



**Disclosure Abstract:** Separate Disclosure Abstract on this condominium project:

Required and attached to this report

Not Required - disclosures covered in this report.

**Summary of Changes from Earlier Public Reports:**

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

No prior reports have been issued by the developer.

Changes made are as follows:

1. Developer has received approval for a Conditional Use Permit (File No. 93/CUP1-2) pursuant to Section 4.40-21 of the Land Use Ordinance to have the two parcels of land (described in Exhibit "A" of the Declaration of Condominium Property Regime) considered to be one zoning lot. The owner of the two parcels of land, Takashima Shoji Yugen Kaisha, a Japan corporation, signed an Agreement for Issuance of Conditional Use Permit Under Section 4.40-21 of the Land Use Ordinance (LUO) dated January 13, 1993 which was recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 93-25367. (A copy of which is attached hereto as Exhibit K.)
2. Developer has not acquired title to the Project as of the date of this Public Report, and conveyance of ownership title of individual units must flow from Seller to Developer and then to Purchasers.

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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 the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

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 owners/tenants) 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 at the lessee's expense. 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 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 project's 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 the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers or 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 important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Abe Lee Development, Inc. Phone: 988-8077  
Name (Business)  
2752 Woodlawn Drive  
Business Address  
Honolulu, HI 96822

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

Abraham Lee, President  
Sally Lee, Vice-President

Real Estate Broker: Abraham W.H. Lee d.b.a. Abe Lee Realty Phone: 988-8077  
Name (Business)  
2752 Woodlawn Drive, Ste. 5-205  
Business Address  
Honolulu, HI 96813

Escrow: Island Title Corporation of Hawaii Phone: 526-9171  
Name (Business)  
1132 Bishop St., Ste. 400  
Business Address  
Honolulu, HI 96813

General Contractor: N/A Phone: \_\_\_\_\_  
Name (Business)  
\_\_\_\_\_  
Business Address  
\_\_\_\_\_

Condominium Managing Agent: Hawaiiiana Management Company, Ltd. Phone: 528-3800  
Name (Business)  
1270 Ala Moana Blvd.  
Business Address  
Honolulu, HI 96814

Attorney for Developer: Glenn M. Adachi Phone: 526-3880  
Name (Business)  
841 Bishop St., Ste. 1601  
Business Address  
Honolulu, HI 96813

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

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are enforceable in a court of law.

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

The Declaration for this condominium is:

Proposed  
 Recorded - Bureau of Conveyances: Document No. 93-58877  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. \_\_\_\_\_

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]: Amendment No. 1 to Declaration, dated June 8, 1993 and recorded July 7, 1993 as Document No. 93-108667.

- 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, dimensions of each apartment.

The Condominium Map for this condominium project is:

Proposed  
 Recorded - Bureau of Conveyances Condo Map No. 1846  
 Filed - Land Court Condo Map No. \_\_\_\_\_

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]:

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

The Bylaws for this condominium are:

Proposed  
 Recorded - Bureau of Conveyances: Document No. 93-58878  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. \_\_\_\_\_

The Bylaws referred to above have been amended by the following instruments [state name of document, dated and recording/filing information]: Amendment No. 1 to By-Laws dated June 22, 1993, recorded July 7, 1993 as Document No. 93-108669.

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

The House Rules for this condominium are:

Proposed                     Adopted                     Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents.**

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

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

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	75% _____
Bylaws	65%	65% _____
House Rules	---	<u>Bd. of Directors</u>

\*The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. **Developer:**

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

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

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

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.

Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

**Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/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: \_\_\_\_\_

Lease Rent Payable:     Monthly                     Quarterly  
                                  Semi-Annually             Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per  Month     Year

For Subleaseholds:

Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:  
                          Canceled                     Foreclosed

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

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

**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 at the lessee's expense; 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:

**IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS**

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

**B. Underlying Land:**

Address: 1329 & 1337 Kaihee St. Tax Map Key: (1) 2-4-21: 11 & 12  
Honolulu, HI 96822 (TMK)

Address  TMK is expected to change because \_\_\_\_\_  
\_\_\_\_\_

Land Area: 16.461  square feet  acre(s) Zoning: A2

Lessor  
 (Fee Owner): Takashima Shoji Yugen Kaisha  
 Name  
1221 Kapiolani Blvd., #720  
 Address  
Honolulu, HI 96814

Purchaser under  
~~Sublessor:~~ Abe Lee Development, Inc.  
 Deposit, Name  
 Receipt, Offer 2752 Woodlawn Dr., Ste. 5-205  
 and Address  
 Acceptance Honolulu, HI 96822  
 (DROA)

C. Buildings and Other Improvements:

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

2. Number of Buildings: 2 Floors Per Building 3 & 2

Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

Concrete  Hollow Tile  Wood

Other \_\_\_\_\_

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning		No. of Apts.	Use Determined By Zoning
<input checked="" type="checkbox"/> Residential	<u>20</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Industrial	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Agricultural	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other: _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?  
 Yes  No

5. Special Use Restrictions:

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

Pets:No livestock or poultry, except animals customarily kept for pets

Number of Occupants:\_\_\_\_\_

Other:laundry room hours: 9:00 a.m. to 7:00 p.m. daily

There are no special use restrictions.

6. Interior (fill in appropriate numbers): See Exhibit A

Elevators: 0 Stairways: 3 Trash Chutes: 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments:20

**\*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 the those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment:

Each apartment shall be deemed to include all the walls and partitions, which are not load bearing within its perimeter walls, doors and door frames, window and window frames, the inner decorated or finished surfaces of all walls, floors and ceilings, and all fixtures originally installed therein.

Permitted Alterations to Apartments:

No apartment shall be altered without the consent of all owners of apartments affected thereby as expressed in an amendment to the Declaration duly recorded, consented thereto by any mortgage holders of such apartment.

7. Parking Stalls:

Total Parking Stalls: 21

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for each units)	_____	<u>11</u>	_____	<u>10</u>	_____	_____	<u>21</u>
Guest	_____	_____	_____	_____	_____	_____	_____
Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra for Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	_____	_____	_____	_____	_____	_____	_____
Total Covered & Open	<u>11</u>		<u>10</u>		<u>0</u>		

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

- Commercial parking garage permitted in condominium project.
- Exhibit \_\_\_\_\_ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

- There are no recreational or common facilities.
- Swimming pool                       Storage Area                       Recreation Area
- Laundry Area                       Tennis Court                       Trash Chute
- Other: \_\_\_\_\_

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

- There are no violations.                       Violations will not be cured.
- Violations and cost to cure are listed below.                       Violations will be cured by \_\_\_\_\_

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

(For conversions of residential apartments in existence for at least five years):  
See Visual Inspection Report. Exhibit B

11. Conformance to Present Zoning Code See Letter from the City and County of Honolulu, Building Department. Exhibit C

a.  No variances to zoning code have been granted.

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

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

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

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>  X  </u>	<u>      </u>	<u>      </u>
Structures	<u>  X  </u>	<u>      </u>	<u>      </u>
Lot	<u>  X  </u>	<u>      </u>	<u>      </u>

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 other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit   D  .

as follows:

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

There are no limited common elements in this project.

The limited common elements and the apartments which use them, as described in the Declaration, are:

described in Exhibit \_\_\_\_\_.

as follows:

1. Parking stall assigned to the each apartment.
2. Each apartment will be assigned one mailbox.

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 used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit E.

as follows:

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit F describes the encumbrances against the title contained in the title report dated May 14, 1993 and issued by Island Title Corporation.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgage	Buyer's interest will be cancelled and Buyer may have to sue Developer for breach of contract and for return of any deposits paid.

F. Construction Warranties: (See Exhibit H)

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:

2. Appliances:

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

The building containing Apartments A, B, C and D was constructed in 1957. An additional wing containing Apartments E, F, G and H was constructed in 1961.

The building containing Apartments 1 through 12 was constructed in 1965.

**H. Project Phases:**

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

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):



V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

Notice to Owner Occupants

Specimen Sales Contract

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

Escrow Agreement dated November 27, 1992

Exhibit I contains a summary of the pertinent provisions of the escrow agreement.

Other \_\_\_\_\_

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by 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 or Supplementary Report to a Final Report: Sales made by the developer are binding if:

A) The Developer delivers to the buyer a copy of:

1) Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;

AND

2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;

B) The buyer is given an opportunity to read the report(s); AND

C) One of the following has occurred:

1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or

2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or

3) 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:

A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND

B) 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.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
  - B) Declaration of Condominium Property Regime.
  - C) Bylaws of the Association of Apartment Owners.
  - D) House Rules.
  - E) Condominium Map
  - F) Escrow Agreement
  - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
  - H) Other \_\_\_\_\_

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 Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P.O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 2815 filed with the Real Estate Commission on 2/12/93.

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**C. Additional Information Not Covered Above**

The Developer had a Phase I Environmental Hazard Assessment conducted on the property and the improvements. The environmental consultant found:

1. There were no environmental hazards that would require a Phase II assessment.
2. All asbestos found are in sound condition and if left undisturbed should not be considered a gross hazard. The ceiling tiles in Units 1-12 will be encapsulated.

A complete copy of the consultant's report is attached as Exhibit J. Purchasers are advised to read with care the information provided in the report.

D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

ABE LEE DEVELOPMENT, INC.  
Name of Developer

By: Abraham Lee 07/13/93  
Duly Authorized Signatory Date

Abraham Lee, President  
print name & title of person signing above

Distribution:

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

EXHIBIT A  
BUILDING INTERIOR

Elevators: None      Stairways: 3      Trash Chutes: None

<u>Apt.</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net</u>	
			<u>Living Area (sf)</u>	<u>Lanai/Patio (sf)</u>
1, 5 and 9	3	2/1	684.58	115.48
4, 8 and 12	3	1/1	459.42	77.94
2, 3, 6, 7, 10 and 11	6	1/1	459.42	76.51
A	1	1/1	514.79	None
B	1	2/1	714.14	None
C	1	Studio/1	270.40	None
D	1	2/1	469.75	None
E, F, G and H	4	1/1	498.60	75.04

Total Apartments: 20

VISUAL INSPECTION REPORT

December 17, 1992

Abe Lee Development  
2752 Woodlawn Drive  
Unit #5-205  
Honolulu, Hawaii 96822

Dear Mr. Abe Lee:

Re: Kaihee Kai CPR  
1329 Kaihee Street  
Honolulu, Hawaii

As per your instructions, a visual observation was made on subject property on November 24, 1992.

The purpose of the visitation was to visually examine and comment on the present condition of the building. Observation was conducted by Ms. Jean Dozier (Property Management with Yacht Harbor Real-estate), Ms. Cookie Kim (Abe Lee Development), Wayne Date (Architect), and myself. Information was obtained through a visual walkthru of each unit and verbal communication with several tenants who were present at time of visitation and information from Ms. Jean Dozier. According to the Realtor, there are no existing drawings available for review.

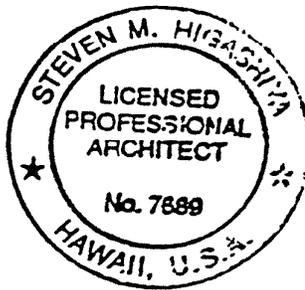
The building is three stories high with 4 units per floor. Access is via two walk-up stairs. The exterior of the building is constructed of 8" cmu wall. All floors and roof deck is constructed of poured in place concrete. Partition wall separating individual units are constructed of 8" cmu blocks. Interior partitions are stud walls constructed of what appears to be gypsum board and metal studs. The units are ventilated via jalousie louver windows and doors. Existing roofing material is built-up with gravel ballast. We noted that the roofing material has shown signs of weathering. The Developer has indicated that he will reroof the structure. At the time of our visitation, we did not visually see any major structural cracks and/or faults in the concrete slabs nor cmu walls. According to a fact sheet provided by Junko Yamada (Realtor), the building was constructed in 1965.

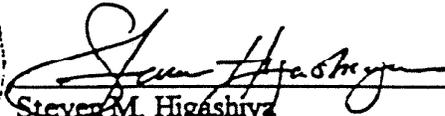
In general, existing electrical outlets do not appear to be grounded, no GFI outlets were noted, and exterior lanai outlets were not water protected (WPI), which is typical of buildings constructed at that time. Existing electrical panels for 1 bedroom units were located in pantry and 2 bedroom units were located in the linen closet. Existing light and plumbing fixtures were in working order commensurate with its age. Generally, each unit is equipped with a battery operated smoke detector. However, we noted that many were either inoperative, had batteries missing and/or contained batteries that were dead.

Generally, the overall condition of the structure is in good shape considering the age of the building. The owner should maintain a scheduled maintenance program (such as; termite

treatment, painting, reroofing etc..) to enhance the life expectancy of the building. The City and County of Honolulu, Building Department, has indicated in a letter that the building has met all applicable code requirements when they were constructed.

Sincerely,



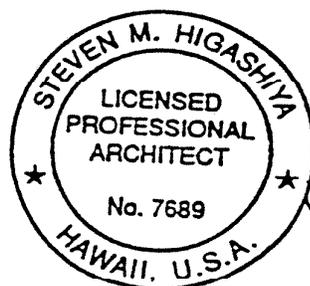
  
Steven M. Higashira  
Licensed Professional Architect  
Hawaii Reg. No. 7689

December 17, 1992

Abe Lee Development  
2752 Woodlawn Drive  
Unit #5-205  
Honolulu, Hawaii 96822

ARCHITECT'S CERTIFICATION

I certify that Dwelling Unit numbers A, B, C, D, E, F, G, and H on City and County of Honolulu, tax records, which corresponds with Units A, B, C, D, E, F, G, and H on the CPR map for the condominium project named "Kaihee Kai" located at 1337 Kaihee Street in Honolulu, Oahu, Hawaii, conforms to the Building Codes in force at the time of their construction.



Signed:

  
Steven M. Higashiya  
No. 7689

December 17, 1992

Abe Lee Development  
2752 Woodlawn Drive  
Unit #5-205  
Honolulu, Hawaii 96822

Dear Mr. Abe Lee:

Re: Kaihee Kai CPR  
1337 Kaihee Street  
Honolulu, Hawaii

As per your instructions, a visual observation was made on subject property on November 24, 1992.

The purpose of the visitation was to visually examine and comment on the present condition of the building. Observation was conducted by Ms. Jean Dozier (Property Management with Yacht Harbor Real-estate), Ms. Cookie Kim (Abe Lee Development), Wayne Date (Architect), and myself. Information was obtained through a visual walkthru of each unit and verbal communication with several tenants who were present at time of visitation and information from Ms. Jean Dozier. According to the Realtor, there are no existing drawings available for review.

The building is comprised of two separate wings that are attached by a 8" cmu wall. According to a fact sheet provided by Junko Yamada (Realtor), Wing 1 which comprises of Units A, B, C, and D was constructed in 1957. Wing 2 which comprises of Units E, F, G, and H was constructed in 1961.

#### WING 1

The exterior walls are constructed of 8" cmu blocks with aluminum jalousie windows. Interior walls are constructed of 1X8 T&G redwood siding. Party walls between Unit A & D and B & C appears to be a constructed of studs with masonite panel sheathing. Second floor framing appears to be wooden floor joists with plywood or wood planks. Ceiling sheathing material is canec. Roof framing appears to be wood trusses with 1X sheathing and composition roof shingles. In the rear of Wing 1 is an attached wooden structure that is presently housing several washers and dryers. It is presently unknown when the structure was constructed nor if the structure has obtained proper permits.

At the time of our visitation, we did not visually see any structural cracks and/or faults in the concrete slab nor cmu walls. Due to the floor sheathing and canec ceiling, we were unable to determine the condition of the floor joists. In general, existing electrical outlets were not grounded nor any GFI outlet noted which is typical of buildings constructed at that time. Existing electrical panels were located in closets. Existing light and plumbing

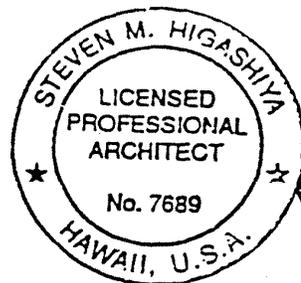
fixtures were in working order commensurate with its age. Generally, the overall condition of the structure is in fair shape considering the age of the building. Dry rot damaged was noted on the left/front eave sheathing. The Developer has indicated that they will repair the damaged area. The owner should maintain a scheduled maintenance program (such as termite treatment, painting, reroofing etc..) to enhance the life expectancy of the building.

## WING 2

The building is constructed of 8" cmu exterior walls with aluminum jalousie windows. Interior walls constructed of 1 X 8 redwood T&G. The wall separating units is constructed of 8" cmu blocks. Subflooring for both levels and roof deck were constructed of poured in place concrete. Roofing material is built up roofing. At the time of visitation, we did not visually see any major structural cracks and/or faults in the concrete slabs nor cmu walls.

In general, existing electrical panels were located in hall storage cabinet. Existing light and plumbing fixtures were in working order commensurate with its age. Generally, the overall condition of the structure is in good shape considering the age of the building. The owner should maintain a scheduled maintenance program (such as; termite treatment, painting, reroofing etc..) to enhance the life expectancy of the building. The City and County of Honolulu, Building Department has indicated in a letter that the building has met all applicable code requirements when they were constructed.

Sincerely,



Steven M. Higashiya  
Licensed Professional Architect  
Hawaii Reg. No. 7689

December 17, 1992

Abe Lee Development  
2752 Woodlawn Drive  
Unit #5-205  
Honolulu, Hawaii 96822

ARCHITECT'S CERTIFICATION

I certify that Dwelling Unit numbers 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 on City and County of Honolulu, tax records, which corresponds with Units 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 on the CPR map for the condominium project named "Kaihee Kai" located at 1329 Kaihee Street in Honolulu, Oahu, Hawaii, conforms to the Building Codes in force at the time of their construction.



Signed:

  
Steven M. Higashiya  
No. 7689

END OF EXHIBIT B

BUILDING DEPARTMENT  
CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING  
650 SOUTH KING STREET  
HONOLULU, HAWAII 96813



FRANK F. FASI  
MAYOR

HERBERT K. MURAOKA  
DIRECTOR AND BUILDING SUPERINTENDENT

WILLIAM F. REMULAR  
DEPUTY

Ex92-153

December 16, 1992

Mr. Abe Lee, President  
Abe Lee Development, Inc.  
2752 Woodlawn Drive, Suite 5-205  
Honolulu, Hawaii 96822

Dear Mr. Lee:

Subject: Condominium Conversion Project  
1329 Kaihee Street, Tax Map Key: 2-4-21: 12  
1337 Kaihee Street, Tax Map Key: 2-4-21: 11

This is in response to your letter dated November 2, 1992 requesting confirmation that the buildings located at the above addresses met all applicable code requirements when they were constructed.

Investigation revealed that the 3-story 12-unit apartment building with space for at least 6 off-street parking stalls located at 1329 Kaihee Street met all applicable code requirements when it was constructed in 1965.

Investigation also revealed that the 2-story 8-unit apartment building with space for at least 4 off-street parking stalls located at 1337 Kaihee Street met all applicable code requirements when additions were completed in 1962.

The following deficiencies were found:

1. The property designated as tax map key: 2-4-21: 11 lacks an ingress/egress aisle that is connected directly to a street.
2. Both properties have improperly marked parking stalls and the stalls are undersized.

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.

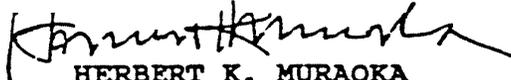
EXHIBIT C

Mr. Abe Lee, President  
December 16, 1992  
Page Two

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 of this office at telephone number 527-6341.

Very truly yours,



HERBERT K. MURAOKA  
Director and Building  
Superintendent

Note: The deficiencies hereinabove noted by the City Building Department regarding improperly marked stalls and ingress and egress have been resolved by the Developer.

END OF EXHIBIT C

EXHIBIT D

DESCRIPTION OF COMMON ELEMENTS

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

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

3. All yards, grounds and landscaping.

4. All parking areas.

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

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

EXHIBIT E

COMMON INTEREST OF EACH APARTMENT

<u>Apartment No.</u>	<u>Common Interest Percentage</u>
1	6.743%
2	4.525%
3	4.525%
4	4.525%
5	6.743%
6	4.525%
7	4.525%
8	4.525%
9	6.743%
10	4.525%
11	4.525%
12	4.525%
A	5.072%
B	7.035%
C	2.664%
D	4.627%
E	4.912%
F	4.912%
G	4.912%
H	4.912%

EXHIBIT F

ENCUMBRANCES AGAINST TITLE

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

2. Mortgage dated June 29, 1990, in favor of GECC Financial Corporation, a Hawaii corporation, recorded in said Bureau of Conveyances as Document No. 90-098626.

3. Financing Statement covering certain personal property as described therein, in favor of GECC Financial Corporation, a Hawaii corporation, recorded in said Bureau of Conveyances as Document No. 90-098627.

4. Mortgage dated September 25, 1992, in favor of GECC Financial Corporation, a Hawaii corporation, recorded in said Bureau of Conveyances as Document No. 92-157683.

5. Financing Statement covering certain personal property as described therein, in favor of GECC Financial Corporation, a Hawaii corporation, recorded in said Bureau of Conveyances as Document No. 92-157684.

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

EXHIBIT  
 ESTIMATE OF INITIAL MAINTENANCE FEES  
 AND  
 ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months</u>	<u>Yearly Total</u>
1	136.00	1,632.00
2	91.30	1,095.60
3	91.30	1,095.60
4	91.30	1,095.60
5	136.00	1,632.00
6	91.30	1,095.60
7	91.30	1,095.60
8	91.30	1,095.60
9	136.00	1,632.00
10	91.30	1,095.60
11	91.30	1,095.60
12	91.30	1,095.60
A	102.30	1,227.60
B	141.90	1,702.80
C	53.70	644.40
D	93.30	1,119.60
E	99.10	1,189.20
F	99.10	1,189.20
G	99.10	1,189.20
H	99.10	1,189.20
	2,017.30	24,207.60

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

Estimate of Maintenance Fee Disbursements:

	<u>Monthly x 12 months</u>	<u>Yearly Total</u>
<b>Utilities and Services</b>		
Air Conditioning		
Electricity		
<input checked="" type="checkbox"/> common elements only	\$73.00 x 12	\$876.00
<input type="checkbox"/> common elements and apartments		
Elevator		
Gas	\$56.00 x 12	\$672.00
Refuse Collection		
Telephone		
Water and Sewer	\$546.00 x 12	\$6552.00
<b>Maintenance, Repairs and Supplies</b>		
Building	\$60.00 x 12	\$720.00
Grounds		
<b>Management</b>		
Management Fee	\$512.00 x 12	\$6144.00
Payroll and Payroll Taxes		
Office Expenses	\$55.00 x 12	\$660.00
<b>Insurance</b>	\$306.00 x 12	\$3662.00
Reserves(*) (Developer giving startup fee of \$30,000.00)	\$600.00 x 12	\$7200.00
Taxes and Government Assessments	\$9.00 x 12	\$108.00
Audit Fees		
Other		
Subtotal	\$10.00 x 12	\$120.00
Revenue from laundry machines	\$2227.00 x 12	\$26724.00
TOTAL	-\$210.00 x 12	-\$2520.00
	<u>\$2017.00 x 12</u>	<u>\$24204.00</u>

I, Abraham Lee, as agent and employed by Abe Lee Development Inc. the condominium managing agent or the developer, for the condominium project Kaihee Kai, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Abraham Lee

(\*) Mandatory reserves in effect January 1, 1993

Date: 4/15/93

EXHIBIT H

Summary of Condominium Deposit Receipt and Sales Contract

The Condominium Deposit Receipt and Sales Contract ("sales contract") contains the price, description and apartment and other terms and conditions under which a buyer will agree to buy an apartment in the Project. Among other things, the sales contract provides:

1. A breakdown of the schedule of payments buyer will make.
2. Additional charges buyer will pay at closing.
3. A seller's disclosure statement as to the condition of the building.
4. Acknowledgement by buyer concerning representations made by Seller and Seller's agent about the rental of the apartment, condition of the unit, the building or the property, compliance with building, zoning, land use, subdivision or other applicable law, ordinance, rule or regulation, condition of the soil, improvements under the land or on or under adjoining land, matters concerning utility systems, drainage systems, or survey.
5. The buyer is buying the unit in "AS IS" condition.
6. Buyer's right to cancel the sales contract.
7. Subordination of the sales contract to any interim loan to finance the acquisition of the property.
8. Buyer's deposits will be held in escrow until the sales contract is closed or cancelled.
9. Proration of taxes, assessments and other charges at date of closing.
10. Buyer agrees to the appointment of the initial management agent.
11. If Seller elects, buyer agrees to preclose by signing all documents prior to closing date.
12. What will happen if there is a default under the sales contract.
13. If buyer is financing a portion of the sales price, buyer will apply for a loan within 5 days after notification by Seller. Buyer will be in breach of the sales contract if buyer fails to

apply for the loan after notification by Seller. Seller may keep down payment as liquidated damages or terminate the sales contract.

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

15. If the project is not feasible Seller may elect to cancel the project.

16. Inspection of the property by buyer.

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

END OF EXHIBIT H.

EXHIBIT I

Summary of Escrow Agreement

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

1. Signed copies of the sales contract will be provided to Escrow.
2. Escrow will collect payments due pursuant to the sales contract.
3. Seller will notify Escrow who in turn will notify buyers when payments are due.
4. Escrow will accept purchaser's payments pursuant to the sales contract and will hold the funds or make payments according to the escrow agreement.
5. The escrow agreement says under what conditions escrow will disburse buyer's funds.
6. The escrow agreement says under what conditions buyer's funds will be refunded if buyer cancels the sales contract.
7. The escrow agreement says what will happen to a buyer's funds upon default under the sales contract.
8. Escrow will arrange for and supervise the signing of all necessary documents.
9. The escrow agreement sets forth Escrow's responsibilities in the event of any disputes.

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

**ENVIRONMENTAL HAZARD ASSESSMENT**

**1329 & 1337 Kaihee Street Development**

**Honolulu, Oahu Island, Hawaii**

**TMK No. 2-4-21:11  
2-4-21:12**

**December 29, 1992**

**Prepared for:**

**Abe Lee Development Inc.  
2752 Woodlawn Dr., Suite 5-205  
Honolulu, Hawaii 96822**

**Reid & Associates Inc.  
P.O. Box 1686, Kailua-Kona, Hawaii 96745  
(808) 329-8266 Fax (808) 326-7767**

**EXHIBIT J**



## Reid & Associates Inc.

P.O. Box 1686 • KAILUA-KONA, HAWAII • 96745  
TELEPHONE: (808) 329-8266 • FAX: (808) 326-7767  
IN HAWAII: 1-(800)-634-3247

December 29, 1992

Abe Lee Development Inc.  
2752 Woodlawn Dr., Suite 5-205  
Honolulu, HI 96822

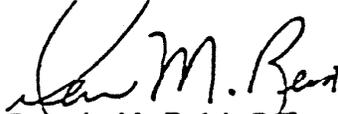
**SUBJECT: Environmental Hazard Assessment  
1329 & 1337 Kaihee Street Development  
TMK Nos. 2-4-21:11 & 2-4-21:12**

Gentlemen:

Reid & Associates Inc. has completed the Phase I Environmental Hazard Assessment of the above subject property. Based on our findings of each potential hazard, the property passes with no known environmental hazards that would require a Phase II Assessment.

If you have any questions or desire further information, please do not hesitate to call.

Sincerely,  
REID & ASSOCIATES INC.

  
Dennis M. Reid, P.E.  
President

DMR/lb

## TABLE OF CONTENTS

Transmittal Letter

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**SECTION I - PROPERTY LOG**

**Project Name:** 1329 & 1337 KAIHEE STREET DEVELOPMENT

**Property Address:** 1329 & 1337 Kaihee Street, Honolulu, HI 96826

**Developer Name:** ABE LEE DEVELOPMENT INC.

**Developer Address:** 2752 Woodlawn Dr., Suite 5-205, Honolulu, HI 96822

**Developer Telephone:** (808) 988-8077

**Lender Name:**

**Lender's Underwriter's Name:**

**Environmental Consultant:** DENNIS M. REID, P.E.

**Consultant's Firm Name:** Reid & Associates Inc.

**Consultant's Firm Address:** P.O. Box 1686, Kailua-Kona, HI 96745

**Consultant's Telephone:** (808) 329-8266

**Asbestos Consultant:** KERMIT DAVIDSON

**Consultant's Firm Name:** Davidson Abatement, Inc.

**Consultant's Firm Address:** 45024 Lilipuna Road, Kaneohe, HI 96744

**Consultant's Telephone:** (808) 236-1128

**Date Phase I Assessment Completed:** December 29, 1992

## SECTION II - SUMMARY OF PHASE I ASSESSMENT RESULTS

<u>Hazard</u>	<u>Pass/Fail</u>
Waste Sites	Pass
PCBs	Pass
Radon	Pass
Underground Storage Tanks	Pass
Asbestos	Pass

No environmental hazards were discovered that would require a Phase II assessment, hence the summary of Phase II assessment results is omitted from this report.

All asbestos found is in sound condition, and if left undisturbed, should not be considered a gross hazard. However, the ceiling tiles in Units 1329-1 through 1329-12 will be encapsulated. Occupants should be made aware of the presence and form of the asbestos.

## **SECTION III - INFORMATION SOURCES**

### **Overall Property Description**

- Building Drawings**
- Title History**
- Site Survey**
- Current Tax Maps**

### **Waste Sites**

- Previous interviews with Local and State Officials.**

### **Polychlorinated Biphenyls (PCBs)**

- Site Survey of Transformers**

### **Radon**

- Interview with State of Hawaii Drinking Water Branch**

### **Underground Storage Tanks**

- Site Tank Survey**

### **Asbestos**

- Site Survey and Testing by Davidson Abatement, Inc.**

## SECTION IV - EVALUATION OF SPECIFIC HAZARDS

### Waste Sites

No physical testing of soil or groundwater for waste contamination has been performed on the subject parcel. The land has never been developed or "operated" in the commercial sense. The property is located approximately in the center of an area bounded by Wilder, Kewalo, H-1, and Keaaumoku Streets. This is a residential area with no commercial development.

There are no obvious high risk neighbors in adjacent properties engaged in producing, storing or transporting hazardous waste, chemicals or substances. The site is located in a residential area.

The site has been residential for at least 30 years.

No part of the site space has ever been leased to commercial tenants who are likely to have used, transported or disposed of toxic chemicals.

Water, other than natural rainfall, is provided to the site by the City of Honolulu.

Neither the property nor any site within one mile of the property appear on any State or Federal list of hazardous waste sites.

There is no documented or visible evidence of the handling of dangerous waste on the subject property or on neighboring sites (such as stressed vegetation, stained soil, open or leaking containers, foul fumes or smells, oil ponds, etc.).

Note: For underwriting purposes, the property is acceptable from the standpoint of waste site contamination.

### Polychlorinated Biphenyls

There are no fluorescent light ballasts that contain PCBs in the building. The building on the property is residential.

There are no transformers or capacitors that contain PCBs anywhere on the property. The property was never used as a storage site for electrical equipment of any kind.

There is no visible or documented evidence of soil or groundwater contamination from PCBs on the property.

Note: for underwriting purposes, the property will be acceptable from the standpoint of PCB contamination.

### Radon

There is no evidence that nearby structures have elevated indoor levels of radon or radon progeny.

Local water supplies have not been found to have elevated levels of radon or radium. Test series have been run by the State of Hawaii, with no contaminants exceeding the "Maximum Contaminant Level" proposed by the E.P.A.. The samples taken from the nearest sampling point shows 188 pico curies of radiation. 300 pico curies is the maximum level proposed by EPA and 1,000 pico curies has been proposed by AWWA.

The property is not located on or near sites currently, or were formerly, used for uranium, thorium, or radium extraction or for phosphate processing. There are no such sites in Honolulu.

Note: For underwriting purposes, the property is acceptable from the standpoint of radon contamination.

### Underground Storage Tanks

There are no current site surveys on file, performed by qualified engineers, which indicate the property has had any underground storage tanks.

There is no visible or documented evidence of oil or groundwater contamination on the property.

There are no petroleum storage and/or delivery facilities (including gas stations) or chemical manufacturing plants located on adjacent properties.

There are no active underground tank facilities on-site that are used for activities such as motor fuel, waste oil, or fuel or storage.

There are no deactivated underground storage tanks on the property. The property is nearly covered in its entirety by the existing building and paved parking lot.

Note: For underwriting purposes, the property is acceptable from the standpoint of underground storage tank contamination.

### Asbestos

Note: The project is a conversion of an existing building, hence evaluation of asbestos contamination hazard is contained in this report.

The building was inspected by Davidson Abatement, Inc.. Samples of the roofing material, ceiling tiles and floor tiles were submitted to Muranaka Environmental Consultants, Inc.. A copy of the report is contained in this report.

Although asbestos was found to be present, it is in good condition. The report by Davidson Abatement suggests that, if left undisturbed, minimal risk will exist for tenants. However, the report by Davidson Abatement shows that the primary hazard exists in the ceiling tiles of Units 1329-1 through 1329-12. Therefore, these ceiling tiles will be encapsulated.

### Additional Hazards

Note: The project is a conversion of an existing building, hence this section is omitted from this report.

**SUGGESTED FORMAT FOR ENVIRONMENTAL HAZARD ASSESSMENTS  
FOR CONDOMINIUM PROJECTS**

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**PROPERTY LOG**

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Project Name: 1329 & 1337 KAIHEE STREET DEVELOPMENT  
 Property Address: 1329 & 1337 Kaihee Street, Honolulu, HI 96826

Developer/Sponsor Name: ABE LEE DEVELOPMENT INC.  
 Developer/Sponsor Address: 2752 Woodlawn Dr., Suite 5-205, Honolulu, HI 9682

Developer/Sponsor Telephone: (808) 988-8077

Lender Name:  
 Lender's Underwriter's Name:

Environmental Consultant: Dennis M. Reid, P.E.  
 Consultant's Firm Name: REID & ASSOCIATES INC.  
 Consultant's Firm Address: P.O. Box 1686, Kailua-Kona, HI 96745

Consultant's Telephone: (808) 329-8266

Date Phase I Assessment Completed: December 15, 1992  
 Date Phase II Assessment Completed:

---

**SUMMARY OF PHASE I ASSESSMENT RESULTS/RECOMMENDATIONS**

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1. Check applicable result for each hazard, indicating for each "Fail" whether there is a possible remedy or whether a Phase II assessment is needed.

<u>Hazard</u>	<u>Pass</u>	<u>Fail</u>	<u>Possible Remedy</u>	<u>Phase II Required</u>
Waste Sites	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>
PCBs	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>
Radon	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>
Underground Storage Tanks	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>
Asbestos	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>
Other (List)	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>

2. Attach a brief explanation for each hazard that needs a Phase II assessment. List data deficiencies, test results, etc. that require further assessment.

3. Attach a brief explanation for each failed hazard that could be corrected by taking remedial actions. Explain what actions are required and how they should be performed.

4. Underwriter's Comments (Attach Phase I Information Checklist):

Signature: *D. M. Rui* Date: 12/29/93

SUMMARY OF PHASE II ASSESSMENT RESULTS/RECOMMENDATIONS

1. Check applicable result for each hazard, indicating for each "Fail" whether there is a possible remedy. Show "N/A" for any hazard for which there was no Phase II assessment required.

<u>Hazard</u>	<u>Pass</u>	<u>Fail</u>	<u>Possible Remedy</u>
Waste Sites	_____	_____	_____
PCBs	_____	_____	_____
Radon	_____	_____	_____
Underground Storage Tanks	_____	_____	_____
Asbestos	_____	_____	_____
Other (List)	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

2. Attach a brief explanation for each failed hazard that could be corrected by taking remedial actions. Explain what actions are required and how they should be performed.

3. Underwriter's Comments:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

4. Consultant's Comments (Attach Phase II assessment report):

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

PHASE I: ENVIRONMENTAL ASSESSMENT: INFORMATION CHECKLIST

INFORMATION SOURCES

Check the information sources used to perform the various aspects of the Phase I environmental hazard assessment.

1. Overall Property Description

- |  |   |
|--|---|
| <input type="checkbox"/> Building Specifications               | <input type="checkbox"/> Lists of Commercial Tenants Previously On-Site   |
| <input type="checkbox"/> Historical Aerial Photos              |   |
| <input type="checkbox"/> Current Aerial Photos                 |   |
| <input checked="" type="checkbox"/> Title History              |   |
| <input checked="" type="checkbox"/> Site Survey                | <input checked="" type="checkbox"/> Verification of Public Water and Sewer  |
| <input checked="" type="checkbox"/> Neighborhood Zoning Maps   |   |
| <input checked="" type="checkbox"/> Neighborhood Land Use Maps |   |
| <input type="checkbox"/> Other (List)                          | <input checked="" type="checkbox"/> Interviews with Local Fire, Health, Land Use or Environmental Enforcement Officials |

2. Waste Sites

- Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) lists or similar state lists of contaminated properties (covering any properties that are within a one-mile radius of the subject property)
- State Environmental Protection Agency (EPA) site lists of contaminated properties (covering any properties that are within a one-mile radius of the subject property)
- Site Soil and Groundwater Test Results
- Other (List)

3. Polychlorinated Biphenyls (PCBs)

- Utility Transformer Records
- Site Survey of Transformers
- Site Soil and Groundwater PCB Test Results
- Other (List)

4. Radon

- Water Utility Records
- Gas Utility Records
- On-Site Radon Test Results
- Other (List)

5. Underground Storage Tanks

- Oil, Motor Fuel and Waste Oil Systems Reports
- Site Soil and Groundwater Tests

- Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) lists or similar state lists of contaminated properties (covering any properties that are within a one-mile radius of the subject property)
- Other (List)

6. Asbestos (Required only if subject property is the conversion of an existing building)

- Dated Building Construction/Rehabilitation Specifications
- ~~Engineer's~~ Consultant's Asbestos Report
- Other (List)

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**EVALUATION OF SPECIFIC HAZARDS**

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Answer all applicable questions by marking the appropriate box -- "Y" for Yes, "N" for No, or "DK" for Don't Know:

Waste Sites	Y	N	DK
1. Are there results of physical testing (including on-site sampling of soil and groundwater that meets all regulatory standards and sound industry practice) to show that the property is free of waste contamination and is being operated in an environmentally safe manner?	---	---	X
2. Are there any obvious high risk neighbors in adjacent properties engaged in producing, storing or transporting hazardous waste, chemicals or substances?	---	X	---
<p>Note: If the answer to question 1 is "yes" and the answer to question 2 is "no", stop here because, for underwriting purposes, the property will be acceptable from the standpoint of waste site contamination. Otherwise, answer the questions below.</p>			
3. Was the site ever used for research, industrial, or military purposes during the last 30 years?	---	X	---
4. Has any of the site space ever been leased to commercial tenants who are likely to have used, transported or disposed of toxic chemicals (such as a dry cleaner, print shop, service station, etc.)?	---	X	---
5. Is water for the building provided by either a private company or a well situated on the property?	---	X	---
6. Does the property or any site within one mile of the property appear on any state or federal list of hazardous waste sites?	---	X	---

## DAVIDSON ABATEMENT, INC.

December 9, 1992

ABE LEE DEVELOPEMENT  
2752 Woodlawn Drive #5-205  
Honolulu, Hawaii 96822

Attention: Cookie Kim

Cookie,

Here are the laboratory results for the survey conducted on November 24th. I have also included an invoice for our services and a proposal for the abatement of the various asbestos-containing materials.

I would like to remind you that at this time there are no regulations requiring property owners to abate asbestos present in their buildings. The present laws are applied during renovations and/or demolitions. However, building occupants should be informed of the presence of asbestos and the hazards of disturbing such material.

The asbestos-containing material in the buildings at 1329 and 1337 Kaihee street are in sound condition and if left undisturbed are not considered a gross hazard. However, the mere presence of asbestos does pose some risks both to occupants as a health hazard and to owners as a liability.

I hope that I have addressed your concerns regarding this issue and if I can be of any further assistance please give me a call at 236-1128 and I'll be glad to help.

Thank you.

  
\_\_\_\_\_  
Kermit Davidson  
President/RME



# MURANAKA

ENVIRONMENTAL CONSULTANTS, INC.

P.O. Box 4341 • Honolulu, Hawaii 96812  
(808) 531-8877 • Fax (808) 523-8082

## INDUSTRIAL HYGIENE LABORATORY REPORT BULK SAMPLE IDENTIFICATION

November 30, 1992  
Project No. 92979

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

**SITE:**  
Prudent Investors  
1337 Kaihee Street  
Honolulu, Hawaii 96822

Sample Number	Location	Sample Description	(A) Condition	(B) Friability	(C) Access	Asbestos (D) (% by vol)	Other Material (E)
<b>Samples Received: November 27, 1992</b>							
01	1337-A Ceiling	white ceiling material	n.a.	n.a.	n.a.	None detected	
02	1337-A BR Tile	beige streaked floor tile	n.a.	n.a.	n.a.	None detected	
03	1337-C BR Tile	beige floor tile	n.a.	n.a.	n.a.	chrysotile 3-5%	
04	1328 Roof	black roofing material	n.a.	n.a.	n.a.	None detected	
05	1337-G Floor Tile	beige spotted floor tile	n.a.	n.a.	n.a.	chrysotile 5-10%	
06	1337-B Kitchen Tile	white floor tile	n.a.	n.a.	n.a.	None detected	
07	1329-5 Ceiling-BR	white ceiling material	n.a.	n.a.	n.a.	chrysotile 5-10%	
08	1329-10 Floor Tile	beige floor tile	n.a.	n.a.	n.a.	None detected	

Industrial Hygiene Laboratory Report  
 Project No. 92979

Sample Number	Location	Sample Description	(A) Condition	(B) Friability	(C) Access	Asbestos (D) (% by vol)	Other Material (E)
09	1329-9/ Tile	beige with brown streaks floor tile	n.a.	n.a.	n.a.	chrysotile >1-2%	
10	1329 Ceiling BR	white ceiling material	n.a.	n.a.	n.a.	chrysotile 5-10%	
11	1329-9 BR	white floor tile	n.a.	n.a.	n.a.	None detected	
12	1329 Floor Tile	white with brown streaks floor tile	n.a.	n.a.	n.a.	None detected	
13	1337-A Tile	brown floor tile	n.a.	n.a.	n.a.	chrysotile 5-10%	
14	1337-A Closet Tile.- Kitchen	black floor tile	n.a.	n.a.	n.a.	chrysotile 5-10%	

**KEY TO CATEGORIES:**

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

**COMMENTS:**

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

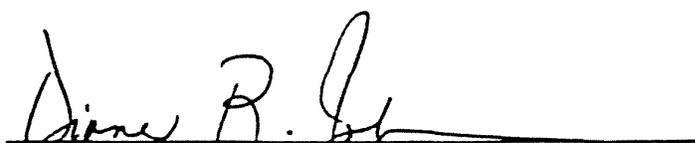
While USEPA considers asbestos-containing building materials with less than or equal to 1% asbestos by volume to be non-regulated for purposes of NESHAPS, federal OSHA has interpreted these quantities in a vastly different manner. Seek up to date information on regulations concerning low percentage ACM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

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

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

The samples received in the laboratory were not collected by personnel from Muranaka Environmental Consultants, Inc. We make no representations as to the accuracy and thoroughness of the sampling methodology used; nor can we offer any conclusions as to the relevance of the results. We disclaim any responsibility for misrepresentations resulting from the inaccurate or incomplete collection of the samples.

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



---

Diane R. Johnson  
Laboratory Manager

END OF EXHIBIT J

93-00376

EXHIBIT K  
CITY AND COUNTY OF HONOLULU  
DEPARTMENT OF LAND UTILIZATION  
650 South King Street, 7th Floor  
Honolulu, Hawaii 96813

93 APR 21 PM 2 44

DLU MASTER APPLICATION FORM

Additional data, drawing/plans, and fee requirements are listed on a separate sheet titled "Instructions for Filing." PLEASE ASK FOR THESE INSTRUCTIONS.

All specified materials and fees must accompany this form; incomplete applications could delay processing. You are encouraged to consult with department staff in completing the application. Please call the appropriate phone number given in the "Instructions for Filing" sheet. Please print legibly or type the required information.

PERMIT REQUESTED (Check one or more as appropriate):

Clusters:

- Agricultural Cluster
- Cluster Housing
- Country Cluster
- Park Dedication
- Plan Review Use
- Planned Development-Housing
- Shoreline Setback Variance
- Site Plan Review
- Special Management Area Permit/Assessment
- State Special Use Permit
- Subdivision
- Sunlight Reflection
- Variance from LUO Sec.(s):
- Site Development Plan
- Special District: \_\_\_\_\_  
(Indicate District)
- Waiver (public uses/utilities)
- Zero Lot Line
- Zone Change, From \_\_\_\_\_ to \_\_\_\_\_
- Zoning Adjustment, LUO Sec.(s):
- Joint Development

Conditional Use Permits:

Type 1  Type 2

- Existing Use
- Flood Hazard Variance

TAX MAP KEY(S): 1/2-4-21: 12 & 11  
 LOT AREA: Parcel 12: 8,000 s.f. Parcel 11: 8,461 s.f.  
 ZONING DISTRICT: A-2 STATE LAND USE DISTRICT: Urban  
 STREET ADDRESS/LOCATION OF PROPERTY: 1329 & 1337 Kaihee Street, Honolulu, Hawaii 96822

RECORDED FEE OWNER:  
 Name: Takashima Shoji Yugen Kaisha  
 Mailing Address: 1-28-15 Ginza Chuoku  
Tokyo, Japan  
 Phone Number: \_\_\_\_\_  
 Signature: Tetsuo Takashima

APPLICANT:  
 Name: Takashima Shoji Yugen Kaisha  
 Mailing Address: 1-28-15 Ginza Chuoku  
Tokyo, Japan  
 Phone Number: \_\_\_\_\_  
 Signature: Tetsuo Takashima

PRESENT USE OF PROPERTY/BUILDING: \_\_\_\_\_  
Apartment rentals

AUTHORIZED AGENT/CONTACT PERSON:  
 Name: Abe Lee Development / Abe Lee  
 Mailing Address: 2752 Woodlawn Dr., #5-205  
Honolulu, Hawaii 96822  
 Phone Number: 988-8077  
 Signature: Abe Lee

PROJECT NAME (if any): Kaihee Kai

PROJECT PROPOSAL (Briefly describe the proposed activity or project): To develop two adjoining parcels together for zoning purposes; to consolidate the on-site parking for the two lots.

FOR DEPARTMENT USE ONLY

FILE NO. 93/CUP1-2

Submitted Fee Amount: \$ \_\_\_\_\_  
 Date Application Accepted: \_\_\_\_\_ Accepted By: \_\_\_\_\_  
 Date of Public Hearing: \_\_\_\_\_

- Approved
- Approved with conditions indicated below.
- Denied for reason(s) given below.
- Exempt project.

(see attached)

THIS COPY, WHEN SIGNED BELOW, IS NOTIFICATION OF THE ACTION TAKEN.

Donald C. Lee Signature Abe Lee Title 2/11/93 Date

The above approval does not constitute approval of any other required permits, such as building permits.

FILE NO. : 93/CUP1-2  
PROJECT : Joint Development - Section 4.40-21  
APPLICANT : Takashima Shoji Yugen Kaisha  
LOCATION : 1329 and 1337 Kaihee Street - Makiki  
TAX MAP KEY: 2-4-21: 11 and 12  
DATE : February 11, 1993

APPROVAL, subject to the following conditions:

1. All lots or parcels identified in Exhibits A-1 and A-2 shall be considered to be one zoning lot.
2. The agreement shall be filed with the Bureau of Conveyances or the Assistant Registrar of the Land Court of Hawaii. Proof of such filing shall be in the form of a copy certified by the appropriate agency and shall be submitted to the Department of Land Utilization before any building/sign permit is issued.
3. This application has only been reviewed and approved pursuant to the provisions of Section 4.40-21, and development shall comply with all other provisions of the Land Use Ordinance.
4. Approval of the Conditional Use Permit shall not be construed as approval of any building/sign permit applications; such applications are reviewed separately and shall comply with applicable codes and regulations.
5. The Director of Land Utilization shall reserve the right to impose additional requirements, if necessary, to promote and protect the health, safety, and welfare of the people of the City and County of Honolulu.
6. This approval may be revoked by the Director of Land Utilization when there is a breach of any of the conditions stated above; provided that, for good cause, the Director may amend the above conditions.

C93CUP2.ntt

THE ORIGINAL OF THE DOCUMENT  
RECORDED AS FOLLOWS:  
STATE OF HAWAII

BUREAU OF CONVEYANCES

DATE: 8-05 FEB 17 1993  
DOCUMENT NO: 93-25361

I hereby certify that this is  
a true copy from the records  
of the Bureau of Conveyances.

*[Signature]*  
BUREAU OF CONVEYANCES  
ASSISTANT REGISTRAR, LAND COURT  
STATE OF HAWAII

LAND COURT SYSTEM

REGULAR SYSTEM

RETURN BY: MAIL ( ) PICKUP ( ) TO:

AGREEMENT FOR ISSUANCE OF CONDITIONAL USE PERMIT UNDER  
SECTION 4.40-21 OF THE LAND USE ORDINANCE (LUO)

THIS INDENTURE, made this 13<sup>th</sup> day of January,  
19 93, by TAKASHIMA SHOJI YUGEN KAISHA, a Japan corporation,  
Owner of those certain parcels of land described in Exhibit "A-1",  
and in Exhibit "A-2", attached hereto and made a part hereof, being  
hereinafter referred to as "Declarant."

W I T N E S S E T H:

WHEREAS, Section 4.40-21 of the Land Use Ordinance (LUO)  
provides that if an owner or owners of adjacent lots believe that  
joint development of their property would result in more efficient  
use of their land, they may apply for a Conditional Use Permit to  
allow such development and to treat said lots as one (1) for zoning  
purposes; and



WHEREAS, LUO Section 4.40-21 requires an applicant for a Conditional Use Permit to submit to the City and County of Honolulu ("City") an agreement binding himself and his successors in title to maintain a proposed development so that conformity with applicable zoning regulations will be assured; and

WHEREAS, Declarant proposes to develop all those parcels of land described in Exhibits "A-1" and "A-2", attached hereto, in accordance with the zoning regulations, in the belief that said proposed development would result in a more efficient use of said parcels; and

WHEREAS, Declarant desires to avail itself of the benefits of LUO Section 4.40-21, and hereby makes application for the issuance of a Conditional Use Permit pursuant thereto.

NOW, THEREFORE, Declarant(s) hereby covenants and makes the following Declarations:

1. This Agreement is made pursuant to and in compliance with the provisions of LUO Section 4.40-21, relating to joint development of two (2) or more adjacent lots, the terms of which Section shall be effective when the Director of Land Utilization of the City and County of Honolulu approves development of those parcels of land described in Exhibits "A-1" and "A-2", and issues a Conditional Use Permit therefor.

2. Declarant agrees to develop in accord with all other provisions of the zoning regulations.

3. Declarant agrees to file copies of this Agreement and the attachments referred to herein each time the Declarant or its

successors, or permitted assigns or agents, files an application for a building permit for any structure within the real property which is the subject of this agreement.

4. Declarant agrees that all of said parcels of land described in Exhibits "A-1" and "A-2" shall at all times remain an integral part of said development.

5. Failure to develop substantially in accordance with said Agreement and the zoning regulations shall constitute grounds for the City to revoke or suspend any building permits issued hereunder.

6. Failure to maintain the development in accordance with this Agreement shall constitute grounds for the City to revoke or suspend the Conditional Use Permit issued pursuant to this agreement.

7. This Agreement shall not terminate, extinguish, nor cancel without the express written approval of the Director of Land Utilization of the City and County of Honolulu, State of Hawaii

8. The City and County of Honolulu, State of Hawaii shall have the right to enforce this Agreement and the conditions contained herein by appropriate action at law or suit in equity against Declarant and any persons claiming an interest in such property.

IT IS EXPRESSLY UNDERSTOOD AND AGREED that this Agreement shall run with the land and shall bind, inure to the benefit of, and constitute notice to the respective successors, grantees,

assignees, mortgagees, lienors, and any other person who claims an interest in such property, of the parties hereto.

TAKASHIMA SHOJI YUGEN KAISHA, a  
Japan corporation

By Tetsuo Takashima  
Its President  
Tetsuo Takashima

By \_\_\_\_\_  
Its

Declarant

STATE OF HAWAII )  
 ) SS  
CITY AND COUNTY OF HONOLULU )

On this \_\_\_\_ day of \_\_\_\_\_, 1992, before me appeared \_\_\_\_\_ and \_\_\_\_\_, to me personally known, who, being by me duly sworn, did say that they are the \_\_\_\_\_ and \_\_\_\_\_, respectively, of TAKASHIMA SHOJI YUGEN KAISHA, a Japan corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said officers acknowledged said instrument to be the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public, State of Hawaii

My commission expires:

EXHIBIT "A-1"

That certain parcel of land (portion of the land described in and covered by Royal Patent Grant Number 3137 to William Johnson) situate, lying and being at Kaaihee, Makiki, City and County of Honolulu, State of Hawaii, being LOT NUMBER A-ONE (A-1), same being portions of Lots Numbers 14 and 15 of the "Kaaihee Tract", as per survey of Tadashi Takano, Registered Land Surveyor, dated October 22, 1963, being more particularly described as follows:

Beginning at the northeast corner of this piece of land and being also the northeast corner of Lot 16 of Kaaihee Tract and on the southwest side of Kaaihee Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 2,852.18 feet South and 3,943.54 feet East, thence running by azimuths measured clockwise from true South:

- |    |      |     |        |   |
|----|------|-----|--------|---|
| 1. | 313° | 35' | 26.00  | feet along the southwest side of Kaaihee Street, along the remainder of Grant 3137 to William Johnson;  |
|    |      |     |        | Thence along Lot A-2, along the remainder of Grant 3137 to William Johnson, on a curve to the left with a radius of 10.00 feet, the chord azimuth and distance being: |
| 2. | 88°  | 35' | 14.14  | feet;   |
| 3. | 43°  | 35' | 80.00  | feet along Lot A-2, along the remainder of Grant 3137 to William Johnson;   |
| 4. | 313° | 35' | 84.00  | feet along Lot A-2, along the remainder of Grant 3137 to William Johnson;   |
| 5. | 43°  | 35' | 70.00  | feet along Lots 12 and 13 of Kaaihee Tract, along the remainder of Grant 3137 to William Johnson;   |
| 6. | 133° | 35' | 100.00 | feet along Grant 3136 to W. J. Smith;   |
| 7. | 223° | 35' | 160.00 | feet along Lot 16 of Kaaihee Tract, along the remainder of Grant 3137 to William Johnson to the point of beginning and  |

containing an area of 8,461 square feet, more or less.

TOGETHER WITH an easement 5.00 feet wide for sewer purposes over and across Lot A-2, being more particularly described as follows:

BEGINNING at the north end of the centerline of the easement, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 2,919.40 feet South and 4,014.17 feet East, thence running by azimuth measured clockwise from true South:

43°            25'            90.00 feet, to the south end of the easement and containing an area of 450 square feet, more or less.

Being a portion of the land conveyed to the Declarant by Deed dated April 13, 1990, recorded in said Bureau of Conveyances as Document No. 90-061642.

SUBJECT, HOWEVER TO THE FOLLOWING:

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

2. Mortgage dated June 29, 1990, in favor of GECC Financial Corporation, a Hawaii corporation, recorded in said Bureau of Conveyances as Document No. 90-098626.

3. Financing Statement covering certain personal property as described therein, in favor of GECC Financial Corporation, a Hawaii corporation, recorded in said Bureau of Conveyances as Document No. 90-098627.

4. Mortgage dated September 25, 1992, in favor of GECC Financial Corporation, a Hawaii corporation, recorded in said Bureau of Conveyances as Document No. 92-157683.

3. Financing Statement covering certain personal property as described therein, in favor of GECC Financial Corporation, a Hawaii corporation, recorded in said Bureau of Conveyances as Document No. 92-157684.

END OF EXHIBIT "A-1"

EXHIBIT "A-2"

That certain parcel of land situate at Kaaihee, Makiki, City and County of Honolulu, State of Hawaii, described as follows:

Lot 16, area 8,000 square feet, more or less, of the "KAAIHEE TRACT", as shown on the map filed in the Bureau of Conveyances, State of Hawaii, in Book 205, Page 277.

Being a portion of the land conveyed to the Declarant by Deed dated April 13, 1990, recorded in said Bureau of Conveyances as Document No. 90-061642.

SUBJECT, HOWEVER TO THE FOLLOWING:

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

2. Mortgage dated June 29, 1990, in favor of GECC Financial Corporation, a Hawaii corporation, recorded in said Bureau of Conveyances as Document No. 90-098626.

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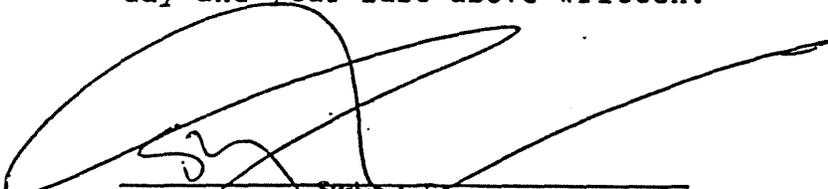
3. Financing Statement covering certain personal property as described therein, in favor of GECC Financial Corporation, a Hawaii corporation, recorded in said Bureau of Conveyances as Document No. 92-157684.

END OF EXHIBIT "A-2"

JAPAN )  
CITY OF TOKYO ) SS:  
EMBASSY OF THE UNITED STATES OF AMERICA)

I, Stephen A. Edson, Consul of the  
United States of America at Tokyo, Japan, duly commissioned  
and qualified, do hereby certify that on this 13th  
day of January 19 93, before me personally appeared  
Tetsuo TAKASHIMA., to me personally  
known, and known to me to be the individual described in,  
who, being by me duly sworn, did depose and say that he is  
the President of TAKASHIMA SHOJI YUGEN KAISHA,  
a Japan corporation; and that the foregoing  
instrument was signed in behalf of said corporation by  
authority of its board of directors and that said officer  
acknowledged said instrument to be the free act and deed of  
said corporation.

IN WITNESS WHEREOF I have hereunto  
set my hand and official seal the  
day and year last above written.

  
\_\_\_\_\_  
Stephen A. Edson  
Consul of the United States of America  
duly commissioned and qualified