

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

March 13, 2020

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 20OD-021

Oahu

Consent to the Assignment and Assumption of General Lease No. S-5841, Honolulu, LLC, Assignor, to Souske Properties LLC, Assignee, Kapalama-Kai, Honolulu, Oahu, Tax Map Key: (1) 1-5-042:002.

APPLICANT:

Honolulu, LLC¹, as Assignor, to Souske Properties LLC, a Hawaii limited liability company, as Assignee.

LEGAL REFERENCE:

Section 171-36(a)(5), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Kapalama-Kai, Honolulu, Oahu, identified by Tax Map Key: (1) 1-5-042:002, as shown on the attached map labeled **EXHIBIT A**.

AREA:

20,166 square feet, more or less.

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

¹ According to DCCA's website, on December 22, 2017 Honolulu Limited merged with and into Honolulu, LLC dba Hon Realty, LLC and the survivor entity is Honolulu, LLC dba Hon Realty, LLC.

CHARACTER OF USE:

Commercial (Parking) purposes.

TERM OF LEASE:

Thirty (30) years, commencing on November 1, 2005 and expiring on October 31, 2035. Last rental reopening occurred on November 1, 2015; next rental reopening is scheduled for November 1, 2025.

ANNUAL RENTAL:

\$37,500.00.

CONSIDERATION:

\$100.00.

RECOMMENDED PREMIUM:

Not applicable.

According to the information in the Request to Consent to Assignment Application as shown on **EXHIBIT B**, Assignor has indicated that there have been no improvements, renovations, or trade fixtures attached or made to the premises during the term of the lease, and Assignor is not receiving any consideration² in exchange for the proposed assignment.

Based on the files, the same types of improvements, paving, parking stall striping etc., done prior to the issuance of the subject lease remain on the subject parcel. Staff does not believe any assignment premium is applicable in the subject request.

DCCA VERIFICATION:

ASSIGNOR:

| | |
|---|-----|
| Place of business registration confirmed: | YES |
| Registered business name confirmed: | YES |
| Good standing confirmed: | YES |

ASSIGNEE:

| | |
|---|-----|
| Place of business registration confirmed: | YES |
| Registered business name confirmed: | YES |
| Good standing confirmed: | YES |

² According to the assignment and assumption of General Lease No. S-5841 signed by the parties, there is a consideration of \$100 noted thereon.

REMARKS:

At its meeting July 9, 2004, under item D-20, the Board of Land and Natural Resources authorized the sale of lease at public auction. Only one (1) application was received and was deemed qualified to bid at the public auction held on June 28, 2005. The winning bidder was Honolulu Limited with a winning bid of \$30,800.00 per annum.

In their letter dated February 5, 2020, the Assignee's attorneys informed our office that the Assignor and Assignee recently closed the purchase and sale of the abutting private property. In connection with the above-mentioned purchase, Assignor agreed to assign all of its interest under the subject lease to the Assignee, subject to the Board's consent.

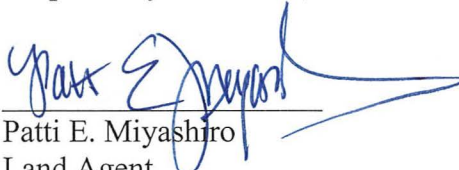
There are no outstanding rental reopening or lease compliance issues. No comments were solicited as there will be no change in land use.

RECOMMENDATION:

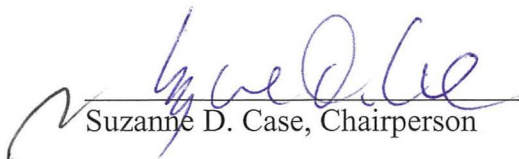
That the Board consent to the Assignment and Assumption of General Lease No. S-5841 between Honolulu, LLC, as Assignor, to Souske Properties LLC, as Assignee, subject to the following:

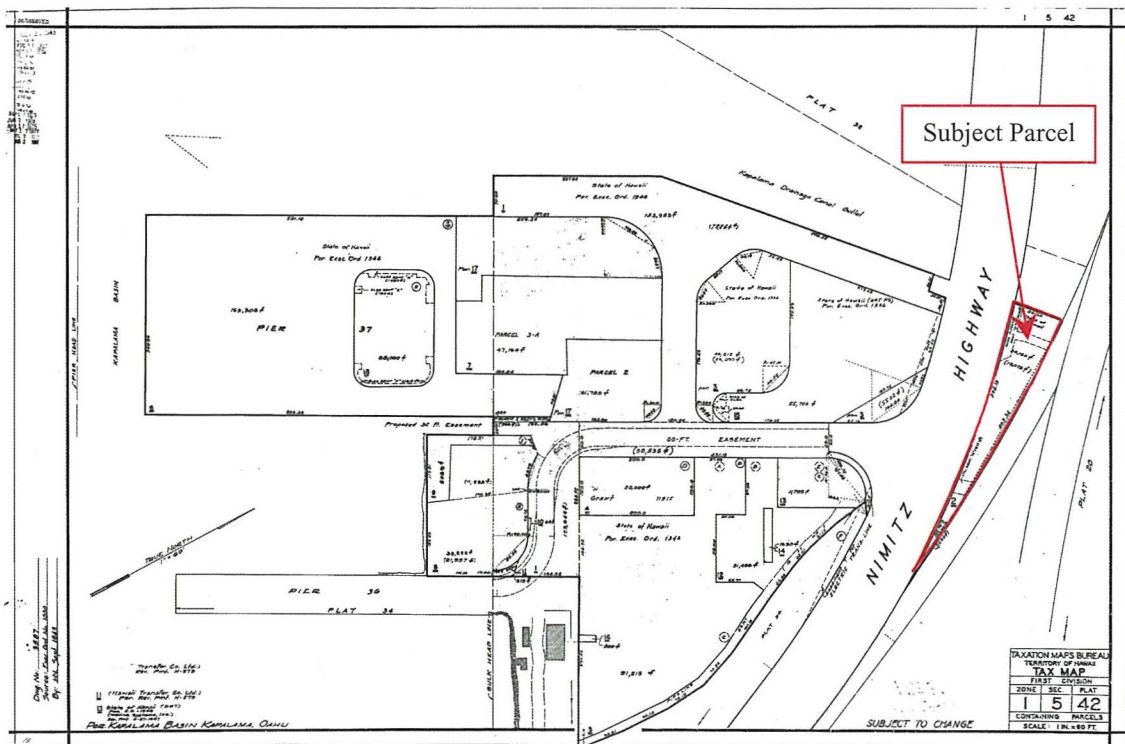
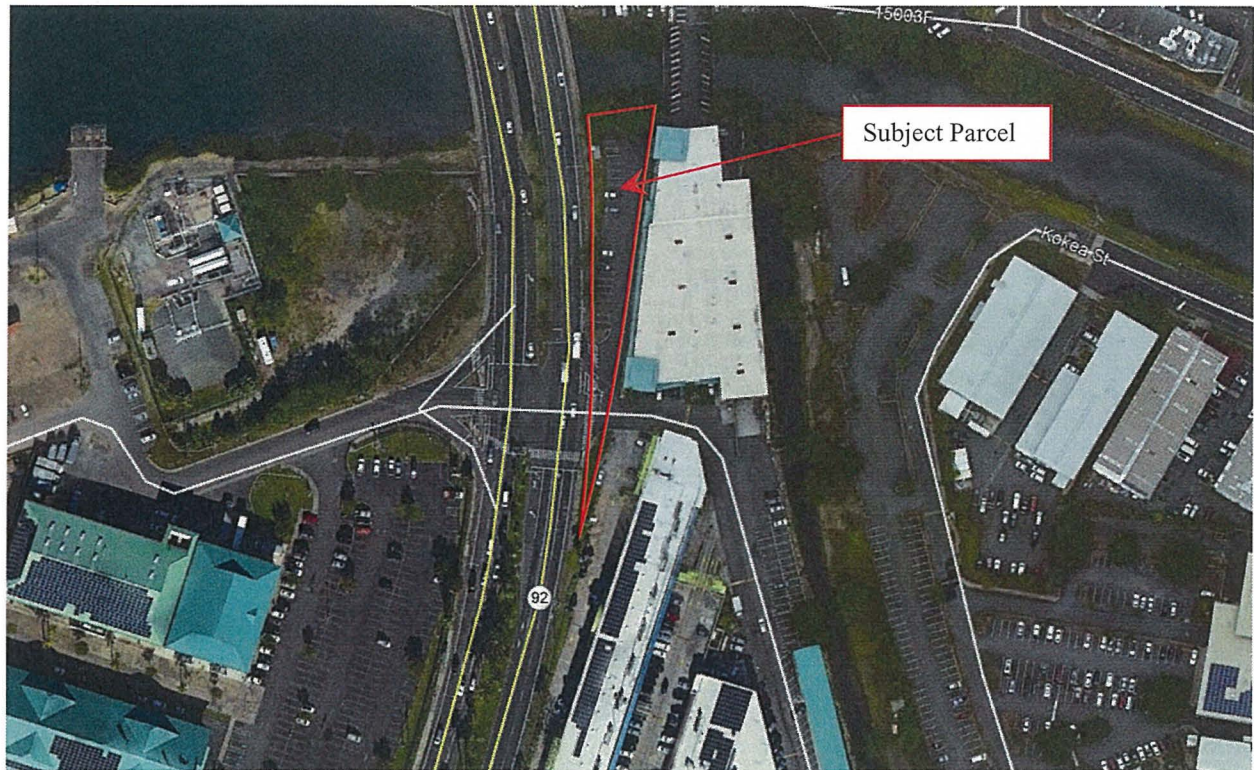
1. The standard terms and conditions of the most current consent to assignment form, as may be amended from time to time;
2. Review and approval by the Department of the Attorney General; and
3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,


Patti E. Miyashiro
Land Agent

APPROVED FOR SUBMITTAL:


Suzanne D. Case, Chairperson



TMK: (1) 1-5-042:002

EXHIBIT A

**STATE OF HAWAII
DEPARTMENT OF LAND & NATURAL RESOURCES
REQUEST FOR CONSENT TO ASSIGNMENT**

For DLNR use only:

Date of request: _____

Date request recvd: _____

Type of Request: _____

Assigned Land Agent: _____

I. GENERAL INFORMATION

General Lease No. S-5841

Type of Request:

- Consent to agreement of sale
- Consent to assignment of lease
- Consent to assignment of sublease
- Consent to assignment of grant of easement

II. ASSIGNOR/ASSIGNEE INFORMATION

Should the consent be approved, the following information will be used in the preparation of the legal documents. Therefore, please include all applicable parties and legal names.

Assignor: Honolulu, LLC, a Maryland limited liability company

Last name First Name

Last name First Name

Last name First Name

Assignee(s): Souske Properties LLC, a Hawaii limited liability company

Last name First Name

Marital status: Single Widow/widower Married – spouse of: _____

Held as: Tenant in Severalty Tenants in Common Joint Tenants Tenants by Entirety

Percentage held: _____%

Last name First Name

Marital status: Single Widow/widower Married – spouse of: _____

Held as: Tenant in Severalty Tenants in Common Joint Tenants Tenants by Entirety

Percentage held: _____%

Last name First Name

Marital status: Single Widow/widower Married – spouse of: _____

Held as: Tenant in Severalty Tenants in Common Joint Tenants Tenants by Entirety

Percentage held: _____%

Mailing address: 900 Fort Street Mall, Suite 1188

No. and Street

Honolulu Hawaii 96813

City State Zip Code

Contact person:

Wong Brian

Last name First Name

EXHIBIT B

Phone number: (808) 275-5328 () [REDACTED]
Work Home Cellular

() () [REDACTED]
Pager Fax E-mail address

Assignee intends to hold title as:

Type of owner (check one):

- | | |
|---|---|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> Husband and Wife | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Limited Liability Partnership |
| <input type="checkbox"/> Joint Venture | <input type="checkbox"/> Corporation |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Non-Profit Corporation |
| <input type="checkbox"/> Association | <input checked="" type="checkbox"/> Limited Liability Corporation |
| <input type="checkbox"/> Other (specify): _____ | |

For partnership or corporation, State of incorporation: Hawaii

II. **AGENT**

If you have an attorney, consultant or other person processing this request for you, please include the following information.

Agent name: Tanaka Tracy
Last name First Name

Agent address: 1100 Alakea Street, Suite 2100
No. and Street

Honolulu Hawaii 96813
City State Zip Code

Phone numbers: (808) 792-4207 () ()
Work Home Cellular

() (808) 792-3920 Tracy.Tanaka@stratlaw.com
Pager Fax E-mail address

III. **ASSIGNMENT INFORMATION** (See Exhibit A attached)

The following information is required to process your request. Please furnish evidence of the actual cost for improvements or renovations as well as trade fixtures (copy of construction contract, receipts, inventory of all personal property, etc.).

- 1) Cost of improvements: \$ 0.00
- 2) Cost of trade fixtures: \$ 0.00
- 3) Value of inventory: \$ 0.00
- 4) Consideration: \$ 100.00
- 5) What is the reason for the assignment? Assignee is buying adjacent property.

6) Has any of the assignees had a sale, lease, permit, easement, license or any other land disposition canceled within the past five years for failure to satisfy the terms and conditions of such disposition? **No**

III. ATTACHMENTS

- 1) Attach two (2) copies the assignment document, both bearing original signatures.
- 2) If the subject lease is for pasture or agricultural use, the proposed Assignee is required to complete Attachment A.
- 3) Attach copy of State and county tax clearances for the Assignee(s). Refer to Attachment B for information.

IV. CERTIFICATION

I/We hereby certify that the statements and information contained in this application, including all attachments, are true and accurate to the best of my/our knowledge and understand that if any statements are shown to be false or misrepresented, this application may be rejected.

Brian Kona
Printed Name

X 
Signature

Printed Name

X _____
Signature

January 10, 2020
Date

Exhibit A

III. ASSIGNMENT INFORMATION

Assignor represents that there have been no improvements, renovations, or trade fixtures attached or made to the premises during the term of the Lease, and Assignor is not receiving any consideration in exchange for the proposed assignment of Lease.

Honolulu, LLC,
a Maryland limited liability company

By 

Name: **Giorgio Calderone**
Title: **VICE PRESIDENT**