



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:**

1. Warranties. The Developer makes no warranties, expressed or implied, with respect to the residence, the Property or consumer products or other things installed or contained in the residence, the Property or the project including, but not limited to, warranties of merchantability, habitability, workmanlike construction or fitness for a particular use.
2. Apartment Definition. The words "apartment", "residence" or "condominium apartment", except where the context definitely prescribes another interpretation, are used interchangeably herein and shall have the same meaning as "apartment" in Chapter 514A, Hawaii Revised Statutes.

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 Not Covered Above	20
D. Signature of Developer	21
EXHIBIT A: Apartment Types and Descriptions	
EXHIBIT B: Common Elements	
EXHIBIT C: Limited Common Elements	
EXHIBIT D: Encumbrances Against Title	
EXHIBIT E: Schedule of Maintenance Fees and Maintenance Fee Disbursements	
EXHIBIT F: Summary of Pertinent Provisions of Sales Contract	
EXHIBIT G: Summary of Pertinent Provisions of Escrow Agreement	
EXHIBIT H: Report on Condition and Expected Useful Life of Structural Components, Mechanical and Electrical Installations	

## 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 of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is 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: LESLIE GUNJI MURAKAMI  
ROY TOKUO MURAKAMI, Trustee Phone: 536-4240  
Name (Business)  
1303 Victoria Street  
Business Address  
Honolulu, Hawaii 96814

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Broker: Developer Phone: 536-4240  
Name (Business)  
Business Address  
\_\_\_\_\_

Escrow: Title Guaranty Escrow Services, Inc. Phone: 521-0211  
Name (Business)  
235 Queen Street, 1st Floor  
Business Address  
Honolulu, Hawaii 96813

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

Condominium Managing Agent: Self-managed by the Association Phone: 536-4240  
Name of Apartment Owners (Business)  
Business Address  
\_\_\_\_\_

Attorney for Developer: Tanaka & Tsugawa Phone: 523-7581  
Name (Business)  
Suite 1100, Pacific Tower, 1001 Bishop Street  
Business Address  
Honolulu, Hawaii 96813

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

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. 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. \_\_\_\_\_  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. 2194324

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, and dimensions of each apartment.

The Condominium Map for this condominium project is:

- Proposed  
 Recorded - Bureau of Conveyances Condo Map No. \_\_\_\_\_  
 Filed - Land Court Condo Map No. 1053

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. \_\_\_\_\_  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. 2194325

The Bylaws referred to above have been amended by the following instruments [state name of document, date 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%*	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>---</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:

Developer reserves the right to amend the Declaration (including any Exhibits attached to the Declaration), the By-Laws and Condominium Map in any manner for any apartment which has not yet been conveyed. Developer also reserves the right to file the "as-built" certificate required by Section 514A-12, Hawaii Revised Statutes, including a verified statement of a registered architect or professional engineer.

See also Exhibit D for other Developer's easements and reservations.

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(s): \_\_\_\_\_

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: 1303 Victoria Street Tax Map Key: (1) 2-4-013: 76  
Honolulu, Hawaii 96814 (TMK)

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

Land Area: 4,081 [X] square feet [ ] acre(s) Zoning: A-2 - Thomas Square  
Honolulu Academy of Arts  
Special Design District

Lessor LESLIE GUNJI MURAKAMI  
 (Fee Owner): ROY TOKUO MURAKAMI, Trustee  
Name  
1303 Victoria Street  
Address  
Honolulu, Hawaii 96814

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: one Floors Per Building two

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

3. Principal Construction Material:

Concrete     Hollow Tile     Wood

Other glass and gypsum board

4. Permitted Uses by Zoning:

	<u>No. of</u>	<u>Use Permitted</u>		<u>No. of</u>	<u>Use Determined</u>
	<u>Apts.</u>	<u>By Zoning</u>		<u>Apts.</u>	<u>By Zoning</u>
<input checked="" type="checkbox"/> Residential	<u>3</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: \_\_\_\_\_

[ ] Number of Occupants: \_\_\_\_\_

[ ] Other: \_\_\_\_\_

[ X ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: none      Stairways: two      Trash Chutes: none

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
A	1	4/2	1,186	_____
B	1	3/1	1,064	_____
C	1	1/1	626	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 3

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

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

**Boundaries of Each Apartment:**

The respective apartments shall not be deemed to include the perimeter or party walls or the inside undecorated or unfinished surfaces thereof; or the exterior decorated or finished surfaces of all doors, door frames, windows and window frames; or the undecorated or unfinished surfaces of any interior load-bearing walls; or the floor and ceiling surrounding each apartment; or any pipes, wires, conduits or other utility or service lines which are utilized for or serve more than one apartment; all of the foregoing being common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls; the inner decorated or finished surfaces of all walls, floors and ceilings; except the exterior decorated or finished surface thereof; and all fixtures originally installed in the apartment.

**Permitted Alterations to Apartments:**

Additions, alterations, repairs or improvements solely within an apartment or within a limited common element appurtenant to and for the exclusive use of the apartment may be made by the apartment owner with the approval of the agencies or departments of the State of Hawaii, the City and County of Honolulu and by the holders of liens affecting the apartment (if the lien holders require such approval). For more details see page 20.

7. Parking Stalls:

Total Parking Stalls: 3

	<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 unit)	<u>1</u>	<u>2</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>3</u>
Guest	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Unassigned	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Extra for Purchase	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Other:	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Total Covered & Open	<u>3</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>

Each apartment will have the exclusive use of at least one 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 Exhibit H.

11. Conformance to Present Zoning Code

- 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	x	_____	_____
Structures	_____	x - See p. 20	_____
Lot	x	_____	_____

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project 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 B.

as follows:

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

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

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

[X] described in Exhibit C.

[ ] as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is 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 \_\_\_\_\_.

[X] as follows:

Apartment 1	41%
Apartment 2	37%
Apartment 3	<u>22%</u>
	100%

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 October 12, 1994 and issued by Title Guaranty of Hawaii, Incorporated.

**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>
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**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:

None .

- 2. Appliances:

None .

G. Status of Construction and Estimated Completion Date:

The building was constructed in 1968.

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):

IV. CONDOMINIUM MANAGEMENT

A. Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial condominium managing agent for this project, named on page five (5) of this report, is:

- not affiliated with the Developer  the Developer or the Developer's affiliate.  
 self-managed by the Association of Apartment Owners  other \_\_\_\_\_

B. Estimate of Initial Maintenance Fees:

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

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

Exhibit E contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. Utility Charges for Apartments:

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

- None  Electricity  Gas  Water  
 Sewer  Television Cable  Other \_\_\_\_\_

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 November 8, 1994.  
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 the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

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

Final Report 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. 3248 filed with the Real Estate Commission on Dec. 14, 1994.

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**

**Non-Conforming Structure/Rebuilding/Expansion Restrictions**

The building was constructed in 1968. At the time of construction, the buildings complied with all applicable zoning ordinances. Subsequently, the City and County of Honolulu revised the zoning ordinances. Under the zoning ordinances presently in effect, the building is a non-conforming structure because it is located within the 10-foot front and sideyard setback areas required under the existing zoning ordinances.

Present zoning ordinances provide that in the event the building is damaged to an extent greater than 50% of its replacement value, the building must be rebuilt in conformance with existing zoning ordinances, except:

- (a) if an existing use permit is obtained from the Department of Land Utilization prior to the destruction of the building, the building may be reconstructed to its present dimensions, provided that such reconstruction begins not more than two years after the destruction of the building; or
- (b) if the building is damaged due to an accident, including fire, hurricane, other calamity, or act of God, the building may be reconstructed to its present dimensions, provided that such reconstruction begins not more than two years after the destruction of the building.

- 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.

LESLIE GUNJI MURAKAMI and ROY TOKUO MURAKAMI, as Trustee

Name of Developer

*Roy Tokuo Murakami*

By: *Leslie Gunji Murakami*  
Duly Authorized Signatory

November 8, 1994  
Date

print name & title of person signing above

Distribution:

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

EXHIBIT A

Apartment Types and Descriptions

There are three types of apartments in the project, designated as Apartments 1, 2 or 3, located in a two-story building.

Apartment 1 (Type 'A'). Apartment 1, located on the ground floor of the building, consists of a living room, kitchen, four bedrooms, and two bathrooms. Apartment 1 contains 1,186 square feet of NET LIVING AREA.

Apartment 2 (Type 'B'). Apartment 2, located on the mauka side of the second floor of the building, consists of a living room, dining room, kitchen, three bedrooms, and one bathroom. Apartment 2 contains 1,064 square feet of NET LIVING AREA.

Apartment 3 (Type 'C'). Apartment 3, located on the Kinau Street side of the second floor of the building, consists of a living room, kitchen, one bedroom and one bathroom. Apartment 3 contains 626 square feet of NET LIVING AREA.

\* In accordance with local architectural practice, the net living area of each apartment is measured from the inside wall of each apartment to the opposite inside wall. THE AREAS SHOWN ABOVE ARE APPROXIMATE ONLY, AND THE DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE AREA OF ANY PARTICULAR APARTMENT.

Percentage Common Interest and Parking Stalls

Each apartment shall have appurtenant thereto an undivided percentage common interest in all common elements of the Property, and the same proportionate share in all common profits and expenses of the Property and for all other purposes, including voting, as set forth below. The common interests were determined by dividing the approximate living areas for each apartment by the total living area for the Project. In addition, each apartment shall have appurtenant to such apartment, the parking stalls described below and as shown on the Condominium Map.

<u>Apartment</u>	<u>Percentage Common Interest</u>	<u>Parking Stall</u>
1	41%	2
2	37%	3
3	22%	1
	100%	

## EXHIBIT B

### Common Elements

The common elements shall include the limited common elements described in Exhibit C, and all portions of the Project other than the apartments, including specifically, but not limited to:

- (a) The Land described in Exhibit "A" attached to the Declaration, in fee simple;
- (b) retaining walls, drainage ditches, channels, pipes or swales serving more than one apartment, and perimeter fences;
- (c) The driveway providing ingress and egress to and from Victoria Avenue and the Property, and all yards, grounds and planting areas;
- (d) All common premises for the use of maintenance personnel or other persons employed for operation of the Property, if any;
- (e) The laundry area located on the ground floor;
- (f) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, entries, lanais, stairways, and walkways;
- (g) Installations for services such as pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under, or across the Property which serve more than one apartment for services such as power, light, gas, sewage, drainage, telephone, radio and television signal distribution, if any that is not owned by the governmental agency or electric, telephone or cable television company; provided, however, that ownership of any common element by the Association shall end at the meter box or other measuring device attached or adjacent to each apartment subject, however, to ownership in case of any governmental agency, or electric, telephone or television signal improvements as provided in the laws, rules or regulations applicable to the governmental agency or company providing such services; any meter or other measuring device not owned by the public utility or governmental agency providing the service shall be a common element;
- (h) All other parts of the Property necessary or convenient to its existence, maintenance, and safety or normally in common use.

## EXHIBIT C

### Limited Common Elements

The Declaration describes the limited common elements as follows:

"Certain parts of the common elements, herein called the "limited common elements", are hereby designated and set aside for the exclusive use of a specified apartment, and such apartment shall have appurtenant thereto exclusive easements for the use of such limited common elements as follows: Each apartment shall have for its exclusive use (a) the mailbox bearing the same number or street address of such apartment subject to the right of Declarant to determine the type, size, color, materials, construction method, and exact location of the mailbox for each apartment; (b) any meter box or measuring device or cable or wire or line for the exclusive use of an apartment which is used by any governmental agency or electric, telephone or cable television company; (c) the parking stall(s) assigned to each apartment, as set forth in Exhibit "B". Each apartment shall have the right to use the limited common elements appurtenant to such apartment according to the provisions of this Declaration. Each apartment shall also have the obligation to keep and maintain the limited common elements appurtenant to such apartment in good condition, fair wear and tear being excepted."

EXHIBIT D

Encumbrances Against Title

The status title report issued by Title Guaranty of Hawaii, Incorporated, dated October 12, 1994, reflects that fee simple title to the land is held by LESLIE GUNJI MURAKAMI, husband of Shirley Shigeko Murakami, as to an undivided one-half interest, and ROY TOKUO MURAKAMI, as Trustee of and for the Roy Tokuo Murakami Revocable Living Trust under that certain unrecorded Trust Agreement dated January 7, 1994, as to an undivided one-half interest.

Said status title report and Developer's report show title to the property to be subject to the following encumbrances (together with a statement relating to those encumbrances) which, in the Developer's judgment, may have a material impact on the Project or the rights and obligations of apartment owners:

1. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the Roy Tokuo Murakami Revocable Living Trust, under that certain unrecorded Trust Agreement dated January 7, 1994.
2. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Condominium Property Regime dated November 8, 1994, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2194324, as the same are or may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1053).
3. By-Laws of the Association of Apartment Owners of the condominium project, dated November 8, 1994, recorded in said Bureau of Conveyances as Document No. 2194325, as the same may hereafter be amended.
4. For any real property taxes that may be due and owing, reference is made to the Office of the Tax Assessor of the City and County of Honolulu.

EXHIBIT     E    

ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> x 12 months = <u>Yearly Total</u>
1	\$291.92                      \$3,503.04
2	\$263.44                      \$3,161.28
3	\$156.64 <u>\$1,879.68</u>
	\$8,544.00

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

EXHIBIT E

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

<u>Estimate of Maintenance Fee Disbursements:</u>	<u>Monthly x 12 months = Yearly Total</u>	
Utilities and Services		
Air Conditioning		
Electricity		
[ ] common elements only		
[ ] common elements and apartments		
Elevator		
Gas		
Refuse Collection		
Telephone		
Water and Sewer	\$200	\$2,400
Maintenance, Repairs and Supplies		
Building		
Grounds		
Management		
Management Fee		
Payroll and Payroll Taxes		
Office Expenses		
Insurance	\$292	\$3,504
Reserves(*)	(Reserves have not been determined pending completion of Replacement Reserve Report)	
Taxes and Government Assessments		
Audit Fees	\$120	\$1,440
Other	<u>\$100</u>	<u>\$1,200</u>
TOTAL	\$712	\$8,544

I, LESLIE GUNJI MURAKAMI, one of the developers of the condominium project, "VICTORIA GARDENS", hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

*Leslie Gunji Murakami*  
\_\_\_\_\_  
LESLIE GUNJI MURAKAMI, Trustee aforesaid

Date: November 8, 1994

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

EXHIBIT F

Summary of Pertinent Provisions of Sales Contract

The Sales Contract sets forth the terms and conditions concerning the sale of an apartment in the project for the stated purchase price.

Some of the salient areas of the Sales Contract are:

1. Developer retains certain reserved rights, some of which are:

a. Sales activities, including the use of a model apartment unit, signs and extensive sales displays and activities, will continue in the Project, and some of the parking spaces in the Project may be used for parking for prospective purchasers until the sale of the last unsold apartment in the Project. If Developer's mortgage lender shall acquire any portion of the Project, the lender may continue such use until both apartments have been sold and closed.

b. Developer reserves the right for itself, its sales representatives and prospective purchasers to utilize the common elements for ingress and egress and parking for prospective purchasers until the sale of the last unsold apartment in the Project.

c. Developer may cancel the Sales Contract if a purchaser does not have the resources to pay the purchase price or does not diligently follow through with an application to finance the purchase price.

2. All construction has been completed for some time and all contractors' warranties have expired. **THE DEVELOPER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, THE PROPERTY, THE PROJECT, OR CONSUMER PRODUCTS OR OTHER THINGS INSTALLED OR CONTAINED IN THE APARTMENT, THE PROPERTY OR THE PROJECT, INCLUDING BUT NOT LIMITED TO WARRANTIES OR MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR USE.**

3. No Rental Representations. Buyer acknowledges and agrees:

a. **THAT DEVELOPER AND ITS SALES AGENTS ARE NOT OFFERING AND HAVE NOT OFFERED, DIRECTLY OR INDIRECTLY, A RENTAL SERVICE OF ANY KIND TO ANY PURCHASER OF CONDOMINIUM APARTMENT UNITS IN THE PROJECT, EITHER INDIVIDUALLY OR IN ANY FORM OF POOLING ARRANGEMENT, OR BY A THIRD PARTY DESIGNATED OR ARRANGED FOR BY DEVELOPER, NOR HAVE ANY REPRESENTATIONS BEEN MADE BY DEVELOPER OR ITS SALES AGENTS AS TO THE FEASIBILITY OF RENTING THE APARTMENT OR OTHERWISE GENERATING INCOME OR DERIVING ANY OTHER ECONOMIC BENEFIT FROM OWNERSHIP OF THE APARTMENT.**

b. **THAT DEVELOPER AND ITS SALES AGENTS HAVE MADE NO REPRESENTATIONS (NOR IS ANYONE AUTHORIZED TO DO SO) CONTRARY TO PARAGRAPH 5 OF THE SALES CONTRACT WITH RESPECT TO EITHER BENEFITS TO BE DERIVED FROM THE RENTALS OR OTHER TAX TREATMENT OF ANY PURCHASE OF AN APARTMENT EXCEPT AS TO THE AVAILABILITY OF INCOME TAX DEDUCTIONS FOR MORTGAGE INTEREST PAYMENTS AND REAL ESTATE TAXES.**

c. That the Developer may, as a condition of the closing of the Sales Contract, require of the Buyer, any brokers involved in the sale or agents of such brokers, or anyone else connected in any way with the offer to sell and the purchase of the property, the execution and delivery to Developer of such waivers, affidavits, or other documents as may from time to time be required by Developer to satisfy Developer that the offer to sell and the purchase of the property is not in violation of any federal or state securities laws or regulations.

d. That it is understood and agreed that any rental or other disposition of the apartment shall be the sole responsibility of the Buyer.

5. The closing date shall be sixty (60) days after the date Developer has accepted the Sales Contract.

a. Preclosing. Developer may elect to preclose the sale. If Developer elects to preclose the sale, Buyer must deposit all monies necessary to close the sale and sign all necessary documents. Developer can require preclosing up to 60 days prior to the closing date of the sale. Escrow shall date all documents as of the actual closing date and adjust all prorated amounts accordingly.

b. Closing. Closing shall occur 60 days from the effective date of the Sales Contract. All monies must be deposited with Escrow on or before the closing date. Developer shall notify Buyer of the closing date at least 10 days prior to closing. If Buyer fails to close the sale by the closing date established by Developer, then Buyer shall be in default under the Sales Contract, and Buyer shall pay Developer interest at the rate of 12% per year on the purchase price, from the scheduled closing date to the actual closing of the sale. In addition, Buyer shall bear the risk of loss to the apartment after the scheduled closing date, and Buyer shall be responsible for paying all prorated costs, such as real property taxes and common expenses which accrue after the scheduled closing date. In the event of Buyer defaulting under the Sales Contract, in addition to the remedies described above, Developer shall have all other remedies provided by the Sales Contract.

## 6. Default Remedies.

a. If the Buyer shall default in making any payment when required, or fail to perform any other obligation required of the Buyer under the Sales Contract, and the Developer or Escrow shall notify the Buyer by hand delivery or certified or registered mail of such default and if such default shall not be cured within ten (10) days after the date of delivery or deposit of such notice in the United States mail, Developer may, at Developer's option, terminate the Sales Contract. In the event of such termination, the Developer and Buyer acknowledge that they understand and have agreed that in the event of a default the injury to Developer will be difficult and expensive to measure in view of: Developer's financial commitments with respect to the Project; the connection between sale, cancellation or default with respect to one apartment and sale, cancellation or default with respect to the other apartment in the Project; and the nature of the real estate market in Hawaii. As a reasonable estimate of Developer's fair compensation for any damages resulting from such default, the parties agree that the sums paid by the Buyer under the Sales Contract shall belong to Developer as liquidated damages. It is understood that the damages suffered by Developer by virtue of a default later in time will likely be greater than such a default occurring at an earlier point in time. Developer may, in addition to or in lieu of retention of the sums paid by Buyer, pursue any other remedy permitted by law or equity, including specific performance. All costs, including reasonable attorneys' fees, incurred by reason of default by the Buyer shall be borne by the Buyer.

b. If Buyer shall default in making any payment when due, a late charge of one percent (1%) per month (based on the amount of such payment), prorated on a daily basis, shall accrue from the due date until such payment, together with such late charge, is paid. At any time prior to the time that such payment and late charge is paid in full, Developer may, at its option and in lieu of collecting such late charge, terminate the Sales Contract as provided in the preceding paragraph.

c. If the Developer shall fail to perform any of the obligations required of the Developer under the Sales Contract and the Buyer shall notify the Developer by hand delivery or certified or registered mail of such default and if such default shall not be cured within ten (10) days after the date of delivery or deposit of such notice in the United States mail, Buyer may at Buyer's option terminate the Sales Contract and Buyer may pursue any remedy permitted by law or equity, including specific performance, against the Developer.

7. Prohibition Against Assignment. Buyer may not assign this Agreement without the prior written consent of the Developer. Developer may determine to withhold its consent in its sole discretion. Under no circumstances may Buyer assign this Agreement after preclosing or closing commences. Any assignment or attempted assignment by Buyer shall constitute a default. Any assignor hereunder shall not be released from any liability arising under this Agreement by virtue of any assignment consented to unless such release is expressly acknowledged and agreed to by Developer in writing.

This is a summary of selected portions of the Sales Contract and may be incomplete or inadvertently incorrect. The purchaser is requested to read and understand the terms and conditions of the Sales Contract before executing the Sales Contract.

## EXHIBIT G

### Summary of Pertinent Provisions of Escrow Agreement

The executed escrow agreement dated November 8, 1994, identifies Title Guaranty Escrow Services, Inc., as the "Escrow" and provides that a purchaser shall be entitled to a return of his funds, if any one of the following has occurred:

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

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

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

(d) A purchaser has exercised his right to rescind the contract pursuant to §514A-63, Hawaii Revised Statutes, as amended.

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

If a purchaser fails to perform any of its obligations under the sales contract, including, but not limited to, payment of monies, Escrow shall notify purchaser of such default and establish a deadline for purchaser to perform its obligations. If purchaser fails to cure its default under the Sales Contract by performing its obligations on or before the deadline specified by Escrow, Developer may terminate the Sales Contract. Upon notification of such termination by Developer, Escrow shall deliver all monies deposited by purchaser to Developer. Purchaser shall have no further rights to such deposited funds, nor shall purchaser have any right to purchase the unit.

LESLIE GUNJI MURAKAMI  
ROY TOKUO MURAKAMI, TRUSTEE  
1303 Victoria Street  
Honolulu, Hawaii 96814

November 8, 1994

Real Estate Commission  
State of Hawaii  
P. O. Box 3469  
Honolulu, Hawaii 96801

Re: **Victoria Gardens Condominium Project**

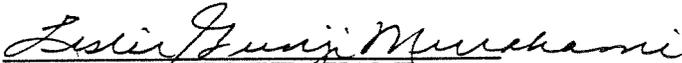
Gentlemen:

The undersigned are the developers of the 1303 Victoria Street Condominium Project at 1303 Victoria Street, Honolulu, Hawaii. The project will have three apartments in one two-story building on the property, which was constructed in 1968.

Based upon the report of John M. Okita, a registered professional architect, a copy of which is enclosed, the undersigned believe that the present condition of the structural components and mechanical and electrical installations material to the use and enjoyment of Apartments 1, 2 and 3 as part of a condominium appear to be satisfactory.

The undersigned make no representations with respect to the expected useful life of the structural, mechanical and electrical components material to the use and enjoyment of Apartments 1, 2 and 3. The undersigned have no knowledge of any outstanding notices of uncured violations of the building code or other municipal violations.

Very truly yours,

  
LESLIE GUNJI MURAKAMI

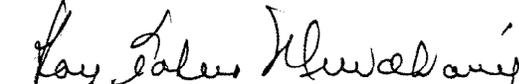
  
ROY TOKUO MURAKAMI, Trustee

EXHIBIT H

O K I T A • K U N I M I T S U & A S S O C I A T E S , I N C .



PRINCIPALS

JOHN M. OKITA, AIA  
RONALD H. KUNIMITSU, AIA  
MILES H. NISHIMURA, AIA  
WILLIAM W. L. CHANG, AIA  
WARREN S. HANANOKI, AIA

SENIOR ASSOCIATES

JOHN BERCHERT, AIA  
ROBERT J. JOHNSON, AIA  
CURTIS K. KUSHIMAEJO, AIA

ASSOCIATES

BRENDA L. Y. ADRES  
JAMES L. HAYMAN, AIA  
I MING HSIUE  
LYNN KAJIOKA  
RODNEY C. P. LEE, AIA  
DELTON K. MIYAMURA  
MICHAEL M. MUROMOTO, AIA  
LAUREL M. NAHME, AIA  
CALVIN T. NISHIO, AIA  
CLYDE T. NODA  
MONTE OSBORN  
HIRAM C. PAJO  
MABEL T. VIERNES  
SUK-KING YIU

Messrs. Roy Murakami and  
Leslie Murakami  
1303 Victoria Street  
Honolulu, Hawaii 96814

Subject: Victoria Gardens  
1303 Victoria Street  
Honolulu, Hawaii

Dear Messrs. Murakami:

The project consists of a two-story, concrete slab on grade and concrete masonry walls at ground floor, wood siding walls at second floor and roof shingles on wood roof framing. The plumbing consists of galvanized and/ or copper piping. Based upon visual inspection, the structural, plumbing and electrical installations appear to be in working order at the present time.

Very truly yours,

John M. Okita, #4657  
Registered Professional  
Architect

ARCHITECTURE  
P L A N N I N G  
I N T E R I O R D E S I G N

1555 KAPIOLANI BLVD  
S U I T E 1 3 4 0  
H O N O L U L U , H I 9 6 8 1 4

T E L ( 8 0 8 ) 9 4 4 - 6 5 7 7  
F A X ( 8 0 8 ) 9 4 4 - 3 9 9 1