



Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report as Exhibit "E"       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 project is the conversion of an existing Butler type light industrial building into a 4 unit light industrial condominium project with two parking stalls assigned to each apartment together with a loading area for each apartment.

The units are presently occupied by the owner (one unit) and the remaining three units by tenants. Any sale will be subject to existing tenant leases or an expiration of such leases before it can be occupied by a new owner.

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

Developer: INDUSTRIAL MECHANICAL CONTRACTORS, INC. Phone: (808) 4564588  
Name 96-1362D Waihona Street (Business)  
Business Address Pearl City, Hawaii 96782

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

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

Real Estate Broker: Coldwell Banker Pacific Properties Phone: (808) 3664749  
Name Ltd. (Business)  
Business Address 629 Kailua Road, Suite 212  
Kailua, Hawaii 96734

Escrow: ISLAND TITLE CORPORATION Phone: (808) 5269171  
Name (Business)  
Business Address 1132 Bishop Street, Suite 400  
Honolulu, Hawaii 96813

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

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

Attorney for Developer: Hiroshi Sakai, Attorney at Law Phone: (808) 5314171  
Name (Business)  
Business Address 201 Merchant Street, Suite 902  
Honolulu, Hawaii 96813

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

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- A. Declaration of Condominium Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

- Proposed  
 Recorded - Bureau of Conveyances: Document No. 95-152386  
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]:

- 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. 2314  
 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. 95-152387  
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>Majority vote of Board 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:

There are additional reservations in favor of the Developer and covenants which a buyer should be aware of in the sales contract as well as in the Declaration which allow the Developer to make changes to the Declaration, By Laws and House Rules prior to the conveyance of any apartments to the buyers. The Developer also reserves the right to grant easements to utility companies and the governmental authorities that are necessary for the project even after conveyance of apartments to buyers. The Developer is authorized to file the "as built" Condominium Map that is required even after conveyances of apartments to buyers.

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: 96-1342 Waihona Street, Pearl City Tax Map Key: (1) 9-6-8: 13  
Hawaii 96782 (TMK)

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

Land Area: 36,350 [x] square feet [ ] acre(s) Zoning: Industrial

Fee Owner: INDUSTRIAL MECHANICAL CONTRACTORS, INC.

Name

96-1342D Waihona Street

Address

Pearl City, Hawaii 96782

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: 1 Floors Per Building 1 Units B and D have Mezzanine

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

3. Principal Construction Material:

Concrete

Hollow Tile

Wood

Other Steel

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning		No. of Apts.	Use Determined By Zoning
<input type="checkbox"/> Residential	___	<input 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 checked="" type="checkbox"/> Industrial	<u>4</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Agricultural	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Recreational	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other: _____	___	<input type="checkbox"/> Yes <input type="checkbox"/> No

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

Yes

No

5. Special Use Restrictions:

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

- Pets: \_\_\_\_\_
- Number of Occupants: \_\_\_\_\_
- Other: Declaration of Covenants for Waiawa Industrial Park dated 8/26/75
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

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

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net FLOOR Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>A</u>	<u>1</u>	<u>N/A</u>	<u>2475 s.f.</u>	<u>-0-</u>
<u>B</u>	<u>1</u>	<u>N/A</u>	<u>2842 s.f.</u>	<u>-0-</u>
<u>C</u>	<u>1</u>	<u>N/A</u>	<u>2475 s.f.</u>	<u>-0-</u>
<u>D</u>	<u>1</u>	<u>N/A</u>	<u>3555 s.f.</u>	<u>-0-</u>

Total Apartments: 4

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

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

Boundaries of Each Apartment:

Interior surface of each apartment's exterior perimeter walls.

Permitted Alterations to Apartments:

Alterations can be done within an apartment only in accordance with the Declaration of Condominium Property Regime, By Laws, Building and House Rules, Declaration of Covenants of Waiawa Park, Building Code and zoning ordinances.'

7. Parking Stalls:

Total Parking Stalls: 8

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for each unit)	<u>      </u>	<u>4</u>	<u>      </u>	<u>4</u>	<u>      </u>	<u>      </u>	<u>8</u>
Guest	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Unassigned	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Extra for	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Purchase	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Other:	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Total Covered & Open	<u>4</u>	<u>      </u>	<u>4</u>	<u>      </u>	<u>0</u>	<u>      </u>	<u>8</u>

Each apartment will have the exclusive use of at least 2 parking stall(s).  
Buyers are encouraged to find out which stall(s) will be available for their use.

- Commercial parking garage permitted in condominium project.
- Exhibit \_\_\_\_\_ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

- There are no recreational or common facilities.
- Swimming pool                       Storage Area                       Recreation Area
- Laundry Area                       Tennis Court                       Trash Chute
- Other: \_\_\_\_\_

9. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

- There are no violations.     Violations will not be cured.
- Violations and cost to cure are listed below.                       Violations will be cured by \_\_\_\_\_

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations  
(For conversions of residential apartments in existence for at least five years):

N/A

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>	<u>          </u>	<u>          </u>
Structures	<u>    x    </u>	<u>          </u>	<u>          </u>
Lot	<u>    x    </u>	<u>          </u>	<u>          </u>

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

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

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

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

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

described in Exhibit   A  .

as follows:

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

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

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

[ ] described in Exhibit \_\_\_\_\_.

[ ] as follows:

The limited common elements for each apartment is the cubical space within the apartment, the exterior door, roll up door, loading zone and two parking stalls designated with the same letter as the apartment, for example "A" and "A-1".

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:

[x] described in Exhibit A.

[ ] as follows:

- Apartment A - 25% appurtenant common interest
- Apartment B - 25% appurtenant common interest
- Apartment C - 25% appurtenant common interest
- Apartment D - 25% appurtenant common interest

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

Exhibit B describes the encumbrances against the title contained in the title report dated 12/17/98 and issued by FIRST FINANCIAL TITLE AND ESCROW AGENCY OF HAWAII, INC.

**Blanket Liens:**

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

- There are no blanket liens affecting title to the individual apartments.
- 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 dated 10/30/89 recorded in Book 23835, Page 295	Buyer's interest may be terminated and Buyer's deposits may be returned, less escrow cancellation fee.
2nd Mortgage dated 10/31/89 recorded in Book 23835, Page 307	Same as above.

See Exhibit B for information as to Federal Tax Liens 4/8/93, 9/19/97 and 1/7/98 and Pearl City Industrial Park Association Lien 8/15/94 recorded in the Bureau of Conveyances as Document Nos. 93-058009, 97-134955, 98-004699 and 94-145489. Document Nos. 98-006080 and 98-101434 respectively with same effect on Buyer's interest.

**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:**

Building completed in 1977.

**H. Project Phases:**

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

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

IV. CONDOMINIUM MANAGEMENT

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

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

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

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

B. Estimate of Initial Maintenance Fees:

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

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

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

None at present.

C. Utility Charges for Apartments:

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

- None  Electricity  Gas  Water
- Sewer  Television Cable  Other refuse collection

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 N/A

[X] Specimen Sales Contract

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

[X] Escrow Agreement dated 11/13/95

Exhibit D 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 Declaration of Covenants for Waiawa Industrial Park dated 8/26/75

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. 3512 filed with the Real Estate Commission on 2/26/96.

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**

None

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.

INDUSTRIAL MECHANICAL CONTRACTORS, INC.

Printed Name of Developer

By: Margaret Shimabukuro  
Duly Authorized Signatory

1/13/99  
Date

Maragaret Shimabukuro, Secretary-Treasurer

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu  
Planning Department, City and County of Honolulu

EXHIBIT "A"

COMMON ELEMENTS

The common elements which the apartments have immediate access to include the following:

a. The land in fee simple, including the land to the rear of the building, the portion which is part of the stream bed and additional land to the opposite side of the stream bed.

b. All other parts of the Project existing for the common use or necessary to the existence, maintenance and safety of the Project.

c. The right of access to Waihona Street by each of the apartments through the existing driveway aprons into the parking area for Apartments A through D inclusive.

EXHIBIT "B"  
Encumbrances Against Title

1.

**(A) TAXES: Tax Map Key: (1) 9-6-008-013-0001**

Taxes for the Fiscal Year 1998 - 1999 are a lien; payable as follows:

1st Installment: \$1,114.14 (Delinquent)  
2nd Installment: \$1,114.13 (Due on February 20, 1999)

NOTE: Delinquent Tax for 1st Installment are as follows:

Tax \$1,114.14  
Penalty \$ 111.41  
Interest thru December 1998 \$ 49.02

**TOTAL \$1,274.57**

NOTE: Delinquent Taxes, including interest thru December 1998, for prior years are as follows:

<u>YEAR</u>	<u>INSTAL</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
96/97&97/98	1st/2nd	\$5,583.41	\$558.36	\$499.78	\$6,641.55

**(B) TAXES: Tax Map Key: (1) 9-6-008-013-0002**

Taxes for the Fiscal Year 1998 - 1999 are a lien; payable as follows:

1st Installment: \$1,114.14 (Delinquent)  
2nd Installment: \$1,114.13 (Due on February 20, 1999)

NOTE: Delinquent Tax for 1st Installment are as follows:

Tax \$1,114.14  
Penalty \$ 111.41  
Interest thru December 1998 \$ 49.02

**TOTAL \$1,274.57**

NOTE: Delinquent Taxes, including interest thru December 1998, for prior years are as follows:

<u>YEAR</u>	<u>INSTAL</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
96-97&97-98	1st/2nd	\$5,456.62	\$545.68	\$431.46	\$6,433.62

**(C) TAXES: Tax Map Key: (1) 9-6-008-013-0003**

Taxes for the Fiscal Year 1998 - 1999 are a lien; payable as follows:

1st Installment: \$1,114.14 (Delinquent)  
2nd Installment: \$1,114.13 (Due on February 20, 1999)

NOTE: Delinquent Tax for 1st Installment are as follows:

Tax	\$1,114.14
Penalty	\$ 111.41
Interest thru December 1998	\$ 49.02
<b>TOTAL</b>	<b>\$1,274.57</b>

NOTE: Delinquent Taxes, including interest thru December 1998, for prior years are as follows:

<u>YEAR</u>	<u>INSTAL</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
96-97&97-98	1st&2nd	\$5,399.60	\$539.98	\$400.71	\$6,340.29

**(D) TAXES: Tax Map Key: (1) 9-6-008-013-0004**

Taxes for the Fiscal Year 1998 - 1999 are a lien; payable as follows:

1st Installment: \$1,114.14 (Delinquent)  
2nd Installment: \$1,114.13 (Due on February 20, 1999)

NOTE: Delinquent Tax for 1st Installment are as follows:

Tax	\$1,114.14
Penalty	\$ 111.41
Interest thru December 1998	\$ 49.02
<b>TOTAL</b>	<b>\$1,274.57</b>

NOTE: Delinquent Taxes, including interest thru December 1998, for prior years are as follows:

<u>YEAR</u>	<u>INSTAL</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
96-97&97-98	1st&2nd	\$5,772.34	\$577.24	\$316.61	\$6,666.19

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. The free flowage of water in Waiawa Stream as shown on the Tax Map.
4. A building setback line as shown on said File Plan.
5. Reservation as set forth in that certain DECLARATION OF TAKING dated July 24, 1945, filed in the District Court of the United States for the District of Hawaii as Civil No. 533, and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 2052 at Page 88.

6. Rights of way, restrictions, reservations and easements now existing or of record, as mentioned in DEED dated June 24, 1964, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 4872 at Page 301.
7. Reservation unto the United States of America, its successors and assigns, Easement 2-F for water line purposes, as reserved in DEED dated June 24, 1964, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 4872 at Page 301.
8. Terms and provisions, including the failure to comply with conditions, covenants, restrictions or reservations, contained in that certain DECLARATION OF COVENANTS FOR WAIAWA INDUSTRIAL PARK, dated August 26, 1975, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 10866 at Page 116, as supplemented.

9. **MORTGAGE WITH ASSIGNMENT OF RENTS**

Mortgagor:	INDUSTRIAL MECHANICAL CONTRACTORS, INC., a Hawaii corporation
Mortgagee:	CITY BANK, a Hawaii corporation
Date:	October 30, 1989
Recorded:	Liber 23835 Page 295
Amount:	\$690,000.00

10. **SECOND MORTGAGE**

Mortgagor:	INDUSTRIAL MECHANICAL CONTRACTORS, INC., a Hawaii corporation
Mortgagee:	RKM, INC., a Hawaii corporation
Date:	October 31, 89
Recorded:	Liber 23835 Page 307
Amount:	\$150,000.00

11. **FEDERAL TAX LIEN**

Against:	INDUSTRIAL MECHANICAL CONTRACTORS, INC.
Date:	April 8, 1993
Recorded:	Document No. 93-058009
Amount:	\$145,252.59

12. NOTICE OF LIEN

Against: INDUSTRIAL MECHANICAL CONTRACTORS, INC.  
Claimant: PEARL CITY INDUSTRIAL PARK ASSOCIATION, a  
Hawaii non-profit corporation  
Dated: August 25, 1994  
Recorded: Document No. 94-145489  
Amount: \$3,628.95

13. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions and easements set forth in that certain DECLARATION OF CONDOMINIUM PROPERTY REGIME, dated November 13, 1995, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 95-152386.

14. Terms and provisions contained in the BY-LAWS of the Association of Apartment Owners of IMC WAIHONA CENTER, dated November 13, 1995, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 95-152387.

15. Any facts, rights, interest or claims which may arise by virtue of parties in possession and or unrecorded documents pertaining to said property.

16. FEDERAL TAX LIEN

Against: INDUSTRIAL MECHANICAL CONTRACTORS, INC., a  
corporation  
Date: September 19, 1997  
Recorded: Document No. 97-134955  
Amount: \$58,992.46

17. FEDERAL TAX LIEN

Against: INDUSTRIAL MECHANICAL CONTRACTORS, a  
corporation  
Date: January 7, 1998  
Recorded: Document No. 98-004699  
Amount: \$21,364.51

18. NOTICE OF PENDENCY OF ACTION

Plaintiff: RKM, INC., a Hawaii corporation  
Defendant: INDUSTRIAL MECHANICAL CONTRACTORS, INC.;  
MARGARET M. SHIMABUKURO; OBED SNIFFEN;  
LYNETTE SNIFFEN; ROBERT ALEJADO; EDITH  
ALEJADO; CITY BANK; PEARL CITY PARK  
ASSOCIATION; INTERNAL REVENUE SERVICE,  
UNITED STATES OF AMERICA; JOHN DOES 1-10;  
JANE DOES 1-10; DOE PARTNERSHIPS 1-10; DOE  
PARTNERSHIPS 1-10; DOE CORPORATIONS 1-10;  
DOE ENTITIES 1-10; and DOE GOVERNMENTAL  
UNITS 1-10  
Date: January 13, 1998  
Filed: January 14, 1998 in the Circuit Court of the First Circuit,  
State of Hawaii, Civil No. 97-5188-12  
Recorded: Document No. 98-006080

-NOTE:-

(1) Case Pending

19. JUDGMENT

Against: INDUSTRIAL MECHANICAL CONTRACTORS, INC.  
In Favor of: BOILERMAKER-BLACKSMITH NATIONAL FUND;  
DAVID E. HANSON as a fiduciary of THE  
BOILERMAKER-BLACKSMITH NATIONAL PENSION  
FUND; BOILERMAKERS' APPRENTICESHIP AND  
TRAINING FUNDS; and DANIEL EVERETT as a  
fiduciary of THE BOILERMAKERS' APPRENTICESHIP  
AND TRAINING FUNDS;  
Date: September 5, 1996  
Filed: June 30, 1998 in the District Court of the First Circuit,  
State of Hawaii, Case No. IRC98-5828  
Recorded: Document No. 98-101434  
Amount: \$3,878.19

All of that certain parcel of land situate at Waiawa, Ewa, City and County of Honolulu, State of Hawaii, being LOT 26, of the tract of land known as "WAIAWA INDUSTRIAL PARK", as shown on the Map thereof filed in the recorded in the Bureau of Conveyances of the State of Hawaii as File Plan 1461, and containing an area of 36,350 square feet.

TOGETHER WITH an easement for ingress and egress to and from the public highways, to be used and enjoyed in common with all others entitled thereto over, upon and across ROADWAY LOT 42 as shown on File Plan 1461, provided, however, whenever said Roadway Lot is conveyed or dedicated to and accepted by State of Hawaii, the City and County of Honolulu or other governmental authority for use as a public roadway, then all private easement rights in such of said Roadway Lot so dedicated, including the foregoing easement shall then forthwith terminate; RESERVING, HOWEVER, unto SHIGERU HORITA, husband of Mitsue Horita, and HERBERT K. HORITA, husband of Miriam Reiko Horita, Authorized General Partners, as Joint Tenants doing business in the name of HKH VENTURES, a Limited Partnership, the right to convey and dedicate said Roadway Lot to the State of Hawaii, the City and County of Honolulu or other governmental authority for use as public roadway without the consent of or joinder by the Grantee, Grantee's assigns, mortgagees and any other party who may acquire any nature of interest therein through Grantee.

BEING THE REAL PROPERTY CONVEYED BY:

DEED

Grantor:	RKM, INC., a Hawaii corporation
Grantee:	INDUSTRIAL MECHANICAL CONTRACTORS, INC., a Hawaii corporation
Date:	October 31, 1989
Recorded:	Liber 23835 Page 291

EXHIBIT "C"

Summary of Sales Contract

The Sales Contract contains the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Project. Among other things, the Sales Contract says:

(a) A buyer must obtain his own financing. An application for a mortgage loan within 10 days after notification by Seller and if approval is not concluded within 30 days after submission of the application then Seller has the option to terminate the contract. Buyer acknowledges that this Sales Contract is contingent on any financing after the issuance of the final public report.

(b) That a purchaser's money will be held in escrow, under the terms of the Escrow Agreement.

(c) That interest on deposits shall belong to the Seller unless Buyer arranges with Escrow to establish a separate savings account and to pay \$25.00 to Escrow for the establishment and maintenance of such account, then such interest shall accrue to the benefit of the Buyer.

(d) That the unit will be subject to various legal documents, including Declaration, By Laws, Final Public Report including Encumbrances and Disclosure Statement attached thereto, Building/House Rules, Escrow agreement, Apartment Deed, Certificate of Architect and Condominium Map and any other documents which the buyer is given a copy of and for which he has receipted for the same.

(e) That the buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

(f) If Buyer defaults, Seller shall give written notice to Buyer by certified mail and if such default is not cured within 10 days after receipt of notice, Seller may terminate the Sales Contract and retain the Buyer's deposits as liquidated damages. Seller may in addition pursue any other remedy including specific performance and all costs by reason of such default shall be borne by Buyer.

(g) If Buyer has paid all payments required under the Sales Contract, Buyer shall be entitled to specific performance.

The Sales Contract contains various other provisions with which the purchaser should become acquainted.

## EXHIBIT "D"

### Summary of Escrow Agreement

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement these things will or may happen:

(a) Developer will let purchasers know when payments are due.

(b) Escrow will arrange for purchasers to sign all necessary documents.

(c) The Escrow Agreement states the following conditions under which a refund will be made to a purchaser. Developer and Purchaser make a written request to Escrow: (a) To return to purchaser the funds; (b) To notify Developer's exercise of any option to rescind the sales contract or (c) That the conditions provided for a refund under Sections 514A-62 or 514A-63 of the Condominium Act have been met.

(d) The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract, that is, the Purchaser's funds shall be retained by the Seller as liquidated damages.

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

Note: Section 514A-63, Hawaii Revised Statutes provides for Rescission Rights to a purchaser under a binding contract if there is a material change in the project which directly, substantially and adversely affects the use or value of (1) such purchaser's apartment or appurtenant limited common elements, or (2) those amenities of the project available for such purchaser's use.

EXHIBIT "E"

IMC WAIHONA CENTER

REGISTRATION NO. 3512

DISCLOSURE STATEMENT AS OF JANUARY 13, 1999

1. Name of Project: IMC WAIHONA CENTER
2. Address: 96-1362 Waihona Street, Pearl City, Hawaii 96782
3. Names of Developer: Industrial Mechanical Contractors, Inc.
4. Address of Developer: 96-1362D Waihona Street, Pearl City, Hawaii 96782
5. Telephone Number: (808) 4564588
6. Project Manager or Agent: Margaret Shimabukuro
7. Address: 96-1362D Waihona Street, Pearl City, Hawaii 96782
8. Maintenance Fees: The breakdown of the annual maintenance fees and the monthly estimated costs for each apartment, which is hereby certified to be based on generally accepted accounting principles, is more particularly set forth in Exhibit "A" attached hereto and made a part hereof.
9. Commencement of Maintenance Fees: At such time that the Association decides to assess maintenance fees.
10. Warranties: The Project is a fee simple condominium project and there are no warranties.
11. Project: The Project consists of 4 condominium apartments located in a single building, which are to be utilized for light industrial, parking and other uses permitted under the zoning ordinances for the City and County of Honolulu. The project on the lot, the structure and uses conform to the present zoning ordinances of the City and County of Honolulu.

DATED: Pearl City, Hawaii, January 13, 1999.

INDUSTRIAL MECHANICAL CONTRACTORS, INC.

By *Margaret Shimabukuro*  
Margaret Shimabukuro  
Its Secretary-Treasurer

C:\WP5\CONDO\shi.DS

EXHIBIT E-1

**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 = Yearly Total</u>
A	\$203.46 x 12 = \$2441.52
B	203.46 x 12 = 2441.52
C	203.46 x 12 = 2441.52
D	203.46 x 12 = 2441.52
	<hr/>
	\$813.85 x 12 = \$9766.20

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

[ ] common elements only

[ ] common elements and apartments

Elevator

Gas

Refuse Collection

\$170.00 x 12 = \$2,040.00

Telephone

Water and Sewer

152.00 x 12 = 1,824.00

Maintenance, Repairs and Supplies

Building

Grounds

100.00 x 12 = 1,200.00

Management

Management Fee

Payroll and Payroll Taxes

Office Expenses

Insurance

296.09 x 12 = 3,553.08

Hurricane insurance

37.09 x 12 = 445.08

Reserves(\*) parking repairs

58.67 x 12 = 704.04

Taxes and Government Assessments

Audit Fees

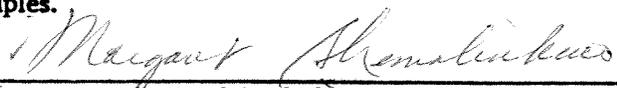
Other

TOTAL

\$813.85

\$9,766.20

Margaret Shimabukuro, Industrial Mechanical Contractors, Inc., as agent and employed by Industrial Mechanical Contractors, Inc., the condominium managing agent or the developer, for the condominium project IMC WAIHONA CENTER, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



Margaret Shimabukuro

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

Date: 1/13/99

EXHIBIT "F"

**HOUSE AND BUILDING RULES  
IMC WAIHONA CENTER**

The purpose of these House and Building Rules ("Rules") is to protect all owners and occupants from annoyance and nuisance caused by improper conduct and improper use of the **IMC WAIHONA CENTER**, hereinafter referred to as "Project", and to provide for the maximum enjoyment of the premises. All owners and occupants, their agents, employees and invitees shall be bound by these Rules and standards of reasonable conduct whether covered by these Rules or not.

1. Definitions. As used herein:

a. The "Apartment" refers to the cubical space for Apartments A through D inclusive in the Building of the Project.

b. The "Project" refers to the land area of the IMC Waihona Center and the improvements built on such land area as described in the Declaration of Condominium Property Regime.

c. The "Board of Directors" refers to the Board of Directors of the Association of Apartment Owners of IMC Waihona Center.

2. Building Permit. The requirements of the Building Code and zoning ordinances will have to be complied with in order to construct any improvements within the apartment by an Owner. In addition, the following to be observed:

a. Apartments A through D inclusive office and/or mezzanine space may be developed in accordance with the Building Code and Zoning ordinance. If an owner desires to air condition any of its space or change any opening including doors and/or windows that will affect the perimeter walls of the Apartment, then such openings and the design of the same shall be approved by the Board of Directors or a Design Committee of one or more members appointed by the Board.

b. All of the above costs and expenses shall be paid for by the apartment owner seeking to do the improvement and the cost of amending the condominium document including the Certificate by the Architect or Engineer.

3. Garbage, Trash, Utilities and Insurance.

a. Garbage and Trash. Each unit shall place his own garbage, trash and rubbish in covered receptacles or in plastic or fastened bags. Each owner shall exercise reasonable care to avoid exposure of waste materials to flies, roaches, rodents and other insects or materials.

b. Utilities. Each owner to pay for the electricity, gas, or other power within his own apartment. Water is on a common meter and if the Association determines that it is necessary to install check meters or a similar device, then after such installation the costs of water and sewer services to be allocated as is determined by such check meters or device.

c. Insurance. Each owner is to maintain contents insurance and public liability insurance for his own apartment for the minimum amounts as set forth in the Declaration for the Association and add the Association as an additional assured for the liability insurance.

d. Environmental Hazards. Each owner is responsible to observe such practices and uses of its apartment that would not increase the normal insurance risk beyond that is presently in place. An owner shall not engage in or create any environmental risks, including the use and discharge of chemical, oil, diesel, petroleum and any type of hazardous waste fluids and products within their apartment and the common elements of the Project.

#### 4. General Appearance.

a. Storage. No open storage of materials, furniture, fixtures, appliances and other goods will be permitted outside of the apartment.

b. Usage of Area in Front of the Apartment. Each owner of an apartment shall be responsible for keeping the respective entry for its apartment free and clear of vehicles and containers. An owner will have the exclusive use of the loading area within the front of its apartment for temporary use for vehicles and containers.

c. Appearance and Sanitation. Each owner shall keep the area surrounding its apartment including the front of and to the rear of the apartment in a neat and sanitary condition.

d. Dust, Smoke and Air Pollution. Each owner shall not use its apartment with any type of usage that will create dust, wood shavings, smoke and any type of air pollution that would affect human beings.

#### 5. Parking Stalls.

a. Assignment. The parking stalls are as assigned in the Declaration of Condominium Property Regime.

b. Customer Stalls. The parking stalls assigned shall be used as customer stalls for use by customers of

respective apartment owners.

c. Change of Assignment. The owners if they so desire may arrange to switch stalls among themselves on a temporary or permanent basis.

6. Construction. The following shall be observed to secure the Association's approval to obtain the building permit, the construction of the improvements and the amendment of the Declaration of Condominium Property Regime.

a. The owner shall have plans for the improvements prepared by a licensed architect or engineer and submitted to the Board of Directors for its approval. The submission shall state the name of the contractor and the method by which the improvements will be financed.

b. The plans shall conform to the Building Code of the City and County of Honolulu.

c. The floor area ratio (FAR) requirements shall be observed and no owner shall exceed such ratio where it will exceed its ratio under its common interest in the Project.

d. After approval by the Board of Directors, the plans are to be submitted to the City and County of Honolulu for the issuance of the building permit.

e. The owner should provide a construction contract and a 100% bond against mechanic's and materialmen's lien or have funds sufficient to pay for the improvements that is proposed to be built exceeds the total sum of \$25,000.00.

f. Upon the completion of the dwelling a Notice of Completion shall be published in a newspaper of general circulation for two (2) successive weeks at least seven (7) days apart and the Notice of Completion filed with the Clerk of the First Circuit Court.

g. The plans as drawn should meet the requirements of a Condominium Map. It should reflect the floor plan and elevations and the dimensions of the improvements. The plans should have the architect's or engineer's stamp on the plan.

h. An architect or engineer's certificate should be executed reflecting the "as built" condition of the dwelling.

i. The owner should have prepared at his own cost the amendment to the Declaration reflecting the change in description of the apartment and the amendment to the Condominium Map.

j. The amendment to the Declaration should then be filed for record in the Registrar of Conveyances, State of Hawaii.

7. Observance of Building and House Rules.

a. Observance of Rules. Apartment owners shall observe and adhere to these Rules and ensure that their lessees, licensees, and invitees observe and adhere to these Rules. Apartment owners will be responsible for their customers' observance of all Rules as set forth therein. In the event expenses are incurred due to violations of Rules by lessees, licensees and invitees, the Owner shall be responsible for payment of same.

b. Violation of Rules. The violation of these Rules, the Declaration and By Laws of the Project shall give the Board of Directors or its agent the right to:

(1) Enter the apartment in which, or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting apartment owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof and the Board of Directors or the Managing Agent shall not thereby be deemed guilty in any manner of trespass; or

(2) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, and all costs thereof, including attorneys' fees, shall be borne by the defaulting apartment owner.

c. Remedial Action. If the Board of Directors finds that an owner abuses the privilege of usage of area in front of and to the rear of the apartment the Board can cause a third party to clean up the condition and charge the cost of the same to the apartment owner abusing the privilege.

Adopted at Pearl City, Hawaii, this 18th day of January, 1996.

ASSOCIATION OF APARTMENT  
OWNERS OF IMC WAIHONA CENTER

By INDUSTRIAL MECHANICAL  
CONTRACTORS, INC.

Per Margaret Shimabukuro  
Margaret Shimabukuro  
Its Secretary-Treasurer

## EXHIBIT "G"

### SUMMARY OF DECLARATION OF RESTRICTIVE COVENANTS FOR WAIAWA INDUSTRIAL PARK

The Summary of Declaration of Restrictive Covenants for the WAIAWA INDUSTRIAL PARK ("Park") dated August 26, 1975, filed in the Bureau of Conveyances, State of Hawaii, in Book 10866, Page 116 is applicable to the Project. The reading of the Declaration is important and various requirements have to be met before any construction and development of any improvements can be undertaken.

1. There are Lots 1 through 12 inclusive, 14 to 28 inclusive, 30 to 35 inclusive and 38 to 41 inclusive, are industrial lots, Lot 13 (portion of which is industrial) and 37 are preservation lots, lots 29 and 36 are drainage lots and Lots 42 and 43 are roadway lots all of which are shown on File Plan No. 1461. Lot 26 is the Project and an industrial lot and is therefore affected by this Declaration.

2. The purpose of these covenants is to develop and preserve the land and amenities as an industrial park and have a nonprofit corporation known as "Waiwa Industrial Park Association" to preserve such amenities and values as an industrial park.

3. The industrial lots shall be subject to the following restrictive covenants as long as said industrial lots are zoned "I-1".

a. No warehouse or other structure in said Park shall have smokestacks.

b. No owner may discharge any waste material of any kind or in any way pollute the Waiwa Stream.

c. The speed limit for all vehicular traffic within the Park shall be twenty-five miles an hour.

d. Any nighttime (after 7 p.m.) operations will be restricted to industrial uses, which emit noise levels at a level less than 60dB(A) at 30 feet from the building.

4. Any lot owner and the Association may enforce these covenants at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain such violations, recover damages or any other remedy.

5. All owners, their tenants, guests, employees, agents or any other persons who may in any manner use the lot shall be bound by and comply strictly with the covenants and restrictions.

6. the industrial lots shall be subject to all of the applicable restrictions and limitations set forth in Ordinance No. 3965 of the City and County of Honolulu.

7. At such time that the industrial lots are rezoned from I-1 to other zoning then the restrictions set forth in 3 above shall no longer encumber such lot as rezoned.

**THE FOREGOING IS A SUMMARY OF THE DECLARATION OF RESTRICTIVE COVENANTS FOR THE WAIAWA INDUSTIRAL PARK AND IS FOR THE CONVENIENCE OF THE READER AND IF THERE IS ANY QUESTION THE ORIGINAL DOCUMENT SHOULD BE EXAMINED AND SUCH ORIGINAL DOCUMENT CONTROLS OVER THIS SUMMARY.**

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