



**REAL ESTATE COMMISSION**  
 STATE OF HAWAII  
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
 PROFESSIONAL AND VOCATIONAL LICENSING DIVISION  
 P. O. Box 3469  
 Honolulu, Hawaii 96801

**CONDOMINIUM PUBLIC REPORT**

KUNIA PALMS

94-011 Waipahu Street  
 94-010 Leolua Street  
 Waipahu, Hawaii 96797

Registration No. 2727 (Conversion)

Issued: November 6, 1992  
 Expires: December 6, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of October 30, 19 92, 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:**      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.  
 (yellow)

  X   **FINAL:**              The developer has legally created a condominium and has filed complete information with the Commission.  
 (white)

No prior reports have been issued  
                                    Supersedes all prior public reports  
                                    Must be read together with \_\_\_\_\_

       **SUPPLEMENTARY:**    Updates information contained in the  
 (pink)

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.

No prior reports have been issued by the Commission.

Changes made are as follows:

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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 "Condominium Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment 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.

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.

### 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.

## SUMMARY OF THE CONDOMINIUM PROJECT

**Interest to be Conveyed to Buyer:**

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

**Types of Project:**

1.  New Building(s)  Conversion  
 Both New Building(s) and Conversion
2.  Residential  Commercial  Ohana  
 Mixed Residential and Commercial  Agricultural  
 Other \_\_\_\_\_
3.  High Rise (5 stories or more)  Low Rise
4.  Single or  Multiple Buildings
5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lana./Patio (sf)</u>
All units same	130	2/1	705	N/A
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 130

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

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

**6. Parking:**

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>130</u>
Guest Stalls	<u>0</u>
Unassigned Stalls	<u>0</u>
Extra Stalls Available for Purchase	<u>0</u>
Other: _____	<u>0</u>
<b>Total Parking Stalls</b>	<b><u>130</u></b>

**7. Recreational amenities:**

Swimming Pools (2)

PEOPLE CONNECTED WITH THE PROJECT

Developer:

Kunia Palms, Inc.  
Name  
94-011 Waipahu and 94-010 Leolua Streets  
Business Address  
Waipahu, HI 96797

Phone: 677-4999  
(Business)

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

Ernest E. Theodore, President  
Allene Uesugi, Vice President  
Hillery Davis, Jr., Treasurer

Real Estate Broker:

N/A  
Name  
Business Address

Phone: (Business)

Escrow:

Title Guaranty Escrow Service, Inc.  
Name  
235 Queet Street, Ground Floor  
Business Address  
Honolulu, Hawaii 96813

Phone: (808) 521-0211  
(Business)

General Contractor:

N/A  
Name  
Business Address

Phone: (Business)

Condominium Managing Agent:

Chaney Brooks & Co.  
Name  
94-1024 Waipio Uka, Suite 201  
Business Address  
Waipahu, HI 96797

Phone: 676-2255  
(Business)

Attorney for Developer:

Edward R. Brooks, Esq.  
Foley Maehara Judge Nip & Chang  
Name  
737 Bishop Street, Suite 2700  
Business Address  
Honolulu, HI 96813

Phone: 526-3011  
(Business)

**II. CREATION OF THE CONDOMINIUM;  
CONDOMINIUM DOCUMENTS**

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

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

The Declaration for this condominium is:

Proposed  
 Recorded - Bureau of Conveyances - Document No. 92 -144458  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document No. \_\_\_\_\_

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. 1725  
 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 - Document No. 92-144459  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

N/A

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.

- 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 common interest which must vote for or give written consent to changes:

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

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

2. **Developer:**

- No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.
- Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules

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



III. THE CONDOMINIUM PROJ

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

- Fee Simple:** Individual apartments and the common elements which includes the underlying land will be in fee simple.
- Leasehold or Subleasehold:** Individual apartments and the common elements which includes 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 regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: \_\_\_\_\_

Rent Renegotiation Date(s): \_\_\_\_\_

---

Lease Rent Payable:     Monthly                                   Quarterly  
                                  Semi-Annually    Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per  
 Month    Year.

- Individual Apartments in Fee Simple Common Interest in the 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 regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: \_\_\_\_\_

Rent Renegotiation Date(s): \_\_\_\_\_

---

Lease Rent Payable:     Monthly                                   Quarterly  
                                  Semi-Annually    Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per  
 Month    Year.

- Other:

For Subleaseholds:

- 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: 94-011 Waipahu & 94-010 Leolua Streets Tax Map Key: 9-4-47:19 & 21 (1)  
Waipahu, HI 96797 (TMK)

Address  TMK is expected to change because N/A

Land Area: 128,599  square feet  acre(s) Zoning: A-2

Fee Owner: Kunia Palms, Inc.  
Name

94-011 Waipahu and 94-010 Leolua Streets  
Address

Waipahu, HI 96797

Sublessor: N/A  
Name

Address

**C Buildings and Other Improvements:**

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

2. Buildings: 7 Floors Per Building 3

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

3. Principal Construction Material:

Concrete  Hollow Tile  Wood

Other Masonry and related building materials

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
[ ] Commercial	_____	_____	[ ] Industrial	_____	_____
[X] Residential	<u>130</u>	<u>Yes</u>	[ ] Agricultural	_____	_____
[ ] Timeshare/Hotel	_____	_____	[ ] Recreational	_____	_____
[ ] Other: _____	_____	_____		_____	_____

Is/Are this/these use(s) specifically permitted by the project's declaration or bylaws?

[X] Yes [ ] No

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:

[X] Pets: No pets are allowed without the prior written consent of the Board of \_\_\_\_\_ Directors.

[ ] Number of Occupants: \_\_\_\_\_

[X] Other: No apartment shall be used for commercial, transient or hotel purposes. Also no apartment shall be used for tenement or rooming homes or for time-sharing purposes.

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0 Stairways 24 Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
All units same	<u>130</u>	<u>2/1</u>	<u>705</u>	<u>N/A</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 130

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

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

**Boundaries of Each Apartment**

The perimeter walls, floors and ceilings of each apartment.

**Permitted Alterations to Apartments:**

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

**7. Parking Stalls:**

Total Parking Stalls: 130

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	---	---	---	130	---	---	130
Guest	---	---	---	---	---	---	---
Unassigned	---	---	---	---	---	---	---
Extra Available for Purchase	---	---	---	---	---	---	---
Other:	---	---	---	---	---	---	---
Total	---	---	---	---	---	---	---
Covered & Open	---	---	130	---	---	---	---

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

- Commercial parking garage permitted in condominium project.
- Exhibit \_\_\_\_\_ contains additional information on parking stalls for this condominium project.

**8. Recreational and Other Common Facilities:**

- There are no recreational or common facilities.
- Swimming pool (2)  Storage Area
- Recreation Area  Laundry Area
- Tennis Court  Trash Chute
- Other: \_\_\_\_\_

9. Present Condition of Improvements  
 (For conversions of residential apartments in existence for at least five years):

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

No representations are made by the Developer regarding the conditions and expected useful life of structural components or mechanical or electrical installations of the Project. However, see the letters attached as Exhibit "B" to the DISCLOSURE ABSTRACT, a copy of which must be given to each prospective buyer along with this Public Report.

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	X		
Structures	X		
Lot	X		

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

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

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

D. Common Elements, Limited Common Elements, Common Interests

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.

As follows:

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

There are no limited common elements in this project.

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

described in Exhibit     D    

as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is 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      An encumbrance is a claim against or      bility on the property.

Exhibit F describes the encumbrances against the title contained in the title report dated September 3, 1992 and issued by Title Guaranty of Hawaii, Inc.

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.

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.

Type of Lien

Effect on Buyer's Interest  
If Developer Defaults

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:

not affiliated with the Developer.

the Developer or the Developer's affiliate.

self-managed by the Association of Apartment Owners.

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:

Not applicable

Electricity (common areas only)

Television Cable

Gas

Water & Sewer

Other Refuse Collection; telephone (management office)

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 1969.

K. Project Phases:

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

Summary of Developer's Present Plans for Future Development:

L. Sales Documents Filed With the Real Estate Commission:

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

[ X ] Notice to Owner Occupants (May 7, 1989 & May 14, 1989)

[ X ] Specimen Sales Contract

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

[ X ] Escrow Agreement dated October 9, 1992

Exhibit J contains a summary of the pertinent provisions of the escrow contract.

[ ] Other \_\_\_\_\_

#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

The Developer has disclosed that at an Association meeting held on January 22, 1992 at the Waipahu Public Library, 97 out of 99 shareholders present voted to convert the project from a cooperative to a condominium. A copy of the minutes of said meeting is on file with the Commission.

**Buyer's Right to Cancel Sale Contract:**

**A. Rights Under the Condominium Statute:**

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

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

**Final Report, 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 Condominium 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, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is part of Registration No. 2727 filed with the Real Estate Commission on  
October 9, 1992.


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\_\_\_\_\_  
MARCUS NISHIKAWA, Chair  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

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

EXHIBIT "A"

DEVELOPER'S RESERVED RIGHTS  
TO CHANGE CONDOMINIUM DOCUMENTS

The following provisions in the Declaration and the By-Laws, as indicated, reflect those rights which the Developer has reserved to change the Declaration, Condominium File Plan, By-Laws and Rules and Regulations ("House Rules"):

I. DECLARATION

Paragraph S. AMENDMENT OF DECLARATION.

Developer may, at any time prior to the recordation of an apartment deed in the Bureau conveying an apartment to a party not a signatory hereto, amend this Declaration and the By-Laws in any manner as Developer may deem fit, and specifically, may amend the designation of the parking stalls appurtenant to the apartments. Notwithstanding the foregoing and notwithstanding the sale and conveyance of any of the apartments, the Developer may amend this Declaration to file the "as built" verified statement (with plans, if so applicable) required by Section 514A-12 of the Act, provided (1) such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed fully and accurately depict the layout, location, numbers and dimensions of the apartments as built, or (2) the plans filed therewith involve only immaterial changes to the layout, location, numbers and dimensions of the apartments as built.

Paragraph U. RESERVED RIGHTS OF DEVELOPER. In addition to any other rights reserved herein, Developer reserves the right for itself and its agents to do the following:

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 said land, 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 buildings of the Project or unreasonably interfere with the use of said land by the apartment owners and their successors and assigns); and to quitclaim any easements in favor of the Project which are not required for the Project. Each apartment owner agrees that such apartment owner, and any person claiming an interest in said land by, through or under such apartment 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 grant of rights by Developer under U.1 hereinabove.

## II. BY-LAWS

### Article II, Section 2. Qualification.

Developer shall be entitled to exercise the powers, vote and/or act for the Association and the Board on all matters until such time as the first conveyance of an apartment of the Project to a party not a signatory hereto, except as to those rights reserved to Developer in paragraph U of the Declaration, which rights have been reserved until such time as all of the apartments in the Project have been sold.

EXHIBIT "B"

PERMITTED ALTERATIONS TO APARTMENTS

The Declaration and By-Laws permit alterations to the apartment as follows:

I. DECLARATION

Paragraph Q. ALTERATION OF PROJECT. Rebuilding, restoration or replacement of the Project or of any building, or construction of any additional building or structural alteration or addition to any building different in any material respect from the Condominium Map of the Project, shall be undertaken by the Association or any apartment owner only pursuant to an amendment of the Declaration, duly executed by or pursuant to the affirmative vote of seventy-five percent (75%) or more of the apartment owners, accompanied by the written consent of the holders of all liens affecting any of the apartments, and in accordance with complete plans and specifications therefor first approved in writing by the Board. Promptly upon completion of such restoration, replacement or construction, the Association shall duly record or file 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.

Notwithstanding anything contained in this Declaration to the contrary, and subject to the Act, any alterations or additions within an apartment or within a limited common element appurtenant to and for the exclusive use of an apartment which do not alter the characteristics of such apartment or limited common element, shall require the written consent and approval of the apartment owner's plans therefor only by the holders of all liens affecting such apartment (if the lien holders require such consent and approval) and the Board, and such alterations or additions may be undertaken without an amendment to this Declaration or the filing of a complete set of floor plans of the Project so altered.

II. BY-LAWS

Article VIII, Section 3. Additions or Alterations by the Board.

(A) Additions, alterations, repairs or improvements to the common or limited common elements of the Project may be made only by or at the direction of the Board, except as provided for in the Declaration. No owner of an apartment may make any alteration, addition, repair or improvement to any of the common elements including, without limitation, common or limited common elements within, encompassing or adjacent to such owner's apartment, except as provided for in the Declaration or if such alteration, addition, repair or improvement shall be required by law.

(B) Whenever in the judgment of the Board the common elements shall require additions or alterations costing less than TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00) which are to be paid as a common expense from normal annual operating funds and not from any capital improvements reserve funds, the Board may proceed with such additions or alterations and shall assess all owners (or a part of the owners in the case of such additions or alterations to the limited common elements) for the cost thereof as a common expense. Any additions or alterations costing in excess of said amount shall be made by the Board only after obtaining approval of a majority of the apartment owners.

Article VIII, Section 4. Additions or Alterations by Apartment Owners. No apartment owner shall do any work which could jeopardize the soundness or safety of the property, reduce the value thereof, or impair any easement or hereditament, nor may any apartment owner add any material structure or excavate any additional basement or cellar, without in every such case the consent of seventy-five percent (75%) of the apartment owners, together with the consent of all apartment owners whose apartments or limited common elements appurtenant thereto are directly affected, being first obtained. Except as may be otherwise provided herein or in the Declaration, no owner shall install any solar energy devices or make any addition or alteration in or to such owner's apartment which may affect the common elements or change the exterior appearance of the Project. The Board shall have the obligation to answer any written request by an apartment owner for approval of a proposed addition or alteration in such owner's apartment within ninety (90) days after such request or such longer period as the Board may specify, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition or alteration.



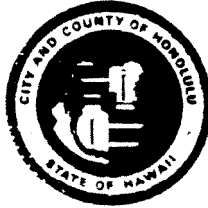
EXHIBIT "C"

COMPLIANCE WITH BUILDING CODE AND  
MUNICIPAL REGULATIONS; COST TO CURE VIOLATIONS

Paragraph V of the Declaration provides:

To Developer's knowledge, information and belief, the Project is in compliance with all zoning and building ordinances and codes of the City and County of Honolulu in force at the time of its construction and no variances or special permits were granted to allow deviations from any applicable codes. The Developer cannot determine whether the Project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes.

## CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING  
650 SOUTH KING STREET  
HONOLULU, HAWAII 96813FRANK F. FAS  
DIRECTORHERBERT K. MURAKA  
DIRECTOR AND BUILDING SUPERINTENDENT

Ex92-66

May 26, 1992

Mr. Edward R. Brooks  
Foley Maehara Judge Nip & Chang  
Attorneys at Law  
2700 Grosvenor Center  
737 Bishop Street  
Honolulu, Hawaii 96813

Dear Mr. Brooks:

Subject: Kunia Palms Condominium Conversion  
94-010 Leolua Street  
Tax Map Key: 9-4-47: 19

This is in reply to your letter dated April 20, 1992 requesting confirmation that the Kunia Palms apartment buildings met all applicable code requirements at the time of construction.

Investigation revealed that a 3-story 38-dwelling-unit apartment building and a 3-story 24-dwelling-unit apartment building with 62 off-street parking spaces met all applicable code requirements when they were constructed.

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

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

Mr. Edward R. Brooks  
Page 2  
May 26, 1992

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

Very truly yours,



HERBERT K. MURAOKA  
Director and  
Building Superintendent

Subscribed and sworn to  
before me this 27th day of  
May, 1992.

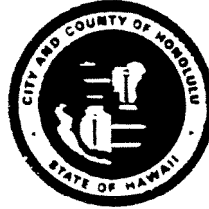


Notary Public, First Judicial Circuit  
State of Hawaii  
My commission expires: June 21, 1995

# CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING  
650 SOUTH KING STREET  
HONOLULU, HAWAII 96813

FRANK F. PAS  
MAYOR



HERBERT K. MURAKA  
DIRECTOR AND BUILDING DEPARTMENT

Ex92-65

May 26, 1992

Mr. Edward R. Brooks  
Foley Maehara Judge Nip & Chang  
Attorneys at Law  
2700 Grosvenor Center  
737 Bishop Street  
Honolulu, Hawaii 96813

Dear Mr. Brooks:

Subject: Kunia Palms Condominium Conversion  
94-011 Waipahu Street  
Tax Map Key: 9-4-47: 21

This is in reply to your letter dated April 20, 1992 requesting confirmation that the Kunia Palms apartment buildings met all applicable code requirements at the time of construction.

Investigation revealed that a 3-story 27-dwelling-unit apartment building, a 3-story 18-dwelling-unit apartment building and a 3-story 23-dwelling-unit apartment building with 68 off-street parking spaces met all applicable code requirements when they were constructed.

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

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

Mr. Edward R. Brooks

Page 2

May 26, 1992

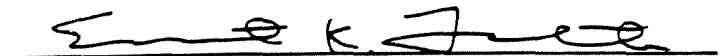
If you have any questions regarding this matter, please contact Mr. Ivan Matsumoto of this office at 527-6341.

Very truly yours,



HERBERT K. MURAOKA  
Director and  
Building Superintendent

Subscribed and sworn to  
before me this 27th day of  
May, 1992.

  
Notary Public, First Judicial Circuit  
State of Hawaii  
My commission expires: June 21, 1995

## EXHIBIT "D"

### DESCRIPTION OF COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

#### I. COMMON ELEMENTS

Paragraph E of the Declaration provides:

One freehold estate is hereby designated in all of the remaining portions of the Project (the "common elements"), which shall include the limited common elements described in paragraph F hereinbelow and all portions of the land and improvements other than the apartments, including the buildings, the land on which the buildings are located and all common elements mentioned in the Act which are actually constructed on the land described herein. Said common elements shall include, but shall not be limited to the following:

1. The land described in Exhibit "A".
2. All foundations, columns, girders, beams, floor slabs, supports, unfinished perimeter and load-bearing walls (except for the inner decorated surfaces within each apartment), roofs, stairways, walkways, entrances and exits of said buildings.
3. All yards, grounds, landscaping, refuse and like facilities.
4. All driveways, loading areas, ramps, parking area entryways and exitways as designated on the Condominium Map.
5. All electrical transformer boxes and rooms, storage rooms, laundry rooms and areas, trash rooms, all central and appurtenant installations for services such as power, lights, telephone, gas, hot and cold water lines, television lines, sewage disposal and other utilities (including all pipes, ducts, wires, cables and conduits used in connection therewith, whether located in common areas or in apartments), and all tanks, pumps, motors, fans, ducts and other apparatus and installations existing for, or in the buildings for common use.
6. All corridors and stairways situate within the Project.
7. Two (2) swimming pools, as depicted on the Condominium Map.
8. Any and all other apparatus and installations of common use and all other parts of the property necessary or

convenient to its existence, maintenance and safety, and normally in common use and which are not part of any apartment.

## II. LIMITED COMMON ELEMENTS

Paragraph F of the Declaration provides:

Certain parts of the common elements (the "limited common elements") are hereby set aside and reserved for the exclusive use of certain apartments, which apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside for each apartment are as follows:

1. The parking stall designated for such apartment, bearing the same number as the number of the apartment; and

2. One (1) mailbox located on the Project grounds, bearing the same number as the number of the apartment.

Notwithstanding any provisions herein or in the By-Laws to the contrary, all costs of every kind pertaining to each limited common element, including but not limited to, costs of maintenance, repair, replacements, additions and improvements, shall be charged to and borne entirely by the owner(s) of the apartment(s) to which it is appurtenant. Expenses which are attributable to more than one parking stall or mailbox shall be allocated among the affected parking stalls or mailboxes on a per parking stall or mailbox basis. Any expense which cannot be separately identified or attributed to a limited common element shall be charged as a common expense.

EXHIBIT "E"

COMMON INTERESTS

Paragraph G and Exhibit "E" of the Declaration provides:

Each apartment shall have appurtenant thereto an undivided percentage interest (the "common interest") in all common elements of the Project and in all common profits and expenses of the Project and for all other purposes including voting. The common interest appurtenant to each apartment is set forth in Exhibit "E" attached hereto. Each apartment is separately metered for electricity.

EXHIBIT "E"

<u>Apt. No.</u>	<u>Net Living Area</u>	<u>Percentage Common Interest</u>
A-114	705	.7693%
A-115	705	.7693%
A-116	705	.7693%
A-117	705	.7693%
A-118	705	.7693%
A-119	705	.7693%
A-120	705	.7693%
A-121	705	.7693%
A-214	705	.7693%
A-215	705	.7693%
A-216	705	.7693%
A-217	705	.7693%
A-218	705	.7693%
A-219	705	.7693%
A-220	705	.7693%
A-221	705	.7693%
A-314	705	.7693%
A-315	705	.7693%
A-316	705	.7693%
A-317	705	.7693%
A-318	705	.7693%
A-319	705	.7693%
A-320	705	.7693%
A-321	705	.7693%
B-107	705	.7693%
B-108	705	.7693%
B-109	705	.7693%
B-110	705	.7693%
B-111	705	.7693%
B-112	705	.7693%



<u>Apt. No.</u>	<u>Net Living Area</u>	<u>Percentage Common Interest</u>
B-207	705	.7693%
B-208	705	.7693%
B-209	705	.7693%
B-210	705	.7693%
B-211	705	.7693%
B-212	705	.7693%
B-213	705	.7693%
B-307	705	.7693%
B-308	705	.7693%
B-309	705	.7693%
B-310	705	.7693%
B-311	705	.7693%
B-312	705	.7693%
B-313	705	.7693%
C-101	705	.7693%
C-102	705	.7693%
C-103	705	.7693%
C-104	705	.7693%
C-105	705	.7693%
C-106	705	.7693%
C-201	705	.7693%
C-202	705	.7693%
C-203	705	.7693%
C-204	705	.7693%
C-205	705	.7693%
C-206	705	.7693%
C-301	705	.7693%
C-302	705	.7693%
C-303	705	.7693%
C-304	705	.7693%
C-305	705	.7693%
C-306	705	.7693%
D-109	705	.7693%
D-110	705	.7693%
D-111	705	.7693%
D-112	705	.7693%
D-113	705	.7693%
D-114	705	.7693%
D-115	705	.7693%
D-116	705	.7693%
D-117	705	.7693%
D-209	705	.7693%
D-210	705	.7693%
D-211	705	.7693%
D-212	705	.7693%
D-213	705	.7693%
D-214	705	.7693%
D-215	705	.7693%
D-216	705	.7693%
D-217	705	.7693%

<u>Apt. No.</u>	<u>Net Living Area</u>	<u>Percentage Common Interest</u>
D-309	705	.7693%
D-310	705	.7693%
D-311	705	.7693%
D-312	705	.7693%
D-313	705	.7693%
D-314	705	.7693%
D-315	705	.7693%
D-316	705	.7693%
D-317	705	.7693%
E-103	705	.7693%
E-104	705	.7693%
E-105	705	.7693%
E-106	705	.7693%
E-107	705	.7693%
E-108	705	.7693%
E-203	705	.7693%
E-204	705	.7693%
E-205	705	.7693%
E-206	705	.7693%
E-207	705	.7693%
E-208	705	.7693%
E-303	705	.7693%
E-304	705	.7693%
E-305	705	.7693%
E-306	705	.7693%
E-307	705	.7693%
E-308	705	.7693%
F-119	705	.7693%
F-120	705	.7693%
F-121	705	.7693%
F-122	705	.7693%
F-123	705	.7693%
F-218	705	.7693%
F-219	705	.7693%
F-220	705	.7693%
F-221	705	.7693%
F-222	705	.7693%
F-223	705	.7693%
F-318	705	.7693%
F-319	705	.7693%
F-320	705	.7693%
F-321	705	.7693%
F-322	705	.7693%
F-323	705	.7693%
G-101	705	.7693%
G-102	705	.7693%
G-201	705	.7693%
G-202	705	.7693%
G-301	705	.7693%
G-302	705	.7603%

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
  
2. AS TO PARCEL FIRST (LOT B):
  - (A) Designation of Easement "2" (10 feet wide) for sanitary sewer purposes, as shown on File Plan No. 969.
  
  - (B) Grant dated April 1, 1966, in favor of the City and County of Honolulu, for an easement over said Easement "2", recorded as aforesaid in Liber 6496 at Page 92.
  
  - (C) Restriction of Abutter's rights of vehicle access into and from Kunia Road, Federal Aid Project No. F-075-1 (2) over and across Course 1 of Boundary 2 hereinafter described, which rights were condemned by Final Order of Condemnation dated March 29, 1972, recorded as aforesaid in Liber 8340 at Page 101, and being more particularly described in Exhibit "F1" attached hereto and made a part hereof.
  
3. AS TO PARCEL SECOND (LOT A):
  - (A) Restriction of Abutter's rights of vehicle access into and from Waipahu Street and Kunia Road, Federal Aid Project No. F-075-1 (2), over and across Course 2 of the hereinafter described parcel of land, which rights were conveyed to the State of Hawaii, by instrument dated December 12, 1969, recorded as aforesaid in Liber 6946 at Page 1, and being more particularly described in Exhibit "F2" attached hereto and made a part hereof.
  
  - (B) Restriction of Abutter's rights of vehicle access into and from Waipahu Street, Federal Aid Project No. F-075-1 (2) over and across Boundary 2-A hereinafter described, which rights were condemned by Final Order of Condemnation dated March 29, 1972, recorded as aforesaid in Liber 8340 at Page 101, and being more particularly described in Exhibit "F3" attached hereto and made a part hereof.
  
4. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Condominium Property Regime dated August 25, 1992, recorded as aforesaid as Document No. 92-144458, as the same may hereafter be amended in accordance with law or with said Declaration. Said Project is covered by Condominium Map No. 1725.

5. By-Laws of the Association of Apartment Owners of the Condominium Project known as "Kunia Palms" dated August 25, 1992, recorded as aforesaid as Document No. 92-144459, as the same may hereafter be amended.

6. Real property taxes as may be due and owing. See County Tax Assessor for further details.

EXHIBIT "F1"

"KUNIA ROAD  
FEDERAL AID PROJECT NO. F-075-1 (2)

BOUNDARY "2"

Being sections of the Northeast right-of-way boundary of Kunia Road, Federal Aid Project No. F-075-1 (2) and Sections of the right-of-way boundaries of the proposed subdivision road into portion of R. P. 4490, L. C. Aw. 10474 Apana 9 to N. Namauu.

Situated at Hoaeae, Ewa, Oahu, Hawaii.

Beginning at the Northwest end of this right-of-way boundary, on the Northeast side of Kunia Road, Federal Aid Project No. F-075-1 (2), the true azimuth and distance from a point at the intersection of the present Southeast side of Waipahu Street being  $321^{\circ} 45' 51.00$  feet, and the coordinates of said point of beginning referred to "Hawaii Plane Coordinate Grid System, Zone 3" (Central Meridian  $158^{\circ} 00' 00.00$ ") being  $78,322.96$  feet North and  $489,532.38$  feet East, thence running by azimuths measured clockwise from Grid South of said "Hawaii Plane Coordinate Grid System, Zone 3";

1.  $321^{\circ} 45' 40''$                        $397.46$                       feet along the Northeast side of Kunia Road, Project No. F-075-1 (2);
2.                      Thence along the Northwest side of the proposed subdivision road, on a curve to the left with a radius of  $40.00$  feet, the chord azimuth and distance being  $280^{\circ} 20' 10'' 52.93$  feet;
3.                       $238^{\circ} 54' 40''$                        $15.00$                       feet along the Northwest side of the proposed subdivision road;"

EXHIBIT "F2"

"Being all of Lot 11, File Plan 969:

Being a portion of R. P. 4490, L. C. Aw. 10470, Apana 9, to N. Namauu and situated on the present Southeast side of Waipahu Street and the present side of Kunia Road; Land situated at Hoaeae, Ewa, Oahu, Hawaii:

Beginning at the West corner of this piece of land, at a point of intersection of the present Southeast side of Waipahu Street and the present Northeast side of Kunia Road, the coordinates of said point of beginning referred to "Hawaii Plane Coordinate Grid System, Zone 3" (Central Meridian 158° 00' 00.00") being 78,363.02 feet North and 489,500.82 feet East, thence running by azimuths measured clockwise from Grid South of said "Hawaii Plane Coordinate Grid System, Zone 3";

1. 238° 54' 40" 51.00 feet along the present Southeast side of Waipahu Street;
2. Thence along the New East corner of the intersection of Waipahu Street and Kunia Road, Project No. F-075-1 (2), along the remainder of L. C. Aw. 10474 Apana 9 to N. Namauu, on a curve to the left with a radius of 45.00 feet, the chord azimuth and distance being 10° 20' 10" 67.48 feet;
3. 141° 45' 40" 51.00 feet along the present Northeast side of Kunia Road, to the point of beginning and containing an area of 58 square feet or 0.013 acre."

EXHIBIT "F3"

"KUNIA ROAD  
FEDERAL AID PROJECT NO. F-075-1 (2)

BOUNDARY "2-A"

Being a section of the right-of-way boundary along the present Southeast side of Waipahu Street.

Situated at Hoaeae, Ewa, Oahu, Hawaii.

Beginning at the Southwest end of this right-of-way boundary, on the present Southeast side of Waipahu Street, the true azimuth and distance from a point at the intersection of the present Southeast side of Waipahu Street and the present Northeast side of Kunia Road being  $238^{\circ} 54' 40''$  51.00 feet, and the coordinates of said point of beginning referred to "Hawaii Plane Coordinate Grid System, Zone 3" (Central Meridian  $158^{\circ} 00' 00.00''$ ) being 78,389.35 feet North and 489,544.49 feet East, thence running by azimuth measured clockwise from Grid South of said "Hawaii Plane Coordinate Grid System, Zone 3":

- |    |                        |       |   |
|----|------------------------|-------|---|
| 1. | $238^{\circ} 54' 40''$ | 15.00 | feet along the present Southeast side of Waipahu Street to the Northeast end of this right-of-way boundary and consisting of a length of 15.00 feet." |
|----|------------------------|-------|---|

EXHIBIT "G"

ESTIMATE OF MAINTENANCE FEES  
AND  
MAINTENANCE FEE DISBURSEMENTS

<u>Apt. No.</u>	<u>Monthly Fee</u> x 12 months = <u>Yearly Total</u>
A-114	\$166.54 \$1,998.48
A-115	\$166.54 \$1,998.48
A-116	\$166.54 \$1,998.48
A-117	\$166.54 \$1,998.48
A-118	\$166.54 \$1,998.48
A-119	\$166.54 \$1,998.48
A-120	\$166.54 \$1,998.48
A-121	\$166.54 \$1,998.48
A-214	\$166.54 \$1,998.48
A-215	\$166.54 \$1,998.48
A-216	\$166.54 \$1,998.48
A-217	\$166.54 \$1,998.48
A-218	\$166.54 \$1,998.48
A-219	\$166.54 \$1,998.48
A-220	\$166.54 \$1,998.48
A-221	\$166.54 \$1,998.48
A-314	\$166.54 \$1,998.48
A-315	\$166.54 \$1,998.48
A-316	\$166.54 \$1,998.48
A-317	\$166.54 \$1,998.48
A-318	\$166.54 \$1,998.48
A-319	\$166.54 \$1,998.48
A-320	\$166.54 \$1,998.48
A-321	\$166.54 \$1,998.48
B-107	\$166.54 \$1,998.48
B-108	\$166.54 \$1,998.48
B-109	\$166.54 \$1,998.48
B-110	\$166.54 \$1,998.48
B-111	\$166.54 \$1,998.48
B-112	\$166.54 \$1,998.48
B-207	\$166.54 \$1,998.48
B-208	\$166.54 \$1,998.48
B-209	\$166.54 \$1,998.48
B-210	\$166.54 \$1,998.48
B-211	\$166.54 \$1,998.48
B-212	\$166.54 \$1,998.48
B-213	\$166.54 \$1,998.48
B-307	\$166.54 \$1,998.48
B-308	\$166.54 \$1,998.48
B-309	\$166.54 \$1,998.48
B-310	\$166.54 \$1,998.48
B-311	\$166.54 \$1,998.48
B-312	\$166.54 \$1,998.48
B-313	\$166.54 \$1,998.48



Apt. No.

Monthly Fee x 12 months = Yearly Total

C-101	\$166.54	\$1,998.48
C-102	\$166.54	\$1,998.48
C-103	\$166.54	\$1,998.48
C-104	\$166.54	\$1,998.48
C-105	\$166.54	\$1,998.48
C-106	\$166.54	\$1,998.48
C-201	\$166.54	\$1,998.48
C-202	\$166.54	\$1,998.48
C-203	\$166.54	\$1,998.48
C-204	\$166.54	\$1,998.48
C-205	\$166.54	\$1,998.48
C-206	\$166.54	\$1,998.48
C-301	\$166.54	\$1,998.48
C-302	\$166.54	\$1,998.48
C-303	\$166.54	\$1,998.48
C-304	\$166.54	\$1,998.48
C-305	\$166.54	\$1,998.48
C-306	\$166.54	\$1,998.48
D-109	\$166.54	\$1,998.48
D-110	\$166.54	\$1,998.48
D-111	\$166.54	\$1,998.48
D-112	\$166.54	\$1,998.48
D-113	\$166.54	\$1,998.48
D-114	\$166.54	\$1,998.48
D-115	\$166.54	\$1,998.48
D-116	\$166.54	\$1,998.48
D-117	\$166.54	\$1,998.48
D-209	\$166.54	\$1,998.48
D-210	\$166.54	\$1,998.48
D-211	\$166.54	\$1,998.48
D-212	\$166.54	\$1,998.48
D-213	\$166.54	\$1,998.48
D-214	\$166.54	\$1,998.48
D-215	\$166.54	\$1,998.48
D-216	\$166.54	\$1,998.48
D-217	\$166.54	\$1,998.48
D-309	\$166.54	\$1,998.48
D-310	\$166.54	\$1,998.48
D-311	\$166.54	\$1,998.48
D-312	\$166.54	\$1,998.48
D-313	\$166.54	\$1,998.48
D-314	\$166.54	\$1,998.48
D-315	\$166.54	\$1,998.48
D-316	\$166.54	\$1,998.48
D-317	\$166.54	\$1,998.48
E-103	\$166.54	\$1,998.48
E-104	\$166.54	\$1,998.48
E-105	\$166.54	\$1,998.48
E-106	\$166.54	\$1,998.48
E-107	\$166.54	\$1,998.48
E-108	\$166.54	\$1,998.48
E-203	\$166.54	\$1,998.48

<u>Apt. No.</u>	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
E-204	\$166.54	\$1,998.48
E-205	\$166.54	\$1,998.48
E-206	\$166.54	\$1,998.48
E-207	\$166.54	\$1,998.48
E-208	\$166.54	\$1,998.48
E-303	\$166.54	\$1,998.48
E-304	\$166.54	\$1,998.48
E-305	\$166.54	\$1,998.48
E-306	\$166.54	\$1,998.48
E-307	\$166.54	\$1,998.48
E-308	\$166.54	\$1,998.48
F-119	\$166.54	\$1,998.48
F-120	\$166.54	\$1,998.48
F-121	\$166.54	\$1,998.48
F-122	\$166.54	\$1,998.48
F-123	\$166.54	\$1,998.48
F-218	\$166.54	\$1,998.48
F-219	\$166.54	\$1,998.48
F-220	\$166.54	\$1,998.48
F-221	\$166.54	\$1,998.48
F-222	\$166.54	\$1,998.48
F-223	\$166.54	\$1,998.48
F-318	\$166.54	\$1,998.48
F-319	\$166.54	\$1,998.48
F-320	\$166.54	\$1,998.48
F-321	\$166.54	\$1,998.48
F-322	\$166.54	\$1,998.48
F-323	\$166.54	\$1,998.48
G-101	\$166.54	\$1,998.48
G-102	\$166.54	\$1,998.48
G-201	\$166.54	\$1,998.48
G-202	\$166.54	\$1,998.48
01	\$166.54	\$1,998.48
02	\$164.34	\$1,972.08

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

**KUNIA PALMS  
(130 Units)**

**ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS:**

	<u>Monthly</u> x 12 months =	<u>Yearly</u> Total
Utilities and Services		
Electricity (Common Elements)	1,020	12,240
Gas	369	4,428
Refuse Collection	1,059	12,708
Telephone	48	576
Water/Sewer	3,696	44,352
Maintenance, Repairs & Supplies		
Buildings	163	1,956
Grounds	992	11,904
Equipment	298	3,576
Pool	255	3,060
Management		
Management Fee (Physical/Fiscal Service)	1,957	23,484
Payroll and Payroll Taxes	3,693	44,316
Office Expenses	249	2,988
Legal	100	1,200
Insurance	2,340	28,080
Reserves	4,251	51,012
Taxes and Government Assessments	1,000	12,000
Audit Fees	158	1,896
TOTAL	21,648	259,776

We, Chaney, Brooks & Company, as managing agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principals. The information contained herein is based on the data available to us at this time.

*Martha Scheller*  
 \_\_\_\_\_  
 Martha Scheller  
 Residential Property Manager

*September 10, 1992*  
 \_\_\_\_\_  
 Date

EXHIBIT "H"

CONSTRUCTION WARRANTIES

Paragraph 6 of the Conversion Contract used in connection with the Project is entitled "Seller's Disclaimer of Warrantes" and provides:

(a) No Warranties of Seller. Buyer understands and agrees that 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 transferred "AS IS" with "ALL FAULTS", and Seller will not be liable to 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 Buyer will not have the right to file any lawsuit for damages against Seller for any defects later discovered by Buyer.

(b) Hazardous Materials and Condition of Project. Seller has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of hazardous materials laws. Buyer acknowledges that there may be asbestos or other hazardous substances in the apartments, or in, under or around the Project. Buyer expressly releases Seller from any liability to Buyer if any hazardous materials are discovered.

EXHIBIT "I"

SUMMARY OF PERTINENT  
PROVISIONS OF CONVERSION CONTRACT

Developer has filed one (1) specimen conversion contract with the Hawaii Real Estate Commission. Among other provisions contained therein, the Conversion Contract contains the following provisions:

7. RIGHT OF INSPECTION. Since Buyer has actual possession of the Apartment pursuant to the proprietary lease, Buyer waives its right to inspect the Apartment. Buyer acknowledges that the Apartment is being transferred in "AS IS" condition with "ALL FAULTS", and Seller will not correct any defects or deficiencies that Buyer discovers in the Apartment. Buyer agrees to indemnify Seller for damages or losses, including interest and reasonable attorneys' fees, resulting from Buyer's refusal to accept the Apartment from Seller.

11. RISK OF LOSS AND CONDEMNATION. Since Buyer is already in possession of the Apartment, risk of loss to the Apartment and percentage interest in the common elements shall be borne by Buyer at all times. No taking by eminent domain of an easement or other limited right or of a portion of the common elements which does not substantially interfere with the use and enjoyment of the Apartment, the easements, rights or common elements appurtenant thereto shall be deemed grounds for cancellation hereof.

12. MAINTENANCE COSTS AND MANAGING AGENT. Buyer has examined and approved the estimate of monthly maintenance fees set forth in the Seller's Disclosure Abstract, a copy of which has been furnished to Buyer, and Buyer agrees that the current managing agent for the management, operation and maintenance of the Project will continue after the Closing Date. The Seller's Disclosure Abstract includes an estimate of monthly maintenance fees for the Apartment, which estimated budget was prepared by the managing agent in accordance with generally accepted accounting principles. Buyer acknowledges and agrees that such estimates are only estimates and are not intended to be and do not constitute any representation or warranty by Seller, including but not limited to any representation or warranty as to the accuracy of such estimates.

18. CONDITION TO BINDING EFFECT OF AGREEMENT.

(a) Anything herein to the contrary notwithstanding, this Agreement shall not be binding upon

Buyer and any obligation to acquire the Apartment under this Agreement shall not be enforceable against Buyer until:

(1) A true copy of the Commission's Final Public Report on the Project has been delivered to Buyer, either personally or by certified mail with return receipt requested, together with a true copy of all other public reports on the Project, if any, issued prior to the date of such delivery and not previously delivered to Buyer (unless the Final Public Report supersedes all prior public reports); and

(2) Buyer has been given an opportunity to read the report(s).

Buyer acknowledges that the Project is being converted from a cooperative to a condominium pursuant to a vote of the owners in the Project. Therefore, Buyer waives all rights to cancel this Agreement, unless such waiver is prohibited by law.

EXHIBIT "J"

SUMMARY OF PERTINENT  
PROVISIONS OF ESCROW AGREEMENT

Among other provisions, the Condominium Escrow Agreement dated October 9, 1992 executed by and between Title Guaranty Escrow Services, Inc., as Escrow and Kunia Palms, Inc., as Owner, provides that a purchaser shall be entitled to a return of his funds and Escrow shall pay funds to such purchaser, without interest, if any one of the following has occurred:

(a) Owner and the purchaser shall have requested Escrow in writing to return to the purchaser the funds of the purchaser held hereunder by Escrow; or

(b) Owner shall have notified Escrow of Owner'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 Owner; or

(c) With respect to a purchaser whose funds were obtained prior to issuance of the Final Report, the purchaser has exercised the purchaser's right to cancel the contract pursuant to Section 514A-62, Hawaii Revised Statutes, as amended; or

(d) The purchaser has exercised the purchaser's right to rescind the contract pursuant to Section 514A-63, Hawaii Revised Statutes, as amended.

In any of the foregoing events, Escrow shall, upon the occurrence of the event described in (a) or (b) above or upon receipt of a written request for a refund from the purchaser upon the occurrence of an event described in (c) or (d) above, 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 of Escrow of not less than \$25.00 per unit or a cancellation fee commensurate with the work done by Escrow prior to such cancellation, whichever fee is greater, up to a maximum of \$250.00) and thereupon said sales contract and any conveyance document theretofore delivered to Escrow shall be returned to Owner and shall be deemed no longer held hereunder; provided, however, that no refund shall be made to a purchaser at the purchaser's request prior to receipt by Owner of written notice from Escrow of Escrow's intent to make such refund.

(e) Notwithstanding any other provision in this Agreement to the contrary, Escrow further agrees to make refunds to purchasers, in accordance with Part VI, Chapter 514A, Hawaii Revised Statutes, out of the funds then on deposit with Escrow, if Owner and the purchaser shall so request in writing and any one of the following events has occurred:

(i) No sales contract has been offered to the purchaser who has been placed on Owner's reservation list of owner-occupant applicants; or

(ii) The purchaser has been unable to obtain adequate financing, or a commitment for adequate financing, for the purchaser's reserved unit within thirty (30) calendar days following the end of the ten (10) calendar day period during which Owner is limited to selling to owner-occupants; or

(iii) The purchaser desires to cancel the contract on account of hardship circumstances such as those set forth in Section 514A-104(1), Hawaii Revised Statutes; or

(iv) The purchaser indicates an intent not to become an owner-occupant of such unit.

Except for cancellations under subparagraph (i) above, Escrow may deduct from any such refund made to a purchaser a cancellation fee as set forth above.

THIS EXHIBIT CONTAINS EXCERPTS OF PERTINENT PROVISIONS CONTAINED IN THE ESCROW AGREEMENT. PROSPECTIVE PURCHASERS SHOULD READ AND UNDERSTAND ALL OF THE PROVISIONS CONTAINED IN THE DOCUMENT.



KUNIA PALMS CONDOMINIUM PROJECT  
REGISTRATION NO. 2727  
DISCLOSURE ABSTRACT AS OF OCTOBER 9, 1992

1. Name and Address of Project:

Kunia Palms  
94-011 Waipahu Street and  
94-010 Leolua Street  
Waipahu, Hawaii 96797

2. Name, Address and Telephone Number of Developer:

Kunia Palms, Inc.  
94-011 Waipahu Street and  
94-010 Leolua Street  
Waipahu, Hawaii 96797  
(808) 677-4999

3. Name, Address and Telephone Number of Managing Agent of Project:

Chaney, Brooks & Company  
94-1024 Waipio Uka Street, Suite 201  
Waipahu, Hawaii 96797  
(808) 676-2255

4. Maintenance Fees: The breakdown of the estimated annual maintenance fees and the estimated monthly fees for each apartment, representing the common expenses of the Project allocated to each apartment, which are hereby certified to be based on generally accepted accounting principles, are set forth in Exhibit "A" attached hereto and made a part hereof. The Developer advises that the maintenance fees of a condominium project are difficult to estimate prior to actual operation of the Project and even if maintenance fees have been accurately estimated, such fees will tend to increase in an inflationary economy and as the improvements age. The estimated maintenance fees and monthly fees for each apartment are based on the latest information available to the Developer and the Managing Agent and are subject to revision based on actual costs for items enumerated. Maintenance fees can vary depending on services desired by apartment owners. Each buyer should check the attached maintenance fee schedule to see what services are included therein.

5. Warranties: The Project consists of one hundred thirty (130) apartments contained in seven (7) three-story buildings, without basements. The buildings were constructed in 1969. The Project, the apartments and anything installed or contained therein are being sold on an "AS IS" with "ALL FAULTS" basis, without any warranties whatsoever, express or implied.

Paragraphs 5 and 6 of the Conversion Contract used in connection with the Project provide as follows:

"5. APARTMENT BEING TRANSFERRED "AS IS" WITH "ALL FAULTS". The Project is being converted and the Apartment is being transferred in "AS IS" condition with "ALL FAULTS". This means that 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 Buyer's obligation to perform all of Buyer's obligations under this Agreement.

6. SELLER'S DISCLAIMER OF WARRANTIES.

(a) No Warranties of Seller. Buyer understands and agrees that 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 transferred "AS IS" with "ALL FAULTS", and Seller will not be liable to 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 Buyer will not have the right to file any lawsuit for damages against Seller for any defects later discovered by Buyer.

(b) Hazardous Materials and Condition of Project. Seller has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of hazardous materials laws. Buyer

acknowledges that there may be asbestos or other hazardous substances in the apartments, or in, under or around the Project. Buyer expressly releases Seller from any liability to Buyer if any hazardous materials are discovered.

6. Number of Residential Apartments. The Project includes one hundred thirty (130) residential apartments. Each apartment shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests. No apartment shall 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 respective apartments shall not be rented by the apartment owners thereof for transient or hotel purposes, which shall be defined as (i) rental for any period less than thirty (30) days; or (ii) any rental in which the occupants of the apartment are provided customary hotel services, such as room service for food and beverage, maid service, furnishing of laundry and linen, and bellboy service. Neither the apartments nor any interest therein shall be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license", "travel club membership" or "time-interval ownership" arrangement. The term "time-sharing" as used herein shall be deemed to include, but is not limited to, any plan, program or arrangement under which the right to use, occupy, own or possess an apartment or apartments in the Project rotates among various persons on a periodically recurring basis according to a fixed or floating interval or period of time, whether by way of deed, lease, association or club membership, license, rental or use agreement, co-tenancy agreement, partnership or otherwise. Other than the foregoing restrictions, the apartment owners of the respective apartments shall have the absolute right to lease the same, provided that such lease covers an entire apartment, is in writing and is made subject to the covenants and restrictions contained in the Declaration and in the By-Laws.

7. Extent of Non-Residential Development. The Declaration of Condominium Property Regime for the Project does not authorize the commercial or non-residential use of the Project in any of the apartments.

8. Existing Structures. In 1989, the condition of the site on which the Project is located and the structural components and the mechanical and electrical installations material to the use and enjoyment of the Project were described in reports from a structural engineer, electrical engineer, mechanical engineer and architect which are attached hereto as Exhibit "B". Although not required by law, the developer at that

time (Savio Development Co., Inc.) had asked the engineers and the architect to give opinions about the condition of the Project in order to provide buyers with additional information. At that time Savio Development Co., Inc. did not represent or warrant that the letters are correct or complete. Neither does the Developer at this time represent or warrant that the letters are correct or complete. However, in order to minimize the cost of the condominium conversion to the owners in the Project, the Developer has not obtained current reports from any engineers or architects. The letters should not be relied upon as the opinion of the Developer. No representations are made by the Developer with respect to the current condition of the Project or expected useful life of the structural components or the mechanical and electrical installations in the Project.

The buildings were built in 1969. The improvements are generally in fair condition, but according to the reports the improvements have some deferred maintenance and some immediate repairs must be made.

According to the reports, the concrete walkways and other areas where aluminum handrails are attached show signs of deterioration. Immediate strengthening of these concrete areas should be performed for safety considerations. Some concrete corridors and sidewalk areas show some cracking and spalling, and should be repaired. Because of the age of the Project, the plumbing and electrical components of the apartments and the Project may require higher than normal repairs and eventual replacement. Some of the clothes dryer exhaust ducts were noted to be in bad condition and needing repairs. Exits and stairway landings may have inadequate lighting. Prospective purchasers should be aware that the Project does not have handicap access ramps or bathrooms. The apartments in the Project were not designed for individual washers, dryers or air conditioners. The addition of these appliances or other kinds of equipment could severely affect the Project's capacity to provide basic utility needs. Painting is needed, particularly in many of the apartments. In addition, the roof on each building may need repairing or replacing in the next few years.

This is not a complete list of the defects in the Project. This list is a summary of some of the observations made in the reports attached as Exhibit "B".

The Developer disclaims any warranties, either express or implied, including any implied warranty of habitability, with respect to the Project, the apartments or their contents. The Developer will not be liable to purchasers for any construction or other defects, including any latent or hidden defects in the Project, the apartments or their contents. This means that Purchasers will not have the right to file any lawsuit

for damages against the Developer for any defects discovered by the purchasers.

9. Notices. As of May 26, 1992, no outstanding notices of uncured violations of building code or other municipal regulations exist.

10. Compliance with Codes. To Developer's knowledge, information and belief, based upon a letter from the Building Department of the City and County of Honolulu attached hereto as Exhibit "C", the Project is in compliance with all zoning and building ordinances and codes of the City and County of Honolulu in force at the time of its construction and no variances or special permits were granted to allow deviations from any applicable codes. The Building Department cannot determine whether the Project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes.

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

Dated: Honolulu, Hawaii, October 9, 1992.

KUNIA PALMS, INC.,  
a Hawaii corporation

By Ernest E. Theodor  
Its PRESIDENT

By Ann L. Perry  
Its Vice President

Developer

# Chaney, Brooks & COMPANY

## KUNIA PALMS (130 Units)

### ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS:

	<u>Monthly</u> x 12 months =	<u>Yearly</u> Total
Utilities and Services		
Electricity (Common Elements)	1,020	12,240
Gas	369	4,428
Refuse Collection	1,059	12,708
Telephone	48	576
Water/Sewer	3,696	44,352
Maintenance, Repairs & Supplies		
Buildings	163	1,956
Grounds	992	11,904
Equipment	298	3,576
Pool	255	3,060
Management		
Management Fee (Physical/Fiscal Service)	1,957	23,484
Payroll and Payroll Taxes	3,693	44,316
Office Expenses	249	2,988
Legal	100	1,200
Insurance	2,340	28,080
Reserves	4,251	51,012
Taxes and Government Assessments	1,000	12,000
Audit Fees	158	1,896
	TOTAL	259,776

We, Chaney, Brooks & Company, as managing agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principals. The information contained herein is based on the data available to us at this time.

*Martha Scheller*  
 \_\_\_\_\_  
 Martha Scheller  
 Residential Property Manager

*September 10, 1992*  
 \_\_\_\_\_  
 Date

EXHIBIT "A1"

ESTIMATE OF MAINTENANCE FEES  
AND  
MAINTENANCE FEE DISBURSEMENTS

<u>Apt. No.</u>	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
A-114	\$166.54	\$1,998.48
A-115		
A-116		
A-117		
A-118		
A-119		
A-120		
A-121		
A-214		
A-215		
A-216		
A-217		
A-218		
A-219		
A-220		
A-221		
A-314		
A-315		
A-316		
A-317		
A-318		
A-319		
A-320		
A-321		
B-107		
B-108		
B-109		
B-110		
B-111		
B-112		
B-207		
B-208		
B-209		
B-210		
B-211		
B-212		
B-213		
B-307		
B-308		
B-309		
B-310		
B-311		
B-312		
B-313		
C-101		

<u>Apt. No.</u>	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
C-102	\$166.54	\$1,998.48
C-103		
C-104		
C-105		
C-106		
C-201		
C-202		
C-203		
C-204		
C-205		
C-206		
C-301		
C-302		
C-303		
C-304		
C-305		
C-306		
D-109		
D-110		
D-111		
D-112		
D-113		
D-114		
D-115		
D-116		
D-117		
D-209		
D-210		
D-211		
D-212		
D-213		
D-214		
D-215		
D-216		
D-217		
D-309		
D-310		
D-311		
D-312		
D-313		
D-314		
D-315		
D-316		
D-317		
E-103		
E-104		
E-105		
E-106		
E-107		
E-108		



<u>Apt. No.</u>	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
E-203	\$166.54	\$1,998.48
E-204		
E-205		
E-206		
E-207		
E-208		
E-303		
E-304		
E-305		
E-306		
E-307		
E-308		
F-119		
F-120		
F-121		
F-122		
F-123		
F-218		
F-219		
F-220		
F-221		
F-222		
F-223		
F-318		
F-319		
F-320		
F-321		
F-322		
F-323		
G-101		
G-102		
G-201		
G-202		
G-301		
G-302	\$164.34	\$1,972.08

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

**3329 Sierra Drive  
Honolulu, Hawaii 96816  
phone 7374448**

June 16, 1989

Peter Savio  
Savio Development Co., Inc.  
931 University Avenue, Suite 202  
Honolulu, Hawaii 96826

Subject: Kunia Palms, Architectural Observations

Dear Peter:

On May 24, 1989 A cursory on-site architectural observation was conducted of Alii Palms, 94-010 Waipahu Street (corner of Kunia Road and Waipahu Street) and Alii Regent, 94-011 Leolua Street (corner of Kunia Road and Leolua Street), Waipahu. The above two adjacent sites are to be combined as Kunia Palms, a multi-family residential complex. Construction drawings were not available, but partial drawings from a similar project in the neighborhood were found. One apartment unit from each of the two projects was entered and observed to be typical for the projects. There were no long-term maintenance and operation records and no past engineering reports seen.

The Alii Palms has four 3-story structures. Alii Regent has three 3-story structures. Both have a fenced swimming pool area, small grassed lawn areas, asphalt paved parking, trash enclosure, laundry room and maintenance storeroom. The apartment units are identical in layout.

The following concerns were observed and are presented for your consideration:

1. There are no fire sensors or fire sprinkler system in the laundry room and maintenance storeroom.
2. There is no fire compartmentalization in the maintenance storeroom for storage of paint or other combustibles.
3. Walkways and corridors do not have a consistent level of surface texturing which may make some slippery when wet.
4. The pool is fenced with a fence under six feet high.
5. Gate to the pool did not have self-closer and self-locking features.

**ERNEST M. UMEMOTO AIA**

Architecture - Interior Design - Space Planning - Planning - Graphics

 **Architect**

6. Hedges prevent visual observation of the pool from all units. This may be a concern since no lifeguard is on duty.
7. Bedroom window sills are 4'-6" above the floor. Current standard is 4'-4".
8. The units are not equipped with the fire alarms or smoke detectors.
9. The building fire alarm is a local-sounding system and was not examined as to testing record, operability or adequacy of the system.
10. No peep holes in entry doors and no special high-security locksets.
11. The walkways are 4'-3" wide with 3' high guardrails. Recommend that they be made 3'-6" high by adding a wood handrail at the top.
12. The openings in the guardrail exceed 5".
13. The laundry should be equipped with fire extinguishers.
14. Drainage ditches are not fenced off from access to children.
15. Roof access hatch should remain locked.
16. Stairways are 2'-8" clear width with handrail on one side only. They should be 3'-8" wide with handrails on both sides that extend 6" past the last riser and end with a safety return.
17. Walkway and stairway lights should illuminate exitways and be switched on by a sensor switch instead of a timer switch.
18. Stairway riser and threads vary more than currently permissible.
19. Some entry doors are 8" above concrete walkways. A concrete landing should be built to keep the interior and exterior difference to  $\frac{1}{2}$ " maximum.
20. The project does not have handicap access, toilet or other provisions currently required. There are no ramps from the parking lot to the units.
21. Non-conforming stalls are provided.

22. No guest stalls provided.
23. Sidewalk fence has loose or missing caps.
24. Pool deck slab has cracks.
25. There are cracks, uneven joints and surfaces that could contribute to tripping or slippery conditions. Uneven night lighting and dirt/fungus accumulation may aggravate the problem.
26. Guardrails are flexible in the horizontal direction due to weathered anchorages. They should be structurally stiffened to support a 50 psf lateral load per UBC Building Code.
27. Signs and safety emergency apparatus are insufficient in the pool area.
28. The self-closer on the laundry door seemed too cumbersome for the general public and could cause injury to a child's hands.
29. Stairway lighting level inadequate.
30. Ceiling acoustical treatment and other building material were not tested for asbestos content.
31. Roofing was not observed.
32. Electric meters are exposed to the weather. Rust is present on electric panel boxes. The emergency disconnect switch was not easily accessible.
33. No observations were made as to site drainage or flooding. The ground floor unit slabs are close to the ground so that any sitework that deviates from the original civil engineer's design should be carefully analyzed. There is no storm drainage on surrounding streets.
34. Unit 116 has experienced flooding in the past. The parking lot slopes toward Building "D".
35. The units were not designed for individual washer, dryers or window air conditioning. The addition of these appliances would severely impact the building's capacity to provide for its basic utility needs.

June 16, 1989  
Architectural Observations  
Page 4

36. Handrails and guardrails anchors have deteriorated and should be repaired. Vertical stiffeners have been added to stairway handrails at some location. This solution addresses the need to stiffen the handrail against lateral forces, but creates another problem relative to smooth handrail transitions down the exitway and reduction of the exit width.
37. The sideyards have open ditches, swales, drains and stepping stones that are uneven and may contribute to tripping.

The buildings have held up to wear and tear very well and a strict maintenance program has kept the complex clean and functionally able to provide for the needs of the intended use.

Very truly yours,

  
Ernest M. Umemoto, AIA

# MARTIN & BRAVO, INC.

CONSULTING STRUCTURAL ENGINEERS

Pacific Tower, Suite 2660  
1001 Bishop Street  
Honolulu, Hawaii 96813  
(808) 521-4513

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

June 6, 1989

Savio Development Co., Inc.  
931 University Avenue, Suite 202  
Honolulu, Hawaii 96826

Attention: Peter Savio

SUBJECT: KUNIA PALMS APARTMENTS  
94-011 WAIPAHAU STREET & 94-010 LEOLUA STREET  
WAIPAHAU, HAWAII

Dear Peter:

At 2:30 p.m. on May 24, 1989, a cursory structural inspection was performed at the subject project. No architectural or structural drawings were available for our review; however, we were furnished structural drawings of Alii Terrace V, Waipahu Lot 7, which is similar from a structural systems standpoint. These drawings were stamped by Ivan Fujinaka, Structural Engineer and dated March 1968. They indicate six inch thick reinforced concrete precast slab panels the size of the room units. We observed no indication that this project utilized precast and presume six inch cast-in-place concrete slabs were substituted.

The project consists of two separate properties with a combined total of 130 apartment units. A total of seven separate buildings are on the two sites. 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" concrete masonry units (CMU). A bearing wall 48 inches long of 8" 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 most of the buildings. No observations were performed inside except unit 104 and the storeroom/laundry at Waipahu Street and Unit No. 318 and storeroom/laundry on Leolua Street. No tests or calculations were performed.

In general, we consider the buildings to be in excellent structural condition. Although, we have the following observations:

1. The aluminum hand rails cantilever from a pocket in the slab. These pockets have deteriorated and show evidence of various different types of repairs over the life of the structure; and many of these repairs have deteriorated.

IMMEDIATE strengthening of these handrails should be performed to provide minimum safety requirements for occupants and guests. Similar handrail conditions have been strengthened on adjacent apartment projects.

2. The exposed concrete corridors exhibit 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 stress-related distress. Spalled material should be removed (a safety hazard), rebar corrosion cleaned, and a non-shrink patch applied.

Some corridor slabs have been routed presumably to provide for drainage. One area on the Waianae side at the second and third floors exhibited some heavy concrete spalling and exposure of top reinforcing steel near stair landing. This should be patched and repaired.

3. The slab-on-grade sidewalk areas show nominal cracking. We observed no indication of expansion or settlement of soils.
4. In two different places, two buildings were interconnected by the widths of the exterior corridor slab only. In both cases, these slabs show severe cracking at the interface, probably due to normal shrinkage of the different buildings. A cosmetic repair in these areas should be sufficient.

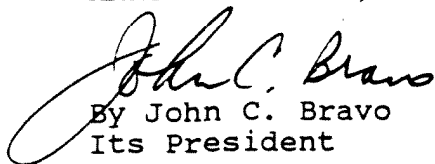
Savio Development Co., Inc.  
June 6, 1989  
Page 3

We conclude that these buildings have performed satisfactorily from a structural standpoint since construction and see no reason not to expect them, with normal maintenance and repair, to continue to perform indefinitely in the future. We do feel immediate repairs are necessary for the deficient hand rails.

If you have any questions regarding this report, please feel free to call.

Very truly yours,

MARTIN & BRAVO, INC.

  
By John C. Bravo  
Its President

JCB:wei

cc: Ernest Umemoto

MARTIN  
BRAVO



EXHIBIT "B2"

RS Engineering  
965 N. Nimitz, Unit A3  
Honolulu, Hawaii 96817  
June 5, 1989

Savio Development Company, Inc.  
931 University Ave, Suite 202  
Honolulu, Hawaii 96826

Attention: Mr. Peter Savio

Subject: Kunia Palms  
94-010 Leolua Street  
Waipahu, Hawaii 96797

Gentlemen:

On May 24, 1989, a cursory inspection was performed on the subject property to evaluate the condition of its electrical system. No as-built plans were available.

The property is composed of seven buildings with a total of 130 units.

**POWER SYSTEM**

The service equipment to six buildings consists of a 3P600A main circuit breaker and a meter and a 2P70A circuit breaker for each unit. The seventh, which has only six units, is fed from the service for an adjacent eighteen apartment unit.

The service equipment is mounted on the exterior of the buildings and, consequently, has seen considerable weathering. Some covers are missing and several hinges are broken. We recommend that these boxes be repaired and repainted.

**SECURITY LIGHTING**

The exterior exit balconies are inadequately lit. The lighting consists of wall-mounted incandescent fixtures approximately 100 feet apart. There are also no lights provided for the stairway landings and stairway lighting appears to be inadequate.

The parking lot and included lawn areas are lit by roof top HID light fixtures. The numbers and placement of these fixtures appear adequate to provide sufficient lumination for these areas.

## FIRE ALARM SYSTEM

The last inspection was performed on May 1989 and the fire alarm system was found to be functioning properly. The system is inspected and tested twice a year.

A pull station is located on each floor at each stairway. There is one bell for each pull station stack. The equipment appears to be in good physical condition.

## LAUNDRY ROOMS

There are two laundry rooms for the complex. The washers and dryers are served from a panel located in a room adjacent to the laundry room. Adjacent to the laundry room panel is the pool panel and additional circuit breakers and timers for common area lighting.

## APARTMENT UNIT

Two apartment units were inspected. The electrical systems appeared to be in fair condition and the panel in each unit adequate for the loads connected.

Deficiencies noted include the kitchen outlet nor GFI protected, no outlet on some counter tops, no GFI receptacle in the bathroom and the partial blocking of the electrical panel by the water heater in the closet.

## CONCLUSION

The electrical service appears adequate for the loads connected and the unit circuit breaker panels appear to be suitably sized. No major loads such as air conditioning, however, should be added to the present loads.

The project complies with electrical codes in effect at the time of its installation. With normal replacement and upkeep, a life of ten years or more can be expected.

Sincerely,

*Samuel S. Matsuo*  
Samuel S. Matsuo

cc: file

June 12, 1989



Savio Realty  
931 University Ave  
Honolulu, Hawaii 96826

Project: KUNIA PALMS  
(Presently Alii Palms & Alii Regent;  
94-011 Waipahu & 94-010 Leolua Streets)  
Waipahu, Hawaii

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

A cursory site observation of two typical units for the above project was conducted on May 24, 1989 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 about 130 apartment units. The complex consists of numerous buildings each with three stories, ground level central parking and swimming pools.

Fire Hose Cabinets (FHC) were noted on the exterior of each floor. The buildings had one or two FHC per floor depending on the building length. The FHC door had many different types of replacement covers but were in usable condition. The last inspected tag date on the FHC was December 1987 and Fire Extinguishers had a date of May 1989.

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

Apartment unit no. 104: The plumbing fixtures were old and generally obsolete but in usable condition. The fixtures showed sign of the lack in maintenance cleaning, like toilet bowl rings. The water closet was good in fair condition. The bathtub pop-up drain was missing and needs replacement. The lavatory was a counter top type. The electric water heater was a 32 gallon American Appliance Corp. model EFR 32. The kitchen stainless steel sink and faucet was in fair condition.

Apartment unit no. 318: Condition of plumbing fixtures were generally in usable condition like the other unit. The kitchen sink had a good Price Pfister faucet. The disposal was a ISE model. The bathtub pop-up drain was missing and needs a replacement. The tub surface was in fair condition. The electric water heater was a 30 gallon Hoyt model.

Mechanical Engineers - 826 Kalia St. Suite 305 - Honolulu HI 96814 - (808) 946-7774

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.

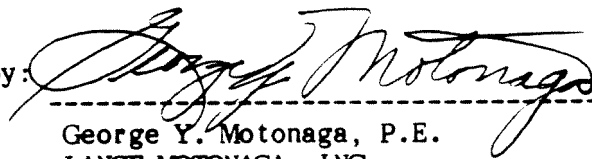
The swimming pool equipment (located next to the pool) seems to be in fair condition and operational.

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

Some of the clothes dryer exhaust ducts (In the Laundry Room) were noted to be in bad condition and needing repairs.

All plumbing systems observed were in usable condition and functional for the intended purpose. Overall, the mechanical maintenance for this buildings have been good, but due to its age and usage, above normal, high maintenance and replacements should be anticipated as it approaches closer to the economic life of 25 years. With proper required maintenance and replacements these systems should provide a minimum of at least 10 years more of service.

Submitted by:

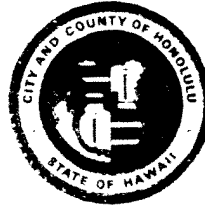


George Y. Motonaga, P.E.  
LANGE MOTONAGA, INC.  
Consulting Mechanical Engineers

CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING  
650 SOUTH KING STREET  
HONOLULU, HAWAII 96813

FRANK F. FAS  
MAYOR



HERBERT H. MURAKA  
DIRECTOR AND BUILDING DEPARTMENT

Ex92-66

May 26, 1992

Mr. Edward R. Brooks  
Foley Maehara Judge Nip & Chang  
Attorneys at Law  
2700 Grosvenor Center  
737 Bishop Street  
Honolulu, Hawaii 96813

Dear Mr. Brooks:

Subject: Kunia Palms Condominium Conversion  
94-010 Leolua Street  
Tax Map Key: 9-4-47: 19

This is in reply to your letter dated April 20, 1992 requesting confirmation that the Kunia Palms apartment buildings met all applicable code requirements at the time of construction.

Investigation revealed that a 3-story 38-dwelling-unit apartment building and a 3-story 24-dwelling-unit apartment building with 62 off-street parking spaces met all applicable code requirements when they were constructed.

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

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

Mr. Edward R. Brooks  
Page 2  
May 26, 1992

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

Very truly yours,



HERBERT K. MURAOKA  
Director and  
Building Superintendent

Subscribed and sworn to  
before me this 27th day of  
May, 1992.

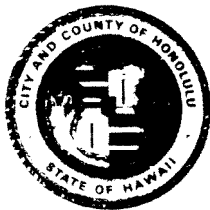


Notary Public, First Judicial Circuit  
State of Hawaii  
My commission expires: June 21, 1995

CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING  
650 SOUTH KING STREET  
HONOLULU, HAWAII 96813

FRANK F. FAS  
MAY 1992



HERBERT A. MURAKAWA  
DIRECTOR

Ex92-65

May 26, 1992

Mr. Edward R. Brooks  
Foley Maehara Judge Nip & Chang  
Attorneys at Law  
2700 Grosvenor Center  
737 Bishop Street  
Honolulu, Hawaii 96813

Dear Mr. Brooks:

Subject: Kunia Palms Condominium Conversion  
94-011 Waipahu Street  
Tax Map Key: 9-4-47: 21

This is in reply to your letter dated April 20, 1992 requesting confirmation that the Kunia Palms apartment buildings met all applicable code requirements at the time of construction.

Investigation revealed that a 3-story 27-dwelling-unit apartment building, a 3-story 18-dwelling-unit apartment building and a 3-story 23-dwelling-unit apartment building with 68 off-street parking spaces met all applicable code requirements when they were constructed.

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

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

Mr. Edward R. Brooks  
Page 2  
May 26, 1992

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

Very truly yours,



HERBERT K. MURAOKA  
Director and  
Building Superintendent

Subscribed and sworn to  
before me this 27th day of  
May, 1992.



Notary Public, First Judicial Circuit  
State of Hawaii  
My commission expires: June 21, 1995