

# REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

1010 RICHARDS STREET  
P. O. BOX 3469  
HONOLULU, HAWAII 96801

## PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on  
BLUESTONE  
Kaelepulu Drive  
Lanikai, Kailua, Oahu, Hawaii

REGISTRATION NO. 982

### IMPORTANT — Read This Report Before Buying

#### **This Report Is Not an Approval or Disapproval of This Condominium Project**

It reflects information obtained by the Real Estate Commission in its investigation of the project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project but may only take reservations therefore after

- (1) A copy of this Report has been given to the prospective purchaser,
- (2) The latter has been given an opportunity to read same, and,
- (3) His receipt taken therefor.

Issued: April 14, 1978

Expires: May 14, 1979

#### SPECIAL ATTENTION

A comprehensive reading of this report is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the purchaser or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED March 10, 1978 and information subsequently filed as of April 11, 1978. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. BLUESTONE is a proposed leasehold planned development-housing condominium project consisting of one hundred thirty-six (136) residential dwelling units in thirty (30) two and three story residential buildings without basements, a recreational center and recreational areas including two tennis courts and a swimming pool. Each unit shall have either a two-car garage or at least one assigned parking stall in a parking garage.

2. The Developer has submitted to the Commission for examination all documents necessary for the issuance of this Preliminary Public Report.
3. No advertising or promotional matter has been submitted pursuant to Chapter 514A of the Hawaii Revised Statutes and the rules and regulations promulgated by the Commission.
4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the proposed Condominium Map) have not been recorded as of this date in the office of the recording officer.
5. The Developer intends to sell the apartments to third persons causing the Fee Owner (The Trustees of the Bishop Estate) to joint with the Developer to issue to each purchaser of a condominium unit a lease of such condominium unit and an undivided interest in the common elements of the Project.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A of the Hawaii Revised Statutes, the Horizontal Property Act and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
7. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, April 14, 1978, unless a Final or Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective period of this report.
8. This Preliminary Public Report is made a part of the registration on "BLUESTONE" condominium project. The Developer is responsible for placing a true copy of this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers and for securing a signed copy of the Receipt for Horizontal Property Regime Preliminary Public Report from such persons.

NAME OF PROJECT: BLUESTONE

LOCATION: The land submitted to the Regime, approximately 52.816 acres, is situated on the easterly side of Mid-pacific Country Club at Lanikai, Kailua, Koolaupoko, Oahu, Hawaii.

TAX MAP KEY: FIRST DIVISION 4-2-02: Portion of 16.

ZONING: Planned Development-Housing District No. R-34.

DEVELOPER: KAELEPULU COMPANY, INC., a Hawaii corporation whose post office address is at Suite 1480, Pacific Trade Center, 190 South King Street, Honolulu, Hawaii. Telephone: 531-8091

ATTORNEY FOR DEVELOPER: Carlsmith, Carlsmith, Wichman and Case, 190 South King Street, Suite 2200, Honolulu, Hawaii 96813 (Attention: John F. Lezak or Ray Iwamoto), telephone 523-2500.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime reflects that the land will be improved, according to the Developer's plans and intention to sell, with the construction of thirty (30) two and three story residential buildings containing one hundred thirty-six (136) residential units a recreational center, plus roadway and recreational areas.

1. Description of the Buildings.

(a) General Description. The Project shall consist of thirty (30) residential buildings, a recreational center and various open space and recreational areas which are designated and described as common elements, including a swimming pool, two tennis courts, a paddle tennis court and outdoor barbecue areas. There will be one hundred thirty-six (136) condominium units consisting of twenty-four (24) two-bedroom, two and one-half bath apartments, seventy-eight (78) three bedroom, two and one-half bath apartments and thirty-four (34) four-bedroom, two and one-half bath apartments.

(b) Access. Each condominium unit has immediate access to driveways and walkways connecting the buildings to the streets and parking areas of the Project.

(c) Construction Materials. The apartment buildings shall be constructed principally of wood and allied building materials. There will be six three-level buildings with a parking garage on the first level constructed principally of reinforced concrete and eight two-level residential apartments over the parking garage, constructed principally of wood. Twelve of the buildings contain four two-level residential apartments constructed principally of wood and remaining twelve buildings contain from two to four three-level residential apartments constructed principally of wood.

2. Description of Apartments.

(a) Numerical Designation and Location of Apartments. There will be a total of six (6) basic types of apartments, the detailed plans for which are shown on the proposed Condominium Map filed with the Commission. Each apartment within each of the foregoing types is substantially the same as all others within its type, except that the floor plans may be mirror images of other floor plans. The Declaration (with the "R" designating a mirror image) describes twelve apartment types: Type A2, A2R, A3, A3R, B3, B3R, B4, B4R, C3, C3R and C4. The proposed Declaration and the Condominium Map further designates some of the foregoing types with either an "INT" for interior or "END" for exterior to denote the location of the apartment in its respective building.

The proposed Declaration describes the location and numbering of the apartments, by plan types, as follows:

<u>Building No.</u>	<u>Apartment No.</u>	<u>Apartment Type</u>
1	101	B4R END
	102	B3 INT
	103	B3R INT
	104	B4 END
2	201	B4R END
	202	B3 INT
	203	B3R INT
	204	B4 END
3	301	A2R END
	302	A2 INT
	303	A3R INT
	304	A3 INT
	305	A3R INT
	306	A3 INT
	307	A2R INT
	308	A2 END
4	401	B4R END
	402	B3 INT
	403	B3R INT
	404	B4 END
5	501	B4R END
	502	B3 INT
	503	B3R INT
	504	B4 END

<u>Building No.</u>	<u>Apartment No.</u>	<u>Apartment Type</u>
6	601	A2R END
	602	A2 INT
	603	A3R INT
	604	A3 INT
	605	A3R INT
	606	A3 INT
	607	A2R INT
	608	A2 END
7	701	A2R END
	702	A2 INT
	703	A3R INT
	704	A3 INT
	705	A3R INT
	706	A3 INT
	707	A2R INT
	708	A2 END
8	801	B4R END
	802	B3 INT
	803	B3R INT
	804	B4 END
9	901	B4R END
	902	B3 INT
	903	B3R INT
	904	B4 END
10	1001	B4R END
	1002	B3 INT
	1003	B3R INT
	1004	B4 END
11	1101	B4R END
	1102	B3 INT
	1103	B3R INT
	1104	B4 END
12	1201	A2R END
	1202	A2 INT
	1203	A3R INT
	1204	A3 INT
	1205	A3R INT
	1206	A3 INT
	1207	A2R INT
	1208	A2 END
13	1301	A2R END
	1302	A2 INT
	1303	A3R INT
	1304	A3 INT
	1305	A3R INT
	1306	A3 INT
	1307	A2R INT
	1308	A2 END

<u>Building No.</u>	<u>Apartment No.</u>	<u>Apartment Type</u>
14	1401	B4R END
	1402	B3 INT
	1403	B3R INT
	1404	B4 END
15	1501	B4R END
	1502	B3 INT
	1503	B3R INT
	1504	B4 END
16	1601	A2R END
	1602	A2 INT
	1603	A3R INT
	1604	A3 INT
	1605	A3R INT
	1606	A3 INT
	1607	A2R INT
	1608	A2 END
17	1701	B4R END
	1702	B3 INT
	1703	B3R INT
	1704	B4 END
18	1801	B4R END
	1802	B3 INT
	1803	B3R INT
	1804	B4 END
19	1901	C3 END
	1902	C3 INT
	1903	C3R END
20	2001	C3 END
	2002	C3 INT
	2003	C3R INT
	2004	C3R END
21	2101	C3 END
	2102	C3 INT
	2103	C3R END
22	2201	C3 END
	2202	C3R INT
	2203	C4R
23	2301	C4
	2302	C3 INT
	2303	C3R INT
	2304	C4R

<u>Building No.</u>	<u>Apartment No.</u>	<u>Apartment Type</u>
24	2401	C3 END
	2402	C3 INT
	2403	C3R INT
	2404	C3R END
25	2501	C4
	2502	C4R
26	2601	C3 END
	2602	C3 INT
	2603	C3R INT
	2604	C3R END
27	2701	C3 END
	2702	C3 INT
	2703	C4R
28	2801	C4
	2802	C3 INT
	2803	C4R
29	2901	C4
	2902	C3 INT
	2903	C3R INT
	2904	C4R
30	3001	C3 END
	3002	C3 INT
	3003	C3R END

(b) Description of Apartments. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits, or other utility lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall include all the walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and the fixtures originally installed therein, including range and double oven, refrigerator/freezer, dishwasher, disposal, carpeting and tile flooring, washer/dryer.

The apartments are further described as follows:

(a) Types A2 and A2R. The Type A2R apartment is a mirror-image of the Type A2 apartment, which is a two-story apartment built over a parking garage, containing an

entry hall, one-half bathroom/powder room, kitchen, utility/storage/laundry room and a living room/dining area on the lower level and two bedrooms, two full bathrooms, and two balconies on the upper level, with an interior stairway connecting both levels, for a floor area of approximately 1,304 square feet not including the balconies. The Types A2 and A2R apartments are designated on the Condominium Map as either "INT" for interior or "END" for end depending on its location in the building.

(b) Types A3 and A3R. The Type A3R apartment is a mirror-image of the Type A3 apartment, which is a two-story apartment built over a parking garage, containing an entry hall, one-half bathroom/powder room, kitchen, utility/storage/laundry room, and a living room/dining area on the lower level, and three bedrooms, two full bathrooms, two balconies, and a linen-storage closet on the upper level, with an interior stairway connecting both levels, for a floor area of approximately 1,469 square feet not including the balconies. All A3 and A3R apartments are designated on the Condominium Map as "INT" for its interior of building location.

(c) Types B3 and B3R. The type B3R apartment is a mirror-image of the type B3 apartment, which is a two-story apartment containing an entry hall, one-half bathroom/powder room, kitchen, living room/dining area, a master bedroom, a utility/laundry room, patio, and one full bathroom on the lower level and two bedrooms and one full bathroom on the upper level, with an interior stairway connecting both levels, for a floor area of approximately 1,491 square feet not including the patio area. All B3 and B3R apartments are designated on the Condominium Map for an "INT" for its interior of building location.

(d) Types B4 and B4R. The type B4R apartment is a mirror-image of the type B4 apartment, which is a two-story apartment containing an entry hall, one full bathroom and one-half bathroom/powder room, kitchen, living room/dining area, utility/laundry room, patio and a master bedroom on the lower level and three bedrooms and one full bathroom on the upper level, with an interior stairway connecting both levels, for a floor area of approximately 1,580 square feet not including the patio area. All B4 and B4R apartments are designated on the Condominium Map with an "END" for its end of building location.

(e) Types C3 and C3R. The type C3R apartments is a mirror-image of the type C3 apartment which is a three-level apartment containing an entry hall, a living room, separate dining room, one-half bathroom/powder room, storage

room, kitchen and balcony on the middle level, two bedrooms, laundry room, one full bathroom and a balcony on the lower level and a master bedroom and one full bathroom on the upper level, with an interior stairway connecting the three levels, for a floor area of approximately 1,685 square feet not counting the patio area or garage. The C3 and C3R apartments will include a two-car garage, built either at the middle level or the upper level. The types C3 and C3R apartments are designated on the Condominium Map as either "INT" for interior or "END" for end depending on its location in the building.

(f) Type C4. The type C4 apartment is a three-level apartment containing an entry hall, a living room, separate dining room, one-half bathroom/powder room, storage room, kitchen, family room and balcony on the middle level, three bedrooms, laundry room, one full bathroom and a balcony on the lower level and a master bedroom and one full bathroom on the upper level with an interior stairway connecting all three levels, for a gross floor area of approximately 2,012 square feet not counting the patio area or garage. The C4 apartment will include a two-car garage built at the upper level.

The square footage areas for the respective unit types are computed from and to the center lines of the apartment perimeter party walls and the exterior surface of all other apartment perimeter walls, not including the area to the edge of the entry decks, outdoor patios or balconies and excluding the respective garages.

COMMON ELEMENTS. The proposed Declaration of Horizontal Property Regime reflects that the common elements shall include the common elements described above in paragraph 2(b) under the topical heading "DESCRIPTION", the limited common elements set forth below, and all other portions of the Project other than the apartments, including specifically, but not limited to:

(a) Said land in fee simple.

(b) The easements described in Exhibit A attached to the Declaration.

(c) All foundations, floor slabs, columns, girders, beams, supports, other structural members, unfinished perimeter and load-bearing walls.

(d) All yards, grounds, landscaping, planters, fences, mail boxes, refuse facilities, swimming pool, pool

equipment, tennis courts, paddle tennis court and the other open areas, recreational center, recreational facilities and amenities.

(e) All ducts, sewer lines, electrical equipment, gas tanks, pipes, wiring and other central and appurtenant transmission facilities, installations which serve more than one apartment for services such as power, light, water, gas, refuse, telephone and radio and television signal distribution.

(f) All roadways, sidewalks, and driveways, which are rationally of common use including forty-one (41) guest parking stalls.

(g) Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance or safety, and normally in common use.

LIMITED COMMON ELEMENTS. Certain parts of the common elements, herein called and designated as "limited common elements", are set aside and reserved for the exclusive use of certain apartments as described below. The costs and expenses of every description pertaining to the limited common elements, including but not limited to the costs of maintenance, repair, replacement, improvement or additions to the limited common elements shall be charged to all apartment owners in proportion to the common interests appurtenant to their respective apartments. The limited common elements are as follows:

(a) Each apartment that does not include its own garage shall have appurtenant to it two parking stalls located in the parking garages. Each parking stall shall be appurtenant to its respective apartment, as designated on Exhibit "A" attached hereto. The assignment of stalls may be changed from time to time by amendment to the Declaration as provided in Paragraph M of the Declaration. The Developer has reserved the right therein to designate by way of such an amendment the particular stall or stalls to be appurtenant to each apartment.

(b) The walkways connecting the apartments to the roadway of the Project and/or to the garages of such apartments shall be deemed a limited common element appurtenant to and for the exclusive use of the apartment served thereby.

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

INTEREST TO BE CONVEYED TO PURCHASER: The undivided percentage ownership in the common elements (the "Common Interest") appertaining to each apartment and its owner for all purposes including voting shall be as follows:

Apartment No. 2501	.775%
All other Apartments	.735%

Each apartment and its appurtenant Common Interest shall be leased to each purchaser by an Apartment Lease.

USE: The proposed Declaration provides that the residential apartments shall be occupied and used only as private dwellings. The owners of apartments have the right to lease or rent their apartments to third parties, subject to all of the provisions of the Declaration and By-Laws which should be reviewed by the Purchaser.

OWNERSHIP TO TITLE: The Preliminary Report issued March 3, 1978, and prepared by Title Guaranty of Hawaii, Inc. states that title to the land is vested in The Trustees of the Bishop Estate (the "Trustees"). The Developer is the holder of Lease No. 16,220 covering the land and recorded in the Bureau of Conveyances of the State of Hawaii, in Liber 5706, at Page 350.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated March 3, 1978, prepared by Title Guaranty of Hawaii, Inc. describes the following encumbrances:

1. For any taxes that may be due and owing, reference is made to the Office of the Tax Assessor, First Division.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Easement A (10 feet wide) for Public Access Purposes containing an area of 3,546 square feet, as delineated on the sketch attached to survey prepared by George S. Yoshimura, dated June 12, 1975.
4. Easement B (10 feet wide) for Public Access Purposes containing an area of 11,045 square feet, as delineated on the sketch attached to said survey prepared by George S. Yoshimura, dated June 12, 1975.

5. A perpetual right of way and easement for the location, construction, operation, maintenance, repair and patrol of an access road in favor of the United States of America, as mentioned in that certain Undated DECLARATION OF TAKING made in the matter entitled "UNITED STATES OF AMERICA, Petitioner, vs. 4.765 Acres of Land, More or Less, Situate in Kailua, Koolaupoko, Oahu, State of Hawaii, and George M. Collins, John K. Clarke, Frank E. Midkiff, Edwin P. Murray and Joseph B. Poindexter, as Trustees under the Will and of the Estate of Bernice P. Bishop, deceased, et al., Defendants", filed in the United States District Court for the District of Hawaii, under Civil No. 743, a certified copy of which was recorded on September 30, 1947 in the Bureau of Conveyances of the State of Hawaii in Book 2070 Page 179.
6. The terms and provisions of that certain Lease No. 8911 dated February 26, 1952, recorded on March 4, 1952 in said Bureau of Conveyances in Book 2562 Page 345, made by and between GEORGE M. COLLINS, FRANK E. MIDKIFF, EDWIN P. MURRAY, WILLSON C. MOORE and ATHERTON RICHARD, Trustees under the Will and of the Estate of Bernice P. Bishop, deceased, as Lessors, and THE HAWAIIAN ELECTRIC COMPANY, LIMITED, a Hawaii corporation, as Lessee, for a term commencing January 1, 1951 and ending on July 1, 1979. Said Lease demises a right and easement to build, etc., a pole and wire line as may be necessary for the transmission of electricity to be used for light and power and/or communications and control circuits, over, across and through the parcel of land herein described.

By instrument dated December 28, 1966, recorded on May 1, 1967 in said Bureau of Conveyances in Book 5646 Page 89, the foregoing Lease was cancelled as to the following courses:

1. 247° 50' 185.05 feet
2. 257° 12' 834.92 feet
3. 206° 43' 444.87 feet.

7. That certain Lease No. 16,220 dated August 22, 1966, effective as of July 1, 1965 recorded in Liber 5706 at Page 350 entered into by and between the Trustees under the Will and of the Estate of Bernice Pauahi Bishop, deceased, as Lessor, and Joseph Rodrigues Pao and Michael Thomas Scarfone as Lessee. Said Lease was assigned to Kaelepulu Company, Inc., a Hawaii corporation, by instrument dated June 6, 1967 and recorded in Liber 5710 at Page 153. Consent thereto given by the Trustees under the Will and of the Estate of Bernice P. Bishop, deceased, by instrument dated June 8, 1967 and recorded in Liber 5710 at Page 158.

The Developer has informed the Commission that it will place a construction mortgage on its leasehold interest. The lien of this mortgage will be released and discharged of record as to each condominium apartment prior to its being transferred to a purchaser.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated March 9, 1978, with Title Guaranty Escrow Services, Inc. (the "Escrow"), as Escrow Agent, and Developer, has been filed with the Commission. On examination, the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended.

The executed Escrow Agreement provides in part that if at any time (a) Escrow receives written notice from Developer to return to a purchaser under a Sales Contract the funds of such purchaser then held by Escrow under the Escrow Agreement, or (b) with respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, there shall be any substantive change in the building plans of a type which gives Purchaser a right to cancel his Sales Contract pursuant to Chapter 514A of the Hawaii Revised Statutes (unless purchaser's written approval or acceptance of the specific change is obtained, or ninety (90) days have elapsed since the purchaser has accepted in writing the apartment or he has first occupied the apartment) or (c) the Final Report differs in a material respect from the Preliminary Report, and the purchaser's written approval of such change has not been obtained and the purchaser shall request the refund, or (d) the Final Report is not issued within one (1) year from the date of issuance of the Preliminary Report unless upon its issuance the Purchaser receipts for the same and the sales contract is nevertheless affirmed by the purchaser, then in any such event Escrow shall return such funds to the purchaser, without interest earned and furthermore unless Developer shall otherwise instruct Escrow, less: (1) Escrow's cancellation fee of either \$10.00 or \$25.00 per apartment, as set forth in paragraph 13 of the Escrow Agreement, (2) any mortgagee's cancellation fee, and (3) all other costs, if any, which have been incurred in connection with the Escrow mortgage processing, closing or legal documentation.

NOTE: Prospective purchasers should be aware that:

1. The Mortgage and other liens which will secure the Developer's first mortgage interim construction loan (renewals and extensions) for the construction of the Project shall be and remain at all times a superior lien on the

Project, and purchasers intentionally waive and subordinate their interests under the Sales Contract or any reservation agreement in favor of the priority of all such liens.

2. The specimen Sales Contract reserves the right in the Developer, at its option, to cancel the Sales Contract and all of the purchaser's rights thereunder, or to the land and improvements, (1) if less than 68 apartments are sold to qualified purchasers by April 1, 1979, or (2) if the Master Lease is terminated for any reason, or (3) if the purchaser or any one of the purchasers should die, then Developer will cause Escrow to refund purchaser's deposit without interest, or (4) if the development and construction of the Project is delayed due to governmental restrictions or regulations enacted after the date of this Agreement, or by the occurrence of any event beyond the control of Seller, and Seller determines that increases in development and construction costs because of such delay require increases in apartment sales prices to maintain financial feasibility of the Project, then and in any such event, Seller may at its option, cancel and extinguish this Contract and Seller will refund to Purchaser all monies paid by Purchaser hereunder without interest, less escrow cancellation fees, and Seller shall be released from all liability hereunder; provided, however, that Seller shall offer to Purchaser the first right to execute a new Sales Contract in a form similar hereto at the increased apartment unit price. Said termination and offer by Seller to Purchaser shall be in writing, and Purchaser shall have fifteen (15) days to notify Seller in writing of his acceptance of such offer. If no response from Purchaser is received within said fifteen (15) day period, Seller may offer said apartment to another Purchaser at said increased sales price. It further provides that if the Master Lease is terminated for any reason, then such termination shall automatically cancel and extinguish the Sales Contract and the Purchaser shall have no interests whatsoever in the land and shall have no right to require Seller or the Lessor of the Master Lease or anyone else to construct the condominium unit contracted for under the Sales Contract.

3. The Sales Contract provides that funds in Escrow will accrue to and belong to Seller.

4. Purchaser should also note that the Sales Contract places restrictions on the Apartment Owners, precluding them from entering into any rental pool or other rental-sharing arrangements with other such Apartment Owners until after the expiration of fifteen (15) years from the date of recordation of purchaser's Apartment Lease.

5. As provided in Section D.23 of the Sales Contract, the purchaser acknowledges that minor construction activity may continue on the site after purchaser has occupied his apartment, which may result in noise, dust or other annoyances. In addition, as further provided in said Section D.23, the Developer's sales activities, including the use of model units and signs for sales displays and related activities, may continue until the last apartment in the Project is sold.

6. The purchaser's attention is directed to paragraph M of the Declaration and Section D.5 and D.6 of the Sales Contract, all of which reserves to the Developer a right to make certain amendments that may be necessary to comply with the provisions of law, the requirements of certain mortgagees, or to carry out the changes to the Project set forth in said paragraphs.

It is incumbent upon the prospective purchaser that he read with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of apartments are placed in trust, as well as the retention and disbursement of the proceeds of said trust fund.

DECLARATION OF PERPETUAL MAINTENANCE: In order to be able to develop the Project as planned, the Developer has obtained Ordinance No. 4260 from the City and County of Honolulu, approving the Project for development as a planned development-housing project. Pursuant thereto, the proposed Declaration contains a Declaration of Perpetual Maintenance which, together with the Ordinance will constitute covenants running with the land and shall be binding on all purchasers of apartments in the Project and shall inure to the benefit of the City and County of Honolulu and its successors. In accordance with the provisions thereof, the open areas, private streets and utilities of the Project shall be preserved and perpetually maintained by the Association. The expenses of said maintenance shall be common expenses subject to lien and in the event of the Association's failure to enforce the covenants therein and the City and County of Honolulu is required to perform any of said maintenance, the cost thereof shall also be a common expense payable by the Apartment Owners.

MANAGEMENT OF THE PROJECT: The By-Laws vest in the Board of Directors the power and duties necessary for the administration of the overall affairs of the Project. The By-Laws submitted to the Commission permit the Developer to appoint the initial managing agent for the Project. The

Developer has not yet entered into a contract with the initial managing agent.

HOUSE RULES: Purchasers and prospective purchasers are advised to read with care the House Rules for the Project which among other things provide that occupants of any apartment containing a pet are required to register their pet with the managing agent. The Board may require permanent removal of any pet if such pet is determined by the Board to be a major nuisance to the Project.

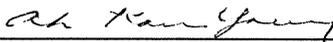
STATUS OF PROJECT: Construction began on September, 1975.

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The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted March 10, 1978 and information subsequently submitted as of April 11, 1978.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 910 filed with the Commission on March 10, 1978.

This Report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be yellow in color.

  
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AH KAU YOUNG, CHAIRMAN  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:  
Department of Taxation  
Bureau of Conveyances  
Planning Commission, City and  
County of Honolulu  
Federal Housing Administration  
Escrow Agent

Registration No. 982

April 14, 1978

EXHIBIT "A"

Assignment of Individual Parking Stalls

Each of the following assigned numbered parking stalls is a limited common element appurtenant to and for the exclusive use of the apartment number listed below:

<u>Apartment Number</u>	<u>Parking Stall Number</u>
201	6, 8
202	5, 7
203	2, 4
204	1, 3
101	14, 16
102	13, 15
103	10, 12
104	9, 11
301	17, 19
302	18, 20
303	21, 23
304	22, 24
305	25, 27
306	26, 28
307	29, 31
308	30, 32
601	49, 51
602	50, 52
603	53, 55
604	54, 56
605	57, 59
606	58, 60
607	61, 63
608	62, 64
401	46, 48
402	45, 47
403	42, 44
404	41, 43
501	38, 40
502	37, 39
503	34, 36
504	33, 35
801	94, 96
802	93, 95
803	90, 92
804	89, 91
901	86, 88
902	85, 87
903	82, 84
904	81, 83
701	65, 67
702	66, 68
703	69, 71
704	70, 72
705	73, 75
706	74, 76
707	77, 79
708	78, 80

<u>Apartment Number</u>	<u>Parking Stall Number</u>
1101	102, 104
1102	101, 103
1103	98, 100
1104	97, 99
1001	110, 112
1002	109, 111
1003	106, 108
1004	105, 107
1201	113, 115
1202	114, 116
1203	117, 119
1204	118, 120
1205	121, 123
1206	122, 124
1207	125, 127
1208	126, 128
1301	129, 131
1302	130, 132
1303	133, 135
1304	134, 136
1305	137, 139
1306	138, 140
1307	141, 143
1308	142, 144
1501	150, 152
1502	149, 151
1503	146, 148
1504	145, 147
1401	158, 160
1402	157, 159
1403	154, 156
1404	153, 155
1601	161, 163
1602	162, 164
1603	165, 167
1604	166, 168
1605	169, 171
1606	170, 172
1607	173, 175
1608	174, 176
1801	182, 184
1802	181, 183
1803	178, 180
1804	177, 179
1701	190, 192
1702	189, 191
1703	186, 188
1704	185, 187

Note:

1. That apartments r  
garages included as part of the apartment.
2. There are forty-one (41) guest parking  
stalls designated with a "G" on the proposed condominium map.