CONDOMINIUM PUBLIC REPORT

Prepared &
Issued by: Developer See Exhibit A
Address c/o 739 Oneawa Street, Kailua, HI 96734

Project Name(*): 739 ONEAWA STREET
Address: 739, 739-A and 739-B Oneawa Street, Kailua, HI 96734

Registration No. 3693 (Conversion)

Effective date: **April 3, 1997**
Expiration date: **May 3, 1998**

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 nor any other government agency. Neither the Commission or any other government agency has judged or approved the merits or value, if any, of the project or of purchasing of 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 any 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: (yellow)** 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.

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

___ **SUPPLEMENTARY: (pink)** This report updates information contained in the:
[ ] 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:

[X] Required and attached to this report as Exhibit I

[ ] 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.

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

[ ] Changes made are as follows:

SPECIAL ATTENTION

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

This public report does not constitute approval of the Project by the Real Estate Commission, or any other government agency, nor does it ensure that all applicable County codes, ordinances, and subdivision requirements have necessarily been complied with.

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

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EXHIBIT C: Architect's Inspection Letter
EXHIBIT D: Description of Common Elements
EXHIBIT E: List of Encumbrances
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General Information On Condominiums

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

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

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

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

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

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

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

Operation of the Condominium Project

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

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

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

I. PERSONS CONNECTED WITH THE PROJECT

Developer: See Exhibit A
Name
Phone: (808) 262-9569
(Business)
c/o 739 Oneawa Street
Business Address
Kailua, HI 96734

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

Real Estate Broker: None See page 20
Name
Phone:
(Business)
Business Address

Escrow: Long & Melone Escrow, Ltd.
Name
Phone: (808) 523-2358
(Business)
1001 Bishop St., Ste. 2770
Business Address
Honolulu, HI 96813

General Contractor: None
Name
Phone:
(Business)
Business Address

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

Attorney for Developer: Glenn M. Adachi
Name
Phone: (808) 526-3880
(Business)
841 Bishop St., #1601
Business Address
Honolulu, HI 96813

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

[ ] Proposed

[ ] Recorded - Bureau of Conveyances: Document No._____
Book_____ Page_____

[X] Filed - Land Court: Document No.2357611

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, dimensions of each apartment.

The Condominium Map for this condominium project is:

[ ] Proposed

[ ] Recorded - Bureau of Conveyances Condo Map No._____

[X] Filed - Land Court Condo Map No. 1178

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

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

The Bylaws for this condominium are:

[ ] Proposed

[ ] Recorded - Bureau of Conveyances: Document No._____
Book_____Page_____

[X] Filed - Land Court: Document No. 2357612

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

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

The House Rules for this condominium are:

[ ] Proposed [X] 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:

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%*	75%
Bylaws	65%	65%
House Rules	---	Bd. 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.

[X] Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules:

1. To amend the Declaration, By-Laws and Condominium Map at anytime prior to recording of the sale of the unit.

2. To amend the Declaration and Condominium Map to file the "as built" certificate.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

[X] Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.

[ ] Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit_____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires:_____

Rent Renegotiation Date:_____

_____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

Exhibit_____ contains a schedule of the lease rent for each apartment per [ ] Month [ ] Year

For Subleaseholds:

[ ] Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
[ ] Canceled [ ] Foreclosed

[ ] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

[ ] Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor; often at a specified price.

Exhibit_____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires:_____
Rent Renegotiation Date(s):_____

_____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually
Exhibit_____ contains a schedule of the lease rent for each apartment per [ ] Month [ ] Year

[ ] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. **Underlying Land:**

Address: 739, 739-A and 739-B Oneawa Street
Kailua, HI 96734

Tax Map Key: (1) 4-3-68: 35 (TMK)

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

Land Area: 25,078 [X] square feet [ ] acre(s) Zoning: R-5

Fee Owner : See Exhibit A
Name
c/o 739 Oneawa Street
Address
Kailua, HI 96734

Sublessor: _____
Name
_____
Address
_____

C. **Buildings and Other Improvements:**

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

2. Number of Buildings: 3 Floors Per Building 1

   [ ] Exhibit_____ contains further explanations.

3. Principal Construction Material:

   [X] Concrete (Slab) [ ] Hollow Tile [X] Wood

   [X] Other Glass

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning		No. of Apts.	Use Determined By Zoning
[X] Residential	3	[X] Yes [ ] No	[ ] Ohana	____	[ ] Yes [ ] No
[ ] Commercial	____	[ ] Yes [ ] No	[ ] Industrial	____	[ ] Yes [ ] No
[ ] Mix Res/Comm	____	[ ] Yes [ ] No	[ ] Agricultural	____	[ ] Yes [ ] No
[ ] Hotel	____	[ ] Yes [ ] No	[ ] Recreational	____	[ ] Yes [ ] No
[ ] Timeshare	____	[ ] Yes [ ] No	[ ] Other:_____	____	[ ] Yes [ ] No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?
[X] Yes [ ] No

5. Special Use Restrictions:

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

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

[ ] Number of Occupants: _____

[ ] Other: _____

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

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

Apt.No. ~~Type~~	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
739	1	2/1	1,139.5	
739-A	1	3/2	1,396	606.7
739-B	1	3/2	1,010.5	

Total Apartments: 3

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

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

Boundaries of Each Apartment:

1. All perimeter walls, floors, foundations and roof of each building.

2. All pipes, wires, conduits, or other utility and service lines in such building, outside such building, if the same are not utilized for more than one apartment.

Permitted Alterations to Apartments:

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

7. Parking Stalls:

Total Parking Stalls: 6

	Regular		Compact		Tandem		
	covered	open	covered	open	covered	open	TOTAL
Assigned (for each units)	2						6
Guest							
Unassigned							
Extra for Purchase							
Other:							
Total Covered & Open	6		0		0		

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:

[X] 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

[X] There are no violations. [ ] Violations will not be cured.

[ ] Violations and cost to cure are listed below. [ ] Violations will be cured by_____

See Exhibit B (Letter from the Building Department)

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations (For conversions of residential apartments in existence for at least five years): See Exhibit I(4).

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

a. [ ] No variances to zoning code have been granted.

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

A zoning variance (71/ZBA-025) was approved on April 8, 1971 permitting replacement of the center dwelling (Unit 739-A). (A copy of the zoning variance is attached as Exhibit J)

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.

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures		X (See Exhibit J)	
Lot		X (See Exhibit J)	

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:

[X] described in Exhibit C.

[ ] as follows:

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

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

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

[ ] described in Exhibit_____.

[X] as follows:

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

Unit 739 Limited Common Area: 5,494 sq.ft.
Unit 739-A Limited Common Area: 10,988 sq.ft.
Unit 739-B Limited Common Area: 5,494 sq.ft.

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

[ ] described in Exhibit _____.

[X] as follows:

Unit No.	Common Interest Percentage
739	33%
739-A	34%
739-B	33%

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

Exhibit D describes the encumbrances against the title contained in the title report dated January 22, 1997 and issued by Long & Melone, Ltd.

Blanket Liens:

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

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

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

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

Type of Lien	Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage	In the event any of the units are offerred for sale, contracts to purchase units may be cancelled in which event deposits will be refunded to the buyers, less an escrow cancellation fee.

F. **Construction Warranties:**

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements: None.

2. Appliances: None.

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

Unit 739 was built in 1949; Unit 739-A was built in 1971; and Unit 739-B was built in 1957.

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
[X] self-managed by the Association of Apartment Owners
[ ] the Developer or the Developer's affiliate.
[ ] other_____

B. **Estimate of Initial Maintenance Fees:**

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

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

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

C. **Utility Charges for Apartments:**

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

[X] None [ ] Electricity [ ] Gas [ ] Water

[ ] Sewer [ ] Television Cable [ ] Other_____

V. MISCELLANEOUS

A. **Sales Documents Filed With the Real Estate Commission:**

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

[ ] Notice to Owner Occupants

[X] Specimen Sales Contract
Exhibit F contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated September 17, 1996
Exhibit G contains a summary of the pertinent provisions of the escrow agreement.

[ ] Other _____

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

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

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

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

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

A) The Developer delivers to the buyer a copy of:
   1) Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;
   AND
   2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
B) The buyer is given an opportunity to read the report(s); **AND**
C) One of the following has occurred:
   1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
   2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
   3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

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

A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; **AND**
B) The buyer has not waived the right to rescind.

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

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

   A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
   B) Declaration of Condominium Property Regime, as amended.
   C) Bylaws of the Association of Apartment Owners.
   D) House Rules.
   E) Condominium Map, as amended.
   F) Escrow Agreement.
   G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
   H) Other_____

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

This Public Report is a part of Registration No. 3693 filed with the Real Estate Commission on Feb. 7, 1997.

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

[ ] yellow paper stock [X] white paper stock [ ] pink paper stock

C. **Additional Information Not Covered Above**

Zoning Variance. A zoning variance (71/ZBA-25) was approved to allow construction of a third single-family dwelling on the subject property.

Disclosure re: Selection of Real Estate Broker

This public report shall not bind a purchaser to the sale of any apartment until (1) the Developers first submit to the Real Estate Commission a duly executed disclosure abstract identifying the designated sales agent, and a duly executed copy of a broker listing agreement with a Hawaii-licensed real estate broker, and (2) gives a copy of said disclosure abstract to the purchaser together with a copy of the Public Report.

If the Developer(s), as the owners, choose to represent themselves in the sale of an apartment, said abstract need not be given to the purchaser, as all necessary disclosures are covered in this report.

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.

See Exhibit A
Name of Developer

By: See next page
Duly Authorized Signatory

Date

Developers/Owners
print name & title of person signing above

Distribution:

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

Hiroshi Daikoku

HIROSHI DAIKOKU

Peggy Eiko Daikoku

PEGGY EIKO DAIKOKU

Trustees for the Hiroshi Daikoku Revocable Trust Agreement dated December 17, 1991

John Y. Daikoku

JOHN Y. DAIKOKU, Trustee of the John Y. Daikoku Trust, an unrecorded Semi-Revocable Living Trust dated January 4, 1991

Yoriko Daikoku

YORIKO DAIKOKU, Trustee of the Yoriko Daikoku Trust, an unrecorded Semi-Revocable Living Trust dated January 4, 1991

Tsutomu Daikoku

TSUTOMU DAIKOKU, Trustee for the Tsutomu Daikoku Revocable Trust Agreement dated May 5, 1993

Irene Sueno Daikoku

IRENE SUENO DAIKOKU, Trustee for the Irene Sueno Daikoku Revocable Trust Agreement dated May 5, 1993

Developers/Owners

EXHIBIT A

LIST OF OWNERS/DEVELOPERS

1. HIROSHI DAIKOKU and PEGGY EIKO DAIKOKU, Trustees for the Hiroshi Daikoku Revocable Trust Agreement dated December 17, 1991,

   as to an undivided 1/4th interest

2. JOHN Y. DAIKOKU, Trustee of the John Y. Daikoku Trust, an unrecorded Semi-Revocable Living Trust dated January 4, 1991,

   as to an undivided 1/8th interest

3. YORIKO DAIKOKU, Trustee of the Yoriko Daikoku Trust, an unrecorded Semi-Revocable Living Trust dated January 4, 1991,

   as to an undivided 1/8th interest

4. TSUTOMU DAIKOKU, Trustee for the Tsutomu Daikoku Revocable Trust Agreement dated May 5, 1993,

   as to an undivided 1/4th interest

5. IRENE SUENO DAIKOKU, Trustee for the Irene Sueno Daikoku Revocable Trust Agreement dated May 5, 1993,

   as to an undivided 1/4th interest

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

Ex96-68

June 28, 1996

Mr. Don Crichton
Abe Lee Development, Inc.
P. O. Box 61099
Honolulu, Hawaii 96839

Dear Mr. Crichton:

Subject: Condominium Conversion Project
739, 739A, 739B Oneawa Street
Tax Map Key: 4-3-68: 35

This is in response to your letter dated January 19, 1996 requesting verification that the three dwellings located at the above-mentioned addresses met all applicable code requirements at the time of construction.

Investigation revealed that the three one-story single-family detached dwellings with six off-street parking spaces located at 739, 739A, and 739B Oneawa Street met all applicable code requirements when they were constructed in 1949, 1971 and 1957, respectively.

Zoning variance 71/ZBA-025 was approved on April 8, 1971 permitting the replacement of the center dwelling with a new one. No other variances or special permits were granted to allow deviations from any applicable codes.

The three dwellings are considered nonconforming dwelling units.

Since the three dwellings are considered nonconforming, if any dwelling is destroyed by any means to an extent of more than 50 percent of its replacement cost at the time of destruction, it shall not be reconstructed except in conformity with the provisions of Section 3.120d of the Land Use Ordinance unless an existing use permit is obtained from the Department of Land Utilization prior to its destruction.

EXHIBIT B

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.

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

Very truly yours,

FOR RANDALL K. FUJIKI
Director and
Building Superintendent

Subscribed and sworn to
before me this 1st day of
July, 1996.

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

October 27, 1995

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

Dear Mr. Abe Lee:

Re: 739 Oneawa Street CPR
739, 739-A and 739-B Oneawa Street
Kailua, Hawaii 96734

T.M.K. : 4-3-68 : 35

As per your instructions, a visual observation was made on subject property on May 11, 1994, October 26, 1995.

The purpose of the visitation was to visually examine and comment on the present condition of three separate dwellings on said property. The lot is a "flag lot" with an area of approximately 25,078 square feet. The dwelling which is closest to Oneawa Street is Unit 739 then 739-A and the unit towards the rear of the property is Unit 739-B (see CPR map).

Information was obtained through "As-Built" drawings as provided by the Daikoku brothers, recently processed Building Permits, and visual walk-thru of each dwelling. In addition to Dennis Yamauchi and myself, we were accompanied by Mr. John Daikoku, Mr. Tsutomu Daikoku, and Mr. Hiroshi Daikoku respective owners of said property above. As owners, they provided information on their own respective dwellings.

UNIT 739 ONEAWA STREET

The dwelling whose address is 739 Oneawa Street is a one story dwelling structure with an exercise/therapy room and a "lean-to" garage. According to Mr. John Daikoku, the approximate dates of construction for the original house was in 1957 and the carport in 1977. According to the Honolulu City and County Building Department, permits were issued for both structures. In addition, because the existing dwelling had no portion of the work recorded above $100,000.00, the building department does not have any microfilm on the building plans for this project. However, the owners did provide prints of plans for the carport. It should be pointed out that because we have no "recorded" plans from the building department, we cannot verify what items were actually permitted and what is not. Therefore, facts for this unit was based solely on visual as well as information obtained from owners.

In 1995, a permit was pulled to renovate existing dwelling into a handicap accessible dwelling. In addition, the existing covered porch (illegally constructed) was demolished and replaced with a new exercise/therapy room.

Visually, the original dwelling consisted of raised foundation floor, with precast concrete footings on poured in place foundation, 4X post, 4X girders, 2X floor joist and 1X4 T&G fir flooring. Exterior walls consisted of 1 X 8 VJ2SS2S T&G single walls with 2x girt. Roof system included canec ceiling and carpenter built trusses with composition shingle roofing. Several interior walls were changed to double wall construction during renovation work. Garage is constructed of slab on grade with stud wall construction with plywood exterior siding with 2X rafters, plywood sheathing and rolled roofing. The new exercise/therapy room consisted of poured in-place footing with 12" cmu columns, 4X girders, 2X floor joist and plywood subfloor. Exterior walls consisted of double wall construction with gypsum board and T-111 exterior sheathing. Roof system included gypsum board ceiling, 2X rafters, plywood sheathing and rolled roofing.

1. We noted that the Makai side (Oneawa Street) wall had some dry rot and termite damage. At this time, we are unsure as to whether or not termite is presently active.
2. We also noted that the existing screen vents in blocking for attic has deteriorated due to what appears to be rusting.
3. Visually, we noted that the existing double hung window has been partially converted to jalousie slat windows.
4. In general, existing electrical outlets does not appear to be grounded and is not equipped with GFI outlets. New outlets in remodeled and new area is grounded and is equipped with GFI outlet.
5. At the time of our visitation, we noted that the existing light and plumbing fixtures were in fair condition and in proper operation. New addition and remodeled area has been equipped with new fixtures. The owner has indicated that he did not encounter any electrical nor plumbing problems.

Generally, the condition of the original structure is in fair shape considering the age of the building. We estimate the life expectancy of the building to be approximately 5 years. Newly constructed addition has a life expectancy of over 30 years if maintained properly. The owner should maintain a scheduled maintenance program (such as; termite treatment, painting, reroofing etc..) to enhance the life expectancy of the building.

UNIT 739-A ONEAWA STREET

The dwelling whose address is 739-A Oneawa Street is a wooden one story structure. According to the present owner, the house plans and construction was done by Hicks Homes of Honolulu. As-built drawings indicates that the plans were approved in June 1971. In addition, plans were provided by Honsador Home Planning Department in August 1982 for a covered patio addition. According to the Honolulu City and County Building Department, only the dwelling and carport received a building permit. The existing covered patio does not have a permit on record. We noted that generally, the

drawings appeared to be accurate. In 1995, a Building Permit was pulled and construction completed on removal of existing covered patio and replaced with a new bedroom and open patio addition. In addition to existing plans, information was obtained through visual observations and verbal conversation with the owner.

Visually, we noted the existing structure was constructed on a raised foundation with precast concrete footings, 4X post, 4X girder, 2X floor joist, and oak hardwood flooring. Exterior and interior walls appeared to be single wall with 1X8 VJ2SS2S T&G sheathing. Roof framing appears to be carpenter built trusses with asphalt shingle roofing. New addition was constructed with a combination of raised foundation and slab on grade foundation. The bedroom addition was constructed of raised foundation with poured in place footings, 12" cmu columns, 4X beams, 2X floor joists and plywood sub-floors. Exterior walls are double wall construction with gypsum board and T-111 sheathing. Roof framing is 2X rafters with plywood sheathing and rolled roofing. Rolled roofing, existing roof shingles, and underlayment has not been tested for Asbestos content.

1. In general, existing electrical outlets does appear to be grounded and GFI outlet located in the bathroom. New addition has outlets that are grounded with exterior outlets that are water protected and equipped with GFI.
2. At the time of our visitation, we noted that the existing light and plumbing fixtures were in good condition and in proper operation. The owner has indicated that he did not encounter any electrical nor plumbing problems.

Generally, the overall condition of the structure is in good shape considering the age of the building. We estimate the life expectancy of the building to be approximately 20 years. Newly constructed addition has a life expectancy of over 30 years if maintained properly. The owner should maintain a scheduled maintenance program (such as; termite treatment, painting, reroofing etc..) to enhance the life expectancy of the building.

UNIT 739-B ONEAWA STREET

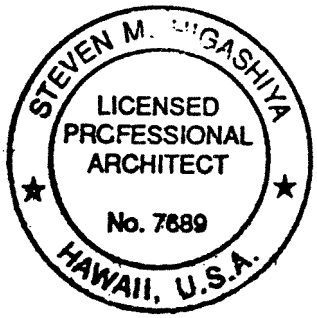
The dwelling whose address is 739-B Oneawa Street is a wooden one story structure. According to the present owner, the house plans was done by American Factors, Ltd., Home Planning Department of Honolulu. As-built drawings indicates that the plans were approved in August 1951. In addition to existing plans, information was obtained through visual observations and verbal conversation with the owner.

Visually, we noted the structure was constructed on a raised foundation with precast concrete footings, 4X post, 4X girder, 2X floor joist, and 1X4 hardwood flooring. Exterior and interior walls appeared to be single wall with 1X8 VJ2SS2S T&G sheathing. Roof framing appears to be carpenter built trusses with asphalt shingle roofing. Roofing shingles and underlayment has not been tested for Asbestos content.

1. In general, existing electrical outlets does appear to be grounded, but no GFI outlets.
2. We visually noted no smoke detectors.

3. At the time of our visitation, we noted that the existing light and plumbing fixtures were in good condition and in proper operation. The owner has indicated that he did not encounter any electrical nor plumbing problems.

Generally, the overall condition of the structure is in good shape considering the age of the building. We estimate the life expectancy of the building to be approximately 15 years. The owner should maintain a scheduled maintenance program (such as; termite treatment, painting, reroofing etc..) to enhance the life expectancy of the building.



Sincerely,

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

EXHIBIT D

DESCRIPTION OF COMMON ELEMENTS

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

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

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

EXHIBIT E

LIST OF ENCUMBRANCES

1. Grant of easement in favor of Hawaiian Electric Company, Inc. and GTE Hawaiian Telephone Company Incorporated dated May 6, 1950, for utility purposes, filed as Land Court Document No. 118494.

2. As to Lot 569-C-3 (Roadway), grant of easement in favor of the City and County of Honolulu, for sanitary sewer purposes, filed as Land Court Document No. 659902.

3. Terms, covenants, conditions, reservations and restrictions contained in that certain Hiroshi Daikoku Revocable Trust Agreement dated December 17, 1991.

4. Terms, covenants, conditions, reservations and restrictions contained in that certain John Y. Daikoku Trust, an unrecorded and Semi-Revocable Living Trust dated January 4, 1991.

5. Terms, covenants, conditions, reservations and restrictions contained in that certain Yoriko Daikoku Trust, an unrecorded and Semi-Revocable Living Trust dated January 4, 1991.

6. Terms, covenants, conditions, reservations and restrictions contained in that certain Tsutomu Daikoku Revocable Trust Agreement dated May 5, 1993 and in that certain Irene Sueno Daikoku Revocable Trust Agreement dated May 5, 1993.

7. Any invalidity or defect in the title of the vestee(s) in the event that the trust is invalid or fails to grant sufficient powers to the trustee(s) or in the event there is a lack of compliance with the terms and provisions of the trust instrument.

8. Mortgage dated June 22, 1995, in favor of the City and County of Honolulu, by and through its Department of Housing and Community Development, filed as Land Court Document No. 2247495.

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

739 ONEAWA STREET, KAILUA
ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATES OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Apartment	Monthly Fee x 12 months	Yearly Total
739	69.44	833.33
739A	69.44	833.33
739B	69.44	833.33

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

EXHIBIT F

Estimate of Maintenance Fee Disbursements:

	Monthly x 12 months	Yearly total
Utilities and Services		
Air Conditioning	n/a	
Electricity	n/a	
[ ] common elements only	n/a	
[ ] common elements and apartments	n/a	
Elevator	n/a	
Gas	n/a	
Refuse Collection	n/a	
Telephone	n/a	
Water and Sewer	n/a	
Maintenance, Repairs and Supplies		
Building	n/a	
Grounds	n/a	
Management		
Management Fee	n/a	
Payroll and Payroll Taxes	n/a	
Office Expenses	n/a	
Insurance		
Common Driveway	69.44	2500.00
Reserves (common driveway)		
Taxes and Government Assessments	n/a	
Audit Fees	n/a	
Other	n/a	
TOTAL	69.44	2500.00

I/We, _____, as agent and employed by _____ the condominium managing agent or the developer, for the condominium project _____, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally excepted accounting principles.

Signature: John Y. Daikoku Date: 3/19/97

John Y. Daikoku/Etal
Hiroshi & Peggy Eiko, Yoriko, Tsutomu, Irene Sueno

EXHIBIT G

SUMMARY OF SALES CONTRACT

The Seller will use the standard form Deposit, Receipt, Offer and Acceptance (DROA) agreement as the sales contract for the sale of the unit(s). The sales contract contains the price, description and location of the apartment and other terms and conditions under which a buyer will agree to buy an apartment in the Project. Among other things, the sales contract provides:

1. A section for financing to be filled in and agreed to by the parties which will set forth how the buyer will pay the purchase price.

2. Buyer's deposits will be held in escrow until the sales contract is closed or cancelled.

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

4. In the event of default:

If buyer defaults:

(1) Seller may bring an action for breach of contract;

(2) Seller may retain the deposits as liquidated damages;

(3) Buyer is responsible for any costs incurred under the sales contract.

If Seller defaults:

(1) Buyer may bring an action for breach of contract;

(2) Buyer may bring an action for specific performance;

(3) Seller is responsible for any costs incurred under the sales contract.

The prevailing party is entitled to recover all costs incurred including reasonable attorney's fees. Escrow fees incurred shall be deducted before disbursement to the prevailing party.

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

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

EXHIBIT H

SUMMARY OF ESCROW AGREEMENT

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

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

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

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

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

(e) The escrow agreement states under what conditions escrow will disburse buyers funds. Escrow will disburse upon receipt of the following:

1. the conveyance document,
2. all necessary releases of encumbrances,
3. the full amount of the purchase price,
4. any mortgage or other instrument securing payment,
5. purchaser's share of the closing costs

(f) Under the escrow agreement buyer shall be entitled to a refund, if buyer makes a written request for a refund and Escrow has received a written request from Seller to return buyer's funds. In addition, by law, (under Sections 514A-62 and -63, Hawaii Revised Statutes) buyer has a right to rescind a sales contract.

(g) The escrow agreement states what will happen to a buyer's funds upon default under the sales contract. Seller is required to certify to Escrow in writing that buyer defaults and that Seller is terminating the contract. Escrow will notify buyer by certified mail that Seller has cancelled contract. Escrow will treat the buyer's funds as belonging to the Seller subject to the provisions relating to dispute and conflicting demands.

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

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

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

EXHIBIT I

DISCLOSURE ABSTRACT

1. a. PROJECT: 739 ONEAWA
739, 739,-A and 739-B Oneawa Street
Kailua, HI

b. DEVELOPER/OWNERS: HIROSHI DAIKOKU and PEGGY EIKO DAIKOKU, Trustees for the Hiroshi Daikoku Revocable Trust Agreement dated December 17, 1991,

JOHN Y. DAIKOKU, Trustee of the John Y. Daikoku Trust, an unrecorded Semi-Revocable Living Trust dated January 4, 1991,

YORIKO DAIKOKU, Trustee of the Yoriko Daikoku Trust, an unrecorded Semi-Revocable Living Trust dated January 4, 1991,

TSUTOMU DAIKOKU, Trustee for the Tsutomu Daikoku Revocable Trust Agreement dated May 5, 1993,

IRENE SUENO DAIKOKU, Trustee for the Irene Sueno Daikoku Revocable Trust Agreement dated May 5, 1993,

c. MANAGING AGENT: None. Project will be self-managed.

2. Estimated Maintenance Fee Assessments and Disbursements

Maintenance Fees: The routine maintenance and repair of each apartment unit, including all utility charges, is the sole responsibility of each owner. The breakdown of annual maintenance fees and monthly estimate for each apartment has been based on generally accepted accounting principles and is attached as Exhibit F.

Individual Insurance: Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the Project's improvements. It is contemplated that the Association will elect to permit each apartment owner to purchase and maintain his own homeowner's insurance policy which will include fire and liability coverage, and name the Association as an additional insured. In such case, the premiums on said policies will be the individual responsibility of each apartment owner rather than a common expense of the Association. Purchasers should be aware that

the premiums for said fire insurance will vary depending upon the insurance company and the coverage. If it is necessary for the Association to have its own public liability coverage (which could occur), this will become a common expense of the Association shared by the apartment owners.

3. Description of All Warranties Covering the Apartments and Common Elements. Units 739, 739-A and 739-B are existing structures. Unit 739 was constructed in 1949, Unit 739-A was constructed in 1971 and Unit 739-B was constructed in 1957. Said structures are subject to "wear and tear" commensurate with their respective ages. NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO EITHER UNIT.

4. Structural Components and Mechanical and Electrical Installations.

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

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

6. Use of Apartments. The 739 ONEAWA condominium project will consist of three (3) apartments which will be used for residential purposes by the owners, their tenants, servants, guests and invitees and for no other purpose.

DATE: Oct 25, 1996

Hiroshi Daikoku

HIROSHI DAIKOKU

Peggy Eiko Daikoku

PEGGY EIKO DAIKOKU

Trustees for the Hiroshi Daikoku Revocable Trust

Agreement dated December 17, 1991

JOHN Y. DAIKOKU, Trustee of the John Y. Daikoku Trust, an unrecorded Semi-Revocable Living Trust dated January 4, 1991

YORIKO DAIKOKU, Trustee of the Yoriko Daikoku Trust, an unrecorded Semi-Revocable Living Trust dated January 4, 1991

TSUTOMU DAIKOKU, Trustee for the Tsutomu Daikoku Revocable Trust Agreement dated May 5, 1993

IRENE SUENO DAIKOKU, Trustee for the Irene Sueno Daikoku Revocable Trust Agreement dated May 5, 1993

PLANNING DEPARTMENT
CITY AND COUNTY OF HONOLULU
629 POHUKAINA STREET
HONOLULU, HAWAII 96813

FRANK F. FASI
MAYOR

ROBERT R. WAY
PLANNING DIRECTOR

GEORGE S. MORIGUCHI
DEPUTY PLANNING DIRECTOR

71/ZBA-25

March 29, 1971

Mr. Tsutomu Daikoku
739 Oneawa Street
Kailua, Oahu, Hawaii 96734

Dear Mr. Daikoku:

Variance from the Comprehensive Zoning Code
Location: 739 Oneawa Street--Kailua
Tax Map Key: 4-3-68: 35
Applicant: Same

The Zoning Board of Appeals at its meeting on March 25, 1971, considered your request for a variance.

The Board, after considering the circumstances, voted to authorize the calling of a public hearing, which has been scheduled for Thursday, April 8, 1971, at 1:30 p.m.

A copy of the public hearing notice is enclosed for your information; we would appreciate your attending the hearing.

Please feel free to contact Mrs. Lorrie Chee at telephone number 5473-598 if you have any questions or wish additional information.

Sincerely yours,

ZONING BOARD OF APPEALS

By Robert R. Way
ROBERT R. WAY
Planning Director

RRW/LC:ec
Encl.

EXHIBIT J

160-75 (Rev. 7/70)

ZONING BOARD OF APPEALS OF THE CITY AND COUNTY OF HONOLULU

STATE OF HAWAII

IN THE MATTER OF THE APPLICATION	)
OF	)
TSUTOMU DAIKOKU	)
FOR A VARIANCE	)

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

I. APPLICATION

The Zoning Board of Appeals at its meetings on March 25 and April 8, 1971, considered the application by Tsutomu Daikoku, for a variance from the provisions of Sections 21-107(d)(2) and 21-506 of the Comprehensive Zoning Code relating to nonconforming structures and the location of buildings in an R-6 Residential District to permit, in accordance with the submitted plans, the construction of a single-family dwelling on land situated at 739 Oneawa Street in Kailua.

A public hearing on this matter was held by the Zoning Board of Appeals on April 8, 1971, in accordance with Section [illegible] of the City Charter.

II. FINDINGS OF FACT

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

1. Zoning District: R-6 Residential District.
2. General Plan Detailed Land Use Map: Residential Use.
3. There is no development plan for the area. However, the General Plan Detailed Land Use Map discloses street widening for Oneawa Street.

4. Existing Land Use: The subject parcel and all adjoining parcels are in single-family residential use.

5. Existing Nonconforming Conditions: The subject parcel does not meet the minimum lot width for street frontage.

6. Applicant's Proposal: To construct a four-bedroom, single-family dwelling on his parcel. There are three existing single-family dwellings on the parcel. The applicant proposes to remove the center dwelling and replace it with a new one.

7. Applicant's Justifications:

   a. "This property is bounded on all sides by other property owners with a roadway perpendicular to Oneawa Street. This roadway ends in a dead-end in our property. The roadway from Oneawa Street to our property is paved and in good condition.

   b. "Our dwelling will be located in a position so as not to interfere with local traffic. To improve it according to the provisions of the Comprehensive Zoning Code would be an additional financial hardship for us.

   c. "The character of the locality will not be altered nor the intent and purpose of the zoning code be abused."

8. Pertinent Sections of the Comprehensive Zoning Code:

   Section 21-506. Location of Buildings.

   "Where two or more buildings containing three or more dwelling units are placed on a zoning lot, each building shall be located in such a manner that if the lot were subdivided the applicable yard and area requirements can be met."

   Section 21-107. Nonconforming Uses.

   (d) nonconforming structure

   "(2) Damage or destruction. If a nonconforming structure is destroyed by any means to an

extent of more than 50% of its replacement cost at time of destruction, it shall not be reconstructed except in conformity with the provisions of this Chapter."

III. CONCLUSIONS OF LAW

The Board made the following Conclusions of Law:

1. By reason of peculiar and unusual circumstances pertaining to the physical characteristics of the property, practical difficulties and unnecessary hardship would result from a strict enforcement of the existing zoning requirements;
2. The request is due to unique circumstances and not to the general conditions in the neighborhood which may reflect the unreasonableness of the Zoning Ordinance; and
3. The use sought by the variance will neither alter the essential character of the locality nor be contrary to the intent and purpose of the Zoning Ordinance and it will not adversely affect the adjoining properties or the improvements thereon.

IV. DECISION AND ORDER

Pursuant to the foregoing Findings of Fact and Conclusions of Law, it was the decision of the Zoning Board of Appeals at its meeting on April 8, 1971, that the application for a variance from the provisions of Sections 21-107(d)(2) and 21-506 of the Comprehensive Zoning Code relating to nonconforming structures and the location of buildings in an R-6 Residential District to permit, in accordance with the submitted plans, the construction of a single-family dwelling on land situated at 739 Oneawa Street in Kailua, be approved on the basis that it found sufficient

evidence to meet the three conditions of hardship specified in the City Charter.

Dated at Honolulu, Hawaii, this 9th day of April, 1971.

ZONING BOARD OF APPEALS OF THE
CITY AND COUNTY OF HONOLULU
STATE OF HAWAII

By _____
JACK K. WAKAYAMA, Chairman