DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM

CONDOMINIUM PROJECT NAME	KOKO HEAD SFRs CONDOMINIUM
Project Address	1012 Koko Head Avenue, Honolulu, HI 96816
Registration Number	6826 (Conversion)
Effective Date of Report	June 30, 2009
Developer(s)	1012 Cocohead Avenue LLC

Preparation of this Report

The Developer prepared this report to disclose relevant information, including "material facts", that are reasonably known to the Developer about the condominium project covered by this report. This report has been prepared pursuant to the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, as amended from time to time. The law defines "material facts" to mean "any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale."

This report has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts or all pertinent changes, or both, about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

This report may be used by the Developer for promotional purposes only if it is used in its entirety. No person shall advertise or represent that the Commission has approved or recommended the project, this report or any of the documents submitted with Developer's application for registration of this project.

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, including any omitted material facts, together with such supporting information as may be required by the Commission. In addition, the Developer may choose at any time to change or update the information in this report. Annually, at least thirty days prior to the anniversary date of the Effective Date of this report, the Developer shall file an annual report to update the material contained in this report. If there are no changes, the Developer is required to state that there are no changes. The Developer's obligation to amend this report or to file annual reports ends when the initial sales of all units in the project have been completed.

Purchasers are encouraged to read this report carefully and to seek professional advice before signing a sales contract for the purchase of a unit in the project.

Signing a sales contract may legally bind a purchaser to purchase a unit in the project, though a purchaser may have rights to cancel or rescind a sales contract under particular circumstances that may arise.

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

SPECIAL ATTENTION

[Use this page for special or significant matters which should be brought to the purchaser's attention and that are not covered elsewhere in this report.]

This is a **CONDOMINIUM PROJECT,** not a subdivision. It does not involve the sale of individual subdivided lots. The land area beneath and immediately appurtenant to each unit is designated a **LIMITED COMMON ELEMENT** and 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 Commissions, or any other government agency, nor does it ensure that all applicable County codes, ordinances and subdivision requirements have been complied with.
2. Facilities and improvements normally associated with county approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for, and services such as County street maintenance and trash collection will not be available for interior roads and driveways.

The prospective purchaser is cautioned to carefully review the condominium documents referenced in this public report for further information with regard to the foregoing.

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General Information On Condominiums

A condominium is a special form of ownership of real property. To create a condominium in Hawaii after July 1, 2006, the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, must be followed. 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 and/or the building(s) and other improvements are leased to the purchaser. The lease for the land usually requires that at the end of the lease term, the lessees (unit owners) deliver their interest in the land to the lessor (fee property owner).

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

You will be entitled to exclusive ownership and possession of your unit. Subject to the documents governing them, condominium units may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift or operation of law.

Your unit will, however, be part of the group of units that comprise the condominium project. Study the project's Declaration of Condominium Property Regime, Bylaws of the Association of Unit Owners, Condominium Map and House Rules, if any, which are being concurrently delivered to you with this report. These documents contain important information on the use and occupancy of the units and the common elements of the project, as well as the rules and regulations of conduct for unit owners, tenants and guests.

Operation of the Condominium Project

The Association of Unit Owners is the entity through which unit owners may take action with regard to the administration, management and operation of the condominium project. Each unit 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 a unit owner. The Board and officers can take certain actions without the vote of the unit owners. For example, the Board may hire and fire employees, increase or decrease maintenance fees, adopt budgets for revenues, expenses and reserves and regulate the use, maintenance, repair and replacement of common elements. Some of these actions may significantly impact the unit owners.

Until there is a sufficient number of purchasers of units to elect a majority of the Board, it is likely at first 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 purchasers should understand that it is important to all unit owners that the transition of control from the Developer to the unit owners be accomplished in an orderly manner and in a spirit of cooperation.

1. THE CONDOMINIUM PROJECT

1.1 The Underlying Land

Fee Simple or Leasehold Project	☒ Fee Simple ☐ Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	☒ Yes ☐ No
Fee Owner's Name if Developer is not the Fee Owner	
Address of Project	1012 Koko Head Avenue, Honolulu, HI 96816
Address of Project is expected to change because	
Tax Map Key (TMK)	(1) 3-2-014-042
Tax Map Key is expected to change because	A CPR number will be added to the TMK
Land Area	8540 square feet
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	

1.2 Buildings and Other Improvements

Number of Buildings	2
Floors Per Building	1
Number of New Building(s)	0
Number of Converted Building(s)	2
Principle Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Wood

1.3 Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc)	Total Area
1012	1	5/2	1294 sf	321 sf	carport	1615 sf
1018	1	1/1	478 sf	982 sf	lanai	1460 sf
See Exhibit _____ .						

2	**Total Number of Units**

Note: Net Living Area is the floor area of the unit measured from the interior surface of the perimeter walls of the unit. Other documents and maps may give floor area figures that differ from those above because a different method of determining floor area may have been used.

1.4 Parking Stalls

Total Parking Stall in the Project:	3
Number of Guest Stalls in the Project:	0
Number of Parking Stalls Assigned to Each Unit:	2 for #1012; 1 for #1018

Attach Exhibit _____ specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact or tandem and indicate whether covered or open).

If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights.

N/A

1.5 Boundaries of the Units

Boundaries of the unit:

The spaces within the perimeter walls, floors, and ceilings of each unit.

1.6 Permitted Alterations to the Units

Permitted alterations to the unit (if the unit is defined as a non-physical or spatial portion of the project, also describe what can be built within such portion of the project):

see Exhibit A

1.7 Common Interest

Common Interest: Each unit will have a percentage interest in the common elements appurtenant to each unit. This interest is called the "common interest". It is used to determine each unit'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 unit owners. The common interest for each unit in this project, as described in Declaration, is:

Described in Exhibit _____.

As follows:

50% for each unit.

1.8 Recreational and Other Common Facilities (Check if applicable):

☐	Swimming pool
☐	Laundry Area
☐	Storage Area
☐	Tennis Court
☐	Recreation Area
☐	Trash Chute/Enclosure(s)
☐	Exercise Room
☐	Security Gate
☐	Playground
☐	Other (describe):

1.9 Common Elements

Common Elements: Common elements are those parts of the condominium project other than the individual units and any other real estate for the benefit of unit owners. Although the common elements are owned jointly by all unit owners, those portions of the common elements that are designated as limited common elements (see Section 1.10 below) may be used only by those units to which they are assigned. In addition to the common facilities described in Section 1.8 above, the common elements for this project, as described in the Declaration, are set forth below.

Described in Exhibit B.

Described as follows:

Common Element	Number
Elevators	N/A
Stairways	N/A
Trash Chutes	N/A

1.10 Limited Common Elements

Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.

Described in Exhibit C.

Described as follows:

1.11 Special Use Restrictions

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include, but are not limited to, those described below.

☒	Pets:
☐	Number of Occupants:
☒	Other: see Declaration p. 5
☐	There are no special use restrictions.

1.12 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 a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit (see Section 5.3 on Blanket Liens).

Exhibit E describes the encumbrances against title contained in the title report decribed below.

Date of the title report: May 8, 2009

Company that issued the title report: Fidelity National Title Insurance Company.

1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning				
	Type of Use	No. of Units	Use Permitted by Zoning	Zoning
☒	Residential	2	☒ Yes ☐ No	R-5
☐	Commercial		☐ Yes ☒ No	
☐	Mix Residential/Commercial		☐ Yes ☒ No	
☐	Hotel		☐ Yes ☒ No	
☐	Timeshare		☐ Yes ☒ No	
☐	Ohana		☐ Yes ☒ No	
☐	Industrial		☐ Yes ☒ No	
☐	Agricultural		☐ Yes ☒ No	
☐	Recreational		☐ Yes ☒ No	
☐	Other (Specify):		☐ Yes ☒ No	
Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?			☒ Yes ☐ No	
Variances to zoning code have been granted.			☐ Yes ☒ No	
Describe any variances that have been granted to zoning code				

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots

In general, a non-conforming use, structure or lot is a use, structure or lot that was lawful at one time but that does not now conform to present zoning requirements. Under present zoning requirements, limitations may apply to extending, enlarging or continuing the non-conformity and to altering and repairing non-conforming structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

If a variance has been granted or if uses, structures or lots are either non-conforming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above.

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

	Conforming	Non-Conforming	Illegal
Uses	☒	☐	☐
Structures	☒	☐	☐
Lot	☒	☐	☐

If a non-conforming use, structure or lot exists in this project, this is what will happen under existing laws or codes if the structure is damaged or destroyed:

1.15 Conversions

Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.	☒ **Applicable** ☐ **Not Applicable**

Developer's statement, based upon a report prepared by a Hawaii-licensed architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units:

see Exhibit "J"

Developer's statement of the expected useful life of each item reported above:

see Exhibit "J"

List of any outstanding notices of uncured violations of any building code or other county regulations:

none

Estimated cost of curing any violations described above:

none

Verified Statement from a County Official

Regarding any converted structures in the project, attached as Exhibit K is a verified statement signed by an appropriate county official which states that either:

(A) The structures are in compliance with all zoning and building ordinances and codes applicable to the project at the time it was built, and specifying, if applicable:
- (i) Any variances or other permits that have been granted to achieve compliance;
- (ii) Whether the project contains any legal non-conforming uses or structures as a result of the adoption or amendment of any ordinances or codes; and
- (iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the structure into compliance;

or

(B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.

Other disclosures and information:

1.16 Project In Agricultural District

Is the project in an agricultural district as designated by the land use laws of the State of Hawaii? **If answer is "Yes", provide information below.**	☐ **Yes** ☒ **No**
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable state and county land use laws? ☐ Yes ☐ No If the answer is "No", provide explanation.	
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable county real property tax laws? ☐ Yes ☐ No If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.	
Other disclosures and information:	

1.17 Project with Assisted Living Facility

Does the project contain any assisted living facility units subject to Section 321-11(10), HRS? **If answer is "Yes", complete information below.**	☐ **Yes** ☒ **No**
Licensing requirements and the impact of the requirements on the costs, operations, management and governance of the project.	
The nature and the scope of services to be provided.	
Additional costs, directly attributable to the services, to be included in the association's common expenses.	
The duration of the provision of the services.	
Other possible impacts on the project resulting from the provision of the services.	
Other disclosures and information.	

2. PERSONS CONNECTED WITH THE PROJECT

2.1 Developer(s)	Name: 1012 Cocohead Avenue LLC Business Address: 581 Kamoku Street Honolulu, HI 96826 Business Phone Number : 381-0868 E-mail Address:
Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).	Tai Ning Tang - sole member
2.2 Real Estate Broker	Name: Five Star Realty, Inc. Business Address: 250 Ward Ave., #230 Honolulu, HI 96814 Business Phone Number: 382-6871 E-mail Address:
2.3 Escrow Depository	Name: Fidelity National Title & Escrow Business Address: 201 Merchant Street, #2100 Honolulu, HI 96813 Business Phone Number: 536-0404
2.4 General Contractor	Name: Herman Ho Business Address: P.O. Box 27537 Honolulu, HI 96827 Business Phone Number: 216-6868
2.5 Condominium Managing Agent	Name: Self-managed by the Association Business Address: Business Phone Number:
2.6 Attorney for Developer	Name: Natalie K. Tse Business Address: 201 Merchant Street, #2350 Honolulu, HI 96813 Business Phone Number: 531-8831

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

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

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	November 13, 2008	2009-004245

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	June 10, 2009	2009-091221

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit 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 that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	November 13, 2008	2009-004246

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	
Bureau of Conveyances Map Number	4760

Dates of Recordation of Amendments to the Condominium Map:

3.4 House Rules

The Board of Directors may adopt rules and regulations (commonly called "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. Changes to House Rules do not need to be recorded to be effective.		
The House Rules for this project:		
Are Proposed	☐	
Have Been Adopted and Date of Adoption	☐	
Developer does not plan to adopt House Rules	☒	

3.5 Changes to the Condominium Documents

Changes to Condominium Documents: Changes to the Declaration, Bylaws and Condominium Map are effective only if they are duly adopted and recorded. Where permitted, the minimum percentages of the common interest that must vote for or give written consent to changes to the Declaration, Bylaws and Condominium Map are set forth below. The percentages for any individual condominium project may be more than the minimum set by law if the Declaration or Bylaws for the project so provide.

Document	Minimum Set by Law	This Condominium
Declaration	67%	67%
Bylaws	67%	67%

3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents

☐	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
☒	Developer has reserved the right to change the Declaration, Bylaws, Condominium Map and House Rules (if any) and to add to or merge the project or to develop the project in one or more phases, and such rights are summarized as follows: see Exhibit D

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

Management of the Common Elements: The Association of Unit 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.	
The initial Condominium Managing Agent for this project is (check one):	
☐	Not affiliated with the Developer
☒	None (self-managed by the Association)
☐	The Developer or an affiliate of the Developer
☐	Other (explain)

4.2 Estimate of the Initial Maintenance Fees

Estimate of the Initial Maintenance Fees: The Association will make assessments against your unit 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 unit and the unit 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 F contains a breakdown of the estimated annual maintenance fees and the monthly estimated maintenance fee for each unit, certified to have been based on generally accepted accounting principles, with the Developer's statement as to when a unit owner shall become obligated to start paying the unit owner's share of the common expenses.

4.3 Utility Charges to be Included in the Maintenance Fee

If checked, the following utilities are included in the maintenance fee:	
☐	Electricity for the common elements
☐	Gas for the common elements
☐	Water
☐	Sewer
☐	TV Cable
☐	Other (specify)

4.4 Utilities to be Separately Billed to Unit Owner

If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:	
☒	Electricity for the Unit only
☐	Gas for the Unit only
☒	Water
☒	Sewer
☒	TV Cable
☐	Other (specify)

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

☒	Specimen Sales Contract Exhibit G contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
☒	Escrow Agreement dated: November 12, 2008 Name of Escrow Company: Fidelity National Title & Escrow of Hawaii, Inc. Exhibit H contains a summary of the pertinent provisions of the escrow agreement.
☐	Other:

5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants.

☐	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
☐	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit ____ .
☐	Developer has or will designate the units for sale to Owner-Occupants by publication.

5.3 Blanket Liens

Blanket Liens: A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the developer conveys the unit to a purchaser. The purchaser's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.	
☒	There are no blanket liens affecting title to the individual units.
☐	There are blanket liens that may affect title to the individual units.

Type of Lien	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance

5.4 Construction Warranties

Construction Warranties: Warranties for individual units and the common elements, including the beginning and ending dates for each warranty (or the method of calculating them), are as set forth below:
Building and Other Improvements: see Exhibit I
Appliances: see Exhibit I

5.5 Status of Construction, Date of Completion or Estimated Date of Completion

Status of Construction: Both units were completed 1934.
Completion Deadline: If a sales contract for a unit is signed before the construction of the unit has been completed, or, in the case of a conversion, completion of any repairs, does not occur by the completion deadline set forth below, one of the remedies available to a purchaser is a cancellation of the purchaser's sales contract. The sales contract may include a right of the Developer to extend the completion deadline for force majeure as defined in the sales contract. The sales contract may also provide additional remedies for the purchaser.
Completion Deadline for any unit not yet constructed, as set forth in the sales contract:
Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract:

5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance

The Developer is required to deposit all moneys paid by purchasers in trust under a written escrow agreement with a Hawaii licensed escrow depository. Escrow shall not disburse purchaser deposits to the Developer or on behalf of the Developer prior to closing, except if a sales contract is canceled or if Developer has met certain requirements, which are described below.

5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance

☐	The Developer hereby declares by checking the box to the left that it shall use its own funds to complete the construction of the condominium project by the date indicated in Section 5.5 of this report, and the Developer, pursuant to its own analysis and calculations, certifies that it has sufficient funds to complete the construction of the condominium project. *If this box is checked, Section 5.6.2, which follows below, will not be applicable to the project.*

5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

Hawaii law provides that, if certain statutory requirements are met, purchaser deposits in escrow under a binding sales contract may be used before closing to pay for certain project costs. For this project, the Developer indicates that purchaser deposits may be used for the following purposes (check applicable box):	
☐	For new construction: to pay for project construction costs described in the Developer's budget and approved by the Developer's lender or an otherwise qualified, financially disinterested person; or
☐	For conversions: to pay for repairs necessary to cure violations of county zoning and building ordinances and codes, for architectural, engineering, finance and legal fees, and for other incidental expenses.

In connection with the use of purchaser deposits (check Box A or Box B):

Box A ☐	The Developer has submitted all information and documents required by law and the Commission prior to the disbursement of purchaser deposits before closing. This means that the Developer may use such deposits before closing. If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. If Box A is checked, you should read and carefully consider the following notice, which is required by law: **<u>Important Notice Regarding Your Deposits</u>: Deposits that you make under your sales contract for the purchase of the unit may be disbursed before closing of your purchase to pay for project costs, construction costs, project architectural, engineering, finance, and legal fees, and other incidental expenses of the project. While the developer has submitted satisfactory evidence that the project should be completed, it is possible that the project may not be completed. If your deposits are disbursed to pay project costs and the project is not completed, there is a risk that your deposits will not be refunded to you. You should carefully consider this risk in deciding whether to proceed with your purchase.**
Box B ☐	The Developer has <u>not</u> submitted all information and documents required by law and the Commission, and, until all such information and documents are submitted, thus, the Developer cannot use purchaser deposits. If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the **<u>Important Notice Regarding Your Deposits</u>** set forth immediately above will apply to all purchasers and will be restated in the amendment to this report or an amended developer's public report. When an effective date for such an amendment or an amended developer's public report is issued, **<u>you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment.</u>** (This, however, does not affect your right to rescind for material changes or any other right you may have to rescind or cancel the sales contract, as described in Section 5.8 below.) If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. You should understand that, although the **<u>Important Notice Regarding Your Deposits</u>** set forth above does not currently apply to you, it might apply to you in the future, and, therefore, you should read and carefully consider it now to ensure that you understand the risk involved in deciding whether to proceed with your purchase.

Material House Bond. If the Developer has submitted to the Commission a completion or performance bond issued by a material house instead of a surety as part of the information provided prior to the use of purchaser deposits prior to closing or conveyance of a unit, the Developer shall disclose the same below and disclose the impact of any restrictions on the Developer's use of purchaser deposits.

5.7 Rights Under the Sales Contract

Before signing the sales contract, prospective purchasers should carefully review all documents relating to the project. These include but are not limited to the documents listed below. Items 2, 3 and 4 are made a part of this public report, as well as Item 5, if any, and are being delivered to you with this report.	
1.	**Developer's Public Report**
2.	**Declaration of Condominium Property Regime (and any amendments)**
3.	**Bylaws of the Association of Unit Owners (and any amendments)**
4.	**Condominium Map (and any amendments)**
5.	House Rules, if any
6.	Escrow Agreement
7.	Hawaii's Condominium Property Act (Chapter 514B, HRS, as amended) and Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), provided that rules and regulations under Chapter 514B have not yet been adopted.
8.	Other: Affidavits dated August 20, 2008 & February 2, 2009. see Exhibit L

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 514B, HRS) and the Administrative Rules (Chapter 107, HAR), are available online. Please refer to the following sites:
Website to access official copy of laws: www.capitol.hawaii.gov
Website to access rules: www.hawaii.gov/dcca/har

5.8 Purchaser's Right to Cancel or Rescind a Sales Contract

A purchaser's right to cancel a sales contract or to rescind a sales contract may arise under varying circumstances. In the sections below, some circumstances that will give rise to a purchaser's right to cancel or rescind are described, together with what a purchaser must do if the purchaser wishes to exercise any of the rights.

5.8.1 When a Sales Contract becomes Binding and Purchaser's 30-Day Right to Cancel a Sales Contract

A sales contract signed by a purchaser and the developer will not become binding on a purchaser or the Developer until the following events have taken place:

(1) The purchaser has signed the sales contract.

(2) The Developer has delivered to the purchaser a true copy of the developer's public report with an effective date issued by the Commission, together with all amendments to the report as of the date of delivery, and the project's recorded Declaration and Bylaws, House Rules (if any), the Condominium Map and any amendments to them to date (all of which are a part of the developer's public report). If it is impracticable to include a letter-sized Condominium Map, the Developer must provide written notice of an opportunity to examine the Condominium Map.

(3) The Developer has delivered to the purchaser a notice of the purchaser's 30-day cancellation right on a form prescribed by the Commission.

(4) The purchaser does at least one of the following:

(a) Waives the purchaser's right to cancel the sales contract within 30 days from receipt of the notice of the purchaser's 30-day cancellation right; or

(b) Allows the 30-day cancellation period to expire without exercising the right to cancel; or

(c) Closes the purchase of the unit before the 30-day cancellation period expires.

The purchaser or the Developer may cancel the sales contract at any time during the 30-day cancellation period, and the sales contract will be canceled and the purchaser's deposits returned to the purchaser, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.

5.8.2 Right to Cancel a Sales Contract if Completion Deadline Is Missed

In addition to the purchaser's 30-day cancellation right described in Section 5.8.1 above, when a sales contract is signed before completion of construction of a project, the purchaser will have the right to cancel if the unit is not completed by certain deadlines. In conversion projects, there must be a deadline for completion of any required repairs. Every sales contract shall contain an agreement of the Developer that the completion of construction shall occur on or before the completion deadline, and that completion deadline is set forth in this report in Section 5.5. The sales contract shall provide that the purchaser may cancel the sales contract at any time after the specified completion deadline, if completion of construction does not occur on or before the completion deadline, as the same may have been extended. Upon a cancellation, the purchaser's deposits shall be refunded, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.00.

5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change

If a "material change" in a project occurs after a purchaser has signed a sales contract that has become binding, the purchaser will have a 30-day right to rescind after notification and description of the material change. A material change is defined in the Condominium Property Act to be any change that "directly, substantially and adversely affects the use or value of (1) a purchaser's unit or appurtenant limited common elements; or (2) those amenities of the project available for the purchaser's use."

The purchaser will be informed of the material change by the developer on a form prescribed by the Commission containing a description of the material change.

After notice of the material change, the purchaser may waive the right to rescind by:

(1) Checking the waiver box on the rescission form; or

(2) Letting the 30-day rescission period expire, without taking any action to rescind; or

(3) Closing the purchase of the unit before the 30-day rescission period expires.

The rescission form must be signed by all purchasers of the affected unit and delivered to the developer no later than midnight of the 30th calendar day after the purchasers received the rescission form from the developer. Purchasers who validly exercise the right of rescission shall be entitled to a prompt and full refund of any moneys paid.

A rescission right shall not apply in the event of any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of a project, made pursuant to the terms of the project's Declaration.

These provisions shall not preclude a purchaser from exercising any rescission rights pursuant to a contract for the sale of a unit or any applicable common law remedies.

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

The Developer has used the term "dwelling" in the Declaration and the By-laws of the Project. This term has the same meaning of "unit" as used in the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes.

The terms "apartment", "dwelling" and "unit" are used interchangeably throughout this report and some documents.

Currently, there is an outstanding building permit issued pertaining to Dwelling 1018 only. So long as said building permit is outstanding, Dwelling 1018 is not for sale.

The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

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 purchasers 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. The Developer hereby agrees promptly to amend this report to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report at least 30 days prior to the anniversary date of the effective date of this report.

1012 Cocohead Avenue LLC

Printed Name of Developer

By: _____ May 19-2009
Duly Authorized Signatory* Date

Tai Ning Tang, sole member
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City & County of Honolulu

Planning Department, City & County of Honolulu

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

EXHIBIT "A"

ALTERATIONS TO THE DWELLINGS

Paragraph M of the Declaration provides:

> Restoration or replacement of any dwellings or construction of any additional improvements, alterations or additions to any dwellings different in any material respect from the Condominium Map of the Project shall be undertaken by a dwelling owner, subject to the conditions set forth below:
>
> 1. All plans and specifications therefore shall comply with applicable setback requirements, building codes and zoning ordinances.
>
> 2. No dwelling shall be changed so as to reduce the distance between improvements placed on each land area to less than the distance shown on the Condominium Map without the consent of the other owner, and no change to a dwelling shall be made if the effect of such change would be to exceed the dwelling's proportionate share of the allowable floor area or lot area coverage for the land on which the Project is located, pursuant to the then applicable zoning and building codes. The proportionate share for each dwelling shall be the same as its percentage interest in the common elements.
>
> 3. All changes shall be at the sole expense of the dwelling owner making such changes and shall be completed expeditiously and in a manner that will not unreasonably interfere with the owners' use of their dwellings or land areas.
>
> 4. During construction, the dwelling owner making such changes will obtain at its sole expense builder's all-risk insurance in an amount not less than the estimated cost of construction, and the Association shall be named as additional insured.
>
> 5. Promptly upon completion of such restoration, replacement or construction, the owner shall duly record or file of record an amendment to the Declaration, together with a complete set of floor plans of the dwelling as so altered, certified as built by a registered architect or professional engineer; provided, however, that notwithstanding any provision in this Declaration to the contrary, any alterations or additions within a dwelling may be undertaken without an amendment to this Declaration or filing of a complete set of floor pans of the dwelling so altered. All present and future dwelling owners and their mortgages, by accepting an interest in the Project, shall be deemed to have given each dwelling owner a power of attorney to execute such an amendment to this Declaration, so that each dwelling

owner shall have a power of attorney from all other dwelling owners to execute such an amendment. This power of attorney shall be deemed coupled with each owner's interest in such owner's dwelling and shall be irrevocable.

6. Each conveyance, lease and mortgage or other lien made or created on any dwelling in the Project and all common interests and other appurtenances thereto shall be subject to the provisions of this paragraph M.

Declarant does not give any assurances that the dwellings can be expanded, and Declarant does not give any assurances that variances are obtainable from the City and County of Honolulu for any proposed improvements.

EXHIBIT "B"

DESCRIPTION OF COMMON ELEMENTS

The "common elements" shall include, but not be limited to, the following:

(a) Said land in fee simple;

(b) All foundations, floor slabs, columns, beams, supports, walls, roofs, stairways, walkways within the Project which serve more than one dwelling;

(c) All ducts, sewer lines, electrical equipment, pipes, wiring, compressors, tanks, motors, fans, and other central and appurtenant transmission facilities over, under and across the Project which serve more than one dwelling for services such as power, light, water, air conditioning, refuse, sewer, telephone and radio and television signal distribution;

(d) The common tile wall; and

(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 or safety, or normally in common use.

EXHIBIT "C"

DESCRIPTION OF LIMITED COMMON ELEMENTS

Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of certain dwellings, and such dwelling shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

(a) The land consisting of the "Private Area" as shown on the Condominium Map, which are more particularly described in the Declaration, upon which each respective dwelling is built shall be appurtenant to and for the exclusive use of such dwelling.

(b) The mailbox assigned to each dwelling.

(c) All other common elements of the Project which are rationally related to less than all of said dwellings or buildings shall be limited to the use of such apartments or dwellings.

EXHIBIT "D"

DEVELOPER'S RESERVED RIGHTS

Paragraph Q of the Declaration provides:

Developer reserves the right for itself and its agents to do the following until such time as all of the dwellings in the Project are sold, without the consent, joinder or approval of the Association or any dwelling purchaser or owner of any mortgagee.

1. To grant to any public utility or governmental authority easements for sewer, drainage, water and other utility facilities over, under, along, across and through the land on which the Project is located, all under the usual terms and conditions required by the grantee for such easement rights; to grant to any other person or entity any easements for ingress, egress or roadway purposes over, under, along, across and through said land (provided, however, that such easement rights shall be granted and exercised in such a manner as not to unreasonably damage the dwellings or unreasonably interfere with the use of said land by the dwelling owners and their successors and assigns); and to quitclaim any easements in favor of the Project which are not required for the Project. Each dwelling owner and any person claiming an interest in said land by, through or under such dwelling owner, shall, upon request, join in and execute any and all documents designating, granting and quitclaiming any such easements.

2. To amend this Declaration, the Condominium Map and the By-Laws consistent with any grants or reservations of rights by Developer under the Declaration.

3. To conduct sales of dwellings on and at the Project, including, but not limited to, maintaining model dwellings, operating a sales office, conducting advertising, placing signs, using parking spaces and erecting lighting in connection with such sales; provided, however, that Developer shall not use any dwelling (or its limited common elements) with respect to which an apartment deed has been recorded (other than

in the name of Developer as grantee); provided, further, that in exercising such right, Developer shall not interfere with the rights of any dwelling owner to the use of, or access to, his dwelling or any of the common elements or limited common elements appurtenant thereto.

4. To amend the Declaration, the By-Laws and the Condominium Map, as may be required by law, by the Real Estate Commission of the State of Hawaii, by any title insurance company issuing a title insurance policy on the Project or any of the dwellings, by any institutional lender lending funds on the security of the Project or any of the dwellings, by any purchaser, insurer or guarantor of loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable it to purchase, insure or guarantee a loan made on the security of the Project or any of the dwellings, or by any governmental agency; provided, however, that no such amendment which would change the common interest appurtenant to any dwelling or substantially change the design, location or size of a dwelling in the Project shall be made without the consent to such amendment by all persons having an interest in such dwelling.

5. To reconfigure the Project or any dwelling with respect to which a deed has not been recorded.

EXHIBIT "E"

ENCUMBRANCES AGAINST TITLE

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

2. Condominium Map No.4760, recorded in the Bureau of Conveyances, State of Hawaii.

3. Covenants, conditions, and restrictions as contained in the Declaration of Condominium Property Regime of Koko Head SFRs Condominium dated November 13, 2008, and recorded in the Bureau of Conveyances, State of Hawaii, as Document No. 2009-004245. Said Declaration was amended by instrument dated June 10, 2009, and recorded in said Bureau as Document No. 2009-091221.

4. By-Laws of the Association of Dwelling Owners of Koko Head SFRs Condominium dated November 13, 2008, and recorded in the Bureau of Conveyances, State of Hawaii, as Document No. 2009-004246.

5. For real property taxes that may be due and owing, reference is made to the Department of Finance, City and County of Honolulu.

6. Easement for sanitary sewer purpose in favor of City & County of Honolulu recorded in the Bureau of Conveyances of the State of Hawaii, in Book 6084 at Page 361.

7. Structure position discrepancies as shown on the survey sketch prepared by Dennis K. Hashimoto, Land Surveyor, dated February 27, 2007.

8. Encroachment as shown on the survey sketch prepared by Dennis K. Hashimoto, Land Surveyor, with DJNS Surveying & Mapping, Inc., dated February 27, 2007.

9. Encroachment as shown on the survey sketch prepared by Dennis K. Hashimoto, Land Surveyor, dated February 27, 2007.

   A. The south boundary is evident by rock wall #1 which extends into parcel 43 for 4.9 ft.

   B. The west boundary is evident by shed which extends into the subject parcel by 2.08 ft. to 1.99 ft. for a length of 44.0 feet.

10. Covenants and conditions as contained in the Affidavit dated August 20, 2008 and recoded in the Bureau of Conveyances of the State of Hawaii, as Document No. 2008-134651.

EXHIBIT "F"

ESTIMATED OPERATING EXPENSES

(For period January 1, 2009 to December 31, 2009)

Estimated Annual Expenses:	$-0-
Estimated Monthly expenses:	$-0-
Estimated Monthly Maintenance Fee for Each Dwelling:	$-0-

This project has no estimated maintenance fee for each dwelling because of the following reasons:

1. Electricity, water and sewer will be separately metered and charged. The common elements will incur no separate utility charges.

2. The Declaration requires the Dwelling Owners to obtain and maintain separate policies of fire insurance and name the Association as an additional insured. In such case, fire insurance premiums will be the responsibility of individual dwelling owners and not common expenses.

3. Developer discloses that no reserve study was done in accordance with Section 514B HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. The individual dwelling owners will be solely responsible for the maintenance and repair of their own dwellings and its appurtenant Privacy areas.

4. All the owners will share the cost of maintenance and repair of any common element which serves more than one dwelling, in the same portion as to the common interest in the Project, when such maintenance and repair becomes necessary.

The Developer certifies that the maintenance fees and costs as estimated by the Developer are based on generally accepted accounting principles.

1012 COCOHEAD AVENUE LLC, a
Hawaii limited liability

By _____

TAI NING TANG
Its sole member

EXHIBIT "G"

SUMMARY OF SALES CONTRACT

1. The sales agreement contains the price and other terms and conditions under which a buyer will agree to buy an unit in the Project.

2. The contract provides for the buyer to get a copy of certain legal documents that buyer should closely examine.

3. The contract provides remedies to seller if buyer fails to comply with the terms and conditions of the contract.

4. The buyer must complete the sale and purchase of the unit by a certain date and pay closing costs, in addition to the purchase price.

5. The buyer's money will be held in escrow under the terms of the escrow agreement for the Project.

6. The developer is making no warranties or representations in connection with the sale of any of the units.

7. The sales contract is not assignable without the written consent of seller.

This is merely a highlighted summary of certain of the terms and conditions of the sales contract, and any buyer should review all the terms and conditions of the sales agreement before signing.

EXHIBIT "H"

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement sets up an arrangement under which an independent neutral party ("Escrow") will perform all the necessary steps to close the transaction. The following is the summary of the Escrow Agreement:

(A) Funds from Purchaser: All payments made by purchaser pursuant to the sale contract shall be deposited to Escrow.

(B) Interest on Funds in Escrow: Any interest earned on funds deposited in Escrow shall accrue as specified in the sales contract, unless otherwise stated.

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

(D) The Escrow Agreement says under the following conditions a refund will be made to a purchaser:

(1) Seller and purchaser have requested Escrow in writing to refund to purchaser.
(2) Purchaser exercises his rescission right.
(3) Purchaser exercises his cancellation right under the sales contract.

Upon cancellation of Escrow, Escrow is entitled to a fee as specified in the Escrow Agreement.

(E) When seller certifies in writing to Escrow that seller has terminated the sales contract upon purchaser's default under the Sales Contract and purchaser fails to cure the default, escrow will treat all funds paid by purchaser as funds of seller unless Escrow's cancellation fees.

(d) Purchaser's fund will be release to seller upon certain applicable conditions as stated in paragraph 5. Purchaser is encouraged to refer to such paragraph of the Escrow Agreement.

The Escrow Agreement contains many other provisions and establishes certain charges that may be incurred by the purchaser, and the purchaser should carefully read the entire Escrow Agreement.

EXHIBIT "I"

CONSTRUCTION WARRANTIES

1. Building and Other Improvements:

   Developer is not providing any warranties to the buyer, but will pass on any warranties contained in Developer's contract with any contractor. Contractor's warranty extends for one year after substantial completion of any work not conforming to the contract.

2. Appliances:

   Developer is not providing any warranties to the buyer, but will pass on any manufacturer's or dealer's warranties covering the appliances in the unit. Length of warranties may very.

EXHIBIT "J"

STATEMENT OF DEVELOPER REGARDING CONDITION OF BUILDING

1012 COCOHEAD AVENUE LLC, the Developer of Koko Head SFRs Condominium ("Project") hereby submits this statement based on Engineer's Certification dated _____, 2008.

The structural, mechanical and electrical components of the dwelling units are sound and functioning; however, no representations are made in regard to the expected useful life of each component.

1012 COCOHEAD AVENUE LLC, a Hawaii limited liability

By _____
TAI NING TANG
Its sole member

EXHIBIT "K"

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU
650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: www.honoluludpp.org • CITY WEB SITE: www.honolulu.gov

MUFI HANNEMANN
MAYOR

DAVID K. TANOUE
DIRECTOR

ROBERT M. SUMITOMO
DEPUTY DIRECTOR

2008/ELOG-2824(EE)

May 19, 2009

Ms. Natalie K. Tse
Attorney at Law
201 Merchant Street
City Financial Tower, Suite 2350
Honolulu, Hawaii 96813

Dear Ms. Tse:

Subject: Condominium Conversion Project
1012 Koko Head Avenue
Tax Map Key: 3-2-014: 042

This is in response to your letter dated November 17, 2008, requesting verification that the structures on the above-referenced property met all applicable code requirements at the time of construction.

Investigation revealed that two (2) one-story single-family detached dwellings at 1012 and 1018 Koko Head Avenue, with at least four (4) off-street all-weather-surface parking spaces met all applicable code requirements when they were constructed in approximately1934 on this 8,540-square-foot R-5 Residential District zoned lot.

Investigation also revealed the following:

1. On January 9, 2009, the front single-family dwelling at 1012 Koko Head Avenue was converted to a two-family detached dwelling by adding a second kitchen without permit.

2. A follow-up inspection on February 25, 2009, revealed that the front dwelling at 1012 Koko Head Avenue has been reconverted back to a single-family detached dwelling by removing the second kitchen.

3. A new building permit (No. 641120) was issued on April 21, 2009 to convert the existing two (2) single-family detached dwellings into a two-family detached dwelling. This permit is still active.

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

No variances or other permits were granted to allow deviations 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 separate lots of record for subdivision and zoning purposes.

If you have any questions regarding this matter, please contact Mr. Ivan Matsumoto of our Commercial and Multi-Family Code Enforcement Branch at 768-8151.

Very truly yours,

For David K. Tanoue, Director
Department of Planning and Permitting

EXHIBIT "L"

RECORDATION REQUESTED BY:

AFTER RECORDATION RETURN TO:

Arnold Tang
581 Kamoku Street, #3506
Honolulu, HI 96826

RETURN BY: MAIL (X) PICKUP ( )

R-1005 STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED
FEB 18, 2009 01:00 PM
Doc No(s) 2009-023543

/s/ NICKI ANN THOMPSON
REGISTRAR

20 1/1 Z8

(SPACE ABOVE THIS LINE FOR REGISTRAR'S USE)

This affidavit is presented for recordation pursuant to the provisions of Chapter 18, ROH 1990.

STATE OF HAWAII)
CITY AND COUNTY OF HONOLULU)

AFFIDAVIT

The undersigned hereby certify that we are the owners of the hereinafter-described real property located in the City and County of Honolulu, State of Hawaii:

TAX MAP KEY: 3-2-014-042
1018 KOKOHEAD AVE.

Being all of the land conveyed to us by deed dated 4/20/2007 and recorded in the BUREAU OF CONVEYANCES (Regular System) of the State of Hawaii in Liber _____ on page _____ or BUREAU OF CONVEYANCE in Document / Instrument No. 2007-071249.

And / or filed in the Office of the Assistant Registrar of the LAND COURT of the State of Hawaii as Document No. _____ and noted on Transfer Certificate of Title No. _____ and deed dated _____.

And, in consideration of the issuance by the Department of Planning and Permitting, City and County of Honolulu, of a building permit for **alteration/addition to convert existing single-family dwelling to 2-family detached dwelling**. Upon completion the entire structure shall be maintained as a **2-family detached dwelling** containing only one kitchen in each unit. An interior connection on each unit shall be maintained as shown on the approved plans.

On said property, we do hereby covenant and agree.

1. that the layout or use of the building will not be converted at a future date to some other layout or use which is illegal;
2. that this covenant and agreement shall be binding upon ourselves, or any tenant or lessee or any subsequent owners of the building for as long as the building is in use or unless otherwise released by authority of the Director of Planning and Permitting, City and County of Honolulu.

Dated this _____day of _____, 20__.

Signature of owner _____ X

Signature of owner ARNOLD TANG

Subscribed and sworn to before me
This 2ND day of FEBRUARY,
2009.

JEAN K KATSUDA
Notary Public, First Judicial Circuit
State of Hawaii
My Commission Expires: SEPT 16, 2012

JEAN K. KATSUDA
NOTARY PUBLIC
No. 92-628
STATE OF HAWAII

NOTARY CERTIFICATE ON NEXT PAGE

UNDATED AT TIME OF
Document Date: NOTARIZATION # Pages: 3

Notary Name: JEAN K. KATSUDA First Circuit

Doc. Description: AFFIDAVIT

Notary Signature 02/02/2009 Date

JEAN K. KATSUDA
NOTARY PUBLIC
No. 92-628
STATE OF HAWAII

RECORDATION REQUESTED BY:

AFTER RECORDATION RETURN TO:

ARNOLD TAI NING TANG
581 KAMOKU ST., #3506
HONOLULU, HI 96826

RETURN BY: MAIL ( ) PICKUP ( )

R-603 STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED
AUG 25, 2008 03:00 PM
Doc No(s) 2008-134651

/s/ NICKI ANN THOMPSON
ACTING REGISTRAR

20 1/1 Z9

(SPACE ABOVE THIS LINE FOR REGISTRAR'S USE)

This affidavit is presented for recordation pursuant to the provisions of Chapter 18, ROH 1990.

STATE OF HAWAII)
CITY AND COUNTY OF HONOLULU)

AFFIDAVIT

The undersigned hereby certify that we are the owners of the hereinafter-described real property located in the City and County of Honolulu, State of Hawaii:

TAX MAP KEY: **3-2-014-042**
1012 KOKOHEAD AVE.

Being all of the land conveyed to us by deed dated **04/20/2007** and recorded in the BUREAU OF CONVEYANCES (Regular System) of the State of Hawaii in Liber _____ on page _____ or BUREAU OF CONVEYANCE in Document / Instrument No. **2007-071249**.

And / or filed in the Office of the Assistant Registrar of the LAND COURT of the State of Hawaii as Document No. _____ and noted on Transfer Certificate of Title No. _____ and deed dated _____.

And, in consideration of the issuance by the Department of Planning and Permitting, City and County of Honolulu, of a building permit for an **alteration to an existing single family dwelling**. Upon completion the entire structure shall be maintained as a **single family dwelling** containing only one kitchen. An interior connection shall be provided as shown on the approved plans.

On said property, we do hereby covenant and agree.

1. that the layout or use of the building will not be converted at a future date to some other layout or use which is illegal;
2. that this covenant and agreement shall be binding upon ourselves, or any tenant or lessee or any subsequent owners of the building for as long as the building is in use or unless otherwise released by authority of the Director of Planning and Permitting, City and County of Honolulu.

Dated this 20 day of AUG, 2008

Signature of ~~owner~~ Member TAI MING TANG

Signature of owner _____

Subscribed and sworn to before me
This 20th day of August, 2008.

Cora K Pascual

Notary Public, First Judicial Circuit
State of Hawaii
My Commission Expires: 4/7/2010
CORA R. PASCUAL

CORA R. PASCUAL NOTARY PUBLIC No. 98-144 STATE OF HAWAII

Document Date 8/20/08 # Pages: (2)
Deed dated 4/20/07
Notary Name: CORA R. PASCUAL First Circuit
Doc. Description Affidavit on TMK: 3-2-012-022, 1012 Kokohead Avenue Property.
Cora K Pascual 8/20/08
Notary Signature Date

CORA R. PASCUAL NOTARY PUBLIC No. 98-144 STATE OF HAWAII