

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer Hui O Pupu A'O' Ewa, a Hawaii non-profit corporation  
Address 91-1009A Renton Road, Ewa Beach, Hawaii 96706

Project Name(\*): Hui O Pupu A'O' Ewa  
Address: 91-1009 Renton Road, Ewa Beach, Hawaii 96706

Registration No. 3762  
(Conversion)

Effective date: August 1, 1997  
Expiration date: September 1, 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 or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

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

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

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

Type of Report:

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

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

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

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

\_\_\_\_\_  
(\* ) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report       Not Required - Disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

**SPECIAL ATTENTION**

This is a CONDOMINIUM PROJECT and not a subdivision. The land area beneath and immediately appurtenant to each apartment unit is designated a LIMITED COMMON ELEMENT and is not a legally subdivided lot. The broken lines on the Condominium Map bounding the designated number of square feet within each limited common element land area are for illustrative purposes only, and should in no way 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 governmental 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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## 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: Hui O Pupu A'O' Ewa Phone: (808) 681-4703  
Name (Business)  
91-1009A Renton Road  
Business Address  
Ewa Beach, Hawaii 96706

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

Hans W. Apisaloma, Jr. - President  
Clifford H. M. Ahune - Vice President  
Leah I. A. Benz - Secretary  
Marlena J. Kaanehe - Treasurer

Real Estate Broker: Abraham W.H. Lee (R), dba Abe Lee Realty Phone: (808) 597-9191  
Name (Business)  
1221 Kapiolani Blvd., Suite 310  
Business Address  
Honolulu, Hawaii 96813

Escrow: Long & Melone Escrow, Ltd. Phone: (808) 523-2826  
Name (Business)  
1001 Bishop Street, Suite 2770  
Business Address  
Honolulu, Hawaii 96813

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

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

Attorney for Developer: Law Office of Anders G. O. Nervell Phone: (808) 523-0105  
Name (Business)  
345 Queen Street, Suite 701  
Business Address  
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. \_\_\_\_\_  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. 2385308

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

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

Proposed  
 Recorded - Bureau of Conveyances Condo Map No. \_\_\_\_\_  
 Filed - Land Court Condo Map No. 1199

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

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

The Bylaws for this condominium are:

Proposed  
 Recorded - Bureau of Conveyances: Document No. \_\_\_\_\_  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. 2385309

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

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>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:

1. To amend the Declaration by filing an "as built" certificate (see paragraph 12 of the Declaration).
2. To amend the By-Laws to comply with the requirements of any federal or State governmental agency (see Section 10.01 of the By-Laws).

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 Sub-leaseholds:

- 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 Sub-leasehold:

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: 91-1009 Renton Road, Ewa Beach, Hawaii, 96706 Tax Map Key (TMK): (1) 9-1-069-002

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

Land Area: 2.398  square feet  acre (s) Zoning: R-5

Fee Owner: Hui O Pupu A'O' Ewa, a Hawaii non-profit corporation  
 Name  
91-1009 Renton Road  
 Address  
Ewa Beach, Hawaii 96706

Lessor: \_\_\_\_\_  
 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: Eight Floors Per Building One

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

3. Principal Construction Material:

Concrete  Hollow Tile  Wood

Other \_\_\_\_\_

4. Permitted Uses by Zoning

	No. of <u>Apts.</u>	Use Permitted <u>By Zoning</u>	No. of <u>Apts.</u>	Use Determined <u>By Zoning</u>
<input checked="" type="checkbox"/> Residential	<u>8</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Industrial	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Agricultural	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other: _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No

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

5. Special Use Restrictions:

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

Pets: \_\_\_\_\_

Number of Occupants: \_\_\_\_\_

Other: Transient or hotel purposes and time-share purposes

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: none                      Stairways: none                      Trash Chutes: none

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath.</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
<u>SEE EXHIBIT "A"</u>	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Total Number of Apartments: 8

\*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:

Each apartment shall be deemed to include the building comprising the apartment, including, but not limited to (1) All perimeter walls, floors, foundations, and roofs of each building; (2) All pipes, shafts, wires, ducts, pumps, cables, conduits, or other utility or service lines running through or outside such building which are utilized for or serve only the apartment located in that building; (3) All doors and door frames, windows (including but not limited to sliding glass doors, windows, panes, jalousies, or panels along the perimeters) and window frames; (4) All fixtures, appliances, built-in cabinets, carpets and floor coverings, and furnishings installed in each apartment; and (5) All deck, lanai, and utility areas appurtenant to the dwellings, including any railings, steps, and ramps appurtenant to such deck, lanai, and utility areas.

Permitted Alterations to Apartments:

Subject to Board approval, an apartment owner may make additions to or alterations of his or her apartment or limited common elements appurtenant to such apartment. Furthermore, handicapped occupants may reasonable modifications to their apartments, the limited common elements appurtenant thereto, and/or the common elements, at their own expense. All alterations are subject to each and every condition set forth in that certain Existing Use Permit No. 96/EU-7. See Exhibit "G".



11. Conformance to Present Zoning Code

- a.  No variances to zoning code have been granted. SEE EXHIBIT “B”  
 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	_____X_____	_____	_____
Structures	_____	_____X*_____	_____
Lot	_____X_____	_____	_____

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 “D” .

as follows:

\* Owner/Developer has applied for and received an existing use permit. See Exhibits “B” and “G”

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

There are no limited common elements in this project.

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

described in Exhibit “E”.

as follows:

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

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

as follows: The percentage of common interest appurtenant to each and every apartment in the Project is 12.50%.

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

Exhibit “F” describes the encumbrances against the title contained in the title report dated July 8, 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.

<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	Buyer's interest is subordinate to lienor's and is subject to termination. Buyer may have to sue Developer for breach of contract and for return of any deposits paid, less Escrow cancellation fees.

F. Construction Warranties: N/A

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. Units sold "as is".

2. Appliances: None. Appliances sold "as is".

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

The eight dwellings were constructed in 1938, 1941, 1946, 1947, 1951, and 1953. The units are subject to an Existing Use Permit that will allow reconstruction under certain conditions. See Exhibit "G".

H. Project Phases:

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

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



V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

- Notice to Owner Occupants
- Specimen Sales Contract  
Exhibit “I” contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated September 9, 1996 .  
Exhibit “J” 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 issued 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, as amended.
  - D) House Rules, if any.
  - 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. 3762 filed with the Real Estate Commission on June 12, 1997 .

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

The apartments will be conveyed in their present “as is” condition.

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.

HUI O PUPU A'O' EWA  
Print Name of Developer

By: Leah I. A. Benz                      May 20, 1997  
Duly Authorized Signatory                      Date

Leah I. A. Benz, Secretary  
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"

### Description of Apartments

There are eight (8) separate condominium apartments in the Project. Each of the eight residential dwellings contains one (1) condominium apartment. The apartments are referred to as "Dwellings" on the Condominium Map, and are more particularly described below:

- (1) Dwelling A contains two (2) bedrooms, one (1) bathroom, a living room, a kitchen, a recreation room, a storage room, and an alcove, with a net living area of approximately 1,290 square feet. Dwelling A has an appurtenant limited common element parking area of 632 square feet, which parking area contains parking stalls nos. 1 and 2 as shown on the Condominium Map. Dwelling A is situated on a 9,047 square feet limited common element dwelling lot as delineated on the Condominium Map.
- (2) Dwelling B contains two (2) bedrooms, one (1) bathroom, a living room, and a kitchen, with a net living area of approximately 720 square feet. Dwelling B has an appurtenant deck area at the front portion of the building and an appurtenant deck area at the rear portion of the building, with a total floor area of 245 square feet. Dwelling B also has: (i) an appurtenant limited common element carport of approximately 378 square feet, which carport contains parking stalls nos. 3 and 4 (identified as Carport No. 1 on the Condominium Map); (ii) one (1) appurtenant limited common element shed of approximately 140 square feet (identified as Shed No. 1 on the Condominium Map); and (iii) one (1) appurtenant limited common element kennel of approximately 48 square feet (identified as Kennel No. 1 on the Condominium Map), all as more particularly shown on the Condominium Map. Dwelling B is situated on a 9,073 square feet limited common element dwelling lot as delineated on the Condominium Map.
- (3) Dwelling C contains two (2) bedrooms, one (1) bathroom, a living room, and a kitchen, with a net living area of approximately 720 square feet. Dwelling C has an appurtenant deck area at the front portion of the building and an appurtenant deck area at the rear portion of the building, with a total floor area of 220 square feet. Dwelling C also has: (i) an appurtenant limited common element carport of approximately 329 square feet for storage (identified as Carport No. 2 on the Condominium Map); (ii) an appurtenant limited common element parking area which contains parking stalls nos. 5 and 6; (iii) one (1) appurtenant limited common element shed of approximately 85 square feet (identified as Shed No. 2 on the Condominium Map); and (iv) one (1) appurtenant limited common element coop of approximately 56 square feet (identified as Coop No. 1 on the Condominium Map), all as more particularly shown on the Condominium Map. Dwelling C is situated on a 9,295 square feet limited common element dwelling lot as delineated on the Condominium Map.

- (4) Dwelling D contains two (2) bedrooms, one (1) bathroom, a living room, a kitchen, and a storage room, with a net living area of approximately 801 square feet. Dwelling D has an appurtenant deck area at the front portion of the building and an appurtenant deck area at the rear portion of the building, with a total floor area of 221 square feet, and a utility area of approximately 90 square feet. Dwelling D also has: (i) an appurtenant limited common element carport of approximately 189 square feet for storage (identified as Carport No. 2 on the Condominium Map); (ii) an appurtenant limited common element parking area which contains parking stalls nos. 7 and 8; and (iii) one (1) appurtenant limited common element shed of approximately 312 square feet (identified as Shed No. 3 on the Condominium Map), all as more particularly shown on the Condominium Map. Dwelling D is situated on a 9,332 square feet limited common element dwelling lot as delineated on the Condominium Map.
- (5) Dwelling E contains two (2) bedrooms, one (1) bathroom, a living room, and a kitchen, with a net living area of approximately 720 square feet. Dwelling E has an appurtenant deck area at the front portion of the building and an appurtenant deck area at the rear portion of the building, with a total floor area of 216 square feet, and a utility area of approximately 89 square feet. Dwelling E also has: (i) an appurtenant limited common element carport of approximately 360 square feet, which carport contains parking stalls nos. 9 and 10 (identified as Carport No. 3 on the Condominium Map); and (ii) two (2) appurtenant limited common element sheds of approximately 75 square feet and 93 square feet respectively (identified as Shed Nos. 4 and 5 on the Condominium Map), all as more particularly shown on the Condominium Map. Dwelling E is situated on a 9,396 square feet limited common element dwelling lot as delineated on the Condominium Map.
- (6) Dwelling G contains two (2) bedrooms, one (1) bathroom, a living room, a kitchen, and an enclosed lanai, with a net living area of approximately 835 square feet. Dwelling G has: (i) an appurtenant limited common element carport of approximately 419 square feet, which carport contains parking stalls nos. 11 and 12 (identified as Carport No. 4 on the Condominium Map), and (ii) two (2) appurtenant limited common element sheds of approximately 64 square feet and 100 square feet respectively (identified as Shed Nos. 6 and 7 on the Condominium Map), all as more particularly shown on the Condominium Map. Dwelling G is situated on a 9,349 square feet limited common element dwelling lot as delineated on the Condominium Map.
- (7) Dwelling H contains three (3) bedrooms, one (1) bathroom, a living room, a kitchen, a utility room, and an enclosed lanai, with a net living area of approximately 1,048 square feet. Dwelling H has an appurtenant limited common element parking area which contains parking stalls nos. 13 and 14, and one (1) appurtenant limited common element shed of approximately 31 square feet (identified as Shed No. 8 on the Condominium Map), all as more particularly shown on the Condominium Map. Dwelling H is situated on a 9,799 square feet limited common element dwelling lot

as delineated on the Condominium Map.

- (8) Dwelling J contains two (2) bedrooms, one (1) bathroom, a living room, a kitchen, and a screened porch, with a net living area of approximately 1,087 square feet. Dwelling J has an appurtenant limited common element carport of approximately 400 square feet, which carport contains parking stalls nos. 15 and 16 (identified as Carport No. 5 on the Condominium Map), and one (1) appurtenant limited common element storage area of approximately 217 square feet, all as more particularly shown on the Condominium Map. Dwelling J is situated on a 9,121 square foot limited common element dwelling lot as delineated on the Condominium Map.

**END OF EXHIBIT "A"**

BUILDING DEPARTMENT  
CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING  
650 SOUTH KING STREET, 2ND FLOOR • HONOLULU, HAWAII 96813  
PHONE: (808) 523-4564 • FAX: (808) 523-4567



JEREMY HARRIS  
MAYOR

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

EX97-34

March 14, 1997

Mr. Peter Haines  
Affordable Housing Specialists, Inc.  
2764 C Booth Road  
Honolulu, Hawaii 96813

Dear Mr. Haines:

Subject: Condominium Conversion Project  
Hui O Pupu A'O Ewa  
91-1009 Renton Road  
House Nos. A, B, C, D, E, G, H, J  
Tax Map Key: 9-1-069: 002

This is in response to your letter dated September 5, 1996, requesting verification that the structures located at the above address met all applicable code requirements at the time of construction.

Investigation revealed that the eight single-family detached dwellings met all applicable code requirements when they were constructed in 1938, 1941, 1946, 1947, 1951 and 1953. Investigation also revealed that existing use permit No. 96-EU-7 was approved with conditions on January 29, 1997 and one of the conditions states that if the project is to be condominiumized, the applicant or owner(s) shall submit a draft copy of the Condominium Property Regime (CPR) map and documents to the DLU for review.

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

EXHIBIT "B"

Mr. Peter Haines  
March 14, 1997  
Page 2

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

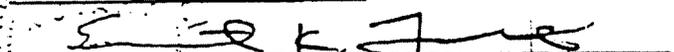
If you have any questions regarding this matter, please contact Mr. Ivan Matsumoto at 527-6341.

Very truly yours,



RANDALL K. FUJIMI  
Director and Building  
Superintendent

Subscribed and sworn to  
before me this 20th day of  
March, 1997.



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

ARCHITECTURAL ASSOCIATES  
EDWARD A. RESH, AIA NO. 3239  
560 NIMITZ HWY. SUITE 217A, HONOLULU HI 96817

Date: September 30, 1996

To: Hui O Pupu A'O Ewa, Owner/Developer  
91-1009 A Renton Road, Ewa Beach, HI 96701

Dear Hui O Pupu A'O Ewa,

As per your instructions, a visual inspection was made of the property located at:

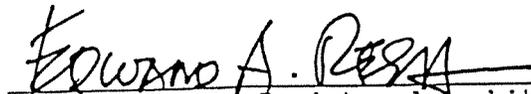
91-1009 A,B,C,D,E,G,H,& J RENTON ROAD  
EWA BEACH, HAWAII 96701  
TMK 1/9-1-69 : 2

The purpose of the inspection was to examine and comment on the present state of the buildings. The following describes my assessment of the present condition of the buildings:

1. The structures appear in good condition. The units are habitable and appear to be free from major structural defects.
2. The electrical system and plumbing systems appear to be functioning properly and seem to be in good condition.
3. The expected useful life is estimated to be between 25 and 30 years.

CONCLUSION: The buildings at present are in good condition with no major structural defects.

Very truly yours,



Edward A. Resh, Registered Architect No. 3239

**EXHIBIT "C"**

**EXHIBIT "D"**

**Description of Common Elements**

The common elements include the following located within the Project:

- (a) All the land described in Exhibit "A" attached to the Declaration of Condominium Property Regime and made a part thereof;
- (b) The driveway access to the apartments, the park, and the six (6) guest parking stalls, having a total area of 30,057 square feet as shown on the Condominium Map;
- (c) All pipes, cables, conduits, ducts, electrical equipment, wiring, and other central and appurtenant transmission facilities and installations over, under, and across the Project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone, and television signal distribution; and
- (d) Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use.

**END OF EXHIBIT "D"**

**EXHIBIT "E"**

**Limited Common Elements**

The limited common elements include the following located within the Project:

- (a) The limited common element dwelling lots appurtenant to each of the apartments, consisting of the land beneath and immediately adjacent thereto (including any yard areas, landscaping, driveway, and access areas), as shown and delineated on the Condominium Map;
- (b) The parking areas, carports, sheds, kennels, and coops appurtenant to the apartments; and
- (c) All other common elements of the project which are rationally related to less than all of the apartments or buildings.

**END OF EXHIBIT "E"**

## EXHIBIT "F"

### Encumbrances Against Title

Encumbrances against the title as contained in the title report dated July 8, 1997, and issued by Long & Melone, Ltd. are as follows:

1. Easement 1418 (approximately 34.68 feet wide) as shown on Map 297, filed with Land Court Application 1069, for sanitary sewer purposes.
2. Easement 2094 (approximately 30 feet wide) as shown on Map 460, filed with Land Court Application 1069, for utility and drainage purposes.
3. Easement 2121 (10 feet wide) as shown on Map 466, filed with Land Court Application 1069, for sewer purposes.
4. Grant of Easement dated May 25, 1960 in favor of Hawaiian Electric Company, Inc., filed in said Office of the Assistant Registrar of the Land Court as Document No. 261268, for utility purposes.
5. Temporary Construction Easement in favor of the City and County of Honolulu, as acquired by Final Order of Condemnation filed October 7, 1985, in the First Circuit Court, State of Hawaii, with Civil No. 66336, filed in said Office of the Assistant Registrar of the Land Court as Document No. 1328022.
6. AS TO EASEMENTS 1418 AND 2094: Reservation of said Easements unto the Trustees under the Will and of the Estate of James Campbell, deceased, as reserved in that certain Deed dated June 21, 1989, filed in said Office of the Assistant Registrar of the Land Court as Document No. 1669051.
7. Exception and Reservation unto the Trustees under the Will and of the Estate of James Campbell, deceased, as set forth in that certain Deed dated June 21, 1989, filed in said Office of the Assistant Registrar of the Land Court as Document No. 1669051.
8. Restrictions as set forth in that certain Deed dated June 21, 1989, filed in said Office of the Assistant Registrar of the Land Court as Document No. 1669051.
9. The property is near Naval Air Station Barbers Point, Hawaii and is subject to over flight by military aircraft, with attendant noise and vibrations, as set forth in that certain Deed dated June 21, 1989, filed in said Office of the Assistant Registrar of the Land Court as Document No. 1669051.
10. Grant of Easement dated June 21, 1989 in favor of Hui O Pupu A'O' Ewa, filed in said Office of the Assistant Registrar of the Land Court as Document No. 1669052, granting a non-exclusive easement for roadway purposes over Lot 318, as shown on Map 51 and exclusions 2 and 4, as shown on Map 1, filed with said Application 1069.

11. That certain Mortgage dated June 1, 1989, in favor of the City and County of Honolulu, a municipal corporation of the State of Hawaii, by and through its Department of Housing and Community Development, filed in said Office of the Assistant Registrar of the Land Court as Document No. 1669053.

12. Covenants, conditions, restrictions, reservations, easements, liens for assessments, options, powers of attorney, limitations on title, and all other provisions contained in or incorporated by reference in that certain Declaration of Condominium Property Regime dated May 20, 1997, recorded in said Office of the Assistant Registrar of the Land Court as Document No. 2385308 (By-Laws thereto dated May 20, 1997, recorded in said Office of the Assistant Registrar of the Land Court as Document No. 2385309), Condominium Map No. 1199; any instrument creating the estate or interest herein set forth; and in any other allied instrument referred to in any of the instruments aforesaid.

13. Real property taxes due and payable. For more information contact City and County of Honolulu, Department of Finance, Real Property Tax Assessment.

**END OF EXHIBIT "F"**

CITY AND COUNTY OF HONOLULU  
DEPARTMENT OF LAND UTILIZATION

650 South King Street, 7th Floor  
Honolulu, Hawaii 96813

86 JUL 28 1997

**DLU MASTER APPLICATION FORM**

Additional data, drawing/plans, and fee requirements are listed on a separate sheet titled "Instructions for Filing." PLEASE ASK FOR THESE INSTRUCTIONS.

All specified materials and fees must accompany this form; incomplete applications could delay processing. You are encouraged to consult with department staff in completing the application. Please call the appropriate phone number given in the "Instructions for Filing" sheet.  
Please print legibly or type the required information.

PERMIT REQUESTED (Check one or more as appropriate):

Clusters:

- Agricultural Cluster
- Cluster Housing
- Country Cluster

- Park Dedication
- Plan Review Use
- Planned Development-Housing
- Shoreline Setback Variance
- Site Plan Review

- Special Management Area Permit/Assessment
- State Special Use Permit
- Subdivision
- Sunlight Reflection
- Variance from LUO Sec.(s): \_\_\_\_\_

Conditional Use Permits:

- Type 1
- Type 2

- Existing Use
- Flood Hazard Variance

- Site Development Plan
- Special District: \_\_\_\_\_  
(Indicate District)

- Waiver (public uses/utilities)
- Zero Lot Line
- Zone Change, From \_\_\_\_\_ to \_\_\_\_\_
- Zoning Adjustment, LUO Sec.(s): \_\_\_\_\_

TAX MAP KEY(S): 1/9-1-69 : 2, Lot 319

LOT AREA: 2.39 Acres

ZONING DISTRICT: R-5

STATE LAND USE DISTRICT: Urban/Residential

STREET ADDRESS/LOCATION OF PROPERTY: 91-1009 Renton Road, Ewa Beach HI 96706  
(Eight cottages)

RECORDED FEE OWNER:

Name Hui O Pupu A'O Ewa

Mailing Address 91-1009/C Renton Road

Ewa Beach, HI 96706

Phone Number 681-4703 Iolani Benz

Signature \_\_\_\_\_

Signature Leah I. A. Benz, Secretary, Dept. of Land Utilization

PRESENT USE OF PROPERTY/BUILDING:

Eight single family residences

APPLICANT:

Name Hui O Pupu A'O Ewa

Mailing Address 91-1009/C Renton Road

Ewa Beach, HI 96706

Phone Number 681-4703 Iolani Benz

Signature \_\_\_\_\_

Signature Leah I. A. Benz, Secretary, Dept. of Land Utilization

AUTHORIZED AGENT/CONTACT PERSON:

Name Affordable Housing Specialists, Inc.

Mailing Address 2764 C Booth Road, Honolulu

HI 96813

Phone Number 545-3176 Peter Haines

Signature Alan Haines, The President

PROJECT NAME (if any): Hui O Pupu A'O Ewa

PROJECT PROPOSAL (Briefly describe the proposed activity or project): The project consists of eight single family residences, owned by the Hui O Pupu A'O Ewa, and occupied by members of the Hui. They wish to make the property legal-nonconforming, and place it under Condominium Property Regime, so that they can obtain loans and insurance to remodel the homes in the future.

FOR DEPARTMENT USE ONLY

Submitted Fee Amount: \$100.00

Date Application Accepted: 8/28/96

Date of Public Hearing: N/A

- Approved
- Approved with conditions indicated below.

FILE NO. 96/EU-7

Accepted By: \_\_\_\_\_

- Denied for reason(s) given below.
- Exempt project.

See attached.

THIS COPY, WHEN SIGNED BELOW, IS NOTIFICATION OF THE ACTION TAKEN.

Rutella Chee  
Signature

Jr Director  
Title

1-29-97  
Date

The above approval does not constitute approval of any other required permits, such as building permits.

**EXHIBIT "G"**

File No. 96/EU-7

Approval Date: 1/29/97

**\*\*IMPORTANT INFORMATION ENCLOSED\*\***  
DO NOT THROW AWAY THIS COVER SHEET

Subject: Existing Use Permit No. 96/EU-7  
Project: Hui O Pupu A'O Ewa Existing Use  
Location: 91-1009 A to J Renton Road - Ewa  
Tax Map Key: 9-1-69: 2

Approved as an Existing Use Permit (EU) in accordance with Land Use Ordinance (LUO), Section 3.130 and the application documents (DLU date-stamped July 29, 1996), subject to the following conditions:

1. This EU permit is only for the continued use, repair, alteration, expansion, relocation, or reconstruction of the 8 existing, single-family dwellings.

In the event of destruction, uses may be continued and structures may be rebuilt under the approved existing use plan, provided that such restoration is permitted by the Building Code and Flood Hazard Regulations, and is started within two years of its destruction. Any modification to the EU plans shall be approved by the Department of Land Utilization (DLU), prior to issuance of any building permit.

2. No building permits are on file for the existing sheds, therefore, the structures which exceed 120 square feet in floor area (sheds 1 and 3) shall be demolished prior to the issuance of any building permit unless satisfactory information which documents that the structures legally exist can be presented to the DLU. All structures less than 120 square feet in floor area, located within a required yard, shall be demolished or relocated to meet yard requirements prior to the issuance of any building permit.
3. Only minor modifications to the EU plans shall be allowed. Any major modification which may have an adverse impact on surrounding land uses, increases the number of dwelling units, and/or involves the reconstruction and/or expansion of a dwelling which is part of a larger development, shall require a Cluster Housing Permit.
4. The applicant or owner(s) shall incorporate this EU Permit into the restrictive covenants which run with the land, to serve as notice to all owners and tenants. The draft covenant shall be submitted for review and approval by the DLU. Upon approval of the covenant, a certified recorded copy shall be filed with the DLU, prior to the change in any ownership or the issuance of any building permit.
5. If the project is to be condominiumized, the applicant or owner(s) shall submit a draft copy of the Condominium Property Regime (CPR) map and documents to the DLU for review. Future work subsequent to the creation of a CPR may require approval from the homeowners association prior to the start of work.

6. All new work shall comply with the applicable LUO standards, including yard and maximum heights for structures around the project boundary. Spacing between buildings shall be in accordance with cluster siting guidelines: The distance between two 1-story units shall be 10 feet; between 1-story and 2-story units, 15 feet; and between two 2-story units or higher, 20 feet.

If the property is condominiumized, all new work within each area of use (limited common element) shall comply with the Residential District Development Standards for yards and maximum heights, as measured from limited common element lines. A common element established for roadway purposes shall be considered a street, for the purpose of determining front yards.

7. All new work shall be compatible in design with the existing and surrounding structures. The Director may require the redesign of exterior entrances, stairways, bar areas, including plumbing and electrical systems, to ensure that the number of dwellings is not increased.
8. The existing landscaped open space or "park" area in the middle of the project, fronting Lot 318 (access road) shall remain, and shall be a contiguous area of no less than 30,000 square feet.
9. Maximum building area shall not exceed 20 percent of the subdivided lot area (104,108 square feet). If the property is condominiumized, then the maximum building area shall not exceed 30 percent of the area for each limited common element.
10. A minimum of 16 parking spaces, i.e. 2 stalls per dwelling, shall be provided prior to the issuance of any building permits, subsequent to this approval. Dwelling additions shall comply with the LUO parking regulations. Existing parking spaces within carports or garages shall not be converted into usable floor area (including garage/carport storage). Reconstructed carport/garages shall have a minimum 16-foot driveway depth fronting the carport/garage.
11. Within Lot 318 (access road) from Renton Road and within the subject lot, a minimum 18-foot wide all-weather surface roadway shall be maintained. An all-weather surface shall be provided at all driveways (minimum 10-foot width) and parking areas, prior to the issuance of any building permits, subsequent to this approval.

12. A Fence Master Plan shall be submitted to the DLU for review and approval prior to the issuance of any building permit for new or replacement fences or walls. New or replacement perimeter chain-link fencing shall require a 2-foot landscape strip with a minimum 4-foot high hedge, maintained in a healthy condition.
13. All existing trees 6 inches or greater in diameter shall be retained on-site, or replacement landscaping shall be required. All landscaping shall be maintained in a healthy visual condition at all times.
14. An automatic fire sprinkler system shall be provided for any expansion, relocation or reconstruction of any dwelling, unless adequate fire protection for the site (i.e. fire hydrants) are provided along Renton Road. Reconstruction of 3 or more dwelling units of the EU shall comply with Fire Department requirements for access, water and/or Fire Department connections, and shall be submitted to the Fire Department for review and approval prior to issuance of building permits.
15. This Existing Use approval does not certify that the existing structures and improvements comply with the current zoning code or other regulations. They are subject to separate review and approval.
16. For good cause, the Director of Land Utilization may impose additional requirements and/or amend the above conditions.

**"HUI O PUPU A'O EWA"**

**ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

DESCRIPTION OF ITEMS	PAID BY ASSOC. OR INDIVIDUAL?	UNIT A	UNIT B	UNIT C	UNIT D	UNIT E	UNIT G	UNIT H	UNIT J	MONTHLY TOTAL
<b>UTILITIES &amp; SERVICES</b>										
Air Conditioning.....	Indiv.	\$	\$	\$	\$	\$	\$	\$	\$	\$
Electricity.....	Indiv.	\$	\$	\$	\$	\$	\$	\$	\$	\$
(x) Common Elements.....	Assoc.	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 48
( ) Common Elements.....	n/a									
and Apartments										
Gas.....	n/a									
Refuse Collection.....	n/a									
Telephone.....	Indiv.									
Water & Sewer.....	Assoc.	\$ 48	\$ 48	\$ 48	\$ 48	\$ 48	\$ 48	\$ 48	\$ 48	\$ 384
<b>MAINTENANCE &amp; REPAIRS</b>										
Buildings.....	n/a									
Grounds.....	Assoc.	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 80
<b>MANAGEMENT</b>										
Management Fee.....	n/a									
Payroll & Payroll Taxes.....	n/a									
Office Expenses.....	n/a									
COMMON ELEMENT INSUR.....	Assoc.	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 48
HOMEOWNER'S INSURANCE.....	Indiv.									
*RESERVES.....	Assoc.	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 400
TAXES & GOVERNMT ASSESS	n/a									
AUDIT FEE.....	Assoc.	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 48
<b>TOTAL MONTHLY FEES</b>		<b>\$ 126</b>	<b>\$ 1,008</b>							
<b>TOTAL ANNUAL FEES (X 12)</b>		<b>\$ 1,512</b>	<b>\$12,096</b>							

\* A Reserve Study has not been performed.

I/We, The Owner and Developers of HUI O PUPU A'O EWA, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

**HUI O PUPU A'O EWA**

<u>SIGNATURE</u>	<u>PRINT NAME</u>	<u>TITLE</u>	<u>DATE</u>
<i>Marlene Kanehe</i>	MARLENA KANEHE	TREASURER	7/21/97

## **EXHIBIT "I"**

### **Summary of Pertinent Provisions of Sales Contract**

The following is a summary of the pertinent provisions of the Deposit Receipt and Sales Agreement (the "Agreement") to be made by and between HUI O PUPU A'O' EWA, a Hawaii non-profit corporation (the "Seller"), and the "Buyer" named in Section B therein, and which Agreement shall become effective upon the date of its execution by the Seller.

THE INFORMATION CONTAINED HEREIN IS A ONLY A SUMMARY OF THE TERMS OF THE AGREEMENT. FOR MORE DETAILED INFORMATION, YOU MUST SECURE A COPY OF THE AGREEMENT AND READ IT THOROUGHLY.

- A. Section A of the Agreement contains a description of the apartment covered by the Agreement (the "Apartment").
- B. Section B of the Agreement contains information concerning the Buyer(s).
- C. Section C of the Agreement contains information regarding the total purchase price, method of payment, additional sums to be paid, reservation and sales agreement, and public report(s).
- D. Section D of the Agreements contains additional terms and conditions of the Agreement. The following is a summary of the provisions contained in Section D.
  - 1. Section D.1 contains definitions of terms used in the Agreement.
  - 2. Section D.2 provides information regarding the project, such as the address, a description of the buildings, and the number of parking stalls.
  - 3. Section D.3 provides information about the Apartment.
  - 4. Section D.4 contains information regarding the appliances and furnishings included with the purchase of the Apartment.
  - 5. Section D.5 contains information regarding the purchase price and method of payment.
  - 6. Section D.6 provides that any interest earned on deposits in escrow shall be paid to the Seller.
  - 7. Section D.7 provides that, after payment of the total purchase price, the Seller will provide Buyer with an apartment deed, and Buyer agrees to execute and accept such apartment deed and thereby acquire fee simple title to the Apartment. Section D.7 also provides that Buyer acknowledges having examined and accepts and agrees to the form, terms, and conditions contained in the apartment deed.

8. Section D.8 contains information regarding financing of the purchase. It provides in part that, if financing is required by Buyer, Buyer shall within five days from the date of execution of the Agreement, apply for mortgage financing, promptly sign and deliver all documents, and diligently take all steps necessary to qualify and obtain the required financing. Section D.8 further provides that Seller shall have the right, in Seller's sole discretion, to disapprove of any loan approval or mortgage commitment submitted to Seller within thirty days of the receipt of same by Seller. Section D.8 also provides that the Buyer shall, within ten days from the date of execution of the Agreement, give Seller such evidence ("Cash Evidence") as Seller may require of Buyer's ability to pay the cash portion of the total purchase price.
9. Section D.9 provides information regarding the escrow agreement which Seller has entered into with Long & Melone, Ltd. ("Escrow"), which escrow agreement is incorporated into the Agreement by reference, and which escrow agreement covers the deposit with Escrow of all funds paid by Buyer under the Agreement and the disbursement of such funds by Escrow. A summary of the escrow agreement is contained in Exhibit "J" attached to the Public Report.
10. Section D.10 states that the Buyer acknowledges receiving copies of, and having had a full opportunity to read and review and approves and accepts the Declaration of Condominium Property Regime, the By-Laws of the Association of Apartment Owners, the House Rules, the specimen apartment deed, and the escrow agreement.
11. Section D.11 lists the reservations in favor of the Seller contained in the Declaration. See also Section E.2 in Part II of the Final Public Report which lists the Seller's reservations.
12. Section D.12 contains information regarding the closing date and the Seller's remedies in case the Buyer fails to pay the purchase price as provided in the Agreement.
13. Section D.13 provides in part that Seller shall deliver possession of the Apartment to Buyer after Escrow's recordation of the Buyer's apartment deed.
14. Section D.14 provides in part that the Buyer will pay all closing costs including but not limited to the escrow fee; conveyance taxes; real property tax and other prorations; all acknowledgment fees; cost of title reports and title insurance (if requested by Buyer); cost of any mortgagee's title insurance; appraisal fees; legal costs for preparing of the apartment deed or any notes and mortgages; all recording costs or fees; loan fees; credit report costs and all other applicable mortgage costs. Buyer shall also pay one month's maintenance fee in the amount specified in Section C in the Agreement.
15. Section D.15 provides that the apartments are being sold in their current "as is" condition.

16. Section D.16 provides in part that the apartments shall be occupied and used only as private residential dwellings; provided, however, that an owner or occupant of an apartment may engage in certain types of home occupations that are incidental to and consistent with the use of the apartment for residential purposes as more particularly described in the condominium documents.
17. Section D.17 provides in part that the Seller makes no representations regarding rental management service or any economic benefits to buyer.
18. Section D.18 provides in part that the condominium map, any artists renderings, and building plans and specifications are not warranties.
19. Section D.19 contains disclosures regarding lead-based paint, unauthorized access, and estimate of maintenance fees.
20. Section D.20 pertains to the employment of a managing agent.
21. Section D.21 has been intentionally deleted.
22. Section D.22 has been intentionally deleted.
23. Section D.23 provides in part that the Seller is authorized to act on behalf of the Association of Apartment Owners of Hui O Pupu A'O' Ewa until the election of a board and officers.
24. Section D.24 provides in part that the Agreement shall not be binding upon Seller until executed by Seller and returned to the Buyer.
25. Section D.25 provides in part that the Agreement shall become binding when a true copy of the Final Public Report is delivered to the Buyer, the Buyer has an opportunity to read the Final Public Report, and the Buyer has taken such action or failed to take such action within the time period prescribed by law such that the Buyer is deemed to have approved and accepted the Final Public Report. The date the Agreement shall become binding as a contract for the purchase and sale of the Apartment as set forth above shall be the Effective Date. Until the Effective Date, the Agreement is merely a reservation agreement which may be unilaterally cancelled at any time by either the Seller or the Buyer.
26. Section D.26 governs disclosures of material changes in project.
27. Section D.27 provides in part that the Agreement shall not be construed as a present transfer of any rights or of any interest in the Apartment, but rather the Agreement is an agreement to transfer an interest in the future.
28. Section D.28 governs assignments of the Agreement.

29. Section D.29 provides in part that time is of the essence of this Agreement, and that no action or failure to act on the part of the Seller shall constitute a waiver of any of the Seller's rights or of any term or condition of the Agreement.
30. Section D.30 governs the Seller's remedies upon default by the Buyer. It provides in part that, if the Buyer shall default in making any payment when required, or fail to perform any other obligation required of the Buyer, then the Seller may terminate the Agreement. In the event of such cancellation after the Effective Date, Seller may retain all amounts paid by Buyer under the Agreement as liquidated damages. Seller may, in addition to such liquidated damages, pursue any other remedy, including specific performance, permitted by law or equity. All costs, including reasonable attorney's fees, incurred by reason of default by the Buyer shall be borne by the Buyer.
31. Section D.31 governs the Buyer's remedies upon default by the Seller. It provides in part that, after the Effective Date, if the Seller shall default in selling the Apartment to Buyer as provided in the Agreement, then the remedy shall be specific performance by the parties.
32. Section D.32 governs notices to either party.
33. Section D.33 provides in part that if Buyer should die prior to the closing date, the Seller reserves the right to return all sums paid hereunder by Buyer without interest and this Agreement shall then be deemed to have been cancelled and both Seller and Buyer shall be released from all obligations and liability under the Agreement.
34. Section D.34 provides in part that the Agreement is binding on the successors of the parties and that Buyers are responsible individually and together.
35. Section D.35 provides in part that Hawaii law governs the Agreement.
36. Section D.36 provides that the captions of the paragraphs of the Agreement are for convenience only and do not amplify or limit in any way the provisions of the Agreement.
37. Section D.37 provides that, if any provision of the Agreement is illegal, void, or unenforceable for any reason, then the remaining terms of the Agreement shall remain in full force and effect.
38. Section D.38 provides in part that, in the event the Buyer shall have a claim against the Seller or Seller's agents or representatives (the "Development Team Members"), or if Seller shall have a claim against Buyer arising out of or in any way connected with the Agreement or the design, development, construction, sale, marketing, financing, or any other activity relating to the Apartment or the Project, the claims shall be submitted for resolution in Honolulu, Hawaii by a single arbitrator in

accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. Section D.38 further provides that unless otherwise determined by the arbitrator, the prevailing party in any arbitration shall be entitled to recover from the losing party all costs of the arbitration and all reasonable expenses and costs, including attorneys' fees and witness fees, incurred by the prevailing party in connection with the arbitration or in any other legal action arising therefrom. No punitive damages shall be awarded in any claim against Seller whether or not such claim be solely against Seller, or against Seller together with other parties, including the Development Team Members.

39. Section D.39 concerns facsimile copies of the Agreement and the execution of the Agreement in counterparts.
40. Section D.40 provides in part that the Agreement constitutes the entire agreement between the parties, and that it supersedes and cancels all prior negotiations, representations, understandings and agreements, both written and oral, of the parties. No variations of the Agreement shall be valid or enforceable unless approved in writing by the Seller and the Buyer. Section D.40 also provides that, unless performed at or before closing, provisions of the Agreement shall survive the execution and recordation of the apartment deed.

Exhibit "A" attached to the Agreement is the Cooperating Brokerage Agreement. It provides in part that Seller shall direct Escrow to pay Buyer's Broker a specified percentage of the total purchase price, through escrow, from funds coming into the hands of Escrow at closing, in the event that a conveyance document for the Apartment is recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and also recorded in the Bureau of Conveyances of the State of Hawaii. The Cooperating Brokerage Agreement further provides that Buyer's Broker's sole right to receive brokerage fees or compensation of any type or kind from Seller shall be (a) as specified in the Cooperating Brokerage Agreement, and (b) shall be subject to all matters and provisions contained in the Agreement. The Cooperating Brokerage Agreement also provides that disputes between Buyer's Broker and Seller's Broker are to be determined by arbitration in accordance with the provisions adopted by the Honolulu Board of Realtors, and that disputes between Buyer's Broker and Seller are to be determined by arbitration in accordance with the provisions set forth in Section D.38 of the Agreement.

**END OF EXHIBIT "I"**

## **EXHIBIT "J"**

### **Summary of Pertinent Provisions of Escrow Agreement**

The following is a summary of the pertinent provisions of the Escrow Agreement dated September 9, 1996, and entered into by and between HUI O PUPU A'O' EWA ("Seller") and LONG & MELONE ESCROW, LTD. ("Escrow"), which Escrow Agreement is referred to herein as the "Agreement".

THE INFORMATION CONTAINED HEREIN IS ONLY A SUMMARY OF THE TERMS OF THE AGREEMENT. FOR MORE DETAILED INFORMATION, YOU MUST SECURE A COPY OF THE AGREEMENT AND READ IT THOROUGHLY.

The Agreement establishes an arrangement under which the deposits under the Deposit Receipt and Sales Agreement (the "sales contract") will be held by a neutral party (i.e., Escrow). Under the Agreement, these things will or may happen:

1. Signed copies of the sales contract will be provided to Escrow.
2. Escrow will collect payments due pursuant to the sales contract. Any interest earned from funds deposited with Escrow shall accrue to the credit of Seller.
3. Seller will notify Escrow who in turn will notify buyer when payments are due.
4. Escrow will accept buyer's payments pursuant to the sales contract and will hold the funds or make payments according to the Agreement.
5. The Agreement states under what conditions Escrow will disburse buyer's funds. Escrow will disburse upon receipt of the following:
  - (a) The conveyance document;
  - (b) All necessary releases of encumbrances;
  - (c) The full amount of the purchase price;
  - (d) Any mortgage or other instrument securing payment; and
  - (e) Purchaser's share of the closing costs.
6. Under the 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, under Section 514A-62 and 63, Hawaii Revised Statutes, buyer has a right to rescind a sales contract.

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

8. Escrow will coordinate and supervise the signing of all necessary documents.

9. The Agreement sets forth Escrow's responsibilities in the event of any disputes.

THE AGREEMENT CONTAINS VARIOUS OTHER PROVISIONS AND ESTABLISHES CERTAIN CHARGES WITH WHICH YOU SHOULD BECOME ACQUAINTED.

**END OF EXHIBIT "J"**