



**REAL ESTATE COMMISSION  
STATE OF HAWAII**

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
1010 Richards Street  
P. O. Box 3469  
Honolulu, Hawaii 96801

**CONDOMINIUM PUBLIC REPORT**

on

LEOLUA GARDENS  
94-054 Leolua Street  
Waipahu, Hawaii 96797

Registration No. 1805 (conversion)

Issued: December 24, 1986  
Expires: January 24, 1988

**Report Purpose:**

This report is based on information and documents submitted by the developer to the Real Estate Commission as of December 18, 19 86 and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

**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 when complete information is filed.
- ☒ **FINAL:**  
(white) The developer has legally created a condominium and has filed complete information with the Commission.  
☐ ~~Supersedes all prior public reports~~  
☐ ~~Must be read together with~~ \_\_\_\_\_
- ☐ **SUPPLEMENTARY:**  
(pink) Updates information contained in the  
☐ Prelim. Public Report dated \_\_\_\_\_  
☐ Final Public Report dated \_\_\_\_\_  
☐ Supp. Public Report dated \_\_\_\_\_
- And ☐ Supersedes all prior public reports  
☐ Must be read together with \_\_\_\_\_
- ☐ This report reactivates the \_\_\_\_\_  
public report(s) which expired on \_\_\_\_\_

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

☒ Required ☐ 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.

N/A

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## GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Horizontal Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

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 they 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 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.

Some condominium projects are leasehold. This means that the land or the land, 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 owner/tenant) 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. The 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.

### 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. Some of these actions may significantly impact the quality of life for all 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 vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

(cite to appropriate pages  
in text of report)

Individual apartments and the underlying land will be in fee simple.

1. ☐ New Building(s) ☒ Conversion  
☐ Both New Building(s) and Conversion

2. ☒ Residential ☐ Commercial  
☐ Mixed Residential and Commercial  
☐ Other \_\_\_\_\_

---

3. ☐ High Rise (5 stories or more) ☒ Low Rise

4. ☐ Single or ☒ Multiple Buildings

5. Apartment Description \_\_\_\_\_

[illegible]

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.

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	41
Guest Stalls	--
Unassigned Stalls	--
Extra Stalls Available for Purchase	--
Other: _____	--
<b>Total Parking Stalls</b>	<b>41</b>

## 5

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Leolua Gardens Phone: (808) 942-7701  
Name (Business)  
94-054 Leolua Street  
Business Address  
Waipahu, HI 96797

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

N/A

Real Estate Sales Agent: N/A Phone: --  
Name (Business)  
Business Address

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 521-0211  
Name (Business)  
235 Queen Street  
Business Address  
Honolulu, Hawaii 96813

Managing Agent: Chaney Brooks & Company Phone: (808) 544-1600  
Name (Business)  
606 Coral Street  
Business Address  
Honolulu, Hawaii 96813

Attorney for Developer: Cades Schutte Fleming & Wright  
(attn: E.R. Brooks and W.C. Byrns)  
Name  
1000 Bishop Street, 10th Floor  
Business Address  
Honolulu, HI 96813

## II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Horizontal Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

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

The Declaration for this condominium is:

☐ Proposed  
☒ Recorded — Bureau of Conveyances — Book 19965 Page 215  
☐ Filed — Land Court — Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

N/A

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

The Condominium Map for this condominium project is:

☐ Proposed  
☒ Recorded — Bureau of Conveyance Condo Map No. 1036  
☐ Filed — Land Court Condo Map No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

N/A

- 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 way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

☐ Proposed  
☒ Recorded — Bureau of Conveyances — Book 19965 Page 327  
☐ Filed — Land Court — Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

N/A

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

The House Rules for this condominium are:

☐ Proposed      ☒ Adopted

☐ Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of apartment owners who must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	—	<u>--</u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:** The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules:

Paragraph 22 of the Declaration provides that, at any time prior to the first recording of an Apartment Deed to a party other than the Developer, the Developer may amend the Declaration (including all exhibits thereto) without the consent or joinder of any purchaser of any of the Apartments, and specifically may amend Exhibit "C" attached thereto to change the designation of the parking stalls.

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to 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.

### III. THE CONDOMINIUM PROJECT

#### A. Interest to be Conveyed to Buyer:

☒ Fee Simple: Individual apartments and the underlying land will be in fee simple.

☐ Leasehold or Subleasehold: Individual apartments and the underlying land will be leasehold.

**The leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (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.

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.

☐ Individual Apartments in Fee Simple, Underlying Land in Leasehold or Subleasehold:

**The 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; or (2) convey the building(s) and improvements to the lessor, often at a specified price.**

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

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:

For Subleaseholds: N/A

☐ Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is  
☐ Cancelled ☐ 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 cancelled or foreclosed.

**B. Underlying Land:**

Address: 94-054 Leolua Street Tax Map Key: 9-4-47-17(1)  
Waipahu, Hawaii 96797 (TMK)

☐ Address ☐ TMK is expected to change because N/A

Land Area: 39,000 ☒ square feet ☐ acre(s) Zoning: A-2

Fee Owner: Savio Development Co., Inc.  
name  
931 University Ave., Ste. 301  
address  
Honolulu, HI 96826

Sublessor: Leolua Gardens, Inc.  
name  
94-054 Leolua Street  
address  
Waipahu, HI 96797

**C. Buildings and Other Improvements:**

1. ☐ New Building(s) ☒ Conversion of Existing Building(s)  
☐ Both New Building(s) and Conversion

2. Buildings: 2 Floors Per Building: 3

☐ Exhibit        contains further explanations.

3. Principal Construction Material:

☐ Concrete ☐ Hollow Tile ☐ Wood

☒ Other Masonry

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	<u>      </u>	<input type="checkbox"/> Industrial	<u>      </u>
<input checked="" type="checkbox"/> Residential	<u>41</u>	<input type="checkbox"/> Agricultural	<u>      </u>
<input type="checkbox"/> Timeshare/Hotel	<u>      </u>	<input type="checkbox"/> Recreational	<u>      </u>
<input type="checkbox"/> Other:	<u>      </u>		<u>      </u>

5. Special Use Restrictions:

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

- ☒ Pets: No pets are allowed in the Project without the prior approval of the Board of Directors.  
☐ Number of Occupants: \_\_\_\_\_  
☐ Other: \_\_\_\_\_  
☐ There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 41

Elevators 0 Stairways 3 Trash Chutes 0

<u>Apt.</u> <u>Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net</u> <u>Living Area*</u>	<u>Lanai/Patio</u>
<u>--</u>	<u>41</u>	<u>2/1</u>	<u>702</u>	<u>N/A</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
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<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

\*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 floor area may have been used.

Boundaries of Each Apartment: The inner decorated or finished surfaces of the walls, floors and ceilings of each apartment.

Permitted Alterations to Apartments: See Exhibit "A" attached hereto and made a part hereof.

7. Parking Stalls:

Total Parking Stalls: 41

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	covered	open	covered	open	covered	open	
Assigned (for individual units)	<u>--</u>	<u>--</u>	<u>--</u>	<u>41</u>	<u>--</u>	<u>--</u>	<u>41</u>
Guest	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Unassigned	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Extra Available for Purchase	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Other:	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Covered & Open	<u>--</u>		<u>41</u>		<u>--</u>		

Each apartment will have the exclusive use of at least 1 parking stall(s).  
Buyers are encouraged to find out which stall(s) will be available for their use.

☐ Commercial parking garage permitted in condominium project.

☒ Exhibit "B" contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

☐ There are no recreational or common facilities.

☒ Swimming pool

☒ Storage Area

☐ Recreation Area

☒ Laundry Area

☐ Tennis Court

☐ Trash Chute

☐ Other: \_\_\_\_\_  
\_\_\_\_\_

9. Present Condition of Improvements

(For conversions of residential apartments in existence for five years):

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

No representations are made by the Developer regarding the condition and expected useful life of structural components or mechanical or electrical installations of the Project.

b. Compliance with Building Code and Municipal Regulations; Cost to Cure Violations

See Exhibit "C" attached hereto and made a part hereof.

10. Conformance to Present Zoning Code

a. ☒ No variances to zoning code have been granted.

☐ Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>X</u>		
Structures		<u>X</u>	
Lot	<u>X</u>		

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

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

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

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

1. Common Elements: Common Elements are those parts of the condominium project intended to be used by all apartment owners. They are owned jointly by all apartment owners.

Exhibit "D" describes the common elements.

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

☐ There are no limited common elements in this project.

☐ The limited common elements and the apartments which may use them are:

☐ described in Exhibit \_\_\_\_\_

☒ as follows:

- a. The automobile parking stall designated on Exhibit "B" as being appurtenant to the respective apartments.
- b. One mailbox bearing the number corresponding to the number of the respective apartments.

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 often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

☒ Exhibit "E" describes the common interests for each apartment.

☐ as follows:

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property.

Exhibit "F" describes the encumbrances against the title contained in the title report dated October 30, 1986, issued by Title Guaranty of Hawaii, Incorporated.

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It 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. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
a. Mortgage and Assignment of Rentals dated February 13, 1986, executed by Peter B. Savio and Phyllis D. Savio in favor of First Hawaiian Creditcorp, Inc., recorded in said Bureau in Book 19293, at Page 329.	
b. Mortgage and Financing Statement, dated June 23, 1981, executed by Leolua Gardens, Inc. in favor of Honolulu Federal Savings and Loan Association, recorded in said Bureau in Book 15628, at Page 38.	
c. Absolute Assignment of Rentals and Lessor's Interests in Proprietary Leases, dated June 23, 1981, executed by Leolua Gardens, Inc., in favor of Honolulu Federal Savings and Loan Association, recorded in said Bureau in Book 15628, at Page 81.	

F. 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 managing agent to assist the Association in managing the condominium project.

Initial Managing Agent: When the developer or the developer's affiliate is the initial 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 managing agent for this condominium is:

[ X ] not affiliated with the Developer.

[ ] the Developer or the Developer's affiliate.

[ ] other \_\_\_\_\_

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

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

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

Exhibit "G" contains a schedule of maintenance fees and maintenance fee disbursements.

**H. 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:

- |                                      |   |
|--------------------------------------|---|
| <input type="checkbox"/> Electricity | <input type="checkbox"/> Television Cable         |
| <input type="checkbox"/> Gas         | <input checked="" type="checkbox"/> Water & Sewer |
| <input type="checkbox"/> Other _____ |   |

**I. 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:

See Exhibit "H" attached hereto and made a part hereof.

2. Appliances:

See Exhibit "H" attached hereto and made a part hereof.

J. Status of Construction and Estimated Completion Date:

Construction of the improvements was completed in 1968.

K. Project Phases:

The developer ☐ has ☒ has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's Present Plans for Future Development: N/A

L. Sales Documents Filed with the Real Estate Commission:

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

☐ Notice to Owner Occupants

☒ Specimen Sales Contract

Exhibit "I" contains a summary of the pertinent provisions of the sales contract.

☒ Escrow Agreement dated October 1, 1986

Exhibit "J" contains a summary of the pertinent provisions of the escrow agreement.

☐ Other \_\_\_\_\_

#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

## Buyer's Right to Cancel Sales Contract:

### A. Rights Under the Condominium Statute:

Preliminary Report: Sales made by the Developer are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

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

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

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

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. 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.

### B. Rights Under the Sales Contract:

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Horizontal Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other \_\_\_\_\_

If these documents are not in final form, the buyer should ask to see the most recent draft.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS and Hawaii Administrative Rules Chapter 16-107) are available at the Department of Commerce and Consumer Affairs.

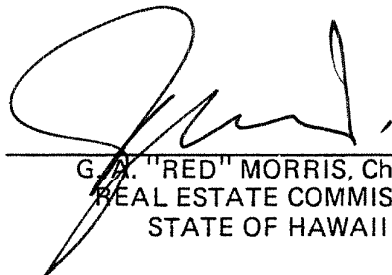
This Public Report is a part of Registration No. 1805 filed with the Real Estate Commission on November 10, 1986.

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

Supplementary Public Reports expire on the expiration date given on the front of the report.

  
\_\_\_\_\_  
G. A. "RED" MORRIS, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

Bureau of Conveyances  
Department of Finance, City and County of Honolulu  
Planning Department, City and County of Honolulu  
Federal Housing Administration  
Escrow Agent

Permitted Alterations to Apartments

Paragraph 17 of the Declaration provides:

"Restoration or replacement of the Project or of any building, or construction of any additional building or structural alteration or addition to any structure, different in any material respect from the Condominium Map, shall be undertaken by the Association or any Apartment Owners only pursuant to an amendment of this Declaration, duly executed by or pursuant to the affirmative vote of seventy-five percent (75%) of the Apartment Owners and accompanied by the written consent of the holders of first mortgages covering seventy-five percent (75%) of the Apartments in the Project or such higher percentage as may be required by the Act, and in accordance with complete plans and specifications therefor first approved in writing by the Board, and promptly upon completion of such restoration, replacement, construction, alteration or addition, the Association shall duly record or file of record such amendment together with a complete set of floor plans of the Project 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, nonmaterial structural additions to the common elements, or any alterations or additions within an Apartment or within a limited common element appurtenant to and for the exclusive use of such Apartment which do not alter any of the characteristics of such Apartment or limited common element contained in Exhibit B shall require the written consent thereto and the written approval of the Apartment Owner's plans therefor by only the holders of all liens affecting such Apartment (if the lien holders require such consent and approval), the Board and all other Apartment Owners thereby directly affected (as determined by the Board), and may be undertaken without an amendment to this Declaration or filing of a complete set of floor plans of the Project as so altered. 'Nonmaterial structural additions', as used herein, shall mean a structural addition to the common elements which does not 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."

EXHIBIT "A"

Parking Stall Assignments

<u>Apartment Number</u>	<u>Parking Stall Number</u>
101	26
102	41
103	27
104	40
105	28
106	29
108	39
109	30
110	38
111	37
112	3
113	2
114	1
201	21
202	20
203	19
204	18
205	17
206	31
207	32
208	33
209	36
210	35
211	34
212	6
213	5
214	4
301	25
302	24
303	23
304	22
305	16
306	15
307	14
308	13
309	12
310	11
311	10
312	9
313	8
314	7

EXHIBIT "B"

Compliance with Building Code and  
Municipal Regulations; Cost to Cure Violations

Paragraph 19 of the Declaration provides:

"The Project may be a nonconforming structure because it contains compact parking stalls rather than standard parking stalls. Additionally, the Project may be a nonconforming structure for other reasons which the Developer is not presently aware of. Therefore, a variance may be required to rebuild in the event of a major casualty. However, to the best of the Developer's knowledge, information and belief, the Project is in compliance with all ordinances, codes, rules, regulations or other requirements of the City and County of Honolulu in force at the time of its construction, and no variances have been granted from any ordinance, code, rule, regulation or other requirement of the City and County of Honolulu in force at the time of its construction or from any current ordinance, code, rule, regulation or other requirement of the City and County of Honolulu."

The Developer represents that there are no violations of the building code or municipal regulations as of November 25, 1985.

EXHIBIT "C"

Common Elements

Paragraph 5 of the Declaration provides:

"One freehold estate is hereby designated in all remaining portions and appurtenances of the Project, herein called the 'common elements', including specifically, but not limited to:

- a. The Land in fee simple.
- b. All foundations, floor slabs, sewers, columns, girders, beams, supports, unfinished perimeter walls, load-bearing walls and roofs.
- c. The swimming pool, concrete pool deck, pool pump and filter shed, all grounds, trees, gardens, landscaping, planters, entries and the central courtyard.
- d. The laundry room, electrical room and maintenance and storage area located on the first floor of Building A.
- e. All fences, yards and gates.
- f. All refuse containers on the grounds of the Project.
- g. All roads, parking areas, driveways, walkways, stairways, storage areas under stairways, building entries and corridors.
- h. All ducts, electrical equipment, wiring, pipes and other central appurtenant transmission facilities over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, sewer, telephone and television signal distribution.
- i. Any and all other appurtenant installations of common use and all other parts of the Project necessary and convenient to its existence, maintenance and safety or normally in common use."

EXHIBIT "D"

Percentage Interests in Common Elements

<u>Apartment Number</u>	<u>Percentage of Common Interest</u>
101	2.440
102	2.439
103	2.439
104	2.439
105	2.439
106	2.439
108	2.439
109	2.439
110	2.439
111	2.439
112	2.439
113	2.439
114	2.439
201	2.439
202	2.439
203	2.439
204	2.439
205	2.439
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307	2.439
308	2.439
309	2.439
310	2.439
311	2.439
312	2.439
313	2.439
314	2.439

EXHIBIT "E"

Encumbrances Against Title

1. The reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. Easement "1" (10 feet wide) for storm drain purposes, as shown on File Plan No. 969.
3. Easement "2" (10 feet wide) for sanitary sewer purposes, as shown on File Plan No. 969.
4. Grant dated April 1, 1966, in favor of the City and County of Honolulu, recorded in the Bureau of Conveyances of the State of Hawaii in Book 6496, Page 92, granting an easement over said Easement "2".
5. Mortgage (covers fee interest), dated February 13, 1986, in favor of First Hawaiian Creditcorp, Inc., recorded in said Bureau in Book 19293, Page 329.
6. Lease, dated April 1, 1966, executed by and between Cooke Trust Company, Limited, and Leeward Development Corporation; said Lease, as amended, is held by Leolua Gardens, Inc., by instrument dated June 16, 1981, recorded in said Bureau in Book 15628, Page 29.
7. Option Agreement dated February 14, 1986, recorded in said Bureau in Book 19293, Page 314, executed by and between Peter B. Savio and Phyllis D. Savio and Leolua Gardens, Inc.
8. Mortgage (covers leasehold interest), dated June 23, 1981, in favor of Honolulu Federal Savings and Loan Association, recorded in said Bureau in Book 15628, at Page 38.
9. Forty-one (41) proprietary leases, and liens and encumbrances affecting the same, covering apartment units within the Leolua Gardens cooperative project.
10. Real property taxes due and payable, reference is made to Director of Finance, City and County of Honolulu.

EXHIBIT "F"

OPERATING BUDGET FOR LEOLUA GARDENS  
(41 UNITS)

<u>RECEIPTS</u>	<u>Monthly</u>	<u>Annually</u>
Maintenance Fees	4,551	54,612
Commissions	200	2,400
Interest Income	150	1,800
TOTAL RECEIPTS	4,901	58,812
<u>DISBURSEMENTS</u>		
Audit & Tax Fees	45	540
Insurance - Package	260	3,120
Insurance - Other	5	60
Insurance - Medical	60	720
Insurance - Workmen's Compensation	65	780
Management & Accounting Service	610	7,320
Misc. & Project Office Expenses	45	540
Refuse Service	197	2,364
Maintenance & Repair - Building	215	2,580
Maintenance & Repair - Other Equipment	25	300
Maintenance & Repair - Pool	200	2,400
Payroll, Maintenance	365	4,380
Supplies, Grounds	25	300
Supplies, Pool	40	480
Taxes, Gross Income	18	216
Taxes, Corporate	1	12
Taxes, Payroll	45	540
Electricity	435	5,220
Water/Sewer	520	6,240
Mortgage Loan - Solar	312	3,744
Gen & Adm Service	125	1,500
SUBTOTAL DISBURSEMENTS	3,613	43,356
TRANSFER TO RESERVES	1,361	16,332
TOTAL DISBURSEMENTS	4,973	59,676

I/we CHANEY, BROOKS & COMPANY, as managing agents for the condominium, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

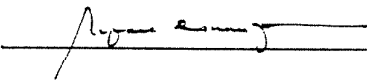
  
\_\_\_\_\_  
Date: 9/22/86

EXHIBIT "G"

Construction Warranties

Paragraph 15 of the Deposit Receipt, Sales Contract used in connection with the Project is entitled Seller's Disclaimer of Warranties and provides:

- "a.     No Warranties of Seller. THE BUYER UNDERSTANDS AND AGREES THAT THE SELLER IS DISCLAIMING ANY WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PROJECT, THE APARTMENT OR ANYTHING INSTALLED OR CONTAINED THEREIN. EACH APARTMENT WILL BE DEEMED TO BE SOLD "AS IS", AND THE SELLER WILL NOT BE LIABLE TO THE BUYER FOR ANY CONSTRUCTION OR OTHER DEFECTS, INCLUDING ANY LATENT OR HIDDEN DEFECTS IN THE PROJECT, THE APARTMENT OR ANYTHING INSTALLED OR CONTAINED THEREIN. THIS MEANS THAT THE BUYER WILL NOT HAVE THE RIGHT TO FILE ANY LAWSUIT FOR DAMAGES AGAINST THE SELLER FOR ANY DEFECTS LATER DISCOVERED BY THE BUYER."

#### Summary of Sales Contract Provisions

The Deposit Receipt, Sales Contract used in connection with the Project contains, among other things, acknowledgments by each purchaser that: (i) Time is of the essence in the Sales Contract, and if Purchaser fails to perform any obligations required in the Sale Contract, the Developer may, upon written notice of 10 days, terminate the Sales Contract and keep all sums previously paid by Purchaser as liquidated damages; (ii) that the Developer has authorized no agents, salesmen or brokers to make any representations as to rental or other income from any apartment or any other economic benefit, including possible advantages from the ownership of an apartment under federal or state tax laws, to be derived from the purchase of an apartment in the Project; (iii) that the purchaser acknowledges that no such representations or warranties have been made and that the Developer expressly disclaims and repudiates any representation from any source as to any possible economic benefit arising from ownership of an apartment in the Project; (iv) that the purchaser's right, title and interest under the Sales Contract shall be subject and subordinate to the liens and security interests of any mortgages or other security instruments made by the Developer in favor of any lending institutions to secure one or more loans for the purpose of completing the conversion of the Project; (v) that the Project and the apartment and anything installed or contained therein are being sold on an "AS IS" basis, without any warranties, express or implied; (vi) that the apartments in the Project may currently be occupied by tenants, and that it is the responsibility of the purchaser and not the Developer to evict any tenants in the purchaser's apartment; and (vii) that the Developer has the right to cancel the Sales Contracts if the Developer is unable to sell at least forty-one (41) Apartments in the Project or is unable to complete the conversion of the Project for any reason beyond the Developer's control.

EXHIBIT "I"

Summary of Escrow Agreement Provisions

Among other provisions, the Escrow Agreement dated October 1, 1986, executed by the Developer and Title Guaranty Escrow Services, Inc., provides that a purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such purchaser, and upon the terms and conditions provided for in the Sales Contract, if any one of the following has occurred:

(a) The Developer and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held under the Escrow Agreement by Escrow; or

(b) The Developer shall have notified Escrow of the Developer's exercise of the option to cancel or rescind the Sales Contract pursuant to any right of cancellation or rescission provided therein or otherwise available to the Developer; or

(c) The Developer and the purchaser shall have requested Escrow in writing to return to the purchaser the funds of the purchaser held under the Escrow Agreement by Escrow because:

(1) The purchaser has been unable to obtain adequate financing or a commitment for adequate financing, for the purchase of his apartment unit, within forty-five (45) calendar days following the end of the ten (10) day calendar period during which the Developer is limited to selling to owner-occupants, as required by Chapter 514A, Part VI, Hawaii Revised Statutes, or

(2) The purchaser desires to cancel the Sales Contract because of hardship circumstances such as those set forth in Section 514A-104(1), Hawaii Revised Statutes, or because the purchaser indicates an intent not to become an owner-occupant of the apartment unit covered by the Sales Contract.

In any of the foregoing events, Escrow shall, unless the purchaser has waived or has been deemed to have waived the right to a refund, pay said funds to said purchaser (less a cancellation fee to Escrow of not less than \$25.00 per apartment or a cancellation fee commensurate with the work done by Escrow prior to such cancellation, whichever fee is greater) and thereupon the Sales Contract and any

Apartment Deed or Condominium Conveyance Document  
theretofore delivered to Escrow shall be returned and shall  
be deemed no longer held under the Escrow Agreement;  
provided, however, that no refund shall be made to a  
purchaser at purchaser's request prior to receipt by the  
Developer of written notice from Escrow of its intent to  
make such refund.

LEOLUA GARDENS

DISCLOSURE ABSTRACT

(Section 514A-61, Hawaii Revised Statutes)

1. Name of Project: Leolua Gardens  
94-054 Leolua Street  
Waipahu, Hawaii 96797  
  
Developer: Leolua Gardens, Inc.  
94-054 Leolua Street  
Waipahu, Hawaii 96797  
Telephone: (808) 942-7701  
  
Project Manager: Chaney Brooks & Company  
606 Coral Street  
Honolulu, Hawaii 96813  
Telephone: (808) 544-1600

2. Maintenance Fees:

Attached is a proposed operating budget prepared by the Chaney Brooks & Company as of September 22, 1986. As indicated in the operating budget, the annual maintenance fee estimated for the entire Project is \$54,612.00. As indicated in the operating budget, the monthly maintenance fee estimated for the entire Project is \$4,551.00. Based on the percentage common interest appurtenant to the apartments as described in the Declaration, the monthly estimated maintenance fee for each apartment is, therefore, approximately \$111.00. The maintenance fees cover the "common expenses" as defined in the Bylaws of the Association of Apartment Owners of Leolua Gardens.

Because the Association of Apartment Owners will be newly organized and will have no history of operation as a condominium association, the Developer can make no assurances regarding the estimated maintenance fees. In addition, such variables as inflation, uninsured casualty loss or damages, increased or decreased services from those contemplated by the Developer, apartment owner delinquencies and other factors may also cause the maintenance fees to be greater or lesser than the estimated maintenance fees. The attached breakdown of the estimated costs for each apartment does not include the purchaser's obligations for the payment of real property taxes or mortgage loans.

3. Warranties:

The Project consists of forty-one (41) apartments contained in two (2) three-story buildings, without basements. The buildings were constructed in 1968. The Project, the apartments and anything installed or contained therein are being sold on an "As Is" basis, without any warranties whatsoever, express or implied. Paragraphs 14 and 15 of the Deposit Receipt and Sales Contract provide as follows:

- "14. Apartment Being Sold "As Is". THE APARTMENTS AND THE STRUCTURES WHICH ARE LOCATED AT 94-054 LEOLUA STREET WERE INITIALLY CONSTRUCTED IN 1968. THE APARTMENT AND THE PROJECT ARE NOW BEING SOLD IN "AS IS" CONDITION. THIS MEANS THAT THE SELLER SHALL NOT CORRECT ANY DEFECTS IN THE PROJECT, THE APARTMENT OR ANYTHING INSTALLED OR CONTAINED THEREIN. THE EXISTENCE OF ANY DEFECT IN THE PROJECT, THE APARTMENT OR ANYTHING INSTALLED OR CONTAINED THEREIN SHALL NOT EXCUSE THE BUYER'S OBLIGATION TO PERFORM ALL OF HIS OBLIGATIONS UNDER THIS CONTRACT.
- "15. Seller's Disclaimer of Warranties.
- a. No Warranties of Seller. THE BUYER UNDERSTANDS AND AGREES THAT THE SELLER IS DISCLAIM-ING ANY WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PROJECT, THE APARTMENT OR ANYTHING INSTALLED OR CONTAINED THEREIN. EACH APARTMENT WILL BE DEEMED TO BE SOLD "AS IS", AND THE SELLER WILL NOT BE LIABLE TO THE BUYER FOR ANY CONSTRUCTION OR OTHER DEFECTS, INCLUDING ANY LATENT OR HIDDEN DEFECTS IN THE PROJECT, THE APARTMENT OR ANY-THING INSTALLED OR CONTAINED THEREIN. THIS MEANS THAT THE BUYER WILL NOT HAVE THE RIGHT TO FILE ANY LAWSUIT FOR DAMAGES AGAINST THE SELLER FOR ANY DEFECTS LATER DISCOVERED BY THE BUYER.
- b. Seller's Disclaimer as Essential Factor for Low Purchase Price. THE BUYER ACKNOWLEDGES AND AGREES THAT THE SELLER'S DISCLAIMER OF WARRANTIES IS AN ESSENTIAL ELEMENT IN THE

DETERMINATION OF THE LOW PURCHASE PRICE FOR THE APARTMENT BEING SOLD TO THE BUYER. THIS MEANS THAT THE APARTMENT WOULD NOT HAVE BEEN SOLD TO THE BUYER FOR THE AMOUNT OF THE PURCHASE PRICE STATED IN THIS CONTRACT WITHOUT THE SELLER'S DISCLAIMER OF WARRANTIES."

4. Apartments:

There are forty-one (41) apartments contained in the buildings. The apartments in the Project may be used only for residential purposes and may not be used as a tenement or rooming house or for or in connection with the carrying on of any business, trade or profession whatsoever. The apartments shall not be rented for transient or hotel purposes, which shall be defined as (i) rental for any period less than thirty days, or (ii) any rental in which the occupants of the apartment are provided customary hotel services. The apartments shall not be sold, leased, rented or used for any "time-sharing" or related or similar purpose. The Developer will not sponsor, arrange or promote any program for the rental or temporary use and occupancy of the apartments in the Project. The Developer has authorized no agents, salesmen or brokers to make any representations as to rental or other income from any apartment or any other economic benefit, including possible advantages from the ownership of an apartment under federal or state tax laws, to be derived from the purchase of an apartment in the Project. The Developer hereby expressly disclaims and repudiates any representation from any source as to any possible economic benefit arising from ownership of an apartment in the Project.

5. Commercial Development:

The Project contains no commercial development.

6. Existing Structure:

The present condition of the structural components and mechanical and electrical installations material to the use and enjoyment of the Project are described in the reports appended hereto.

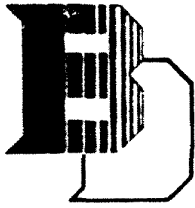
No representations are made by the Developer with respect to the expected useful life of the structural components or the mechanical and electrical installations in the Project.

7. Common Expenses.

The Developer shall assume all the actual common expenses of the Project and an apartment owner shall not be obligated for the payment of his or her respective share of the common expenses until such time as the Developer files with the Real Estate Commission of the State of Hawaii an amended Disclosure Abstract which shall provide, that after a date certain, the respective apartment owners shall thereafter be obligated to pay for the portions of the common expenses which are allocated to their respective apartments.

8. Notices:

As of November 25, 1986, no outstanding notices of uncured violations of building code or other municipal regulations exist.



## **BENNETT & DRANE ELECTRICAL ENGINEERS, LTD.**

December 10, 1986

**Electrical Condition Report  
for  
Leolua Gardens and Kunia Terrace**

Each property consists of three, three-story CMU buildings constructed in 1968. Building "A" contains 18 units, Building "B" contains 14 units, and Building "C" contains 9 units. Kunia Terrace is a mirror image, back-to-back on Building "B" of Leolua Gardens.

### Common Items

Power is supplied to the buildings by Hawaiian Electric Company at 120/240 volt single-phase to an electrical equipment room in Building "B". This room contains two, two-pole 600 Amp fused main disconnect switches, meter centers for all of the units, house meters, a fire alarm control panel, and telephone and T.V. cabinets.

Each apartment unit has an electrical meter. Leolua Gardens Apartments are served by a 100 Amp service, and Kunia Terrace Apartments by a 90 Amp service.

All of the equipment in the electrical room is in good condition.

### Fire Alarm System

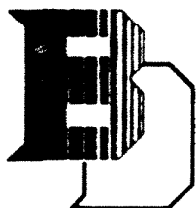
The circuit breakers serving the fire alarm systems were found turned off in both electrical rooms. The breakers were turned back on for Kunia Terrace. When the breakers were turned on for Leolua Gardens, the alarm sounded. The breakers were turned back off and the Building Manager went in search of a pull station which had been activated. He said they have about one false alarm a week.

There are adequate fire alarm pull stations at all points of egress on all floors above ground level, but there are only bells on two of the three buildings. Pulling any station sounds both bells. The systems are serviced annually by Alii Fire Protection Company.

### Security Lighting

Corridor and stairwell lighting is very good, being provided by PL-type fluorescent lighting. There is no battery-operated emergency lighting.

Common area lighting at Kunia Terrace is very good, being provided by high pressure sodium floodlights atop the buildings. Leolua Gardens lighting is being provided by incandescent spotlights atop the buildings.



## **BENNETT & DRANE ELECTRICAL ENGINEERS, LTD.**

A significant improvement at little cost could be made by replacing these with fixtures similar to those used at Kunia Terrace.

### Swimming Pools

The outlet on the outside wall of the pumphouses is not ground-fault protected. This should be corrected immediately, either by changing the outlets or by changing the appropriate circuit breakers to GFI-type. The cover is missing from the small junction box serving the pool light at Kunia Terrace.

### Apartment Units

All of the apartments in both projects are essentially similiar. Apartment 214 at Kunia Terrace was inspected in detail.

An adequate number of branch circuits of the correct size are provided for outlets, lighting, and for the major appliances. There is no outlet in this bathroom. Any outlets added must be GFI protected. The electrical loadcenter is in a closet above the water heater. In this unit, it was noted that one outlet box in the back bedroom was very loose, slightly protruding from the wall, and could be pulled further out. This must be corrected prior to the next occupancy of this unit. No other general or particular problems were noted.

Both projects complied with electrical codes in effect at the time of construction.

December 7, 1986

Ernest Umemoto, AIA  
3329 Sierra Drive  
Honolulu, Hawaii 96816

Project: Leolua Gardens  
94-054 Leolua Street  
Waipahu, Hawaii

\*\*\*\*\*  
OBSERVATION REPORT  
\*\*\*\*\*

A cursory site observation of two typical units for the above project was conducted on December 5, 1986 specifically for the mechanical plumbing systems as requested. The following observations and comments are offered:

This apartment building complex is approximately 20 years old and consists of forty-one two bedroom apartment units (one unit no. 102 was occupied as a manager's unit). The complex consists of three buildings each with three stories, ground level central parking and a swimming pool.

A typical two bedroom apartment unit observed had the following plumbing fixtures: A single compartment stainless steel kitchen sink with disposal, electric range, electric water heater, a water closet, an oval counter lavatory, and a bathtub/shower.

Apartment unit no. 103: The plumbing fixtures were old and generally obsolete but in useable condition. The fixtures showed sign of the lack in maintenance cleaning, like toilet bowl rings. The water closet seat showed signs of wear with the thin paint exposing the base. The bathtub/shower was in operational condition with the original valve assembly. The kitchen sink faucet and lavatory faucet will need on going replacements due to its age and from wear and tear. The electric water heater was Kenmore manufactured.

Apartment unit no. 111: Condition of plumbing fixtures generally in useable condition as other unit no. 103. Noted that the tub/shower valve assembly and lavatory faucet centerset will be needing on going replacements due to its age and from wear and tear. The kitchen sink had a Delta replacement dual handle faucet. The water heater was a 30 gallon size.

Generally, it seems that the plumbing fixtures being about 20 years old will require more frequent replacements and repairs. The unobservable plumbing piping system is anticipated to require above normal repairs in the future also. Replacement of fixtures and faucets have been taking place on a as-needed basis.

Generally all of these comments should apply to all of the other units within this building complex since they are all typical and of the same age.

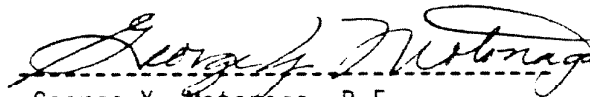
Building "A" had one fire hose cabinet (FHC) with a fire extinguisher (FE) located per floor. Building "B" had one FHC with FE located per floor. Broken glass door panel was noted on the third floor FHC. Building "C" had two FHC with FE located per floor. Almost all of the FHC are the original ones and old, and will need on going replacements.

The swimming pool equipment (located next to the pool) seems to be in good condition and operational.

Some existing landscape sprinkler piping was noted but the system and operation were unknown.

All plumbing systems observed were in useable condition and functional for the intended purpose. Overall, the mechanical maintenance for this building has been good, but due to its age and useage, above normal, high maintenance and replacements should be anticipated as it approaches closer to the economic life of the system of 25 years.

Submitted by:



George Y. Motonaga, P.E.  
LANGE MOTONAGA, INC.  
Consulting Mechanical Engineers

# MARTIN, BRAVO & BRANCHER, INC.

CONSULTING STRUCTURAL ENGINEERS

Suite 2960, Pacific Tower  
1001 Bishop Street  
Honolulu, Hawaii 96813  
(808) 521-4513

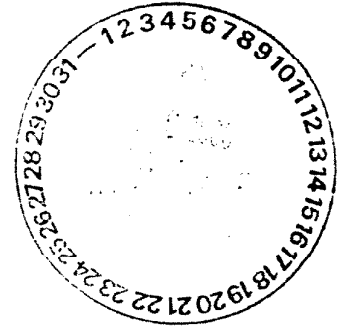
John C. Bravo, S.E.  
Peter G. Brancher, S.E.  
John A. Martin, S.E.  
George M. Tsugawa

December 4, 1986

Savio Realty, Ltd.  
931 University Avenue, Suite 301  
Honolulu, Hawaii 96826

Attention: Peter Savio

Subject: Structural Inspection  
Leolua Gardens Condo Conversion  
94-054 Leolu, Waipahu, Hawaii



Dear Peter:

At 1:00 p.m. December 2, 1986, a cursory structural inspection was performed at the subject project. No architectural or structural drawings were available for our review; however, we still maintained the drawings from a prior inspection of Alii Vista at 94-030 Leolua Drive, which is basically identical. These drawings were stamped by Ivan Fujinaka dated September 1967.

The project consists of three separate 3-story buildings with a total of 41 one-bedroom apartment units. The type of foundation indicated on the drawings is shallow spread footings. All exterior walls (28 feet apart) and party walls (27 feet on center) are 8-inch concrete masonry units (CMU). A bearing pier 48" long of 8-inch CMU occurs near the middle of each unit, effectively forming a two-way structural system with maximum spans of about 13 feet. The ground floor is a concrete slab-on-grade while the second and third floors are reinforced concrete structural slabs cantilevering beyond the front wall to form a single-loaded exterior corridor. The roof slab is basically flat and reinforced concrete. All stairs are reinforced concrete exposed to the exterior and supported by masonry walls.

Our inspection included a visual observation around the perimeter of all buildings as well as interior observations of Unit 313 only. No tests or calculations were performed.

In general, we consider the building to be in excellent structural condition, although we have the following observations:

1. The original aluminium handrails cantilevered from a pocket in the slab have been repaired previously. The pocket has consistently spalled out of the edge of the slab and strengthening has been provided with a vertical

Savio Realty, Ltd.  
Attention: Peter Savio  
December 4, 1986  
Page Two

aluminium mullion extending from the underside of the roof down to the soffit of the second floor. The connection to this new vertical mullion has been made utilizing plexiglas material with very small machine bolts.

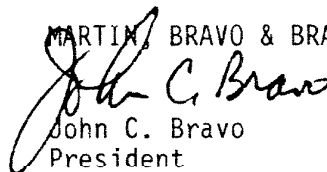
From a structural standpoint, the handrails generally appear to be adequate, but we found many of the small bolts used are rusting and we do not feel that plexiglas is a conventional structural material. Additionally, an intermediate railing at the Diamond Head/mauka stair is sagging significantly, apparently due to people sitting on this railing.

2. The exposed concrete corridor exhibits some cracking, usually transverse to the traffic flow. This is normal and probably due to shrinkage or thermal expansion and contraction. We see no evidence of structural distress. Many areas appear to have been ground in a concave manner as much as one-half inch (to improve drainage?).
3. The slab on grade sidewalk areas show substantial cracking. The entry sidewalk at the Diamond Head/makai corner of the property is severely cracked and appears to have been raised enough to cause the first step of the stair to be significantly less than the normal riser heights, a potential hazard that needs correction.
4. The swimming pool is generally in good condition. The pool deck has moderate to severe cracking, including cracks at the coping. The water level in the pool indicates perhaps a one-inch differential settlement, indicating the pool may have settled slightly towards the makai/Ewa corner (the deep end).

We conclude these structures to have performed satisfactorily from a structural standpoint for the past eighteen years and see no reason why, with normal maintenance and repair, they should not continue to perform satisfactorily. If you have any questions regarding this report, please feel free to call.

Very truly yours,

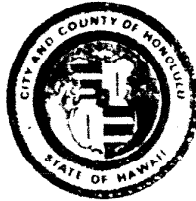
MARTIN, BRAVO & BRANCHER, INC.

  
John C. Bravo  
President

BUILDING DEPARTMENT  
**CITY AND COUNTY OF HONOLULU**

HONOLULU MUNICIPAL BUILDING  
650 SOUTH KING STREET  
HONOLULU, HAWAII 96813

FRANK F. FASI  
MAYOR



HERBERT K. MURAOKA  
DIRECTOR AND BUILDING SUPERINTENDENT

Ex86-189

November 25, 1986

Mr. Peter B. Savio, President  
Savio Development Co., Inc.  
931 University Avenue, Suite 301  
Honolulu, Hawaii 96826

Dear Mr. Savio:

Subject: Condominium Conversion  
Leolua Gardens, Inc., 94-054 Leolua Street  
Kunia Terrace, Inc., 94-049 Waipahu Street  
Tax Map Key: 9-4-47: 17 and 24

This is in reply to your letter dated November 3, 1986 requesting confirmation that Leolua Gardens, Inc. located at 94-054 Leolua Street and Kunia Terrace, Inc. located at 94-049 Waipahu Street met all code requirements at the time of construction.

Investigation revealed that 2 three-story apartment buildings with a total of 41 dwelling units and 41 off-street parking spaces for Leolua Gardens, Inc. and 2 three-story apartment buildings with a total of 41 dwelling units and 41 off-street parking spaces for Kunia Terrace, Inc. met the code requirements when they were constructed in 1968 and 1966.

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

If you have any questions regarding this matter, please contact Mr. Noboru Taketa of this office at telephone number 527-6341.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Herbert K. Muraoka", is written over the typed name.

HERBERT K. MURAOKA  
Director and Building Superintendent

Subscribed and sworn to  
before me this 26th day of  
November, 1986

A handwritten signature in dark ink is written over the typed name.

Notary Public, First Judicial Circuit  
State of Hawaii  
My commission expires: 12/13/88