

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report
as Exhibit F

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 area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and is not a legally subdivided lot. The dotted lines on the Condominium Map bounding the designated number of square feet in each limited common element land area are for illustrative purposes only and should not be construed to be the property lines of 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.

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General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers or apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: FRANK CHENG TSAI and BETTY HSU TSAI, and Phone: 596-2655
Name MING WU CHU and LIU PI CHU (Business)
1202 Kona Street
Business Address
Honolulu, HI 96814

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

Real Estate Broker: Robert C. Beck dba Phone: 293-8083
Bob Beck Realtors (Business)
Name
P.O. Box 324
Business Address
Hauula, HI 96717

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

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

Condominium Managing Agent: None. Self-managed by the Owners Association Phone: _____
Name (Business)
Business Address

Attorney for Developer: Glenn M. Adachi Phone: 526-3880
Name (Business)
841 Bishop St., #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. _____
Book _____ Page _____
 Filed - Land Court: Document No. 2211668

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]: **Amend. No. 1, Decl. of C.P.R. dated Aug. 14, 1995 and filed as Doc. No. 2256277 on Aug. 23, 1995.**

- 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. _____
 Filed - Land Court Condo Map No. 1064

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. 2211669

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:

1. To amend the Declaration, By-Laws and Condominium Map at anytime prior to recording of the sale of the unit.
2. To amend the Declaration and Condominium Map to file the "as built" certificate.

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: 54-269 Kamehameha Highway Tax Map Key: (1) 5-4-11: 06
Honolulu, HI (TMK)

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

Land Area: 1.62 [] square feet [X] acre(s) Zoning: R-5

Fee Owner : FRANK CHENG TSAI and BETTY HSU TSAI, and MING WU CHU and LIU PI CHU

Name
759 Elepaio Street
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: 9 Floors Per Building 1 & 2

Exhibit _____ contains further explanations.

3. Principal Construction Material:

Concrete (Slab) Hollow Tile Wood

Other _____

4. Permitted Uses by Zoning:

	No. of <u>Apts.</u>	Use Permitted <u>By Zoning</u>		No. of <u>Apts.</u>	Use Determined <u>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 checked="" type="checkbox"/> Other: _____	_____	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?

Yes No

5. Special Use Restrictions:

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

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

Number of Occupants: _____

Other: _____

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: A-I: 1 ea. Trash Chutes: 0

Apt.No.	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
<u>54-269</u>	<u>1</u>	<u>3/1</u>	<u>761</u>	<u>none</u>
<u>54-269A</u>	_____	_____	_____	_____
to <u>54-269G</u>	<u>7</u>	<u>3/1</u>	<u>761</u>	<u>none</u>
<u>54-269H</u>	<u>1</u>	<u>4/2</u>	<u>1,064</u>	_____
_____	_____	_____	_____	_____

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:

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

Permitted Alterations to Apartments:

Apartment owner may renovate, remodel, make additions to, remove or restore the unit. See Exhibit I.

11. Conformance to Present Zoning Code

a. No variances to zoning code have been granted. (See Exhibit G)

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

b. Conforming/Non-Conforming Uses, Structures, Lot *(See below)

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 See Note below</u>	_____
Structures	_____	<u>X See Note below</u>	_____
Lot	_____	<u>X See Note below</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 A.

as follows:

*Existing Use Permit was issued by the Department of Land Utilization dated November 17, 1994. (See Exhibit I)

NOTE: Prospective purchasers should carefully note the conditions attached to the granting of the Existing Use Permit as they affect all "new work". The terms and conditions of the Existing Use Permit constituted covenants that run with the land.

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:

The portion of the land area beneath and adjacent to each unit as delineated on the site plan of the Condominium Map. Said land areas are NOT legally subdivided lots.

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>Unit No.</u>	<u>Common Interest Percentage</u>	<u>Unit No.</u>	<u>Common Interest Percentage</u>
54-269	17.2%	54-269E	9.3%
54-269A	9.6%	54-269F	9.3%
54-269B	9.1%	54-269G	7.6%
54-269C	9.3%	54-269H	19.3%
54-269D	9.3%	Additional Unit*	

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 B describes the encumbrances against the title contained in the title report dated January 13, 1995 and issued by Island Title Corporation.

*Developer has reserved the right to add a second phase to this project consisting of one additional living unit within the limited common area of Unit 54-269. In such event, the common interest of Unit 54-269 will be reduced to 8.6% and the remaining 8.6% will be allocated to the additional unit.

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	Contracts to purchase units will be cancelled and deposits refunded to the buyers.

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. Apartments are being sold in "as is" condition. See Exhibits G & H.

2. Appliances: None.

G. Status of Construction and Estimated Completion Date:

Units 54-269 through 269H were constructed in 1974 and 1976.

H. Project Phases:

The developer [X] has [] 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):

Developer may, subject to obtaining necessary governmental approvals, develop phase two, which will consist of an additional apartment to be constructed on the limited common area now appurtenant to Unit 54-269.

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 D contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated December 17, 1994

Exhibit E 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, as amended.
 - 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. 3287 filed with the Real Estate Commission on February 1, 1995.

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

Prospective purchasers should be aware that this project is subject to an Existing Use Permit (See Exh. I) which contains obligations that run with the land. By letter dated June 5, 1995, the City Department of Land Utilization has stated that "it is the responsibility of the owner or developer to provide these minimum improvements prior to the sale of any interest in the project, or the signee or transferee's consent in writing to comply with the above-mentioned conditions." (Emphasis supplied)

By purchasing a unit as-is and subject to such conditions, purchaser are agreeing to comply with the Conditions of the Existing Use Permit.

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.

FRANK CHENG TSAI and BETTY HSU TSAI, and, MING WU CHU and LIU PI CHU

Name of Developer

By: 
Duly Authorized Signatory

10-4-95
Date

FRANK CHENG TSAI & BETTY HSU TSAI
print name & title of person signing above

Distribution:

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

EXHIBIT A

DESCRIPTION OF COMMON ELEMENTS

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

2. The driveway for access to the apartments.

3. 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.

4. 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 B

ENCUMBRANCES AGAINST TITLE

1. Title to all minerals and metallic mines reserved to the State of Hawaii.

2. Subject to the provisions of Sections 41 to 49, Hawaii Revised Statutes 205A, relative to shoreline setbacks and prohibitions on use, and to the regulations of the Land Use Commission and the County Planning Department.

3. Mortgage dated October 15, 1993, in favor of First Hawaiian Creditcorp, Inc., a Hawaii corporation, filed in said Office of the Assistant Registrar of the Land Court as Document No. 2080344.

4. Financing Statement in favor of First Hawaiian Creditcorp, Inc., a Hawaii corporation, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 93-177534.

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

In addition, the property is encumbered by those condominium project documents noted on pag. 6 of this Public Report.

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS FOR "54-269 KAMEHAMEHA HIGHWAY"

UNIT NO.	NET LIVING AREA	LIMITED COMMON AREA	COMMON INTEREST	WATER AND SEWER	GROUPS	COMMON ELEMENT INS.	FLOOD INSURANCE	RESERVES	PROPERTY AFFILIATE STATE OF HAWAII TOTALS	ANNUAL TOTALS
54-269	760,950	9009,000	0.172	51,497	17,166	27,465	39,481	17,166	152,773	1833,282
54-269A	760,950	5041,000	0.096	28,815	9,605	15,368	22,092	9,605	85,485	1025,816
54-269B	760,950	4769,000	0.091	27,260	9,087	14,539	20,900	9,087	80,872	970,465
54-269C	760,950	4899,000	0.093	28,003	9,334	14,935	21,469	9,334	83,077	996,919
54-269D	760,950	4899,000	0.093	28,003	9,334	14,935	21,469	9,334	83,077	996,919
54-269E	760,950	4886,000	0.093	27,929	9,310	14,895	21,412	9,310	82,856	994,274
54-269F	760,950	4886,000	0.093	27,929	9,310	14,895	21,412	9,310	82,856	994,274
54-269G	760,950	3978,000	0.076	22,739	7,580	12,127	17,433	7,580	67,458	809,501
54-269H	1063,630	10116,000	0.193	57,824	19,275	30,840	44,332	19,275	171,546	2172,271
		52,483,000	1.000	300,000	100,000	160,000	230,000	100,000	890,000	10793,721

I/We, the ASSOCIATION OF APARTMENT OWNERS OF "54-269 KAMEHAMEHA HIGHWAY," as managing agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Name (Please Print): FRANK TSAI

Date: 9-15-95

Signature: [Handwritten Signature]

EXHIBIT D

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, including a par. 27 in which buyer specifically acknowledges, understands and accepts that the project is subject to conditions contained in Existing Use Permit No. 94/EU-9 dated Nov. 17, 1994, attached hereto as Exh. I, and also included as a part of Amendment 1 of the Declaration of Condominium Property Regime for the project. READ THE EXISTING USE PERMIT WITH CARE!

EXHIBIT E

SUMMARY OF ESCROW AGREEMENT

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT F

DISCLOSURE ABSTRACT

1. a. PROJECT: 54-269 KAMEHAMEHA HIGHWAY
54-269 Kamehameha Highway
Hauula, HI 96717
- b. DEVELOPER/
OWNER: FRANK CHENG TSAI and BETTY HSU TSAI,
husband and wife, MING WU CHU and
LIU PI CHU, husband and wife,
759 Elepaio Street
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 breakdown of annual maintenance fees and monthly estimate for each apartment has been based on generally accepted accounting principles and is attached to the Final Public Report as Exhibit C.

Individual Insurance: Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the Project's improvements. It is contemplated that each apartment owner will purchase and maintain his own homeowner's insurance policy which will include fire and liability coverage, and name the Association as an additional insured. As such, the premiums on said policies will be the individual responsibility of each apartment owner rather than a common expense of the Association. Purchasers should be aware that the premiums for said fire insurance will vary depending upon the insurance company and the coverage. If it is necessary for the Association to have its own public liability coverage (which could occur), this will become a common expense of the Association shared by the apartment owners.

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

Purchasers are advised that apartments are existing buildings. Apartments were constructed in 1974 and 1976. As such the 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" AND SUBJECT TO CONDITIONS IN EXISTING USE PERMIT 94/EU-9 (See Exh. I).

4. Use of Apartments. The 54-269 KAMEHAMEHA HIGHWAY condominium project consists 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 registered engineer (a copy of said report is attached as Exhibit H to this public report), it is the Developers' opinion that all structural components and mechanical and electrical installations material to the use and enjoyment of the Apartments appear to be sound 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 ANY OF THE APARTMENTS.

6. Code Violations and Deficiencies. See deficiencies noted in Exh. G and and Exh. H and the conditions in Exh. I of the Final Public Report.

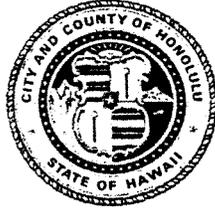
DATE: 10-4-95

FRANK CHENG TSAI and BETTY HSU
TSAI, and, MING WU CHU and LIU
PI CHU

By Betty H. Tsai
Frank Cheng Tsai

BUILDING DEPARTMENT
CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813



JEREMY HARRIS
MAYOR

RANDALL K. FUJIKI
ACTING DIRECTOR AND BUILDING SUPERINTENDENT

Ex94-132

December 14, 1994

Mr. Donald A. Crichton
Project Coordinator
Abe Lee Development, Inc.
2752 Woodlawn Drive, Suite 5-205
Honolulu, Hawaii 96822

Dear Mr. Crichton:

Subject: Condominium Conversion Project
54-269 A-I Kamehameha Highway
Tax Map Key: 5-4-011: 006

This is in response to your letter dated September 19, 1994 requesting verification that the four one-story two-family detached dwellings and the one-story single-family detached dwelling located at the above address met all code requirements at the time of construction.

Investigation revealed that the five dwellings with 18 off-street parking spaces met the applicable code requirements when they were constructed in 1974 and 1976.

However, inspection also revealed the following deficiencies:

54-269B Kamehameha Highway

1. Several jalousies are missing from the bathroom window.
2. Approximately 75% of the makai wall boards (1x8 T&G) of the living room are damaged by rot and termites.
3. The door in the Laie wall of the kitchen is damaged by rot and termites.
4. The handrail of the exterior Punaluu stairway is shaky.

EXHIBIT G

5. Approximately 25% of the landing of the exterior Punaluu stairway is damaged by rot and termites.
6. The 2 x 6 treads of the exterior Laie stairway are damaged by rot and termites.

54-269C Kamehameha Highway

Exterior Punaluu Stairway

1. Approximately 50% of the landing is damaged by rot and termites.
2. The handrail and guardrail are shaky.

54-269E Kamehameha Highway

The handrail of the exterior Punaluu stairway is shaky.

54-269F Kamehameha Highway

1. The center portion of the exterior makai wall is bulging approximately 4" in the makai direction.
2. Approximately 50% of the 2 x 6 girt is damaged by rot and termites.
3. Makai Eaves (Plywood)

Approximately 25% of the makai plywood eave sheathing is damaged by rot and termites.
4. The bathroom floor covered with vinyl tile has a hole measuring 6" x 11" adjacent to the bath tub.
5. Several jalousies on the Laie wall of the mauka-Laie bedroom are missing.

54-269I Kamehameha Highway

1. The canec ceiling in the Laie-makai bedroom is watermarked, indicating roof leakage.
2. The ceiling in the living room is watermarked, indicating roof leakage.
3. The makai-Punaluu wall of the living room is watermarked, indicating roof leakage.

Mr. Donald A. Crichton
December 14, 1994
Page 3

Exterior - Mauka Risers (15 risers)

1. The handrail of the exterior mauka stairway is shaky.
2. Portion of the intermediate rail of the exterior mauka stairway is missing.

In addition the driveways and parking spaces are not provided with required all-weather surfaces. For your information, Existing Use Permit No. 94/EU-0009 was approved on November 17, 1994 for the nine dwelling units.

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

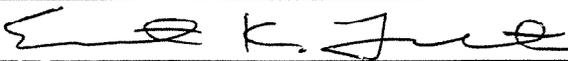
No other variances or special permits were granted to allow deviations from any applicable codes.

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

Very truly yours,


FOR RANDALL K. FUJIKI
Acting Director and
Building Superintendent

Subscribed and sworn to
before me this 15th day of
December, 1994.


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

April 28, 1994

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

Dear Mr. Abe Lee:

Re: 54-269 Kam. Hwy. CPR
54-269 Kamehameha Highway CPR
Hauula, Hawaii 96717

As per your instructions, a visual observation was made on subject property on April 26, 1994.

The purpose of the visitation was to visually examine and comment on the present condition of 9 units. The property contains 4 single story duplex dwellings and 1 two story dwelling. The duplex dwelling units are numbered Unit 54-269 A to Unit 54-269 H and the two story unit is 54-269 I. Unit 54-269 A is closest to Kamehameha Highway and progresses towards Unit 54-269 I at the rear of the property (see CPR map). Present for walk-thru was Mr. Bob Beck (Property Manager/Realtor), tenants of each respective unit, Mr. Dennis Yamauchi (Design Perspective) and myself. Information was obtained through conversations with Mr. Bob Beck, present tenants and visual walkthru of each unit.

Mr. Bob Beck has indicated that there are no existing building plans available for review and verification. Subsequently, information has been limited to visual observations and an estimated construction date of 1960 was given. Because observation was very limited, further research would be necessary for a more in-depth study.

DUPLEX UNITS

Visually, it would appear that the construction and features of all duplex units are similar. We noted that each duplex dwelling has 2 similar units which are separated by a 10'-0" (approx.) wide covered breeze way. Each unit consist of 3 bedrooms, 1 bath, kitchen and living/dining room. Entry is via wooden steps and landing at the front and rear of each unit. Construction consisted of; raised wood foundation, single wall construction, and gabled roof with pitch and gravel roofing. Foundation system appeared to consist of precast concrete footings, 4X post and girders, 2X floor joist and 1X3 T&G flooring. Exterior and interior walls consist of 1x8 redwood T&G VJ2SS2S. Ceiling material appears to be painted "canec" sheathing. Trusses appears to be "carpenter built" trusses with 1 X sheathing, and P&G roofing. All habitable rooms are ventilated via strip jalousie windows. The existing flooring in the bathroom and kitchen varies with each unit. It appears that tenants have either replaced or covered existing flooring individually.

EXHIBIT H

In General, the following describes my visual assessment of the overall building conditions:

1. It appears that the units exhibited high visual wear and tear due to the structures close proximity to the ocean and the constant exposure to trade winds.
2. Visually, we noted that the existing pitch and gravel roofing appears to be in need of replacement in the near future. We also noted several areas where gravel aggregate has shifted, thus exposing asphalt and felt. We also noted that the existing wood fascia has its painted surface peeling and signs of dry rot.
3. It appears that the 1 X 8 T&G sheathing surface has generally exhibited areas where paint has peeled. We also noted that the paint has cracked and exposed nearly all T&G joints. Existing nail heads are exposed and appears to have surface rust.
4. Existing wooden window frame surface appears to be weathered. Surface has little or no paint and thus begun to fray. We also noted that several units had missing and/or damaged insect screens and missing jalousies glass slats. Aluminum louvers appears to be worn down and several were found to be inoperable.
5. We noted that interior sheathing was painted. It is unknown whether existing paint contains lead. Additional test should be conducted to verify paint content.
6. Generally, both front and rear wooden steps, landing and handrail are in need of repair. We noted that the steps and landings felt "soft and mushy" and in probable need of replacement. We also noticed that the handrails were loose and also in probable need of replacement.
7. We noted that no unit is presently accessible to handicapped individuals. However, at the time of construction, no handicap requirements for accessibility were enforced.
8. We noted that no unit appeared to be equipped with a UL approved smoke detector. We also noted that the existing electrical outlets appeared to be grounded, but no unit was equipped with Ground Fault Interrupters (GFI) in the bathroom nor kitchen.
9. According to Mr. Bob Beck, each dwelling unit is equipped with a cesspool. He has also informed me that because individual tenants are responsible for their cesspool, he is unaware of any problems.

Generally, the overall building appears to be in fair condition considering the age of the structure. However, the overall building is visually in poor condition. Unless noted on individual units, no major electrical or plumbing problems was observed at the time of visitation. Remedial work should be conducted to enhance the life expectancy of the building. Remedial work should include, but not limited to; repair termite damage, interior and exterior painting, reroofing, and general repairs as noted.

UNIT 54-269 A

1. Kitchen - cabinet doors was broken and drawers sticky. Kitchen faucet was damaged and loose. No range hood.
2. Hall light fixture does not appear to work.
3. Bedroom #1 - missing the light lens and missing the bi-pass doors.
4. Bedroom #2 - missing the light lens. We also noted that the T&G wall appeared to have separated from the 4X4 post.
5. Bedroom #3 - has a broken light lens.
6. Bathroom - flooring was mismatched (ceramic tile, VCT, plywood). Shower tub had rusted edges and requires recaulking. Toilet bolts were rusted. Hot side of lavatory faucet was inoperative.
7. Back door light fixture does not work.

UNIT 54-269 B

1. Kitchen - cabinet was damaged. Kitchen faucet was damaged and loose. No range hood. Flooring was damaged.
2. Hall - missing the light lens.
3. Bedroom #1 - missing the light lens. Window sill appeared to have dry rot.
4. Bedroom #2 - T&G wall had paint chipping off. Window sill appeared to have dry rot.
5. Bedroom #3 - missing the light lens.
6. Bathroom - Shower tub had rusted edges and requires recaulking. Lavatory faucet was sticky.
7. Living Room - T&G walls appears to have been cracked previously. Cracks have been patched with putty and painted. Work needs to be redone. Front left corner appears to have termite droppings. It is unknown if termite is live.

UNIT 54-269 C

1. Kitchen - new plastic laminate counter top. No range hood.
2. Hall light fixture does not appear to work.
3. Bedroom #1 - damaged canec ceiling.
4. Bedroom #2 - missing the light lens.
5. Bedroom #3 - missing the light lens. Bi-pass doors was off its track.
6. Bathroom - missing toilet tank cover and has a damaged seat. Ceiling appears to have mildew growth.

UNIT 54-269 D

1. Kitchen - cabinet doors was missing. Cabinet drawers were damaged and was missing handles. We also noted that the wall cabinet doors were slightly sagging.

Kitchen faucet appeared to have low water pressure and had galvanized piping that appeared to be rusting. VCT flooring had areas of damage. No range hood.

2. Bedroom #1 - We visually noted that the T&G wall was cracked. Canec ceiling was damaged.
3. Bedroom #2 - missing the light lens. We also noted that the T&G wall is cracked and damaged and appeared to have separated from the 4X4 post. Missing bi-pass doors. Closet shelf is sagging.
4. Bedroom #3 - missing 1 bi-pass door. We also noted that the T&G wall is cracked. Entry door is dropping.
5. Bathroom - doors for vanity cabinet is missing. Lavatory faucet appeared to be leaking and contained low water pressure. Bottom corner of ceramic tile is cracked off.

UNIT 54-269 E

1. Kitchen - cabinets and VCT flooring were very dirty. No range hood.
2. Dining - missing the light lens. Front and rear doors were damaged.
3. Bedroom #1 - missing the light lens. Bi-pass doors were off its track. We also noted that the T&G wall appeared to be cracked and damaged.
4. Bedroom #2 - light fixture was replaced with ceiling fan - missing light. It appeared that water has been leaking thru T&G joints.
5. Bathroom - lavatory and bath faucet appears to be leaking.

UNIT 54-269 F

1. Kitchen - missing cabinet doors. Damaged T&G walls. Missing light fixture and switch. No range hood.
2. Hall - missing light lens.
3. Bathroom - missing toilet tank cover. Lavatory faucet was damaged. Vanity cabinet doors are missing. Canec ceiling has mildew growth.
4. Dining - missing the light lens. It appears that water has been leaking thru the jalousies and thru the window sill. Leaking has caused water stains.
5. Living room - existing single wall is cracked and damaged.

UNIT 54-269 G

1. Unit has just had its interior painted.
2. Kitchen - new plastic laminate counter top. No range hood.
3. Bedroom #1 - missing the light lens and missing the bi-pass doors. Entry door is cracked and damaged. Closet shelf is sagging.
4. Bedroom #2 - missing the light lens.
5. Bedroom #3 - we noted the T&G wall was damaged.
6. Bathroom - door skin peeling. We noted that the hinge on the vanity cabinet door was loose.
7. Living room - light fixture is hanging from its base.

UNIT 54-269 H

1. Kitchen - missing the light lens. Cabinet doors was missing, and damaged. Plastic laminate counter top is damaged. VCT flooring edges were damaged.
2. Dining Room - missing the light lens. Rear door has exposed termite damage. We could not determine if termite activity is live. Door knob is damaged.
3. Bedroom #3 - missing the light lens.
4. Bathroom - wood structure around bath tub has deteriorated due to dry rot. Ceramic tile wainscot is damaged.

TWO STORY DWELLING- UNIT 54-269 I

Visually, we noted that the construction and features of this unit is similar to adjoining duplex units. Lower level is left basically open with an area for laundry. Upper level consists of 4 bedrooms, 2 baths, kitchen and living/dining room. Entry to upper level is via 2 separate exterior stairs. Construction consisted of; raised wood foundation, single wall construction, and gabled roof with what appears to be rolled roofing. Foundation system appeared to consist of precast concrete footings, 4X post and girders, 2X floor joist and 1X3 T&G flooring. Lower level walls consists of 1X lattice. Exterior and interior walls consist of 1x8 redwood T&G VJ2SS2S. Ceiling material appears to be painted "canec" sheathing. Trusses appears to be "carpenter built" trusses with 1 X sheathing, and P&G roofing. All habitable rooms are ventilated via strip jalousie windows.

The following describes my visual assessment of the exterior condition:

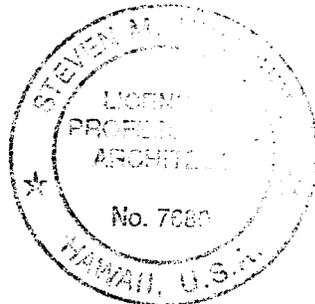
1. It appears that the units exhibited high visual wear and tear due to the structures close proximity to the ocean and the constant exposure to trade winds.
2. Unable to verify condition of existing rolled roofing.
3. It appears that the 1 X 8 T&G sheathing surface has generally exhibited areas where paint has peeled. We also noted that the paint has cracked and exposed nearly all T&G joints. Existing nail heads are exposed and appears to have surface rust.
4. Existing wooden window frame surface appears to be weathered. Surface has little or no paint and thus begun to fray. We also noted that several units had missing and/or damaged insect screens and missing jalousies glass slats. Aluminum louvers appears to be worn down and several were found to be inoperable.
5. We noted that interior sheathing was painted. It is unknown whether existing paint contains lead. Additional test should be conducted to verify paint content.

6. We also noticed that the handrails were loose and also in probable need of reinforcement.
7. We noted that the unit is not accessible to handicapped individuals. However, at the time of construction, no handicap requirements for accessibility were enforced.
8. We noted no UL approved smoke detector. We also noted that the existing electrical outlets appeared to be grounded, but no Ground Fault Interrupters (GFI) in the bathroom nor kitchen.

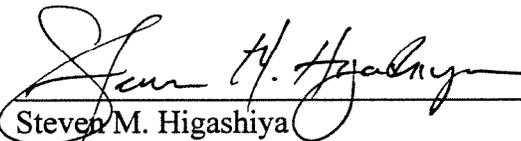
The following describes my visual assessment of interior conditions:

1. Kitchen - Plastic laminate counter top is peeling away from sheathing. Cold water side of faucet is broken. Window sill has dry rot damage.
2. Bath - wood structure around bath tub has deteriorated due to dry rot.
3. Bedroom #2 - on the Kahuku wall, water appears to be infiltrating thru T&G joints. Visually, we noted water stain damage and paint peeling off the wall. We also noted window sill had dry rot damage.
4. Bedroom #3 - on Kahuku and ocean wall, water appears to be infiltrating thru T&G joints. Visually, we noted water stain damage. We also noted window sills had dry rot damage.
5. Bedroom #4 - on ocean wall, water appears to be infiltrating thru T&G joints. Visually we noted water stain damage. We also noted window sills had dry rot damage. Light lens was missing.

Generally, the overall building appears to be in fair condition considering the age of the structure. However, the overall building is visually in poor condition. No major electrical or plumbing problems was observed at the time of visitation. Remedial work should be conducted to enhance the life expectancy of the building. Remedial work should include, but not limited to; repair termite damage, interior and exterior painting, reroofing, and general repairs as noted.



Sincerely,

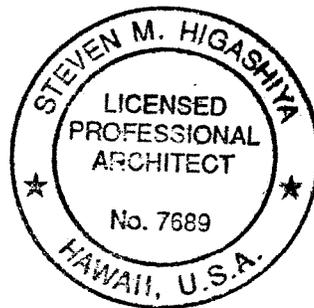

Steven M. Higashiya
Licensed Professional Architect
Hawaii Reg. No. 7689

April 28, 1994

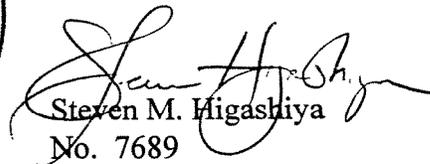
Abe Lee Development, Inc.
2752 Woodlawn Drive #5205
Honolulu, Hawaii 96822

ARCHITECT'S CERTIFICATION

I certify that Dwelling Unit numbers 54-269 A, 54-269 B, 54-269 C, 54-269 D, 54-269 E, 54-269 F, 54-269 G, 54-269 H and 54-269 I on the City and County of Honolulu, tax records, which corresponds with Units 54-269 A, 54-269 B, 54-269 C, 54-269 D, 54-269 E, 54-269 F, 54-269 G, 54-269 H and 54-269 I on the CPR map for the project named "54-269 Kamehameha Highway CPR" located at 54-269 Kamehameha Highway in Hauula, Oahu, Hawaii, conforms to the Building Codes in force at the time of their construction.



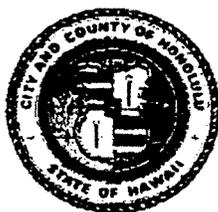
Signed:


Steven M. Higashiya
No. 7689

DEPARTMENT OF LAND UTILIZATION
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET
 HONOLULU, HAWAII 96813 • (808) 523-4432

JEREMY HARRIS
 MAYOR



DONALD A. CLEGG
 DIRECTOR

LORETTA K.C. CHEE
 DEPUTY DIRECTOR

94/EU-9 (PS)

November 17, 1994

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

Dear Mr. Lee:

Subject: Existing Use Permit No. 94/EU-9
 Project Name: Tsai Existing Use
 Location: 54-269 Kamehameha Highway, Hauula
 Tax Map Key: 5-4-11: 6
 Owner: Frank & Betty Tsai, et al

The application for the development is **APPROVED** as an Existing Use (EU) under Section 3.130 of the Land Use Ordinance (LUO) in accordance with the application plans DLU date-time-stamped September 2, 1994, subject to the following conditions:

1. Approval is only for the continued use, repair, alterations, additions, relocation and reconstruction of the 1 existing single-family dwelling unit and the 4 existing two-family detached dwelling units.
2. Modifications to the EU plans will not be allowed if:
 - a. the proposed modification has potential adverse impacts on surrounding land uses.
 - b. the number of dwelling units (9) and the number of structures (5) will be increased.
 - c. the reconstruction and/or expansion of the dwelling units are part of a larger development.
 - d. the expansion of any dwelling unit increases the EU approved floor area by more than two times.

These types of modifications will be considered **MAJOR** and require processing of a Cluster Housing application.

EXHIBIT I

Mr. Abe Lee

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3. All new work shall be in accordance with the LUO, including yard and height setbacks for structures around the project boundary, and spacing between buildings shall be in accordance with cluster siting guidelines. Any modification to the EU plans shall be approved by the Department of Land Utilization (DLU) prior to issuance of building permits.
4. All new work shall be compatible in design with the existing and surrounding structures, and be in the same general location and size. Floor plans shall be designed in order that the dwelling or lodging units will not be increased. Exterior entrances, stairways, bar areas, plumbing and electrical systems may be required to be deleted or revised to insure the approved number of units are not increased.
5. Maximum lot coverage shall not exceed 30 percent of the original lot size of 70,567 square feet, or 50 percent of any lot of use (CPR lot), whichever is more restrictive. Any required yards shall be maintained in rooted landscape.
6. An all-weather surface shall be provided at the common area driveway, individual lot driveway aprons and all required parking spaces, prior to the issuance of any building permits subsequent to this approval.
7. The common area driveway shall consist of a minimum 23-foot width of which 18 feet shall be an all-weather surface, and 5 feet contiguous to the adjoining residential parcel shall be devoted to a screening hedge and landscaping. The screening hedge shall be maintained at a minimum 42-inch height with plantings at a maximum 24 inches on-center.
8. A minimum of 18 parking spaces shall be provided, which shall include a minimum of 2 stalls per dwelling unit. Any additions shall comply with parking regulations of the LUO. Any proposed construction, reconstruction, additions or alteration of carports, garages, or parking areas shall be set back a minimum of 16 feet from the public right-of-way or common area driveway.
9. Any proposed perimeter chainlink fencing shall incorporate a hedge trained to a height equivalent to that of the fence, and maintained in a healthy condition. Any proposed repair, construction, or reconstruction of fencing/walls adjacent to the common area driveway shall be set back 2 feet and landscaped with a hedge.

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10. Any improvements to the EU shall comply with Fire Department requirements for access, water and/or Fire Department connections. These shall be submitted to the Fire Department for review and approval prior to issuance of building permits.
11. The DLU shall be informed of any action or intent to condominiumize. An approved condominium property regime map (CPR) and documents shall be submitted to the DLU. All future improvements and additions, subsequent to creation of a CPR, shall require approval by the Homeowners Association prior to review by the DLU.
12. All improvements within the Flood Hazard District (AE and X), as indicated on the Flood Insurance Rate Map, shall comply with the construction standards for the district.
13. All improvements within the Shoreline Setback and the Special Management Area (SMA) shall comply with the "Rules Relating to Shoreline Setbacks and the Special Management Area (1994)."
14. The applicant shall incorporate this EU approval as part of the restrictive covenants running with the land and made a part of any sales agreement with any future owners.
15. This EU approval does not certify that the existing structures and improvements comply with the requirements of the zoning code or other regulations. They are subject to separate review and approval.
16. The Director of Land Utilization shall reserve the right to impose additional requirements, if necessary, to promote and protect the health, welfare, and safety of the people of the City and County of Honolulu.

Should you have any questions, please contact Patrick Seguirant, Chief-Urban Design Branch, at 527-5369.

Very truly yours,



DONALD A. CLEGG
Director of Land Utilization

DAC:gc
lee.gkc

cc: Building Department