



**REAL ESTATE COMMISSION
STATE OF HAWAII**
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
1010 Richards Street
P. O. Box 3469
Honolulu, Hawaii 96901

CONDOMINIUM PUBLIC REPORT

on

HONO KOA
Lower Honoapiilani Highway, Honokowai,
Lahaina, Maui, Hawaii

Registration No. 1281

Issued: February 3, 1988
Expires: August 3, 1988

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of January 29, _____, 19 88 and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

- PRELIMINARY:** (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
 - FINAL:** (white) The developer has legally created a condominium and has filed complete information with the Commission.
 - Supersedes all prior public reports
 - Must be read together with _____
 - FIRST SUPPLEMENTARY:** (pink) Updates information contained in the
 - Prelim. Public Report dated April 18, 1980
 - Final Public Report dated October 7, 1982
 - 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.

Since the issuance of the Commission's Preliminary Public Report dated April 18, 1980 and Final Public Report dated October 7, 1982 on HONO KOA, certain material changes have been made to the Project. The Project now has a new Developer, C. Allan Braun dba Hono Koa Company. The Developer advises that the Declaration of Horizontal Property Regime for the Project has been further amended by instruments dated August 31, 1984 and October 19, 1987 as described in paragraph 6 of Exhibit "C" attached hereto. Also, please refer to page 18 of this Supplementary Public Report for further information.

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GENERAL INFORMATION ON CONDOMINIUMS

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

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Some condominium projects are leasehold. This means that the land or the land, building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: C. Allan Braun dba Hono Koa Company Phone: (805) 564-1234
Name (Business)
111 West Micheltoarena Street
Business Address
Santa Barbara, California 93101

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

Real Estate Sales Agent: (Developer currently does not anticipate Phone: _____
Name (Business)
retaining an agent)
Business Address

Escrow: First Hawaii Title Corporation Phone: (808) 526-2820
Name (Business)
567 South King Street, Suite 315
Business Address
Honolulu, Hawaii 96813
(see Part IV, ¶4, Page 18)

Managing Agent: The Project is currently self-managing; Phone: _____
Name (Business)
Developer intends to leave the choice of
Business Address
managing agent to the Association of Apartment
Owners of Hono Koa following Project sales

Attorney for Developer: Carlsmith, Wichman, Case, Mukai & Ichiki Phone: (808) 523-2500
(Attn: B. Martin Luna and Edward E. Case) (Business)
Name
1001 Bishop Street, Suite 2200
Business Address
Honolulu, Hawaii 96813

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

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

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

The Declaration for this condominium is:

- Proposed
 Recorded — Bureau of Conveyances — Book 16137 Page 1
 Filed — Land Court — Document Number _____

Amendment date(s) and recording/filing information:

June 18, 1982 -- Liber 16423, Page 456
August 31, 1984 -- Liber 18157, Page 21
October 19, 1987 -- Liber 21266, Page 14

- 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. 837
 Filed — Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed
 Recorded — Bureau of Conveyances — Book 16137 Page 33
 Filed — Land Court — Document Number _____

Amendment date(s) and recording/filing information:

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

The House Rules for this condominium are:

Proposed Adopted

Developer does not plan to adopt house rules.

E. Changes to Condominium Documents

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

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

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

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

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

None

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the underlying land will be in fee simple.
- Leasehold or Subleasehold: Individual apartments and the underlying land will be leasehold.

The leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations.

Lease Term Expires: _____
Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

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

The leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners -- tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit G contains further explanations.

Lease Term Expires: August 31, 2042
Rent Renegotiation Date(s): August 31, 2012; August 31, 2022;
August 31, 2032.

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

~~Other:~~ NOTE: UPON TERMINATION OF THE LEASE FOR THE UNDERLYING LAND, THE IMPROVEMENTS BECOME THE PROPERTY OF THE LESSORS AND MUST BE YIELDED UP TO THE LESSORS IN THE SAME STATE AND CONDITION AS AT THE EXECUTION OF THE LEASE, SAVE AND EXCEPT FOR NORMAL EXHAUSTION, DEPRECIATION AND FAIR WEAR AND TEAR.

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: Lower Honoapiilani Highway Tax Map Key: (2) 4-3-6-14
Honokowai, Lahaina, Maui (TMK)

Address TMK is expected to change because _____

Land Area: 38,213 square feet acre(s) Zoning: A-2

Fee Owner: George Apo and Winnifred Iwalani Shim, Trustees
name
c/o Project
address

Sublessor: C. Allan Braun
name
111 West Micheltorena Street
address
Santa Barbara, California 93101

C. Buildings and Other Improvements:

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

2. Buildings: 1 Floors Per Building: 4

Exhibit A contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other _____

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Industrial	_____
<input checked="" type="checkbox"/> Residential	<u>28</u>	<input type="checkbox"/> Agricultural	_____
<input checked="" type="checkbox"/> Timeshare/Hotel	<u>28</u>	<input type="checkbox"/> Recreational	_____
<input type="checkbox"/> Other:	_____		_____

5. Special Use Restrictions:

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

Pets: not allowed without approval of Board of Directors

Number of Occupants: _____

Other: _____

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 28

Elevators 1 Stairways 2 Trash Chutes _____

<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>	<u>Porch</u>
<u>A</u>	<u>4</u>	<u>2/2</u>	<u>1066</u>	<u>99</u>	<u>92</u>
<u>B</u>	<u>12</u>	<u>2/2</u>	<u>1010</u>	<u>141</u>	<u>--</u>
<u>C</u>	<u>8</u>	<u>2/2</u>	<u>1044</u>	<u>149</u>	<u>--</u>
<u>D</u>	<u>4</u>	<u>2/2</u>	<u>1095</u>	<u>216</u>	<u>108</u>

(See Exhibit "A" for further details)

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

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

Boundaries of Each Apartment:

See Exhibit "A"

Permitted Alterations to Apartments:

See Exhibit "H", paragraph (f)

9. Present Condition of Improvements

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

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

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

10. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

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

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

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

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

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

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

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

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

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

Exhibit I describes the common elements.

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

There are no limited common elements in this project.

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

described in Exhibit _____

as follows: Each entry hallway, all exterior doors and all windows adjoining and serving an apartment shall be limited common elements appurtenant to and for the exclusive use of the apartment which they serve.

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 B describes the common interests for each apartment.

as follows:

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

Exhibit C describes the encumbrances against the title contained in the title report dated December 18, 1987.

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.

[] other See Page 6, "Managing Agent"

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 D contains a schedule of maintenance fees and maintenance fee disbursements.

H. Utility Charges for Apartments:

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

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

I. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

None (See Exhibit E)

2. Appliances:

None (See Exhibit E)

J. Status of Construction and Estimated Completion Date:

Construction is complete.

K. Project Phases:

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

Summary of Developer's Present Plans for Future Development:

L. Sales Documents Filed with the Real Estate Commission:

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

Notice to Owner Occupants

Specimen Sales Contract

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

Escrow Agreement dated February 5, 1987

Exhibit F contains a summary of the pertinent provisions of the escrow agreement.

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

1. According to a Preliminary Title Report issued by First Hawaiian Title Corporation on December 18, 1987, the leasehold condominium apartments and related interests described in Exhibit "A" attached thereto were conveyed to the Developer by the apartment deeds and ground leases described in said Exhibit "A". All apartment deeds and ground leases noted in said Exhibit "A" are dated April 30, 1985, and are recorded in the Bureau of Conveyances of the State of Hawaii.

2. The Development Lease noted in the Preliminary and Final Public Reports was cancelled in 1985 in contemplation of the conveyances noted in Exhibit "B" of said Title Report.

3. In the event any purchaser of the Project intends to time share the Project, he must comply with the registration and sales procedures set forth in the Hawaii Revised Statutes.

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

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

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

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

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

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

B. Rights Under the Sales Contract:

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

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

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

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

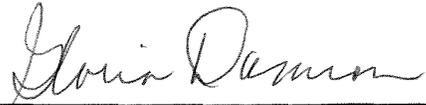
This Public Report is a part of Registration No. 1281 filed with the Real Estate Commission on March 27, 1980.

Reproduction of Report. When reproduced, this report must be on:

yellow paper stock white paper stock pink paper stock

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

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



GLORIA DAMRON, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Bureau of Conveyances
Department of Finance, County of Maui
Planning Department, County of Maui
Federal Housing Administration
Escrow Agent

EXHIBIT A

DESCRIPTION OF APARTMENTS

Apartment Nos. 101 through 107, 201 through 207, 301 through 307 and PH-1 through PH-7, inclusive, are located on the first, second, third and fourth floors, respectively, of the building, with the lowest number on each floor, e.g., 101, being located closest to the ocean, the next lowest number, e.g., 102, being located adjacent to it on the mauka side, so that the apartment on each floor with the highest number, e.g., 107, is located farthest from the ocean.

Type A, Apartments 107, 207, 307 and PH-7, consists of two bedrooms, two bathrooms, a kitchen, a dining room, and living room with a floor area of approximately 1066 square feet, a lanai of approximately 99 square feet, and a porch of approximately 92 square feet.

Type B, Apartments 102, 104, 106, 202, 204, 206, 302, 304, 306, PH-2, PH-4 and PH-6, consists of two bedrooms, two bathrooms, a kitchen and a combination dining and living room with a floor area of approximately 1010 square feet and a lanai of approximately 141 square feet.

Type C, Apartments 103, 105, 203, 205, 303, 305, PH-3 and PH-5, consists of two bedrooms, two bathrooms, a kitchen and a combination dining and living room with a floor area of approximately 1044 square feet and a lanai of approximately 149 square feet.

Type D, Apartments 101, 201, 301 and PH-1, consists of two bedrooms, two bathrooms, a kitchen and a combination dining and living room with a floor area of approximately 1095 square feet, a lanai of approximately 216 square feet, and a porch of approximately 108 square feet.

NOTE IN CALCULATING THE APPROXIMATE GROSS FLOOR AREA OF EACH APARTMENT AS SET FORTH ABOVE, THE AREAS OF THE WALLS AND PARTITIONS WITHIN ITS PERIMETER WALLS, THE ENTIRETY OF ITS PERIMETER NON-PARTY WALLS AND THE INTERIOR HALF OF ITS PERIMETER PARTY WALLS, WHETHER LOAD-BEARING OR NON-LOAD BEARING, ARE TAKEN INTO ACCOUNT, ALL IN ACCORDANCE WITH LOCAL PRACTICE, BUT ACTUAL OWNERSHIP SHALL BE DETERMINED AS SET FORTH IN THE DECLARATION.

EXHIBIT "B"
LIST OF APARTMENTS, FLOOR, COMMON INTEREST

<u>Apt. No.</u>	<u>Floor</u>	<u>Undivided Percent Interest In Common Elements</u>	<u>Recorded Data of Apartment Deed</u>	<u>Date of Apartment Deed</u>
101	1st	4.166	18622/182	04/30/85
102	1st	3.379	18622/207	04/30/85
103	1st	3.503	18622/232	04/30/85
104	1st	3.379	18622/257	04/30/85
105	1st	3.503	18622/282	04/30/85
106	1st	3.379	18622/307	04/30/85
107	1st	3.691	18622/332	04/30/85
201	2nd	4.166	18622/357	04/30/85
202	2nd	3.379	18622/382	04/30/85
203	2nd	3.503	18622/407	04/30/85
204	2nd	3.379	18622/432	04/30/85
205	2nd	3.503	18682/457	04/30/85
206	2nd	3.379	18622/482	04/30/85
207	2nd	3.691	18622/507	04/30/85
301	3rd	4.166	18622/532	04/30/85
302	3rd	3.379	18622/557	04/30/85
303	3rd	3.503	18622/582	04/30/85
304	3rd	3.379	18622/607	04/30/85
305	3rd	3.503	18622/632	04/30/85
306	3rd	3.379	18622/657	04/30/85
307	3rd	3.691	18622/682	04/30/85
PH-2	4th	3.379	18622/707	04/30/85
PH-3	4th	3.503	18622/732	04/30/85
PH-4	4th	3.379	18622/757	04/30/85
PH-5	4th	3.503	18622/782	04/30/85
PH-6	4th	3.379	18623/018	04/30/85
PH-7	4th	3.691	18623/043	04/30/85

EXHIBIT C
ENCUMBRANCES AGAINST TITLE

1. Lien of 1987 Real Property Taxes due and payable August 20, 1987.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Shoreline setbacks: "Shoreline setbacks established pursuant to the laws of the State of Hawaii, or any political subdivision thereof, and any ordinances, rules or regulations adopted or promulgated by any governmental authority pursuant to such laws."
4. Seaward boundary: "Determination of the seaward boundary of the land described herein pursuant to the laws of the State of Hawaii."
5. Section IVG Agreement for West Maui Areas dated June 1, 1979, recorded on June 21, 1979 in the Bureau of Conveyances of the State of Hawaii in Book 13785 Page 342, made by and between the COUNTY OF MAUI, DEPARTMENT OF WATER SUPPLY, "County", and DELTA CORPORATION, a Hawaii corporation, "Applicant", to which reference is hereby made.
6. The covenants, agreements, obligations, conditions, easements and other provisions as contained in the following:

DECLARATION OF HORIZONTAL PROPERTY REGIME OF "HONO KOA"

Recorded: February 1, 1982
Book: 16137
Page: 1

Condominium Map No. 837, and the By-Laws attached thereto, to which reference is hereby made.

The foregoing Declaration of Horizontal Property Regime was amended by the following:

<u>Book</u>	<u>Page</u>	<u>Dated</u>	<u>Recorded</u>
16423	456	06/18/82	06/24/82
18157	21	08/31/84	09/20/84
21266	14	10/19/87	10/27/87

7. The terms, provisions, conditions and restrictions, if any, contained in the Revocable Trust dated April 14, 1972, recorded on August 31, 1981 in said Bureau of Conveyances in book 15788 Page 518, made by and between GEORGE APO and ETHYLENE K. APO, husband and wife, "Settlers", and GEORGE APO and WINNIFRED IWALANI SHIM, "Trustees".

8. EASEMENT

In Favor Of: Maui Electric Company, Limited, a Hawaii corporation, and Hawaiian Telephone Company, a Hawaii corporation

Dated: April 23, 1982

Recorded: June 30, 1982

Book: 16438

Page: 524

Purpose: Easement for utility purposes over, under, across and through a portion of the land herein described

9. Terms and provisions of those certain Ground Leases dated April 30, 1985, recorded on May 8, 1985 in the Bureau of Conveyances of the State of Hawaii, made by and between GEORGE APO and WINNIFRED IWALANI SHIM, Trustees under that certain Trust Agreement dated April 14, 1972, recorded in said Bureau of Conveyances in Liber 15788 on Page 418, as "Lessors", and C. ALLAN BRAUN, husband of Marjorie M. Braun, as "Lessee", for a term of fifty seven (57) years and four (4) months, from May 1, 1985, to and including August 31, 2042, more fully set forth on Exhibit "B".
10. Terms and provisions of those certain Apartment Deeds dated April 30, 1985, recorded on May 8, 1985 in said Bureau of Conveyances made by and between C. ALLAN BRAUN, dba HONO KOA COMPANY, husband of Marjorie M. Braun, as "Seller", and C. ALLAN BRAUN, husband of Marjorie M. Braun, as "Buyer", more fully set forth in Exhibit "A".

EXHIBIT D
 ESTIMATE OF INITIAL MAINTENANCE FEES
 AND
 ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u>	x	<u>12 months</u>	=	<u>Yearly Total</u>	x	<u>Units</u>	=	<u>Grand Total</u>
107, 207, 307, PH-7	\$ 185	x	12	=	\$ 2,220	x	4	=	\$ 8,880
102, 202, 302, PH-2	169	x	12	=	2,028	x	12	=	24,336
104, 204, 304, PH-4									
106, 206, 306, PH-6									
103, 203, 303, PH-3	175	x	12	=	2,100	x	8	=	16,800
105, 205, 305, PH-5									
101, 201, 301, PH-1	208	x	12	=	2,496	x	4	=	9,984

Revised on January 25, 1988

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

Estimate of Maintenance Fee Disbursements:

Based on
1987 Expenses

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning		
Electricity	\$ 720	\$ 8,640
<input checked="" type="checkbox"/> common elements only		
<input type="checkbox"/> common elements and apartments		
Gas	770	9,240
Refuse Collection	-	
Telephone	-	
Water and Sewer	380	4,560

Maintenance, Repairs and Supplies

Building	}	2,040	24,480
Grounds			

Management

Management Fee	400	4,800
Payroll and Payroll Taxes	40	480
Office Expenses	200	2,400

Insurance	200	2,400
Property Reserves		

Taxes and Government Assessments

Other

Pest control	50	600
TV Cable	200	2,400

\$ 60,000

TOTAL

I/We, C. WILLIAM BRAUN, ^{developer}~~as managing agents~~, for the condominium, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



Dated: January 25, 1988

EXHIBIT E

SUMMARY OF SALES CONTRACT

The specimen Sales Contract filed with the Commission provides, among other things, as follows:

1. Construction of the Project was completed in 1982. The Property is being sold in an "as is" condition. The Seller does not warrant the structural quality or integrity of the Project or the mechanical soundness of any of the systems of the buildings or the individual apartments. Seller has made no warranties whatsoever, express or implied, with respect to the apartments, appliances, equipment, the Project, the buildings, or any common elements or anything installed therein. When Purchaser buys the Property, the Purchaser accepts the same "as is" without warranties or representations as to the condition thereof and assumes all risks of defects known or unknown. SELLER DISCLAIMS ANY EXPRESS WARRANTY, ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE, ANY IMPLIED WARRANTY OF WORKMANSHIP AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE APARTMENT, ANY CONSUMER PRODUCTS INSTALLED THEREIN, THE PROPERTY, THE COMMON ELEMENTS, THE PROJECT, AND IMPROVEMENTS. Purchaser acknowledges that Seller has made no warranties, express or implied, with respect to the Property and improvements, their quality or grade, or any common element or anything installed therein, its quality or grade. In particular Seller disclaims any and all responsibility or liability for any malfunctions, construction or design defects, or any other problems which Purchaser may encounter with respect to the Apartment or the Project. Purchaser acknowledges Seller's disclaimers and expressly waives any rights, claims or actions against Seller arising out of or connected with any defects with respect to the Property.

2. Purchaser should also note that the Sales Contract places restrictions on selling or assigning the Sales Contracts.

3. In Section D.17 of the Sales Contract, the Purchaser acknowledges awareness and acceptance of certain conditions of the Project including the fact that the Project

is in the vicinity of sugar cane fields and sugar cane operations which may result in noise, dust, smoke, soot or other annoyances to Purchaser.

4. As provided in Section D.17 of the Sales Contract, the purchaser acknowledges that sales activities, including the use of model units and signs and the use of the common areas for sales displays and related activities, may continue until the last apartment in the Project is sold.

5. Purchaser should also note Section D.25 of the Sales Contract which provides that the Sales Contract constitutes the entire agreement between the parties and no fact sheets, informational material, advertising material or other documents which purport to describe the property or the Project in any manner beyond or different from the description set forth in the Declaration, By-Laws and Real Estate Commission's Public Report(s) shall be valid or enforceable against the Seller unless signed by the Seller.

EXHIBIT F

Summary of Escrow Agreement

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Among other provisions, the Escrow Agreement (as well as the Sales Contract) provides that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to the purchaser without interest, less an escrow cancellation fee, if the purchaser requires financing and is unable to obtain a mortgage loan within 30 days of the date of his execution of the Sales Contract and either Seller (Developer) or Buyer elects to terminate the Sales Contract. The Escrow Agreement also provides that Escrow shall deposit all funds received in a bank or savings and loan institution selected by Developer and that any interest earned thereon shall accrue to Developer.

EXHIBIT G
SUMMARY OF
GROUND LEASE TERMS

Each Buyer will receive an Apartment Deed And Assignment Of Ground Lease. Each Assignment requires the Assignee to observe and perform the covenants and conditions of the assigned Ground Lease which are to be observed and performed by the Lessee named in the Ground Lease.

The Ground Leases for the land underlying the condominium project all contain uniform terms and require, among other things, that at the end of the lease term the Lessees (apartment owners) must yield up the apartment and the undivided interest in the land in the same state and condition as at the execution of the Leases, save and except normal exhaustion, depreciation and fair wear and tear.

The lease rent for each apartment is the same, as set forth below:

Until August 31, 1992	\$1,458.10/year
From September 1, 1992 to August 31, 2002	\$1,958.02/year
From September 1, 2002 to August 31, 2012	\$2499.60/year

During the three successive ten-year periods following 2012, the rent shall be equal to the fair market value of the land at the beginning of each such period, valued as a single, integrated parcel of land owned in fee simple absolute and free of the Lease, but exclusive of any value attributable to any building or improvements thereon, considering the highest and best use of the land at that time multiplied by seven and one-half (7-1/2%) and multiplied by the percentage interest in the common elements of the project appurtenant to each apartment; provided that the net annual rent to be paid during each such period shall not be less than the net annual rent for the preceding rental period. Such fair market value of the land shall be determined by agreement between the Ground Lessors and the Board of Directors of the Association, and, upon the failure of such parties to agree, by appraisal.

The rent is due and payable quarterly in advance on the last day of the preceding quarter.

The Ground Leases require the Lessees, through the Association of Apartment Owners (i) to maintain liability and casualty insurance on the project, and (ii) to observe the terms and conditions of the Declaration and By-Laws.

The Ground Leases also provide that (i) the Lessees cannot, without the Lessor's consent, request or participate in a request for a change in zoning or a variance from the use of the land underlying the project, and (ii) as long as the Lessees observe the covenants of the Leases, the Ground Lessors shall not during the terms of the Ground Leases interfere with Lessee's use and enjoyment of their respective apartments.

EXHIBIT H
PROJECT USES (HOUSE RULES)

(a) The apartments of the project shall be used only for their respective purposes as set forth in the Declaration and for no other purpose.

(b) All common elements of the project shall be used only for their respective purposes as designed.

(c) No apartment owner or occupant shall place, store or maintain on walkways, roadways, grounds or other common elements any furniture, packages or objects of any kind or otherwise obstruct transit through such common elements.

(d) Every apartment owner and occupant shall at all times keep his apartment in a strictly clean and sanitary condition and observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority or the Association for the time being applicable to the use of the project.

(e) No apartment owner or occupant shall make or suffer any strip or waste or unlawful, improper or offensive use of his apartment or the project nor alter or remove any furniture, furnishings or equipment of the common elements.

(f) No apartment owner or occupant shall erect or place in the project any building or structure including fences and walls, nor make any additions or alterations to any common elements of the project, nor place or maintain thereon any signs, posters or bills whatsoever, except in accordance with plans and specifications including detailed plot plan, prepared by a licensed architect if so required by the Board and approved by the Board and a majority of apartment owners (or such larger percentage required by law or the Declaration) including all owners of apartments thereby directly affected.

(g) No apartment owner shall decorate or landscape any entrance of his apartment or any other portion of the project except in accordance with standards therefor established by the Board of Directors or specific plans approved in writing by the Board.

(h) All occupants shall exercise extreme care about making noises and in the use of musical instruments, radios, televisions and amplifiers that may disturb other occupants.

(i) No garments, rugs or other objects shall be hung from the windows or facades of the project.

(j) No rugs, or other objects shall be dusted or shaken from the windows of the project or cleaned by beating or sweeping on any hallway or exterior part of the project.

(k) No refuse, garbage or trash of any kind shall be thrown, placed or kept on any common elements of the project outside of the disposal facilities provided for such purpose.

(l) No livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the project except that the Board of Directors may approve dogs, cats and other household pets in reasonable number to be kept by the apartment owners and occupants in their respective apartments but such pets shall not be kept, bred or used therein for any commercial purpose nor allowed on any common elements except in transit when carried or on leash; provided, however, that any such pet causing a nuisance or unreasonable disturbance to any other occupant of the project shall be permanently removed therefrom promptly upon notice given by the Board of Directors or Managing Agent.

(m) No apartment owner or occupant shall without the written approval of the Board of Directors install any wiring for electrical or telephone installations, television antenna, machines or air-conditioning units, or other equipment or appurtenances whatsoever on the exterior of the project or protruding through the walls, windows or roof thereof.

(n) No apartment owner or occupant shall erect, place or maintain any television or other antennas on said project visible from any point outside of the project.

(o) Nothing shall be allowed, done or kept in any apartments or common elements of the project which would overload or impair the floors, walls or roofs thereof, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereon maintained by or for the Association.

(p) If the project shall have separate elevators devoted (i) to the transportation of the apartment owners and their guests and (ii) for freight service or auxiliary purposes, the apartment owners and tradesmen are expressly required to utilize the freight or service elevators for transporting packages, merchandise or any other object that may affect the comfort or well-being of the passengers of the elevators dedicated to the transportation of the apartment owners, residents and guests.

EXHIBIT I

DESCRIPTION OF COMMON ELEMENTS

- (a) The land underlying the Project in fee simple;
- (b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeters, party and load-bearing walls, roofs, entries, stair wells and stairs, elevators, walkways, entrances and exits of said building;
- (c) All yards, grounds, landscaping and refuse areas;
- (d) All driveway and parking areas and 35 parking stalls for cars, 28 regular and 7 compact car stalls,
- (e) All pipes, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any;
- (f) Swimming pool and enclosure containing equipment and storage facilities;
- (g) Electrical and mechanical rooms, janitor and storage areas as designated on Condominium Map;
- (h) Sewage treatment plant;
- (i) Any and all other apparatus and installations of common use and all other parts of the Project, necessary or convenient to its existence, maintenance and safety, or normally in common use.