



**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 96801

**CONDOMINIUM PUBLIC REPORT**

on  
MOKULEIA COUNTRY HOMES  
68-047 and 68-049 Apuhihi Street  
Mokuleia, Oahu, Hawaii

Registration No. 1670

Issued: April 24, 1987  
Expires: May 24, 1988

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of April 22, 19 87 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 \_\_\_\_\_

**SUPPLEMENTARY:** (pink) Updates information contained in the  
 Prelim. Public Report dated \_\_\_\_\_  
 Final Public Report dated \_\_\_\_\_  
 Supp. Public Report dated \_\_\_\_\_

And  Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_  
 This report reactivates the \_\_\_\_\_  
public report(s) which expired on \_\_\_\_\_

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required                       Not Required -- disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

Since the issuance of the Preliminary Public Report on April 12, 1985, the following material changes have occurred:

1. The Project has been completed.
2. The Declaration of Horizontal Property Regime, Bylaws, and Condominium Map have been recorded.
3. The escrow agent has changed to Island Title Corporation.

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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.

**SUMMARY OF THE CONDOMINIUM PROJECT**  
(cite to appropriate pages  
in text of report)

Interest to be Conveyed to Buyer:

A fee simple interest in a condominium apartment unit.

**Type of Project:**

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

<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>
<u>All</u>	<u>7</u>	<u>2/1.5</u>	<u>815</u>	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 7

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

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

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>7</u>
Guest Stalls	<u>2</u>
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
<b>Total Parking Stalls</b>	<u>9</u>

7. Recreational amenities:

None.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: HOMES INTERNATIONAL, INC. Phone: - - -  
Name (Business)  
1314 S. King Street, Suite 619  
Business Address  
Honolulu, Hawaii 96814

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

Francia Cecilio, President  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Sales Agent: CHARLES D. REID DBA  
AINA KOA REALTY Phone: (808) 671-4551  
Name (Business)  
94-229 Waipahu Depot Road, Suite 207  
Business Address  
Waipahu, Hawaii 96797

Escrow: ISLAND TITLE CORPORATION Phone: (808) 526-9171  
Name (Business)  
1001 Bishop Street, Suite 600  
Business Address  
Honolulu, Hawaii 96813

Managing Agent: CHARLES D. REID DBA  
AINA KOA REALTY Phone: (808) 671-4551  
Name (Business)  
94-229 Waipahu Depot Road, Suite 207  
Business Address  
Waipahu, Hawaii 96797

Attorney for Developer: HIROSHI SAKAI, ATTORNEY AT LAW, A LAW  
CORPORATION AND MICHAEL H. SAKAI  
Name  
810 Richards Street, Suite 602  
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 20542 Page 98  
 Filed — Land Court — Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

- 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. 1059  
 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 20542 Page 112  
 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>65%</u>
House Rules	—	<u>See Bylaws</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:

The Developer may use any apartment which it owns as a model and/or sales office and to conduct such operations as is necessary to sell and rent the apartments in the project.

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.



B. Underlying Land:

Address: 68-047 and 68-049 Apuhihi Street, Tax Map Key: 6-8-11-14  
Mokuleia, Hawaii (TMK) (First Div.)

Address  TMK is expected to change because \_\_\_\_\_

Land Area: 10,914  square feet  acre(s) Zoning: A-2

Fee Owner: HOMES INTERNATIONAL, INC.  
name  
1314 S. King Street, Suite 619  
address  
Honolulu, Hawaii 96814

Sublessor: \_\_\_\_\_  
name  
\_\_\_\_\_  
address  
\_\_\_\_\_

C. Buildings and Other Improvements:

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

2. Buildings: 2 Floors Per Building: 2

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

3. Principal Construction Material:

Concrete  Hollow Tile  Wood

Other glass and fiberglass

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>7</u>	<input type="checkbox"/> Agricultural	_____
<input type="checkbox"/> Timeshare/Hotel	_____	<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: None without Board approval.

Number of Occupants: \_\_\_\_\_

Other: \_\_\_\_\_

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 7

Elevators -0-

Stairways -0-

Trash Chutes -0-

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
<u>All</u>	<u>7</u>	<u>2/1.5</u>	<u>815</u>	<u>---</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

\*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:

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 of them or any pipes, wires, conduits or other utility lines running through them which are utilized for or serve more than one unit. Additionally, the boundary lines of each apartment are the exterior of doors, windows, and glass walls and the frames thereof and the lanai.

Permitted Alterations to Apartments:

An owner of an apartment unit may make alterations to a unit provided that all alterations take place entirely within such apartment unit provided that it does not jeopardize the soundness of the building.

7. Parking Stalls:

Total Parking Stalls: 9

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for individual units)	<u>      </u>	<u>7</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>7</u>
Guest Unassigned Extra Available for Purchase	<u>      </u>	<u>2</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>2</u>
Other:	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Total Covered & Open	<u>9</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>

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

Commercial parking garage permitted in condominium project.

Exhibit B contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute

Other: \_\_\_\_\_  
\_\_\_\_\_

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   A   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   B  

as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

Exhibit        describes the common interests for each apartment.

as follows:

Each apartment shall have appurtenant thereto an undivided one-seventh (1/7) interest in all of the common elements.

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 March 30, 1987, issued by Island Title Corporation.

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.

[X] 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.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Mortgage	Mortgage lien will be released before a closing will occur.

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:

[ X ] not affiliated with the Developer.

[ ] the Developer or the Developer's affiliate.

[ ] other \_\_\_\_\_

**G. Estimate of Initial Maintenance Fees:**

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

Exhibit  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 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:**

The apartments and the common elements of the project shall have the benefit of a one-year warranty against defects in materials and workmanship, which warranty shall commence as of the date of the issuance of a Certificate of Occupancy.

**2. Appliances:**

The owner of an apartment shall have an assignment of the Developer's interest in any warranty that it receives from the appliance supplier and/or manufacturer.

J. Status of Construction and Estimated Completion Date:

The project was completed in early 1987.

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 April 1, 1987

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

Oth \_\_\_\_\_

#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Purchasers should be aware that each apartment will have its own cesspool or will be sharing it with other apartments.

**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.

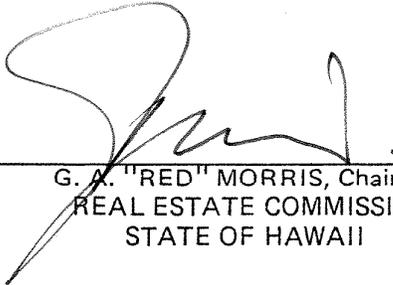
This Public Report is a part of Registration No. 1670 filed with the Real Estate Commission on March 15, 1985.

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.



G. A. "RED" MORRIS, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

Bureau of Conveyances  
Department of Finance, City and County of Honolulu  
Planning Department, City and County of Honolulu  
Federal Housing Administration  
Escrow Agent

EXHIBIT "A"

Common Elements

1. The land in fee simple.
2. Central and appurtenant installation for services such as power, light, gas, sewer lines, water lines, telephone, radio and television signal distribution and like utilities.
3. The foundations, floor slabs, columns, girders, beams, supports, posts, bearing walls and roofs in the buildings.
4. The yards excluding the privacy yard areas, common landscaping, parking area, trash area and cesspools.
5. All other parts of the Project existing for the common use or necessary to the existence, maintenance and safety of the Project.
6. The common driveway areas and all parking stalls not designated a limited common element.

EXHIBIT "B"

Limited Common Elements

1. The parking stalls set aside and reserved for the exclusive use of each apartment, the stall being designated the same number as the apartment number on the Condominium Map.

2. The privacy yard areas which are appurtenant to each apartment and are bordered by a wooden fence as delineated on the Condominium Map.

EXHIBIT "C"

Encumbrances Against Title

1. Title To all minerals and metallic mines reserved to the State of Hawaii.

2. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Deed, dated August 2, 1963, recorded in the Bureau of Conveyances, State of Hawaii, in Book 4568, Page 346.

3. Mortgage made by Homes International, Inc., a Hawaii corporation, as Mortgagor, and Honolulu Mortgage Company, Inc., a Hawaii corporation, as Mortgagee, dated September 17, 1986, recorded October 1, 1986, in the Bureau of Conveyances, State of Hawaii, in Book 19905, Page 137, to secure the repayment of \$275,000.00, and any additional advances and other amounts secured thereby, under the terms and provisions thereof.

4. A Financing Statement by and between Homes International, Inc., a Hawaii corporation, as Debtor, and Honolulu Mortgage Company, Inc., a Hawaii corporation, as Secured Party, dated October 1, 1986, covering certain personal property as therein described, recorded in the Bureau of Conveyances, State of Hawaii, in Book 19905, Page 15.

5. State Tax Lien in the amount of \$1,867.80, dated October 21, 1986, recorded on November 28, 1986, against Homes International, Inc., for Employment Security Tax, recorded in the Bureau of Conveyances, State of Hawaii, in Book 20093, Page 276.

6. State Tax Lien in the amount of \$2,350.02, dated February 6, 1987, recorded on February 26, 1987, against Homes International, Inc., for Employment Security Tax, recorded in the Bureau of Conveyances, State of Hawaii, in Book 20405, Page 527.

7. For real property taxes due and owing, reference should be made to Director of Finance, City and County of Honolulu.

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>	<u>x 12 months</u>	=	<u>Yearly Total</u>
#101	\$106.00	x 12 months		\$1,272.00
#102	\$106.00	x 12 months		\$1,272.00
#103	\$106.00	x 12 months		\$1,272.00
#104	\$106.00	x 12 months		\$1,272.00
#105	\$106.00	x 12 months		\$1,272.00
#106	\$106.00	x 12 months		\$1,272.00
#107	\$106.00	x 12 months		\$1,272.00
TOTALS	\$742.00	x 12 months		\$8,904.00

[XX] Revised on March 25, 1987

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

EXHIBIT "E"

Summary of Sales Contract

The Sales Contract contains the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Project. Among other things, the Sales Contract says:

(a) What a purchaser must do to qualify for a loan if the purchaser wants a mortgage loan to cover part of the purchase price.

(b) That a purchaser's money will be held in escrow, under the terms of the Escrow Agreement.

(c) That interest on deposits shall belong to the seller.

(d) That the unit will be subject to various other legal documents which the purchaser should examine.

(e) That the purchaser must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

(g) There are restrictions on the purchaser's Assignment of its interest under the Sales Contract.

THE SALES CONTRACT CONTAINS VARIOUS OTHER PROVISIONS WITH WHICH THE PURCHASER SHOULD BECOME ACQUAINTED.

EXHIBIT "F"

Summary of Escrow Agreement

The Escrow Agreement with Island Title Corporation, sets up an arrangement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement these things will or may happen:

- (a) Escrow will let purchasers know when payments are due.
- (b) Escrow will arrange for purchasers to sign all necessary documents.
- (c) The Escrow Agreement provides that a refund will be made to a purchaser only if Seller tells Escrow in writing that a refund should be made according to the Sales Contract.
- (d) The Escrow Agreement provides that purchaser's funds upon 10 days notice to Buyers of a default under the Sales Contract, will be turned over to Sellerless Escrow's cancellation fees.

THE ESCROW AGREEMENT CONTAINS VARIOUS OTHER PROVISIONS AND ESTABLISHES CERTAIN CHARGES WITH WHICH THE PURCHASER SHOULD BECOME ACQUAINTED.