

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer Florence Y. Furushima, Trustee; Richard S. Furushima, Trustee; and Kelli N. Furushin  
Address 2812-B Kalihi Street, Honolulu, Hawaii 96819 Trustee

Project Name(\*): Valley View Villas Condominium Project  
Address: 2812-A & A1, 2812-B, 2816-A & B Kalihi Street, Honolulu, HI 96819

Registration No. 3505  
(Conversion)

Effective date: April 19, 1996  
Expiration date: May 19, 1997

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

PRELIMINARY: The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.  
(yellow)

X FINAL: The developer has legally created a condominium and has filed complete information with the Commission.  
(white)  
[ x ] No prior reports have been issued.  
[ ] This report supersedes all prior public reports.  
[ ] This report must be read together with \_\_\_\_\_

SUPPLEMENTARY: This report updates information contained in the:  
(pink)  
[ ] Preliminary Public Report dated: \_\_\_\_\_  
[ ] Final Public Report dated: \_\_\_\_\_  
[ ] Supplementary Public Report dated: \_\_\_\_\_

And [ ] Supersedes all prior public reports  
[ ] Must be read together with \_\_\_\_\_  
[ ] This report reactivates the \_\_\_\_\_  
public report(s) which expired on \_\_\_\_\_

(\* ) Exactly as named in the Declaration

**Disclosure Abstract: Separate Disclosure Abstract on this condominium project:**

Required and attached to this report as Exhibit "G"       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. It does not involve the sale of individual subdivided lots. 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.

1. 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 been complied with.

2. Facilities and improvements normally associated with County approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for, and services such as County street maintenance and trash collection will not be available for interior roads and driveways.

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

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## General Information On Condominiums

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

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

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

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

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

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

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

## Operation of the Condominium Project

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

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

Until there is a sufficient number of purchasers 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

Florence Y. Furushima, Trustee  
Richard S. Furushima, Trustee  
Kelli N. Furushima, Trustee

Developer:

Phone: (808) 848-1000  
(Business)

Name  
c/o Richard S. Furushima  
Business Address  
2812-B Kalihi Street  
Honolulu, Hawaii 96819

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

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

Real Estate  
Broker:

Tom Shinsato Realty, Inc.  
Name  
1744 Liliha St., Suite 306  
Business Address  
Honolulu, Hawaii 96817

Phone: (808) 537-4981  
(Business)

Escrow:

Title Guaranty Escrow Services, Inc.  
Name  
235 Queen Street  
Business Address  
Honolulu, Hawaii 96813

Phone: (808) 521-0211  
(Business)

General  
Contractor:

n/a  
Name  
Business Address  
\_\_\_\_\_

Phone: \_\_\_\_\_  
(Business)

Condominium  
Managing  
Agent:

Project is to be self-managed  
by the Association of Condominium Owners  
Name  
Business Address  
\_\_\_\_\_

Phone: \_\_\_\_\_  
(Business)

Attorney for  
Developer:

Steven V. Torkildson  
Name  
700 Bishop Street, 15th Floor  
Business Address  
Honolulu, Hawaii 96813

Phone: (808) 523-6000  
(Business)

**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. 96-017077  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. \_\_\_\_\_

The Declaration referred to above has been amended by the following instruments (state name of document, date and recording/filing information):

Restated Declaration of Condominium Property Regime dated March 21, 1996, recorded as Document No. 96-043954.

- 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. 2354  
 Filed - Land Court Condo Map No. \_\_\_\_\_

The Condominium Map has been amended by the following instruments (state name of document, date and recording/filing information):

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed  
 Recorded - Bureau of Conveyances: Document No. 96-017078  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. \_\_\_\_\_

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

D. **House Rules.** The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the developer.

The House Rules for this condominium are:

Proposed                       Adopted                       Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	—	<u>By Board</u> of Directors

\* 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:

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: 2812-A & A1, 2812-B,  
2816-A & B Kalihi Street  
Honolulu, Hawaii 96819 Tax Map Key: 1-4-17:26 (1st)  
(TMK)

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

Land Area: 33,050  square feet  acre(s) Zoning: R-5







11. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

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

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

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

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>    X    </u>		
Structures	<u>          </u>	<u>    X    </u> (Note: See page 20 disclosure regarding existi	
Lot	<u>    X    </u>		<u>          </u> use permit)

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

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

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

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

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

described in Exhibit     B    .

as follows:

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

There are no limited common elements in this project.

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

described in Exhibit C.

as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit B.

as follows:

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 F describes the encumbrances against the title contained in the title report dated January 22, 1996 and issued by Title Guaranty of Hawaii, Incorporated.

**Blanket Liens:**

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

- There are no blanket liens affecting title to the individual apartments.
- There are blanket liens which may affect title to the individual apartments.

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

**Effect on Buyer's Interest and Deposit if Developer Defaults  
or Lien is Foreclosed Prior to Conveyance**

**Type of Lien**

**1. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT**

**MORTGAGOR :** RICHARD S. FURUSHIMA, Trustee of the Richard S. Furushima Trust, established under that certain Trust Agreement dated December 23, 1991, FLORENCE Y. FURUSHIMA, Trustee of the Florence Y. Furushima Trust, established under that certain Trust Agreement dated December 23, 1991, and THOMAS F. NOMURA, unmarried

**MORTGAGEE :** FIRST HAWAIIAN BANK, a Hawaii corporation

**DATED :** December 16, 1992

**RECORDED :** Document No. 92-211241

**AMOUNT :** \$300,000.00

The Buyer's contract may be canceled and the Buyer may lose all rights to acquire the unit. Buyer's deposit will be return if default and foreclosure occur before conveyance, less escrow cancellation fee. However, should the Buyer's deposit be disbursed by Escrow and the lien be foreclosed prior to conveyance to Buyer, Buyer may not be able to recover the deposit moneys.

**2. MORTGAGE AND FINANCING STATEMENT**

**MORTGAGOR :** FLORENCE Y. FURUSHIMA, Trustee of the Florence Y. Furushima Trust established under that certain Trust Agreement dated December 23, 1991, RICHARD S. FURUSHIMA, Trustee of the Richard S. Furushima Trust established under that certain Trust Agreement dated December 23, 1991, and GAIL R. FUCHIGAMI, Trustee of the Kelli N. Furushima Trust established under that certain Trust Agreement dated December 11, 1992

**MORTGAGEE :** FIRST HAWAIIAN BANK, a Hawaii corporation

**DATED :** March 8, 1993

**RECORDED :** Document No. 93-061005

**AMOUNT :** \$80,000.00

The Buyer's contract may be canceled and the Buyer may lose all rights to acquire the unit. Buyer's deposit will be return if default and foreclosure occur before conveyance, less escrow cancellation fee. However, should the Buyer's deposit be disbursed by Escrow and the lien be foreclosed prior to conveyance to Buyer, Buyer may not be able to recover the deposit moneys.

**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 of the units were completed in the following years:

1. 2812-A - 1946
2. 2812-A1 - 1962
3. 2812-B - 1947
4. 2816-B - 1963
5. 2816-A - 1945

**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 - Hawaii Association of Realtors' Form of Deposit, Receipt, Offer & Acceptance (DROA) contract will be used at time of sale.  
Exhibit  D  contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated  June 7, 1995   
Exhibit  E  contains a summary of the pertinent provisions of the escrow agreement.

Other \_\_\_\_\_

### B. Buyer's Right to Cancel Sales Contract:

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

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

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

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

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

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

AND

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

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

C) One of the following has occurred:

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

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

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

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

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

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

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

2. **Rights Under the Sales Contract:** Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
  - B) Declaration of Condominium Property Regime.
  - C) Bylaws of the Association of Apartment Owners.
  - D) House Rules.
  - E) Condominium Map.
  - F) Escrow Agreement.
  - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
  - H) Other \_\_\_\_\_

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 3505 filed with the Real Estate Commission on 2/13/96.

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

yellow paper stock                       white paper stock                       pink paper stock

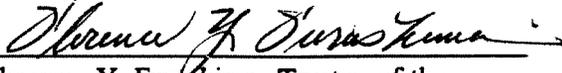
**C. Additional Information Not Covered Above**

**1. Disclosure Re: Existing Use Permit**

As noted in Section XXIV of the Declaration, an Existing Use Permit for the property comprising the Project was obtained by the Developer on September 23, 1994 from the City and County of Honolulu, Department of Land Utilization - 94/EU-8(PS). Among other provisions, said Existing Use approval permits "the continued use, repair, alterations, additions, relocation and reconstruction of the 5 existing single-family detached dwelling units." A copy of said approval is attached to this Public Report as Exhibit H.

Pursuant to §§16-99-3(g) and 16-99-11(d), Hawaii Administrative Rules ("HAR"), prospective purchasers are hereby advised that Richard S. Furushima, (RS-14529) is a current and active Hawaii-licensed real estate salesperson. Further, that Richard S. Furushima is associated with Tom Shinsato Realty, Inc., the project broker 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.

  
Florence Y. Furushima, Trustee of the  
Florence Y. Furushima Trust established  
under that certain unrecorded Trust  
Agreement dated December 23, 1991, made  
by Florence Y. Furushima, as Settlor

January 31, 1996  
Date

  
Richard S. Furushima, Trustee of the  
Richard S. Furushima Trust established  
under that certain unrecorded Trust  
Agreement dated December 23, 1991,  
made by Richard S. Furushima, as Settlor

January 31, 1996  
Date

  
Kelli N. Furushima, Trustee of the Kelli N.  
Furushima Trust established under that  
certain unrecorded Trust Agreement dated  
December 23, 1994, made by Kelli N. Furushima,  
as Settlor, a short form of which is recorded  
in the Bureau of Conveyances of the State of  
Hawaii as Document No. 94-211148

January 31, 1996  
Date

Distribution:

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

## INDIVIDUAL UNIT DESCRIPTIONS

The Declaration of Condominium Property Regime and plans submitted by the Developer indicate that VALLEY VIEW VILLAS is a fee simple condominium conversion project consisting of a total of five condominium units, each unit comprised of a separate structure. The units are described as follows:

- (a) "Unit 2812-A" --located at 2812-A Kalihi Street, Honolulu, (Oahu), Hawaii-- consists of the following: (1) a separate single-story wood-frame structure, without basement, containing two bedrooms, one bathroom, living room and kitchen -- all containing a net interior living area of approximately 784.50 square feet; (2) an uncovered tandem parking stall of approximately 349 square feet; (3) all other miscellaneous structures or improvements attached to the forgoing; and (4) any and all other future improvements which may be constructed on the land area appurtenant to said unit by the owner thereof.
  
- (b) "Unit 2812-A1" --located at 2812-A1 Kalihi Street, Honolulu (Oahu), Hawaii-- consists of the following: (1) a separate two-story structure, with concrete masonry unit (cmu) walls and dirt flooring on the lower level and wood-frame structure on the upper level, (a) with the first story of said structure containing a garage of approximately 661.40 square feet, a storage room of approximately 453.90 square feet; (b) with the second story of said structure containing three bedrooms, one bathroom, living room, and kitchen/dining room -- said second story containing a net interior living area of approximately 968.00 square feet; and (c) attached covered deck on the second story of approximately 159.29 square feet; (2) all other miscellaneous structures or improvements attached to the forgoing; and (3) any and all other future improvements which may be constructed on the land area appurtenant to said unit by the owner thereof.
  
- (c) "Unit 2812-B" --located at 2812-B Kalihi Street, Honolulu (Oahu), Hawaii -- consists of the following: (1) a separate three-story structure with concrete masonry unit (cmu) and solid concrete walls on the first level (basement) and wood-frame construction on the second and third levels, (a) with the first level (basement) of said structure containing two bedrooms, a study, family room, bar, and one bathroom, and (b) the second floor level of said structure containing four bedrooms, two bathrooms, living/dining room and kitchen, and (c) a Japanese tatami room located above the garage -- all containing a net interior living area of approximately 3,211 square feet; (2) an attached patio and deck of approximately 1,103.60 square feet; (3) an attached garage and carport of approximately 770 square feet; (4) all other miscellaneous structures or improvements attached to the foregoing; and (5) any and all other future improvements which may be constructed on the land area appurtenant to said unit by the owner thereof.
  
- (d) "Unit 2816-B" --located at 2816-B Kalihi Street, Honolulu (Oahu), Hawaii -- consists of the following: (1) a separate two-story structure with concrete masonry unit (cmu) walls on the lower level and wood-frame construction on the upper level, (a) with the upper floor level of said structure containing two bedrooms, one bathroom, living room and kitchen/dining room -- all containing a net interior living area of approximately 943.50 square feet; (2) an attached upper floor level covered deck and an open patio on the lower level of said structure -- all containing an area of approximately 639.30 square feet; (3) an open parking stall area of approximately 799 square feet; (4) all other miscellaneous structures or improvements attached to the foregoing; and (5) any and all other future improvements which may be constructed on the land area appurtenant to said unit by the owner thereof.

## EXHIBIT A

- (e) "Unit 2816-A" -- located at 2816-A Kalihi Street, Honolulu (Oahu), Hawaii -- consists of the following: (1) a separate two-story wood-frame structure, with basement, (a) with the basement of said structure containing one bedroom, family room, bar, storage room and a laundry/bathroom and (b) with the second story of said structure containing three bedrooms, one bathroom, kitchen/dining room, and living room -- all containing a net interior living area of approximately 1,935 square feet; (2) an attached covered carport of approximately 314.30 square feet; (3) all other miscellaneous structures or improvements attached to the foregoing; and (4) any and all other future improvements which may be constructed on the land area appurtenant to said unit by the owner thereof.

## COMMON ELEMENTS

One freehold estate is designated of all the remaining portions of the Project, herein referred to as "common elements", including specifically, but not limited to:

- (a) The land in fee simple;
- (b) All ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, water, gas, sewage, irrigation, telephone and television cable;
- (c) Any and all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the Project.

The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof, except as provided in the Condominium Property Act. Any such partition or division shall be subject to the prior consent thereto by the holder(s) of all mortgage(s) of any condominium unit(s) which are filed of record.

## COMMON INTEREST

Each unit and its owner(s) shall have appurtenant thereto a fractional interest in the common elements of the Project in the amount set forth below, for all purposes including voting, said interest being referred to as the "common interest" and/or the "proportionate share".

<u>Unit No.</u>	<u>Common Interest</u>
2812-A	14%
2812-A1	18%
2812-B	25%
2816-B	23%
2816-A	20%

### **LIMITED COMMON ELEMENTS**

Certain parts of the common elements, herein referred to as the "limited common elements", are hereby designated and set aside for the exclusive use of one or more units, and such unit(s) shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

- (a) That certain land area upon and around which Unit 2812-A is located, shown and designated on the Condominium Map and being approximately 2,024 square feet in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit 2812-A.
- (b) That certain land area upon and around which Unit 2812-A1 is located, shown and designated on the Condominium Map and being approximately 2,668 square feet in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit 2812-A1.
- (c) That certain land area upon and around which Unit 2812-B is located, shown and designated on the Condominium Map and being approximately 5,978 square feet in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit 2812-B.
- (d) That certain land area upon and around which Unit 2816-B is located, shown and designated on the Condominium Map and being approximately 10,156 square feet in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit 2816-B.
- (e) That certain land area upon and around which Unit 2816-A is located, shown and designated on the Condominium Map and being approximately 3,567 square feet in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit 2816-A.
- (f) That certain portion of the driveway located on the land, being located, shown and designated on the Condominium Map as the "Limited Common Element 2 (for Road and Utility Purposes)" and being approximately 1,716 square feet in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit 2812-B and Unit 2816-B. The remainder of the driveway located on the land, being located, shown and designated on the Condominium Map as the "Common Element 1 (for Roadway and Utility Purposes)" and being approximately 4,015 square feet in area, is deemed a common element appurtenant to and for the use of all of the units.
- (g) That certain portion of the land being located, shown and designated on the Condominium Map as the "Garden Unit 12-B" and being approximately 2,926 square feet in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit 2812-B.
- (h) A portion of the 2nd Floor deck comprising part of Unit 2812-B encroaches over the land comprising part of the limited common elements appurtenant to Unit 2816-B (such encroaching portion being indicated on the Condominium Map). Notwithstanding such encroachment, such portion of the 2nd Floor roof deck shall constitute a limited common element appurtenant to Unit 2812-B.

Notwithstanding anything contained herein to the contrary, all costs of every kind pertaining to the aforesaid limited common elements, including, but not limited to, costs of landscaping, maintenance, repair, replacement and/or improvement, shall be borne solely by the owner(s) of the unit(s) to which said limited common elements are appurtenant. In the event any limited common element is appurtenant to more than one unit, the owner(s) of each unit shall bear a portion of such costs equal to the percentage obtained by dividing the common interest for such unit (as described in Section V below) by the sum of the common interests for all units to

which such limited common elements are appurtenant. In the event the owners of Units 2812-B and Unit 2816-B cannot agree on the necessity for, or the nature or quality of any maintenance, repairs or replacement to the "Limited Common Element 2 (for Road and Utility Purposes)" described in Section IV, paragraph (f) above, such decision shall be made by the owner of Unit 2812-B in its sole discretion, and the costs of any such maintenance, repairs or replacement shall be borne by the owners of Unit 2812-B and Unit 2816-B as provided in the preceding sentence.

NOTE: The land appurtenant to each unit does not represent a legally subdivided lot.

EXHIBIT C

## SUMMARY OF PERTINENT PROVISIONS OF THE SALES CONTRACT

The sales contract contains the purchase price, description and location of the condominium unit and other terms and conditions under which a Buyer will agree to buy a condominium unit in the Project. Among other things, the sales contract (DROA):

1. Provides a section for financing to be completed and agreed to by the parties which will set forth how Buyer will pay the purchase price.
2. Identifies the escrow agent and states that Buyer's deposit will be held in escrow until the sales contract is closed or cancelled.
3. Requires that Buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.
4. Provides the following remedies, in the event of default under the sales contract by Buyer:
  - a. Seller may bring an action against Buyer for breach of contract;
  - b. Seller may retain Buyer's initial deposit;
  - c. Buyer shall be responsible for expenses incurred.

Provides the following remedies, in the event of default under the sales contract by Seller:

- a. Buyer may bring an action against Seller for breach of contract;
- b. Buyer may bring an action compelling Seller to perform under contract;
- c. Seller shall be responsible for expenses incurred.

Any awards to the prevailing party in any action are subordinate to escrow's expenses.

5. Allocation of payment of closing costs.
6. Each DROA entered into with an owner-occupant who signs an affidavit pursuant to HRS §514A-104.5 will provide that the owner-occupant must reaffirm his intent to be an owner-occupant no earlier than the person's receipt for a final public report and no later than closing of escrow for the unit. The DROA will provide that failure to sign the reaffirmation upon reasonable request shall constitute a default under the DROA by the purchaser. The Developer will cancel the DROA for any person failing to make such reaffirmation, and if the DROA has become binding on the purchaser, the Developer may exercise any remedies available under the DROA or applicable law.

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

Upon examination, the Developer represents that the proposed Sales Contract (DROA) is found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended. It is incumbent upon the purchaser and prospective purchaser that he reads the Sales Contract (DROA) with care.

## SUMMARY OF ESCROW ARRANGEMENTS

An Escrow Agreement, dated June 7, 1995 has been submitted by the Developer, identifying Title Guaranty Escrow Services, Inc. as Escrow for the Project. This Agreement shall take effect when the Developer commences sales. The Escrow Agreement establishes how proceeds from the sale of condominium units and all sums received from any source are placed in escrow, as well as the methods of disbursement of said funds.

The Escrow Agreement provides that a Purchaser shall be entitled to a refund of his funds, and Escrow shall pay such funds to such Purchaser, without interest, if any one of the following has occurred: (i) Developer and Purchaser shall have requested Escrow in writing to return Purchaser's funds to Purchaser; or (ii) Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Developer; or (iii) Purchaser exercises his right to cancel the contract pursuant to HRS §514A-62, or to rescind the contract pursuant to HRS §514A-63. In each of such events, unless Purchaser is deemed to have waived his right to a refund, Escrow will return Purchaser's funds to Purchaser, less a cancellation fee commensurate with the amount of work completed at the time of cancellation or rescission, but in no event shall such fee be less than \$25 or more than \$250.

The Escrow Agreement also provides that a Purchaser shall be entitled to a refund of his funds, and Escrow shall pay such funds to such Purchaser, without interest, pursuant to HRS §514A, Part VI, if any one of the following has occurred: (i) no sales contract has been offered to the prospective owner-occupant within six months of the issuance of the first public report or of the public lottery (as applicable); or (ii) the prospective owner-occupant has requested to be removed from the final reservation list (as defined in HRS §514A-104); (iii) the prospective owner-occupant has elected not to execute a sales contract; or (iv) the prospective owner-occupant has not obtained adequate financing, or a commitment for adequate financing, by a date which is no earlier than fifty calendar days after Developer's execution and acceptance of the sales contract; or (v) except in certain cases where the sale contract has become binding, the owner occupant is unable to reaffirm his intent to become an owner-occupant of the unit and has rescinded the sales contract.

If the Purchaser defaults under the sales contract all proceeds collected from Purchaser may be paid to Developer.

Upon examination, the Developer represents that the Escrow Agreement is found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended. It is incumbent upon the Purchaser and prospective Purchaser that he read the Escrow Agreement with care.

EXHIBIT E

**ENCUMBRANCES AGAINST TITLE**

An encumbrance is a claim or a liability on the property. The following list describes the encumbrances against the title contained in the status title report dated Jan. 22, 1996, issued by Title Guaranty of Hawaii, Inc.:

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

2. Free flowage of Kalihi Stream as shown on Tax Map.

3. GRANT

TO : HAWAIIAN ELECTRIC COMPANY, INC. and GTE  
HAWAIIAN TELEPHONE COMPANY INCORPORATED

DATED : March 12, 1945

RECORDED : Liber 1881 Page 105

GRANTING : a perpetual right and easement to build, construct, rebuild, reconstruct, repair, maintain and operate a pole and wire line, etc., for the transmission and distribution electricity

4. GRANT

TO : CITY AND COUNTY OF HONOLULU

DATED : January 30, 1958

RECORDED : Liber 3390 Page 370

GRANTING : the right, in the nature of an easement to construct, install, maintain, operate repair and remove an underground sewer pipe line or pipe lines, etc., and being more particularly described as follows:

PARCEL 25 - of KALIHI-UKA SEWERAGE SYSTEM, SECTIONS 1-B & 1-C, IMPROVEMENT DISTRICT NO. 98: Being a portion of R.P. 6889, L.C.Aw. 3237, Apana 7 to Hewahewa. Being also portions of Lots 2 and 3 of the Antonio Rodrigues Estate (subdivision unrecorded), situated between Kalihi Valley, Honolulu, City and County of Honolulu, and more particularly described as follows:

Beginning at the west corner of this parcel of land, the true azimuth and distance to the center of Kalihi Valley Stream being 121° 30' 30.07 feet, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA" being 4,296.60 feet north and 2,382.46 feet east, thence running by azimuths measured clockwise from true South:

- |    |      |         |       |  |
|----|------|---------|-------|--|
| 1. | 213° | 02'     | 58.07 | feet along the remainder of said R.P. 6889, L.C.Aw. 3237, Apana 7 to Hewahewa;                           |
| 2. | 206° | 20' 40" | 54.40 | feet along the same;   |
| 3. | 301° | 30'     | 10.04 | feet along the same;   |
| 4. | 26°  | 20' 40" | 54.08 | feet along the same;   |
| 5. | 33°  | 02'     | 58.39 | feet along the same;   |
| 6. | 121° | 30'     | 10.00 | feet along the same to the point of beginning and containing an area of 1,125 square feet, more or less. |

5. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

MORTGAGOR : RICHARD S. FURUSHIMA, Trustee of the Richard S. Furushima Trust, established under that certain Trust Agreement dated December 23, 1991, FLORENCE Y. FURUSHIMA, Trustee of the Florence Y, Furushima Trust, established under that certain Trust Agreement dated December 23, 1991, and THOMAS F. NOMURA, unmarried

MORTGAGEE : FIRST HAWAIIAN BANK, a Hawaii corporation

DATED : December 16, 1992  
 RECORDED : Document No. 92-211241  
 AMOUNT : \$300,000.00

6. MORTGAGE AND FINANCING STATEMENT

MORTGAGOR : FLORENCE Y. FURUSHIMA, Trustee of the Florence Y. Furushima Trust established under that certain Trust Agreement dated December 23, 1991, RICHARD S. FURUSHIMA, Trustee of the Richard S. Furushima Trust established under that certain Trust Agreement dated December 23, 1991, and GAIL R. FUCHIGAMI, Trustee of the Kelli N. Furushima Trust established under that certain Trust Agreement dated December 11, 1992

MORTGAGEE : FIRST HAWAIIAN BANK, a Hawaii corporation

DATED : March 8, 1993  
RECORDED : Document No. 93-061005  
AMOUNT : \$80,000.00

7. GRANT

TO : FLORENCE Y. FURUSHIMA, Trustee of the Florence Y. Furushima Trust established under that certain unrecorded Trust Agreement, dated December 23, 1991, RICHARD S. FURUSHIMA, Trustee of the Richard S. Furushima Trust, established under that certain unrecorded Trust Agreement dated December 23, 1991, and GAIL R. FUCHIGAMI, Trustee of the Kelli N. Furushima Irrevocable Trust established under that certain unrecorded Trust Agreement dated December 11, 1992

DATED : March 17, 1993  
RECORDED : Document No. 93-177748  
GRANTING : Easement A for Sewer Purposes more particularly described as follows:

Being a portion of Royal Patent 604, Land Commission Award 803, Apana 14 to A. Adams.

Beginning at the southeast corner of this easement and on the northwest side of Kalihi Street, the coordinates of said point beginning referred to Government Survey Triangulation Station "MOKAUEA" being: 4099.19 feet North and 2689.69 feet East, thence running by azimuths measured clockwise from True South:

- |    |      |     |        |   |
|----|------|-----|--------|---|
| 1. | 121° | 30' | 117.30 | feet along the remainder of R. P. 604, L. C. Aw. 803, Ap. 14 to A. Adams;   |
| 2. | 211° | 30' | 5.00   | feet along the remainder of R. P. 604, L. C. Aw. 803, Ap. 14 to A. Adams;   |
| 3. | 301° | 30' | 115.94 | feet along the remainder of R. P. 604, L. C. Aw. 803, Ap. 14 to A. Adams;   |
| 4. | 16°  | 19' | 5.18   | feet along the northwest side of Kalihi Street to the point of beginning and containing an area of 583 square feet, more or less. |

8. GRANT

TO : HAWAII ELECTRIC LIGHT COMPANY, INC. and GTE  
HAWAIIAN TELEPHONE COMPANY, INCORPORATED

DATED : June 6, 1995  
RECORDED : Document No. 95-092962  
GRANTING : a perpetual right and easement to build, etc., operate and remove pole and easement to build, etc., operate and remove pole and wire lines and/or underground lines, etc.

**DISCLOSURE ABSTRACT**

**VALLEY VIEW VILLAS  
Condominium Project**

Pursuant to Section 514A-61, Hawaii Revised Statutes  
Condominium Property Act

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**Developer(s)**

Florence Y. Furushima, Trustee of the  
Florence Y. Furushima Trust established  
under that certain unrecorded Trust  
Agreement dated December 23, 1991, made  
by Florence Y. Furushima, as Settlor

Richard S. Furushima, Trustee of the  
Richard S. Furushima Trust established  
under that certain unrecorded Trust  
Agreement dated December 23, 1991, made  
by Richard S. Furushima, as Settlor

Kelli N. Furushima, Trustee of the  
Kelli N. Furushima Trust established  
under that certain unrecorded Trust  
Agreement dated December 23, 1994, made  
by Kelli N. Furushima, as Settlor, a short  
form of which is recorded in the Bureau of  
Conveyances of the State of Hawaii as  
Document No. 94-211148

Phone: 848-1000

**Project Manager**

Project is to be self-managed.

**Estimated Maintenance Fee Assessments and Disbursements**

**MAINTENANCE FEES:** The regular maintenance and repair of each condominium unit, including all utility charges (other than charges for water and sewer), is the sole responsibility of each respective unit owner. At present, there are no common services and/or expenses which will require regular monthly assessments, except as follows: 2816A has its own water meter and will pay its own water/sewer bill directly to the utility company. The Association will pay the water/sewer bill for the other four units and include such expense in the maintenance fees to be paid by those four units. Each of the four units will pay a portion of the total bill as determined by the submeters for each unit. Special assessments may be levied from time to time, if and when approved by the association of apartment owners.

**INDIVIDUAL INSURANCE:** Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the improvements portion of the Project. Developer anticipates that the Association will elect to obtain separate policies for each individual condominium unit pursuant to Section XIV(c) of the Declaration. As such, the premiums on said policies will be the individual responsibility of each unit owner rather than common expenses of the Project. Purchasers should be aware that premiums

for said fire insurance vary widely depending upon the coverage desired and the insurance company used. Developer's best estimate regarding the cost of said coverage is approximately \$500 to \$3,000 per year per unit. Said estimates were prepared in accordance with generally accepted accounting principles.

### **Use of Condominium Units**

All units comprising the Project may be occupied and used for residential and/or such other purposes as permitted by applicable zoning ordinances. There is no commercial development in the Project.

### **Warranties**

Purchasers should be aware that all five "condominium units" of the Project are comprised of existing structures. Said buildings have unavoidably undergone a certain amount of "wear and tear" commensurate with their age. Accordingly, purchasers should not expect the home they desire to buy to be in "like-new" condition. NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO THE INDIVIDUAL CONDOMINIUM UNITS OR THE COMMON ELEMENTS OF THE PROJECT. PURCHASERS ARE ADVISED TO CONDUCT THEIR OWN INSPECTION OF THE UNIT THEY DESIRE TO BUY. THE UNITS ARE SOLD "AS IS".

### **Structural Components and Mechanical & Electrical Installations**

Based on a report prepared by an independent registered architect, it is the Developer's opinion that all structural components and mechanical and electrical installations material to the use and enjoyment of the individual condominium units appear to be sound and in satisfactory working condition consistent with their age. However, NO REPRESENTATIONS OF ANY KIND ARE MADE AS TO THE EXPECTED USEFUL LIFE, IF ANY, OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS MATERIAL TO THE USE AND ENJOYMENT OF THE CONDOMINIUM UNITS(S).

### **Code Violations**

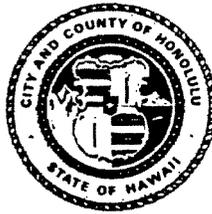
To the best of the knowledge, information and belief of the Developer, there are no outstanding notices of uncured violations of the building code or other municipal regulations of the City and County of Honolulu.

**EXISTING USE APPROVAL**

**EXHIBIT H**

DEPARTMENT OF LAND UTILIZATION  
**CITY AND COUNTY OF HONOLULU**

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



JEREMY HARRIS  
MAYOR

DONALD A. CLEGG  
DIRECTOR

LORETTA K.C. CHEE  
DEPUTY DIRECTOR

94/EU-8 (PS)

September 23, 1994

Mr. Richard S. Furushima  
2812-B Kalihi Street  
Honolulu, Hawaii 96819

Dear Mr. Furushima:

Subject: Existing Use Permit No. 94/EU-8  
Project Name: Furushima Existing Use  
Location: 2812-A & A-1, 2812-B, 2816-A & B Kalihi  
Street  
Tax Map Key: 1-4-17: 26  
Owners: Richard S., Florence, and Kelli N.  
Furushima

The application for the development is **APPROVED** as an Existing Use (EU) under Section 3.130 of the Land Use Ordinance (LUO) in accordance with the application plans DLU date-time-stamped August 17, 1994 subject to the following conditions:

1. Approval is only for the continued use, repair, alterations, additions, relocation and reconstruction of the 5 existing single-family detached dwelling units.
2. All new work shall be in accordance with the LUO, including yard and height setbacks for structures around the project boundary, and spacing between buildings shall be in accordance with cluster siting guidelines. Any modification to the EU plans shall be approved by the Department of Land Utilization (DLU) prior to issuance of building permits.
3. Modifications to the EU plans will not be allowed if:
  - a. the proposed modification has potential adverse impacts on surrounding land uses.
  - b. the number of dwelling units (5 single-family detached) will be increased.
  - c. the reconstruction and/or expansion of the dwelling unit(s) are part of a larger development.

- d. the expansion of any dwelling unit increases the EU approved floor area by more than two times.

Modifications which exceed these limits are considered **Major** and require processing of a Cluster Housing application.

4. All new work shall be compatible in design with the existing and surrounding structures, and be in the same general location and size. Exterior entrances, stairways, bar areas, plumbing and electrical systems may be required to be deleted or revised to insure the approved number of units are not increased.
5. Maximum lot coverage shall not exceed 30 percent of the entire site, or 50 percent of the lot of use (CPR lot), whichever is more restrictive.
6. A minimum of 13 parking spaces, including 11 for dwelling units and 2 guest stalls, shall be indicated and provided prior to the issuance of any building permits. Any additions shall comply with parking regulations of the LUO. Existing parking spaces within carports or garages shall not be converted into useable floor area (including garage/carport storage). Existing nonconforming carports shall be subject to Section 3.120(b) of the LUO.
7. Any proposed perimeter chainlink fencing shall incorporate a 24-inch landscaping strip with a hedge trained to a 6-foot height and maintained in a healthy condition. No fences will be allowed to be constructed along the common driveway.
8. Any improvements to the EU shall comply with Fire Department requirements for access, water and/or Fire Department connections. These shall be submitted to the Fire Department for review and approval prior to issuance of building permits.
9. The DLU shall be informed of any intent or action to condominiumize. An approved condominium property regime map (CPR) and documents shall be submitted to the Department of Land Utilization. All future improvements and additions shall require approval by the Homeowners Association prior to review by the Department of Land Utilization.
10. The applicant will be required to incorporate all of the post construction conditions set forth, which are applicable subsequent to occupancy, as part of the restrictive covenants running with the land and made a part of any sales agreement with any future owners.

Mr. Richard S. Furushima  
Page 3

11. This Existing Use approval does not certify that the existing structures and improvements comply with the requirements of the zoning code or other regulations. They are subject to separate review and approval.
12. The Director of Land Utilization shall reserve the right to impose additional requirements, if necessary, to promote and protect the health, welfare, and safety of the people of the City and County of Honolulu.

Should you have any questions, please contact Patrick Seguirant of our staff at 527-5369.

Very truly yours,



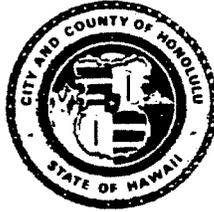
DONALD A. CLEGG  
Director of Land Utilization

DAC:gc  
furushi.pbs

cc: Building Department

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

Ex95-136

December 6, 1995

Mr. Richard S. Furushima  
2812-B Kalihi Street  
Honolulu, Hawaii 96819

Dear Mr. Furushima:

Subject: Condominium Conversion Project  
"Valley View Villas"  
2812A, 2812A1, 2812B, 2816A,  
& 2816B Kalihi Street  
Tax Map Key: 1-4-017: 026

This is in response to your letter dated November 6, 1995 requesting verification that the five dwellings located at the above-mentioned addresses met all applicable code requirements at the time of construction.

Investigation revealed that the two two-story one-family detached dwellings and two one-story one-family detached dwellings with basements with 10 off-street parking spaces located at 2812A1, 2812B, 2816A, and 2816B Kalihi Street met all applicable code requirements when they were constructed in 1960, 1947, 1944, and 1962, respectively.

The Building Department has no record of a building permit for the one-story one-family detached dwelling at 2812A Kalihi Street. The building at 2816A Kalihi Street lacks the minimum five feet setback from the mauka property line.

The five detached dwellings are considered nonconforming dwelling units by the Department of Land Utilization. Existing Use Permit No. 94/EU-8 was issued with conditions on September 23, 1994 for the five dwellings.

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.

Mr. Richard S. Furushima  
December 6, 1995  
Page 2

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

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

Very truly yours,



RANDALL K. FUJIKI  
Director and Building  
Superintendent

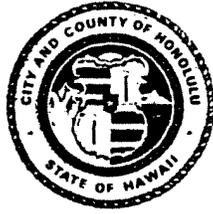
Subscribed and sworn to  
before me this 7th day of  
December, 1995.



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

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

Ex96-12

January 31, 1996

Mr. Richard S. Furushima  
2812-B Kalihi Street  
Honolulu, Hawaii 96819

Dear Mr. Furushima:

Subject: Condominium Conversion Project  
"Valley View Villas"  
2812A, 2812A1, 2812B, 2816A, and  
2816B Kalihi Street  
Tax Map Key: 1-4-17: 26

This is to confirm that the deficiencies mentioned in our letter dated December 6, 1995 have been corrected.

We have on file Building Permit No. 50817 for the one-story one-family detached dwelling at 2812A Kalihi Street.

The dwelling at 2816A Kalihi Street which lacks the minimum five-foot setback from the mauka property line is considered nonconforming. Existing Use Permit No. 94/EU-8 has been revised and approved by the Department of Land Utilization to show the mauka setback to be 3' instead of 7.21'.

Mr. Richard S. Furushima  
January 31, 1996  
Page 2

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 2nd day of  
February, 1996.



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