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

LEOLUA REGENT

94-246 Leoku Street
Waipahu, Hawaii 96797

Registration No. 2728 (Conversion)

Issued: November 6, 1992
Expires: December 6, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of October 30, 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:

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

Summary of Changes from Earlier Public Reports:

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

[xx] 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.

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. [ ] Single or [X] Multiple Buildings

5. Apartment Description

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
12 types	175	1/1, 2/1, 3/1	from 438 to 1145	-----
		(See Page 5a for details)		

Total Apartments: 175

**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)	175
Guest Stalls	0
Unassigned Stalls	0
Extra Stalls Available for Purchase	0
Other: _____	n/a
Total Parking Stalls	175

7. Recreational amenities:

Swimming pools (2)

6. Apartment Description

Apt. Type	Quantity	BR/Bath	Net Lvng Area (sf)	Lanai/ Patio(sf)
A	12	3/1	858	n/a
B	54	2/1	712	n/a
C	4	3/1	868	n/a
D	2	2/1	707	n/a
E	8	3/1	833	n/a
F	4	2/1	614	n/a
G	6	1/1	447	n/a
H	6	2/1	438	n/a
I	60	2/1	579	n/a
J	12	3/1	680	n/a
K	6	2/1	675	n/a
L	1	2/1	1145	n/a

PEOPLE CONNECTED WITH THE PROJECT

Developer: Leolua Regent, Inc. — Phone: (808) 677-3991 (Business)
Name
94-246 Leoku Street
Business Address
Waipahu, Hawaii 96797

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

Douglas Carreira, President
Randy Ibarra, Vice President
Sharon Daluson, Secretary
Linda Yuen, Treasurer

Real Estate Broker: N/A — Phone: _____ (Business)
Name
Business Address

Escrow: Title Guaranty Escrow Services, Inc. — Phone: (808) 521-0211 (Business)
Name
235 Queen Street, First Floor
Business Address
Honolulu, Hawaii 96813

General Contractor: N/A — Phone: _____ (Business)
Name
Business Address

Condominium Managing Agent: Chaney Brooks & Company — Phone: (808) 676-2255 (Business)
Name
94-1024 Waipio Uka Street, Suite 201
Business Address
Waipahu, Hawaii 96797

Attorney for Developer: Foley Maehara Judge Nip & Chang — Phone: (808) 526-3011 (Business)
Name
737 Bishop Street, Suite 2700
Business Address
Honolulu, Hawaii 96813
Attn: Mr. Edward R. Brooks

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. 92-144460
Book _____ Page _____
[ ] Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

N/A

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. 1726
[ ] Filed - Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

N/A

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. 92-144461
Book _____ Page _____
[ ] Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

N/A

The Condominium Statute (Chap[illegible] 514A, HRS), the Declaration, Bylaws, [illegible] House Rules control the rights and obligations of the apartment own[illegible] with respect to the common elements [illegible] 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%	65%
House Rules	---	---

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

See Exhibit "A" attached hereto and made a part hereof.

III. THE CONDOMINIUM PROJE

A. Interest to be Conveyed to Buyer:

[X 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: 94-246 Leoku Street & 94-099 Waipahu Street Waipahu, Hawaii 96797 Tax Map Key: 9-4-47:13 (1) (TMK)

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

Land Area: 166,890 [xx] square feet [ ] acre(s) Zoning: A-2

Fee Owner: Leolua Regent, Inc.
Name
94-246 Leoku Street
Address
Waipahu, Hawaii 96797

Sublessor: N/A
Name

Address

C Buildings and Other Improvements:

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

2. Buildings: 7 Floors Per Building A,B,C,E,F,G = 3 floors
D = 1 floor

[ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

[xx] Concrete [xx] 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	175	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 pets are allowed without the prior written consent of the Board of Directc

[ ] Number of Occupants: _____

[X] Other: No apartment shall be used for commercial, transient or hotel purposes. Alsc no apartment shall be used for tenement or rooming homes or for time-sharing purpose

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0 Stairways 27 Trash Chutes 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
12 types	175	1/1, 2/1, 3/1	from 438 to 1145	-------
		(See Page 11a for details)		

Total Apartments: 175

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. Interior

Apt. Type	Quantity	BR/Bath	Net Lvng Area (sf)	Lanai/ Patio(sf)
A	12	3/1	858	n/a
B	54	2/1	712	n/a
C	4	3/1	868	n/a
D	2	2/1	707	n/a
E	8	3/1	833	n/a
F	4	2/1	614	n/a
G	6	1/1	447	n/a
H	6	2/1	438	n/a
I	60	2/1	579	n/a
J	12	3/1	680	n/a
K	6	2/1	675	n/a
L	1	2/1	1145	n/a

Boundaries of Each Apartment:

The perimet walls, floors and ceilings of each apartment.

Permitted Alterations to Apartments:

See Exhibit "B" attached hereto and made a part hereof.

7. Parking Stalls:

Total Parking Stalls: _____

	Regular		Compact		Tandem		
	covered	open	covered	open	covered	open	TOTAL
Assigned (for individual units)	---	---	---	175	---	---	175
Guest	---	---	---	---	---	---	---
Unassigned	---	---	---	---	---	---	---
Extra Available for Purchase	---	---	---	---	---	---	---
Other:	---	---	---	---	---	---	---
Total Covered & Open	---		175		---		

Each apartment will have the exclusive use of 1 parking stall.
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:

[ ] There are no recreational or common facilities.

[X] Swimming pool (2)

[ ] Recreation Area

[ ] Tennis Court

[X] Storage Area

[X] Laundry Area

[ ] Trash Chute

[ ] Other: _____

_____

9. Present Condition of Improvements

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

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

No representations are made by the Developer regarding the conditions and expected useful life of structural components or mechanical or electrical installations of the Project. However, see the letters attached as Exhibit "B" to the DISCLOSURE ABSTRACT, a copy of which must be given to each prospective buyer along with this Public Report.

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

See Exhibit "C" attached hereto and made a part hereof. Though the letter mentions only 148 parking spaces, the Developer has represented, and Condominium Map 1726 for the project shows a total of 175 parking spaces.

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.

   [xx] Exhibit D 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.

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

   [xx] 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.

   [xx] Exhibit E describes the common interests for each apartment.

   [ ] As follows:

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

Exhibit F describes the encumbrances against the title contained in the title report dated September 8, 1992 and issued by Title Guaranty of Hawaii, Inc.

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:

[XX] not affiliated with the Developer.

[ ] the Developer or the Developer's affiliate.

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

[ ] other _____

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

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

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

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

H. **Utility Charges for Apartments:**

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

[ ] Not applicable

[X] Electricity (common areas and apartments) [ ] Television Cable

[X] Gas [X] Water & Sewer

[X] Other Solar equipment lease; telephone (management office)

I. **Construction Warranties:**

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

1. Building and Other Improvements:

See Exhibit "H" attached hereto and made a part hereof.

2. Appliances:

See Exhibit "H" attached hereto and made a part hereof.

J. **Status of Construction ar ıtimated Completion Date:**

Construction of the improvements was completed in 1965 and 1969.

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 (May 7, 1989 & May 14, 1989)

[X] Specimen Sales Contract

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

[X] Escrow Agreement dated October 7, 1992

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

[ ] Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

The Developer has disclosed that at an Association meeting held on October 9, 199 at the Waipahu Public Library, at which a quorum was assembled, it was unanimously decided by the stockholders present in person or proxy that the project be converted from a cooperative to a condominium. A copy of the minutes of said meeting is on file with the Commission.

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 part of Registration No. 2728 filed with the Real Estate Commission on October 9, 1992.

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

[ ] yellow paper stock [XX] 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.

Stanley M. Kimijan 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"

DEVELOPER'S RESERVED RIGHTS TO CHANGE CONDOMINIUM DOCUMENTS

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

I. DECLARATION

Paragraph S. AMENDMENT OF DECLARATION.

Developer may, at any time prior to the recordation of an apartment deed in the Bureau conveying an apartment to a party not a signatory hereto, amend this Declaration and the By-Laws in any manner as Developer may deem fit, and specifically, may amend the designation of the parking stalls appurtenant to the apartments. Notwithstanding the foregoing and notwithstanding the sale and conveyance of any of the apartments, the Developer may amend this Declaration to file the "as built" verified statement (with plans, if so applicable) required by Section 514A-12 of the Act, provided (1) such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed fully and accurately depict the layout, location, numbers and dimensions of the apartments as built, or (2) the plans filed therewith involve only immaterial changes to the layout, location, numbers and dimensions of the apartments as built.

Paragraph U. RESERVED RIGHTS OF DEVELOPER. In addition to any other rights reserved herein, Developer reserves the right for itself and its agents to do the following:

1. To grant to any public utility or governmental authority easements for sewer, drainage, water and other utility facilities over, under, along, across and through said land, all under the usual terms and conditions required by the grantee for such easement rights; to grant to any other person or entity any easements for ingress, egress or roadway purposes over, under, along, across and through said land (provided, however, that such easement rights shall be granted and exercised in such a manner as not to unreasonably damage the buildings of the Project or unreasonably interfere with the use of said land by the apartment owners and their successors and assigns); and to quitclaim any easements in favor of the Project which are not required for the Project. Each apartment owner agrees that such apartment owner, and any person claiming an interest in said land by, through or under such apartment owner, shall, upon request, join in and execute any and all documents designating, granting and quitclaiming any such easements.

2. To amend this Declaration, the Condominium Map and the By-Laws consistent with any grant of rights by Developer under U.1 hereinabove.

II. BY-LAWS

Article II, Section 2. Qualification.

Developer shall be entitled to exercise the powers, vote and/or act for the Association and the Board on all matters until such time as the first conveyance of an apartment of the Project to a party not a signatory hereto, except as to those rights reserved to Developer in Paragraph U of the Declaration, which rights have been reserved until such time as all of the apartments in the Project have been sold.

EXHIBIT "B"

PERMITTED ALTERATIONS TO APARTMENTS

The Declaration and By-Laws permit alterations to the apartment as follows:

I. DECLARATION

Paragraph Q. ALTERATION OF PROJECT Rebuilding, restoration or replacement of the Project or of any building, or construction of any additional building or structural alteration or addition to any building different in any material respect from the Condominium Map of the Project, shall be undertaken by the Association or any apartment owner only pursuant to an amendment of the Declaration, duly executed by or pursuant to the affirmative vote of seventy-five percent (75%) or more of the apartment owners, accompanied by the written consent of the holders of all liens affecting any of the apartments, and in accordance with complete plans and specifications therefor first approved in writing by the Board. Promptly upon completion of such restoration, replacement or construction, the Association shall duly record or file such amendment together with a complete set of floor plans of the Project as so altered, certified as built by a registered architect or professional engineer.

Notwithstanding anything contained in this Declaration to the contrary, and subject to the Act, any alterations or additions within an apartment or within a limited common element appurtenant to and for the exclusive use of an apartment which do not alter the characteristics of such apartment or limited common element, shall require the written consent and approval of the apartment owner's plans therefor only by the holders of all liens affecting such apartment (if the lien holders require such consent and approval) and the Board, and such alterations or additions may be undertaken without an amendment to this Declaration or the filing of a complete set of floor plans of the Project so altered.

II. BY-LAWS

Article VIII, Section 3. Additions or Alterations by the Board.

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

improvement shall be required by law.

(B) Whenever in the judgment of the Board the common elements shall require additions or alterations costing less than TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) which are to be paid as a common expense from normal annual operating funds and not from any capital improvements reserve funds, the Board may proceed with such additions or alterations and shall assess all owners (or a part of the owners in the case of such additions or alterations to the limited common elements) for the cost thereof as a common expense. Any additions or alterations costing in excess of said amount shall be made by the Board only after obtaining approval of a majority of the apartment owners.

Article VIII, Section 4. Additions or Alterations by Apartment Owners. No apartment owner shall do any work which could jeopardize the soundness or safety of the property, reduce the value thereof, or impair any easement or hereditament, nor may any apartment owner add any material structure or excavate any additional basement or cellar, without in every such case the consent of seventy-five percent (75%) of the apartment owners, together with the consent of all apartment owners whose apartments or limited common elements appurtenant thereto are directly affected, being first obtained. Except as may be otherwise provided herein or in the Declaration, no owner shall install any solar energy devices or make any addition or alteration in or to such owner's apartment which may affect the common elements or change the exterior appearance of the Project, without the prior written consent thereto of the Board. The Board shall have the obligation to answer any written request by an apartment owner for approval of a proposed addition or alteration in such owner's apartment within ninety (90) days after such request or such longer period as the Board may specify, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition or alteration.

EXHIBIT "C"

COMPLIANCE WITH BUILDING CODE AND MUNICIPAL REGULATIONS; COST TO CURE VIOLATIONS

Paragraph V of the Declaration provides:

To Developer's knowledge, information and belief, the Project is in compliance with all zoning and building ordinances and codes of the City and County of Honolulu in force at the time of its construction and no variances or special permits were granted to allow deviations from any applicable codes. The Developer cannot determine whether the Project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes.

BUILDING DEPARTMENT

CITY A D COUNTY OF H JOLULU

HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813

FRANK F. FASI
MAYOR

HERBERT K. MURAOKA
DIRECTOR AND BUILDING SUPERINTENDENT

Ex92-33

March 10, 1992

Mr. Edward R. Brooks
Foley Maehara Judge Nip & Chang
Attorneys at Law
2700 Grosvenor Center
737 Bishop Street
Honolulu, Hawaii 96813

Dear Mr. Brooks:

Subject: Condominium Conversion Project
94-246 Leoku Street & 94-099 Waipahu Street
Tax Map Key: 9-4-047: 013

This is in reply to your letter dated February 13, 1992 requesting confirmation that the Leolua Regent apartment buildings met all applicable code requirements at the time of construction.

Investigation revealed that the three-story 78-dwelling-unit apartment building located at 94-246 Leoku Street and the three-story 96-dwelling-unit apartment building located at 94-099 Waipahu Street with a total of 148 off-street parking spaces met all applicable code requirements when they were constructed in 1968 and 1965, respectively.

For your information, the Building Department cannot determine whether this project contains any 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.

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

Very truly yours,

HERBERT K. MURAOKA
Director and
Building Superintendent

Subscribed and sworn to
before me this 12th day of
March, 1992.

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

EXHIBIT "D"

DESCRIPTION OF COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

I. COMMON ELEMENTS

Paragraph E of the Declaration provides:

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

1. The land described in Exhibit "A".

2. All foundations, columns, girders, beams, floor slabs, supports, unfinished perimeter and load-bearing walls (except for the inner decorated surfaces within each apartment), roofs, stairways, walkways, entrances and exits of said buildings.

3. All yards, grounds, landscaping, refuse and like facilities.

4. All driveways, loading areas, ramps, parking area entryways and exitways as designated on the Condominium Map.

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

6. All corridors and stairways situate within the Project.

7. Two (2) swimming pools, as depicted on the Condominium Map.

8. Any and all other apparatus and installations of common use and all other parts of the property necessary or

convenient to its existence, maintenance and safety, and normally in common use and which are not part of any apartment.

II. LIMITED COMMON ELEMENTS

Paragraph F of the Declaration provides:

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

1. The parking stall designated for such apartment, bearing the same number as the number of the apartment; and

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

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

EXHIBIT "E"

COMMON INTERESTS

Paragraph G and Exhibit "B" of the Declaration provides:

Each apartment shall have appurtenant thereto an undivided percentage interest (the "common interest") in all common elements of the Project and in all common profits and expenses of the Project and for all other purposes including voting. The common interest appurtenant to each apartment is set forth in Exhibit "B" attached hereto. Each apartment is not separately metered for electricity.

EXHIBIT "B"

Apt. No.	Type	Net Living Area	Percentage Common Interest
E-101, E-201, E-301, E-112, E-212, E-312, G-115, G-215, G-315, G-126, G-226, G-326	A	858	.747%
E-102, E-202, E-302, E-103, E-203, E-303, E-104, E-204, E-304, E-105, E-205, E-305, E-108, E-208, E-308, E-109, E-209, E-309, E-110, E-210, E-310, E-111, E-211, E-311, G-116, G-216, G-316, G-117, G-217, G-317, G-118, G-218, G-318, G-119, G-219, G-319, G-120, G-220, G-320, G-121, G-221, G-321, G-122, G-222, G-322, G-123, G-223, G-323, G-124, G-224, G-324, G-125, G-225, G-325	B	712	.610%
E-206, E-306, E-207, E-307	C	868	.755%
E-106, E-107	D	707	.614%

Apt. No.	Type	Net Living Area	Percentage Common Interest
A-207, A-307, A-208, A-308, C-225, C-325, C-226, C-326	E	833	.724%
A-107, A-108, C-125, C-126	F	614	.534%
B-115, B-215, B-315, B-118, B-218, B-318	G	447	.390%
B-116, B-216, B-316, B-117, B-217, B-317	H	438	.381%
A-102, A-202, A-302, A-103, A-203, A-303, A-104, A-204, A-304, A-105, A-205, A-305, A-106, A-206, A-306, A-109, A-209, A-309, A-110, A-210, A-310, A-111, A-211, A-311, A-112, A-212, A-312, A-113, A-213, A-313, C-120, C-220, C-320, C-121, C-221, C-321, C-122, C-222, C-322, C-123, C-223, C-323, C-124, C-224, C-324, C-127, C-227, C-327, C-128, C-228, C-328, C-129, C-229, C-329, C-130, C-230, C-330, C-131, C-231, C-331	I	579	.494%
A-101, A-201, A-301, A-114, A-214, A-314, C-119, C-219, C-319, C-132, C-232, C-332	J	680	.592%
F-113, F-213, F-313, F-114, F-214, F-314	K	675	.587%
D-101	L	1,145	1.028%

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

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

2. Recorded and unrecorded proprietary leases and liens and encumbrances affecting the same.

3. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Condominium Property Regime dated August 31, 1992, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 92-144460, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1726.)

4. By-Laws of the Association of Apartment Owners of the Condominium Project known as "LEOLUA REGENT" dated August 31, 1992, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 92-144461, as the same may hereafter be amended.

5. Real property taxes as may be due and owing. Check with the County Tax Assessor for further information.

EXHIBIT "G"

ESTIMATE OF MAINTENANCE FEES AND MAINTENANCE FEE DIBURSEMENTS

Apt. No.	Monthly Fee x 12 months =	Yearly Total
E-101, E-201, E-301, E-112, E-212, E-312, G-115, G-215, G-315, G-126, G-226, G-326	$308.07	$3,696.84
E-102, E-202, E-302, E-103, E-203, E-303, E-104, E-204, E-304, E-105, E-205, E-305, E-108, E-208, E-308, E-109, E-209, E-309, E-110, E-210, E-310, E-111, E-211, E-311, G-116, G-216, G-316, G-117, G-217, G-317, G-118, G-218, G-318, G-119, G-219, G-319, G-120, G-220, G-320, G-121, G-221, G-321, G-122, G-222, G-322, G-123, G-223, G-323, G-124, G-224, G-324, G-125, G-225, G-325	$251.67	$3,020.01
E-206, E-306, E-207, E-307	$311.49	$3,737.88
E-106, E-107	$253.32	$3,039.81
A-207, A-307, A-208, A-308, C-225, C-325, C-226, C-326	$298.70	$3,584.41
A-107, A-108, C-125, C-126	$220.31	$2,643.75
B-115, B-215, B-315, B-118, B-218, B-318	$160.90	$1,930.83
B-116, B-216, B-316, B-117, B-217, B-317	$157.19	$1,886.27
A-102, A-202, A-302,	$203.81	$2,445.71

Apt. No.	Monthly Fee x 12 months =	Yearly Total
A-103, A-203, A-303, A-104, A-204, A-304, A-105, A-205, A-305, A-106, A-206, A-306, A-109, A-209, A-309, A-110, A-210, A-310, A-111, A-211, A-311, A-112, A-212, A-312, A-113, A-213, A-313, C-120, C-220, C-320, C-121, C-221, C-321, C-122, C-222, C-322, C-123, C-223, C-323, C-124, C-224, C-324, C-127, C-227, C-327, C-128, C-228, C-328, C-129, C-229, C-329, C-130, C-230, C-330, C-131, C-231, C-331		
A-101, A-201, A-301, A-114, A-214, A-314, C-119, C-219, C-319, C-132, C-232, C-332	$244.24	$2,930.90
F-113, F-213, F-313, F-114, F-214, F-314	$242.18	$2,906.14
D-101	$424.12	$5,089.46

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

PROJECT: Leolua Regent
SUBJECT: Docs
DATE: 1/21/92
INITIALS: f.

LEOLUA REGENT
(175 Units)

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS:

	Monthly x 12 months =	Yearly Total
Utilities and Services		
Electricity (Common Elements and Apartments)	6,151	73,812
Gas	2,354	28,248
Refuse Collection	2,486	29,832
Telephone	100	1,200
Water/Sewer	6,000	72,000
Lease Energy Equipment	3,100	37,200
Maintenance, Repairs & Supplies		
Buildings	2,385	28,620
Grounds	611	7,332
Equipment	380	4,560
Pool	398	4,776
Management		
Management Fee (Physical/Fiscal Service)	2,273	27,276
Payroll and Payroll Taxes	4,950	59,400
Office Expenses	394	4,728
Legal	50	300
Insurance	2,397	28,764
Reserves	6,774	81,288
Taxes and Government Assessments	246	2,952
Audit Fees	208	2,496
TOTAL	41,257	495,084

We, Chaney, Brooks & Company, as managing agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principals. The information contained herein is based on the data available to us at this time.

Linda Alexander
Vice President
Central Oahu Branch Office

01/01/92
Date

92-21283

EXHIBIT "H"

CONSTRUCTION WARRANTIES

Paragraph 6 of the Conversion Contract used in connection with the Project is entitled "Seller's Disclaimer of Warranties" and provides:

> (a) No Warranties of Seller. Buyer understands and agrees that Seller is disclaiming any warranties, either express or implied, including any implied warranties of habitability, merchantability or fitness for a particular purpose, with respect to the Project, the Apartment or anything installed or contained therein. Each apartment will be deemed to be transferred "AS IS" with "ALL FAULTS", and Seller will not be liable to Buyer for any construction or other defects, including any latent or hidden defects in the Project, the Apartment or anything installed or contained therein. This means that Buyer will not have the right to file any lawsuit for damages against Seller for any defects later discovered by Buyer.
>
> (b) Hazardous Materials and Condition of Project. Seller has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of hazardous materials laws. Buyer acknowledges that there may be asbestos or other hazardous substances in the apartments, or in, under or around the Project. Buyer expressly releases Seller from any liability to Buyer if any hazardous materials are discovered.

EXHIBIT "I"

SUMMARY OF PERTINENT
PROVISIONS OF CONVERSION CONTRACTS

Developer has filed one (1) specimen conversion contract with the Hawaii Real Estate Commission. Among other provisions contained therein, the Conversion Contract contains the following provisions:

7. RIGHT OF INSPECTION. Since Buyer has actual possession of the Apartment pursuant to the proprietary lease, Buyer waives its right to inspect the Apartment. Buyer acknowledges that the Apartment is being transferred in "AS IS" condition with "ALL FAULTS", and Seller will not correct any defects or deficiencies that Buyer discovers in the Apartment. Buyer agrees to indemnify Seller for damages or losses, including interest and reasonable attorneys' fees, resulting from Buyer's refusal to accept the Apartment from Seller.

11. RISK OF LOSS AND CONDEMNATION. Since Buyer is already in possession of the Apartment, risk of loss to the Apartment and percentage interest in the common elements shall be borne by Buyer at all times. No taking by eminent domain of an easement or other limited right or of a portion of the common elements which does not substantially interfere with the use and enjoyment of the Apartment, the easements, rights or common elements appurtenant thereto shall be deemed grounds for cancellation hereof.

12. MAINTENANCE COSTS AND MANAGING AGENT. Buyer has examined and approved the estimate of monthly maintenance fees set forth in the Seller's Disclosure Abstract, a copy of which has been furnished to Buyer, and Buyer agrees that the current managing agent for the management, operation and maintenance of the Project will continue after the Closing Date. The Seller's Disclosure Abstract includes an estimate of monthly maintenance fees for the Apartment, which estimated budget was prepared by the managing agent in accordance with generally accepted accounting principles. Buyer

acknowledges and agrees that such estimates are only estimates and are not intended to be and do not constitute any representation or warranty by Seller, including but not limited to any representation or warranty as to the accuracy of such estimates.

18. CONDITION TO BINDING EFFECT OF AGREEMENT.

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

(1) A true copy of the Commission's Final Public Report on the Project has been delivered to Buyer, either personally or by certified mail with return receipt requested, together with a true copy of all other public reports on the Project, if any, issued prior to the date of such delivery and not previously delivered to Buyer (unless the Final Public Report supersedes all prior public reports); and

(2) Buyer has been given an opportunity to read the report(s).

Buyer acknowledges that the Project is being converted from a cooperative to a condominium pursuant to a vote of the owners in the Project. Therefore, Buyer waives all rights to cancel this Agreement, unless such waiver is prohibited by law.

EXHIBIT "J"

SUMMARY OF PERTINENT
PROVISIONS OF ESCROW AGREEMENT

Among other provisions, the Condominium Escrow Agreement dated October 7, 1992 executed by and between Title Guaranty Escrow Services, Inc., as Escrow, and Leolua Regent, Inc., as Owner, provides that a purchaser shall be entitled to a return of his funds and Escrow shall pay funds to such purchaser, without interest, if any one of the following has occurred:

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

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

(c) With respect to a purchaser whose funds were obtained prior to issuance of the Final Report, the purchaser has exercised the purchaser's right to cancel the contract pursuant to Section 514A-62, Hawaii Revised Statutes, as amended; or

(d) The purchaser has exercised the purchaser's right to rescind the contract pursuant to Section 514A-63, Hawaii Revised Statutes, as amended.

In any of the foregoing events, Escrow shall, upon the occurrence of the event described in (a) or (b) above or upon receipt of a written request for a refund from the purchaser upon the occurrence of an event described in (c) or (d) above, unless the purchaser has waived or has been deemed to have waived the right to a refund, pay said funds to said purchaser (less a cancellation fee of Escrow of not less than $25.00 per unit or a cancellation fee commensurate with the work done by Escrow prior to such cancellation, whichever fee is greater, up to a maximum of $250.00) and thereupon said sales contract and any conveyance document theretofore delivered to Escrow shall be returned to Owner and shall be deemed no longer held hereunder; provided, however, that no refund shall be made to a purchaser at the purchaser's request prior to receipt by Owner of written notice from Escrow of Escrow's intent to make such refund.

(e) Notwithstanding any other provision in this Agreement to the contrary, Escrow further agrees to make refunds to purchasers, in accordance with Part VI, Chapter 514A, Hawaii Revised Statutes, out of the funds then on deposit with Escrow, if Owner and the purchaser shall so request in writing and any one of the following events has occurred:

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

(ii) The purchaser has been unable to obtain adequate financing, or a commitment for adequate financing, for the purchaser's reserved unit within thirty (30) calendar days following the end of the ten (10) calendar day period during which Owner is limited to selling to owner-occupants; or

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

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

Except for cancellations under subparagraph (i) above, Escrow may deduct from any such refund made to a purchaser a cancellation fee as set forth above.

THIS EXHIBIT CONTAINS EXCERPTS OF PERTINENT PROVISIONS CONTAINED IN THE ESCROW AGREEMENT. PROSPECTIVE PURCHASERS SHOULD READ AND UNDERSTAND ALL OF THE PROVISIONS CONTAINED IN THE DOCUMENT.

LEOLUA REGENT CONDOMINIUM PROJECT
REGISTRATION NO. 2728
DISCLOSURE ABSTRACT AS OF OCTOBER 7, 1992

1. Name and Address of Project:

Leolua Regent
94-246 Leoku Street & 94-099 Waipahu Street
Waipahu, Hawaii 96797

2. Name, Address and Telephone Number of Developer:

Leolua Regent, Inc.
94-246 Leoku Street
Waipahu, Hawaii 96797
(808) 677-3991

3. Name, Address and Telephone Number of Managing Agent of Project:

Chaney, Brooks & Company
94-1024 Waipio Uka Street, Suite 201
Waipahu, Hawaii 96797
(808) 676-2255

4. Maintenance Fees: The breakdown of the estimated annual maintenance fees and the estimated monthly fees for each apartment, representing the common expenses of the Project allocated to each apartment, which are hereby certified to be based on generally accepted accounting principles, are set forth in Exhibit "A" attached hereto and made a part hereof. The Developer advises that the maintenance fees of a condominium project are difficult to estimate prior to actual operation of the Project and even if maintenance fees have been accurately estimated, such fees will tend to increase in an inflationary economy and as the improvements age. The estimated maintenance fees and monthly fees for each apartment are based on the latest information available to the Developer and the Managing Agent and are subject to revision based on actual costs for items enumerated. Maintenance fees can vary depending on services desired by apartment owners. Each buyer should check the attached maintenance fee schedule to see what services are included therein.

5. Warranties: The Project consists of one hundred seventy-five (175) apartments contained in six (6) three-story buildings and one (1) single-story building, without basements. The buildings were constructed in 1965 (Buildings A, B, C) and 1969 (Buildings D, E, F, G). The Project, the apartments and anything installed or contained therein are being sold on an "AS IS" with "ALL FAULTS" basis, without any warranties whatsoever, express or implied. Paragraphs 5 and 6 of the Conversion Contract used in connection with the Project provide as follows:

"5. APARTMENT BEING TRANSFERRED "AS IS" WITH "ALL FAULTS". The Project is being converted and the Apartment is being transferred in "AS IS" condition with "ALL FAULTS". This means that Seller shall not correct any defects in the Project, the Apartment or anything installed or contained therein. The existence of any defect in the Project, the Apartment or anything installed or contained therein shall not excuse Buyer's obligation to perform all of Buyer's obligations under this Agreement.

6. SELLER'S DISCLAIMER OF WARRANTIES.

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

(b) Hazardous Materials and Condition of Project. Seller has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of hazardous materials laws. Buyer acknowledges that there may be asbestos or other hazardous substances in the apartments,

or in, under or around the Project. Buyer expressly releases Seller from any liability to Buyer if any hazardous materials are discovered."

6. Number of Residential Apartments. The Project includes one hundred seventy-four (174) residential apartments and one (1) apartment to be used as the resident manager's office. Each residential apartment shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests. No apartment shall be used as a tenement or rooming house or for or in connection with the carrying on of any business, trade or profession whatsoever. The respective apartments shall not be rented by the apartment owners thereof for transient or hotel purposes, which shall be defined as (i) rental for any period less than thirty (30) days; or (ii) any rental in which the occupants of the apartment are provided customary hotel services, such as room service for food and beverage, maid service, furnishing of laundry and linen, and bellboy service. Neither the apartments nor any interest therein shall be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license", "travel club membership" or "time-interval ownership" arrangement. The term "time-sharing" as used herein shall be deemed to include, but is not limited to, any plan, program or arrangement under which the right to use, occupy, own or possess an apartment or apartments in the Project rotates among various persons on a periodically recurring basis according to a fixed or floating interval or period of time, whether by way of deed, lease, association or club membership, license, rental or use agreement, co-tenancy agreement, partnership or otherwise. Other than the foregoing restrictions, the apartment owners of the respective apartments shall have the absolute right to lease the same, provided that such lease covers an entire apartment, is in writing and is made subject to the covenants and restrictions contained in the Declaration and in the By-Laws.

7. Extent of Non-Residential Development. The Declaration of Condominium Property Regime for the Project does not authorize the commercial or non-residential use of the Project in any of the apartments, except for apartment D-101 which is to be used as the resident manager's office.

8. Existing Structures. In 1989, the condition of the site on which the Project is located and the structural components and the mechanical and electrical installations material to the use and enjoyment of the Project were described

in reports from a structural engineer, electrical engineer, mechanical engineer and architect which are attached hereto as Exhibit "B". Although not required by law, the developer at that time (Savio Development Co., Inc.) had asked the engineers and the architect to give opinions about the condition of the Project in order to provide buyers with additional information. At that time Savio Development Co., Inc. did not represent or warrant that the letters are correct or complete. Neither does the Developer at this time represent or warrant that the letters are correct or complete. However, in order to minimize the cost of the condominium conversion to the owners in the Project, the Developer has not obtained current reports from any engineers or architects. The letters should not be relied upon as the opinion of the Developer. No representations are made by the Developer with respect to the current condition of the Project or expected useful life of the structural components or the mechanical and electrical installations in the Project.

Buildings A, B and C were built in 1965 and Buildings D, E, F and G were built in 1968. The improvements are generally in fair condition, but according to the reports the improvements have some deferred maintenance and some immediate repairs must be made.

According to the reports, the concrete walkways and other areas where aluminum handrails are attached show signs of deterioration. Immediate strengthening of these concrete areas should be performed for safety considerations. There is termite damage in the Project. Mud on the driveways is probable evidence that site drainage is a problem when heavy rains continue for a long period of time. Some concrete corridors and sidewalk areas show some cracking and spalling, and should be repaired. Because of the age of the Project, the plumbing and electrical components of the apartments and the Project may require higher than normal repairs and eventual replacement. The laundry rooms and stairwells may have inadequate lighting. The common area lighting between Buildings A, B and C are presently not working and area light poles have been removed. It is recommended that area lighting be provided. The common area lighting between Buildings D, E, F and G may be inadequate. The fire alarm system for the Project was inoperative at the time of the engineer's inspection and most pull stations were not functional. It is recommended that the fire alarm system be repaired and tested. The electric circuit panels for Buildings A, B and C are in poor condition and may need to be replaced. In one of the electrical rooms for Buildings A, B and C, a hot water storage tank was installed in front of a circuit panel which may cause a hazardous condition that should be corrected. The fire hose cabinets for the Project appear to be old and in need of replacement. The hot water system was modified recently for the Project by substituting electric water heaters supplying hot water to several units each with two central solar systems. The

original electric water heaters are not being used and many are abandoned in the Project. There are gasoline or other tanks located on or under the Project which Leolua Regent may wish to inspect, repair or remove. Prospective purchasers should be aware that the Project does not have handicap access ramps or bathrooms. The apartments in the Project were not designed for individual washers, dryers or air conditioners. The addition of these appliances or other kinds of equipment could severely affect the Project's capacity to provide basic utility needs. Painting is needed, particularly in many of the apartments. In addition, the roof on each building may need repairing or replacing in the next few years.

This is not a complete list of the defects in the Project. This list is a summary of some of the observations made in the reports attached as Exhibit "B".

The Developer disclaims any warranties, either express or implied, including any implied warranty of habitability, with respect to the Project, the apartments or their contents. The Developer will not be liable to purchasers for any construction or other defects, including any latent or hidden defects in the Project, the apartments or their contents. This means that Purchasers will not have the right to file any lawsuit for damages against the Developer for any defects discovered by the purchasers.

9. Notices. As of March 10, 1992, no outstanding notices of uncured violations of building code or other municipal regulations exist.

10. Compliance with Codes. To Developer's knowledge, information and belief, based upon a letter from the Building Department of the City and County of Honolulu attached hereto as Exhibit "C", the Project is in compliance with all zoning and building ordinances and codes of the City and County of Honolulu in force at the time of its construction and no variances or special permits were granted to allow deviations from any applicable codes. The Building Department cannot determine whether the Project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes.

Developer does not give any assurances that the apartments can be expanded and Developer does not give any assurances that variances are obtainable from the City and County of Honolulu for any proposed improvements.

Dated: _____, Hawaii, _____, 19___.

LEOLUA REGENT, INC.,
a Hawaii corporation

By Douglas Carreira
Its Pres

By Sharon L. Galuson
Its Secretary

Developer

EXHIBIT "A"

ESTIMATE OF ANNUAL AND MONTHLY MAINTENANCE FEES

Apt. No.	Monthly Fee x 12 months =	Yearly Total
E-101, E-201, E-301, E-112, E-212, E-312, G-115, G-215, G-315, G-126, G-226, G-326	$308.07	$3,696.84
E-102, E-202, E-302, E-103, E-203, E-303, E-104, E-204, E-304, E-105, E-205, E-305, E-108, E-208, E-308, E-109, E-209, E-309, E-110, E-210, E-310, E-111, E-211, E-311, G-116, G-216, G-316, G-117, G-217, G-317, G-118, G-218, G-318, G-119, G-219, G-319, G-120, G-220, G-320, G-121, G-221, G-321, G-122, G-222, G-322, G-123, G-223, G-323, G-124, G-224, G-324, G-125, G-225, G-325	$251.67	$3,020.01
E-206, E-306, E-207, E-307	$311.49	$3,737.88
E-106, E-107	$253.32	$3,039.81
A-207, A-307, A-208, A-308, C-225, C-325, C-226, C-326	$298.70	$3,584.41
A-107, A-108, C-125, C-126	$220.31	$2,643.75
B-115, B-215, B-315, B-118, B-218, B-318	$160.90	$1,930.83
B-116, B-216, B-316, B-117, B-217, B-317	$157.19	$1,886.27
A-102, A-202, A-302,	$203.81	$2,445.71

Apt. No.	Monthly Fee x 12 months =	Yearly Total
A-103, A-203, A-303, A-104, A-204, A-304, A-105, A-205, A-305, A-106, A-206, A-306, A-109, A-209, A-309, A-110, A-210, A-310, A-111, A-211, A-311, A-112, A-212, A-312, A-113, A-213, A-313, C-120, C-220, C-320, C-121, C-221, C-321, C-122, C-222, C-322, C-123, C-223, C-323, C-124, C-224, C-324, C-127, C-227, C-327, C-128, C-228, C-328, C-129, C-229, C-329, C-130, C-230, C-330, C-131, C-231, C-331	$203.81	$2,445.71
A-101, A-201, A-301, A-114, A-214, A-314, C-119, C-219, C-319, C-132, C-232, C-332	$244.24	$2,930.90
F-113, F-213, F-313, F-114, F-214, F-314	$242.18	$2,906.14
D-101	$424.12	$5,089.46

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

FILE
PROJECT: Leolua Regent
SUBJECT: Docs
DATE: 1/21/92
INITIALS: f.

EXHIBIT "A1"

LEOLUA REGENT
(175 Units)

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS:

	Monthly x 12 months =	Yearly Total
Utilities and Services		
Electricity (Common Elements and Apartments)	6,151	73,812
Gas	2,354	28,248
Refuse Collection	2,486	29,832
Telephone	100	1,200
Water/Sewer	6,000	72,000
Lease Energy Equipment	3,100	37,200
Maintenance, Repairs & Supplies		
Buildings	2,385	28,620
Grounds	611	7,332
Equipment	380	4,560
Pool	398	4,776
Management		
Management Fee (Physical/Fiscal Service)	2,273	27,276
Payroll and Payroll Taxes	4,950	59,400
Office Expenses	394	4,728
Legal	50	300
Insurance	2,397	28,764
Reserves	6,774	81,288
Taxes and Government Assessments	246	2,952
Audit Fees	208	2,496
TOTAL	41,257	495,084

We, Chaney, Brooks & Company, as managing agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principals. The information contained herein is based on the data available to us at this time.

Linda Alexander
Vice President
Central Oahu Branch Office

01/01/92
Date

92-21283

EXHIBIT "B1"

June 12, 1989

LANGE MOTONAGA, INC.
Mechanical Engineers · 826 Kohaka St · Suite 305 · Honolulu HI 96814 · (808) 946-7774

Ernest Umemoto, AIA
3329 Sierra Drive
Honolulu, Hawaii 96816

Project: LEOLUA REGENT
(Presently Nani Gardens)
94-246 Leoku Street
Waipahu, Hawaii

****

OBSERVATION REPORT

****

A cursory site observation of two typical units for the above project was conducted on June 2, 1989 specifically for the mechanical plumbing systems as requested. The following observations and comments are offered:

This apartment building complex is approximately 23 years old and consists of numerous three story buildings. The building complex consists of one and two bedroom units with about 174 total apartments.

A typical apartment unit observed had the following plumbing fixtures: A single compartment stainless steel kitchen sink with disposal, electric range, a water closet, a counter top type lavatory, and a bathtub/shower. Kitchen generally had an exhaust register which was connected to a common duct with a power roof ventilator on the roof.

Apartment unit no. 14B: This unit was being renovated from a recent fire. The plumbing fixtures were replaced and therefore, in good condition. This is a none typical unit condition since it was being totally renovated.

Apartment unit no. 15C and 19A: Condition of plumbing fixtures were generally in usable condition but obsolete and aged. All fixtures seems to be in working order.

Apartment no. 20B: Condition of plumbing fixtures were generally in usable condition, but obsolete and aged. Noted pop-up drain for lavatory was non-operational and needs repair.

Apartmen no. 304: Condition of plumbing fixtures were generally in usable condition, but obsolete and aged. Noted water closet seat was in worn-out condition with no paint in some areas. The kitchen sink faucet had been recently replaced.

LR

Generally, it seems that the plumbing fixtures being about 23 years old will require more frequent replacements and repairs. The unobservable plumbing piping system is anticipated to require above normal repairs in the future also. Replacement of fixtures and faucets have been taking place on a as-needed basis.

Generally all of these comments should apply to all of the other units within this building complex since they are all typical and of the same age. Only one none-typical newly renovated unit was noted.

Buildings had two fire hose cabinets (FHC) with fire extinguisher (FE) per floor at each stairwell. Broken FHC glass panels were noted throughout the complex. Almost all of the FHC are the original ones and old and will need on going replacements. A few FHC had the hoses totally removed and needs new replacements.

The hot water system was modified recently with a solar panel central system. There were two systems, one for the mauka complex and one for the makai complex. The systems were located on the roof with storage tanks on grade located at the end of a building. The original electric water heaters (EWH) were not being used and many abandoned in place. One EWH was originally designed to supply about six units each. The EWH was generally located below the stairs on the ground level. It was noted that the solar systems were under contract agreement.

All plumbing systems observed were in usable condition and functional for the intended purpose. Overall, the mechanical maintenance for this building has been fair, but due to its age, above normal, high maintenance and replacements should be anticipated as it approaches closer to the economic life of the system of 25 years. With proper required maintenance and replacements these systems should provide a minimum of at least 10 years more of service.

Submitted by:

George Y. Motonaga, P.E.
LANGE MOTONAGA, INC.
Consulting Mechanical Engineers

EXHIBIT "B2"

RS Engineering
965 N. Nimitz, Unit A3
Honolulu, Hawaii 96817
June 5, 1989

Savio Development Company, Inc.
931 University Ave, Suite 202
Honolulu, Hawaii 96826

Attention: Mr. Peter Savio

Subject: Leialua Regent
94-246 Leoku Street
Waipahu, Hawaii 96797

Gentlemen:

On June 2, 1989, a cursory inspection was performed on the subject property to evaluate the condition of its electrical system. Plans of the as-builts were also reviewed.

The property is composed of two three-story building complexes, a single story building, one swimming pool and lawn areas. Each complex consists of three three-story buildings constructed in a "U-shaped" pattern.

POWER SYSTEM

The mauka complex is served by a 300 KVA transformer (HECO Vault No. 2400) and 3P1000A distribution panel with a 3P1000A main circuit breaker. Six 3P250A and one 3P150A fused switches feed branch circuit panels for the units. Each 250 amp fused switch provides electrical power to 12 units through two branch circuit panels, each of which serves two units and a subpanel which in turn feeds four additional units. The 150 amp fused switch feeds a branch circuit panel for the six units in the middle building.

A 1P30A fused disconnect, tied in ahead of the building main, feeds the fire alarm control panel. A 3P100A fused disconnect is also provided for common area loads.

The transformer vault appears to be in very good condition. The housing for the distribution equipment is in fair condition. We recommend that it be brushed and repainted to inhibit further rusting and deterioration.

The branch circuit panels for the mauka complex are in poor condition. Although the panels are in locked rooms, panel

covers should be put in place. Also, in one electrical room, a hot water storage tank has been installed in front of the panel causing a hazardous condition and should be corrected.

The branch circuit panels for the makai complex are in reasonable condition, considering their age. The laundry room panel for the single story building is currently blocked by a partition wall. We recommend that the wall be modified so that the panel can be accessed.

The telephone box is in the first floor electrical room and appear to be in good condition.

SECURITY LIGHTING

All corridors and stairways are exterior. Lighting is provided by incandescent fixtures above the doorway to each unit and on each stair landing. These appear to be adequate.

The common area included between the wings of the mauka complex is lit by three incandescent flood lights mounted on the roof. These are presently not working. Area light poles also have been removed. We recommend that area lighting be provided.

The common area included between the wings of the makai complex is served by three dual head light fixtures. These appear to be inadequate.

The parking lot, located between the mauka and makai complexes, is served by seven HID light fixtures. These appear to be adequate.

FIRE ALARM SYSTEM

The fire alarm system was inoperative at the time of the inspection. Most pull stations were not functional. The condition of the bells could not be determined. The fire alarm panel was turned off.

We recommend that the fire alarm system be repaired and tested.

LAUNDRY ROOMS

The laundry room, located in the single story building, has nine washers (with provisions for one more) and 10 dryers. An additional laundry room is located in the mauka complex. In both areas, the light fixtures are in poor condition and some are not working. We recommend that these be replaced.

APARTMENT UNITS

Four typical units were inspected. The following observations were made:

A. Apartment B14 (mauka complex)
This is a three bedroom unit. The condition of the receptacles and light fixtures appeared to be good.

Deficiencies noted include missing cover plate in the living room, no GFI for outlets on the kitchen sink and no GFI outlet in the bathroom.

B. Apartment C15 (mauka complex)
This is a one bedroom unit and the electrical devices appear to be in good condition. Deficiencies noted include missing cover plates, no GFI outlet in the bathroom and the outlets on the kitchen sink are not on a GFI circuit.

C. Apartment B20 (mauka complex)
This is a two bedroom unit. Deficiencies noted include no GFI on kitchen outlet and no GFI outlet in the bathroom.

D. Apartment 304 (makai complex)
This is a two bedroom unit. The electrical devices appear to be in good condition. Deficiencies noted include no GFI outlets in the kitchen and bathroom.

CONCLUSION

The project complies with electrical codes in effect at the time of its installation. Some minor electrical repairs are required. With normal replacement and upkeep, a life of ten years or more can be expected.

Sincerely,

Samuel S. Matsuo

Samuel S. Matsuo

cc: file

EXHIBIT "B3"

MARTIN & BRAVO, INC.

CONSULTING STRUCTURAL ENGINEERS

Pacific Tower, Suite 2660
1001 Bishop Street
Honolulu, Hawaii 96813
(808) 521-4513

John C. Bravo, S.E.
John A. Martin, S.E.
George M. Tsugawa

June 20, 1989

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

Attention: Peter Savio

SUBJECT: LEALUA REGENT
94-246 LEOKU STREET
WAIPAHU, HAWAII

Dear Peter:

At 1:30 p.m. on June 2, 1989, a cursory structural inspection was performed at the subject project. Architectural and structural drawings were made available for our review.

The project consists of two separate properties with a combined total of 174 apartment units. A total of seven separate buildings are on the two sites. Three of the buildings are structurally interconnected with walkways, while another three are connected with walkways, but with structural separation joints.

All buildings have very similar structural systems. The type of foundation indicated on the drawings is shallow spread foundations. All exterior walls and party walls are 8" reinforced concrete masonry units (CMU). The mauka portion has additional interior 8" CMU bearing walls while the makai portion does not. The ground floor is a concrete slab-on-grade while the second, third, and roof slabs are reinforced concrete cantilevering from exterior walls where balconies occur.

The primary structural difference occurs in the floor and roof slabs. The makai increment consists of 3 inch and 4 inch thick by 8 feet wide precast, prestressed concrete solid planks spanning 24' and 29 feet. The shorter spans have a 3-1/2 inch thick topping to provide a total slab thickness of 6-1/2" while the longer slabs have a 4" inch thick topping providing a total slab thickness of 8". In contrast, the mauka increment has reinforced concrete slabs totally cast-in-place of 6 inch thickness throughout. All stairs are reinforced concrete exposed to the exterior and supported by masonry walls.

Our inspection included a visual observation around the perimeter of most of the buildings. No observations were performed inside except units 14B, 15C, 20B and #304. No tests or calculations were performed.

In general, we consider the buildings to be in excellent structural condition. Although, we have the following observations:

1. The aluminum hand rails cantilever from a pocket in the slab. These pockets have deteriorated and show evidence of various different types of repairs over the life of the structure; and many of these repairs have deteriorated.

   IMMEDIATE strengthening of these handrails should be performed to provide minimum safety requirements for occupants and guests. Similar handrail conditions have been strengthened on adjacent apartment projects.

2. The exposed concrete corridors exhibit some nominal cracking, usually transverse to the traffic flow. This is normal and probably due to shrinkage or thermal expansion and contraction. We see no evidence of stress-related distress. Spalled material should be removed (a safety hazard), rebar corrosion cleaned, and a non-shrink patch applied.

3. We observed no indication of expansion or settlement of soils. The slab-on-grade sidewalk areas show nominal cracking. One area in the interior court of the mauka increment showed a concrete topping over an existing slab-on-grade. The topping is badly cracked and does present a safety hazard which should be addressed. Some walkway slabs near the street have been undermined by erosion and, if not addressed, could be a problem in the near future.

4. We observed that solar panels have been installed on the roof. No inspection of the anchorage of these panels has been performed.

We conclude that these buildings have performed satisfactorily from a structural standpoint since construction and see no reason not to expect for them to continue to perform indefinitely in the future, with normal maintenance and repair. We do feel immediate repairs are necessary, as previously described, for the deficient hand rails.

If you have any questions regarding this report, please feel free to call.

Very truly yours,

MARTIN & BRAVO, INC.

By John C. Bravo
Its President

JCB:wei

cc: Ernest Umemoto

EXHIBIT "B4"

3329 Sierra Drive
Honolulu, Hawaii 96816
phone 7374448

June 16, 1989

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

Subject: Leolua Regent, Architectural Observations

Dear Peter:

On June 2, 1989, a cursory on-site architectural observation was conducted of Nani Gardens, 94-246 Leoku St., Waipahu. The complex consists of two distinct projects. Originally constructed as the Royal Poinciana Apartments, the mauka units face the corner of Waipahu St. and Leoku St. The second project built known as the Royal Poinciana Apartments makai unit faces the corner of Leolua St. and Leoku St. The above two adjacent sites are to be combined as Leolua Regent, a multi-family residential complex. Partial construction drawings were found, but no as-builts, long-term maintenance and operation records and Engineering reports were seen. One apartment unit from each of the two phases were entered and observed to be typical for the projects.

The Royal Poinciana Apartment buildings were built as 3-story walk-up structures. There is a fenced swimming pool area in each phase. Small grassed lawn areas, asphalt paved parking lots, trash enclosures, laundry rooms and maintenance storerooms are scattered around the site. The makai phase added a 1-story office/laundry/maintenance storeroom. This could be reconfigured to replace the office with a swelling unit of 1,063 Sq. Ft. or two dwelling units of 531 Sq. Ft.

The apartment units vary in size, number of bedrooms and layout. The following concern were observed and are presented for your consideration:

1. There are no fire sensors or fire sprinkler system in the laundry room and maintenance storeroom.

2. There is no fire compartmentalization in the maintenance storeroom for storage of paint or other combustibles.

3. Walkways and corridors do not have a consistent level of surface texturing which may make some slippery when wet.

4. The pool is fenced with a fence under six feet high.

ERNEST M. UMEMOTO AIA **Architect**

Architecture / Interior Design / Space Planning / Planning / Graphics

5. Gate to the pool did not have self-closer and self-locking features.

6. Hedges prevent visual observation of the pool from all units. This may be a concern since no lifeguard is on duty.

7. The windows that have sills lower than 3'-6" do not have safety bars to prevent falls.

8. The units are not equipped with fire alarms or smoke detectors.

9. The building fire alarm is a local-sounding system and was not examined as to testing record, operability or adequacy of the system.

10. No peep holes in entry doors and no special high-security locksets.

11. The walkways are 3'-1" wide with 2'-11" high guardrails. Recommend that they be made 3'-6" high by adding a wood handrail at the top.

12. The opening in the guardrail exceed 5".

13. The laundry should be equipped with fire extinguishers.

14. Drainage ditches are not fenced off from access to children.

15. Roof access hatch should remain locked.

16. Stairways are as small as 2'-10" wide. They should be 3'-8" wide with handrails on both sides that extend 6" past the last riser and end with a safety return.

17. Walkway and stairway lights should illuminate exitways and be switched on by a sensor switch instead of a timer switch.

18. Stairway riser and threads vary more than currently permissable.

19. Some entry doors are 8" above concrete walkways. A concrete landing should be built to keep the interior and exterior difference to ½" maximum.

20. The project does not have handicap access, toilet or other provisions currently required. There are no ramps from the parking lot to the units.

21. No loading stalls provided.

22. No guest stalls provided.

23. Fire extinguisher was missing in one broken fire hose cabinet.

24. Pool deck slab has cracks.

25. There are cracks, uneven joints and surfaces that could contribute to tripping or slippery conditions. Uneven night lighting and dirt/fungus accumulation may aggravate the problem.

26. Guardrails are flexible in the horizontal direction due to weathered anchorages. They should be structurally stiffened to support a 50 psf lateral load per UBC Building Code.

27. Signs and safety emergency apparatus are insufficient in the pool area.

28. Gas tank in the parking lot should be removed in the manner prescribed by the latest governmental regulations.

29. Stairway lighting level inadequate.

30. Ceiling acoustical treatment and other building material were not tested for asbestos content.

31. Roofing was not observed.

32. Electric meters are exposed to the weather. Rust is present on electric panel boxes. The emergency disconnect switch was not easily accessible.

33. No observations were made as to site drainage or flooding. The ground floor unit slabs are close to the ground so that any sitework that deviates from the original civil engineer's design should be carefully analyzed. There is no storm drainage on surrounding streets.

34. The parking lot has muddy accumulations that suggest site drainage problems.

35. The units were not designed for individual washer, dryer or window air conditioning. The addition of these appliances would severely impact the building's capacity to provide for its basic utility needs.

36. Handrails and guardrails anchors have deteriorated and should be repaired. Vertical stiffeners have been added to stairway handrails at some locations. This solution addresses the need to stiffen the handrail against lateral forces, but creates another problem relative to smooth handrail transitions down the exitway and reduction of the exit width.

37. The sideyards have open ditches, swales, drains and stepping stones that are uneven and may contribute to tripping.

The buildings have held up to wear and tear very well and a strict maintenance program has kept the complex clean and functionally able to provide for the needs of the intended use.

Very truly yours,

Ernest M. Umemoto, AIA

EXHIBIT "C"

BUILDING DEPARTMENT

CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813

FRANK F. FAS
MAYOR

HERBERT K. MURAOKA
DIRECTOR AND BUILDING SUPERINTENDENT

Ex92-33

March 10, 1992

Mr. Edward R. Brooks
Foley Maehara Judge Nip & Chang
Attorneys at Law
2700 Grosvenor Center
737 Bishop Street
Honolulu, Hawaii 96813

Dear Mr. Brooks:

Subject: Condominium Conversion Project
94-246 Leoku Street & 94-099 Waipahu Street
Tax Map Key: 9-4-047: 013

This is in reply to your letter dated February 13, 1992 requesting confirmation that the Leolua Regent apartment buildings met all applicable code requirements at the time of construction.

Investigation revealed that the three-story 78-dwelling-unit apartment building located at 94-246 Leoku Street and the three-story 96-dwelling-unit apartment building located at 94-099 Waipahu Street with a total of 148 off-street parking spaces met all applicable code requirements when they were constructed in 1968 and 1965, respectively.

For your information, the Building Department cannot determine whether this project contains any 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.

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

Very truly yours,

HERBERT K. MURAOKA
Director and
Building Superintendent

Subscribed and sworn to
before me this 12th day of
March, 1992.

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