# REAL ESTATE COMMISSION

STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
PROFESSIONAL AND VOCATIONAL LICENSING DIVISION
P. 0. Box 3469
Honolulu, Hawaii 96801

## CONDOMINIUM PUBLIC REPORT

### 2729 NAKOOKOO STREET

2729 Nakookoo Street
Honolulu, Hawaii

Registration No. 2714 (Conversion)

Issued: October 22, 1992
Expires: November 22, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of September 23, 19 92, 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

2729 Nakookoo Development Partners ("Developer") is the Buyer under a Deposit Receipt, Offer and Acceptance from the fee owners, Tadao Kimura and Yoshiko Takaki Kimura, Trustees under respective revocable living trusts. Because Developer does not have full legal title to the property, the escrow agent shall not disburse deposits made by apartment purchasers until the sale of the property to Developer has closed or unless the closing of the sale of the property to the developer and the closing of the sale of apartments occurs simultaneously.

This public report does not constitute an approval of the project by the Real Estate Commission or any other governmental agency, nor does it ensure that all applicable City and County codes, ordinances and subdivision requirements have necessarily been complied with.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

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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.

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. [ ] New Building(s) [ X] 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. [ X] Single or [ ] Multiple Buildings

5. Apartment Description

| Apt. No. | Quantity | BR/Bath | Net Living Area (sf)* | Lanai/Patio (sf) |
|---|---|---|---|---|
| 101 | 1 | 3/1½ | 1,083.36 sq.ft. | 112.0 sq.ft. |
| 102 | 1 | 2/1 | 694.26 sq.ft. | 96.0 sq.ft. |
| 203 | 1 | 2/1 | 694.36 sq.ft. | 90.0 sq.ft. |
| 204 | 1 | 2/1 | 704.16 sq.ft. | 96.0 sq.ft. |
| 205 | 1 | 2/1 | 704.16 sq.ft. | 96.0 sq.ft. |
| 206 | 1 | 2/1 | 694.26 sq.ft. | 96.0 sq.ft. |

Total Apartments: 6

*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) | 7 |
| Guest Stalls | |
| Unassigned Stalls | |
| Extra Stalls Available for Purchase | |
| Other:_____ | |
| Total Parking Stalls | 7 |

7. Recreational amenities: None

## I. PEOPLE CONNECTED WITH THE PROJECT

Developer:

2729 NAKOOKOO DEVELOPMENT PARTNERS
Name

Phone: 599-6934
(Business)

33 S. King St., Ste. 515
Business Address

Honolulu, Hawaii 96813

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

| | |
|---|---|
| 2729 Nakookoo, Inc. | 33 S. King St., Ste. 515 |
| Samuel Tang, President | Honolulu, Hi 96814 |
| Abe Lee Development, Inc. | 2752 Woodlawn Dr., Ste. 5-205 |
| Abraham Lee, President | Honolulu, HI 96822 |

Real Estate Broker: Abraham W.H. Lee dba Abe Lee Realty
Name

Phone: 988-8071
(Business)

2752 Woodlawn Dr., Ste. 5-105
Business Address

Honolulu, Hawaii 96822

Escrow: Island Title Corporation
Name

Phone: 531-0261
(Business)

1032 Bishop St., Ste.400
Business Address

Honolulu, Hawaii 96813

General Contractor:

Name

Phone:
(Business)

Business Address

Condominium Managing Agent: Self-managed by Association of Apartment
Name

Phone:
(Business)

Owners
Business Address

Attorney for Developer:

Glenn M. Adachi
Name

Phone: 526-3880
(Business)

841 Bishop Street, Ste. 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
[ ] Recorded - Bureau of Conveyances - Document No. _____
Book _____ Page _____
[ X] Filed - Land Court - Document No. 1952035

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. _____
[ X] Filed - Land Court Condo Map No. 931

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 - Document No. _____
Book _____ Page _____
[ X] Filed - Land Court - Document No. 1952036

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 [ X] 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:

| | Minimum Set by Law | This Condominium |
|---|---|---|
| Declaration (and Condo Map) | 75% | 75% |
| Bylaws | 65% | 65% |
| House Rules | --- | Board of Directors |

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

2. Developer:

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

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

To amend the Declaration, By-Laws and Condominium Map at anytime prior to recording of the sale of the unit.

## 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 canceled if the master lease between the sublessor and fee owner is
[ ] Canceled [ ] 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 canceled or foreclosed.

B. **Underlying Land:**

Address: 2729 Nakookoo Street
Honolulu, Hawaii

Tax Map Key: (1) 2-7-18-22
(TMK)

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

Land Area: 6,146.0 [ X] square feet [ ] acre(s) Zoning: A-2

Fee Owner: Tadao Kimura, as Trustee of the Tadao Kimura Revocable Living Trust dated September 27, 1985, and Yoshiko Takaki Kimura, as Trustee of the Yoshiko Takaki Kimura Revocable Living Trust dated September 27, 1985, with full powers to sell, mortgage, convey, lease, etc.

Address: 2729 Nakookoo Street
Honolulu, Hawaii 96826

Buyer under DROA:
Name: 2729 Nakookoo Development Partners

Address: 33 S. King St., Ste. 515
Honolulu, HI 96813

C. **Buildings and Other Improvements:**

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

2. Buildings: 1 Floors Per Building 2

[ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

[ X] Concrete [ X] Hollow Tile [ ] 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 | 6 | 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:

[ X] Pets: No livestock, poultry, rabbits or other animals are permitted except for dogs, cats and other household pets in reasonable number.

[ ] Number of Occupants:

[ ] Other:

[ ] There are no special use restrictions.

6. Interior(fill in appropriate numbers):

Elevators 0 Stairways 2 Trash Chutes 0

| Apt. No. | Quantity | BR/Bath | Net Living Area (sf)* | Lanai/Patio (sf) |
|---|---|---|---|---|
| 101 | 1 | 3/1½ | 1,083.36 sq.ft. | 112.0 sq.ft. |
| 102 | 1 | 2/1 | 694.26 sq.ft. | 96.0 sq.ft. |
| 203 | 1 | 2/1 | 694.36 sq.ft. | 90.0 sq.ft. |
| 204 | 1 | 2/1 | 704.16 sq.ft. | 96.0 sq.ft. |
| 205 | 1 | 2/1 | 704.16 sq.ft. | 96.0 sq.ft. |
| 206 | 1 | 2/1 | 694.26 sq.ft. | 96.0 sq.ft. |

Total Apartments: 6

*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 spaces within the perimeter and party walls, windows, doors, floors and ceilings of each of the apartment units.

Permitted Alterations to Apartments:

Any alterations or additions within an apartment shall require the written approval of the Board and all other apartment owners thereby directly affected as determined by said Board.

7. Parking Stalls:

Total Parking Stalls: 7

| | Regular | | Compact | | Tandem | | |
|---|---|---|---|---|---|---|---|
| | covered | open | covered | open | covered | open | TOTAL |
| Assigned (for individual units) | 6 | 1 | | | | | 7 |
| Guest | | | | | | | |
| Unassigned | | | | | | | |
| Extra Available for Purchase | | | | | | | |
| Other: | | | | | | | |
| Total Covered & Open | 7 | | | | | | |

Each apartment will have the exclusive use of at least 1 parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

[ ] Commercial parking garage permitted in condominium project.
[ ] Exhibit _____ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

[ X] There are no recreational or common facilities.

[ ] Swimming pool
[ ] 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

See Visual Inspection Report dated June 12, 1992, prepared by Wayne S. Date, AIA and Davidson Abatement, Inc. Proposal dated June 22, 1992 (Exhibits F & G)

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

Building met applicable code requirements at time of construction. (Exhibit H)

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 (See Exhibit H) | |
| Lot | X | | |

If a variance has been granted or if uses, structures or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations and consequences 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:

   1. The parking stall(s) as designated on the Condominium Map and in the Declaration of Condominium Property Regime.

   2. The patio or balcony area adjacent to each 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 _____ describes the common interests for each apartment.

   [ X] As follows:

| Apt. No. | Common Interest |
|---|---|
| 101 | 25% |
| 102 | 15% |
| 203 | 15% |
| 204 | 15% |
| 205 | 15% |
| 206 | 15% |

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 August 11, 1992 and issued by Island Title Corporation.

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 ___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:

[ ] Not applicable

[ X] Electricity (Common areas only) [ ] Television Cable

[ ] Gas [ X] Water & Sewer

[ ] Other _____

I. **Construction Warranties:**

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

1. Building and Other Improvements:

   None. Building is a conversion.

2. Appliances:

   None. Building is a conversion.

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

Construction completed in 1965.

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:

[ X] 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 ____July 1, 1992____

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 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. 0. Box 541, Honolulu, HI 96809.

This Public Report is part of Registration No. 2714 filed with the Real Estate Commission on September 4, 1992.

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

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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.

Stanley M. Kuniyan for
MARCUS NISHIKAWA, Chair
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

EXHIBIT A

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

2. All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, entries, stairways, elevators, walkways, entrances and exits of said buildings.

3. All yards, grounds and landscaping.

4. Parking area.

5. All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any.

6. 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, or normally in common use.

EXHIBIT B

LIST OF ENCUMBRANCES

1. Reservation in favor of the State of Hawaii to title of all minerals and metallic mines.

2. Rental and Lease Assignment dated January 6, 1966, by and between Chika Kimura, widow, and Tadao Kimura, husband of Yoshiko Tadaki Kimura, and Hawaii National Bank, Honolulu, a national banking association organized under the laws of the United State of America, filed January 10, 1966, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 379656.

3. Terms, provisions, covenants and conditions contained in that certain unrecorded Tadao Kimura Revocable Living Trust Agreement dated September 27, 1985 and Yoshiko Takaki Kimura Revocable Living Trust Agreement dated September 27, 1985.

4. Any facts, rights, interest or claims which may arise by virtue of parties in possession and or unrecorded documents pertaining to said property.

5. Any easements for ingress, egress, foundation and structure support, maintenance etc., and any shortgages in area and/or overlaps, encroachments, etc., that would be disclosed by an inspection and/or correct survey of said land.

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

7. Covenants, conditions, restrictions, reservations, easements, lines for assessments, options, powers of attorney, limitations on title, and all other provisions contained in or incorporated by reference in the Declaration of Condominium Property Regime and By-Laws of the Association of Apartment Owners filed as Land Court Document Nos. 1952035 and 1952036, respectively, and Condominium Map No. 931; any instrument creating the estate or interest herein set forth; and in any other allied instrument referred to in any of the instruments aforesaid.

## *"2729 NAKOOKOO STREET"*
## *PROJECTED ANNUAL MAINTENANCE BUDGET*
## *AND ESTIMATED OPERATING EXPENSES*

Project Name: 2729 Nakookoo Street
Address: 2729 Nakookoo Street
Honolulu, HI 96826
Unit Numbers: 101, 102, 203, 204, 205, 206

| Item | Per Year Total | Per Month 3 bdrm | Per Month 2 bdrm |
|---|---|---|---|
| Water & Sewer | 1,950.00 | 40.63 | 24.38 |
| Fire insurance | 750.00 | 15.63 | 9.38 |
| Liability insurance | 500.00 | 10.42 | 6.25 |
| Electricity (common area) | 409.92 | 8.54 | 5.12 |
| Reserve | 200.00 | 4.17 | 2.50 |
| Total | 3,809.92 | 79.39 | 47.63 |

I, Abraham Lee, certify and swear that the foregoing is true and correct to the best of my knowledge, information, and belief, and was prepared in accordance with generally accepted accounting principles.

Dated: Oct. 14, 1992

Abraham Lee
Signature

EXHIBIT C

EXHIBIT D

Summary of Condominium Reservation Agreement, Deposit Receipt and Sales Contract

The Condominium Reservation Agreement, Deposit Receipt and Sales Contract ("sales contract") contains the price, description and 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 provides:

1. A breakdown of the schedule of payments buyer will make.

2. Buyer to purchase an additional parking stall, if available.

3. Additional charges buyer will pay at closing.

4. A seller's disclosure statement as to the condition of the building.

5. Acknowledgement by buyer concerning representations made by Seller and Seller's agent about the rental of the apartment, condition of the unit, the building or the property, compliance with building, zoning, land use, subdivision or other applicable law, ordinance, rule or regulation, condition of the soil, improvements under the land or on or under adjoining land, matters concerning utility systems, drainage systems, or survey.

6. The buyer is buying the unit in "AS IS" condition.

7. Buyer's right to cancel the sales contract.

8. Subordination of the sales contract to any interim loan to finance the acquistion of the property.

9. Buyer's deposits will be held in escrow until the sales contract is closed or cancelled.

10. Proration of taxes, assessments and other chareges at date of closing.

11. Buyer agrees to the appointment of the initial management agent.

12. If Seller elects, buyer agrees to preclose by signing all documents prior to closing date.

13. In the event of default:
If buyer defaults:

(1) Seller may bring an action for breach of contract;
(2) Seller may retain the deposits as liquidated damages;
(3) Buyer is responsible for any costs incurred under the sales contract.

If Seller defaults:

(1) Buyer may bring an action for breach of contract;
(2) Buyer may bring an action for specific performance;
(3) Seller is responsible for any costs incurred under the sales contract.

The prevailing party is entitled to recover all costs incurred including reasonable attorney's fees. Escrow fees incurred shall be deducted before disbursement to the prevailing party.

14. If buyer is financing a portion of the sales price, buyer will apply for a loan within 5 days after notification by Seller. Buyer will be in breach of the sales contract if buyer fails to apply for the loan after notification by Seller. Seller may keep down payment as liquidated damages or terminate the sales contract.

15. If buyer fails to qualify for a loan, Seller at its option, may terminate the sales contract and have escrow refund buyer's deposit less any fees for credit reports or escrow charges.

16. If the project is not feasible Seller may elect to cancel the project. In such event, buyer's sales contract may be terminated and Seller shall return all monies paid by buyer without interest.

17. Inspection of the property by buyer.

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

EXHIBIT E

Summary of Escrow Agreement

The escrow agreement established an arrangement under which the deposits a buyer makes under a Condominium Deposit, Receipt and Sales Contract ("sales contract") will be held by a neutral party ("Escrow"). Under the escrow agreement these things will or may happen:

(a) Signed copies of the sales contract will be provided to Escrow.

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

(c) Seller will notify Escrow who in turn will notify buyers when payments are due.

(d) Escrow will accept purchaser's payments pursuant to the sales contract and will hold the funds or make payments according to the escrow agreement.

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

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

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

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

(i) 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.

June 12, 1992

Abe Lee Development, Inc.
2907 Loomis Street
Honolulu, Hawaii 96822

Dear Mr. Abe Lee,

As per your instructions, visual inspections were made on the property located at 2729 Nakookoo Street, T.M.K. 7-4-14:24, Honolulu, Oahu on June 12, 1992.

The purpose of the inspections was to visually examine and comment on the present condition of the building. Basically, the building is two stories; with both floors and roof constructed out of concrete slabs; exterior and partition walls between units constructed out of cmu wall; and single wall redwood interior partition walls. The bottom floor contains a covered garage, a three bedroom unit (unit 101), and a two bedroom unit (unit 102). The upper floor contains 4-two bedroom units (units 203, 204, 205, and 206).

The following describes my assessment of the overall condition of the building:

1. Visually, the exterior of the building appears to be in good condition and has been well maintained. According to the owner, both the roofing and the exterior painting was redone within the past several years.
2. We did not visually encounter any noticeable major structural cracks or defects in the building. See items 5 and 6 on this section.
3. Exterior electrical and plumbing work appears to be in fair condition.
4. Surrounding landscape has been done and maintained very well.
5. Visually, it was noticed that the roof had 4 separate areas that were collecting water (ponding). It would appear that the concrete roof structure has "slumped" at these areas. The owner informed us that this condition was present at the time of construction and that although the roof ponds, there have been no reports of roof leaks. See Structural report by J. Brian Hughes.
6. Second floors' concrete balcony did exhibit areas of which contain stress cracks.
7. Existing balcony and deck metal railing is only 3'-0" high.
8. We did not visually see or encounter any area which would exhibit termite infestation and/or damage.
9. No unit is presently accessible to handicapped individuals. However, at the time of construction, no handicap requirements for accessibility were enforced.

EXHIBIT F

10. Existing building does not contain enough parking nor does it contain the proper ratio required by present LUO codes.

    Generally, the overall building appears to be in good shape considering the age of the structure.

Unit 101 (3 bedroom unit):

1. The unit appears to be well maintained.
2. We did not encounter neither plumbing or electrical work that did not function properly.
3. The existing ceiling material (simulated blown acoustic) and VAT tile floor is suspect of containing asbestos and should be tested as such. See asbestos report by Davidson Abatement Inc.
4. Battery operated smoke detector was present.

Unit 102 (two bedroom unit):

1. The unit appears to be maintained very well. We did not encounter neither plumbing or electrical work that did not function properly.
2. The existing ceiling material (simulated blown acoustic) and VAT tile floor is suspect of containing asbestos and should be tested as such. See asbestos report by Davidson Abatement Inc.
3. Battery operated smoke detector was present.

Unit 203 (two bedroom unit):

1. The unit appears to be maintained very well. We did not encounter neither plumbing or electrical work that did not function properly.
2. The existing ceiling material (simulated blown acoustic) and VAT tile floor is suspect of containing asbestos and should be tested as such. See asbestos report by Davidson Abatement Inc.
3. The concrete floor at bedroom #1 is uneven and appears to have "slumped" towards the front of the closet. (see structural report by J. Brian Hughes, Inc.)
4. Bedroom #1, north cmu wall has a patch of paint that has lifted due to water infiltration. According to the owner, area has not lifted since exterior painting was done on the building.
5. Battery operated smoke detector was present.

Unit 204 (two bedroom unit):

1. The unit appears to be maintained very well. We did not encounter neither plumbing or electrical work that did not function properly.
2. The existing ceiling material (simulated blown acoustic) and VAT tile floor is suspect of containing asbestos and

should be tested as such. See asbestos report by Davidson Abatement Inc.

3. Unit does not contain any smoke detector.

Unit 205 (two bedroom unit):

1. The unit appears to be maintained ok. We did not encounter neither plumbing or electrical work that did not function properly.
2. The existing ceiling material (simulated blown acoustic) and VAT tile floor is suspect of containing asbestos and should be tested as such. See asbestos report by Davidson Abatement Inc.
3. The unit does not contain a food disposal unit.

Unit 206 (two bedroom unit):

1. The unit appears to be maintained very well. We did not encounter any electrical fixture that did not function properly.
2. All plumbing except kitchen faucet works properly (leaking at the seals).
2. The existing ceiling material (simulated blown acoustic) and VAT tile floor is suspect of containing asbestos and should be tested as such. See asbestos report by Davidson Abatement Inc.

Conclusion: The units described above appears to be in good condition. The useful life of the structure in its present condition is approximately 30 years. Review of Structural Engineers and Asbestos Abatement report will need to be reviewed and taken into account.

WAYNE S. DATE
REGISTERED PROFESSIONAL ARCHITECT
No. 5421
Hawaii, U.S.A.

Wayne S. Date, AIA
Registered Professional Architect
Hawaii Reg. No. 5421

EXHIBIT G

# DAVIDSON ABATEMENT, INC.

June 22 1992

PACIFIC ALLIANCE GROUP
33 S. King Street #515
Honolulu, Hawaii 96813

JUN 24 1992

Attention: Sam Tang

Sam,

Here is the laboratory report for 2729 Nahoohoo place. The samples that were taken are representative of the materials found throughout the building. I am including here a proposal for the removal and encapsulation of the ceiling material. At this time neither the roofing material or the floor tile represent a serious hazard, however maintainance personnel and occupants should be aware that these areas do contain asbestos and should be left undisturbed. If you have any questions regarding this proposal or on asbestos issues in general please give me a call and I'll be glad to assist you.

Thank you very much.

Sincerely,

Kermit Davidson
President/RME

45024 Lilipuna Road • Kaneohe • Hawaii • 96744

**MURANAKA**
**ENVIRONMENTAL CONSULTANTS, INC.**
P.O. Box 4341 • Honolulu, Hawaii 96812
(808) 531-8877 • Fax (808) 523-8082

# INDUSTRIAL HYGIENE LABORATORY REPORT
## BULK SAMPLE IDENTIFICATION
June 19, 1992
Project No. 92404

**SITE:**
2729 Nahoohoo Place

**CLIENT:**
Davidson Abatement
45-024 Lilipuna Road
Kaneohe, Hawaii 96744

| Sample Number | Location | Sample Description | (A) Condition | (B) Friability | (C) Access | Asbestos (D) (% by vol) | Other Material (E) |
|---|---|---|---|---|---|---|---|
| SAMPLES RECEIVED: 12-Jun-92 | | | | | | | |
| 102C | Unit #102 | white ceiling material | | | | chrysotile 10-20% | |
| 102FT | Unit #102 | tan floor tile | | | | chrysotile 10-20% | |
| | | black mastic | | | | chrysotile 5-10% | |
| 204C | Unit #204 | white ceiling material | | | | chrysotile 10-20% | |
| 204FT | Unit #204 | tan floor tile | | | | chrysotile 10-20% | |
| | | black mastic | | | | chrysotile 5-10% | |
| 203C | Unit #203 | white ceiling material | | | | chrysotile 10-20% | |
| 203FT | Unit #203 | tan floor tile | | | | chrysotile 10-20% | |
| | | black mastic | | | | chrysotile 5-10% | |
| 101 | Unit 101 | white ceiling material | | | | chrysotile 10-20% | |
| Roof | Roof | roof flashing | | | | chrysotile 3-5% | |

KEY TO CATEGORIES:

A – (1) intact (2) minor damage (3) visible deterioration
B – (1) low (2) medium (3) high
C – (1) low – rare to no accessibility (2) medium – occasional accessibility or the potential for disturbance through maintenance activities (3) high – readily accessible by building personnel and tenants.
D – as the mineral type: chrysotile, amosite, crocidolite, anthophyllite, tremolite, or actinolite (ND = Not Detected)
E – mineral/glass wool, wood/paper fiber, vermiculite, perlite/pumice, nonfibrous binder filler, synthetic fiber

COMMENT:

Samples submitted for qualitative asbestos determination were analyzed utilizing dispersion staining in conjunction with polarized light microscopy. The limit of detection for this analysis is 0.1% v/v.

Samples received in the laboratory will be kept for 90 days and then discarded unless other arrangements are made with Muranaka Environmental Consultants, Inc.

There is no single validated or standard methodology for analyzing asbestos in floor tile and other non-friable materials. Muranaka Environmental Consultants, Inc., uses an industry accepted standard technique for the analysis of such materials by polarized light microscopy. However, these materials may contain asbestos fibers that are not ordinarily detectable using standard light microscopy.

While USEPA considers asbestos-containing building materials with less than or equal to 1% asbestos by volume to be non-regulated for purposes of NESHAPS, federal OSHA has interpreted these quantities in a vastly different manner. Seek up to date information on regulations concerning low percentage ACBM, and how it may interact with your specific situation.

Single samples of suspect asbestos-containing building materials that are found to be negative may not be representative of the homogenous area. Muranaka Environmental Consultants, Inc. recommends adhering to established bulk sampling protocols to ensure representative samples are collected.

The samples received in the laboratory were not collected by Muranaka Environmental Consultants, Inc. personnel. We make no representations as to the accuracy and misrepresentations resulting from the inaccurate or incomplete collection of the samples.

Diane R Johnson

Diane R. Johnson

# DAVIDSON ABATEMENT, INC.

July 10, 1992

PACIFIC ALLIANCE GROUP
33 S. King Street
Honolulu, Hawaii 96813

Sam,

This is an addendum to my previous proposal. It is my professional opinion that encapsulation of the ceiling material at 2729 Nakookoo Place would be an adequate remediation of the asbestos.

As I stated previously, this particular ceiling is a good candidate for an effective encapsulation. This is because:

1) The ceiling is in good condition with no sign of delamination or water damage.

2) The ceiling material is thin (approximately ¼ inch) and could be well penetrated by the proper application of an effective encapsulant.

3) The ceiling has not been painted with alatex paint which would inhibit the penetration of any encapsulant.

Therefore, I can restate that this material is well suited for encapsulation. I might add encapsulation is an acceptable method of remediating asbestos recognized by Federal agencies and in the abatement industry in general.

If you have any questions regarding this proposal, please give me acall and I'll be gald to assist you.

Thank you.

Kermit Davidson
President/RME

45024 Lilipuna Road • Kaneohe • Hawaii • 96744
Phone (808) 236-1128 • Fax (808) 247-4059

BUILDING DEPARTMENT

# CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813

FRANK F. FASI
MAYOR

HERBERT K. MURAOKA
DIRECTOR AND BUILDING SUPERINTENDENT

Ex92-72

June 1, 1992

Mr. Abe Lee
2907 Loomis Street
Honolulu, Hawaii 96822

Dear Mr. Lee:

Subject: Condominium Conversion Project
2729 Nakookoo Street
Tax Map Key: 2-7-18: 22

This is in response to your letter dated April 28, 1992 requesting verification that the two-story six-unit apartment building located at 2729 Nakookoo Street met all code requirements when it was constructed in 1965.

Investigation revealed that the apartment building with six off-street parking spaces met the applicable code requirements when it was constructed in 1965.

However, the six parking spaces and the front and right yards do not meet present zoning code requirements and are considered nonconforming.

For your information, the Building Department cannot determine whether this project contains any other legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes.

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

EXHIBIT H

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

Very truly yours,

HERBERT K. MURAOKA
Director and Building Superintendent

Subscribed and sworn to
before me this 2nd day of
June, 1992.

Notary Public, First Judicial Circuit
State of Hawaii
My commission expires: June 21, 1995