023	113	1024	51
1025	154	1026	123	1027	116
1028	114	1029	120	1030	173
1031	170	1032	167	1033	164
1034	161	1035	155	1036	177
2001	16	2002	19	2003	22
2004	25	2005	28	2006	31
2007	34	2008	37	2009	40
2010	43	2011	46	2012	49
2013	84	2014	87	2015	90
2016	93	2017	96	2018	99
2019	102	2020	105	2021	108
2022	111	2023	81	2024	79
2025	153	2026	122	2027	117
2028	115	2029	157	2030	172
2031	169	2032	166	2033	163
2034	160	2035	156	2036	176
3001	17	3002	20	3003	23
3004	26	3005	29	3006	32
3007	35	3008	38	3009	41
3010	44	3011	47	3012	50
3013	85	3014	88	3015	91
3016	94	3017	97	3018	100
3019	103	3020	106	3021	109
3022	112	3023	82	3024	80
3025	152	3026	121	3027	118
3028	158	3029	119	3030	171
3031	168	3032	165	3033	162
3034	159	3035	174	3036	175
Guest Parking	193				

EXHIBIT G

COMPLIANCE WITH BUILDING
CODE AND MUNICIPAL REGULATIONS

Paragraph V of the Declaration provides:

"The Project may be nonconforming because it contains compact parking stalls rather than standard parking stalls. Building B of the Project may be a nonconforming structure because Apartment 115 located therein has been converted from one (1) two-bedroom apartment into two (2) studio apartments. Developer will retain and restore Apartment 115 to one (1) two-bedroom apartment utilizing Developer's own funds, excluding those funds which Developer is contributing to the Association pursuant to paragraph W hereof.

The Project may also consist of other nonconforming uses or structures for reasons which Developer is not presently aware of. Therefore, a variance may be required to rebuild in the event of a major casualty. However, to Developer's knowledge, information and belief, except as otherwise disclosed herein, the Project is in compliance with all ordinances, codes, rules, regulations or other requirements of the City and County of Honolulu in force at the time of its construction, and no variances have been granted from any ordinance, code, rule, regulation or other requirement of the City and County of Honolulu in force at the time of its construction. To Developer's knowledge, information and belief, based upon a letter from the Department of Land Utilization of the City and County of Honolulu, the land use is conforming and the parcel is conforming."

Developer makes no representation regarding the cost required to cure any violations of the building code or municipal regulations.

EXHIBIT H

DESCRIPTION OF COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

I. COMMON ELEMENTS

Paragraph E of the Declaration provides:

"One freehold estate is hereby designated in all of the remaining portions of the Project (the "common elements"), which shall include the limited common elements described in paragraph F hereinbelow and all portions of the land and improvements other than the apartments, including the buildings, the land on which the buildings are located and all common elements mentioned in the Act which are actually constructed on the land described herein. Said common elements shall include, but shall not be limited to the following:

1. The land described in Exhibit "A".
2. All foundations, columns, girders, beams, floor slabs, supports, unfinished perimeter and load-bearing walls (except for the inner decorated surfaces within each apartment), roofs, stairways, walkways, entrances and exits of said buildings.
3. The Project sign and pay phone located on the exterior wall of Building A fronting Leowahine Street.
4. The guard shack located between Building A and Building D.
5. All yards, grounds, landscaping, refuse and like facilities, including two (2) trash enclosures.
6. All driveways, loading areas, ramps, parking area entryways and exitways, and the one hundred ninety-three (193) parking stalls designated on the Condominium File Plan.
7. The swimming pool, swimming pool deck areas and pool filtration system.
8. The laundry/maintenance storage building and the gas tank located next to the swimming pool.
9. The utility sheds, planters and stairwell storage spaces (except for Building F, which contains no stairwell storage space) located in the buildings of the Project.
10. The playground equipment located in the courtyard of Building F.

11. One (1) guest parking space, as designated in Exhibit "B".

12. All electrical transformer boxes and rooms, storage rooms, trash rooms, all central and appurtenant installations for services such as power, lights, telephone, gas, hot and cold water lines, television lines, sewage disposal and other utilities (including all pipes, ducts, wires, cables and conduits used in connection therewith, whether located in common areas or in apartments), and all tanks, pumps, motors, fans, ducts and other apparatus and installations existing for, or in the buildings for common use.

13. All corridors and stairways situate within the Project.

14. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, and normally in common use and which are not part of any apartment."

II. LIMITED COMMON ELEMENTS

Paragraph F of the Declaration provides:

"Certain parts of the common elements (the "limited common elements") are hereby set aside and reserved for the exclusive use of certain apartments, which apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside for each apartment are as follows:

1. One (1) parking space, as designated in Exhibit "B"; and

2. One (1) mailbox located on the Project grounds, bearing the same number as the number of the apartment.

Notwithstanding any provisions herein or in the By-Laws to the contrary, all costs of every kind pertaining to each limited common element, including but not limited to, costs of maintenance, repair, replacements, additions and improvements, shall be charged to and borne entirely by the owner(s) of the apartment(s) to which it is appurtenant. Expenses which are attributable to more than one (1) parking stall or mailbox shall be allocated among the affected parking stalls or mailboxes on a per parking stall or mailbox basis. Any expense which cannot be separately identified or attributed to a limited common element shall be charged as a common expense."

EXHIBIT I

COMMON INTERESTS

Each apartment shall have appurtenant thereto an undivided percentage interest (the "common interest") in all common elements of the Project and in all common profits and expenses of the Project and for all other purposes including voting. The common interest appurtenant to each apartment is set forth in paragraph D.1 to the Declaration.

The common interest and easements shall not be separated from the apartment to which they appertain and shall be deemed to be conveyed, leased or encumbered with such apartment even though such interest or easements are not expressly mentioned or described in the conveyance or other instrument. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by said Condominium Property Act.

The percentage common interest for each apartment is as follows:

<u>Apt. No.</u>	<u>Percentage Common Interest</u>
101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242	.45%
1001, 1002, 1003, 1004, 1005, 1006, 1007, 1008, 1009, 1010, 1011, 1012, 1013, 1014, 1015, 1016, 1017, 1018, 1019, 1020, 1021, 1022, 1023, 1024, 1025, 1026, 1027, 1028,	

<u>Apt. No.</u>	<u>Percentage Common Interest</u>
1029, 1030, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2030, 3001, 3002, 3003, 3004, 3005, 3006, 3007, 3008, 3009, 3010, 3011, 3012, 3013, 3014, 3015, 3016, 3017, 3018, 3019, 3020, 3021, 3022, 3023, 3024, 3025, 3030	.60%
2026, 2027, 2028, 2029	.59%
3026, 3027, 3028, 3029	.59%
1031, 1032, 1033, 1034, 1035, 1036, 2031, 2032, 2033, 2034, 2035, 2036, 3031, 3032, 3033, 3034, 3035, 3036	.46%

EXHIBIT J

ENCUMBRANCES AGAINST TITLE

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

2. AS TO THAT PORTION OF LAND UNDER SEARCH (fka LOT J):

(A) Lease of right of way in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, dated August 6, 1964, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 4897 at Page 438; leasing and demising an easement for utility purposes, under and across said Lot J, situate within and running along the Northerly (side) boundary of said lot for a term commencing July 1, 1962, to and including June 30, 2017; said easement being 5 feet wide, extending 2-1/2 feet on each side of the center line and including three vault sites, each 9 feet by 11 feet in size.

(B) Grant in favor of the City and County of Honolulu, dated November 14, 1967, recorded as aforesaid in Liber 6550 at Page 11; granting an easement for drainage purposes, through, over, under and across the following described "easement area":

Easement 8 for storm drain purposes over and across Lot "J" of Robinson Industrial Tract, File Plan 826 (being a portion of Royal Patent 4490, Land Commission Award 10,474, Apana 9 to N. Namauu, being also a portion of Lot "J" of Robinson Industrial Tract, File Plan 826) situate at Hoaeae, Waipahu, Ewa, City and County of Honolulu, State of Hawaii.

3. AS TO THAT PORTION OF LAND UNDER SEARCH (fka LOT P):

Grant in favor of the City and County of Honolulu, dated November 14, 1967, recorded as aforesaid in Liber 6550 at Page 11; granting an easement to construct, install, maintain, operate, repair and remove a drainage ditch or structure through, over, under and across easement areas numbered 6 and 7.

4. Mortgage, Security Agreement and Financing Statement dated May 2, 1990, by and between Savio Development Company Inc., a Hawaii corporation, as Mortgagor, and GECC Financial Corporation, a Hawaii corporation, as Mortgagee, recorded as aforesaid as Document No. 90-063013.

5. Assignment of Leases dated May 2, 1990, by and between Savio Development Company, Inc., a Hawaii corporation, as

Assignor, and GECC Financial Corporation, a Hawaii corporation,
as Assignee, recorded as aforesaid as Document No. 90-063015.

6. Any unrecorded sub-subleases.

7. For real property taxes due and payable, refer to
Director of Finance, City and County of Honolulu.

EXHIBIT K

SU CASA ESTIMATED MAINTENANCE BUDGET

1. Total Estimated Monthly Fees
(See Exhibit "K-1" attached): \$21,769.00
2. Total Estimated Annual
Maintenance Fees
(\$21,769 x 12): \$261,228.00
3. Estimated Monthly Cost Per
Apartment:

<u>Building</u>	<u>Apt. No.</u>	<u>Percentage Common Interest</u>	<u>Estimated Monthly Maintenance Fees</u>
A	101 through 114, 201 through 214	.45%	\$ 98.00
B	115 through 128, 215 through 228	.45%	98.00
C	129 through 142, 229 through 242	.45%	98.00
D	1001 through 1012, 2001 through 2012, 3001 through 3012	.60%	131.00
E	1013 through 1024, 2013 through 2024, 3013 through 3024	.60%	131.00
F	1025 through 1030, 2025 and 2030, 3025 and 3030	.60%	131.00
F	2026 through 2029	.59%	128.00
F	3026 through 3029	.59%	128.00
F	1031 through 1036, 2031 through 2036, 3031 through 3036	.46%	100.00

**SU CASA
(192 UNITS)**

Estimate of Maintenance Fee Disbursements:

	<u>Monthly</u>	<u>Yearly Total</u>
Utilities and Services		
Air Conditioning	n/a	-0-
Electricity		
(X) common elements only	620	7,440
() common elements and apartments		
Gas	n/a	-0-
Refuse Collection	1,150	13,800
Telephone	40	480
Water & Sewer	5,500	66,000
Maintenance, Repairs and Supplies		
Building	1,000	12,000
Grounds	1,500	18,000
Lift Station	300	3,600
Management		
Management Fee (Physical/Fiscal Service)	2,099	25,188
Payroll & Payroll Taxes	2,800	33,600
Office Expenses	350	4,200
Insurance	810	9,720
Reserves	1,000	12,000
Taxes & Government Assessments	4,450	53,400
Audit Fees	150	1,800
Other	-0-	-0-
TOTAL DISBURSEMENTS	\$21,769 *****	\$261,228 *****

We, Chaney, Brooks and Company, as managing agents for the Condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



 Mary Lou Nagi
 Vice President
 Central Oahu Branch Office
 18 Dec 89

 DATE

EXHIBIT L

CONSTRUCTION WARRANTIES

Paragraph 9 of each of the two (2) types of Deposit Receipt and Sales Contract used in connection with the Project is entitled "Seller's Disclaimer of Warranties" and provides:

"(a) No Warranties of Seller. Buyer understands and agrees that Seller is disclaiming any warranties, either express or implied, including any implied warranties of habitability, merchantability or fitness for a particular purpose, with respect to the Project, the Apartment or anything installed or contained therein. Each apartment will be deemed to be sold "AS IS" with "ALL FAULTS", and Seller will not be liable to Buyer for any construction or other defects, including any latent or hidden defects in the Project, the Apartment or anything installed or contained therein. This means that Buyer will not have the right to file any lawsuit for damages against Seller for any defects later discovered by Buyer."

EXHIBIT M

SUMMARY OF PERTINENT
PROVISIONS OF SALES CONTRACTS

Developer has filed two (2) specimen sales contracts with the Hawaii Real Estate Commission as follows: (1) Deposit Receipt and Sales Contract (Apartment Deed Form) (the "Apartment DROA") and (2) Deposit Receipt and Sales Contract (Condominium Conveyance Document Form) (the "CCD DROA"). The terms of both the Apartment DROA and the CCD DROA are substantially similar. The CCD DROA, however, provides that the land is being leased to the Apartment Owner for a term of fifty-five (55) years, the rent the Apartment Owner is obligated to pay, that the Apartment Owner is required to surrender the land at the end of the Condominium Conveyance Document term, and that Apartment Owner has to pre-pay six (6) months of lease rent at the closing date.

Among other provisions contained therein, the Apartment DROA and the CCD DROA (hereinafter sometimes collectively referred to as the "Agreement") contain the following common provisions:

"4. SELLER'S CANCELLATION RIGHTS. In addition to any other rights of cancellation or termination reserved to Seller herein, if (a) Buyer's initial deposit check is returned for insufficient funds, (b) Buyer (or any one (1) of them if Buyer is more than one (1) person) should die prior to closing, (c) Seller is not able to acquire title to the land underlying the Project, (d) Seller is not able, using its best efforts, to complete the conversion of the Project for any reason, or (e) Seller, using its best efforts, is unable to sell at least forty percent (40%) of the apartments in the Project on or before _____, THEN, in any such event, Seller reserves the right to return Buyer's check or payments, without interest and less the processing and cancellation fee imposed by Escrow Agent and any other actual expenses incurred by reason of Buyer's execution of this Agreement. Until Seller so elects to cancel this Agreement, it shall remain in full force and effect.

5. USE OF ESCROW FUNDS. Seller agrees and Buyer acknowledges that the funds deposited by Buyer with Escrow Agent for the Apartment shall not be released or disbursed by Escrow Agent until the conditions set forth in paragraph 3 of the Condominium Escrow Agreement have been satisfied, including recordation of Buyer's apartment deed. Buyer agrees that unless otherwise provided in this Agreement, any interest derived from the deposit of such payments shall be the property of Seller.

7. BUYER'S ACKNOWLEDGEMENTS.

(a) Buyer does hereby acknowledge that Buyer has examined and does hereby approve the form of the Condominium Conveyance Document (including the option to purchase an undivided fee simple interest in the land underlying the Project contained therein), Declaration and any amendments thereto, By-Laws, House Rules, Seller's Disclosure Abstract, Condominium Escrow Agreement, Preliminary Public Report issued by the Commission, as set forth above, and said plans and specifications, true copies of these documents being on file in the office of the Commission. Buyer acknowledges that the Condominium File Plan is intended to show only the layout, location, apartment numbers and dimensions of the apartments and the same is not intended by Seller to contain or to be any other representation or warranty.

Buyer's Initials

(b) Buyer acknowledges the reservation by Seller of the right for itself and its agents, until the sale of the last apartment, to maintain development facilities and conduct sales of apartments on and at the Project, including, but not limited to, maintaining model apartments, operating a sales office, conducting advertising, placing signs, using parking spaces and erecting lighting in connection with such sales; provided, however, that Seller shall not use any apartment (or its limited common elements) with respect to which an apartment deed or condominium conveyance document has been recorded (other than in the name of Seller as grantee); provided, further, that in exercising such right, Seller shall not interfere with the rights of any apartment owner to the use of, or access to, his apartment or any of the common elements or limited common elements appurtenant thereto.

Seller also reserves for itself and its successors and assigns, for a period of fifty (50) years from the date of the filing of the Declaration, all rights and privileges in and to the air space above the Project as it is constructed on the date of the filing of the Declaration.

Buyer's Initials

(c) Buyer acknowledges that Buyer has received and has carefully read a copy of Seller's Disclosure Abstract for the Project, and the exhibits thereto, filed in the office of the Commission. The present condition of the structural components and mechanical and electrical installations material to the use and enjoyment of the Project are described in letters from a structural engineer, electrical engineer, mechanical engineer and architect attached as Exhibit "B" to Seller's Disclosure Abstract. As required by law, Seller has asked the engineers and the architect to give opinions about the condition of the Project. However, Seller does not represent or warrant that the letters are correct or complete. The letters should not be relied upon as the opinion of Seller. No representations are made by Seller with respect to the expected useful life of the structural components or the mechanical and electrical installations in the Project.

Excerpts from said Exhibit "B" indicate that some parts of the corridor slab in Building A have pronounced cracking in the top surface of the slab. Sealing these areas of the slab to prevent moisture from getting to the reinforcing bars is recommended. The wall between Apartments 101 and 114 of Building A has moved horizontally one-fourth inch (1/4") at the top of the wall near the second floor. This condition is potentially dangerous, especially during a wind storm or an earthquake. Bracing the top of this wall to the second floor slab and filling the area immediately in front of this wall with compacted fill is recommended. The soil between the stairs appears to have eroded near Apartment 101 in Building A, leaving a void below the stairs. Filling this void with compacted fill or concrete to provide support for these stairs is recommended.

The service equipment is in fair condition. However, rust spots should be treated and all equipment painted with rust inhibiting paint. Seller is relocating the main telephone box in Apartment 107 to the utility shed in Building A. The existing interphone/security system is inoperative. The gate locking mechanisms have either been removed or made inoperative. The system should be removed and scrapped. Some walkway light fixtures are broken and should be replaced. The security lights for Building D should be put on a timer. Buildings A, B and C do not have pull stations or fire alarm bells. The existing pull stations and fire alarm bells in Buildings D, E and F should be checked and tested. The conduit carrying the conductors from Building F to the laundry room in the laundry/maintenance storage building is damaged and should be repaired.

The service equipment is not large enough to support air conditioning units in all apartments. The service equipment is also not large enough to support washers and dryers in all of the apartments. Control for installation of any high power consuming equipment should be established. Buyer understands and agrees that the existing service equipment may be inadequate to permit existing or future air conditioning units and agrees to

permit the Association of Apartment Owners of Su Casa (the "Association") to conduct its own evaluation of the service equipment and recommend necessary action to the apartment owners, including the banning of air conditioning units in the Project, if necessary.

The electric water heaters are located in nailed-in enclosures which do not presently meet Building Code requirements. The plumbing fixtures, being about sixteen (16) to twenty-five (25) years old, will require very intense and more frequent replacement and repair maintenance. Also the unobservable plumbing piping system is anticipated to require above normal repairs in the future. The power roof ventilator in the laundry room is not working and may need repair. The dryers are gas with the vents going to the exterior wall. Dryer vents all terminate about two feet (2') above the floor blowing into the walkway. This is not a desirable condition and alternative terminations should be considered.

Walkways and corridors do not have a consistent level of surface texturing which may make some slippery when wet. The apartments are not equipped with fire alarms or smoke detectors. The laundry room should be equipped with fire extinguishers. Drainage ditches are not fenced off and the concrete covers are loose enough to cause tripping. Some stairway threads are worn smooth and may be slippery when wet. Sidewalk slabs have cracks which could lead to tripping and falls. There are uneven joints and surfaces that could also contribute to tripping or slippery conditions. Uneven night lighting and dirt/fungus accumulation may aggravate the problem. The stairway lighting level is inadequate. There is inadequate working clearance in front of circuit breakers. Apartment 121 in Building B has experienced flooding at its entry door. Regrading or storm drainage pipes are required. The playground equipment in Building F is not certified to be heavy-duty or of a design that minimizes injury to users. Meters by the swimming pool in Building F are not fenced off. The metal cover over the phone box by the entry sticks up and is a danger that could cause tripping. Parking stall 192 must be provided with tire stops to prevent collision with the adjacent propane gas tank.

The information set forth in this paragraph 7 is only a summary of the data and recommendations made by the engineers and the architect in said Exhibit "B" and is not intended, nor should it be construed by its incorporation herein, to be a representation or warranty of Seller or more important than any other data or recommendation contained in said Exhibit "B" and not contained herein. Because the Project is being sold by Seller in "AS IS" condition with "ALL FAULTS", Buyer should carefully review Seller's Disclosure Abstract and Exhibit "B" thereto in their entirety. Furthermore, Buyer should have the

Project inspected by Buyer or Buyer's own experts to Buyer's complete satisfaction.

Buyer's Initials

(d) Seller agrees to deposit with Escrow Agent before the Closing Date the sum of TWO HUNDRED THOUSAND AND NO/100 DOLLARS (\$200,000.00) as a capital improvement fund for the Association. The proceeds of the capital improvement fund shall be used by the Association only for capital improvements to the Project. In consideration of Seller's contribution of the foregoing sum, Buyer hereby releases Seller from any continuing or further obligation to the Project.

Buyer's Initials

8. APARTMENT BEING SOLD "AS IS" WITH "ALL FAULTS". The Apartments and the structures which are located at 94-245 Leowahine Street were initially constructed in 1964 (Buildings A, B, C, D, E and one (1) wing of Building F), 1965 (the laundry/maintenance storage building), 1966 (the swimming pool) and 1973 (the second wing of Building F). The Apartment and the Project are now being sold in "AS IS" condition with "ALL FAULTS". This means that Seller shall not correct any defects in the Project, the Apartment or anything installed or contained therein. The existence of any defect in the Project, the Apartment or anything installed or contained therein shall not excuse Buyer's obligation to perform all of Buyer's obligations under this Agreement.

Buyer's Initials

9. SELLER'S DISCLAIMER OF WARRANTIES.

(a) No Warranties of Seller. Buyer understands and agrees that Seller is disclaiming any warranties, either

express or implied, including any implied warranties of habitability, merchantability or fitness for a particular purpose, with respect to the Project, the Apartment or anything installed or contained therein. Each apartment will be deemed to be sold "AS IS" with "ALL FAULTS", and Seller will not be liable to Buyer for any construction or other defects, including any latent or hidden defects in the Project, the Apartment or anything installed or contained therein. This means that Buyer will not have the right to file any lawsuit for damages against Seller for any defects later discovered by Buyer.

Buyer's Initials

(b) Seller's Disclaimer as Essential Factor for Low Purchase Price. Buyer acknowledges and agrees that Seller's disclaimer of warranties is an essential element in the determination of the low purchase price for the Apartment being sold to Buyer. This means that the Apartment would not have been sold to Buyer for the amount of the purchase price stated in this Agreement without Seller's disclaimer of warranties.

Buyer's Initials

(c) Hazardous Materials and Condition of Project. The prior owner of the land, buildings and other improvements comprising the Project commissioned an Assessment Survey For Asbestos dated October 8, 1987 (the "Assessment"), a copy of which is attached to Seller's Disclosure Abstract as Exhibit "B". The Assessment reports findings of asbestos containing materials in apartments located in Building F and makes recommendations for asbestos abatement. The Assessment was not prepared by or for Seller and Seller does not represent or warrant that the Assessment is correct or complete. Seller has no knowledge as to any act or omission to act by such prior owner regarding asbestos abatement, nor has Seller undertaken any such remedial action. Seller 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 there may be additional asbestos or other hazardous substances in the apartments, or in, under or around the Project. Because of the presence of asbestos and the possible presence of other hazardous substances, Buyer and the Association should have the Apartment and the Project inspected to determine the extent of such contamination and any necessary remedial action. This means that Seller will not correct any defects in the apartments or in the Project or anything installed or contained therein and that Buyer expressly releases Seller from any liability to Buyer if any hazardous materials are discovered.

Buyer's Initials

10. RIGHT OF INSPECTION. Buyer shall inspect the Apartment at such time and on such date as shall be specified by Seller in a written notice to Buyer. Since the Apartment may be occupied by tenants, Buyer might not be able to change the date Seller specifies. Buyer acknowledges that the Apartment is being sold in "AS IS" condition with "ALL FAULTS", and Seller will not correct any defects or deficiencies that Buyer discovers in the Apartment. Buyer agrees to indemnify Seller for damages or losses, including interest and reasonable attorneys' fees, resulting from Buyer's refusal to accept the Apartment from Seller.

Buyer's Initials

13. ACTUAL POSSESSION. Notwithstanding anything contained herein to the contrary, Buyer acknowledges that the Apartment may be occupied by tenants and that Seller cannot ensure that such tenants quit the Apartment on or before the

Closing Date. Buyer hereby expressly releases Seller from any responsibility to evict any tenant from the Apartment.

Buyer's Initials

18. BUYER'S RIGHT TO RESCIND. Notwithstanding anything contained in paragraph 17 hereinabove:

(a) Except for any additions, deletions, modifications and reservations made pursuant to the terms of the Declaration, if there is a material change in the Project which directly, substantially and adversely affects the use or value of (1) Buyer's Apartment or appurtenant limited common elements, or (2) those amenities of the Project available for Buyer's use, Buyer shall have the right to rescind the sale made under this Agreement and to receive a prompt and full refund of any monies paid.

(b) Buyer's right of rescission under subparagraph (a) above shall be waived upon (1) delivery to Buyer, either personally or by registered or certified mail, return receipt requested, of a disclosure document which describes the material change and contains a provision for Buyer's written approval or acceptance of such change, and (2) Buyer's written approval or acceptance of the material change, or the lapse of ninety (90) days since Buyer has accepted the Apartment, or the occupancy of the Apartment by Buyer; provided, however, that if Buyer does not rescind this Agreement or execute and return the written approval or acceptance of such change as provided in the disclosure document within thirty (30) days from the date of delivery of such disclosure document, Buyer shall be deemed to have approved and accepted such change; provided, further, that the deemed approval and acceptance shall be effective only if at the time of delivery of the disclosure document, Buyer is notified in writing of the fact that Buyer will be deemed to have approved and accepted the change upon Buyer's failure to act within the thirty (30) day period; provided, further, that if, prior to delivery of such disclosure document, ninety (90) days have lapsed since Buyer has accepted the Apartment, or Buyer has occupied the Apartment, then Buyer's right of rescission under subparagraph (a) above shall not be waived unless Buyer shall execute the written approval or acceptance of such change as provided in the disclosure document within thirty (30) days from the date of delivery of such disclosure document or Buyer is deemed to have approved and accepted such change as set forth above. A copy of the form of disclosure document shall be delivered to the Commission prior to delivery to Buyer.

19. DEFAULT.

(a) Time is of the essence of this Agreement, and if Buyer shall default in any payment when required or fail to perform any other obligations required of Buyer hereunder and shall fail to cure such default within ten (10) days after receipt of written notice thereof from Seller, Seller may, at Seller's option, terminate this Agreement by written notice to Buyer. In the event of such default, the parties hereto understand and agree that in view of (i) Seller's financial commitments with respect to the Project, (ii) the connection between sales, cancellation or default with respect to one (1) apartment and the sale, cancellation or default with respect to other apartments in the Project, and (iii) the nature of the real estate market in Hawaii, the injury to Seller will be uncertain as to nature and amount and difficult to ascertain. As a reasonable estimate of Seller's damages resulting from such default, the parties agree that the sums paid by Buyer hereunder prior to such default shall belong to Seller as liquidated damages. At Seller's option, Seller may also pursue any other remedy at law or in equity for specific performance, damages or otherwise. All costs, including reasonable attorneys' fees, incurred by reason of default by Buyer shall be borne by Buyer.

(b) If Seller shall default in the performance of any obligation required of Seller hereunder, Buyer shall be entitled to specific performance of this Agreement or Buyer shall have the right to cancel and terminate this Agreement. In the event of such cancellation and termination, Seller shall repay to Buyer all sums paid by Buyer to Seller or Escrow Agent pursuant to the provisions hereof, and, in addition, Seller shall pay Buyer ONE HUNDRED AND NO/100 DOLLARS (\$100.00) as liquidated damages for Seller's default. Buyer expressly waives any right or remedy against Seller which now exists or which hereafter may exist for the default of Seller under this Agreement, except for the foregoing right to specific performance or to cancel and terminate this Agreement, and to receive all sums paid to Seller and Escrow Agent and the sum of ONE HUNDRED AND NO/100 DOLLARS (\$100.00).

21. PRE-PAID ITEMS. Buyer acknowledges that Buyer will be required to prepay: (a) maintenance fees for a period of two (2) months, which amount shall constitute a non-refundable start-up fee to be transferred to the Association for use in paying the initial operating costs of the Project, (b) maintenance fees for a period of two (2) months, which amount shall constitute a contribution to the maintenance reserve fund for the Project pursuant to the Declaration, (c) real property taxes for a period of six (6) months, (d) lease rents for a period of six (6) months in connection with Buyer's undivided interest in the land underlying the Project, and (e) insurance premiums to the extent required by any first mortgage lender. Real property taxes, insurance and maintenance expenses shall be prorated as of the Closing Date or the date of actual possession,

whichever sooner occurs. Buyer further agrees that all insurance, maintenance, assessments and other expenses shall also be prorated between Seller and Buyer as of such proration date for real property taxes. Buyer understands and agrees that any amount to be paid by Buyer under this paragraph 21 is in addition to, and is not part of the total purchase price set forth hereinabove.

22. SUBORDINATION. Buyer acknowledges that Seller may enter into agreements with First Hawaiian Creditcorp, Inc., American Savings Bank, F.S.B., GECC Financial Corporation and/or any other established financial institution (collectively, "Lender") pursuant to which Lender may loan an aggregate amount not to exceed THIRTEEN MILLION AND NO/100 DOLLARS (\$13,000,000.00), at an interest rate which shall not be more than thirteen percent (13%) per annum or twenty percent (20%) per annum upon Seller's default, for a term not to exceed two (2) years. To secure the loan, Seller may grant to Lender security interests covering Seller's interest in the Project land and the Project, including this Agreement and the property covered by this Agreement. Buyer acknowledges and agrees that all security interests obtained by Lender in connection with such loan as well as any extensions, renewals and modifications thereof, shall be and remain at all times a lien or charge on the Project, including the property covered by this Agreement, prior to and superior to any and all liens or charges on the Project arising from this Agreement. Buyer hereby expressly waives, relinquishes and subordinates the priority or superiority of any lien under this Agreement in favor of the lien or charge on the Project of the security interests of Lender. In confirmation of such subordination, Buyer further undertakes and agrees to execute and deliver promptly any further instrument required by Lender or its successor in interest to evidence such subordination and hereby appoints Seller as Buyer's attorney-in-fact to execute and deliver any such instrument on behalf of Buyer should Buyer refuse or fail to do so within five (5) days after request is made. Buyer also consents to Seller's assignment by way of security of Seller's interests in this Agreement and Buyer's escrow deposits to Lender and agrees that in the event of passage of Seller's interests therein to Lender, Buyer shall attorn to and recognize Lender or its successor in interest as the Seller hereunder, with all of the rights of the Seller hereunder, as if Lender were the original Seller hereunder.

23. CONDITION TO BINDING EFFECT OF AGREEMENT.

(a) Anything herein to the contrary notwithstanding, this Agreement shall not be binding upon Buyer and any obligation to purchase the Apartment under this Agreement shall not be enforceable against Buyer until:

(1) A true copy of the Commission's Final Public Report on the Project has been delivered to Buyer, either personally or by certified mail with return receipt requested,

together with a true copy of all other public reports on the Project, if any, issued prior to the date of such delivery and not previously delivered to Buyer (unless the Final Public Report supersedes all prior public reports or a supplementary public report has been issued which supersedes the Final Public Report and any other public reports, in which case a true copy of the Commission's supplementary public report shall be delivered instead);

(2) Buyer has been given an opportunity to read the reports; and

(3) Two (2) copies of the form of the receipt and notice set forth in Section 514A-62 of the Hawaii Revised Statutes, as amended, have been delivered to Buyer and Buyer (i) executes the receipt and notice, and (ii) waives Buyer's right to cancel; provided, however, that if Buyer does not execute and return the receipt and notice within thirty (30) days from the date of delivery of such reports, or if the Apartment is conveyed to Buyer prior to the expiration of such thirty-day period, Buyer shall be deemed to have accepted for the reports and to have waived Buyer's right to cancel.

(b) Unless such right has previously been waived pursuant to subparagraph (a) hereinabove, Buyer shall have the right to cancel this Agreement at any time prior to the earlier of (1) the conveyance of the Apartment to Buyer or (2) midnight of the thirtieth (30th) day following the date of delivery of said Final Public Report to Buyer, and, upon any such cancellation, shall be entitled to a prompt and full refund of all monies paid, less any escrow cancellation fee and other costs associated with the purchase up to a maximum of TWO HUNDRED FIFTY AND NO/100 DOLLARS (\$250.00).

24. BUYER'S RECOGNITION OF PERMITTED APARTMENT USES. Buyer acknowledges that the apartments in the Project shall be used only for residential purposes and may not be used as a tenement or rooming house or for or in connection with the carrying on of any business, trade or profession whatsoever. The apartments shall not be rented for transient or hotel purposes, which shall be defined as (i) rental for any period less than thirty (30) days, or (ii) any rental in which the occupants of the apartment are provided customary hotel services. The apartments shall not be sold, leased, rented or used for any "timesharing" or related or similar purpose.

Seller and all entities, persons and agents related to or affiliated with Seller, have no program at this time, nor is any program planned or contemplated, to offer a rental service of any kind to the owners of apartments, either individually or in any form of pooling arrangement, nor have any representations been made by Seller or its agents as to the feasibility of renting the apartments. Purchasers of apartments who desire to rent their apartments must therefore make their own rental

arrangements. Buyer hereby acknowledges receipt of written notice that use of the apartments for time-sharing is specifically prohibited in the Project.

Neither Seller nor its agents have made any representation regarding either economic benefits to be derived from rentals or tax treatment of any purchaser of an apartment. The tax treatment and economic benefits may vary with individual circumstances and Seller, and its agents, recommend that Buyer consult Buyer's own attorney, accountant or other tax counsel for advice regarding appropriate tax treatment.

Buyer hereby acknowledges receipt of written notice that Seller has not authorized any agents, salesmen or brokers for the Project to make any representations as to rentals of an apartment, income from an apartment or any other economic benefit to be derived from the rental of an apartment in said Project, and if any such representations are made, they are hereby expressly disclaimed by Seller.

Buyer's Initials

25. OWNER-OCCUPANT BUYER ON RESERVATION LIST. If, in accordance with Section 514A-104 of the Hawaii Revised Statutes, as amended, Buyer has executed an affidavit of intent to become an owner-occupant of the Apartment and has deposited ONE HUNDRED AND NO/100 DOLLARS (\$100.00) or other acceptable consideration with Seller to permit Buyer to be put on a reservation list compiled by Seller's broker, the following provisions shall be incorporated into this Agreement:

(a) Notwithstanding anything contained herein to the contrary, this Agreement shall be conditioned upon Buyer obtaining adequate financing, or a commitment for adequate financing, within forty-five (45) calendar days following the end of the ten (10) calendar day period during which Seller is limited to selling to owner-occupants, and if such financing or commitment is not obtained, this Agreement shall be cancelled.

(b) If during the ten (10) calendar day period following the issuance of the first public report for the Project by the Commission, Buyer indicates by written notice to Seller that Buyer desires to cancel this Agreement on account of hardship circumstances such as serious illness of Buyer or a member of Buyer's family, job or military transfer, unforeseeable change in marital status, or the birth of a child, which causes Buyer to be unable to purchase the Apartment, or if Buyer

indicates an intent not to become an owner-occupant of such Apartment, Seller shall cancel this Agreement.

(c) Upon the cancellation of this Agreement as provided in this paragraph 25, Seller shall cause Escrow Agent to refund to Buyer all monies paid without interest, less any escrow cancellation fee and other costs incurred by Seller in processing this Agreement; provided, however, that the cancellation shall be approved by any lender financing the Project.

27. AGENCY DISCLOSURE. Savio Realty, Ltd. (the "Broker") and all licensees employed by or associated with Broker represent Seller. Buyer acknowledges that oral or written disclosure of such representation was provided to Buyer prior to the execution hereof. In the event that Buyer is represented by a cooperating broker or salesperson, Buyer agrees and acknowledges that Broker is not an agent or sub-agent of Buyer's cooperating broker or salesperson.

Buyer's Initials"

EXHIBIT N

SUMMARY OF PERTINENT
PROVISIONS OF ESCROW AGREEMENT

Among other provisions, the Condominium Escrow Agreement dated December 28, 1989 (the "Escrow Agreement"), executed by and between Title Guaranty Escrow Services, Inc., as Escrow, and Savio Development Co., Inc., as Developer, provides that a purchaser shall be entitled to a return of his funds and Escrow shall pay such funds to such purchaser, without interest, if any one of the following has occurred:

(a) Developer and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held hereunder by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Developer; or

(c) Developer and purchaser shall have requested Escrow in writing and any one of the following events has occurred:

(i) no sales contract has been offered to the purchaser who has been placed on the Developer's reservation list of owner-occupant applicants; or

(ii) purchaser has been unable to obtain adequate financing, or a commitment for adequate financing, for his unit within forty-five (45) calendar days following the end of the ten (10) calendar day period during which the Developer is limited to selling to owner-occupant; or

(iii) the purchaser desires to cancel the contract on account of hardship circumstances such as those set forth in Section 514A-104(1), Hawaii Revised Statutes; or

(iv) the purchaser indicates an intent not to become an owner-occupant of such unit.

No disbursement of purchasers' funds held in escrow shall be made unless and until the apartment deed or condominium conveyance document relating to the disbursements have been recorded.

EXHIBIT O
BUILDING DEPARTMENT
CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU HAWAII 96813

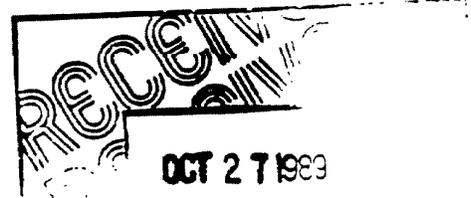
FRANK F. FAS
11-11



HERBERT K. MURAOKA
DIRECTOR AND BUILDING SUPERINTENDENT

Ex89-141

October 26, 1989



Mr. Peter Savio
Savio Development Co., Inc.
931 University Avenue, Suite 202
Honolulu, Hawaii 96826

Dear Mr. Savio:

Subject: Condominium Conversion
94-245 Leowahine Street
Tax Map Key: 9-4-28: 26

This is in reply to your letters dated May 26 and September 20, 1989 requesting confirmation that the 3 three-story apartment buildings with a total of 107 units and the 3 two-story apartment buildings with a total of 85 units and a total of 193 all-weather parking spaces located at 94-245 Leowahine Street met all applicable code requirements at the time of construction.

Investigation revealed that only five of the six structures met the applicable code requirements at the time of construction. Our records show that the middle two-story building was constructed as a 28-unit apartment building. There is no record of a building permit to add the 29th unit.

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

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

Very truly yours,

A handwritten signature in dark ink, appearing to read "Herbert K. Muraoka".

HERBERT K. MURAOKA
Director and Building
Superintendent