

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:

SPECIAL ATTENTION

This is a CONDOMINIUM PROJECT, **not** a subdivision. The land areas beneath and immediately adjacent to each building as separated by the chain link fence are designated LIMITED COMMON ELEMENTS and are **not** legally subdivided lots.

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

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

TABLE OF CONTENTS

	page
Preparation of this Report	1
Expiration Date of Reports	1
Type of Report	1
Disclosure Abstract	2
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Operation of the Condominium Project	4
I. PERSONS CONNECTED WITH THE PROJECT	5
Developer Attorney for Developer General Contractor	
Real Estate Broker Escrow Company Condominium Managing Agent	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	6
B. Condominium Map (File Plan)	6
C. Bylaws	6
D. House Rules	7
E. Changes to Condominium Documents	7
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	8
B. Underlying Land	9
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	13
E. Encumbrances Against Title	14
F. Construction Warranties	15
G. Status of Construction	16
H. Project Phases	16
IV. CONDOMINIUM MANAGEMENT	
A. Management of the Common Elements	17
B. Estimate of Initial Maintenance Fees	17
C. Utility Charges for Apartments	17
V. MISCELLANEOUS	
A. Sales Documents Filed with the Real Estate Commission	18
B. Buyer's Right to Cancel Sales Contract	18
C. Additional Information	20
D. Signature of Developer	21
EXHIBIT A: Architect's Visual Inspection Report	
EXHIBIT B: Letter from the City and County of Honolulu, Building Department dated May 28, 1992	
EXHIBIT C: Description of Common Elements	
EXHIBIT D: Encumbrances Against Title	
EXHIBIT E: Estimate of Maintenance Fees and Disbursements	
EXHIBIT F: Summary of Sales Contract	
EXHIBIT G: Summary of Escrow Agreement	
EXHIBIT H: Disclosure Abstract	
EXHIBIT I: Parking Stall Assignments	

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: SUMMIE SHAN LI and JANE WAI CHING LI Phone: 734-2208
Name (Business)
936 7th Avenue
Business Address
Honolulu, HI 96816

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

Real Estate Broker: Summie Li Realty, Inc. See p. 20 Phone: 734-2208
Name (Business)
444 Hobron Lane, Ste. 311
Business Address
Honolulu, HI 96815

Escrow: Fidelity Escrow Services Corp. Phone: 537-6799
Name (Business)
700 Bishop St., Ste. 1010
Business Address
Honolulu, HI 96813

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

Business Address

Condominium Managing Agent: Self-managed by Association of Apartment Phone: _____
Name (Business)
Owners
Business Address

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. 93-172193
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]:

- 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. 1939
 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. 93-172194
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]:

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: 627 & 631 Hausten Street Tax Map Key: (1) 2-7-14: 21
Honolulu, HI 96826 (TMK)

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

Land Area: 9,800 [X] square feet [] acre(s) Zoning: A-2

Lessor

(Fee Owner): Summie Shan Li and Jane Wai Ching Li
Name
936 7th Avenue
Address
Honolulu, HI 96816

Sublessor: _____
Name

Address

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 1 & 2

Exhibit _____ contains further explanations.

3. **Principal Construction Material:**

Concrete Hollow Tile Wood

Other _____

4. **Permitted Uses by Zoning:**

	<u>No. of Apts.</u>	<u>Use Permitted By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
<input checked="" type="checkbox"/> Residential	<u>9</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 permitted, except for such animals customarily kept as pets.

Number of Occupants: _____

Other: _____

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: None Stairways: None Trash Chutes: None

<u>Apt.No.</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>627</u>	<u>1</u>	<u>4/1½</u>	<u>1,292</u>	<u>308</u>
<u>631-1&2</u>	<u>2</u>	<u>1/1</u>	<u>407</u>	<u>---</u>
<u>631-3</u>	<u>1</u>	<u>1/1</u>	<u>561</u>	<u>---</u>
<u>631-4</u>	<u>1</u>	<u>1/1</u>	<u>407</u>	<u>---</u>
<u>631-5 to</u>	<u>4</u>	<u>1/1</u>	<u>492</u>	<u>---</u>

8
Total Apartments: 9

***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:

Apartment 627:

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

Apartments 631-1 to 631-8:

1. Walls and partitions which are not load-bearing and within the perimeter walls.
2. Doors and door frames.
3. Windows and window frames.
4. Inner decorated or finished surfaces of walls, floors and ceilings.
5. Air space within the perimeter walls.
6. All ducts, pipes, wires and conduits which serve only one apartment.

Permitted Alterations to Apartments:

Apartment owner may renovate, remodel, make additions to, remove or restore unit.

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

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>	_____	_____
Structures	<u> X </u>	_____	_____
Lot	<u> X </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 C .

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:

Apartment 627: The area surrounding Apartment 627 consisting of the land beneath and immediately adjacent to the dwelling as shown on the condominium map is a limited common element appurtenant to Apartment 627. Such area is not a legally subdivided lot.

Apartment 631-1 to 631-8: The driveway alongside Building 631 and the parking area behind Apartment 627 are limited common elements appurtenant to Apartments 631-1 to 631-8, except for the 6 assigned parking stalls which are each limited common elements appurtenant to their respective apartments.

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 _____.

as follows:

<u>Apt. No.</u>	<u>Common Interest</u>
627	27.84%
631-1	9.02%
631-2	9.02%
631-3	9.02%
631-4	9.02%
631-5	9.02%
631-6	9.02%
631-7	9.02%
631-8	9.02%

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 D describes the encumbrances against the title contained in the title report dated September 10, 1993 and issued by First Hawaii 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.

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

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. 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 may have to sue Developer for breach of contract and for return of any deposits paid.

F. 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:

There are no warranties.

2. Appliances:

There are no warranties.

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

Apartment 627 was built in 1941. A portion of Building 631 containing four apartments was built in 1949 and another portion of the building containing 4 apartments was added in 1956.

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

Escrow Agreement dated May 14, 1993

Exhibit G _____ 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. 2980 filed with the Real Estate Commission on October 21, 1993.

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

yellow paper stock

white paper stock

pink paper stock

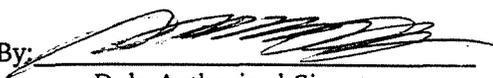
C. Additional Information Not Covered Above

Pursuant to Sections 16-99-3(g) and 16-99-11(d), Hawaii Administrative Rules ("HAR"), prospective purchasers are hereby advised that one of the Developer/Owners, Summie S. Li (RB-8697), is a current and active Hawaii-licensed real estate broker, principal broker of the project broker and president of the real estate corporation. Further, pursuant to Section 16-99-11(c), HAR, "(n)o licensee shall advertise 'For Sale by Owner,..."

Flood Hazard Zone Disclosure. A triangular portion of the property (the back right corner of the property) of approximately 200 square feet is located in a flood zone as determined by the Department of Housing and Urban Development and that it will be necessary to purchase flood insurance in order to obtain a loan secured by the property.

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.

SUMMIE SHAN LI and JANE WAI CHING LI
Name of Developer

By: 
Duly Authorized Signatory

11-16-93
Date

SUMMIE SHAN LI
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

JAMES MAYO MACARI
ARCHITECT
1726 HAU STREET
HONOLULU, HI 96819
PHONE: 842-0772

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

April 20, 1993

Dear Mr. Li:

As per your instructions, a visual inspection was made of the property located at 627 & 631 Husten Street, Honolulu, Hawaii TMK: 2-7-14-21.

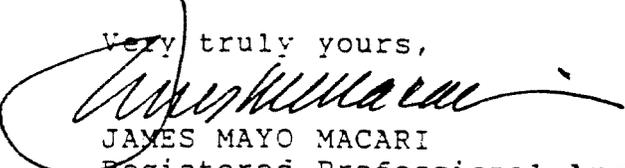
The purpose of the inspection was to examine and comment on the present condition of the buildings.

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

1. The structures described as Units 1 through 9 appear in good condition. The units are habitable and appear to be free from major structural defects.
2. The electrical system and plumbing systems appear to be functioning properly and seem to be in good condition.

Conclusion: The buildings described as units 1 through 9 are in good condition with no major structural defects. At this point, the age of the structures is not known and no useful life of the buildings has been determined.

Very truly yours,



JAMES MAYO MACARI
Registered Professional Architect
Registration No. 5535

EXHIBIT A

BUILDING DEPARTMENT
CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813



FRANK F. EAST,
MAYOR

HERBERT A. MURPHY,
DIRECTOR

WILLIAM F. REMICK,
DEPUTY

Ex93-59

May 11, 1993

Mr. Glenn M. Adachi
Attorney at Law
Davies Pacific Center
841 Bishop Street, Suite 1601
Honolulu, Hawaii 96813

Dear Mr. Adachi:

Subject: Condominium Conversion Project
627 & 631 Husten Street
Tax Map Key: 2-7-14: 21

This is in reply to your letter dated April 16, 1993 requesting confirmation that the one-story one-family detached dwelling and the two-story eight-unit apartment building met applicable code requirements at the time of their construction.

Investigation revealed that the dwelling with two off-street parking spaces, constructed in 1941, and the apartment building with eight off-street parking spaces, of which four units were constructed in 1949, and four units added in 1956, met all applicable code requirements at the time of their construction.

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.

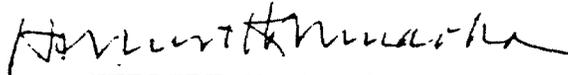
EXHIBIT B

Mr. Glenn M. Adachi
May 11, 1993
Page 2

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 13th day of
May, 1993.



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

EXHIBIT C

DESCRIPTION OF COMMON ELEMENTS

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

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

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

EXHIBIT D

ENCUMBRANCES AGAINST TITLE

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

2. Mortgage, Security Agreement and Financing Statement dated March 29, 1988, in favor of American Savings Bank, F.S.B., a federal savings bank, recorded in said Bureau of Conveyances in Book 21781, Page 67.

3. Collateral Assignment of Leases and Rents dated March 29, 1988, to American Savings Bank, F.S.B., a federal savings bank, recorded in said Bureau of Conveyances in Book 21781, Page 97.

4. Any and all unrecorded leases and subleases, and any encumbrances affecting the property described herein not reported on herein.

5. Condominium Map No. 1939 filed in the Bureau of Conveyances, State of Hawaii.

6. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions, easements and by-laws set forth in the Declaration of Condominium Property Regime dated October 5, 1993, recorded as Document No. 93-172193.

7. By-Laws of the Association of Apartment Owners of 627 & 631 HAUSTEN STREET dated October 5, 1993, and recorded as Document No. 93-172194.

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

EXHIBIT E

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>
627	92.00	1,104.00
631-1	85.00	1,020.00
631-2	85.00	1,020.00
631-3	85.00	1,020.00
631-4	85.00	1,020.00
631-5	85.00	1,020.00
631-6	85.00	1,020.00
631-7	85.00	1,020.00
631-8	85.00	1,020.00

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

Estimate of Maintenance Fee Disbursements:

	<u>Monthly x 12 months</u>	<u>Yearly Total</u>
Utilities and Services		
Air Conditioning		
Electricity		
[] common elements only		
[] common elements and apartments		
Elevator		
Gas		
Refuse Collection		
Telephone		
Water and Sewer (Unit 627: 44. /month; Units 631-1 to 8: 22 ./unit/month)	220.00	2640.00
Maintenance, Repairs and Supplies		
Building (631 Hausten Street)	300.00	3600.00
Grounds		
Management		
Management Fee		
Payroll and Payroll Taxes		
Office Expenses		
Insurance		
Unit 627	298.00	
631 Hausten (8 units)	434.00	
Liability (all units)	108.00	
Reserves(*) 631 Hausten Street	160.00	1920.00
627 Hausten St.	20.00	240.00
Taxes and Government Assessments		
Audit Fees		
Other		
TOTAL	770.00	9240.00

I, Summie Li, ~~as agent and employed by Summie Li Realty~~ the condominium managing agent ~~or the developer~~, for the condominium project 627/631 Hausten Street, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



(*) Mandatory reserves in effect January 1, 1993

Date: 26th August, 93

EXHIBIT F

SUMMARY OF SALES CONTRACT

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

1. A section for financing to be filled in and agreed to by the parties which will set forth how the buyer will pay the purchase price.

2. That a buyer's deposits will be held in escrow until the sales contract is closed or cancelled.

3. That the buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

4. That in the event of default:

If buyer defaults:

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

If Seller defaults:

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

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

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

EXHIBIT G

SUMMARY OF ESCROW AGREEMENT

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

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

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

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

(d) Escrow will not disburse funds until it is notified by seller that a final public report has been issued and a copy has been given to the buyer.

(e) A buyer's funds will be refunded without interest, less a cancellation fee if buyer cancels the sales contract and either the seller requests that buyer's funds be returned prior to issuance of the final public report, or buyer's funds were obtained prior to issuance of the final public report and buyer decides to cancel their reservation prior to receipt of the final public report.

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

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

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

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

EXHIBIT H

DISCLOSURE ABSTRACT

1. a. PROJECT: 627 & 631 HAUSTEN STREET
627 & 631 Hausten Street
Honolulu, HI 96826
- b. DEVELOPER: Summie Shan Li and
Jane Wai Ching Li
936 7th Avenue
Honolulu, HI 96816
- c. MANAGING AGENT: None. Project will be self-managed.

2. Estimated Maintenance Fee Assessments and Disbursements

Maintenance Fees: The routine maintenance and repair of each apartment unit, including all utility charges, is the sole responsibility of each owner. The owner of Apartment 627 is responsible for the routine maintenance and repair of Apartment 627 and the appurtenant limited common elements. The owners of Apartments 631-1 to 631-8 are responsible for the maintenance of Building 631 and the appurtenant limited common elements which include the driveway alongside Building 631 and the parking area behind Apartment 627.

The breakdown of annual maintenance fees and monthly estimate for each apartment has been based on generally accepted accounting principles and is attached as Exhibit "E".

3. Description of All Warranties Covering the Apartments and Common Elements.

Purchasers are advised that Apartment 627 is an existing structure constructed in 1941 and Apartment 631-1 to 631-8 are contained in an existing structure portions of the building being built in 1949 and 1956. Said buildings are subject to "wear and tear" commensurate with their age. NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO ANY OF THE APARTMENTS. PURCHASERS ARE ADVISED TO CONDUCT THEIR OWN INSPECTION OF THE APARTMENT THEY DESIRE TO BUY. THE APARTMENTS ARE BEING SOLD "AS IS".

4. Use of Apartments. The 627 & 631 HAUSTEN STREET condominium project will consist of nine (9) apartments which will be used for residential purposes by the owners, their tenants, servants, guests and invitees and for no other purpose.

5. Structural Components and Mechanical and Electrical Installations.

Based on a visual inspection report prepared by a licensed architect (a copy of said report is attached as Exhibit "A" to this public report), it is the Developer's opinion that all structural components and electrical and plumbing systems material to the use and enjoyment of the apartments appear to be functioning and in satisfactory working condition. However, NO REPRESENTATIONS OF ANY KIND ARE MADE AS TO THE EXPECTED USEFUL LIFE, IF ANY, OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS MATERIAL TO THE USE AND ENJOYMENT OF THE APARTMENTS.

6. Code Violations. To the best of the knowledge, information and belief of the undersigned, there are no outstanding notices of uncured violations of the building code or municipal regulations of the City and County of Honolulu.

DATE: 11-16-93

SUMMIE SHAN LI
JANE WAI CHING LI

By 

EXHIBIT I

PARKING STALL ASSIGNMENTS

<u>Apartment No.</u>	<u>Parking Stall No.</u>
627	A1 & A2
631-1	None
631-2	None
631-3	2 (Compact)
631-4	3 (Compact)
631-5	4 (Compact)
631-6	1
631-7	5
631-8	6

Apartments 631-1 and 631-2 will not have any parking stalls assigned to the respective apartment.