



REAL ESTATE COMMISSION
 STATE OF HAWAII
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
 PROFESSIONAL AND VOCATIONAL LICENSING DIVISION
 1010 Richards Street - P. O. Box 3468
 Honolulu, Hawaii 96801

CONDOMINIUM PUBLIC REPORT

on

KIHEI PACIFIC PLAZA
 Halelani Place and South Kihei Road
 Kihei, Maui, Hawaii

Registration No. 1675

Issued: SEP 6 1991
 Expires: OCT 6 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of August 26, 19 91, 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:** 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.
(yellow)
- FINAL:** The developer has legally created a condominium and has filed complete information with the Commission.
(white)
- No prior reports have been issued
 Supersedes all prior public reports
 Must be read together with _____
-
- SUPPLEMENTARY:** Updates information contained in the
(pink)
- 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.

No prior reports have been issued by the Commission.

Changes made are as follows:

This Final Report supercedes the Preliminary Public Report issued June 12, 1985. Subsequent changes include:

- (1) The Project consists of three (3) Phases (Phases I, II and III). Phase I (consisting of Apartment/Building CS, appurtenant yard area and limited common elements, and an undivided 25% interest in the General Common Elements of the Project), and Phase II (consisting of Apartment/Building FF, appurtenant yard area and limited common elements, and an undivided 25% interest in the General Common Elements of the Project), were previously submitted to the Condominium Regime and are fully described in the Declaration and the "Phase II Amendment" to the Declaration dated February 10, 1986, and shown on the original Condominium Map. Apartments CS and FF and their respective interests, as described therein and shown thereon, have not been changed. Both said Apartment FF (Phase II) and Apartment CS and appurtenances (Phase I) have been sold, to KFC Management Company, and to The Southland Corporation, respectively, under the June 12, 1985 Preliminary Report, which expired on July 12, 1986 (See Paragraph (3) below).

Phase III of the Project (consisting of Building CB, Apartments, appurtenant yard area and non-exclusive limited common elements, and an aggregate 50% undivided interest in the General Common Elements of the Project), was revised as to physical configuration and submitted to the Condominium Regime pursuant to Second Amendment ("Phase III Amendment") to the Declaration dated May 24, 1991, summarized in Paragraph (2) below.

This Final Public Report encompasses all fifteen (15) Apartments of the Project, comprising Phase I (Apartment CS), Phase II (Apartment FF) and Phase III (the thirteen Building CB Apartments), notwithstanding that only the thirteen (13) Building CB Apartments and appurtenances will be sold by the Developer under this Final Public Report.

- (2) By Second Amendment ("Phase III Amendment") to the Declaration dated May 24, 1991, the following changes were made to Building CB and the CB Apartments, as originally configured:

- (a) Phase III (consisting of Building CB, the CB Apartments, and their appurtenances) was submitted to the Condominium Property Regime.
 - (b) Building CB was reduced in size from three (3) floors to two (2) floors, containing thirteen (13) CB Apartments (as opposed to the original 26 Apartments). See Amended Condominium Map, and Exhibit "F" attached hereto.
 - (c) As contemplated in the Declaration following the submission of Phase III to the Project the General Common Elements attributable to Phases I, II and III were re-allocated, and the common element and non-exclusive limited common element percentages were allocated among the Building CB (Phase III) Apartments, as set forth in Exhibits "G" and "H", respectively.
 - (d) The Phase III (Building CB) parking stalls were reduced by one (1) stall, from fifty-one (51) to fifty (50), and renumbered, as described in Exhibit "E". No changes were made to the Yard Areas and Parking Stalls appurtenant to Apartments CS and FF.
- (3) The present owners of Apartment CS (Phase I) and of Apartment FF (Phase II) have approved the Phase III Amendment described in Paragraph (2) above, pursuant to the following instruments: (a) Acknowledgment and Approval of Amendment dated August 9, 1991 and recorded in the Hawaii Bureau of Conveyances as Document No. 91-114365, executed and acknowledged by Seven-Eleven (Hawaii), Inc. (Apartment CS); and (b) Acknowledgment and Approval of Amendment dated August 5, 1991 and recorded in the Hawaii Bureau of Conveyances as Document No. 91-114364, executed and acknowledged by KFC National Management Company (Apartment FF). Upon its issuance by the Commission, the Developer will provide copies of this Final Public Report and of the prescribed form of Receipt and Notice of Right to Cancel to the Owners of said Apartments CS and FF, as well as to the buyers of the thirteen Building CB (Phase III) Apartments, as provided in HRS Section 514A-62.
- (4) As contemplated in the Declaration, that certain 5,340 square foot parcel of land (being Lot 4-B, road widening lot) was conveyed to the County of Maui for road widening purposes, pursuant to Warranty Deed dated April 18, 1990 and recorded in said Bureau as Document No. 90-184199. See Exhibit "B" for revised legal description of the land under the Project.
- (5) The Developer has taken out a new Mortgage and Financing Statement, in favor of First Hawaiian Bank, to finance the

construction of the Phase III (Building CB) Improvements. See Exhibit "C".

- (6) The Developer has entered into a new Condominium Escrow Agreement with Title Guaranty Escrow Services, Inc., summarized in Exhibit "L".
- (7) Estimated Initial Maintenance Fees, and the Disbursement of those fees, has increased, as summarized in Exhibit "A" and in the Amended Disclosure Abstract.

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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 "Condominium 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 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

Interest to be Conveyed to Buyer:

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

Types 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
5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
CS	1	N/A	2,410	N/A
FF	1	N/A	1,350	N/A
CB-A	8	N/A	840	N/A
CB-B	2	N/A	1,050	N/A
CB-C	3	N/A	1,680	N/A

Total Apartments: 15 (See Exhibits "F" and "H")

*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: (See Exhibit "E")

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units) - Apartments CS & FF	<u>18</u>
Guest Stalls - Building CB	<u>19</u>
Unassigned Stalls - Building CB	<u>13</u>
Extra Stalls Available for Purchase	<u>-0-</u>
Other: <u>Loading Zones</u>	<u>2</u>
Total Parking Stalls	<u>52</u>

7. Recreational amenities: None (Commercial Project).

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: MAUI GROWTH PARTNERS I, a Hawaii limited partnership
Name
81 South Hotel Street, Suite 216
Business Address
Honolulu, HI 96813
Phone: (808) 521-3752 (Business)

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

General Partner: INDUSTRIAL INCOME PROPERTIES, INC.,
a Hawaii corporation
Attn: Mr. John E. Finney
President

Real Estate Sales Agent: MONROE & FRIEDLANDER, INC.
Name
2200 Main Street, Suite 205
Business Address
Wailuku, Maui, HI 96793
Attn: Mr. Grant E. Howe
Phone: (808) 242-8000 (Business)

Escrow: TITLE GUARANTY ESCROW SERVICES, INC.
Name
235 Queen Street, First Floor
Business Address
Honolulu, HI 96813
Attn: Mr. David T. Pietsch, Jr.
Phone: (808) 521-0211 (Business)

Managing Agent: B & B INVESTMENT, LTD.
Name
745 Fort Street, 9th Floor
Business Address
Honolulu, HI 96813
Attn: Mr. A. Bernard Bays
Phone: (808) 533-4184 (Business)

Attorney for Developer: BRUCE G. JACKSON, Attorney at Law,
Name A Law Corporation
Suite 1132 Pacific Tower
1001 Bishop Street
Business Address
Honolulu, HI 96813
Phone: (808) 521-4573

**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 Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. Declaration of Condominium 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 19253 Page 124
 Filed - Land Court - Document Number _____

Amendment date(s) and recording/filing information:

- (1) Phase II Amendment, dated February 10, 1986, recorded in Liber 19288 at Page 109.
- (2) Phase III Amendment, dated May 24, 1991, recorded as Document No. 91-074664.
- (3) Joinder to Amendments, filed as Document Nos. 91-114365 & 91-114364, filed August 23, 1991.

- 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. 984
 Filed - Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

June 20, 1991 - Amended Condominium Map No. 984 (Sheet Nos. 1, 7CB, 8CB and 9CB).

- 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 19253 Page 163
 Filed - Land Court - Document Number _____

Amendment date(s) and recording/filing information:

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.

- 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 common interest which 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>N/A</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:

SEE EXHIBIT "J" ATTACHED HERETO, FOR DESCRIPTION OF DEVELOPER'S RESERVED RIGHTS.

B. **Underlying Land:**

Address: Halelani Place and South Kihei Road, Maui County
Kihei, Maui, Hawaii Tax Map Key: (2) 3-9-03:15
(TMK)

[] Address [] TMK is expected to change because _____

Land Area: 37,978 [XX] square feet [] acre(s) Zoning: B-2

Fee Owner: MAUI GROWTH PARTNERS I, a Hawaii limited partnership
Name

81 South Hotel Street, Suite 216
Address

Honolulu, Hawaii 96813

Sublessor: N/A
Name

Address

C **Buildings and Other Improvements:**

- | | |
|--|--|
| 1. [] New Building(s) | [] Conversion of Existing Building(s) |
| [XX] Both New Building(s) and Conversion | CS (Phase I) = 1 Floor |
| | FF (Phase II) = 1 Floor |
| 2. Buildings: <u>Three (3)</u> | Floors Per Building <u>CB (Phase III) = 2 Floors</u> |

[X] Exhibit s "F" & "H" contains further explanations.

3. **Principal Construction Material:**

- [X] Concrete [X] Hollow Tile [X] Wood
- [X] Other Glass and bronze anodized aluminum (all Buildings)

4. **Permitted Uses:**

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
[X] Commercial	<u>15</u>	[] Industrial	_____
[] Residential	_____	[] Agricultural	_____
[] Timeshare/Hotel	_____	[] Recreational	_____
[] 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 _____

Number of Occupants: _____

Other: All Apartments are to be used for commercial and office purposes only, consistent with applicable zoning requirements.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 15

Elevators 1 - Bldg. CB Stairways 2 - Bldg. CB Trash Chutes N/A

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>CS</u>	<u>1</u>	<u>N/A</u>	<u>2,410</u>	<u>N/A</u>
<u>FF</u>	<u>1</u>	<u>N/A</u>	<u>1,350</u>	<u>N/A</u>
<u>CB-A</u>	<u>8</u>	<u>N/A</u>	<u>840</u>	<u>N/A</u>
<u>CB-B</u>	<u>2</u>	<u>N/A</u>	<u>1,050</u>	<u>N/A</u>
<u>CB-C</u>	<u>3</u>	<u>N/A</u>	<u>1,680</u>	<u>N/A</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 the floor area may have been used.

Boundaries of Each Apartment:

SEE EXHIBIT "D" ATTACHED HERETO, FOR DESCRIPTION OF BOUNDARIES OF EACH APARTMENT.

Permitted Alterations to Apartments:

SEE EXHIBIT "I" ATTACHED HERETO, FOR DESCRIPTION OF PERMITTED ALTERATIONS TO APARTMENTS.

7. Parking Stalls:

Total Parking Stalls: 52 (includes 2 Loading Zones)

	<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>-0-</u>	<u>18</u>	<u>N/A</u>		<u>N/A</u>		<u>18</u>
Guest	<u>-0-</u>	<u>19</u>	<u>N/A</u>		<u>N/A</u>		<u>19</u>
Unassigned	<u>-0-</u>	<u>13</u>	<u>N/A</u>		<u>N/A</u>		<u>13</u>
Extra Available for Purchase	<u>N/A</u>		<u>N/A</u>		<u>N/A</u>		<u>N/A</u>
Other: Loading	<u>-0-</u>	<u>2</u>	<u>N/A</u>		<u>N/A</u>		<u>2</u>
Total Covered & Open	<u>52</u>		<u>-0-</u>		<u>-0-</u>		

Each apartment will have the exclusive use of at least N/A* parking stall(s). *See Exhibit "E".
Buyers are encouraged to find out which stall(s) will be available for their use.

- Commercial parking garage permitted in condominium project.
- Exhibit "E" 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 at least five years):

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

Buildings/Apartments CS and FF were, upon the completion of construction thereof in 1986, in new condition. Building CB, when completed in late fall/early winter of 1991, will be in new condition. It is the Developer's opinion that all structural components and mechanical and electrical installations material to the use and enjoyment of the buildings and the condominium apartments are presently sound and appear to be in satisfying working condition. The Developer MAKES NO WARRANTIES ITSELF with respect to the existing buildings, nor with respect to Building CB when completed, but rather has and will rely and pass on to the Association of Apartment Owners all of the Developer's warranty rights under the construction Contract(s) with the General Contractor(s) of such Buildings/Apartments.

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

To the best knowledge of the Developer, all of the Buildings/Apartments are or will be in compliance with all ordinances, codes, rules and regulations, or other requirements in force at the time of their construction or relocation. No variance has been granted from any ordinance, code, rule, regulation, or other requirement in force at the time of their construction, or from any other ordinance, code, rule, regulation or other requirement.

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	X	_____	_____
Structures	X	_____	_____
Lot	X	_____	_____

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 "G" describes the common elements.

As follows:

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 "G"

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 "H" 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 June 12, 1991 and issued by Long & Melone, Ltd.

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>
Blanket Mortgage	Buyer's interest is subordinate to the Developer's mortgage lien, but title to the individual apartments will be free and clear at the time of conveyance.

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.

[X] the Developer or the Developer's affiliate.

[] self-managed by the Association of Apartment Owners.

[] 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 "A" contains a schedule of maintenance fees and maintenance fee disbursements.

See also Amended Disclosure Abstract, filed with this Report.

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:

Electricity

Television Cable

Gas

Water & Sewer

Other Janitorial and trash removal services; pest control; common area electricity.

Not applicable

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:**

BUILDING CB will, when completed, be covered by the General Contractor's one (1) year standard warranty, as described in the Construction Contract dated July 20, 1990. No other warranties will be provided to the buyer.

2. **Appliances:**

NONE - No appliances included in Apartment sales.

J. Status of Construction and Estimated Completion Date:

Buildings/Apartments CS and FF were completed in 1986. Building CB (containing the CB Apartments) is under construction at the time of issuance of this Final Public Report, and is estimated to be completed in September of 1991.

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:

Pursuant to the Declaration, as amended, the Project consists of three (3) Phases. The status of each Phase is as follows:

(1) Phase I, consisting of Building/Apartment CS and appurtenances, was completed in 1986 and submitted to the Condominium Property Regime pursuant to the original Declaration dated January 21, 1986. Apartment CS was sold to The Southland Corporation by Commercial Condominium Deed dated February 7, 1986, effective February 11, 1986.

(2) Phase II, consisting of Building/Apartment FF and appurtenances, was completed in 1986 and submitted to the Condominium Property Regime pursuant to Phase II Amendment to Declaration dated February 10, 1986. Apartment FF was sold to KFC National Management Company by Commercial Condominium Deed dated February 5, 1986, effective February 11, 1986.

(3) Phase III, consisting of thirteen (13) commercial apartments in Building CB is presently under construction with completion estimated during September of 1991. No CB Apartments have been sold as of the date this Public Report was issued. Phase III was submitted to the Condominium Property Regime pursuant to Second Amendment ("Phase III Amendment") to Declaration dated May 24, 1991.

The Phase III submission will, when construction of Building CB is completed, complete the Project, and Developer anticipates no further development under the Condominium Property Regime.

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 (Revised)

Exhibit "K" contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated June 13, 1991

Exhibit "L" contains a summary of the pertinent provisions of the escrow contract.

Other Amended Disclosure Abstract

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

None.

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 Condominium Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules. N/A
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 N/A

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. 1675 filed with the Real Estate Commission on April 30, 1985.

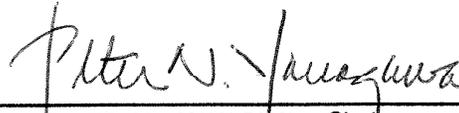
Reproduction of Report. When reproduced, this report must be on:

yellow paper stock

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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.



PETER N. YANAGAWA, 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

<u>REPORT PAGE</u>	<u>EXHIBIT REFERENCE</u>	<u>EXHIBIT LETTER</u>
16	ESTIMATE OF INITIAL MAINTENANCE FEES AND DISBURSEMENTS	A
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11	DESCRIPTION OF APARTMENT BOUNDARIES	D
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EXHIBIT "A"

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months = Yearly Total</u>	
CS	\$ 415.00	\$ 4,980.00
FF	415.00	4,980.00
CB-101	195.75	2,349.00
CB-102	195.75	2,349.00
CB-103	195.75	2,349.00
CB-104	244.70	2,936.40
CB-105	244.70	2,936.40
CB-106	195.75	2,349.00
CB-107	195.75	2,349.00
CB-108	195.75	2,349.00
CB-201	391.52	4,698.24
CB-202	391.52	4,698.24
CB-203	391.52	4,698.24
CB-204	195.75	2,349.00
CB-205	195.75	2,349.00
TOTALS	\$4,060.00	\$48,720.00

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:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

common elements only (Building CB) \$ 500.00 \$ 6,000.00

common elements
and apartments

Gas

Refuse Collection 100.00 1,200.00

Telephone

Water and Sewer 135.00 1,620.00

Maintenance, Repairs and Supplies

Building
Grounds

combined

1,850.00 22,200.00

Management

Management Fee (Building CB) 250.00 3,000.00

Payroll and Payroll Taxes

Office Expenses (Building CB) 50.00 600.00

Insurance

375.00 4,500.00

Reserves

250.00 3,000.00

Taxes and Government Assessments

Audit Fees

Other

Project Administration 300.00 3,600.00

Pest Control 250.00 3,000.00

TOTAL \$4,060.00 \$48,720.00

We, B & B INVESTMENTS, LTD., a Hawaii corporation, as managing agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

B & B INVESTMENTS, LTD.

By 
Its: Chairman of the Board
Date: June 26, 1991

REVISED LEGAL DESCRIPTION OF LAND UNDER THE PROJECT:

ALL of that certain parcel of land (being portions of the lands described in and covered by Land Patent Grant No. 8265 to Dora von Tempsky, Land Patent Grant No. 10809 to A.K. Okamura, and Royal Patent Grant No. 3448-B, Apana 9 to Beniamina Kamaukoli) situate, lying and being at Kamaole (Kihei), Kula, Island and County of Maui, State of Hawaii, being LOT 4-A of the "KIHEI FARM SUBDIVISION" and more particularly described as follows:

Beginning at a $\frac{1}{2}$ inch pipe (set) at the Northwesterly corner of this parcel of land, the Southwesterly corner of Lot 3 of Kihei Farm Subdivision, and being also on the Easterly side of South Kihei Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KAMOLE" being 83.41 feet North and 1,630.14 feet West and running by azimuths measured clockwise from true South; thence,

1. 254° 50' 291.16 feet along Lot 3 of the Kihei Farm Subdivision to a $\frac{1}{2}$ inch pipe (set); thence,
2. 344° 50' 132.00 feet along Lot 5 of the Kihei Farm Subdivision to a $\frac{1}{2}$ inch pipe (set); thence,
3. 74° 50' 257.91 feet along Lot 4-B (road widening lot) of the Kihei Farm Subdivision to a $\frac{1}{2}$ inch pipe (set); thence,
4. Following along the same along a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being:
118° 55' 30" 41.75 feet to a $\frac{1}{2}$ inch pipe (set); thence,
5. 163° 01' 103.00 feet along the Easterly side of South Kihei Road to the point of beginning and containing an area of 37,978 square feet, as per survey of Albert S. Saiki, Registered Professional Land Surveyor, State of Hawaii Certificate Number 2720 E-S, dated September 14, 1990.

BEING the land conveyed to MAUI GROWTH PARTNERS I, a Hawaii limited partnership, by Warranty Deed from Halelani Plaza, a Hawaii limited partnership, dated July 24, 1990 and recorded in the Bureau of Conveyance of the State of Hawaii, as Document No. 90-164590.

ENCUMBRANCES AGAINST TITLE:

An encumbrance is a claim against or liability on the property. The following list describes the encumbrances against the title contained in the Preliminary Title Report dated June 12, 1991, issued by Long & Melone, Ltd.

1. For Real Property Taxes that may be due and owing, reference is made to the Office of the Director of Finance, County of Maui.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. SECTION 14.12.080 AGREEMENT FOR CENTRAL MAUI AREAS
By and Between: Halelani Plaza, a Hawaii limited partnership and Kihei Pacific Plaza Venture, a Hawaii partnership, and the County of Maui and its Department of Water Supply
Dated: May 7, 1985
Recorded in the Bureau of Conveyances in Liber 18667 at Page 89.
4. Unrecorded Storage Assessment Agreement and Agreement for Deferral of Payment of Source Assessment, both dated September 27, 1985, made by and between Kihei Pacific Plaza Venture, and Halelani Plaza Partnership, and the County of Maui and its Department of Water Supply.
5. Unrecorded Off-Site Drainage Improvements Agreement dated September 27, 1985, made by and between Halelani Plaza and Pacific Plaza Venture, and the Department of Public Works, County of Maui.
6. Grant of Easement in favor of Maui Electric Company, Limited, and GTE Hawaiian Telephone Company Incorporated dated June 18, 1986, recorded in Liber 19701 at Page 578, for pole and wire lines, over and across said premises.
7. Covenants, conditions, restrictions, reservations, easements, liens for assessments, options, powers of attorney, limitations on title, and all other provisions contained in or incorporated by reference in the Declaration of Horizontal Property Regime dated January 21, 1986, recorded in said Bureau in Liber 19253 at Page 124, as amended, and By-Laws attached dated January 21, 1986, recorded in said Bureau in Liber 19253 at Page 163, Condominium Map 984, Kihei Pacific Plaza; any instrument creating the estate or interest herein set forth; and in any

other allied instrument referred to in any of the instruments aforesaid. (As amended by instruments dated February 10, 1986, recorded in said Bureau in Liber 19288 at Page 109, and dated May 24, 1991, recorded in said Bureau as Document No. 91-074664.)

8. Reservation in favor of Halelani Plaza, a Hawaii limited partnership and Kihei Pacific Plaza Venture, a Hawaii general partnership, its successors and assigns, as set forth in Commercial Condominium Deed dated February 7, 1986, effective February 11, 1986, recorded in Liber 19284 at Page 534.
9. Any and all interest of Seven-Eleven (Hawaii), Inc., a Hawaii corporation, in and to Apartment CS, Kihei Pacific Plaza, Condominium No. 984, the "Exclusive Limited Common Element (Yard Area) CS" and an undivided 25% interest in the common elements of the project, including the land under that certain Warranty Deed dated December 19, 1989, recorded in said Bureau in Liber 24041 at Page 59.
10. Any and all interest of KFC National Management Company, a Delaware corporation, in and to Apartment FF, Kihei Pacific Plaza, Condominium No. 984, the "Exclusive Limited Common Element (Yard Area) FF" and an undivided 25% interest in the common elements of the project, including the land under that certain Commercial Condominium Deed dated February 5, 1986, effective February 11, 1986, recorded in said Bureau in Liber 19288 at Page 118.
11. Reservation in favor of Halelani Plaza, a Hawaii limited partnership and Kihei Pacific Plaza Venture, a Hawaii general partnership, its successors and assigns, as set forth in Commercial Condominium Deed dated February 5, 1986, effective February 11, 1986, recorded in said Bureau in Liber 19288 at Page 118.
12. Conditions and Acknowledgments contained in Notice dated March 21, 1990, recorded in said Bureau as Document No. 90-75593. RE: Kihei Wastewater Treatment Capacity.
13. FINANCING STATEMENT
Debtor(s): Maui Growth Partners I
Secured Party: First Hawaiian Bank
Recorded October 22, 1990 in said Bureau as Document No. 90-164592.

14. MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS, AND
FINANCING STATEMENT

Mortgagor(s): Maui Growth Partners I, a Hawaii limited
partnership

Mortgagee(s): First Hawaiian Bank, a Hawaii corporation

Dated: October 22, 1990

Recorded October 22, 1990 in said Bureau as Document No. 90-
164591.

To Secure: \$1,600,000.00

* * * *

BOUNDARIES OF EACH APARTMENT: As set forth on Pages 2 and 3 of the Declaration, each Apartment of the Project shall consist of boundaries and net living area as follows:

(a) Apartment CS shall be comprised of Building CS, which shall include the space bounded by the outside of the perimeter walls, floors and roofs of said Building. Apartment CS shall be deemed to include all interior and exterior walls and partitions, all foundations, floors, ceilings and roofs, halls, stairways, doors and door frames, windows and window frames, entrances and exits of said building, together with, the appurtenant walkways and trash receptacle areas, the air space above said walkways and trash area, all service lines or utility installations for the sole use of said apartment, and any and all other improvements contained in the exclusive limited common elements described as "Yard Area CS" in subsection C(a)(1), below (other than the electrical transformer, the concrete slab upon which said transformer is located, and common service lines, all of which shall be located within said Yard Area CS, as depicted in the Condominium File Plan and described in Section B of the Declaration, and one (1) Pacific Plaza ground sign, which may be located in said Yard Area CS, all of which shall be deemed to be a general common element), as well as all fixtures installed therein.

(b) Apartment FF shall be comprised of Building FF, which shall include the space bounded by the outside of the perimeter walls, floors and roofs of said Building. Apartment FF shall be deemed to include all interior and exterior walls and partitions, all foundations, floors, ceilings and roofs, halls, stairways, doors and door frames, windows and window frames, entrances and exits of said building, together with, the appurtenant walkways and trash receptacle areas, the air space above said walkways and trash area, all service lines or utility installations for the sole use of said apartment, and any and all other improvements contained in the exclusive limited common elements described as "Yard Area FF" in subsection C(a)(2) of the Declaration (other than one (1) Pacific Plaza ground sign, which may be located in said Yard Area FF, and which, if so located, will be deemed to be a general common element), as well as all fixtures installed therein.

(c) CB Apartments. Each Apartment in Building CB will consist of the space measured horizontally by the distances between the centerline of the perimeter party walls and the outside face, except for exterior decoration, of the perimeter non-party walls of each apartment; and measured vertically by the distances between the topside unfinished surface of the concrete floor and the underside unfinished surface of the ceiling, and will be deemed to include the undecorated or unfinished surfaces

of the perimeter party walls. The floors and ceilings surrounding each apartment, or any pipes, wires, conduits or other utility lines running through an apartment which are utilized or serve more than one apartment are deemed common elements as hereinafter provided. Each apartment shall also be deemed to include all the walls and partitions, floors and ceilings, which are not load bearing, within its perimeter walls including paper, wall paper or other wall covering as well as carpeting, floor covering and built-in fixtures, if any.

* * * *

EXHIBIT "D"

-Page 2-

PARKING PLAN (REVISED):

<u>Apartment Number</u>	<u>Assigned (Reserved) Parking Stalls</u>	<u>Unassigned Stalls Appurtenant to Apartment</u>
CS	9	-0-
FF	9	-0-
Building CB:		
CB-101	-0-	1
CB-102	-0-	1
CB-103	-0-	1
CB-104	-0-	1
CB-105	-0-	1
CB-106	-0-	1
CB-107	-0-	1
CB-108	-0-	1
CB-201	-0-	1
CB-202	-0-	1
CB-203	-0-	1
CB-204	-0-	1
CB-205	<u>-0-</u>	<u>1</u>
Subtotal	18	13
	Additional (Guest) Stalls appurtenant to all Apartments in Building CB:	<u>19</u>
Subtotal	18	32

Total Parking Stalls = 50*
(*plus 2 Loading Zones)

* * * *

EXHIBIT "E"

DESCRIPTION OF BUILDINGS OF THE PROJECT: The Project consists of two (2) one-story buildings, each containing one Apartment, being Building/Apartment CS and Building/Apartment FF, and one (1) two-story building (Building CB) containing thirteen (13) Apartments.

The principal materials of which the Phase I and Phase II Improvements (Apartments CS and FF) are constructed are poured and pre-formed concrete, masonry wall and roof tiles, glass, and bronzed, anodized aluminum.

The principal materials of which the Phase III Improvements (Building CB) shall be constructed are poured-in-place concrete, wooden floor and roof, masonry exterior walls, roof tiles, glass and bronzed anodized aluminum frames.

* * * *

EXHIBIT "F"

COMMON ELEMENTS: The Declaration reflects that the common elements shall include all remaining portions of the Project other than the Apartments, and the Limited Common Elements (described below), including specifically but not limited to:

- (a) The Land in fee simple;
- (b) All yards, grounds and landscaped areas and landscaping;
- (c) All roads, driveways, loading areas, ramps, easements, accessways and parking areas, and all parking spaces;
- (d) With respect to Building CB, the foundations, floor slabs, columns, girders, elevator, elevator shafts, beams, supports, bearing walls, roofs, corridors, walkways, stairways, fire escapes, entrances and exists of the building, except to the extent contained in and constituting part of an apartment;
- (e) All pipes, cables, 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 or other signal distribution, if any;
- (f) All areas, structures or facilities of the project, within or outside of the buildings, which are for common use or which serve more than one apartment space, such as electrical rooms, machine, mechanical and equipment rooms, hallways, walkways and common ways, planters, landscaping, yards, fences, and loading zones;
- (g) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use;
- (h) All tangible personal property, accounts, general intangibles, instruments and money held by or belonging to, and any apartment acquired and held by, the Association, or its agents, for the administration, maintenance, safety and operation of the common

elements of the Horizontal Property Regime, or for the common use and benefit of the apartment owners; and

- (i) Notwithstanding anything else in the Declaration to the contrary, the (general) common elements shall also be deemed to include (a) the electrical transformer, the concrete slab upon which it is located, and all common service lines connected thereto, and (b) the "Pacific Plaza Sign" being a ground sign of a type, style and content determined by the Board of Directors from time to time in compliance with applicable Maui County sign ordinances, which sign shall contain the name and any identifying logo of the Kihei Pacific Plaza, as well as (to the extent reasonably feasible) a directory containing the names of all other apartment owners (or their assignees) of the Project, which transformer, slab, lines and sign are all more particularly depicted on the Condominium File Plan.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, called the "limited common elements," and further distinguished as "exclusive limited common elements" and "non-exclusive limited common elements," are designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

1. Exclusive Limited Common Elements

- (a) All land, and any and all improvements (to the extent, if any, not comprising a part of Apartment CS) other than the said transformer, slab and common service lines, the said Pacific Plaza Sign, and pipes and utility lines, if any, which serve more than one apartment, included within the area designated "Yard Area CS" on the Condominium File Plan, including 9 parking spaces, numbered CS-1 through CS-9 (which Yard Area contains approximately 5,607 square feet of land and is more particularly described in Exhibit C-1 of the Declaration), shall be deemed to be an "Exclusive Limited Common Element", appurtenant to and for the exclusive use of Apartment CS;

- (b) All land, and any and all improvements (to the extent, if any, not comprising a part of Apartment FF) other than pipes and utility lines, if any, which serve more than one apartment, included within the area designated "Yard Area FF" on the Condominium File Plan, including 4 parking spaces, numbered FF-1 through FF-4 (which Yard Area contains approximately 4,757 square feet of land and is more particularly described in Exhibit C-2 of the Declaration), shall be deemed to be an "Exclusive

Limited Common Element", appurtenant to and for the exclusive use of Apartment FF;

(c) Those parking stalls, numbered FF-5 through FF-8, as depicted on the Condominium File Plan shall be deemed to be an "Exclusive Limited Common Element", appurtenant to and for the exclusive use of Apartment FF;

2. Non-Exclusive Limited Common Elements. All land, and any and all improvements not comprising a part of the 13 Apartments numbered 101 through 205 (other than pipes and utility lines, if any, which serve either Apartment CS or Apartment FF, and Parking Stalls FF-4 through FF-8 which are appurtenant to Apartment FF), which are included within the areas designated "Yard Area CB" and "Additional Parking Area CB" on the Condominium File Plan, as amended (which Yard and Additional Parking areas contain a combined total of approximately 17,984 square feet of land) shall be designated Non-Exclusive Limited Common Elements and shall be appurtenant to and for the collective use of all of those apartments located in Building CB (but for those apartments only).

3. Parking Stalls. Each apartment contained in Building CB shall have appurtenant to it one or more parking stalls. Such parking stall(s) shall be from among those stalls, numbered CB-1 through CB-32, as depicted on the Condominium File Plan, as amended, provided that no specific stall(s) shall be assigned to any particular apartment in Building CB by this Declaration. Notwithstanding the fact that no such stalls shall be specifically assigned to particular apartments under this Declaration, the Board of Directors, through the House Rules and/or the Rules and Regulations of Building CB, shall have the authority from time to time to regulate the usage and assignment of individual stalls, as deemed appropriate to facilitate traffic flow and customer parking within the Project. In any event, parking stall CB 25-H shall be used only for parking for the handicapped, and shall be a guest parking stall appurtenant to Building CB.

Notwithstanding any other provision in the Declaration, as amended, apartment owners shall have the right to change the designation of parking stalls which are appurtenant to their respective apartments by amendment of the Declaration and respective Apartment Deeds involved. The amendment need only be signed and approved by the owners (and their respective mortgagees if any) of the apartments whose parking stalls are being changed. The amendment shall be effective only upon the recording of the same in the Bureau of Conveyances.

4. Certain Equipment. Any pump, motor, fan, compressor or duct, or any installation for power, light, telephone, gas, hot and cold water, heating, refrigeration, television, sewage disposal, air conditioning, or other utilities (including all pipes, ducts, wires, cables and conduits used in connection therewith), regardless of whether located in a common element, designed to serve only one apartment (that is, not designed or existing for common use), shall be appurtenant to such apartment, as a limited common element, and the same shall be reserved for the exclusive use and benefit of such apartment, and all costs and expenses of every description pertaining thereto including but not limited to the cost of the maintenance, repair and replacement thereof, and the making of any additions and improvements thereto, shall be charged to the owner of such apartment.

All costs and expenses incurred in connection with the maintenance, operation, repair, upkeep and/or replacement of the limited common elements reserved for the exclusive use of Apartment CS or FF shall be borne by the owner of Apartment CS or FF, as the case may be.

All costs and expenses incurred in connection with the maintenance, operation, repair, upkeep and/or replacement of the non-exclusive limited common elements reserved for the (collective) exclusive use of the commercial apartments in Building CB shall be borne by all apartments contained in Building CB with such expenses being allocated among those apartments according to the relative percentage of common interests assigned to each Apartment.

* * * *

COMMON AND LIMITED COMMON ELEMENT PERCENTAGES: The undivided interest of each Apartment in the common elements, exclusive limited common elements, and non-exclusive limited common elements of the Project, are as follows:

<u>Apt. No.</u>	<u>Type</u>	<u>Net Floor Area Sq. Ft.</u>	<u>General Common Elements Percentage of Interest</u>	<u>Exclusive Limited Common Elements</u>	<u>Non-Exclusive Limited Common Elements</u>
CS	N/A	2,410	25.0000%	100.000%*	0
FF	N/A	1,750	25.0000%	100.000%**	0
CB:					
101	A	840	3.0303%	0	6.0606%
102	A	840	3.0303%	0	6.0606%
103	A	840	3.0303%	0	6.0606%
104	B	1,050	3.7879%	0	7.5758%
105	B	1,050	3.7879%	0	7.5758%
106	A	840	3.0303%	0	6.0606%
107	A	840	3.0303%	0	6.0606%
108	A	840	3.0303%	0	6.0606%
201	C	1,680	6.0606%	0	12.1212%
202	C	1,680	6.0606%	0	12.1212%
203	C	1,680	6.0606%	0	12.1212%
204	A	840	3.0303%	0	6.0606%
205	A	840	3.0303%	0	6.0606%
TOTALS			100.0000%	100.000%	100.0000%

* Yard Area CS and Parking Stalls CS-1 through CS-9

** Yard Area FF and Parking Stalls FF-4 through FF-8

* * * *

EXHIBIT "H"

PERMITTED ALTERATIONS TO APARTMENTS: As provided in Paragraphs 4(F) and (G) on Pages 10 and 11 of the Declaration, internal alterations and improvements to, and the consolidation of one or more, Apartments are permitted as follows:

(a) **Alterations to Apartments.** Individual apartment owners may, at their sole cost and expense, remodel, expand or otherwise alter their apartment, provided that the same is permitted by and done in complete accordance with all applicable ordinances, codes, rules and regulations or other requirements in force at the time of said construction, and provided, further, that no such alterations are permitted to structural or load-bearing walls or fixtures. Pursuant thereto, said alterations shall not require the consent or permission of other apartment owners or of the Association; provided, however, that any such alterations to the Building CB Apartments shall require the approval of the Board; and provided further that said newly-constructed improvements do not alter the essential nature and character of the Project, and do not unreasonably interfere with any other apartment owner's enjoyment of the apartment(s).

(b) **Consolidation of Apartments.** Under the conditions set forth in Paragraph 4(G) of the Declaration, the owner of any two adjoining apartments (whether side by side or above and below each other) may, at his sole cost and expense and with the approval of the Board and the consent of any mortgagee of such apartments, but without the consent or joinder of any other apartment owners, alter or remove all or portions of the intervening wall (whether or not load-bearing), or portions of the intervening floor, which separates such apartments if the structural integrity of the building in which the apartments are located is not thereby affected and if the finish of the common element then remaining is restored to a condition substantially comparable to that of the common elements prior to such alteration of a common element. Pursuant thereto, upon the termination of the common ownership of such adjoining apartments, any intervening wall which has been altered or removed pursuant to the foregoing provisions shall be restored by the transferring owner to substantially the condition in which the same existed prior to such alteration or removal, if the new owner or owners do not consent to such alteration.

* * * *

EXHIBIT "I"

RIGHTS RESERVED BY DEVELOPER: Prior to the completion of construction of Phase III of the Project (Building CB) and the filing of an As Build Certificate for the Entire Project (Phases I, II and III), Developer reserves the following rights (with respect to the Phase III Improvements, consisting of the Building CB Apartments and appurtenances only):

(a) The right to modify the Declaration, Buy-Laws, House Rules and the Condominium Deed, as and to the extent required by law, any title insurance company or any institutional mortgagee, or by an administrative agency of any state, territory, possession or foreign country or other foreign jurisdiction as a condition precedent to marketing the Project therein, or by Developer's reasonable business judgment, provided that such modification shall not (i) increase the Buyer's percentage of common expenses more than .05%; (ii) increase the cost of the Apartment to Buyer; (iii) require substantial physical change of the Apartment is located; (iv) substantially impair or modify any of the obligations given or undertaken by Developer; or (v) reduce the obligations of the Developer for common expenses on unsold Apartments.

(b) The right to make minor changes in Buyer's and other Apartments and in the common elements (including relocating walkways, parking and common facilities).

(c) The right, as Buyer's attorney-in-fact (which power of attorney shall be deemed to be "given as security" and "coupled with an interest"), to execute any documents reasonably necessary or convenient to implement the foregoing provisions of this section E(2) and/or any requirements which may be imposed by any governmental authority in connection with the Project. Buyer is also deemed to have specifically consented to all such changes and agrees that, except to the extent specifically required by Chapter 514A, HRS, no such change shall modify or diminish Buyer's obligations under the Contract.

(d) If, due to changes in market conditions, interest rates or construction costs, strike(s), changes in law or governmental regulation, or other circumstances outside of its reasonable control, Developer determines that it is impossible or impractical to proceed with development of Phase III of the Project as planned, Developer shall have the right to cancel any Sales Contract with respect to a Building CB Apartment upon written notice, and without further obligation, to Buyer. In the event of such cancellation, all monies deposited by Buyer, together with specified interest, shall be promptly refunded by Escrow to Buyer. If, notwithstanding such circumstances and cancellation, Developer makes a determination within ninety (90) days after such cancellation to resume or proceed with the

development of the Project, Buyer shall have the first right and option (which option must be exercised within fifteen (15) days of notice of same to Buyer, or shall automatically terminate) to purchase the Apartment upon the price and terms then offered by Developer.

(e) The right, at Developer's sole discretion, to sell or assign Developer's development rights, option rights, rights under sales contracts and/or fee simple interest in the land to a third party provided, however, that in such sale or assignment, Developer or a corporation or other entity controlled by Developer shall retain all developmental rights necessary for construction and completion of the Project and that Developer or said corporation or entity shall continue to act as the Developer of the Project. Buyer agrees that any such sale or assignment by Developer shall not release Buyer from any of Buyer's obligations under the Sales Contract. In the event Developer elects to sell or assign any of its interest as aforesaid, Developer reserves the right to modify the condominium documents of the Project so as to reflect the change in ownership, and Buyer agrees, upon request by Developer, to promptly execute, deliver and accept any and all such condominium documents, as so modified, in lieu of the forms of such documents presently on file with the Real Estate Commission; provided, however, that it is understood and agreed that any such modifications to the condominium documents shall not materially alter or impair Buyer's rights under the Sales Contract.

(f) The following rights in connection with the marketing of unsold Apartments in Building CB (Phase III): (i) To carry on construction activities on the Project after Buyer has occupied Buyer's Apartment and specifically until twenty-four (24) months after the later of the date of the recording in the Bureau of Conveyances of the State of Hawaii of the first conveyance of a Building CB Apartment to a Phase III buyer, or "substantial completion" (as the term is used in Chapter 507, Part II, HRS) of the Phase III Improvements; (ii) Developer's sales activities, including the use of model apartment units, signs and sales displays and activities may continue in the Project until the sale of the last unsold Building CB Apartment or twenty-four (24) months after recordation of the first conveyance of a Building CB Apartment to a Buyer, whichever occurs first; (iii) Developer also reserves the right, for itself, its sales representatives and prospective buyers to utilize five (5) parking spaces in the Project for parking for prospective purchasers until the sale of the last unsold apartment in the Project; and (iv) Developer also reserves the right for itself, its sales representatives and prospective purchasers to utilize the common elements for ingress and egress to such parking spaces

and to model apartments in order to show the common elements to prospective purchasers.

(g) As provided in the Declaration and Sales Contract, the rights reserved unto Developer and described above shall be assignable by Developer without the approval of the Association of Apartment owners of the Project or of any Apartment owner, and shall not be impaired or affected by any attempted amendment to the Declaration or otherwise.

* * * *

SUMMARY OF SALES CONTRACT PROVISIONS: The Revised Specimen Fee Simple Commercial Condominium Apartment Sales Contract (the "Sales Contract") submitted to the Commission should be carefully read and understood by the Buyer. It provides among other things, that:

1. Notwithstanding any other provision of the Sales Contract to the contrary, if at the time of execution of this Sales Contract, a Final Public Report has not been issued by the Real Estate Commission with respect to the Project, and received and receipted for by a Buyer, then the following limitations shall apply notwithstanding anything else stated in a Sales Contract to the contrary.

The Sales Contract shall not be binding upon Buyer (or Seller) until:

(a) A true copy of the Real Estate Commission's Final Public Report thereon has been delivered to Buyer, either personally or by registered or certified mail with return receipt requested, together with a true copy of all other public reports thereon, if any, issued prior to the date of such delivery and not previously delivered to Buyer;

(b) Buyer has been given an opportunity to read the reports; and

(c) Buyer (A) executes the form of the receipt and notice then prescribed by law; and (B) waives his right to cancel; provided that if Buyer does not execute and return the receipt and notice within thirty (30) days from the date of delivery of such reports, or if the apartment is conveyed to the Buyer prior to the expiration of such thirty-day period, Buyer shall be deemed to have receipted for the reports and to have waived his right to cancel.

Upon Buyer's exercise of a right of rescission as described above, and upon the return by Escrow of the payments made by Buyer (less the Escrow cancellation charges described above, which shall not exceed \$250), whether or not upon Buyer's request, the rights of the parties hereto under this Sales Contract shall terminate, and neither party shall have any further rights or obligations in relation hereto.

If the Sales Contract is entered into after issuance and Buyer's receipt of the Final Public Report, it shall be fully binding upon Buyer and Seller upon Buyer's signing a receipt for the Final Public Report.

2. Notwithstanding any other provisions in the Sales Contract to the contrary, the Project shall be completed within twenty four (24) months from the date of the execution by Buyer of the Receipt for the Final Public Report for the Project, provided, however, said two (2) year period shall be extended for any period of time during which Seller is actually and necessarily delayed in completing construction if said delay is caused by acts of God, material shortages or other conditions beyond the control of Seller.

3. Buyer agrees to subordinate his interest to the lien(s) of any interim mortgage(s) securing loans obtained from any lender for the development of the Project and to any and all advances, whether contractual or voluntarily made pursuant to said mortgage, and to any and all sums which may become a lien pursuant to the terms of said mortgage or any other agreement relating to said mortgage.

4. Buyer understands and agrees that Buyer may not and will not assign or transfer the Sales Contract or any of Buyer's rights hereunder, and that any assignment or transfer of the Sales Contract by Buyer shall be null and void and shall constitute a default of the Sales Contract by Buyer.

5. Seller and its agents and representatives, make no representations or statements as to the rental or investment potential of the property or income to be derived therefrom or any other economic benefit, including applicability of federal or state tax laws, that may be derived from ownership or rental of the property. Buyer understands that (subject to limitations imposed by the Declaration, By-Laws, House Rules and/or Regulations lawfully made thereunder) Buyer is free to use his Apartment as Buyer chooses, and that Buyer may rent it, either directly or through any agent Buyer may select.

6. Seller reserves the right to modify the Declaration, Buy-Laws, House Rules and the Condominium Deed, as and to the extent required by law, any title insurance company or any institutional mortgagee, or by an administrative agency of any state, territory, possession or foreign country or other foreign jurisdiction as a condition precedent to marketing the Project therein, or by Seller's reasonable business judgment, provided that such modification shall not (a) increase the Buyer's percentage of common expenses more than .05%; (b) increase the cost of the Apartment to Buyer; (c) require substantial physical change of the Apartment is located; (d) substantially impair or modify any of the obligations given or undertaken by Seller; or (e) reduce the obligations of the Seller for common expenses on unsold Apartments.

Seller also specifically reserves the right to make minor changes in Buyer's and other Apartments and in the common elements (including relocating walkways, parking and common facilities).

Under the terms of the Sales Contract, Buyer irrevocably appoints Seller as Buyer's attorney-in-fact (which power of attorney shall be deemed to be "given as security" and "coupled with an interest"), to execute any documents reasonably necessary or convenient to implement the foregoing provisions of this section and/or any requirements which may be imposed by any governmental authority in connection with the Project. Buyer is also deemed to have specifically consented to all such changes and agrees that, except to the extent specifically required by Chapter 514A, HRS, no such change shall modify or diminish Buyer's obligations under the Contract.

7. If, due to changes in market conditions, interest rates or construction costs, strike(s), changes in law or governmental regulation, or other circumstances outside of its reasonable control, Seller determines that it is impossible or impractical to proceed with development of the Project as planned, Seller shall have the right to cancel any Sales Contract upon written notice, and without further obligation, to Buyer. In the event of such cancellation, all monies deposited by Buyer, without interest, shall be promptly refunded by Escrow to Buyer. If, notwithstanding such circumstances and cancellation, Seller makes a determination within ninety (90) days after such cancellation to resume or proceed with the development of the Project, Buyer shall have the first right and option (which option must be exercised within fifteen (15) days of notice of same to Buyer, or shall automatically terminate) to purchase the Apartment upon the price and terms then offered by Seller.

8. Buyer understands and agrees that Seller reserves the right, at Seller's sole discretion, to sell or assign Seller's development rights, option rights, rights under sales contracts and/or fee simple interest in the land to a third party provided, however, that in such sale or assignment, Seller or a corporation or other entity controlled by Seller shall retain all developmental rights necessary for construction and completion of the Project and that Seller or said corporation or entity shall continue to act as the Seller of the Project. Buyer agrees that any such sale or assignment by Seller shall not release Buyer from any of Buyer's obligations under the Sales Contract. In the event Seller elects to sell or assign any of its interest as aforesaid, Seller reserves the right to modify the condominium documents of the Project so as to reflect the change in ownership, and Buyer agrees, upon request by Seller, to promptly execute, deliver and accept any and all such condominium

documents, as so modified, in lieu of the forms of such documents presently on file with the Real Estate Commission; provided, however, that it is understood and agreed that any such modifications to the condominium documents shall not materially alter or impair Buyer's rights under the Sales Contract.

9. Buyer specifically acknowledges and agrees that (a) construction activity by Seller or other apartment owners may continue on the site after Buyer has occupied the Apartment and specifically until twenty-four (24) months after the later of (i) the date of the recording in the Bureau of Conveyances of the State of Hawaii of the first conveyance of an apartment to a buyer, or (ii) "substantial completion" (as the term is used in Chapter 507, Part II, HRS) of the improvements to be completed or corrected, and that this activity may result in noise, dust and other annoyances to Buyer and may limit Buyer's access to portions of the Project; (b) Seller's sales activities, including the use of model apartment units, signs and sales displays and activities may continue in the Project until the sale of the last unsold apartment in the Project or twenty-four (24) months after recordation of the first conveyance of an apartment to a Buyer, whichever occurs first; (c) Seller also reserves the right, for itself, its sales representatives and prospective buyers to utilize five (5) parking spaces in the Project for parking for prospective purchasers until the sale of the last unsold apartment in the Project; and (d) Seller also reserves the right for itself, its sales representatives and prospective purchasers to utilize the common elements for ingress and egress to such parking spaces and to model apartments in order to show the common elements to prospective purchasers. Buyer accepts the foregoing conditions set forth in the Sales Contract as well as any inconvenience or annoyance which Buyer, Buyer's employees, invitees and/or customers may experience as a result of such conditions and expressly waives any rights, claims or actions which he might otherwise have against Seller as a result of such circumstances. The terms of this paragraph shall survive the occupancy by Buyer and the delivery and recordation of the Commercial Condominium Deed.

10. Seller agrees to provide to Buyer, upon Buyer's payment to Seller of the full purchase price, a Commercial Condominium Deed duly executed by Seller and substantially in the form filed with the Real Estate Commission.

11. On the Pre-Closing Date, Buyer agrees to execute the Commercial Condominium Deed and such other documents as are required to effect transfer of title and to complete financing arrangements, if any, including execution of any Agreement of Sale, or note and mortgage, and Buyer hereby authorizes Seller, and any mortgagee, and/or Escrow to date such documents as of the

effective date thereof. Buyer further agrees to pay or cause to be paid to Escrow, thirty (30) days prior to the estimated Closing Date: (i) any portion of the Total Purchase Price remaining unpaid, (ii) all escrow fees, notary and recording fees, costs of credit report, any loan fee, the cost of preparing any notes, mortgages or conveyance documents, conveyance tax, the cost of any title insurance and any closing costs imposed by Buyer's lender, if any; (iii) payment of a capital start-up assessment equal to three (3) months installments of Buyer's share of estimated common expenses under the Declaration, and three (3) months real estate taxes, which payments shall be nontransferable and nonrefundable in the event of subsequent sale of the Apartment by Buyer; and (iv) such other prepayments as may be required by Buyer's lender, if any.

12. Upon execution of said documents (referred to in Paragraphs 10 and 11 above) by Buyer and payment in full of all said amounts by Buyer, but not prior to the date designated by Seller in Seller's discretion as the Closing Date (the "Closing Date" or "Date of Closing"), Seller shall deliver the Commercial Condominium Deed to Buyer, and risk of loss for the Property shall thereupon pass to Buyer.

13. It is specifically agreed and understood that the Closing Date as established by Developer may be any time on or after the issuance of the Architect's Certificate of Substantial Completion and the County of Maui's issuance of a Certificate of Occupancy--both as to the Apartment--despite the fact that construction of other portions of the Project may not then be complete.

14. In addition to payment of the amounts set forth in Paragraphs 10 through 12, above, Buyer acknowledges that he shall be required to prepay the maintenance fees attributable to the calendar month (or portion thereof) in which occupancy commences, and to pay real property taxes prorated as of the Closing Date. Buyer further agrees that all maintenance fees, insurance, taxes, assessments, interest on all financing, and other expenses shall be prorated between Seller and Buyer as of the Closing Date, regardless of whether the Commercial Condominium Deed is actually recorded and/or Buyer takes possession before or after that date.

UPON EXAMINATION, THE REVISED SALES CONTRACT (SUMMARIZED ABOVE) IS FOUND TO BE IN COMPLIANCE WITH CHAPTER 514A OF THE HAWAII REVISED STATUTES, AS AMENDED. IT IS INCUMBENT UPON THE BUYER AND PROSPECTIVE BUYER THAT HE READ THE FULL SALES CONTRACT WITH CARE.

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EXHIBIT "K"

-Page 5-

SUMMARY OF ESCROW CONTRACT PROVISIONS: The Condominium Escrow Agreement dated June 13, 1991 (the "Escrow Agreement"), identifies TITLE GUARANTY ESCROW SERVICES, INC., as Escrow Agent for the Project. The Escrow Agreement establishes how proceeds from the sale of apartments and all sums received from any source are placed in escrow, as well as the methods of disbursement of said funds. The Escrow Agreement provides that a Buyer shall be entitled to a refund of his funds, and Escrow shall pay said funds to said Buyer, without interest and less cancellation fee and costs, if Buyer shall in writing request refund of his funds and Escrow shall have received from Developer a written notice that any one of the following has occurred: (1) Developer shall have requested Escrow to return to Buyer the funds of Buyer then being held hereunder by Escrow; or (2) Any one of the provisions contained in the Sales Contract permitting or causing cancellation of the Contract, including, but not limited to, proper exercise by Buyer of any right of rescission permitted under Paragraph 15 of the Sales Contract (relating to sales based upon a Preliminary Public Report) or Chapter 514A. Said cancellation fee shall be in the minimum amount of \$25.00, but in no event shall exceed \$250.00, the exact amount to be commensurate with the amount of work completed at the time of cancellation.

UPON EXAMINATION, THE ESCROW AGREEMENT (SUMMARIZED ABOVE) IS FOUND TO BE IN COMPLIANCE WITH CHAPTER 514A OF THE HAWAII REVISED STATUTES, AS AMENDED, AND PARTICULARLY SECTIONS 514A-37, 514A-39, 514A-40, 514A-63 AND 514A-65. IT IS INCUMBENT UPON THE BUYER AND PROSPECTIVE BUYER THAT HE READ THE FULL ESCROW AGREEMENT WITH CARE.

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EXHIBIT "L"