

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2015-17

APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-5-015-007 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID PROPERTY BY EMINENT DOMAIN

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain ... all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, prior to such acquisition the Charter directs HART to submit a list of real property to be acquired by eminent domain to the City Council; and

WHEREAS, the City Council may approve the acquisition by eminent domain or may object by adoption of a resolution within 45 days of the notification to acquire the real property; and

WHEREAS, the acquisition by eminent domain in fee simple of the real property identified as Tax Map Key (TMK) 1-5-015-007 (por.) and more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That written notification to the City Council is approved, for the acquisition by eminent domain in fee simple of the real property identified as TMK 1-5-015-007 (por.); and
2. That in the event the City Council approves or does not object to the acquisition within 45 days of notification, then HART is authorized to publish in a daily newspaper at least three days prior to Board action, the attached resolution marked as Exhibit B, authorizing acquisition by eminent domain in fee simple of the above-identified real property.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on JUN 25 2015.

Exhibit A – Legal description of TMK 1-5-015-007 (por.)
Exhibit B – Resolution No. 2015-____, Authorizing the Acquisition of the Real Property
Identified as Tax Map Key 1-5-015-007 (portion) by Eminent Domain


Board Chair

ATTEST:


Board Administrator

Parcel 426
Being a Portion of Lot 3-A-1
As Shown on Map 3 of Land Court Consolidation 19

SITUATE AT KAPALAMA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the Northwest corner of this parcel of land, also being the North corner of the Remainder of Parcel 426, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,152.24 feet North and 7,578.93 feet West, thence running by azimuths measured clockwise from true South:

- 1. 212° 04' 5.00 feet along Lot 5 (Map 4) of Land Court Consolidation 19;
- 2. 302° 04' 140.26 feet along the Southwest side of Dillingham Boulevard;
- 3. 32° 04' 5.00 feet along Lot 2 (Map 1) of Land Court Consolidation 19;
- 4. 122° 04' 140.26 feet along the Remainder of Parcel 426 to the point of beginning and containing an area of 701 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki
 Ryan M. Suzuki Exp: 4/30/16
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
May 8, 2015



Remainder of Parcel 426
Being a Portion of Lot 3-A-1
As Shown on Map 3 of Land Court Consolidation 19

SITUATE AT KAPALAMA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the North corner of this parcel of land, also being the Northwest corner of the Parcel 426, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,152.24 feet North and 7,578.93 feet West, thence running by azimuths measured clockwise from true South:

- | | | |
|----|----------|--|
| 1. | 302° 04' | 140.26 feet along Parcel 426; |
| 2. | 32° 04' | 355.00 feet along Lot 2 (Map 1) of Land Court Consolidation 19; |
| 3. | 122° 04' | 140.26 feet along Lot 14-B-1 (Map 19) and Lot 6 (Map 6) of Land Court Consolidation 165; |
| 4. | 212° 04' | 355.00 feet along Lot 5 (Map 4) of Land Court Consolidation 19 to the point of beginning and containing an area of 49,793 Square Feet, more or less. |



R. M. TOWILL CORPORATION

Description prepared by:


Ryan M. Suzuki Exp: 4/30/16
Licensed Professional Land Surveyor
Certificate Number 10059

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
May 8, 2015



Easement A
For Temporary Construction Purposes
Affecting the Remainder of Parcel 426

Being a Portion of Lot 3-A-1
As Shown on Map 3 of Land Court Consolidation 19

SITUATE AT KAPALAMA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the North corner of this easement, being the West corner of Parcel 426, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,152.24 feet North and 7,578.93 feet West, thence running by azimuths measured clockwise from true South:

- | | | |
|-----|----------|--|
| 1. | 302° 04' | 140.26 feet along Parcel 426; |
| 2. | 32° 04' | 18.19 feet along Lot 2 (Map 1) of Land Court Consolidation 19; |
| 3. | 122° 07' | 1.78 feet; |
| 4. | 210° 40' | 13.58 feet; |
| 5. | 122° 25' | 99.79 feet; |
| 6. | 32° 04' | 14.27 feet; |
| 7. | 98° 08' | 2.45 feet; |
| 8. | 182° 19' | 5.61 feet; |
| 9. | 213° 01' | 10.39 feet; |
| 10. | 122° 04' | 21.64 feet; |
| 11. | 31° 43' | 1.00 feet; |
| 12. | 122° 14' | 11.87 feet; |



13. 212' 04'

4.97 feet along Lot 3-A-2 (Map 3) of Land Court Consolidation 19 to the point of beginning and containing an area of 699 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki Exp: 4/30/16
Licensed Professional Land Surveyor
Certificate Number 10059

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
June 15, 2015



HONOLULU RAIL TRANSIT PROJECT

**EASEMENT A
(FOR TEMPORARY CONSTRUCTION PURPOSES)**

Affecting Remainder of Parcel 426
of the Honolulu Rail Transit Project
Being a portion of Lot 3-A-1 (Map 3) of
Land Court Consolidation 19

Situate at Kapalama, Honolulu, Oahu, Hawaii

Beginning at the Northwest corner of this easement, being the Southwest corner of Parcel 426 of the Honolulu Rail Transit Project, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,171.35 feet North and 7,530.25 feet West thence running by azimuths measured clockwise from true South:

- | | | | | |
|----|----------|--------|------|--|
| 1. | 302° 04' | 140.26 | feet | along Parcel 426 of the Honolulu Rail Transit Project; |
| 2. | 32° 04' | 18.23 | feet | along Remainder of Parcel 427 of the Honolulu Rail Transit Project; |
| 3. | 122° 04' | 1.74 | feet | along remainder of Remainder of Parcel 426 of the Honolulu Rail Transit Project; |
| 4. | 212° 04' | 14.14 | feet | along same; |
| 5. | 122° 04' | 126.20 | feet | along same; |
| 6. | 32° 04' | 1.34 | feet | along same; |
| 7. | 122° 04' | 12.32 | feet | along same; |



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

8. 212° 04'

5.43 feet along Remainder of Parcel 425 of the Honolulu Rail Transit Project, to the point of beginning and containing an area of 615 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

A handwritten signature in black ink, appearing to read "Erik S. Kaneshiro", with a date "6/16" written to the right. The signature is written over a horizontal line.

ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally designated easement.

Honolulu, Hawaii
June 16, 2015

TMK: (1) 1-5-015: 007
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Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2015-

**AUTHORIZING THE ACQUISITION OF THE REAL PROPERTY IDENTIFIED
AS TAX MAP KEY 1-5-015-007 (PORTION) BY EMINENT DOMAIN**

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain. . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, the City Council approved or did not object to the acquisition of the real property identified as Tax Map Key (TMK) 1-5-015-007 (por.) by eminent domain in fee simple after written notification by HART; and

WHEREAS, the acquisition by eminent domain in fee simple of the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That acquisition by eminent domain in fee simple of the real property identified as TMK 1-5-015-007 (por.) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of the above-identified property by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of the above-identified property by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and
4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and

5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on _____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal Description of TMK 1-5-015-007 (por.)

Parcel 426
Being a Portion of Lot 3-A-1
As Shown on Map 3 of Land Court Consolidation 19

SITUATE AT KAPALAMA, HONOLULU, ISLAND OF OAHU, HAWAII

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- 4. 122° 04' 140.26 feet along the Remainder of Parcel 426 to the point of beginning and containing an area of 701 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki
 Ryan M. Suzuki Exp: 4/30/16
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 May 8, 2015



Remainder of Parcel 426
Being a Portion of Lot 3-A-1
As Shown on Map 3 of Land Court Consolidation 19

SITUATE AT KAPALAMA, HONOLULU, ISLAND OF OAHU, HAWAII

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Ryan M. Suzuki Exp: 4/30/16
Licensed Professional Land Surveyor
Certificate Number 10059

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
May 8, 2015



Easement A
For Temporary Construction Purposes
Affecting the Remainder of Parcel 426

Being a Portion of Lot 3-A-1
As Shown on Map 3 of Land Court Consolidation 19

SITUATE AT KAPALAMA, HONOLULU, ISLAND OF OAHU, HAWAII

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4.97 feet along Lot 3-A-2 (Map 3) of Land Court Consolidation 19 to the point of beginning and containing an area of 699 Square Feet, more or less.



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Licensed Professional Land Surveyor
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Honolulu, Hawaii 96819
June 15, 2015



HONOLULU RAIL TRANSIT PROJECT

**EASEMENT A
(FOR TEMPORARY CONSTRUCTION PURPOSES)**

Affecting Remainder of Parcel 426
of the Honolulu Rail Transit Project
Being a portion of Lot 3-A-1 (Map 3) of
Land Court Consolidation 19

Situate at Kapalama, Honolulu, Oahu, Hawaii

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Note: This description is for exhibit purposes and does not purport a legally designated easement.

Honolulu, Hawaii
June 16, 2015

TMK: (1) 1-5-015: 007
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Honolulu Authority for Rapid Transportation

STAFF SUMMARY

TITLE: RESOLUTION NO. 2015-17 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-5-015-007 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID PROPERTY BY EMINENT DOMAIN	STAFF CONTACT: Elizabeth Scanlon Morris Atta	DATE: 6/25/2015
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Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input checked="" type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input checked="" type="checkbox"/> Resource Stewardship	<input type="checkbox"/> Agency Admin.	

1. Purpose:

Review of Notification to City Council for condemnation of land for public use, identified as Tax Map Key 1-5-015-007, and situated at 985 Dillingham Boulevard, Honolulu, Hawaii, 96817, which is required for road widening purposes for the Honolulu Rail Transit Project (H RTP). This property, for which a 701 square-foot portion and 615 square-foot temporary construction easement are required, is on the critical path for successful completion of the City Center Section of the H RTP. The property is owned by A.S.N. Enterprises, A Hawaii LP.

HART recommends use of eminent domain to acquire the property.

2. Background/Justification

This property (Tax Map Key 1-5-015-007) was designated as a partial take in the Final Environmental Impact Statement (FEIS). As required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and FTA C5010.1D, the Owners were notified of HART's intent to acquire the property. An appraisal was conducted following URA guidelines, which took into consideration all site conditions and potential impacts the portion would have on the remainder of the property.

- The Owner has accepted the Offer and is currently in escrow and waiting for subdivision maps, Land Court, and Department of Planning and Permitting to close escrow.

This parcel is being referred to eminent domain in order to adhere to the project construction timeline. Access to this parcel is needed as soon as possible in order to avoid costly delays to the project schedule and timing. Negotiations with the Owner will continue during the eminent domain process.

3. Procurement Background

N/A

4. Financial/Budget Impact

The project budget includes an estimated cost for legal action associated with the eminent domain of the property.

5. Policy Impact

There is no policy impact since this action conforms to the requirement of the URA, FTA 5010.1D and Article XVII of the Charter of the City and County of Honolulu.

6. Public Involvement

N/A

7. Alternatives

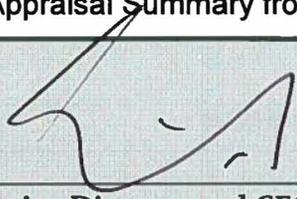
There is no feasible alternative to avoid the above-described impacts to the property.

8. Exhibits

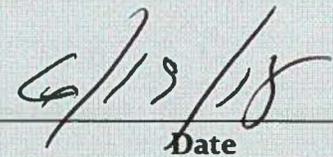
Exhibit 1 – Offer letter dated 11/21/2014

Exhibit 2 – Appraisal Summary from Yamaguchi & Yamaguchi, Inc. dated 10/30/2014

Certified and Recommended by:



Executive Director and CEO



Date

RL1558



IN REPLY REFER TO:
CMS-APOOROW-00699

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

HAND-DELIVERED

BOARD OF DIRECTORS

November 21, 2014

Ivan M. Lui-Kwan, Esq.
CHAIR

HART-ROW

Donald G. Horner
VICE CHAIR

2014 DEC 16 PM 3 42

Mr. Ronald Terayama
A.S.N. Enterprises Hawaii Ltd. Partnership
985 Dillingham Boulevard
Honolulu, Hawaii 96817

George I. Atta
Robert Bunda
Michael D. Formby
Ross M. Higashi
William "Buzz" Hong
Kessie W.K. Hui
Damien T.K. Kim
Carrie K.S. Okinaga, Esq

Dear Mr. Terayama:

Subject: Honolulu Rail Transit Project (H RTP)
985 Dillingham Boulevard
Parcel 426: Tax Map Key (TMK) 1-5-015-007 (Portion)
Letter of Offer

This is a follow-up to previous correspondence regarding the appraisal and acquisition of the subject property. An appraisal of your property has been completed. Based on our findings as contained in the enclosed Statement of Just Compensation, Honolulu Authority for Rapid Transportation (HART) offers to purchase a 701 square foot portion of your property, identified as TMK 1-5-015-007 (shown colored in yellow on the enclosed map), in fee simple, free and clear of all liens and encumbrances, for a consideration of \$98,800 (Ninety Eight Thousand Eight Hundred Dollars).

In addition, HART offers to purchase a 615 square foot Temporary Construction Easement (TCE) adjacent to the aforementioned partial taking (shown colored in red on the enclosed map), for a consideration of \$3,331 (Three Thousand Three Hundred Thirty-One Dollars). The purpose of the TCE is to facilitate construction of the improvements within the right-of-way. Activities that may be performed within the TCE may include: demolition, grading, utilities, traffic items, paving, and sidewalk. These activities may involve the operation of equipment, movement of a work force on the described easement, and may include site security with temporary fencing. Construction within the TCE area would be limited to driveway and back of sidewalk connections to existing grades and surface restoration. The duration of the TCE will be six months, with a start date to be determined thru coordination with you and HART's contractor.

The total offer for acquiring the interest in your property is \$102,131 (One Hundred Two Thousand One Hundred Thirty-One Dollars).

Mr. Ronald Terayama
Page 2
November 21, 2014

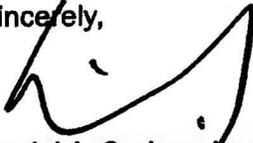
If this offer is acceptable, please sign the duplicate of this letter and the Consent to Enter and return them in the enclosed envelope by December 21, 2014. The remaining copies are for your files. Also enclosed for your information are the Appraisal Summary Statement and the General Acquisition & Relocation Information Brochure.

If we do not hear from you by December 21, 2014, this offer shall be considered rejected and HART will proceed to review options to acquire the subject property.

In accordance with federal regulations affecting real property transactions, we request your cooperation in providing us with your Taxpayer Identification Number. Please execute and return the enclosed IRS Form W-9 at the same time. The W-9 is required by our Department of Budget and Fiscal Services to release the check.

Please contact Mr. Joseph Hastings at 294-5206 if you have any questions regarding this matter.

Sincerely,



Daniel A. Grabauskas
Executive Director and CEO

Enclosures

ACCEPTED:

A.S.N. ENTERPRISES HAWAII LTD PARTNERSHIP

By 
Its GEN Partner

Print Name: RONALD S. TERAYAMA

Dated: 15 DEC 2014



**Yamaguchi &
Yamaguchi, Inc.**
Real Estate Appraisal &
Consulting Services

October 30, 2014

Ms. Georgia Marquis
Director of Acquisition & Relocation Services
Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation
5762 Bolsa Ave., Suite 201
Huntington Beach, CA 92649

Re: Honolulu Rail Transit Project
HART RW Parcel 426
Parcel Designation: TMK (1) 1-5-015-007
985 Dillingham Boulevard, Honolulu, Hawaii 96817

Dear Ms. Marquis,

At your request, we have appraised a real property interest for the above real estate. Our objective was to form one opinion about the market value for the "*Partial Acquisition*" of the subject property's fee simple estate assuming no liens or encumbrances other than normal covenants and restrictions of record.

The purpose of this appraisal report is to assist the Honolulu Authority for Rapid Transportation in the *Partial Acquisition* and *Easement Evaluation* for Eminent Domain acquisition proceedings of the subject property as part of the Honolulu Rail Transit Project.

As a preview, the subject property physically consists of one parcel: TMK: (1) 1-1-5-015-007 constituting 50,494 square feet fronting Dillingham Boulevard. The parcel is zoned IMX-1 Industrial Mixed-Use. Per our exterior observation and tax office records the subject property is improved with a 9-year old warehouse space and interior office and mezzanine space totaling approximately 47,064 square feet. These improvements are not included as part of our appraisal job scope.

The partial acquisition area along the property boundary frontage of Dillingham Boulevard consists of 701 square feet. HART also requires a Temporary Construction Easement (TCE) identified as Easement A that is situated inside of the partial acquisition area consisting of 615 square feet.

This valuation contains analyses, opinions, and conclusions along with market data and reasoning appropriate for the scope of work detailed later herein. It was prepared solely for the intended use and intended user(s) explicitly identified in the attached report. Unauthorized users do so at their own risk. The appraisal is communicated in the attached Summary report, and conforms to the version of the Uniform Standards of Professional Appraisal Practice (USPAP) in effect on this report's preparation date of October 17, 2014.

For purposes of this appraisal report the definition of market value from the fifth edition of the *Uniform Appraisal Standards for Federal Land Acquisitions* was utilized and is defined in the Market Value Criterion section of this report.

This letter is not an appraisal report hence it must not be removed from the attached 121-page report. If this letter is disjoined from the attached appraisal report, then the value opinions set forth in this letter are invalid because the analyses, opinions, and conclusions cannot be properly understood.

In general, valuation of the subject property involves a few complex issues. All value opinions are affected by all the information, extraordinary assumptions, hypotheses, general limiting conditions, facts, descriptions, and disclosures stated in the attached appraisal report. After careful consideration of all factors pertaining to and influencing value, the data and analysis thereof firmly supports the following final value opinion(s) for the *Partial Acquisition* as of October 17, 2014:

\$ 6,836,000	<i>"As Is" Indicated Market Value of the Larger Parcel (Rounded)</i>
\$ 6,741,000	<i>"As Is" Indicated Market Value of the Remainder Parcel (Rounded)</i>
\$ 95,000	<i>"As Is" Indicated Market Value of the Partial Acquisition (Rounded)</i>
\$ 95,000	<i>"As Is" Indicated Market Value of the Partial Acquisition (Rounded)</i>
\$ 0	<i>Add: Total Severance Damages to the Remainder Property</i>
\$ 0	<i>Less: Special Benefits to the Remainder Property</i>
\$ 3,800	<i>Add: Contributory Value</i>
\$ 98,800	<i>Total Fair Market Value of the Partial Acquisition</i>
\$ 6,661	<i>Estimated Annual Rent Per Annum @ 8% for the TCE</i>
\$555.06	<i>Estimated Monthly Rent Per Annum @ 8% for the TCE</i>

Thank you for your business. Let us know how we may further serve you.



Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA
 President / CEO
 Certified General Appraiser
 Hawaii License CGA 31
 License Expiration Date: 12/31/2015