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

608C NORTH KUAKINI

608C and 608C-1 North Kuakini Street

Honolulu, Hawaii 96817

Registration No. 2379 (Conversion)

Issued: February 26, 1991
Expires: March 26, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of February 6, 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:

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GENERAL INFORMATION ON CONDOMINIUMS

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

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

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

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

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

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

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

Operation of the Condominium Project

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

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

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

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

[X] Fee simple interest in an apartment and an undivided 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. [ ] New Building(s) [X] Conversion
   [ ] Both New Building(s) and Conversion
2. [X] Residential [ ] Commercial
   [ ] Mixed Residential and Commercial
   [ ] Other _____
3. [ ] High Rise (5 stories or more) [X] Low Rise
4. [ ] Single or [X] Multiple Buildings
5. Apartment Description

Apt. ~~Type~~ No.	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
608C	1	3/1½	1,060	-
608C-1	1	4/1	1,072	-

Total Apartments: 2

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

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

6. Parking:

	Number of Stalls
Assigned Stalls (Individual Units)	4
Guest Stalls	
Unassigned Stalls	
Extra Stalls Available for Purchase	
Other: _____	
Total Parking Stalls	4

7. Recreational amenities: None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Summie Shan Li and Jane Wai Ching Li — Phone: 734-2208 (Business)
Name
936 7th Avenue
Business Address
Honolulu, Hawaii 96816

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

Cary Yiu Nang Lee
45-159 Unahe Place
Kaneohe, Hawaii 96744

Real Estate Sales Agent: Summie Li Realty, Inc. — Phone: 732-1272 (Business)
Name
1154 Fort Street, Suite 211
Business Address
Honolulu, Hawaii 96813

Escrow: Fidelity Escrow Services — Phone: 537-6799 (Business)
Name
700 Bishop Street, Suite 1015
Business Address
Honolulu, Hawaii 96813

Managing Agent: None, Self-managed by AOAO — Phone: (Business)
Name
Business Address

Attorney for Developer: Glenn M. Adachi
Name
841 Bishop Street, Suite 1601
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
[X] Recorded - Bureau of Conveyances - ~~Book~~ _____ ~~Page~~ Doc. No. 90-181547
[X] Filed - Land Court - Document Number 1783966

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
[X] Recorded - Bureau of Conveyance Condo Map No. 1415
[X] Filed - Land Court Condo Map No. 821

Amendment date(s) and recording/filing information:

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

The Bylaws for this condominium are:

[ ] Proposed
[X] Recorded - Bureau of Conveyances - ~~Book~~ _____ ~~Page~~ Doc No. 90-181548
[X] Filed - Land Court - Document Number 1783967

Amendment date(s) and recording/filing information:

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

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

The House Rules for this condominium are:

[ ] Proposed [ ] Adopted

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

E. **Changes to Condominium Documents**

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

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

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%	100%
Bylaws	65%	65%
House Rules	---	None

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:

1. At anytime prior to the recording of the first conveyance.
2. To file the "as built" verified statement.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

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

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

Exhibit _____ contains further explanations.

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

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

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

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

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

Exhibit _____ contains further explanations.

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

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

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

[ ] Other:

For Subleaseholds:

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

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

B. **Underlying Land:**

Address: 608C North Kuakini Street
Honolulu, Hawaii 96817

Tax Map Key: 1-7-36-17 (TMK)

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

Land Area: 13,020 [X] square feet [ ] acre(s) Zoning: R-3.5

Fee Owner: Summie Shan Li and Jane Wai Ching Li
Name

936 7th Avenue
Address

Honolulu, Hawaii 96816

~~Sublessor~~ Cary Yiu Nang Lee
Name

45-159 Unahe Place
Address

Kaneohe, Hawaii 96744

C **Buildings and Other Improvements:**

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

2. Buildings: 2 Floors Per Building 2

   [ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

   [X] Concrete [X] Hollow Tile [X] Wood

   [ ] Other _____

4. Permitted Uses:

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

5. Special Use Restrictions:

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

[ ] Pets _____

[ ] Number of Occupants: _____

[ ] Other: _____

[X] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators --- Stairways --- Trash Chutes ---

Apt. ~~Type~~ No.	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
608C	1	3/1½	1,060	-
608C-1	1	4/1	1,072	-

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:

1. All perimeter walls, floors, foundations and roofs of each building.
2. All pipes, wires, conduits, or other utility and service lines in such building, or outside such building, if the same are not utilized for or serve more than one apartment.
3. The garage of each dwelling.

Permitted Alterations to Apartments;

The unit owner at his option may improve renovate, remodel, make additions to, remove, replace or restore the improvements to or in the unit.

7. Parking Stalls:

Total Parking Stalls: 4

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

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.

[ ] 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):

(See Exhibit F)

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

The structures appear in good condition. The electrical system and plumbing systems appear to be functioning properly and in good condition.

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

The dwellings met the applicable code requirements when constructed prior to 1960.

10. Conformance to Present Zoning Code

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

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

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

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

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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 A describes the common elements.

   [ ] As follows:

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

   [ ] There are no limited common elements in this project.

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

   [ ] described in Exhibit _____

   [X] as follows:

   The lot area beneath and surrounding the unit.

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 No.	Common Interest
608C	50%
608C-1	50%

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

Exhibit B describes the encumbrances against the title contained in the title report dated October 23, 1990 and issued by Founders Title & Escrow of HI.

Blanket Liens:

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

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

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

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

Type of Lien	Effect on Buyer's Interest If Developer Defaults
Mortgage	Buyers' contracts will be cancelled and moneys deposited will be refunded.

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 C contains a schedule of maintenance fees and maintenance fee disbursements.

H. **Utility Charges for Apartments:**

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

[ ] Electricity
[ ] Television Cable
[ ] Gas
[X] Water & Sewer
[ ] Other _____
[ ] Not applicable

I. **Construction Warranties:** This project is a conversion of two existing buildings. There are no construction warranties.
Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements: None

2. Appliances: None

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

Unit 608C was constructed in 1960 and Unit 608C-1 was constructed in 1932. Both units were renovated in 1990.

K. **Project Phases:**

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

Summary of Developer's Present Plans for Future Development:

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

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

[ ] Notice to Owner Occupants

[X] Specimen Sales Contract

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

[X] Escrow Agreement dated November 21, 1990

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

[ ] Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

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

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

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

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

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

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

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

B. Rights Under the Sales Contract:

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

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

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

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

This Public Report is a part of Registration No. 2379 filed with the Real Estate Commission on January 11, 1991.

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

DESCRIPTION OF COMMON ELEMENTS

1. The land in fee simple as described in the Declaration of Condominium Property Regime.

2. All ducts, sewer lines, electrical equipment, pipes, wiring, and other central and appurtenant transmission facilities and installations which serve the apartments for services such as power, light, water, gas, refuse, telephone, radio, and television signal distribution.

3. Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance or safety, and normally in common use.

EXHIBIT B

LIST OF ENCUMBRANCES

1. Grant of easement in favor of Hawaiian Electric Company, Inc. and GTE Hawaiian Telephone Company, Incorporated dated September 5, 1959 and filed as Land Court Document No. 244489, for utility purposes.

2. Easement B as shown on Map 4, as set forth by Land Court Order No. 18346, filed August 31, 1960.

3. Easement of right of way for all purposes in favor of Masato Tanaka and Takino Tanaka, husband and wife, Richard Tatsuo Tanaka, husband of Lucille Tanaka, Yoshio Tanaka, unmarried, Hang Chin Ko, husband of Jennie Ko, Thompson Wah Hoy Ko, husband of Kinuko Ko, Ko Chong Shee and Ko Sun, husband and wife, and Sadajiro Baba and Misao Baba, husband and wife, over Easement B, as granted by Agreement dated August 10, 1960, filed as Land Court Document No. 262427, and recorded in Book 3909, Page 348, subject to the covenants and conditions contained therein, as amended by Amendment to Driveway Easement Agreement dated May 17, 1989 filed as Land Court Document No. 1641863, and recorded in Book 23311, Page 671.

4. Grant of easement in favor of Hawaiian Electric Company, Inc. and GTE Hawaiian Telephone Company, Incorporated dated November 10, 1961, filed as Land Court Document No. 282063 for utility purposes.

5. Any adverse claim based upon the assertion that:

(a) Said land or any part thereof is now or at anytime has been below the ordinary highwater mark of the Stream or Auwai.

(b) Some portion of said land has been created by artificial means or has accreted to such portion so created.

(c) Some portion of said land has been brought within the boundaries thereof by an avulsive movement of the Stream or Auwai, or has been formed by accretion to any such portion.

Rights of others thereto entitled in and to the continued uninterrupted flow of the Stream or Auwai.

6. Real property taxes due and payable. For more information contact City and County of Honolulu, Department of Finance, Real Property Tax Assessment.

EXHIBIT C

ESTIMATE OF INITIAL MAINTENANCE FEES AND ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Apartment	Monthly Fee x 12 months =	Yearly Total
#1-608C	$63.00	$756.00
#2-608C-1	63.00	756.00

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

Estimate of Maintenance Fee Disbursements:

	Monthly x 12 months =	Yearly Total
Utilities and Services		
Air Conditioning		
Electricity		
[ ] common elements only		
[ ] common elements and apartments		
Gas		
Refuse Collection		
Telephone		
Water and Sewer	$60.00	$720.00
Maintenance, Repairs and Supplies		
Building		
Grounds	20.00	240.00
Management		
Management Fee		
Payroll and Payroll Taxes		
Office Expenses		
Insurance (Liabilities)	26.00	312.00
Reserves	20.00	240.00
Taxes and Government Assessments		
Audit Fees		
Other		
TOTAL	126.00	1,512.00

I/~~We~~, Summie Li, 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.

Date: January 23, 1991

EXHIBIT D

Summary of Sales Contract

The sales contract contains the price, description, number and location of the apartment and other terms and conditions under which a buyer will agree to buy an apartment in the Project. Among other things, the sales contract says:

(a) The schedule of payments the buyer agrees to make.

(b) Any interest on buyer's deposit will be credited to the Seller.

(c) What a buyer must do to qualify for a loan if the buyer wants a mortgage loan to cover part of the purchase price.

(d) That buyer's money will be held in escrow, under the terms of the escrow agreement.

(e) If Seller elects, Buyer will pre-sign documents prior to the date of closing.

(f) That the buyer has reviewed and approved the plans and other documents pertaining to the Project.

(g) What will happen if there is a default under the sales contract.

(h) That the buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price and that Seller will give buyer 7 days notice of closing date.

(i) What will happen if there is a default under the sales contract.

The sales contract contains various other provisions which the buyer should become acquainted with.

EXHIBIT E

Summary of Escrow Agreement

The escrow agreement sets up an arrangement under which the deposits a buyer makes under a sales contract will be held by a neutral party ("Escrow"). Under the escrow agreement these things will or may happen:

(a) Escrow will collect payments due pursuant to the sales contract.

(b) Escrow will deposit all monies received pursuant to the sales contract in a special account with a financial institution.

(c) Escrow will let buyers know when payments are due.

(d) The escrow agreement says under what conditions escrow will disburse buyer's funds.

(e) The escrow agreement says under what conditions buyer's funds will be refunded if buyer cancels the sales contract.

(f) The escrow agreement says what will happen to a buyer's funds upon default under the sales contract.

(g) Escrow will arrange for and supervise the signing of all necessary documents.

(h) The escrow agreement sets forth Escrow's responsibilities in the event of any disputes.

The escrow agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.

ENDRE TOTH, P. E.
Structural Engineer
3737 SIERRA DRIVE
HONOLULU, HAWAII 96816

Mr. Summie Li
936 7th Avenue
Honolulu, Hi 96816

November 20, 1990

Dear Mr. Li,

As per your instructions, a visual inspection was made of the property located at 608C N. Kuakini Street, T.M.K. 1-7-36-17 Honolulu, Hawaii.

The purpose of the inspection was to examine and comment on the present condition of the buildings.

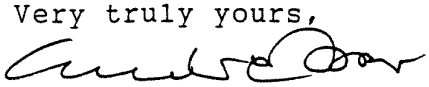
The following describes by assessment of the present condition of the buildings:

1. The structures described as Units 1 and 2 appear in good condition. The units are habitable and appear to be free from major structural defects.

2. The electrical system and plumbing systems appear to be functioning properly and seem to be in good condition.

Conclusion: The buildings described as units 1 and 2 are in good condition with no major structural defects. At this point, the age of the structures is not known and no useful life of the buildings has been determined.

Very truly yours,



ENDRE TOTH
Registered Professional Architect
or Engineer, Registration No. 2423-S

EXHIBIT F