**CONDOMINIUM PUBLIC REPORT**

Prepared & Issued by: Developer Tex Investments LLC, a Hawaii limited liability company

Address P. O. Box 19188

Honolulu, Hawaii 96817

Project Name(*): "Koolau Views"

Address: 45-660 Mahinui Road and 45-680 Apuakea Street, Kaneohe, Hawaii 96744

Registration No. 5388 (Conversion) Effective date: June 17, 2004

Expiration date: July 17, 2005

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: (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

*This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.*

FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104

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

[ ] Required and attached to this report. [ X ] 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. It does not involve the sale of individual subdivided lots. The land area beneath and immediately appurtenant to each unit is designated as a **LIMITED COMMON ELEMENT** and not a legally subdivided lot. The dotted lines on the Condominium Map bounding the designated number of square feet in each limited common element land area are for illustrative purposes only and should not be construed to be the property lines of legally subdivided lots.

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

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

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

## TABLE OF CONTENTS


| | Page |
|---|---|
| *Preparation of this Report* | 1 |
| Expiration Date of Reports | 1 |
| Type of Report | 1 |
| Disclosure Abstract | 2 |
| Summary of Changes from Earlier Public Reports | 2 |
| Table of Contents | 3 |
| General Information on Condominiums | 4 |
| Operation of the Condominium Project | 4 |
| I. PERSONS CONNECTED WITH THE PROJECT | 5 |
| Developer | |
| Attorney for Developer | |
| *General Contractor* | |
| Real Estate Broker | |
| Escrow Company | |
| Condominium Managing Agent | |
| II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS | |
| A. Declaration | 6 |
| B. Condominium Map (File Plan) | 6 |
| C. Bylaws | 6 |
| D. House Rules | 7 |
| E. Changes to Condominium Documents | 7 |
| III. THE CONDOMINIUM PROJECT | |
| A. Interest to be Conveyed to Buyer | 8 |
| B. Underlying Land | 9 |
| C. Buildings and Other Improvements | 10 |
| D. Common Elements, Limited Common Elements, Common Interest | 13 |
| E. Encumbrances Against Title | 14 |
| F. Construction Warranties | 15 |
| G. Status of Construction | 16 |
| H. Project Phases | 16 |
| IV. CONDOMINIUM MANAGEMENT | |
| A. Management of the Common Elements | 17 |
| B. Estimate of Initial Maintenance Fees | 17 |
| C. Utility Charges for Apartments | 17 |
| V. MISCELLANEOUS | |
| A. Sales Documents Filed with the Real Estate Commission | 18 |
| B. Buyer's Right to Cancel Sales Contract | 18 |
| C. Additional Information Not Covered Above | 20 |
| D. Signature of Developer | 21 |

EXHIBIT A: Developer's Reserved Rights to Change Project Documents
EXHIBIT B: Boundaries of Apartments
EXHIBIT C: Alteration of Project
EXHIBIT D: Notice to Owner-Occupants
EXHIBIT E: Parking Stall Assignments
EXHIBIT F: Architect's Report
EXHIBIT G: Common Elements
EXHIBIT H: Limited Common Elements
EXHIBIT I: Percentage of Common Interest
EXHIBIT J. Encumbrances Against Title
EXHIBIT K: Estimated Maintenance Fees
*EXHIBIT L: Summary of Sales Contract*
EXHIBIT M: Summary of Escrow Agreement
EXHIBIT N: Letter from DPP dated July 31, 2003; 96/CUP-29; Agreement for Issuance Of Conditional Use Zoning; 96/EU-08; And Letter from DPP dated March 2, 2004 re: Fence Master Plan

## 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 a 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:

Tex Investments LLC — Phone: 486-1389 (Business)
Name*

99-451 Halawa Heights Road
Business Address

Aiea, Hawaii 96701

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):
Antone S. Teixeira, Trustee of the Antone S. Teixeira Revocable Trust dated August 6, 1980, its Member Manager

Real Estate Broker*:

Abraham W. H. Lee, dba Abe Lee Realty — Phone: (808) 942-4472 (Business)
Name

1585 Kapiolani Boulevard, Suite 1533
Business Address

Honolulu, Hawaii 96814

Escrow:

First Hawaii Title & Escrow of Hawaii, Ltd. — Phone: (808) 734-8777 (Business)
Name

4211 Waialae Ave, Suite 208
Business Address

Honolulu, Hawaii 96816

General Contractor*:

N/A — Phone: (Business)
Name

Business Address

Condominium Managing Agent*:

Self-Managed by the Assoc. of Apt. Owners — Phone: (Business)
Name

Business Address

Attorney for Developer:

Law Office of Jennifer A. Aquino — Phone: (808) 526-9400 (Business)
Name

1188 Bishop Street, Suite 3009
Business Address

Honolulu, Hawaii 96813

* For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

## 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
[ X ] Recorded - Bureau of Conveyances Document No. 2004-107593
Book _____ Page _____
[ ] Filed - Land Court Document No. _____

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

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

The Condominium Map for this condominium project is:

[ ] Proposed
[ X ] Recorded - Bureau of Conveyances Condo Map No. 3767
[ ] Filed - Land Court Condo Map No. _____

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

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

The Bylaws for this condominium are:

[ ] Proposed
[ X ] Recorded - Bureau of Conveyances Document No. 2004-107594
Book _____ Page _____
[ ] Filed - Land Court Document No. _____

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

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

The House Rules for this condominium are:

[ ] Proposed [ ] Adopted [ X ] 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 | — | Majority of the Board 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:

See Exhibit "A"

## 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 Sub-leasehold: 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 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: 45-660 Mahinui Road and 45-680 Apuakea Street
Kaneohe, Hawaii 96744

Tax Map Key (TMK) :(1)4-5-037-049,053

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

Land Area: 56,285* [X] square feet [ ] acre(s) Zoning: R-5

*NOTE: This amount, calculated by Jamie F. Alimboyoguen, Licensed Professional Land Surveyor No. 8216, in preparing the Condominium Map is based on the property's legal description. However, this amount reflects a difference of 144 square feet from the land area of 56,429 shown on the City and County of Honolulu's Real Property Tax records.

Fee Owner:

Tex Investments LLC
Name

P. O. Box 19188
Address

Honolulu, Hawaii 96817

Lessor: n/a

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: Eleven Floors Per Building: One Floor

   [ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

   [ ] Concrete [ ] *Hollow Tile* [ X ] *Wood*

   [ X ] Other Glass, asphalt shingles

4. Uses Permitted by Zoning:

| | No. of Apts. | Uses Permitted By Zoning | |
|---|---|---|---|
| [ X ] Residential | 11 | [ X ] Yes | [ ] No |
| [ ] Commercial | | [ ] Yes | [ ] No |
| [ ] Mix Res/Comm | | [ ] Yes | [ ] No |
| [ ] Hotel | | [ ] Yes | [ ] No |
| [ ] Timeshare | | [ ] Yes | [ ] No |
| [ ] Ohana | | [ ] Yes | [ ] No |
| [ ] Industrial | | [ ] Yes | [ ] No |
| [ ] Agricultural | | [ ] Yes | [ ] No |
| [ ] Recreational | | [ ] 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:

[ ] Pets: _____

[ ] Number of Occupants: _____

[ ] Other: _____

[ X ] There are no special restrictions.

6. Interior (fill in appropriate numbers):

Elevators: None  Stairways: None  Trash Chutes: None

| Apt. Type | Quantity | BR/Bath | Net Living Area (sf)* | Net Other Area (sf) | (Identify) |
|---|---|---|---|---|---|
| Unit 45-680 | 1 | 2/1 | 560 | 125 | deck |
| Unit 45-680A | 1 | 3/1 | 856 | 396 | patio/laundry |
| Unit 45-680B | 1 | 3/1 | 1,014 | 268 | lanai/porches(2) |
| Unit 45-680C | 1 | 2/1 | 596 | 85 | laundry tray/ washer space |
| Unit 45-680D | 1 | 2/1 | 975 | 762 | lanai/sun room/ laundry/carport |
| Unit 45-680E | 1 | 3/1 | 887 | 187 | laundry/ porches (2) |
| Unit 45-680F | 1 | 1/1 | 361 | 157 | patio/porch |
| Unit 45-680G | 1 | 2/1 | 672 | 75 | open patio |
| Unit 45-680H | 1 | 3/1 | 839 | 130 | laundry area |
| Unit 45-680I | 1 | 2/2 | 640 | 202 | porches (3) |
| Unit 45-680J | 1 | 1/1 | 383 | 42 | laundry tray/ washer area |

Total Apartments: 11

***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: See Exhibit "B"

Permitted Alterations to Apartments: See Exhibit "C"

Apartments Designated for Owner-Occupants Only:
Fifty percent (50%) of **residential** apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by section 514A-102, HRS; or include the information here in this public report and in the announcement (see attachment 11a). Developer has _____ elected to provide the information in a published announcement or advertisement.
See a copy of the draft Owner-Occupant publication attached as Exhibit "D"

7. Parking Stalls:

Total Parking Stalls: 22

| | Regular | | Compact | | Tandem | | TOTAL |
|---|---|---|---|---|---|---|---|
| | Covered | Open | Covered | Open | Covered | Open | |
| Assigned (for each unit*) | 1 | 13 | 0 | 6 | 0 | 2 | 22 |
| Guest | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unassigned | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Extra for Purchase | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other: | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Covered & Open: | 14 | | 6 | | 2 | | 22 |

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.

*See Exhibit "E" for parking stall assignments

[ ] Commercial parking garage permitted in condominium project.

[ ] *Exhibit _____ contains additional information on parking stalls for this condominium project.*

8. Recreational and Other Common Facilities:

[ ] There are no recreational or common facilities.

[ ] Swimming Pool [ ] Storage Area [ ] Recreation Area

[ ] Laundry Area [ ] Tennis Court [ ] Trash Chute/Enclosure(s)

[ X ] Other: Concrete driveway containing 10,165 net square feet and Ditch Right-of-Way (10 ft. wide)

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 _____ (Date)

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):

In accordance with the report, dated May 10, 2004, prepared by Michael D. Lau, Professional Architect No. 8385, a copy of which is attached as Exhibit "F", the buildings are in good condition commensurate with their age and the electrical and plumbing systems appear to be in working order.

11. Conformance to Present Zoning Code

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

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

Conditional Use Permit No. 96/CUP-29 and Existing Use Permit 96/EU-08. Copies of which are included in Exhibit "N".

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 does not now conform to present zoning requirements.

| | Conforming | Non-Conforming | Illegal |
|---|---|---|---|
| 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:

[ X ] described in Exhibit "G".

[ ] 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 "H"*.

[ ] as follows:

*NOTE: Land areas referenced herein are not legally subdivided lots.

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

[ X ] *described in Exhibit "I"*.

[ ] as follows:

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

Exhibit "J" describes the encumbrances against the title contained in the title report dated May 28, 2004 and issued by First Hawaii Title & Escrow of Hawaii, 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** |
|---|---|
| Mortgages | Buyer's interest may be terminated and Buyer may be entitled to a refund less any escrow cancellation fees. |

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 Date of Completion or Estimated Date of Completion**:

The Units were constructed and relocated in 1967 and 1968.

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, a lien may be placed on your apartment and the apartment may be 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 " K " 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 ( ____ Common Elements only _____ Common Elements & Apartments)

[ ] Gas ( _____ Common Elements only _____ Common Elements & Apartments)

[ ] Water* [ ] Sewer* [ ] Television Cable

[ ] Other _____

* Each Unit is individually sub-metered for water and sewer. Although the Association will receive one bill for water and sewer, the Association will bill each Unit separately for water and sewer based on usage as determined by the sub-meter.

## 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:

[ X ] Notice to Owner Occupants - See Exhibit "D"

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

[ X ] Escrow Agreement dated March 3, 2004
Exhibit " M " 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 sale 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 or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov
Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs
Website to access rules: www.hawaii.gov/dcca/har

This Public Report is a part of Registration No. 5388 filed with the Real Estate Commission on June 3, 2004.

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**

Copies of the following information regarding the use and zoning for the Project is attached hereto as Exhibit "N":

1. Letter dated July 31, 2003 from Eric Crispin, Director of Planning and Permitting, City and County of Honolulu.
2. Conditional Use Permit 96/CUP-29.
3. Agreement For Issuance of Conditional Use Permit Under Section 21-4.40-21 of the Land Use Ordinance (LUO) dated March 13, 1996, recorded as Document No. 96-047317.
4. Existing Use Permit 96/EU-08.
5. Letter dated March 2, 2004 from Eric Crispin, Director of Planning and Permitting, City and County of Honolulu re: Fence Master Plan.

**Hazardous Materials**

The developer neither prepared nor commissioned a Phase 1 Environmental Site Assessment and makes no representations or warranties whatsoever. The developer has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to case cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of, hazardous materials laws. Buyer acknowledges that in light of the age of the Project, there may be asbestos and other hazardous substances in the apartments, or in, under or around the Project. Because of the possible presence of such substances, Buyer should have the apartment inspected to determine the extent (if any) of such contamination and any necessary remedial action. The developer will not correct any defects in the apartments or in the Project or anything installed or contained therein and Buyer expressly releases the developer from any liability to Buyer if any hazardous materials are discovered.

**Lead Warning Statement**

Pursuant to federal law, 42, U.S.C 4852(d), the Residential Lead-Based Paint Reduction Act, "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase."

D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)

E. 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.

**Tex Investments LLC**
Printed Name of Developer

By: _____ 6/2/2004
Duly Authorized Signatory* Date

ANTONE S. TEIXEIRA, Trustee of the Antone S. Teixeira Revocable Trust dated August 6, 1980, its Member Manager
By: NORMAN A. TEIXEIRA, His Attorney-in-Fact
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

***Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.***

**EXHIBIT "A"**

**DEVELOPER'S RESERVED RIGHTS TO CHANGE THE PROJECT DOCUMENTS**

Pursuant to Section T of the Declaration, the Developer has reserved the following rights to change the Project documents, including the Declaration, Condominium Map and By-Laws as follows:

The Developer reserves the right at any time prior to the closing of the last sale of a Unit in the Project owned by the Developer: (i) to grant easements over, across, and under the common elements, including, without limitation, easements for utilities, sanitary and storm sewers, cable television, walkways, roadways and rights-of-way, and (ii) to relocate or realign any existing easements and rights-of-way over, across, and under the common elements, including, without limitation, any existing utilities, sanitary and sewer lines, and cable television lines, and connect the same, over, across, and under the common elements, provided that such easements, relocations, and connections of lines shall not materially impair or interfere with the use of any Unit.

At any time prior to December 31, 2024, the Developer reserves the right, but not the obligation, to acquire the interest of the State of Hawaii in and to the Ditch Right-of-Way (10 feet wide) (hereinafter the "Ditch") defined hereinabove as a common element of the Project, and as shown on the Condominium Map. In the event the Developer acquires the interest of the State of Hawaii in and to the Ditch, the Developer reserves the right, but not the obligation, to reallocate portions of the Ditch from a common element of the Project to part of the limited common elements appurtenant to Units 45-680D, 45-680E and/or 45-680I, as the case may be. The Developer reserves the right, but not the obligation, to increase the square footage attributable to the limited common element areas appurtenant to said Units 45-680D, 45-680E and/or 45-680I, and/or the square footage attributable to the common element Concrete Driveway, to include the square footage of the Ditch. The Developer also reserves the right, but not the obligation, to amend this Declaration and the Condominium Map for the purposes of carrying out the provisions or exercising the rights, powers, or privileges herein reserved by the Developer, including the reapportionment of the common interest to reflect the increase in the limited common element areas appurtenant to Units 45-680D, 45-680E and/or 45-680I.

In addition to the foregoing, and at any time prior to December 31, 2024, the Developer reserves the right, but not the obligation, to acquire the fee simple interest of the City and County of Honolulu, State of Hawaii (hereinafter the "City"), in and to the (Old) Mahinui Road (the "Road") located adjacent to the Project as shown on said Condominium Map. In the event the Developer acquires the City's fee simple interest in the Road, the Developer reserves the right, but not the obligation, to consolidate or merge the property upon which the Road is situated, or any portion thereof, with the common elements of the Project and to do any of the following as a result thereof, at the Developer's sole discretion: (a) to modify, alter, increase, decrease, or create new limited common element area(s) for the Unit or Unit(s) appurtenant to the Road, and to recalculate the common interest based on the modification, alteration, increase or decrease of the limited common element area(s), (b) to modify, alter, increase, decrease, or create new common elements, including adding to the common element Concrete Driveway, and/or ( c) to modify, alter, relocate or create

new limited common element parking stall(s) located on the common element Concrete Driveway, and to assign said new limited common element parking stall(s) to any Unit or Units in the Project. Said consolidation and merger of the Road with the Project shall only be effective upon the recording in the Bureau of Conveyances of an amendment of this Declaration and the Condominium Map setting forth the following: (i) a description of any change to the common elements, limited common elements, and/or percentage of common interests as a result of the merger or consolidation of the Project with the Road, (ii) a set of plans showing any change to the designation of common elements and/or limited common elements set forth in the Condominium Map, and (iii) any such other matters as may be necessary or as may be required by law to effectuate the operation of the property as a condominium project.

Each and every party acquiring an interest in the Project, by such acquisition, including the holder(s) of any lien(s) thereof, and the owners of the Units directly affected thereby, consents to the Developer's exercise of the rights reserved unto the Developer contained in this Section, including the granting, reserving or relocation of any easements and/or rights of way; additions, modifications and/or alterations to the limited common elements; and to the amendment or amendments to the Declaration and/or Condominium Map and the recordation thereof at the Bureau of Conveyances to effect the same, and if required to, agrees to promptly execute, deliver and record such documents and instruments and to do such other things as may be necessary or convenient to effectuate the same; and appoints the Developer as his or her attorney-in-fact with full power of substitution to execute such documents and to do such things on his or her behalf, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights and shall not be affected by disability of any such party.

**Page 2 and End of Exhibit "A"**

**EXHIBIT "B"**

**BOUNDARIES OF APARTMENTS**

Eleven (11) separate and distinct freehold estates constructed primarily of wood, glass and asphalt shingles, bounded by and including the decorated or finished surfaces of the exterior of the perimeter walls, by the exterior surfaces of the respective roofs thereof, and inclusive of the floor and ceiling of each of the dwellings in the Project, which dwellings are designated on the Condominium Map as "45-680", "45-680A", "45-680B", "45-680C", "45-680D", "45-680E", "45-680F", "45-680G", "45-680H", "45-680I", and "45-680J", and are sometimes referred to in said Declaration collectively as the "Units". The term "Unit" has the same meaning as the term "Apartment" in the Condominium Property Act, as the same may be amended from time to time.

(a) Unit 45-680 (located at 45-680 Apuakea Street) contains one (1) floor, without a basement, in which there are two (2) bedrooms, one (1) bathroom, a hall, a kitchen, a living room, and a deck. Unit 45-680 contains a net living area of approximately 560 square feet. The deck contains approximately 125 square feet.

(b) Unit 45-680A (located at 45-680A Apuakea Street) contains one (1) floor, without a basement, in which there are three (3) bedrooms, one (1) bathroom, a hall, a kitchen, a living room, a laundry area and a patio. Unit 45-680A contains a net living area of approximately 856 square feet. The patio and laundry area contain approximately 396 square feet.

(c) Unit 45-680B (located at 45-680B Apuakea Street) contains one (1) floor, without a basement, in which there are three (3) bedrooms, one (1) bathroom, a hall, a kitchen, a dining room, a living room, a front porch, a rear porch, and a lanai. Unit 45-680B contains a net living area of approximately 1,014 square feet. The lanai, front porch and rear porch together contain an area of approximately 268 square feet.

(d) Unit 45-680C (located at 45-680C Apuakea Street) contains one (1) floor, without a basement, in which there are two (2) bedrooms, one (1) bathroom, a hall, a kitchen, and a living room. Unit 45-680C contains a net living area of approximately 596 square feet. The area containing the laundry tray/washer space is approximately 85 square feet.

(e) Unit 45-680D (located at 45-680D Apuakea Street) contains one (1) floor, without a basement, in which there are two (2) bedrooms, one (1) bathroom, a hall, a kitchen, a mud room, a dining room, a living room, a laundry, a sun room, a lanai, and an attached carport with one (1) standard parking stall on a concrete pad. Unit 45-680D contains a net living area of approximately 975 square feet. The lanai, sun room, laundry and carport contain approximately 762 square feet.

(f) Unit 45-680E (located at 45-680E Apuakea Street) contains one (1) floor, without a basement, in which there are three (3) bedrooms, one (1) bathroom, two (2) halls (Hall A and Hall B), a kitchen, a living room, a laundry area, and two (2) porches. Unit 45-680E contains a net living area of approximately 887 square feet. The laundry area and two (2) porches contain approximately 187 square feet.

(g) Unit 45-680F (located at 45-680F Apuakea Street) contains one (1) floor, without a basement, in which there is one (1) bedroom, one (1) bath, a kitchen, a living room, a patio and an entry porch. Unit 45-680F contains a net living area of approximately 361 square feet. The porch and patio contain approximately 157 square feet.

(h) Unit 45-680G (located at 45-680G Apuakea Street) contains one (1) floor, without a basement, in which there are two (2) bedrooms, one (1) bathroom, a hall, a kitchen, a living room, and an open patio. Unit 45-680G contains a net living area of approximately 672 square feet. The open patio contains approximately 75 square feet.

(i) Unit 45-680H (located at 45-680H Apuakea Street) contains one (1) floor, without a basement, in which there are three (3) bedrooms, one (1) bath, a hall, a kitchen, a dining/living room, and a laundry area. Unit 45-680H contains a net living area of approximately 839 square feet. The laundry area contains approximately 130 square feet.

(j) Unit 45-680I (located at 45-680I Apuakea Street) contains one (1) floor, without a basement, in which there are two (2) bedrooms, two (2) bathrooms, a kitchen, a living room, and three (3) porches. Unit 45-680H contains a net living area of approximately 640 square feet. The three (3) porches contain approximately 202 square feet.

(k) Unit 45-680J (located at 45-680J Apuakea Street) contains one (1) floor, without a basement, in which there is one (1) bedroom, one (1) bathroom, a kitchen, and a living room. Unit 45-680J contains a net living area of approximately 383 square feet and the area containing the laundry tray and washer space consists of approximately 42 square feet.

Each Unit shall also include all pipes, wires, conduits, and other utility and service lines contained wholly within such Unit and which are utilized exclusively by and serve only such Unit.

**Page 2 and End of Exhibit "B"**

**EXHIBIT "C"**

**PERMITTED ALTERATIONS TO APARTMENTS**

No work shall be done to the Units, the limited common elements appurtenant thereto, or any other part of the Project, by any owner of a Unit or any other person, which could jeopardize the soundness or safety of the Project, reduce the value thereof, impair any easement or hereditament, detract from the appearance of the Project, interfere with or deprive any nonconsenting owner of the use or enjoyment of any part of the Project, or directly affect any nonconsenting owner in any unreasonable manner, all as determined by the Board, without in every such case first obtaining the consent of the owners of the other Units, which consent shall not be unreasonably withheld. Except as otherwise provided by law, all other additions to or alterations of any Unit or its appurtenant limited common elements by the owner of such Unit shall be permitted without restriction, provided that the owner or other person making such additions or alterations shall comply strictly with all applicable laws, ordinances, and regulations of any governmental entity, and shall also obtain all necessary permits, at such owner or person's sole expense.

In addition to the foregoing limitations, and in accordance with the Existing Use Permit No. 96/EU-08 approved by the Director of Land Utilization, City and County of Honolulu, State of Hawaii, on October 31, 1996, a copy of which is attached to the Declaration, the maximum building area for each Unit shall not exceed forty percent (40%) of the area for each limited common element appurtenant thereto.

**End of Exhibit "C"**

**EXHIBIT "D"**

**KOOLAU VIEWS**

| Unit No. | Bed/ Bath | Net Lvg. Area SF | Estimated Area of Ltd. Common Element | No. of Prkg. Stalls | Est. Monthly Maintenance Fee | Price |
|---|---|---|---|---|---|---|
| 45-680* | 2/1 | 560 | 2,419 | 2 | $61.35 | ** |
| 45-680A* | 3/1 | 856 | 2,448 | 2 | $62.07 | ** |
| 45-680B | 3/1 | 1,014 | 3,842 | 2 | $97.41 | ** |
| 45-680C* | 2/1 | 596 | 3,628 | 2 | $91.99 | ** |
| 45-680D | 2/1 | 975 | 5,340 | 2 | $135.40 | ** |
| 45-680E* | 3/1 | 887 | 3,711 | 2 | $94.09 | ** |
| 45-680F | 1/1 | 361 | 2,777 | 2 | $70.41 | ** |
| 45-680G | 2/1 | 672 | 2,583 | 2 | $65.50 | ** |
| 45-680H* | 3/1 | 839 | 2,924 | 2 | $74.14 | ** |
| 45-680I | 2/2 | 640 | 12,332 | 2 | $312.69 | ** |
| 45-680J* | 1/1 | 383 | 4,116 | 2 | $104.37 | ** |

This is an owner occupant notice for "KOOLAU VIEWS" which is located at 45-680 & 45-680A-J, Kaneohe, HI, TMK: 1-4-5-037-049 & 053. These units (*) shall initially be offered for a 30-day period after the first publication of this announcement to only prospective owner occupants on the reservation list, who will use the residential units as their principal residences for a period of not less than 365 consecutive days. There will be a total of 11 (eleven) fee simple detached units for residential use. Pursuant to Hawaii Revised Statues Section 514A-102, the units shall be offered for sale upon the issuance of an effective date of the first public report, which is _____, 200_. None of the 11 (eleven) units are "accessible and adaptable" as those terms are defined and interpreted in 24 C.F.R. section 100 et. seq. for persons with disabilities. The units will be offered first to tenants occupying the units immediately prior to the conversion who submit the owner-occupant affidavit and earnest money deposit pursuant to Section 514A-105(a), Hawaii Revised Statutes. Any interested person may contact the Project Realtor from 9:00 am. to 3:00 p.m. daily for an owner occupant affidavit and be placed on a reservation list to obtain further project information. Reservations are being taken now at the Realtor's office. The reservation list shall be compiled for a period of 30 days in chronological order beginning with the date of the first announcement dated _____, 200_. A refundable $1,000 deposit is required with a reservation. Abe Lee (R) Abe Lee Realty 1585 Kapiolani Blvd. #1533 Honolulu, HI 96814 PHONE: 942-4472 FAX: 942-4473

** *To be determined upon issuance of the Final Public Report.*

**EXHIBIT "E"**

**PARKING STALL ASSIGNMENTS**

Each Unit shall have appurtenant thereto two (2) assigned parking stalls as follows:

(1) Unit 45-680 shall have appurtenant thereto two (2) parking stalls designated on said Condominium Map as Stalls No. 3 (compact) and 6 (standard) located on the common element Concrete Driveway.

(2) Unit 45-680A shall have appurtenant thereto two (2) standard parking stalls, one of which is located on the concrete pad within the limited common area appurtenant to Unit 45-680A, and one of which is designated on said Condominium Map as Stall No. 9 located on the common element Concrete Driveway.

(3) Unit 45-680B shall have appurtenant thereto two (2) standard parking stalls located on the concrete pad(s) within the limited common element area appurtenant to Unit 45-608B, as shown on said Condominium Map.

(4) Unit 45-680C shall have appurtenant thereto two (2) parking stalls (one compact and one standard), located on the concrete pad(s) within the limited common element area appurtenant to Unit 45-680C, as shown on said Condominium Map.

(5) Unit 45-680D shall have appurtenant thereto two (2) standard parking stalls, one stall which is located on the concrete pad in the carport attached to said Unit 45-680D, and Stall No. 8 located on the common element Concrete Driveway, both of which are designated on said Condominium Map.

(6) Unit 45-680E shall have appurtenant thereto two (2) compact parking stalls, designated on said Condominium Map as Stall Nos. 1 and 2 located on the common element Concrete Driveway.

(7) Unit 45-680F shall have appurtenant thereto two (2) standard parking stalls, one of which is located on the concrete pad in the limited common element area appurtenant to Unit 45-680F, and Stall No. 7 located on the common element Concrete Driveway, both of which are designated on said Condominium Map.

(8) Unit 45-680G shall have appurtenant thereto two (2) tandem parking stalls (one compact and one standard) located on the concrete pad within the limited common element area appurtenant to Unit 45-680G, as designated on said Condominium Map.

(9) Unit 45-680H shall have appurtenant thereto two (2) standard parking stalls, designated on said Condominium Map as Stall Nos. 10 and 11 located on the common element Concrete Driveway.

(10) Unit 45-680I shall have appurtenant thereto two (2) standard parking stalls located on the concrete pad(s) within the limited common element area appurtenant to Unit 45-680I, as designated on said Condominium Map.

(11) Unit 45-680J shall have appurtenant thereto two (2) compact parking stalls, designated on said Condominium Map as Stall Nos. 4 and 5 located on the common element Concrete Driveway.

**Page 2 and End of Exhibit "E"**

Michael D. Lau
Architect
2151 Wilder Avenue
Honolulu, HI 96822

May 10, 2004

TO: Real Estate Commission:
State of Hawaii

RE: "Koolau Views"
Address/Unit Number: 45-680, 45-680A, B, C, D, E, F, G, H, I , J Apuakea St.
TMK: 1-4-5-37:49 and 1-4-5-37:53

FROM: Michael Lau

I have inspected the structures of the "Koolau Views" Condominium Project. Without making any invasive examination of covered components, my observations during this inspection are:

1. The condition of the buildings is commensurate with its age.
2. The electrical and plumbing systems appear to be in working order.

Very truly yours,

Michael D. Lau
Registered Professional
Architect No. 8385

EXHIBIT "F"

## EXHIBIT "G"

## COMMON ELEMENTS

The common elements shall consist of all portions of the Project except the Units and shall specifically include, but not be limited to:

(a) The land in fee simple.

(b) All pipes, wires, conduits, and other utility and service lines which are utilized for or serve more than one Unit.

(c) That certain Concrete Driveway containing a net area of approximately 10,165 square feet, more or less (10,690 square feet less 525 square feet for the Ditch Right-of-Way as shown on said Condominium Map), providing access to the Units from Apuakea Street and containing the limited common element parking stalls for some of the Units defined hereinbelow, as designated on said Condominium Map.

(d) That certain Ditch Right-of-Way (10 feet wide) as shown on said Condominium Map.

(e) 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 "G"**

## EXHIBIT "H"

## *LIMITED COMMON ELEMENTS*

Certain parts of the common elements are set aside and reserved for the exclusive use of the Units and shall constitute limited common elements appurtenant thereto. Each Unit shall have an exclusive easement for the use of the limited common elements appurtenant thereto, except as otherwise provided in the Declaration. The cost of maintenance, repair, upkeep, and replacement of each limited common element shall be assessed to the owner of the Unit or Units to which such limited common element is appurtenant. The limited common elements shall be appurtenant to each of the Units as follows:

(a) That certain 2,419 square feet, more or less, of the real property of the Project which includes the real property upon which Unit 45-680 is situated, as shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit 45-680.

(b) That certain 2,448 square feet, more or less, of real property of the Project which includes the real property upon which Unit 45-680A is situated, as shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit 45-680A.

(c) That certain 3,842 square feet, more or less, of the real property of the Project which includes the real property upon which Unit 45-680B is situated, as shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit 45-680B.

(d) That certain 3,628 square feet, more or less, of the real property of the Project which includes the real property upon which Unit 45-680C is situated, as shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit 45-680C.

(e) That certain net area of 5,340 square feet, more or less (5,999 square feet less 659 square feet for the common element Ditch Right-of-Way as shown on said Condominium Map), of the real property of the Project which includes the real property upon which Unit 45-680D is situated, as shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit 45-680D.

(f) That certain net area of 3,711 square feet, more or less (4,211 square feet less 500 square feet for the common element Ditch Right-of-Way as shown on said Condominium Map), of the real property of the Project which includes the real property upon which Unit 45-680E is situated, as shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit 45-680E.

(g) That certain 2,777 square feet, more or less, of the real property of the Project which

includes the real property upon which Unit 45-680F is situated, as shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit 45-680F.

(h) That certain 2,583 square feet, more or less, of the real property of the Project which includes the real property upon which Unit 45-680G is situated, as shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit 45-680G.

(i) That certain 2,924 square feet, more or less, of the real property of the Project which includes the real property upon which Unit 45-680H is situated, as shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit 45-680H.

(j) That certain net area of 12,332 square feet, more or less (13,370 square feet less 1,038 square feet for the common element Ditch Right-of-Way as shown on said Condominium Map), of the real property of the Project which includes the real property upon which Unit 45-680I is situated, as shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit 45-680I.

(k) That certain 4,116 square feet, more or less, of the real property of the Project which includes the real property upon which Unit 45-680J is situated, as shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit 45-680J.

(l) Each Unit shall have appurtenant thereto parking stalls as follows:

(1) Unit 45-680 shall have appurtenant thereto two (2) parking stalls designated on said Condominium Map as Stalls No. 3 (compact) and 6 (standard) located on the common element Concrete Driveway.

(2) Unit 45-680A shall have appurtenant thereto two (2) standard parking stalls, one of which is located on the concrete pad within the limited common area appurtenant to Unit 45-680A, and one of which is designated on said Condominium Map as Stall No. 9 located on the common element Concrete Driveway.

(3) Unit 45-680B shall have appurtenant thereto two (2) standard parking stalls located on the concrete pad(s) within the limited common element area appurtenant to Unit 45-608B, as shown on said Condominium Map.

(4) Unit 45-680C shall have appurtenant thereto two (2) parking stalls (one compact and one standard), located on the concrete pad(s) within the limited common element area appurtenant to Unit 45-680C, as shown on said Condominium Map.

(5) Unit 45-680D shall have appurtenant thereto two (2) standard parking stalls,

one stall which is located on the concrete pad in the carport attached to said Unit 45-680D, and Stall No. 8 located on the common element Concrete Driveway, both of which are designated on said Condominium Map.

(6) Unit 45-680E shall have appurtenant thereto two (2) compact parking stalls, designated on said Condominium Map as Stall Nos. 1 and 2 located on the common element Concrete Driveway.

(7) Unit 45-680F shall have appurtenant thereto two (2) standard parking stalls, one of which is located on the concrete pad in the limited common element area appurtenant to Unit 45-680F, and Stall No. 7 located on the common element Concrete Driveway, both of which are designated on said Condominium Map.

(8) Unit 45-680G shall have appurtenant thereto two (2) tandem parking stalls (one compact and one standard) located on the concrete pad within the limited common element area appurtenant to Unit 45-680G, as designated on said Condominium Map.

(9) Unit 45-680H shall have appurtenant thereto two (2) standard parking stalls, designated on said Condominium Map as Stall Nos. 10 and 11 located on the common element Concrete Driveway.

(10) Unit 45-680I shall have appurtenant thereto two (2) standard parking stalls located on the concrete pad(s) within the limited common element area appurtenant to Unit 45-680I, as designated on said Condominium Map.

(11) Unit 45-680J shall have appurtenant thereto two (2) compact parking stalls, designated on said Condominium Map as Stall Nos. 4 and 5 located on the common element Concrete Driveway

(m) One mailbox shall be appurtenant to and for the exclusive use of each Unit.

(n) All pipes, wires, conduits, and other utility and service lines not contained within a Unit but used by and servicing one or more Units, but not all the Units, shall be a limited common element appurtenant to and for the exclusive use of the Unit or Units using and serviced by such pipes, wires, conduits, and other utility and service lines.

**Page 3 and End of Exhibit "H"**

**EXHIBIT "I"**

**PERCENTAGE OF COMMON INTEREST**

Each Unit shall have appurtenant thereto an undivided percentage interest in all common elements of the Project, and the same proportionate share in all common profits and expenses of the Project, for all purposes, including voting, as follows:

| Unit Number | Percentage of Common Interest |
|---|---|
| 45-680 | 5.246 |
| 45-680A | 5.308 |
| 45-680B | 8.330 |
| 45-680C | 7.866 |
| 45-680D | 11.578 |
| 45-680E | 8.046 |
| 45-680F | 6.021 |
| 45-680G | 5.601 |
| 45-680H | 6.340 |
| 45-680I | 26.739 |
| 45-680J | 8.925 |

**End of Exhibit "I"**

**EXHIBIT "J"**

**ENCUMBRANCES AGAINST TITLE**

In accordance with the title report dated May 28, 2004, issued by First Hawaii Title and Escrow of Hawaii, Ltd., the following encumbrances affect title:

1. Real Property Taxes: Tax Key: (1) 4-5-037-049 (PARCEL FIRST)

   Tax Key: (1) 4-5-037-053 (PARCEL SECOND)

   Reference is made to the Department of Finance, City and County of Honolulu.

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

3. AS TO PARCEL FIRST:

   (a) Master Plan Setback Line as shown on Tax Map.

   (b) GRANT

| | |
|---|---|
| *In Favor Of:* | CITY AND COUNTY OF HONOLULU |
| Dated: | October 01, 1964 |
| Book: | 4929 |
| Page: | 254 |
| Purpose: | granting an easement for sewer and incidental purposes through, under and across a portion of EASEMENT III, more particularly described therein |

   (c) EASEMENT IV: Sewer easement 10 feet wide in favor of Lot 29-D-2:

   "Beginning at the Southwest corner of this parcel of land, being also the West corner of Lot B-4-A-2 and on the South side of the Proposed Secondary Approach Road to Wilson Tunnel (80 feet wide), the coordinates of said point of beginning referred to Government Survey Triangulation Station "KAILUA" being 2,825.08 feet North and 9,913.68 feet West, thence running by azimuths measured clockwise from true South:

| | | | | | |
|---|---|---|---|---|---|
| (1) | 8° | 46' | 30" | 51.62 | feet along the remainder of Lot B-4-A-1; |
| (2) | 79° | 06' | | 10.62 | feet along same; |
| (3) | 188° | 46' | 30" | 54.92 | feet along same; |
| (4) | 277° | 12' | | 10.00 | feet along the south side of Mahinui Road to the point of beginning and containing an area of 533 square feet." |

(d) FINAL ORDER OF CONDEMNATION - CIVIL NO. 17875 - FIRST CIRCUIT - STATE OF HAWAII

| | |
|---|---|
| In Favor Of: | CITY AND COUNTY OF HONOLULU |
| Dated: | August 01, 1969 |
| Book: | 6637 |
| Page: | 119 |
| Re: | for a right-of-way over and across Parcel A |

(e) GRANT

| | |
|---|---|
| In Favor Of: | CITY AND COUNTY OF HONOLULU |
| Dated: | September 30, 1976 |
| Book: | 11755 |
| Page: | 124 |
| Purpose: | granting an easement for sewer and incidental purposes through, under and across PARCEL S-1, more particularly described therein |

4. AS TO PARCEL SECOND:

(a) GRANT

| | |
|---|---|
| In Favor Of: | CITY AND COUNTY OF HONOLULU |
| Dated: | October 01, 1964 |
| Book: | 4929 |
| Page: | 248 |
| Purpose: | granting an easement for sewer and incidental purposes through, under and across a portion of EASEMENT V, Temporary Drain Easement 25 feet wide, more particularly described therein |

(b) GRANT

| | |
|---|---|
| In Favor Of: | CITY AND COUNTY OF HONOLULU |
| Dated: | October 01, 1964 |
| Book: | 4929 |
| Page: | 254 |
| Purpose: | granting an easement for sewer and incidental purposes through, under and across a portion of EASEMENT III, more particularly described therein |

(c) EASEMENT VIII: Temporary Drain Easement 25 feet wide in favor of WALTER FURUYA, husband of Florence Mitsue Furuya:

"Beginning at the east corner of this parcel of land, the direct azimuth and distance from the west corner of Lot 67 of "Halekou View Lots", File Plan 825 being 49° 5-' 25.41 feet, thence running by azimuths measured clockwise from true South:

| | | | | | |
|---|---|---|---|---|---|
| (1) | 49° | 50' | | 25.00 | feet along the remainder of Grant 8535 to Wong Pui; |
| (2) | 114° | 11' | 30" | 27.73 | feet along the northeasterly bank of Kaneohe (Kamooalii) Stream; |
| (3) | 229° | 50' | | 27.00 | feet along the remainder of Grant 8535 to Wong Pui; |
| (4) | 277° | 12' | | 10.00 | feet along same to the point of beginning and containing an area of 650 square feet." |

(d) Covenants, conditions, restrictions, reservations, agreements, obligations, exceptions and other provisions as contained in the following:

DEED

Dated: June 29, 1965
Book: 5080
Page: 76
but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons

5. GRANT

In Favor Of: HAWAIIAN ELECTRIC COMPANY, INC. and GTE HAWAIIAN TELEPHONE COMPANY INCORPORATED, a Hawaii corporation, now known as VERIZON HAWAII, INC.
Dated: June 26, 1967
Book: 5730
Page: 266
Purpose: granting an easement for utility and incidental purposes

6. MORTGAGE

| | |
|---|---|
| Loan No. | 01-1433015 |
| Mortgagor: | CREATIVE INDUSTRIES, INC., a Hawaii corporation, ANTONE S. TEIXEIRA, Trustee of the Antone S. Teixeira Revocable Trust dated August 06, 1980, and MARJORY ANN TEIXEIRA, Trustee of the Marjory Ann Teixeira Revocable Trust dated August 06, 1980 |
| Mortgagee: | AMERICAN SAVINGS BANK, F.S.B., a federal savings bank |
| Dated: | April 22, 1992 |
| Document No. | 92-068670 |
| Principal Sum: | $800,000.00<br>The present amount due should be determined by contacting the owner of the debt. |

The foregoing mortgage was assigned by the following:

ASSIGNMENT OF MORTGAGE

| | |
|---|---|
| Loan No. | "Not Available" |
| Assignor: | AMERICAN SAVINGS BANK, F.S.B., a federal savings bank |
| Assignee: | TEX INVESTMENTS, LLC, a Hawaii limited liability company |
| Dated: | November 19, 2001 |
| Effective: | November 23, 2001 |
| Document No. | 2001-183429 |

7. ASSIGNMENT OF LESSOR'S INTEREST IN LEASES AND RENTS

| | |
|---|---|
| Assignor: | CREATIVE INDUSTRIES, INC., a Hawaii corporation, ANTONE S. TEIXEIRA, Trustee of the Antone S. Teixeira Revocable Trust dated August 06, 1980, and MARJORY ANN TEIXEIRA, Trustee of the Marjory Ann Teixeira Revocable Trust dated August 06, 1980 |
| Assignee: | AMERICAN SAVINGS BANK, F.S.B., a federal savings bank |
| Dated: | April 22, 1992 |
| Document No. | 92-068671 |
| Re: | All of Assignor's right, title and interest as security for the repayment of $800,000.00 |

The foregoing ASSIGNMENT OF LESSOR'S INTEREST IN LEASES AND RENTS was assigned by the following:

ASSIGNMENT OF RELATED DOCUMENT

| | |
|---|---|
| Loan No. | "Not Available" |
| Assignor: | AMERICAN SAVINGS BANK, F.S.B., a federal savings bank |
| Assignee: | TEX INVESTMENTS, LLC, a Hawaii limited liability company |
| Dated: | November 19, 2001 |

Effective: November 23, 2001
Document No. 2001-183429

8. AGREEMENT FOR ISSUANCE OF CONDITIONAL USE PERMIT UNDER SECTION 21-4.40-21 OF THE LAND USE ORDINANCE (LUO)

By and Between: ANTONE S. TEIXEIRA, in his fiduciary and not his individual capacity as Trustee of the Antone S. Teixeira Revocable Trust dated August 06, 1980, and MARJORY ANN TEIXEIRA, in her fiduciary and not her individual capacity as Trustee of the Marjory Ann Teixeira Revocable Trust dated August 06, 1980, and CREATIVE INDUSTRIES, INC., a Hawaii corporation
Dated: March 13, 1996
Document No. 96-047317

9. The covenants, agreements, obligations, conditions, easements and other provisions as contained in the following:

DECLARATION OF CONDOMINIUM PROPERTY REGIME OF "KOOLAU VIEWS"

Dated: May 21, 2004
Document No. 2004-107593
but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.

Condominium Map No. 3767, attached thereto, to which reference is hereby made.

(The units created by the foregoing instrument are more particularly described in Schedule "1" attached hereto.)

10. BY-LAWS OF THE ASSOCIATION OF APARTMENT OWNERS OF KOOLAU VIEWS

Dated: May 21, 2004
Document No. 2004-107594
to which reference is hereby made

11. The following encroachment(s), as shown on the survey map prepared by Jaime F. Alimboyoguen, Licensed Professional Land Surveyor, No. 8216, dated --/--/--, recorded May 27, 2004, in the Bureau of Conveyances with Condominium Map 3767:

(a) Portion of Patio from Unit No. 45-680G encroaches into the Old Mahinui Road.
(b) Guy anchor located near north boundary along Old Mahinui Road.
(c) Unit 45-680G encroaches onto sewer easement.
(d) Rock wall from Unit 45-680H encroaches onto sewer easement.
(e) Concrete slab from Unit 45-680I encroaches onto Ditch Right-of-Way (10 feet wide).
(f) Concrete Steps from Unit 45-680D encroaches onto Ditch Right-of-Way (10 feet wide).
(g) Parking Stalls 10 and 11 encroaches onto Ditch Right-of-Way (10 feet wide).
(h) Guy anchor located near east boundary along Apuakea Street.
(i) Utility pole located near southeasterly boundary

**Page 6 and End of Exhibit "J"**

# EXHIBIT "K"

## ESTIMATE OF INITIAL MAINTENANCE FEES
## AND
## ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

| Apartment | Monthly Fee x 12 months = Yearly Total |
|---|---|
| 45-680 | $ 61.35 x 12 = $736.20 |
| 45-680A | $ 62.07 x 12 = $744.84 |
| 45-680B | $ 97.41 x 12 = $1,168.92 |
| 45-680C | $ 91.99 x 12 = $1,103.88 |
| 45-680D | $ 135.40 x 12 = $1,624.80 |
| 45-680E | $ 94.09 x 12 = $1,129.08 |
| 45-680F | $ 70.41 x 12 = $844.92 |
| 45-680G | $ 65.50 x 12 = $786.00 |
| 45-680H | $ 74.14 x 12 = $889.68 |
| 45-680I | $ 312.69 x 12 = $3,752.28 |
| 45-680J | $ 104.37 x 12 = $1,252.44 |

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

**Estimate of Maintenance Fee Disbursements:**

| | Monthly Fee x 12 months = Yearly Total |
|---|---|
| Utilities and Services | |
| Air Conditioning | |
| Electricity | |
| [ ] common elements only | |
| [ ] common elements and apartments | |
| Elevator | |
| Gas | |
| [ ] common elements only | |
| [ ] common elements and apartments | |
| Refuse Collection | |
| Telephone | |
| Water and Sewer | ** Individually Sub-Metered - Costs will be* billed directly to the units based on usage. |
| Maintenance, Repairs and Supplies | |
| Building | |
| Grounds | |
| Tenting Maintenance | $ 91.67 x 12 = $ 1,100.00 |
| Sentricon Maintenance | $ 175.00 x 12 = $2,100.00 |
| Management | |
| Management Fee | $ 250.00 x. 12 = $3,000.00 |
| Payroll and Payroll Taxes | |
| Office Expenses | |
| Insurance | $ 208.33 x 12 = $2,500.00 |
| Reserves(*) | $ 444.42 x 12 = $5,333.00 |
| Taxes and Government Assessments | |
| Audit Fees | |
| Other | |
| **TOTAL** | **$ 1,169.42 x 12 = 14,033.00** |

I, Norman A. Teixiera, Attorney-in-Fact for Antone S. Teixeira, Trustee , the Member Manager for the Developer, Tex Investments LLC, for the "Koolau Views" condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Signature

6/2/2004
Date

(*) Mandatory reserves assessment and collection in effect beginning 1994 budget year. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves", the Developer has conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

Pursuant to §514A-83.6, HRS, a new association created after January 1, 1993, need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

***Developer's Explanation re: "Reserves"***

Based on the reserve study prepared by the Developer, the following items are included in the "Reserves" for the Project:

| | | |
|---|---|---|
| Road - Striping | $1,000 every 3 years | $ 27.75/mo. x 12 = $333.00/yr. |
| Road - Replacement | $150,000 every 50 years | $ 250.00/mo. x 12 = $3,000.00/yr. |
| Water lines, fence, etc. | $ 20,000 every 10 years | $ 166.67/mo. x. 12 = 2,000.00/yr. |

**Page 3 and End of Exhibit "K"**

## EXHIBIT "L"

## SUMMARY OF SALES CONTRACT

The specimen Sales Contract (Deposit, Receipt, Offer and Acceptance) contains, among other things, the following provisions:

1. Risk of Loss and Insurance. Risk of loss passes to Buyer upon closing or possession, whichever occurs sooner.

2. Time is of the Essence/Default. Time is of the essence of the obligations of Buyer under this Agreement. In the event Buyer fails to perform Buyer's obligations under the Sales Contract, Seller may (a) bring an action for damages for breach of contract, or (b) retain the initial deposit and all additional deposits provided by Buyer as liquidated damages, and the Buyer shall be responsible for any costs incurred in accordance with the Sales Contract.

3. Conversion of Existing Building; No Warranties. Buyer is aware, agrees and affirms that the Project consists of a conversion of a existing dwellings relocated and constructed in 1967 and 1968. It is expressly understood and agreed by and between Seller and Buyer that SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE UNITS, OR CONSUMER PRODUCTS OR ANYTHING ELSE INSTALLED IN THE UNIT OR IN THE PROJECT, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS OF THE UNIT FOR A PARTICULAR PURPOSE.

4. Existing "As Is" Condition. Buyer agrees the Unit is being purchased in its "AS IS" condition, without any warranties or representations, expressed or implied. Buyer acknowledges that Buyer will be given an opportunity to inspect the Unit and by closing on the sale of the Unit, Buyer accepts the Unit in its "AS IS" condition as provided for herein.

5. Mediation And Arbitration. If any dispute or claim in law or equity arises out of this Agreement, and Buyer and Seller are unable to resolve the dispute themselves, Buyer and Seller agree in good faith to attempt to settle such dispute or claim by mediation under the Commercial Mediation rules of the American Arbitration Association. If such mediation is not successful in resolving such dispute or claim, then such dispute or claim shall be decided by a neutral binding arbitration before a single arbitrator in accordance with the Commercial Arbitration rules of the American Arbitration Association. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator may award reasonable attorney's fees and costs to the prevailing party.

**End of Exhibit "L"**

## EXHIBIT "M"

## SUMMARY OF ESCROW AGREEMENT

An escrow agreement (hereinafter called the "Escrow Agreement") detailing the manner in which purchasers' funds are to be handled, has been executed and a copy thereof has been filed with the Commission. The Escrow Agent is FIRST HAWAII TITLE & ESCROW OF HAWAII, LTD. (hereinafter referred to as "Escrow"). The escrow agreement, among other things, contains the following provisions:

1. Payment of Funds to Escrow. As and when Purchaser enters into a Sales Contract for the conveyance of an apartment in the Project, it shall require the payment due thereunder to be promptly made to Escrow, and shall deliver an executed copy thereof to Escrow together with the name(s) and address(es) of the purchaser(s). Developer shall specify in writing to Escrow whether the purchaser's funds were received prior to or subsequent to the issuance by the Real Estate Commission of a Contingent Final Public Report or Final Public Report (as those terms are used in the Condominium Act). Developer shall also promptly provide a pay over to Escrow all monies received by Developer from or on behalf of the purchasers, including those received pursuant to any Sales Contract, and all funds representing purchasers Permanent Loans as defined below, and all other monies received from purchasers of apartments in the Project, and Escrow shall promptly receipt therefor.

2. Receipt of Funds by Escrow. Escrow shall receive, deposit and hold in separate escrow accounts and disburse as herein set forth: (a) all payments received by it under Sales Contracts, (b) such sums received by it hereunder from or for the account of Developer, and (c) all sums received by it from any other source with respect to the Project. Escrow shall not at any time commingle or permit the commingling of any purchaser's funds with funds belonging to or held for the benefit of Developer.

3. Disbursement of Purchaser's Funds. Escrow shall make no disbursements of purchaser's funds or proceeds on the sale of such apartments (including any payments made on loan commitments from Permanent Lenders), except by way of refunds thereof as provided in the Escrow Agreement, until: (a) Escrow receives a copy of a "Receipt for Public Report(s) and Notice of Right to Cancel", in the form specified by Section 514A-62 of the Condominium Act for the Final and any Supplementary Public Reports, executed by the purchaser; (b) Escrow has received a certification from Developer, acceptable to Escrow, stating that the Sales Contract has become effective and requirements of Section 514A-63 has been met as those quoted phrases are used in Section 5 14A-65 of the Condominium Act; and (c) until the purchaser's apartment deed is filed in the Land Court or the Bureau of Conveyances of the State of Hawaii, as the case may be.

4. Refunds to Purchaser; Return of Documents. A purchaser shall be entitled to a return of his or her funds, and Escrow shall pay such funds to such purchaser if one of the following has occurred:

   a) Escrow receives a written request from Developer and purchaser to return to the purchaser the funds of the purchaser then being held hereunder by Escrow; or

b) Developer and purchaser notify Escrow in writing of Developer's exercise of any option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available to Developer; or

c) Developer and purchaser notify Escrow that the conditions provided for a refund under Sections 514A-62 or 514A-63 of the Condominium Act have been met.

Upon occurrence of any of the forgoing entitling a purchaser to a refund of his or her funds, neither purchaser nor Developer shall be obligated under the Sales Contract, and Escrow shall return said funds to purchaser, and return to Developer such purchaser's Sales Contract. Other documents delivered to Escrow relating to the sale of the apartment identified in such Sales Contract will be returned to the person from whom or entity from which they were received.

All escrow proceeds to be returned under this paragraph 8 shall not include any interest that has been generated by such purchaser's funds, except as otherwise provided in any rider to this Agreement or Sales Contract.

5. Purchaser's Default. If the purchaser fails to make any payment on or before the due date thereof or if the purchaser does or fails to do any other act which would constitute an event of default under the Sales Contract, Developer shall give to such purchaser written notice of such default with a copy to Escrow. If a purchaser fails to make any payment under the Sales Contract, Developer shall give to such purchaser written notice of such default with a copy to Escrow. If a purchaser fails to make any payment under the Sales Contact within the time specified in a notice by the Developer or fails to provide to Escrow any document required for closing within the time specified in a notice by Developer or Escrow, Escrow shall so advise the Developer with reasonable promptness. If purchaser has failed to cure the default after the delivery of notice by Developer and such default continues after the expiration of any grace period, Developer shall so advise Escrow. If Developer shall thereafter certify in writing to Escrow (i) that Developer has elected to terminate the Sales Contract and has notified the purchaser, or (ii) that purchaser is otherwise in default and provides Escrow with a copy of the default notice, then, and in either event, Escrow shall thereafter treat all funds of the purchaser paid under such Sales Contract, or any portion thereof as may be allowed by said Sales Contract, less the cancellation fee and expenses of Escrow, as funds of Developer and not of the purchaser. Thereafter, such funds shall be held free of the escrow established by this Agreement and shall be held by Escrow for the account of Developer. Upon written request by Developer, Escrow shall pay such funds to Developer or order and shall return to Developer the Sales Contract of such purchaser and any other documents theretofore delivered to Escrow in connection with the purchase of the apartment specified in such Sales Contract shall be returned to the person from whom or entity from which such documents were received.

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU
650 SOUTH KING STREET • HONOLULU, HAWAII 96813
TELEPHONE: (808) 523-4414 • FAX: (808) 527-6743 • INTERNET: www.co.honolulu.hi.us

JEREMY HARRIS
MAYOR

ERIC G. CRISPIN, AIA
DIRECTOR

BARBARA KIM STANTON
DEPUTY DIRECTOR

2003/ELOG-2243(LT)

July 31, 2003

Ms. Tammi Sweeney
Abe Lee Realty
P.O. Box 61099
Honolulu, Hawaii 96839

Dear Ms. Sweeney:

Subject: Condominium Conversion Project
45-680 and 45-680 A, B, C, D, E, F, G, H, I & J Apuakea Street
Tax Map Key: 4-5-37: por. 49 and 53

This is in response to your letter dated June 13, 2003 requesting verification that the structures on the above-mentioned property met all applicable code requirements at the time of construction.

Investigation revealed that the 11 one-story single-family detached dwellings with 11 all-weather surface off-street parking spaces met all applicable code requirements when they were relocated and constructed in 1967 and 1968 on this 44,101-square foot R-5 Residential zoned lot.

Investigation also revealed the following:

1. The 11 dwellings are considered to be nonconforming dwelling units.

2. The number of all-weather surface parking spaces (11) is considered to be nonconforming.

3. On April 4, 1996, 95/CUP1-29 was approved with conditions for a joint development of two parcels (TMK: 4-5-37: por. 49 and 53) to be considered as one zoning lot.

EXHIBIT "N"

4. On October 31, 1998, 96/EU-08 was approved with conditions for the 11 dwellings.

5. A minimum of 22 all-weather surface off-street parking spaces (two spaces per dwelling) shall be provided prior to the issuance of any building permits (96/EU-08, Condition #8).

For your information, the Department of Planning and Permitting cannot determine all other nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes.

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

Conversion to a condominium property regime (CPR) is not recognized by the City and County as an approved subdivision. CPR delineates ownership; it does not create a separate lot of record.

If you have any questions regarding this matter, please contact Mr. Ivan Matsumoto or our Commercial and Multi-family Code Enforcement Branch at 527-6341.

Sincerely yours,

ERIC G. CRISPIN, AIA
Director of Planning and Permitting

EGC:ft
Doc 236943

FILE NO. : 96/CUP1-29
PROJECT : Joint Development - Section 21-4.40-21
APPLICANT : Creative Industries, Inc.
LOCATION : 45-660 Mahinui Road and 45-680 Apuakea Street - Kaneohe
TAX MAP KEY: 4-5-37: 49 and 53

APPROVAL, subject to the following conditions:

1. Within 90 days from the date of this action, the applicant shall obtain approval from the Director of Land Utilization to amend Existing Use Permit No. 95/EU-5, to include the dwellings located on Tax Map Key 4-5-37: 49. In the event the application to amend the Existing Use Permit is denied, withdrawn, or expires, this Conditional Use Permit shall become null and void.

2. All lots or parcels identified in Exhibits "A-1" and "A-2" of the approved joint development agreement shall be considered to be one zoning lot.

3. The approved agreement shall be filed with the Bureau of Conveyances and/or the Assistant Registrar of the Land Court of the State of Hawaii. Proof of such filing shall be in the form of a copy certified by the appropriate agency and shall be submitted to the Department of Land Utilization (Zoning Adjustments Branch) before any building/sign permit is issued.

4. This application has only been reviewed and approved pursuant to the provisions of Section 21-4.40-21, and development shall comply with all other provisions of the Land Use Ordinance.

5. Approval of this Conditional Use Permit shall not be construed as approval of any building/sign permit application; such applications are reviewed separately and shall comply with applicable codes and regulations.

6. This approval may be revoked by the Director of Land Utilization when there is a breach of any of the conditions stated above; provided that, for good cause, the Director may amend the above conditions.

C96CUP29.ntt

R-514

STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED

APR 08, 1996 11:30 AM

Doc No(s) 96-047317

/s/CARL T. WATANABE
ACTING
REGISTRAR OF CONVEYANCES

After Recordation Return By: Mail ( ) Pickup ( ) To:
AILEEN SHIN
971 WAIKOLO ST
HONO HI 96821

AGREEMENT FOR ISSUANCE OF CONDITIONAL USE PERMIT UNDER SECTION 21-4.40-21 OF THE LAND USE ORDINANCE (LUO)

THIS INDENTURE, made this 13th day of MARCH, 1996, by ANTONE S. TEIXEIRA, in his fiduciary and not his individual capacity as Trustee of the Antone S. Teixeira Revocable Living Trust dated August 6, 1980, MARJORY ANN TEIXEIRA, in her fiduciary and not her individual capacity as Trustee of the Marjory Ann Teixeira Revocable Living Trust dated August 6, 1980, and CREATIVE INDUSTRIES, INC., a Hawaii corporation, fee simple Owners of those certain parcels of land described in Exhibits "A-1" and "A-2", attached hereto and made a part hereof, being hereinafter collectively referred to as "Declarants".

W I T N E S S E T H:

WHEREAS, Section 21-4.40-21 of the Land Use Ordinance (LUO) provides that if an owner or owners of adjacent lots believe that joint development of their property would result in more efficient use of their land, they may apply for a Conditional Use Permit to allow such development and to treat said lots as one (1) for zoning purposes; and

WHEREAS, LUO Section 21-4.40-21 requires an applicant for a Conditional Use Permit to submit to the City and County of Honolulu ("City") an agreement binding himself and his successors in title to maintain a proposed development so that conformity with the applicable zoning regulations will be assured; and

WHEREAS, Declarants propose to develop all of those parcels of land described in Exhibits "A-1" and "A-2", attached hereto, in accordance with the zoning regulations, in the belief that said proposed development would result in a more efficient use of said parcels; and

WHEREAS, Declarants desire to avail themselves of the benefits of LUO Section 21-4.40-21, and hereby make application for the issuance of a Conditional Use Permit pursuant thereto.

NOW, THEREFORE, Declarants hereby covenant and make the following Declaration:

1. This Agreement is made pursuant to and in compliance with the provisions of LUO Section 21-4.40-21, relating to joint development of two (2) or more adjacent lots, the terms of which Section shall be effective when the Director of Land Utilization of the City and County of Honolulu, State of Hawaii, approves development of those parcels of land described in Exhibits "A-1" and "A-2", and issues a Conditional Use Permit therefor.

2. Declarants agree to develop in accord with all other provisions of the zoning regulations.

3. Declarants agree to file copies of this Agreement and the attachments referred to herein each time the Declarants or their successors, or permitted assigns or agents, files an application for a building permit for any structure within the real property which is the subject of this Agreement.

4. Declarants agree that all of said parcels of land described in Exhibits "A-1" and "A-2" shall at all times remain an integral part of said development.

5. Failure to develop substantially in accordance with said Agreement and the zoning regulations shall constitute grounds for the City to revoke or suspend any building permits issued hereunder.

6. Failure to maintain the development in accordance with this Agreement shall constitute grounds for the City to revoke or suspend the Conditional Use Permit issued pursuant to this Agreement.

7. This Agreement shall not terminate, extinguish, nor cancel without the express written approval of the Director of Land Utilization of the City and County of Honolulu, State of Hawaii.

8. The City and County of Honolulu, State of Hawaii, shall have the right to enforce this Agreement and the conditions contained herein by appropriate action at law or suit in equity against the Declarants and any person claiming an interest in such property.

IT IS EXPRESSLY UNDERSTOOD AND AGREED that this Agreement shall run with the land and shall bind, inure to the benefit of, and constitute notice to the respective successors, grantees, assignees, mortgagees, lienors, and any other person who claims an interest in such property, of the parties hereto.

DECLARANTS

ANTONE S. TEIXEIRA REVOCABLE LIVING TRUST

By _____
Antone S. Teixeira, Trustee
of the Antone S. Teixeira
Revocable Living Trust,
Dated August 6, 1980

MARJORY ANN TEIXEIRA REVOCABLE LIVING TRUST

By _____
Marjory Ann Teixeira, Trustee
of the Marjory Ann Teixeira
Revocable Living Trust,
Dated August 6, 1980

CREATIVE INDUSTRIES, INC.

By _____
Aileen C. K. Shin

Its Vice President

STATE OF HAWAII )
) SS.
CITY AND COUNTY OF HONOLULU )

On this 19th day of MARCH, 1996, before me personally appeared ANTONE S. TEIXEIRA, Trustee as aforesaid, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed as such Trustee.

LS

Notary Public, State of Hawaii
My Commission Expires: 10-14-97

STATE OF HAWAII )
) SS.
CITY AND COUNTY OF HONOLULU )

On this 19th day of MARCH, 1996, before me personally appeared MARJORY ANN TEIXEIRA, Trustee as aforesaid, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that she executed the same as her free act and deed as such Trustee.

LS

Notary Public, State of Hawaii
My Commission Expires: 10-14-97

STATE OF HAWAII )
) SS.
CITY AND COUNTY OF HONOLULU )

On this 13th day of MARCH, 1996, before me appeared AILEEN C. K. SHIN to me personally known, who being duly sworn, did say that she is the Vice President of CREATIVE INDUSTRIES, INC., a Hawaii corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and that said officer acknowledged said instrument to be the free act and deed of said corporation.

Notary Public, State of Hawaii
My Commission Expires: 10-14-97

LS

EXHIBIT A-1

DESCRIPTION OF

PORTION OF LOT B-4-A-1

ALL those certain pieces or parcels of land being portions of Lot B-4-A-1, being also a portion of Lot 30 of the Halekou-Waikalua-Kai Subdivision and being also a portion of Grant 8535 to Wong Pui.

Situate at Kaneohe, Koolaupoko, Oahu, Hawaii.

Beginning at the west corner of this parcel of land, the same being the north corner of a portion of Section 5 of Grant 6930, Apana 8 to Harold K. L. Castle and on the southerly side of Old MahinuiRoad, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KAILUA" being 2,940.54 feet North and 9,865.62 feet West and thence running by azimuths measured clockwise from true South:

| | | | | |
|---|---|---|---|---|
| 1. | 256° | 17' | 53.62 feet | along Old Mahinui Road; |
| 2. | 277° | 12' | 91.20 feet | along Old Mahinui Road; |
| 3. | 301° | 34' | 116.42 feet | along Old Mahinui Road; |
| 4. | 79° | 06' | 134.09 feet | along Lot B-4-A-2; |
| 5. | 127° | 10' | 101.40 feet | along Section 5 of Grant 6930, Ap. 8 to Harold K. L. Castle; |
| 6. | 129° | 02' | 37.92 feet | along Section 5 of Grant 6930, Ap. 8 to Harold K. L. Castle to the point of beginning and containing an area of 12,336 square feet. |

SUBJECT, HOWEVER, TO a portion of Sewer Easement III and all of Sewer Easement VI as shown on a map prepared by Park Engineering, Inc. dated July 9, 1962.

WALTER P. THOMPSON, INC.

Honolulu, Hawaii
March 22, 1996

By James R. Thompson
Licensed Professional
Land Surveyor 3627-S

JAMES R. THOMPSON
LICENSED
PROFESSIONAL
LAND
SURVEYOR
No. 3627
HAWAII, U.S.A.

EXHIBIT A-2

DESCRIPTION OF

PORTION LOT B-4-A-2

ALL of those certain pieces or parcels of land being portions of Lot B-4-A-2, being also a portion of Lot 30 of the Halekou-Waikalua-Kai Subdivision and being also a portion of Grant 8535 to Wong Pui.

Situate at Kaneohe, Koolaupoko, Oahu, Hawaii.

Beginning at the east corner of this parcel of land, the same being the north corner of Lot B-4-A-3 and on the westerly side of Apuakea Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KAILUA" being 2,789.43 feet North and 9,465.93 feet West and thence running by azimuths measured clockwise from true South:

| | | | | | |
|---|---|---|---|---|---|
| 1. | 66° | 50' | | 100.00 feet | along Lot B-4-A-3; |
| 2. | 333° | 36' | | 98.10 feet | along Lots B-4-A-3 and B-4-A-4; |
| 3. | 130° | 07' | | 91.20 feet | along Parcel 5 of the Kamooalii-Kaneohe Stream Flood Control Project; |
| 4. | 115° | 40' | 30" | 76.43 feet | along Parcel 5 of the Kamooalii-Kaneohe Stream Flood Control Project; |
| 5. | 134° | 40' | | 144.10 feet | along Section 5 of Grant 6930, Ap. 8 to Harold K. L. Castle; |
| 6. | 259° | 06' | | 134.09 feet | along Lot B-4-A-1; |
| 7. | 301° | 34' | | 3.18 feet | along Old Mahinui Road; |
| 8. | 245° | 55' | | 9.42 feet | along Old Mahinui Road; |
| 9. | 259° | 06' | | 86.63 feet | along Lot 5; |

Thence along Lot 5 and along the westerly side of Apuakea Street on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being

10. 304° 06' 42.43 feet;

Thence along the westerly side of Apuakea Street on a curve to the left with a radius of 422.00 feet, the chord azimuth and distance being

11. 342° 58' 90.18 feet to the point of beginning and containing an area of 31,765 square feet.

SUBJECT, HOWEVER, TO a portion of a 25-Ft. wide HECO Power Line Easement as shown on HECO Drawing No. 67-30.

WALTER P. THOMPSON, INC.

Honolulu, Hawaii
March 22, 1996

By James R. Thompson
Licensed Professional
Land Surveyor 3627-S

JAMES R. THOMPSON
LICENSED PROFESSIONAL LAND SURVEYOR
No. 3627
HAWAII, U.S.A.

Subject: Existing Use Permit No. 96/EU-8
Project: Shin Existing Use
Location: 45-680 Apuakea Street and 45-660 Mahinui Road - Kailua
Tax Map Key: 4-5-37: 49 and 53

**Approved** as an Existing Use Permit (EU) in accordance with Land Use Ordinance (LUO), Section 3.130 and the application documents (DLU date-stamped August 28, 1996), subject to the following conditions:

1. This EU permit shall supersede file number 95/EU-2, and is only for the continued use, repair, alteration, expansion, relocation, or reconstruction of the 11 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 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. 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.

3. 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.

4. 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.

5. 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. Reconstructed dwellings shall have a minimum 16-foot driveway depth fronting the garage/carport.

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.

6. 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.

7. Maximum building area shall not exceed 30 percent of the subdivided lot area *(44,092 square feet)*. If the property is condominiumized, then the maximum building area shall not exceed 40 percent of the area for each limited common element.

8. A minimum of 22 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).

9. An all-weather surface shall be provided at all driveway and parking areas, prior to the issuance of any building permits, subsequent to this approval. The paved driveway shall be a minimum 16-feet wide and extend from Apuakea Street to all parking areas.

10. 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.

11. 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.

12. Expansion, relocation or reconstruction of any dwelling unit 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.

13. 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.

14. For good cause, the Director of Land Utilization may impose additional requirements and/or amend the above conditions.

DEPARTMENT OF PLANNING AND PERMITTING
**CITY AND COUNTY OF HONOLULU**
650 SOUTH KING STREET • HONOLULU, HAWAII 96813
TELEPHONE: (808) 523-4414 • FAX: (808) 527-6743 • INTERNET: www.co.honolulu.hi.us

JEREMY HARRIS
MAYOR

ERIC G. CRISPIN, AIA
DIRECTOR

BARBARA KIM STANTON
DEPUTY DIRECTOR

KATHY SOKUGAWA
ACTING DEPUTY DIRECTOR

March 2, 2004

2004/ELOG-77(js)
96/EU-8

Ms. Tammy Sweeney
Abe Lee Realty
P.O. Box 61099
Honolulu, Hawaii 96839

Dear Ms. Sweeney:

Fence Master Plan
Condominium Property Regime Documents
Request to Modify Driveway Width
Apuakea Estates Existing Use (File No. 96/EU-8)
45-680 and 45-680A to 45-680F Apuakea Street - Kaneohe
Tax Map Keys 4-5-037:049 and 53

This is in response to your draft condominium property regime (CPR) plan and document and proposed fence master plan (DPP date-stamped December 17, 2003), and your request (letter and plan DPP date-stamped January 14, 2004) to modify Condition 9 of the above permit.

We have reviewed your proposed CPR plan and Fence Master Plan (FMP). Except for the portion of the driveway adjacent to the retaining rock wall, all new or reconstructed fences fronting the driveway must be setback a minimum of 2 feet from the driveway edge and landscaped. All other fences may be located on the CPR lines as shown. Additionally, in accordance with Condition 10, "All 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." A revised FMP showing or noting the required setbacks must be included in the Declaration of Property Regime documents and resubmitted for our review and approval.

We have consulted with the Fire Department (HFD, see attached memorandum) regarding the internal driveway widths. The HFD determined that the pavement widths would be adequate if the driveway is repaved in accordance with your plans. The four problem areas you describe as areas "A" to "D" may be less than 16 feet. All other areas of the paved driveway must be a minimum of 16 feet wide.

Prior to the issuance of any building permits, the driveway must be repaved with an all-weather surface. Should you have further questions, please contact Joyce Shoji of our Urban Design Branch at 527-5354.

Sincerely yours,

for ERIC G. CRUSPIN, AIA
Director of Planning
and Permitting

EGC:pl
Encl.: Receipt No. 51241

Doc. 270142

FIRE DEPARTMENT
**CITY AND COUNTY OF HONOLULU**
3375 KOAPAKA STREET, SUITE H425 • HONOLULU, HAWAII 96819-1869
TELEPHONE: (808) 831-7761 • FAX: (808) 831-7750 • INTERNET: www.honolulufire.org

2004 FEB 20 PM 4 12

JEREMY HARRIS
MAYOR

ATTILIO K. LEONARDI
FIRE CHIEF

JOHN CLARK
DEPUTY FIRE CHIEF

February 18, 2004

TO: ERIC G. CRISPIN, AIA, DIRECTOR
DEPARTMENT OF PLANNING AND PERMITTING

FROM: ATTILIO K. LEONARDI, FIRE CHIEF

SUBJECT: MODIFICATION REQUEST FOR EXISTING USE PROPERTY
PROJECT: APUAKEA EXISTING USE PERMIT NO. 96/EU-8
LOCATION: 45-660 MAHINUI ROAD AND 45-680 APUAKEA STREET
TAX MAP KEYS: 4-5-037: 049 AND 053

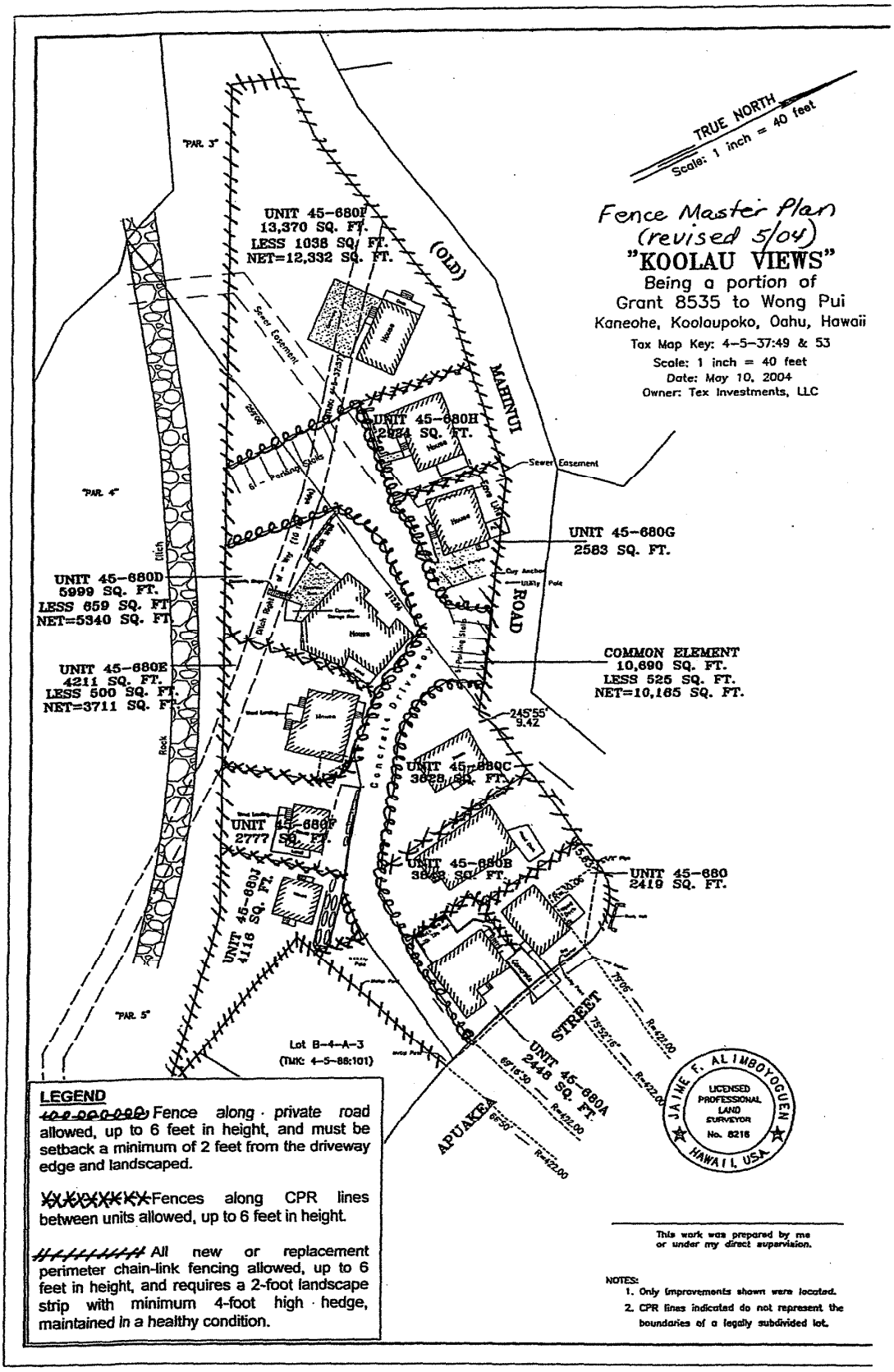
We received your memorandum dated January 30, 2004, requesting our review and comments on the above-mentioned project.

The Honolulu Fire Department conducted on-site inspections of the properties and has determined that the driveway widths will be adequate for fire apparatus access, provided all of the driveways are repaved according to the owner's proposal.

Should you have any questions, please call Battalion Chief Lloyd Rogers of our Fire Prevention Bureau at 831-7778.

ATTILIO K. LEONARDI
Fire Chief

AKL/SK:bh


TRUE NORTH
Scale: 1 inch = 40 feet
Fence Master Plan
(revised 5/04)
"KOOLAU VIEWS"
Being a portion of
Grant 8535 to Wong Pui
Kaneohe, Koolaupoko, Oahu, Hawaii
Tax Map Key: 4-5-37:49 & 53
Scale: 1 inch = 40 feet
Date: May 10, 2004
Owner: Tex Investments, LLC
UNIT 45-680F
13,370 SQ. FT.
LESS 1038 SQ. FT.
NET=12,332 SQ. FT.
UNIT 45-680H
2424 SQ. FT.
UNIT 45-680G
2583 SQ. FT.
UNIT 45-680D
5999 SQ. FT.
LESS 659 SQ. FT.
NET=5340 SQ. FT.
UNIT 45-680E
4211 SQ. FT.
LESS 500 SQ. FT.
NET=3711 SQ. FT.
COMMON ELEMENT
10,690 SQ. FT.
LESS 525 SQ. FT.
NET=10,165 SQ. FT.
UNIT 45-680C
3628 SQ. FT.
UNIT 45-680F
2777 SQ. FT.
UNIT 45-680B
3662 SQ. FT.
UNIT 45-680
2419 SQ. FT.
UNIT 45-680J
4116 SQ. FT.
UNIT 45-680A
2448 SQ. FT.
Lot B-4-A-3
(TMK: 4-5-88:101)
"PAR. 3"
"PAR. 4"
"PAR. 5"
(OLD)
MAHINUI
ROAD
APUAKEA
STREET
Sewer Easement
Concrete Driveway
Ditch
Rock
JAIME F. ALIMBOYOGUEN
LICENSED PROFESSIONAL LAND SURVEYOR
No. 8216
HAWAII, USA
LEGEND
Fence along private road allowed, up to 6 feet in height, and must be setback a minimum of 2 feet from the driveway edge and landscaped.
Fences along CPR lines between units allowed, up to 6 feet in height.
All new or replacement perimeter chain-link fencing allowed, up to 6 feet in height, and requires a 2-foot landscape strip with minimum 4-foot high hedge, maintained in a healthy condition.
This work was prepared by me or under my direct supervision.
NOTES:
1. Only improvements shown were located.
2. CPR lines indicated do not represent the boundaries of a legally subdivided lot.