

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report
as Exhibit H

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.

TABLE OF CONTENTS

	page
Preparation of this Report	1
Expiration Date of Reports	1
Type of Report	1
Disclosure Abstract	2
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Operation of the Condominium Project	4
I. PERSONS CONNECTED WITH THE PROJECT	5
Developer Attorney for Developer General Contractor	
Real Estate Broker Escrow Company Condominium Managing Agent	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	6
B. Condominium Map (File Plan)	6
C. Bylaws	6
D. House Rules	7
E. Changes to Condominium Documents	7
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	8
B. Underlying Land	9
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	13
E. Encumbrances Against Title	14
F. Construction Warranties	15
G. Status of Construction	16
H. Project Phases	16
IV. CONDOMINIUM MANAGEMENT	
A. Management of the Common Elements	17
B. Estimate of Initial Maintenance Fees	17
C. Utility Charges for Apartments	17
V. MISCELLANEOUS	
A. Sales Documents Filed with the Real Estate Commission	18
B. Buyer's Right to Cancel Sales Contract	18
C. Additional Information	20
D. Signature of Developer	21
EXHIBIT A: Letter from the City and County of Honolulu, Building Department	
EXHIBIT B: Architect's Inspection Letter	
EXHIBIT C: Description of Common Elements	
EXHIBIT D: List of Encumbrances	
EXHIBIT E: Estimate of Initial Maintenance Fees and Disbursements	
EXHIBIT F: Summary of Sales Contract	
EXHIBIT G: Summary of Escrow Agreement	
EXHIBIT H: Disclosure Abstract	
EXHIBIT I: Zoning Variance No. 93/VAR-83	

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: Astral Investment, Inc. Phone: (808) 595-7116
Name (Business)
2528 Waolani Avenue
Business Address
Honolulu, HI 96817

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

Celina S. M. Gum, President

Real Estate Broker: Century 21 Realty Specialists Corp. Phone: 949-6322
Name (Business)
1585 Kapiolani Blvd., Ste. 1530
Business Address
Honolulu, HI 96814

Escrow: Fidelity Escrow Services Corp. Phone: (808) 537-6799
Name (Business)
700 Bishop St., Ste. 1015
Business Address
Honolulu, HI 96813

General Contractor: _____ 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: (808) 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. 2276213

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]: Amendment No. 1 dated January 11, 1996 recorded as Document No. 2284974.

- 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. 1119

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]: Amendment No. 1 dated January 11, 1996 recorded as Document No. 2284974.

- 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. 2276214

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: 2038 Puna Street Tax Map Key: (1) 1-6-11: 1
Honolulu, HI 96817 (TMK)

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

Land Area: 7,280 [X] square feet [] acre(s) Zoning: R-5

Fee Owner : Astral Investment, Inc.
 Name
2528 Waolani Avenue
 Address
Honolulu, HI 96817

Sublessor: _____
 Name

 Address

C. Buildings and Other Improvements:

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

2. Number of Buildings: 2 Floors Per Building 2

Exhibit _____ contains further explanations.

3. Principal Construction Material:

Concrete (Slab) Hollow Tile Wood

Other Glass

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:

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: --- Stairways: --- Trash Chutes: ---

<u>Apt.No.</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>2038</u>	<u>1</u>	<u>3/2</u>	<u>1,725</u>	<u> </u>
<u>2038A</u>	<u>1</u>	<u>7/4</u>	<u>2,566</u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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 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.
3. The garage attached to each apartment is part of the respective apartment.

Permitted Alterations to Apartments:

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

11. Conformance to Present Zoning Code See Exhibit A (Letter from the Building Department)

a. No variances to zoning code have been granted.

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

To allow a two-family detached dwelling on the zoning lot which lacks the minimum lot area. (See Exhibit I: Zoning Variance No. 93/VAR-83)

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

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

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

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

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

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

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

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

described in Exhibit C.

as follows:

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

There are no limited common elements in this project.

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

described in Exhibit _____.

as follows:

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.

Unit 2038 Limited Common Area: 2,993 sq.ft.

Unit 2038A Limited Common Area: 4,287 sq.ft.

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>
2038	42%
2038A	58%

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

Exhibit D describes the encumbrances against the title contained in the title report dated October 4, 1995 and issued by First Hawaii Title Corporation.

Blanket Liens:

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

[] There are no blanket liens affecting title to the individual apartments.

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgage	Contracts to purchase units may be cancelled in which event deposits will be refunded to the buyers, less an 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: One-year contractor's warranty commencing from the date of completion for Unit 2038A. No warranties on Unit 2038.

2. Appliances: Any warranty provided by the appliance manufacturer will be passed on the the apartment purchasers for Unit 2038A. No warranties on Unit 2038.

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

Notice of Completion for Unit 2038A was published on August 31, 1995 and September 7, 1995.

H. **Project Phases:**

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

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

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

Notice to Owner Occupants

Specimen Sales Contract

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

Escrow Agreement dated June 13, 1995

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

Other _____

B. Buyer's Right to Cancel Sales Contract:

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

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

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

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

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

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

AND

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

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

C) One of the following has occurred:

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

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

3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

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

B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners.
- D) House Rules.
- E) Condominium Map, as amended.
- 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. 3466 filed with the Real Estate Commission on 12/15/95.

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

Pursuant to §§16-99-3(g) and 16-99-11(d), Hawaii Administrative Rules ("HAR"), prospective purchasers are hereby advised that the Developer(s), Celina S. M. Gum, (RS-26752) is a current and active Hawaii-licensed real estate salesperson. Further, that Celina S. M. Gum is associated with Century 21 Realty Specialists, Inc., the listed real estate broker for the project and pursuant to §16-99-11(c), HAR, "(n)o licensee shall advertise 'For Sale by Owner,..."

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.

ASTRAL INVESTMENT, INC.

Name of Developer

By: Celina S.M. GYM
Duly Authorized Signatory

Nov. 30 - 95
Date

CELINA S.M. GYM
print name & title of person signing above

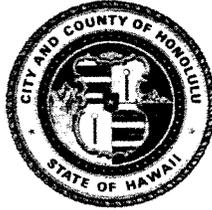
PRESIDENT

Distribution:

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

BUILDING DEPARTMENT
CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813



JEREMY HARRIS
MAYOR

RANDALL K. FUJIKI
DIRECTOR AND BUILDING SUPERINTENDENT
ISIDRO M. BAQUILAR
DEPUTY DIRECTOR AND BUILDING SUPERINTENDENT

Ex95-125

November 8, 1995

Mr. Glenn M. Adachi
Attorney at Law
Suite 1601, Davies Pacific Center
841 Bishop Street
Honolulu, Hawaii 96813-3916

Dear Mr. Adachi:

Subject: Condominium Conversion Project
2038 Puna Street
Tax Map Key: 1-6-11: 01

This is in response to your letter dated October 3, 1995 requesting verification that the structure located at the above address met all applicable code requirements at the time of construction.

Investigation revealed that the existing two-story single-family detached dwelling met all applicable code requirements when it was constructed in 1933.

Investigation also revealed that alteration and addition work to convert this building into a two-story two-family detached dwelling with a total of five off-street parking is presently under construction with building permit No. 362527.

Variance No. 93/VAR-083 dated December 21, 1993 was issued for the two-family detached dwelling. No other variances or special permits were granted to allow deviations from any applicable codes.

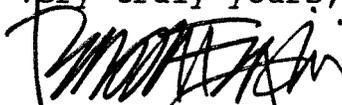
For your information, the Building Department cannot determine whether this project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes.

EXHIBIT A

Mr. Glenn M. Adachi
Page 2
November 8, 1995

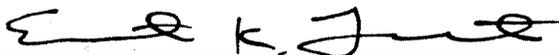
If you have any questions regarding this matter, please
contact Mr. Ivan Matsumoto at 527-6341.

Very truly yours,



RANDALL K. FUJIKI
Director and
Building Superintendent

Subscribed and sworn to
before me this 8th day of
November, 1995.



Notary Public, First Judicial Circuit
State of Hawaii
My commission expires: June 21, 1999

EXHIBIT B

July 21, 1995

Mr. Eddie Gum
2528 Waolani Ave
Honolulu, Hawaii 96817

Attention: Mr. Gum

RE: CONDOMINIUM PROPERTY REGIME
Located at: 2038 Puna St., 1 - 6 - 11 : 01

-

Dear Mr. Gum

In accordance with your request, I carried our an inspection of the above noted property on July 18, 1995.

The following report is a professional opinion based on the physical inspection of visible elements in readily accessible areas as they appeared at the time of inspection. The purpose of the inspection was to describe the present condition of all components material to the use and enjoyment of the condominium. The following opinions contain no warranty expressed or implied.

The existing buildings conformance with the plans (95-610A1, 95-610A2 & 95-610A3). The structure generally appears to be in sound condition. The condition of installations, material to the use and occupancy of the condominium is satisfactory.

Yours truly,
Hawaii Architects, Inc.


James Maticuk, AIA
Registered Professional Architect
No. 6533

EXHIBIT C

DESCRIPTION OF COMMON ELEMENTS

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

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

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

EXHIBIT D

LIST OF ENCUMBRANCES

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

2. Covenants, conditions, restrictions, reservations, agreements, obligations, exceptions and other provisions as contained in Deed dated November 15, 1929, filed as Document No. 20182, to which reference is hereby made, but deleting restrictions, if any, based on race, color, religion, sex handicap, familia status or national origin.

3. Encroachment Agreement and License dated July 30, 1994, filed as Document No. 2172046.

4. Encroachment Agreement and License dated July 30, 1994, filed as Document No. 217047.

5. Mortgage in favor of Hawaii National Bank, dated October 31, 1994, filed as Document No. 219827.

6. Declaration of Restrictive Covenant dated November 8, 1994, filed as Document No. 2201294, to which reference is hereby made, but deleting restrictions, if any, based on race, color, religion, sex handicap, familia status or national origin.

7. Condominium Map No. 1119 filed in the Office of the Assistant Registrar, as amended by Document No. 2284974.

8. Covenants, conditions, restrictions, reservations, agreements obligations, provisions, easements and by laws set forth in the Declaration of Condominium Property Regime dated November 30, 1995, filed in said Office of the Assistant Registrar as Document No. 2276213, as amended by Document No. 2284974.

9. By-Laws of the Association of Apartment Owners of 2038 Alewa Townhomes dated November 30, 1995, filed in said Office of the Assistant Registrar as Document No. 2276214.

10. Real property taxes due and payable. For more information contact City and County of Honolulu, Department of Finance, Real Property Tax Assessment as of the date of the title report, both installments were unpaid.

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>
Unit 2038	104.00	1,248.00
Unit 2038A	104.00	1,248.00

+Note: Maintenance Fees are only for insurance and reserves for the driveway if jointly maintained by the apartment owners. Property and Liability Insurance for the units if purchased by each unit owner is estimated to be as follows:

Unit 2038	\$ 72.00 per month	\$ 864.00 annually
Unit 2038A	\$ 126.00 per month	\$ 1,512.00 annually

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

Estimate of Maintenance Fee Disbursements:

	<u>Monthly x 12 months</u>	<u>Yearly Total</u>
Utilities and Services		
Air Conditioning		
Electricity		
[] common elements only		
[] common elements and apartments		
Elevator		
Gas		
Refuse Collection		
Telephone		
Water and Sewer		
Maintenance, Repairs and Supplies		
Building		
Grounds		
Management		
Management Fee		
Payroll and Payroll Taxes		
Office Expenses		
Insurance	166.00	1,992.00
Reserves(*)	42.00	504.00
Taxes and Government Assessments		
Audit Fees		
Other		
TOTAL	208.00	\$2,496.00

President of
I, _____, ~~as agent and employed by Astral Investment, Inc., the condominium managing agent~~
~~or the developer,~~ for the condominium project 2038 Alewa Townhomes, hereby certify that the
above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in
accordance with generally accepted accounting principles.

Celina S. M. Keen

(*) Mandatory reserves in effect January 1, 1993

Date: Nov. 30 - 95

EXHIBIT F

SUMMARY OF SALES CONTRACT

The Seller will use the standard form Deposit, Receipt, Offer and Acceptance (DROA) agreement as the sales contract for the sale of the unit(s). 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. Buyer's deposits will be held in escrow until the sales contract is closed or cancelled.

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

4. 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.

5. The sales contract may contain additional terms and conditions as the Seller and Buyer may agree to include.

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

EXHIBIT G

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 H

DISCLOSURE ABSTRACT

1. a. PROJECT: 2038 ALEWA TOWNHOMES
2038 Puna Street
Honolulu, HI
- b. DEVELOPER/
OWNER: Astral Investment, Inc.
2528 Waolani Avenue
Honolulu, HI 96817
- c. MANAGING AGENT: None. Project will be self-managed.
2. Real Estate Broker: Century 21 Realty Specialists Corp.
1585 Kapiolani Blvd., Ste. 1530
Honolulu, HI 96814

3. 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 as Exhibit E.

Individual Insurance: Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the Project's improvements. It is contemplated that the Association will elect to permit each apartment owner to purchase and maintain his own homeowner's insurance policy which will include fire and liability coverage, and name the Association as an additional insured. In such case, 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.

4. Description of All Warranties Covering the Apartments and Common Elements. The Contractor is making a one year warranty from the date of completion on the materials and workmanship of Unit 2038A. Purchasers are advised that Unit 2038 is an existing structure constructed in 1933. Said building is

subject to "wear and tear" commensurate with its age. NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO UNIT 2038. PURCHASERS ARE ADVISED TO CONDUCT THEIR OWN INSPECTION OF UNIT 2038. UNIT 2038 IS BEING SOLD "AS IS".

5. Structural Components and Mechanical and Electrical Installations.

Based on a visual inspection report prepared by a licensed architect (a copy of said report is attached to this public report as Exhibit B), it is the Developer's opinion that all structural components and electrical and plumbing systems material to the use and enjoyment of Unit 2038 appear to be functioning and in satisfactory working condition. However, NO REPRESENTATIONS OF ANY KIND ARE MADE AS TO THE EXPECTED USEFUL LIFE, IF ANY, OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS MATERIAL TO THE USE AND ENJOYMENT OF UNIT 2038.

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

7. Use of Apartments. The 2038 ALEWA TOWNHOMES condominium project will consist of two (2) apartments which will be used for residential purposes by the owners, their tenants, servants, guests and invitees and for no other purpose.

DATE: Nov. 30 - 95

ASTRAL INVESTMENT, INC.

By Celina S.M. Gaur

DEPARTMENT OF LAND UTILIZATION
CITY AND COUNTY OF HONOLULU

880 SOUTH KING STREET
HONOLULU, HAWAII 96813 • (808) 521-4432



FRANK P. FASI
MAYOR

DONALD A. CLEGG
DIRECTOR

LORETTA K.C. CHES
DEPUTY DIRECTOR

(JL)

December 27, 1993

Mr. Joe Gorospe
2752 Woodlawn Drive, Suite 5-205
Honolulu, Hawaii 96822

Dear Mr. Gorospe:

Request : Zoning Variance No. 93/VAR-83
Applicant : Joe Gorospe
Owner : Arnold K. Onoye, et al
Location : 2038 Puna Street - Kapalama
Tax Map Key: 1-6-11: 1

The Director of Land Utilization has APPROVED the above variance, subject to certain conditions. A copy of the Director's Findings of Fact, Conclusions of Law, and Decision and Order, including the conditions of approval, is attached.

NOTE: If the variance conditions contain time limits, the applicant is responsible to comply within those time limits, or the variance will lapse. If the variance is "after-the-fact", and it lapses because of failure to comply with the conditions, the applicant will be in violation of the zoning code and subject to enforcement proceedings. A new application for the same variance will not be accepted within 12 months of the lapse date.

This variance is limited to those sections of the Land Use Ordinance stated in the Findings of Fact and/or Decision and Order; and shall not be construed as approval of any other permit or review by the Department of Land Utilization or by any other agency.

Any party (to the case) wishing to appeal the Director's action must submit a written petition to the Zoning Board of Appeals (ZBA) within 10 calendar days from the date of mailing or personal service of the Director's written decision. (Zoning Board of Appeals Rules Relating to Administrative Procedure, Rule 3.2(a), APPEAL DEADLINE). Essentially, the Zoning Board of Appeals rules require that a petitioner show that the Director based his action on an erroneous finding of a material fact, and/or that the

EXHIBIT I

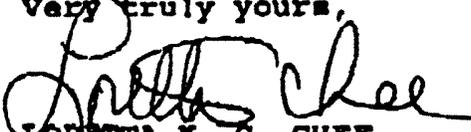
Mr. Joe Gorospe
Page 2
December 27, 1993

Director acted in an arbitrary or capricious manner, or manifestly abused his discretion. The ZBA can only consider the evidence previously presented to the Director of Land Utilization.

Failure to comply with the ZBA Rule 3, Procedure for Appeal from Action of the Director, may result in the dismissal of the appeal. Copies of the ZBA rules are available at the Department of Land Utilization. Appeals should be addressed to:

Zoning Board of Appeals
650 South King Street, 7th Floor
Honolulu, Hawaii 96813

If you have any questions or need additional information concerning this variance, please contact Jeffrey Lee of our staff at 527-5839.

Very truly yours,

LORETTA K. C. CHEE
Acting Director
Department of Land Utilization

LKCC:nt
T93VAR83.ntt
Encl.

cc: Arnold K. Onoya

DEPARTMENT OF LAND UTILIZATION OF THE CITY AND COUNTY OF HONOLULU

STATE OF HAWAII

I certify that this is a full, true and correct copy of the original document on file with the Department of Land Utilization, City and County of Honolulu.

Robert K. ...

12-27-93

DATE

IN THE MATTER OF THE APPLICATION)
OF)
JOE GOROSPE)
FOR A VARIANCE)

CASE NO. 93/VAR-83

FINDINGS OF FACT, CONCLUSIONS OF LAW,
AND DECISION AND ORDER

I. APPLICATION

1. Basic Information:

Applicant : Joe Gorospe
Owners : Arnold K. Onoye, et al
Location : 2038 Puna Street - Kapalama
Tax Map Key: 1-6-11: 1
Lot Area : 7,280 Square Feet
Zoning : R-5 Residential District

The Department of Land Utilization held a public hearing on December 9, 1993, to consider the application. The applicant and all other interested persons present were given an opportunity to be heard. The record of the hearing is on file with the Department.

2. Applicant's Proposal: To allow a two-family dwelling on a zoning lot which lacks the required lot area, and exceeds the maximum density (number of units). The 7,280-square foot lot is 220 square feet, or 2.93 percent, below the 7,500-square foot lot area required for a two-family detached dwelling. See Exhibit B-1.

3. Variance Required: Land Use Ordinance (LUO) Section 5.40-2 (Table 5.8-B), relating to lot area regulations.

4. Applicant's Justification: The applicant provided justification statements which are part of the file.

II. FINDINGS OF FACT

On the basis of the evidence presented, the Director has found:

1. Description of Site: The irregularly shaped lot gently slopes down towards Skyline Drive, but has no adverse topographic features. Access to the site is from Puna Street.
2. Land Use: A vacant single-family dwelling occupies the site. The surrounding area is predominately in single-family residential use.
3. Nonconformities and Irregularities: The Building Department has no building permit on file for the single-family dwelling. However, tax office (real property assessment) records indicate the dwelling was built in 1933.
4. Building Permit: The Building Department issued the following building permits:

BUILDING PERMIT NO.	DATE ISSUED	DESCRIPTION
46493	2/9/45	repair
189163	1/9/62	alteration

5. Ohana (Accessory) Dwelling Units: Preliminary Ohana Dwelling Public Facility Maps indicate the site is within an area eligible for an ohana unit.
6. Public Hearing Testimony: The applicant spoke in support of the request. He testified that in addition to the three conditions of hardship addressed in his application, attempts were made to purchase the deficient land area from the abutting property owner (Parcel 15) but were unsuccessful.

No other testimony was given.

7. Ordinarily, it would be difficult to find that the applicant would be denied reasonable use if not allowed a two-family detached dwelling on a lot which lacks the required lot area, since he is permitted a single-family dwelling. The applicant proposes to replace the existing single-family dwelling with a two-story, 5,412-square foot two-family detached dwelling. However, the 7,280-square foot lot lacks 220 square feet, or 2.93 percent, of the 7,500-square foot lot area required for a two-family detached dwelling. The lot area deficiency is not excessive in comparison to the 28

other lots within the same tax plat which lack the minimum lot area. Two have less than a 5 percent deficiency (2 percent and 4 percent), but the remaining 26 lots lack an average of 26 percent of the required lot area for two-family dwellings. Since the great majority of the other lots do not approach the required lot area, the request is not likely to be duplicated. Further, the preliminary Public Facilities Maps indicate the site may be eligible for an ohana dwelling, i.e., once the public facilities maps become effective. In that case, a two-family dwelling would be permitted on a 5,000-square foot lot. Although the ohana dwelling unit would be limited to a maximum of 700 square feet, the proposed two-family dwelling is reasonable, since the site is just below the 7,500-square foot required lot area.

8. The nearly rectangular lot is gently sloped, but without adverse topographic features that prevent conforming development. However, there are mitigating circumstances that support the request. The lot area deficiency is less than 3 percent. Ordinarily, it might be possible to acquire the additional lot area from adjacent lots to provide the required area for a two-family dwelling. However, a review of the tax map shows the abutting lot (Parcel 2) to the south cannot be readily subdivided, since it has only the minimum lot width. The applicant states that attempts to acquire land from the abutting lot (Parcel 15) to the west were unsuccessful.
9. The proposal will not alter the essential character of the neighborhood. Within the tax plat there is a total of 10 lots with more than one dwelling, five of which are on the same block. The deficiency in lot area will not have a significant impact on the neighborhood if the increase in density is limited to a two-family detached dwelling. Therefore, the use of the site should be limited to a two-family dwelling by variance condition. And, the building should be designed to reflect this condition. Greater density, e.g., a 3- or 4-unit apartment building, would radically alter the character of the neighborhood by increasing density excessively, and by establishing a use which is not permitted and contrary to the zoning.

III. CONCLUSIONS OF LAW

1. There is evidence that the applicant would be deprived of a reasonable use of the land or building if used only as allowed in that zone.
2. The request of the applicant is due to unique circumstances and not to general neighborhood conditions, and it does not question the reasonableness of the neighborhood zoning.

3. The use sought to be authorized by the variance will not alter the essential character of the locality nor be contrary to the intent and purpose of the Zoning Ordinance.

IV. DECISION AND ORDER

Pursuant to the foregoing Findings of Fact and Conclusions of Law, the Director of Land Utilization hereby APPROVES the application for a variance to allow a two-family detached dwelling on a zoning lot which lacks the minimum lot area, as shown on the approved revised plans, subject to the following conditions:

1. The use of the lot shall be limited to a two-family detached dwelling.
2. The applicant shall submit revised plans, for review and approval by the Director of Land Utilization, showing a two-family detached dwelling which meets all LUO regulations except for the lot area deficiency, prior to the issuance of a building permit.
3. This variance may be revoked by the Director when, due to a material change in circumstances, one or more of the three Charter-required findings of hardship can no longer be made; or when there is a breach of any of the conditions above stated; provided that, for good cause, the Director may amend the above conditions.

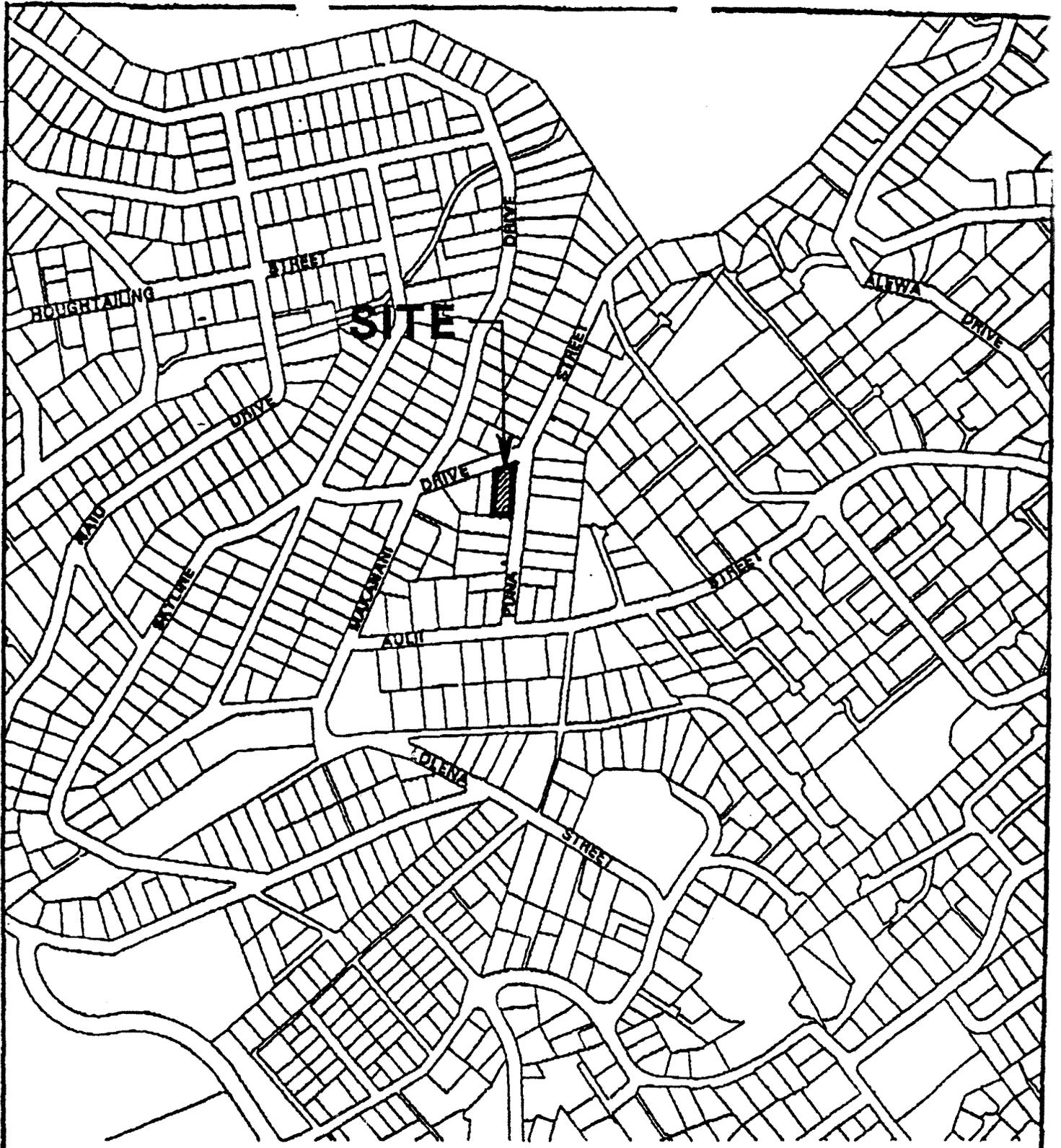
Dated at Honolulu, Hawaii, this 2nd day of December, 1993.

DEPARTMENT OF LAND UTILIZATION
CITY AND COUNTY OF HONOLULU
STATE OF HAWAII

By

Loretta K. C. Chee
LORETTA K. C. CHEE
Acting Director

A:Goroopa.jml



VICINITY MAP



0 400 800

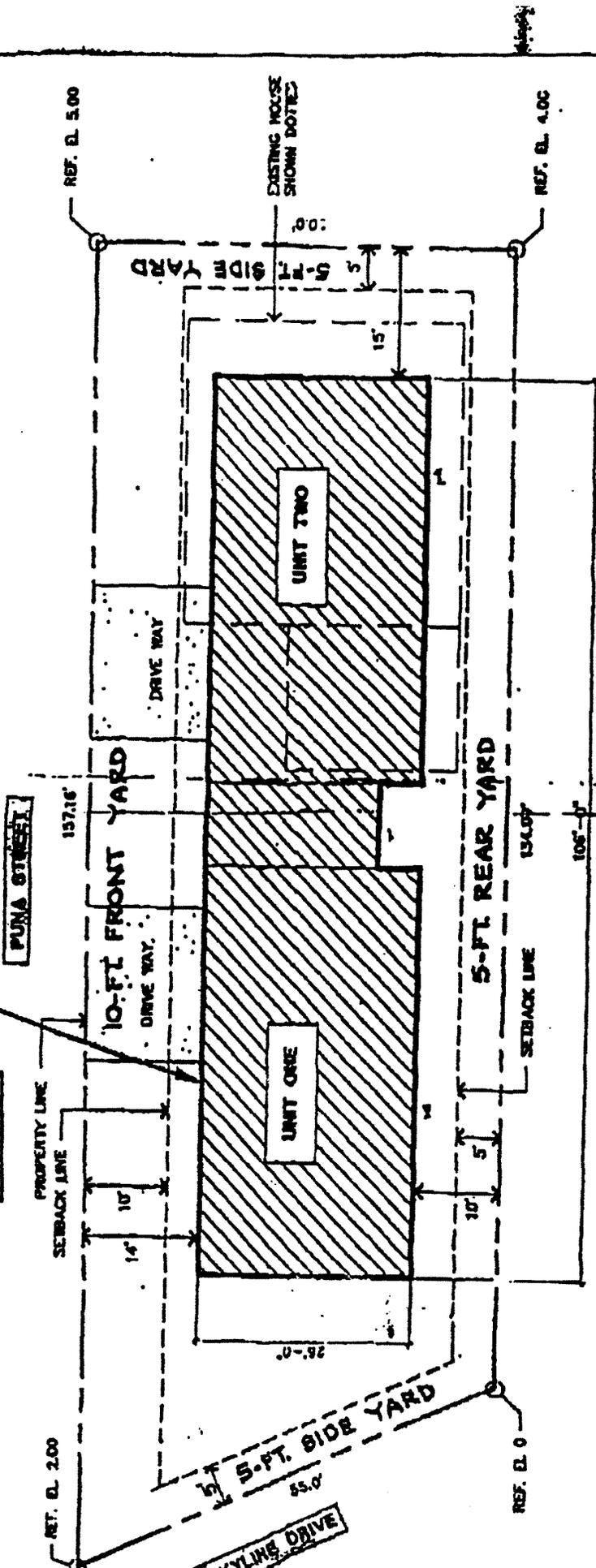
LOCATION MAP

KAMEHAMEHA HEIGHTS

TAX MAP KEY: 1-6-11: 1

FOLDER NO.: 93/VAR-83

TWO-FAMILY DWG. ON ZONING LOT WHICH LACKS THE REQ'D (7,500 S.F.) LOT AREA, AND EXCEEDS THE MAX. DENSITY



PLOT PLAN
Scale: 1/8" = 1'-0"

EXHIBIT B-1

LOT AREA = 7280 SF
 FLOOR AREA = 6412 SF
 LOT COVERAGE = 2708 SF or 37%