REAL ESTATE COMMISSION

STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
PROFESSIONAL AND VOCATIONAL LICENSING DIVISION
P. O. Box 3469
Honolulu, Hawaii 96801

CONDOMINIUM PUBLIC REPORT

3737 WAIALAE

3737 Waialae Avenue
Honolulu, Hawaii 96816

Registration No. 2278

Issued: July 24, 1991
Expires: August 24, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of July 11, 19 91, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

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

x **FINAL:** *(white)* The developer has legally created a condominium and has filed complete information with the Commission.

[X] No prior reports have been issued
[ ] Supersedes all prior public reports
[ ] Must be read together with _____

_____ **SUPPLEMENTARY:** *(pink)* Updates information contained in the

[ ] Prelim. Public Report dated _____
[ ] Final Public Report dated _____
[ ] Supp. Public Report dated _____

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

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

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[ ] Required [X] Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

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

[ ] Changes made are as follows:

Special Attention

This project does not involve individual subdivised lots. The dotted lines on the Condominium Map are for illustration purposes only. They merely represent the approximate location of the limited common element assigned to each unit.

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
Real Estate Sales Agent
Escrow Company
Managing Agent
Attorney for Developer

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: Permitted Alterations to the Project
EXHIBIT B: Description of Buildings
EXHIBIT C: Description of Common Elements
EXHIBIT D: Description of Limited Common Elements
EXHIBIT E: Estimate of Initial Maintenance Fees and Estimate of Maintenance Fee Disbursements
EXHIBIT F: Description of Encumbrances Against Title
EXHIBIT G:
EXHIBIT H:
EXHIBIT I:
EXHIBIT J:

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.

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.

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.

Operation of the Condominium Project

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

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

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

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

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

Types of Project:

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

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

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

4. [ ] Single or [X] Multiple Buildings

5. Apartment Description

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
A	1	3/2	960	n/a
B	1	5/3	1,976	164

Total Apartments: 2

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

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

6. Parking:

	Stalls Assigned to Unit B	Number of Stalls	Stalls Assigned to Unit A
Assigned Stalls (Individual Units)	2 within Unit B Carport	14	4 (Two double tandem spaces within driveway leading to Unit A from 14th Avenue)
Guest Stalls	2 tandem spaces within driveway to Unit B from 14th Avenue		2 within Unit A carport
Unassigned Stalls	4 tandem spaces within driveway		6
Extra Stalls Available for Purchase	8 to Unit B from Waialae Avenue		
Other: _____			
Total Parking Stalls		14	

7. Recreational amenities:

I. PEOPLE CONNECTED WITH THE PROJECT

~~Developer~~: *Owner

Rose Chang Murakami,
Name

Ian Tetsuo Kagimoto,
Business Address

Steven K. Goo, and

Lisa Y. Goo

Phone: [redacted]
(Business)

*The Owner is not the original Developer of the Project, but has obtained this Public Report for financing purposes only. All references to "Developer" herein shall mean the "Owner".

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

N/A

Real Estate Broker:

N/A. There is no real estate broker as the units will not be offered for sale. This Public Report is being obtained for financing purposes only.
Name / Business Address

Phone: _____
(Business)

Escrow:

N/A. There is no escrow as the units will not be offered for sale. This Public Report is being obtained for financing purposes only.
Name / Business Address

Phone: _____
(Business)

General Contractor:

N/A. There is no general contractor as the units will not be offered for sale. This Public Report is being obtained for financing purposes only.
Name / Business Address

Phone: _____
(Business)

Condominium Managing Agent:

N/A. Self-managed by the Association of Apartment Owners. This Public Report is being obtained for financing purposes only.
Name / Business Address

Phone: _____
(Business)

Attorney for Developer:

Sheldon S.H. Zane
Name

Suite 1540, Pauahi Tower, 1001 Bishop Street
Business Address

Honolulu, Hawaii 96813

Phone: 524-4595
(Business)

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

[ ] Proposed
[X] Recorded - Bureau of Conveyances - Document No. 53399
Book 21841 Page 368
[ ] Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

Amendment Date: May 22, 1991
Recorded: July 1, 1991
Document No.: 91-089185

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

The Condominium Map for this condominium project is:

[ ] Proposed
[X] Recorded - Bureau of Conveyance Condo Map No. 1121
[ ] Filed - Land Court Condo Map No. 1121

Amendment date(s) and recording/filing information:

Amendment Date: November 30, 1990
Recorded: July 1, 1991
Bureau of Conveyance Condo Map No.: 1121

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

The Bylaws for this condominium are:

[ ] Proposed
[X] Recorded - Bureau of Conveyances - Document No. 53398
Book 21841 Page 379
[ ] Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

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

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

The House Rules for this condominium are:

[ ] Proposed [ ] Adopted [X] Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

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

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

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

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

2. Developer:

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

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

III. THE CONDOMINIUM PROJECT

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

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

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

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

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

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

_____

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

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

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

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

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

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

_____

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

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

[ ] Other:

For Subleaseholds:

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

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

B. **Underlying Land:**

Address: 3737 Waialae Avenue
Honolulu, Hawaii 96816

Tax Map Key: (TMK) 3-2-38: 42

[ ] Address [ ] TMK is expected to change because N/A

Land Area: 9,769 [X] square feet [ ] acre(s) Zoning: R-5

Fee Owner: Steven K. Goo and Lisa Y. Goo
Rose Chang Murakami, Life Estate and Ian Tetsuo Kagimoto, Remainderman
Name

Address

Sublessor: n/a
Name

Address

C **Buildings and Other Improvements:**

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

2. Buildings: 2 Floors Per Building 2

[X] Exhibit B contains further explanations.

3. Principal Construction Material:

[ ] Concrete [ ] Hollow Tile [X] Wood

[ ] Other

4. Permitted Uses by Zoning:

	No. of Apts.	Use Determined By Zoning		No. of Apts.	Use Determined By Zoning
[ ] Commercial			[ ] Industrial		
[X] Residential	2	YES	[ ] Agricultural		
[ ] Timeshare/Hotel			[ ] Recreational		
[ ] Other:					

Is/Are this/these use(s) specifically permitted by the project's declaration or bylaws?
[X] Yes [ ] No

5. Special Use Restrictions:

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

[ ] Pets:

[ ] Number of Occupants:

[X] Other: Covenant and Conditions contained in Affidavit dated April 15, 1988, recorded in the Bureau of Conveyances in Liber 21826 at Page 290 regarding building permit for a new two (2) story single family ohana unit.

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0 Stairways 0 Trash Chutes 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
A	1	3/2	960	N/A
B	1	5/3	1,976	164

Total Apartments: 2

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

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

Boundaries of Each Apartment:

Each apartment includes the perimeter walls, foundations, columns, girders, beams, floor slabs, footings, supports, roofs, ceilings, and floors located at the perimeter of our surrounding such apartment, which are utilized for or serve any such apartment.

Permitted Alterations to Apartments:

See Exhibit A.

7. Parking Stalls:

Total Parking Stalls: 14

	Regular		Compact		Tandem		
	covered	open	covered	open	covered	open	TOTAL
Assigned (for individual units)	4	0	0	0	0	10	14
Guest	0	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0	0
Extra Available for Purchase	0	0	0	0	0	0	0
Other:	0	0	0	0	0	0	0
Total Covered & Open	4		0		10		

Each apartment will have the exclusive use of at least 2 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. N/A

[ ] Exhibit _____ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

[X] There are no recreational or common facilities.

[ ] Swimming pool

[ ] Recreation Area

[ ] Tennis Court

[ ] Storage Area

[ ] Laundry Area

[ ] Trash Chute

[ ] Other: _____

9. Present Condition of Improvements

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

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

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

The Buildings are existing non-conforming structures which were built under ohana zoning. Building permits were issued for both dwellings but due to subsequent revisions in ohana zoning regulation, any reconstruction could require a variance unless the reconstruction meets the then current ohana zoning requirements.

10. Conformance to Present Zoning Code

a. [ ] No variances to zoning code have been granted.

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

Covenant and Conditions contained in Affidavit dated April 15, 1988, recorded in the Bureau of Conveyances in Liber 21826 at Page 290, regarding building permit for new two (2) story single family ohana unit.

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

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

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures		X	
Lot	X		

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

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

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

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

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

   [X] Exhibit C 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:

   [X] described in Exhibit D

   [ ] as follows:

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

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

   [X] As follows: Unit A 50%
   Unit B 50%

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

Exhibit F describes the encumbrances against the title contained in the title report dated June 5, 1991 and issued by Long & Melone, Ltd.

Blanket Liens:

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

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

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

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

Type of Lien	Effect on Buyer's Interest If Developer Defaults

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

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

The initial managing agent for this condominium is:

[ ] not affiliated with the Developer.

[ ] the Developer or the Developer's affiliate.

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

[ ] other _____

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

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

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

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

H. **Utility Charges for Apartments:**

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

[XX] Not applicable

[ ] Electricity

[ ] Gas

[ ] Other _____

[ ] Television Cable

[ ] Water & Sewer

I. **Construction Warranties:**

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

1. Building and Other Improvements: N/A

2. Appliances: N/A

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

Completed.

K. **Project Phases:**

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

Summary of Developer's Present Plans for Future Development: None

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

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

[ ] Notice to Owner Occupants N/A

[ ] Specimen Sales Contract N/A

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

[ ] Escrow Agreement dated N/A

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

[ ] Other N/A

The Notice to Owner Occupants, Specimen Sales Contract, and Escrow Agreement have not been filed with the Real Estate Commission because the units will not be offered for sale. This Public Report is being obtained for financing purposes only.

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

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

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

Final Report, 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, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is a part of Registration No. 2278 filed with the Real Estate Commission on July 25, 1990.

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

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

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

Peter N. Yanagawa

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

Distribution:

Bureau of Conveyances
Department of Finance, City & County of Honolulu
Planning Department, City & County of Honolulu
Federal Housing Administration

EXHIBIT "A"

Permitted Alterations to the Project

1. Alterations by Association. Alterations to the Project may be undertaken by the Association only pursuant to an amendment of the Declaration, duly executed by or pursuant to the affirmative vote of one hundred percent (100%) of the apartment owners, with the consent of all mortgagees.

2. Alterations by Owners. The owner of any apartment may make any alterations or additions to such owner's apartment and the limited common elements appurtenant thereto, at such owner's expense, provided that:

(a) the structural integrity of the Buildings is not affected by such alterations or additions;

(b) such owner files any necessary amendments of the Declaration and Condominium Map reflecting such alterations; and

(c) no apartment owner shall do any work which could jeopardize the soundness of the Project, reduce the value thereof, or impair any easement or hereditament, without the consent of all apartment owners.

EXHIBIT "B"

Description of Buildings. There have been constructed on the Land, two (2) two-story buildings, without basements, designated as Apartment A and Apartment B as shown on the Condominium Map. Apartment A includes a carport. Apartment B includes a garage. Each Building will contain one (1) residential apartment. The Buildings are constructed primarily of concrete slab, wood, glass and allied construction materials.

Description of Apartments. Two (2) separate freehold estates are hereby established within the outside surfaces of the concrete slabs, the roofs and the perimeter walls of the two (2) apartment units shown on the Condominium Map. The apartments in the Project are identified as Apartment A and Apartment B on the Condominium Map, and are located in the Project as shown on said Condominium Map. Apartment A has three bedrooms, two bathrooms, a kitchen, a dining room, a living room, and a carport. Apartment B has five bedrooms, three bathrooms, a family room, a storage room, a garage, a dining room, a kitchen and a living room. Apartment A has approximately 960 square feet of net living area, and Apartment B has approximately 1,976 square feet of living area.

EXHIBIT "C"

Description of Common Elements. One freehold estate is hereby designated in all remaining portions of the Project, being described and referred to herein as "common elements", including specifically, but not limited to:

(a) the land, in fee simple;

(b) any perimeter walls, foundations, floor slabs, columns, girders, beams, footings, supports, roofs or other external fascia of the Buildings which are utilized for or serve both apartments;

(c) all walkways, roadways, sidewalks, retaining walls, fences gates, driveways, yard areas, planting areas, grounds landscaping, and refuse areas which are utilized for or serve both apartments;

(d) all pipes, drain boxes, drain pipes, cables, conduits, ducts, sewer lines, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the Project which serve both apartments for services such as power, light, gas, water, sewer, drainage, air conditioning, telephone and television signal distribution, if any; and

(e) any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance and safety, which are normally in common use.

EXHIBIT "D"

Limited Common Elements. Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of one of the apartments and such apartment shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

(a) any perimeter walls, foundations, floor slabs, columns, girders, beams, footings, supports, roofs or external fascia of the Buildings which are not part of an apartment but are utilized for or serve only one apartment shall be limited common elements appurtenant to and reserved for the exclusive use of such apartment utilizing or served by such elements;

(b) all walkways, roadways, sidewalks, walls, fences, fenced areas, gates, driveways, planting areas, refuse areas, landscaping, grounds, entrances, exits, entry patios, yard areas, steps or similar areas located on the North-Northeast side (toward Waialae Avenue) of the imaginary line separating the concrete driveway between Apartment A and Apartment B as shown on the Condominium Map, shall be limited common elements appurtenant to and reserved for the exclusive use of Apartment A*;

(c) all walkways, roadways, sidewalks, walls, fences, fenced areas, gates, driveways, planting areas, refuse areas, landscaping, grounds, entrances, exits, entry patios, yard areas, steps or similar areas located on the South-Southeast side (away from Waialae Avenue) of the imaginary line separating the concrete driveway between Apartment A and Apartment B as shown on the Condominium Map, shall be limited common elements appurtenant to and reserved for the exclusive use of Apartment B*;

(d) the walkways, roadways, sidewalks, walls, fences, fenced areas, gates, driveways, planting areas along the East-Southeast boundary (away from 14th Avenue) of the property leading from Waialae Avenue to the yard area of Apartment B as shown on the Condominium Map, shall be limited common elements appurtenant to and reserved for the exclusive use of Apartment B; and

(e) any other walkway, roadway, sidewalk, retaining wall, fence, fenced area, gate, driveway, planting area, refuse area, landscaping, grounds, entrance, exit, entry

patio, yard area, steps or similar area which would normally be used only for the purposes of ingress to and egress from, or in connection with only one of the apartments shall be a limited common element appurtenant to and reserved for the exclusive use of such apartment.

*NOTE: The yard area designated as the limited common element for Apartment A and Apartment B does not represent a legally subdivided lot.

EXHIBIT "F" (Apt. A)

SCHEDULE "B"

1. As to said land described in Exhibit "1", the encumbrances noted therein.

2. Covenants, conditions, restrictions, reservations, easements, liens for assessments, options, powers of attorney, limitations on title, and all other provisions contained in or incorporated by reference in the Declaration of Horizontal Property Regime dated April 15, 1988, recorded in the Bureau of Conveyances in Book 21841, Page 368 (By-Laws thereto dated April 15, 1988, recorded in the Bureau of Conveyances in Book 21841, Page 379), the Condominium Map No. 1121; any instrument creating the estate or interest herein set forth; and in any other allied instrument referred to in any of the instruments aforesaid.

3. Reservation of a life estate of Rose Chang Murakami, as reserved in Deed dated January 18, 1991, recorded in the Bureau of Conveyances as Document No. 91-012497

4. DISTRICT COURT JUDGMENT
   Plaintiff(s) : Saint Francis Hospital
   Defendant(s) : Ian Kagimoto
   Amount : $599.71
   Dated : May 8, 1984
   Filed May 8, 1984 in the District Court of the First Circuit, Honolulu Division, State of Hawaii as Civil No. H84-1238.
   Recorded September 18, 1984 in the Bureau of Conveyances in Book 18151, Page 733.
   As amended by Amended Judgment dated March 15, 1988, recorded March 28, 1988 in the Bureau of Conveyances in Book 21765, Page 133, Saint Francis Hospital vs. Ian Kagimoto, also known as Ian Tetsuo Kagimoto.

5. TAXES (Tax Key: 3-2-38-42)
   NOTE: We have requested tax clearance from Tax Office, First Division and tax information will be disclosed upon receipt.

Estimate of Maintenance Fee Disbursements:

	Monthly x 12 months = Yearly Total
Utilities and Services	N/A
Air Conditioning	
Electricity	
[ ] common elements only	
[ ] common elements and apartments	
Gas	
Refuse Collection	
Telephone	
Water and Sewer	
Maintenance, Repairs and Supplies	N/A
Building	
Grounds	
Management	N/A
Management Fee	
Payroll and Payroll Taxes	
Office Expenses	
Insurance	$12.00 x 12 mos. = $144.00
Reserves	N/A
Taxes and Government Assessments	N/A
Audit Fees	$10.00 x 12 mos. = $120.00
Other	N/A
TOTAL	$264.00

I/We, Rose Chang Murakami Life Estate and Ian Tetsuo Kagimoto Steven K. Goo & Lisa Y. Goo, 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.

X Rose Chang Murakami

X Ian Tetsuo Kagimoto

X Steven K. Goo

X Lisa Y. Goo

Date: _____

EXHIBIT E

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Apartment	Monthly Fee x 12 months = Yearly Total
A	$11.00 x 12 mos. = $132.00
B	$11.00 x 12 mos. = $132.00

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