



Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[ ] Required and attached to this report [ ] Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

[ ] No prior reports have been issued by the developer.

[ ] Changes made are as follows:

\* \* \* \* \*

SPECIAL ATTENTION

This is a CONDOMINIUM PROJECT, not a subdivision. The land are beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and does not represent a legally subdivided lot. the dotted lines in the Condominium Map bounding the designated number of square feet in each limited common element land area are for illustration purposes only and should not be construed to be formal subdivision lines.

This public report does not constitute approval of the Project by the Real Estate Commission, 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 FOR FURTHER INFORMATION WITH REGARDS TO THE FOREGOING.

UNEQUAL COMMON INTEREST. The common interests appurtenant to the two units are not on an equal 50/50 basis. Therefore, purchaser should be aware that the unit owner of Unit A, which has an appurtenant 62% interest, will always be able to constitute a quorum and cast the majority vote in Apartment Owners Association matters.

\* \* \* \* \*

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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 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: ANN HARUE KAMEOKA Phone: 537-1935  
Name (Business)  
6073 ARLINGTON BLVD.  
Business Address  
RICHMOND, CA 94805

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

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

Real Estate  
Broker: NONE: SALES WILL BE MADE BY PROPERTY OWNER ANN KAMEOKA AS OWNER/  
DEVELOPER WITHOUT A REAL ESTATE BROKER.

ANN HARUE KAMEOKA Phone: 537-1935  
Name (Business)  
6073 ARLINGTON BLVD.  
Business Address  
RICHMOND, CA 94805

Escrow: TITLE GUARANTY ESCROW  
SERVICES, INC. Phone: 521-0211  
Name (Business)  
235 QUEEN STREET, 1ST FL.  
Business Address  
HONOLULU, HI 96813

General  
Contractor: NONE - CONSTRUCTION COMPLETED Phone: \_\_\_\_\_  
Name (Business)  
\_\_\_\_\_  
Business Address  
\_\_\_\_\_

Condominium  
Managing  
Agent: NONE - SELF MANAGED Phone: \_\_\_\_\_  
Name (Business)  
ASSOCIATION OF APARTMENT OWNERS  
Business Address  
\_\_\_\_\_

Attorney for  
Developer: JOHN A. MORRIS Phone: 537-1935  
Name (Business)  
820 MILILANI ST., SUITE 502  
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. 2214715

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. 1067

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. 2214716

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]:

First Amendment of the By-Laws of the Association of Apartment Owners of 306 Lehua Street Condominium. Dated June 16, 1995, Recorded in Land Court as Document No. 2247309.

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>N/A</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:

The developer has reserved the right to construct a second house or a duplex on limited common element A, as shown on the condominium map, and to make the adjustments to the declaration map and bylaws which are necessary to facilitate such construction, including filing a site development plan with the City and County.

The details of the amendments which may be made are stated in Section 15 of the declaration. The amendment will also include the division of the limited common elements and common interest of Apartment A, but will not affect those of Apartment B.

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: 306 LEHUA STREET Tax Map Key: 1-7-4-05-09  
WAHIAWA, HAWAII 96786 (TMK)

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

Land Area: 15,581 [X] square feet [ ] acre(s) Zoning: RESIDENTIAL R-5

Fee Owner : ANN HARUE KAMEOKA  
Name  
6073 ARLINGTON BLVD.  
Address  
RICHMOND, CA 94805

Sublessor: N/A NOTE: JOAN KAZUKO KAMEOKA HAS A LIFE ESTATE AS TO AN UNDIVIDED 1/2  
Name INTEREST IN THE LAND (SEE EXHIBIT D -  
ENCUMBRANCES AGAINST THE PROPERTY.)  
Address

C. Buildings and Other Improvements:

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

2. Number of Buildings: 2 Floors Per Building 1

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

3. Principal Construction Material:

Concrete  Hollow Tile  Wood

Other \_\_\_\_\_

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>2</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:

[ X ] Pets: SMALL LIVESTOCK AND PETS IN REASONABLE NUMBER WITH OWNERS' CONSENT ARE PERMITTED.

[ X ] Number of Occupants: AS PERMITTED BY CITY AND COUNTY HOUSING CODE.

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

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: -0-      Stairways: -0-      Trash Chutes: -0-

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
A	1	3/1½	1247	_____
B	1	3/1½	975	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 2

\*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:**

PERIMETER WALLS (INTERIOR AND EXTERIOR)  
FOUNDATIONS, FLOORS, AND ROOFS.

APARTMENTS A & B ALSO EACH INCLUDE A COVERED CARPORT

**Permitted Alterations to Apartments:** UNITS A & B: MATERIAL ADDITIONS AND ALTERATIONS WITH THE CONSENT OF 75% OF APARTMENT OWNERS; INCLUDING ALL DIRECTLY AFFECTED OWNERS. NON-MATERIAL ADDITIONS AND ALTERATIONS WITH WRITTEN PERMISSION OF THE BOARD. BOTH MATERIAL AND NON-MATERIAL REQUIRE COMPLIANCE WITH ALL APPLICABLE LAWS, ORDINANCES AND CODES (ARTICLE 7, BY-LAWS). OWNERS MAY ADD ADDITIONAL STORY OR FLOOR AREA WITHOUT BOARD PERMISSION, IN COMPLIANCE WITH ALL APPLICABLE LAWS, ORDINANCES AND CODES (DECLARATION, SECTION 15).  
**HANDICAPPED OCCUPANTS:** ALL ALTERATIONS NECESSARY FOR USE AND ENJOYMENT OF THE PROPERTY AFTER WRITTEN REQUEST TO THE BOARD (BY-LAWS, SECTION 7.5). DEVELOPER MAY ADD ADDITIONAL APARTMENT ON LIMITED COMMON ELEMENT A, IN COMPLIANCE WITH ALL APPLICABLE LAWS, ORDINANCES AND CODES (DECLARATION, SECTION 15).

7. Parking Stalls:

Total Parking Stalls: 4

	<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>2</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>4</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>4</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>

Each apartment will have the exclusive use of at least 2 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 A 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 \_\_\_\_\_

SEE ATTACHED EXHIBIT B

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 ATTACHED EXHIBIT C

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:

SEE ATTACHED EXHIBIT B

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

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

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>          X          </u>		
Structures		<u>          X          </u>	<u>SEE ATTACHED EXHIBIT B</u>
Lot	<u>          X          </u>		

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

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

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

D. Common Elements, Limited Common Elements, Common Interest

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

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

as follows:

ALL OF THE LAND IN FEE SIMPLE, AND ALL PIPES, WIRES, CONDUITS OR OTHER UTILITY OR SERVICE, LINES, DRAINS AND DRAINAGE PIPES LOCATED OUTSIDE THE BUILDINGS AND SERVING MORE THAN ONE APARTMENT.

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:

- (i) The land area surrounding and beneath each dwelling unit and marked as a limited common element on the condominium map, comprising 5,558 square feet for Apartment B and 8,899 square feet for Apartment A.

NOTE: Land areas described herein 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:

Unit A - 62%

Unit B - 38%

The common interest has been calculated on the basis that each units share of the common and limited common elements comprises those respective percentages of the whole project.

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 March 31, 1995 and issued by TITLE GUARANTY OF HAWAII, INC.

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 and Financing Statement	Buyer's interest may be terminated, but if that occurs, buyer will be entitled to a refund of all deposits, <u>minus</u> a nominal escrow cancellation fee.

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:

CONSTRUCTION FOR BOTH UNITS COMPLETED IN 1959  
(SEE EXHIBIT B - ATTACHED)

H. Project Phases:

The developer [] 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):

The developer has reserved the right to construct a second house or a duplex on limited common element A, as shown on the condominium map, and to make the adjustments to the declaration, map and bylaws which are necessary to facilitate such construction, including filing a site development plan with the City and County.

The Details of the amendments which may be made are stated in Section 15 of the declaration. The amendment will also include the division of the limited common elements and common interest of Apartment A, but will not affect those of Apartment B.

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
- self-managed by the Association of Apartment Owners
- the Developer or the Developer's affiliate.
- 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
- Sewer
- Electricity
- Television Cable
- Gas
- Other \_\_\_\_\_
- Water

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

[X] Specimen Sales Contract - Deposit, Receipt, Offer and Acceptance (DROA) form.  
Exhibit  F  contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated  November 20, 1994   
Exhibit  G  contains a summary of the pertinent provisions of the escrow agreement.

[X] Other  APARTMENT DEED

---

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, as amended.
  - 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 APARTMENT DEED
- 

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. 3323 filed with the Real Estate Commission on 04/10/95.

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

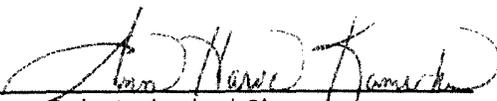
APARTMENT B HAS AN EXISTING TENANT WHO WILL BE OFFERED THE APARTMENT FIRST, BEFORE IT IS OFFERED TO ANY OTHER PROSPECTIVE PURCHASER.

APARTMENT A IS OCCUPIED BY JOAN KAMEOKA, WHO HOLDS A LIFE ESTATE AS TO AN UNDIVIDED 1/2 INTEREST IN THE LAND AND PROPERTY (SEE EXHIBIT D, ENCUMBRANCES AGAINST TITLE, ATTACHED).

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.

ANN HARUE KAMEOKA

\_\_\_\_\_  
Name of Developer

By:   
Duly Authorized Signatory

11/14/94  
Date

ANN HARUE KAMEOKA - DEVELOPER

\_\_\_\_\_  
print name & title of person signing above

Distribution:

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

PARKING

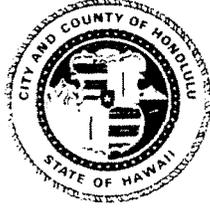
As shown on the condominium map, each apartment has covered parking for two (2) cars in the carports adjacent to each apartment.

Note, however, that the City and County of Honolulu considers the carport of Apartment A to be non-conforming, because it does not meet the present front yard setback requirements of the Land Use Ordinance.

E X H I B I T " A "

BUILDING DEPARTMENT  
**CITY AND COUNTY OF HONOLULU**

HONOLULU MUNICIPAL BUILDING  
650 SOUTH KING STREET  
HONOLULU, HAWAII 96813



JEREMY HARRIS  
MAYOR

HERBERT K. MURAOKA  
DIRECTOR AND BUILDING SUPERINTENDENT

WILLIAM F. REMULAR  
DEPUTY

**Ex94-96**

August 22, 1994

Mr. John A. Morris  
Attorney at Law  
Suite 502, Haseko Center  
820 Mililani Street  
Honolulu, Hawaii 96813

Dear Mr. Morris:

Subject: Condominium Conversion Project  
306 Lehua Street  
Tax Map Key No.: 7-4-05: 09

This is in response to your letter dated August 1, 1994 requesting verification that the two dwellings located at 306 Lehua Street met all code requirements at the time of construction.

Investigation revealed that the two one-story one-family detached dwellings with four off-street parking spaces met all applicable code requirements when they were constructed in 1959.

Investigation also revealed that although the front carport does not meet the present front yard setback requirements of the Land Use Ordinance, it is considered a nonconforming structure.

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

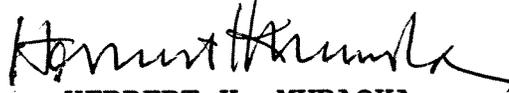
No variances or special permits were granted to allow deviations from any applicable codes.

E X H I B I T " B "

Mr. John A. Morris  
August 22, 1994  
Page 2

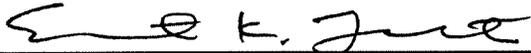
If you have any questions regarding this matter, please contact Mr. Ivan Matsumoto of this office at telephone 527-6341.

Very truly yours,



HERBERT K. MURAOKA  
Director and Building  
Superintendent

Subscribed and sworn to  
before me this 23rd day of  
August, 1994.



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

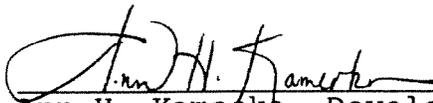
October 17, 1994

To: The Real Estate Commission  
State of Hawaii

Re: Condominium Project 306 Lehua Street,  
Wahiawa (Constructed 1959, Converted 1994)

This letter confirms that:

1. Based on the attached report of Shizuo Najita, Registered Professional Architect, the structural components, including the walls and roof, appear to be in reasonably good condition, the mechanical components, also appear to be in reasonably good condition, as does the electrical system.
2. I make no representations about the expected useful life of any of the above items.
3. Based on the attached letter from Herbert K. Muraoka of the Building Department of the City and County of Honolulu:
  - (i) There are no outstanding notices of uncured violations of the building code or other municipal regulations at the project.
  - (ii) The project land and structures conform to present zoning requirements and no non-conforming structures or uses are known to exist, except for the carport of Apartment A, which is considered to be non-conforming because it does not meet the present front yard set back requirements of the Land Use Ordinance.



---

Ann H. Kameoka, Developer  
306 Lehua Street

E X H I B I T " C "

DECLARATION OF REGISTERED ARCHITECT

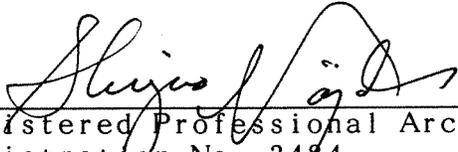
TAX MAP KEY: (1) 7-4-05 : 09

CONDOMINIUM PROJECT

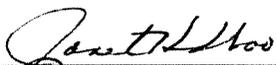
The undersigned hereby declares that he has made a visual observation of the buildings at 306 Lehua Street in Wahiawa, Hawaii, a proposed conversion into a condominium project, and makes the following report:

1. There was no visible evidence of unstable structural components.
2. The mechanical installation consisted of water and sewer lines. All water supply lines, valves, and waste piping observed appeared to be in operating condition.
3. The electrical installation, including meter, circuit breakers, and wiring observed appears to be in operating condition.

DATED: Honolulu, Hawaii 19<sup>th</sup> September 1994

  
\_\_\_\_\_  
Registered Professional Architect  
Registration No. 3484

Subscribed and sworn to before me this  
19<sup>th</sup> day of SEPTEMBER, 1994

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

My commission expires: 02/26/96

u.s.

ENCUMBRANCES AGAINST TITLE

1. For information regarding Real Property Taxes as may be due and owing, reference is made to the City & County of Honolulu, Dept. of Finance.  
Tax Key: 7-4-005-009 (1)                      Area Assessed: 15,581 sq. ft.
  
2. A right-of-way for a ditch given by T. H. Gibson, et al., Trustees to the Wahiawa Water Company, Limited, by DEED dated June 15, 1904, filed as Land Court Document No. 2.
  
3. Reservation of a life estate in favor of Joan Kazuko Kameoka, as to an undivided 1/2 interest in the land described herein, as set forth in Final Order of Distribution dated December 3, 1990, filed as Land Court Document No. 1788682.
  
4. MORTGAGE AND FINANCING STATEMENT  
  
MORTGAGOR : ANN HARUE KAMEOKA, unmarried, and JOAN KAZUKO KAMEOKA, widow  
  
MORTGAGEE : HONFED BANK, A FEDERAL SAVINGS BANK, now known as BANK OF AMERICA, FSB, a federal savings bank  
  
DATED : August 15, 1991  
FILED : Land Court Document No. 1847041  
AMOUNT : \$16,000.00

EXHIBIT     E    

ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
APARTMENT A	\$100	\$1200
APARTMENT B	\$100	\$1200

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning None  
Electricity None (electricity for all areas are separately metered -  
[ ] common elements only owners pay individually).  
[ ] common elements and apartments  
Elevator None  
Gas None  
Refuse Collection Pick up by City and County  
Telephone Paid individually  
Water and Sewer \$62.50 \$750 per year

Maintenance, Repairs and Supplies

Building None - owners are responsible  
Grounds None - owners are responsible

Management

Management Fee  
Payroll and Payroll Taxes N/A (self-managed)  
Office Expenses

Insurance \$1000 per year to be funded by annual special assessment.

Reserves(\*) \$40 \$480 per year

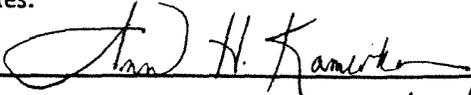
Taxes and Government Assessments Owners pay individually

Audit Fees

Other

TOTAL

I, ANN H. KAMEOKA, ~~as agent and employed by~~ \_\_\_\_\_, ~~the condominium managing agent~~  
~~or the developer, for the condominium project~~ 306 LEHUA STREET, hereby certify that the  
above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in  
accordance with generally accepted accounting principles.

  
\_\_\_\_\_

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

Date: 11/14/94

SUMMARY OF MAIN, RELEVANT PROVISIONS OF ESCROW AGREEMENT

Executed sales contracts for a unit shall be delivered to escrow and shall provide that all payments under the contracts must be made to escrow, including the initial deposit.

The developer shall pay all money received in connection with the project to escrow, including payments received: (i) under sales contracts; (ii) from lending institutions; and (iii) from any other source. No purchaser's funds shall be disbursed from escrow until: (i) a final public report has been issued; (ii) the purchaser has acknowledged receipt of the final report; (iii) the purchaser's contract has become binding; and (iv) all legal requirements for sale have been met.

A prospective purchaser shall be entitled to return of his funds in escrow if: (i) the developer and purchaser request; (ii) the developer or purchaser exercise their respective rights under the law to cancel or rescind the sales contract before it becomes binding; or (iii) the purchaser rescinds the sales contract pursuant to Section 514A-63 because of a material change in the project. No refund will be made unless the developer authorizes the refund to the purchaser, and the purchaser may be charged a reasonable fee of not less than \$25 and not more than \$250 for any work done by escrow. In addition, at the Developer's request, the prospective purchaser's funds shall be refunded if no sales contract has been offered within six (6) months or the prospective purchaser has indicated an inability or unwillingness to become an owner-occupant.

Any unclaimed funds of prospective purchasers shall be deposited in a financial institution if not claimed by purchaser within 60 days of written notice from escrow. The records for such funds will be delivered to the developer.

Escrow will handle the closing for all sales of units and will attempt to complete the closing promptly upon receipt of all necessary documentation, including mortgages and releases, in a recordable form. Escrow will promptly notify developer if any of the documents are defective and cannot be recorded.

Upon notice from the developer, escrow will notify a purchaser of payments which must be made under the sales contract. If the purchaser fails to make any required payments, escrow will notify the developer. If the developer certifies in writing that he has terminated the sales contract with the purchaser, escrow will regard all of the purchaser's funds as belonging to developer. Escrow will not try to resolve any disputes about the funds or the sales transaction but will allow a court to decide the dispute.

Escrow's fee for each escrow processed will be \$250 or its schedule rate minus 30%, plus 4% tax, whichever is greater (present schedule rate for \$400,000 sales prices is \$1040; for \$500,000 it is \$1194).

E X H I B I T F

SUMMARY OF SALES CONTRACT FOR 306 LEHUA STREET

As a sales contract, the developer plans to use the latest Deposit Receipt, Offer, and Acceptance ("DROA") form of the Hawaii Association of Realtors. That contract allows the developer and any prospective purchaser to agree on the deposit and other payments to be made. (The developer plans to ask for at least \$1,000 deposit.) The contract also allows the parties to agree on a closing date and the appliances, fixtures and other items to be included in the sale.

The standard terms are that the developer, as seller, will convey marketable title, deliver a termite inspection report, and pay for treatment as necessary. The standard terms also provide that time is of the essence, so closing shall be as close as possible to the projected closing date, or sooner.

The form provides that if Buyer defaults, the Seller is entitled to retain all deposits as liquidated damages, sue for damages and obtain recovery of all costs incurred. A condominium addendum provides that the project documents, declaration and by-laws, etc., will be provided, and that the buyer may inspect the parking for the apartment. The addendum also provides that the developer, as seller, will reveal any known information concerning pending or ongoing litigation affecting the project. This addendum will be used only to the extent that the public report does not cover those matters.

A second, general addendum, addresses various matters concerning the sale, such as disclosure, condition of the property, inspection of the property, any warranties, any non-conforming structures or uses, any asbestos disclosure, contingencies and termination of the contract prior to sale and other related matters. Again, this addendum will be used only to the extent that the public report does not cover those matters.

E X H I B I T    G