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

2771 LANILOA

2771 Laniloa Drive
Honolulu, Hawaii

Registration No. 1715 (Partial Conversion)

Issued: August 27, 1987
Expires: February 27, 1988

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of August 5, 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 _____

x SUPPLEMENTARY: (pink) Updates information contained in the
[ ] Prelim. Public Report dated _____
[x] Final Public Report dated January 2, 1986
[ ] Supp. Public Report dated _____

And [x] 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 [x] Not Required -- disclosures covered in this report as Exhibit J

FORM: RECO-30 286/986-350W, 150Y, 50P

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.

There has been added an additional Dwelling to the Project, known as Dwelling B. The Project, therefore, now consists of two (2) Units and they are identified on the Condominium Map as "Dwelling A" and "Dwelling B" (see Exhibit "A" for further description).

Dwelling B is a single family residential building constructed principally of wood with post and beam construction. Dwelling B contains nine (9) rooms, has a net living area of approximately 2,056 square feet and a two car garage.

With the addition of Dwelling B, each Dwelling shall each have appurtenant thereto an undivided fifty percent (50%) interest in all common elements of the Project.

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Managing Agent
Attorney for Developer

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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:

Fee simple apartment and an undivided common interest in the land.

Type of Project:

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

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
Dwelling A	1	3/3	2,154 sq.ft.	Lanai - 829 sq. ft.
Dwelling B	1	3/2-1/2	2,056	2 decks - 1,671 sq.ft.
				2 decks - 1,129 sq.ft.

Total Apartments: 2

*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:

	Number of Stalls
Assigned Stalls (Individual Units)	4
Guest Stalls	
Unassigned Stalls	
Extra Stalls Available for Purchase	
Other: _____	
Total Parking Stalls	4

7. Recreational amenities:

None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Eddie Onouye, Inc. Phone: [redacted]
Name
[redacted]
Business Address
[redacted]

Names of officers or general partners of developers who are corporations or partnerships:
Edward Onouye - President, Vice President, Secretary/Treasurer
Rodney Mukai - Assistant Secretary, Assistant Treasurer

Real Estate Sales Agent: _____ Phone: _____ (Business)
Name
Business Address

Escrow: Founders Title & Escrow of Hawaii Phone: 735-7805 (Business)
Name
4211 Waialae Ave., #100
Business Address
Honolulu, Hawaii 96816

Managing Agent: Edward H. Onouye * Phone: [redacted]
Name
[redacted]
Business Address
[redacted]

* The developer is the initial managing agent and the project should be considered a self-managed project. The developer is not a licensed condominium managing agent and does not have the required bond as specified under Chap. 514A, Hawaii Revised Statutes.

Attorney for Developer: Jeffrey S. Grad
Name
841 Bishop Street, Suite 2001
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
[x] Recorded — Bureau of Conveyances — Book 19142 Page 399
[ ] Filed — Land Court — Document Number _____

Amendment date(s) and recording/filing information:

First Amendment dated June 30, 1986, recorded in Book 19643, Page 44.
Second Amendment dated May 29, 1987, recorded in Book 20749, Page 131.

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
[x] Recorded — Bureau of Conveyance Condo Map No. 978
[ ] Filed — Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

Amendment recorded with Amendment No. 1 to Declaration
Amendment recorded with Amendment NO. 2 to Declaration

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
[x] Recorded — Bureau of Conveyances — Book 19142 Page 424
[ ] 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

[x] 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:

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%	75%
Bylaws	65%	75%
House Rules	—	

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 B attached

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

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

[x] Fee Simple: Individual apartments and the underlying land will be in fee simple.

[ ] Leasehold or Subleasehold: Individual apartments and the underlying land will be leasehold.

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

Exhibit _____ contains further explanations.

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

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi–Annually [ ] Annually

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

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

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

Exhibit _____ contains further explanations.

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

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi–Annually [ ] Annually

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

[ ] Other:

For Subleaseholds:

[ ] Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is [ ] Cancelled [ ] Foreclosed.

[ ] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is cancelled or foreclosed.

B. **Underlying Land:**

Address: 2771 Laniloa Drive
Honolulu, Hawaii

Tax Map Key: 2-2-23-53 (TMK)

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

Land Area: 18,207 [x] square feet [ ] acre(s)

Zoning: R-5

Fee Owner: Eddie Onouye, Inc.
name
[redacted]
address
[redacted]

Sublessor: _____
name
_____
address
_____

C. **Buildings and Other Improvements:**

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

2. Buildings: 2 Floors Per Building: Dwelling A - 4 stories
Dwelling B - 3 stories

[ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

Dwelling A
[x] Concrete [ ] Hollow Tile Dwelling B [x] Wood

[ ] Other _____

4. Permitted Uses:

	No. of Apts.		No. of Apts.
[ ] Commercial	_____	[ ] Industrial	_____
[2] Residential	2	[ ] 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: _____

[x] Number of Occupants: no more than three unrelated persons per Dwelling

[x] Other: use as private dwelling. No transient rentals (less than 30 days)

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators n/a Stairways Dw. A - 1, Dw. B - 1 Trash Chutes _____

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
Dwelling A	1	3/3	2,154 sq.ft.	Lanai - 829 sq. ft.
Dwelling B	1	3-1/2	2,056 sq.ft.	2 decks - 1,671 sq.ft.
				2 decks - 1,129 sq.ft.

*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: Within the outside surfaces of the exterior walls and roof and the bottom surfaces of the footings and foundations of each Dwelling.

Permitted Alterations to Apartments:

See attached Exhibit "C"

7. Parking Stalls:

Total Parking Stalls: 4

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	4						
Guest							
Unassigned							
Extra Available for Purchase							
Other:							
Total Covered & Open	4						

Each apartment will have the exclusive use of at least two (2) 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 _____ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

[x] There are no recreational or common facilities.

[ ] Swimming pool

[ ] Recreation Area

[ ] Tennis Court

[ ] Storage Area

[ ] Laundry Area

[ ] 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

With regard to Dwelling A, the present condition of all structural components and mechanical and electrical installation material to the use and enjoyment of the condominium appears to be good.

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

There are no outstanding notices of uncured violations of building code or other municipal regulations.

10. Conformance to Present Zoning Code

a. [x] 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.

	Conforming	Non-Conforming	Illegal
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 D 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:

   [x] described in Exhibit E

   [ ] 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.

   [x] as follows:

Each Dwelling shall have appurtenant thereto an undivided 50% interest in all common elements of the Project (herein called the "common interest"), and the same proportionate share in all common profits and expenses of the Project and for all other purposes, including voting on all matters requiring action by the Dwelling Lot owners.

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

Exhibit F describes the encumbrances against the title contained in the title report dated June 5, 1987.

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[x] There are no blanket liens affecting title to the individual apartments.

[ ] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

Type of Lien	Effect on Buyer's Interest If Developer Defaults

F. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

Initial Managing Agent: When the developer or the developer's affiliate is the initial managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial managing agent for this condominium is:

[ ] not affiliated with the Developer.

[x] 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 _____ contains a schedule of maintenance fees and maintenance fee disbursements.

See attached Disclosure Abstract (Exhibit J)

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 _____

See attached Disclosure Abstract (Exhibit J)

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:

See attached Exhibit "G"

2. Appliances:

See attached Exhibit "G"

J. **Status of Construction and Estimated Completion Date:**

Dwelling A - 1963
Dwelling B - 1987

K. **Project Phases:**

The developer [x] 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

[x] Specimen Sales Contract

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

[x] Escrow Agreement dated September 18, 1985

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

[ ] Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

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. 1715 filed with the Real Estate Commission on November 5, 1985.

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

[ ] yellow paper stock [ ] white paper stock [x] pink paper stock

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

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

GLORIA DAMRON, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

O/R: 273H

EXHIBIT "A"

SUMMARY OF CHANGES FROM EARLIER PUBLIC REPORTS

There has been added an additional Dwelling, known as Dwelling B. The Project, therefore, now consists of two (2) Units (interchangeably called "Dwelling" or "Unit"). The Dwellings are identified on the Condominium Map as "Dwelling A" and "Dwelling B". Dwelling A and Dwelling B each has the right to use the yard area designated as "Dwelling Lot A" and "Dwelling Lot B", respectively and other areas, described below as Limited Common Elements. The principal changes from the earlier Final Public Report are as follows:

1. DESCRIPTION OF UNITS AND ADJACENT AREAS

1.1 Dwelling B is a single family residential building. It is constructed principally of wood with post and beam construction. The foundations include concrete footings and a concrete pad. The roof is of fibreglass shingles. Dwelling B is three stories in height, with each story joined together by way of an interior connecting staircase. The floors are designated in ascending order as the lower level, mid-level and upper level.

1.2 Unit Location. Dwelling A is located on the portion of the Land furthest from Laniloa Drive. Dwelling B is located to the west of Dwelling A. The exact locations are as shown on the site map which is a part of the Condominium Map.

1.3 Description of Units: Two (2) freehold estates (Dwelling A and Dwelling B) are hereby designated in the spaces enclosed by and within the outside surfaces of the exterior walls and roof and the bottom surfaces of the footing and foundations of each Dwelling.

Dwelling B is a single family residence containing nine (9) rooms and has a net living area of approximately 2,056 square feet. On the Upper Level is located a two car garage of approximately 461 square feet. On the next lower level (called the "Mid Level"), there are located the kitchen, pantry, 1/2 bath, family room, dining room, living room, an entry area and two decks containing 1,671 square feet. On the next lower level (the "Lower Level"), there are located three (3) bedrooms, two (2) baths, two decks of 1,129 square feet, a storage area containing the washer, dryer and water heater and a walk-in closet.

Dwelling B has carpeting (except in bathrooms, dining room, living room, entry and kitchen) and also contains a range, refrigerator, oven, washer, dryer, dishwasher, disposal and water heater.

1.4 Parking. The Project has four (4) covered regular parking spaces, two of which are located in the each of the garages of Dwelling A and Dwelling B. The parking spaces are located within the garages which are not common elements.

2. LIMITED COMMON ELEMENTS.

2.1 Notwithstanding paragraph 5.1 of the Declaration of Horizontal Property Regime, the owner of Dwelling A shall have the right to enter upon Dwelling Lot B and shall have the right at such owner's expense to landscape or trim the existing banyan tree which is located on Dwelling Lot B in order to preserve and enhance the view channels of Dwelling A.

3. PERCENTAGE OF UNDIVIDED INTEREST IN THE COMMON INTERESTS.

3.1 Each Dwelling shall have appurtenant thereto an undivided fifty percent (50%) interest in all common elements of the Project (herein called the "common interest"), and the same proportionate share in all common profits and expenses of the Project and for allother purposes, including voting on all matters requiring action by the Dwelling Lot owners.

EXHIBIT "B"

AMENDMENT OF DECLARATION. The Declaration states:

If (1) at any time prior to the first filing in the Bureau of Conveyances of the State of Hawaii of a conveyance of a Dwelling, the Declarant may amend the Declaration (including all exhibits) and the By-Laws in any manner, without the consent of any Dwelling purchaser; and (2) at any time thereafter, the Declarant may amend the Declaration (and when applicable, the Condominium Map) to file the "As Built" verified statement required by Section 514A-12 of the Act (i) so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plan thereto filed fully and accurately depicts layout, location, apartment numbers, and the dimensions of an improvement or change in a Dwelling as built; or (ii) so long as the plans filed therewith involve only immaterial changes to the layout, location, or dimensions of the apartments as built or any change in any apartment number.

EXHIBIT "C"

PERMITTED ALTERATIONS TO APARTMENTS. The Declaration states:

"Changes to Dwellings. Notwithstanding anything to the contrary contained in this Declaration:

Each Dwelling Owner, with the consent of any holder of any mortgage affecting the Owner's Dwelling, shall have the right at his sole option at any time and from time to time without the consent of anyone other than the holders of all liens affecting his Dwelling, to improve, renovate, remodel, make additions to, enlarge, remove, replace or restore the improvements to or in his Dwelling or portions thereof or to make improvements upon the Dwelling Lot to which the Dwelling is appurtenant (collectively, the foregoing are referred to as "changes") subject to the following conditions:

(i) All building plans for any such changes shall be prepared by a licensed architect or professional engineer and conform with County building or zoning laws and other applicable City and County ordinances.

(ii) The value of the Dwelling after such changes shall not be less than the value before such changes.

(iii) Any change will be made within the Dwelling Lot to which the Dwelling is appurtenant, and no change will reduce the distance between improvements placed on each Dwelling to less than what it was originally as shown on the Condominium Map.

(iv) All such changes shall be at the expense of the Dwelling owner making the change and shall be expeditiously made and in a manner that will not unreasonably interefere with the other owners' use of his Dwelling Lot.

(v) During the entire course of such construction, the Dwelling owner making such change will cause to be maintained at his expense builder's all-risk insurance in an amount not less than the estimated cost of construction. The Association shall be named as an additional insured and evidence of such insurance shall be deposited with the Association or its Managing Agent, if any;

(vi) Prior to commencement of the construction of a change, and as a condition thereto, the Dwelling owner making such change shall give reasonable assurance to the Association of the owner's financial ability to complete and to pay for the change.

(vii) The owner of the changed Dwelling shall have the right to utilize, relocate and realign existing and/or to develop additional, central and appurtenant installations for services to the Dwelling affected by such change for electricity, sewer and other utilities and services and when applicable, to add, delete, relocate, realign, designate and grant easement and rights-of-way over, under and on the common elements as necessary or desirable in connection therewith; provided that the same shall not cause any interruption in the service of such utilities to any other part of the project;

(viii) The owner of any changed Dwelling shall have the right and duty without the consent or joinder of any other person to apply for a building permit and any other permit from Governmental Authorities and public utilities to effect any change and to amend this Declaration and the Condominium Map to reflect any such changes. If required by the Act, then promptly upon completion of such changes, the owner of the changed Dwelling shall duly record any amendment to this Declaration with the Bureau of Conveyances of the State of Hawaii, together with a complete set of the floor plans of the Project as so altered, certified as built by a registered architect or professional engineer. All existing Dwelling owners and all future Dwelling Owners and their mortgagees, by accepting an interest in a Dwelling, shall be deemed to have given each Dwelling owner a Power of Attorney to execute applications for a building or other permit as aforesaid and any amendment to the Declaration solely for the purpose of describing the changes to his respective Dwelling. Each Dwelling Owner shall hereafter have a Power of Attorney from all the other Dwelling owners to execute such amendment to the Declaration or to make applications as aforesaid. This Power of Attorney shall be deemed coupled with each Owner's interest in his Dwelling (including his common interest) and shall be irrevocable.

(ix) Each and every conveyance, lease and mortgage or other lien made or created on any Dwelling and all common interests and other appurtenances thereto shall be subject to the provisions of this paragraph and any lease of a Dwelling Lot shall reserve to all Dwelling Owners the rights set forth in this paragraph."

EXHIBIT "D"

COMMON ELEMENTS. The Declaration states:

"One freehold estate is hereby also designated in all the remaining portions of the Project, herein called "common elements", including specifically but not limited to:

1. Said land in fee simple;

2. All grounds and landscaping not otherwise designated limited common elements;

3. All roadways and access areas, including that shown on the Condominium Map as "Easement for Road Purposes";

4. That certain sewer and water easement shown on the Condominium Map as "10-ft Easement (for water and sewer)";

5. All other portions of the Land and improvements not specifically heretofore designated as Dwellings, but which are intended for common use and all other devices and installations existing for or rationally of common use or necessary to the existence, upkeep and safety of the Horizontal Property Regime.

EXHIBIT "E"

LIMITED COMMON ELEMENTS. The Declaration states:

"Certain parts of the common elements, herein called the "Limited Common Elements", are hereby designated and set aside for the exclusive use of each Dwelling, and each Dwelling shall have appurtenant thereto exclusive easements for the use of such limited common elements. Unless otherwise specified, all costs of every kind pertaining to each limited common element, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne immediately by the Dwelling to which it is appurtenant. The limited common elements so set aside and reserved are as follows:

The site of each Dwelling, called herein a "Dwelling Lot", consisting of the land beneath and immediately adjacent thereto, as shown and delineated as "limited exclusive common area" on said Condominium Map. Each limited common element has the same letter designation as the Dwelling to which it is appurtenant.

Notwithstanding the above, the owner of Dwelling A shall have the right to enter upon Dwelling Lot B and shall have the right at such owner's expense to landscape or trim the existing banyan tree which is located on Dwelling Lot B in order to preserve and enhance the view channels of Dwelling A.

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

1. For Real Property Taxes that may be due and owing, reference is made to the Office of the Tax Assessor, City and County of Honolulu.

2. Mineral and metallic mine rights reserved to the State of Hawaii.

3. Declaration of Horizontal Property Regime, By-Laws and Condominium Map as noted on page 7 of this Public Report.

EXHIBIT "G"

CONSTRUCTION WARRANTIES

Building and Other Improvements and Appliances

The parties understand that Dwelling A was previously constructed about 30 years earlier. The Seller is selling Dwelling A together with the appliances and other personal property in "as is" condition. The parties understand that the Seller is giving no warranties to Purchaser with respect to the construction, materials, or workmanship of Dwelling A. The Seller is transferring the appliances and the electrical and plumbing fixtures in normal working condition consistent with their age. The Purchaser understands that execution, delivery and recordation of the Purchaser's Apartment Deed shall constitute the Purchaser's acceptance of the Apartment and the condition thereof including the personal property therein. Purchaser shall have the direct benefit of any manufacturer's or dealer's warranties covering the furnishings and appliances in the Apartment. Except as to the foregoing, the Purchaser understands that said Dwelling A is now being sold in "as is" condition. This means that the Seller shall not correct any defects in the Apartment or anything installed or contained therein. The existence of any defect in the apartment or anything installed or contained therein shall not excuse the Purchaser's obligation to perform all of his obligations under this contract.

The Purchaser understands and agrees that the Seller is disclaiming any warranties, either express or implied, including any implied warranties of habitability, merchantability or fitness for a particular purpose, with respect to the project, the apartment or anything installed or contained therein. The apartment will be deemed to be sold "as is", and the Seller will not be liable to the Buyer for any construction or other defects, including any latent or hidden defects in the project, the apartment or anything installed or contained therein. This means that the Purchaser will not have the right to file any lawsuit for damages against the Seller for any defects later discovered by the Purchaser.

With respect to Dwelling B, Seller is giving a warranty for one year with respect to the construction, materials and workmanship thereof.

Purchaser shall have the direct benefit of any manufacturer's or dealer's warranties covering the furnishings and appliances in the Apartment. The Purchaser understands that execution, delivery and recordation of the Purchaser's Apartment Deed shall constitute the Purchaser's acceptance of the Apartment and the condition thereof including the personal property therein. Except as to the foregoing, Seller disclaims any warranty, expressed or implied.

and appliances in the Apartment. The Purchaser understands that execution, delivery and recordation of the Purchaser's Apartment Deed shall constitute the Purchaser's acceptance of the Apartment and the condition thereof including the personal property therein. Except as to the foregoing, Seller disclaims any warranty, expressed or implied.

EXHIBIT "H"

SUMMARY OF THE PROVISIONS OF THE SALES CONTRACT

1. Description of the Property to be Conveyed: Fee simple interest in the Apartment, together with the following furnishings and appliances:

Dwelling has no carpeting but contains a range, refrigerator, oven, washer, dryer, dishwasher, disposal and water heater.

Dwelling B has carpeting (except in bathrooms, dining room, living room, entry and kitchen) and also contains a range, refrigerator, oven, washer, dryer, dishwasher, disposal and water heater).

2. Purchase Price and Terms. The purchase price set forth on page 1 of the Sales Contract is to be paid as follows:

a. up to 5% of the total purchase price upon execution of the Sales Contract;

b. That portion of the purchase price to be paid by way of a mortgage loan is to be paid on the closing date; and

c. The balance of the purchase price is to be paid to escrow by purchaser on the closing date.

3. Financing of Purchase. If Purchaser desires financing, a loan application must be made within ten (10) days and if Purchaser's application is not approved within forty-five (45) days after the application, then either Seller or Purchaser may cancel the Sales Contract. Upon such cancellation, Purchaser's deposits will be refunded by escrow without interest.

4. Closing Costs. In addition to the purchase price, the Purchaser is required to pay at closing all escrow fees, notary and recording fees, cost of credit report, if any, any loan fee and the cost for preparing any notes and mortgages, the cost of any required title insurance, and appraisal fees and any obligations of purchaser to his mortgage lender. In addition to the foregoing, the Purchaser may be required to prepay insurance premiums for as much as one year in advance, prepay maintenance fees for as much as two months in advance, and prepay real property taxes for the remainder of the tax year.

5. Closing. Seller has agreed to cause the Apartment to be sold to the Purchaser within the time period set forth on page 1 of the Sales Contract, which is expected to occur within 90 days of the date of the Sales Contract. If Purchaser fails to close as required, then after ten (10) days following Seller's notice of Purchaser's default, if Purchaser has not cured his default under the Sales Contract, the Seller may cancel the Sales Contract and all sums previously paid by Purchaser will belong absolutely to the Seller as liquidated damages. Additionally, Seller may pursue any other remedy, and all costs, including reasonable attorney's fees, incurred by reason of default by the Purchaser shall be borne by the Purchser.

6. Seller's Rights to Cancel Sales Contract. The Seller may cancel the Sales Contract with the Purchaser if (a) Purchaser fails to qualify for a permanent loan (paragraph 16); (b) Purchaser defaults under the Sales Contract (paragraph 5,2); or (c) Purchaser dies prior to Closing Date (paragraph 5.1). If Seller cancels the Sales Contract, Escrow will return to Purchaser all of Purchaser's funds earlier deposited in the escrow, without interest.

7. No Present Transfer and Subordination to Construction Loan. The Sales Contract may be subject to existing loans and any security interest obtained by Lender is prior and senior to any rights arising under the Sales Contract. Seller may assign by way of security all of its interest in the Sales Contract, as collateral for the repayment of the loan and if the Lender acquires the Seller's interest in the Sales Contract, then the Purchaser is obligated to perform the Sales Contract, and to attorn to and recognize the Lender as the seller under the Sales Contract.

8. Rights of Purchaser to Cancel the Sales Contract. The Purchaser has the right to cancel the Sales Contract under the following conditions:

a. At any time within thirty (30) days following the date the Final Public Report is delivered to Purchaser. If Purchaser so cancels, Purchaser will be entitled to receive refund of any deposits, less any escrow cancellation fees and other costs up to $250. If Purchaser does not act within the thirty (30) day period, or if the Apartment is conveyed to the Purchaser, Purchaser will be deemed to have executed the receipt for the Final Public Report and to have waived his right to cancel (paragraph 6.1).

b. The Purchaser may cancel his purchase if there is a material change in the Project which directly, substantially

and adversely affects the use or value of the Purchaser's Apartment or the amenities available for the Purchaser's use (paragraph 7.1).

c. Purchaser fails to qualify for permanent financing (paragraph 16).

EXHIBIT "I"

SUMMARY OF THE PROVISIONS OF THE ESCROW AGREEMENT

Summary of the Condominium Escrow Agreement between Eddie Onouye, Inc., a Hawaii corporation and Founders Title & Escrow of Hawaii ("Escrow Agent").

1. All deposits will be paid to Escrow. A copy of each Sales Contract and all payments made to purchase an Apartment shall be turned over to the Escrow Agent and placed in a Trust Fund.

2. A Buyer shall be entitled to a return of his funds in accordance with the Sales Contract, and Escrow shall pay such funds to such Buyer, without interest, promptly after request for return by Buyer if one of the following has occurred:

(a) Buyer has not waived his right to cancel the Sales Contract, and Buyer cancels at any time prior to the earlier of (1) the conveyance of the Apartment to him or (2) midnight of the thirtieth day following the date of the Supplementary Public Report to him; or

(b) Seller requests Escrow Agent to return to Buyer the funds of Buyer then being held hereunder by Escrow Agent; or

(c) Seller notifies Escrow Agent of Seller's exercise of the option to rescind the Sales contract pursuant to any right of rescission stated therein or otherwise available to Seller; or

(d) If Buyer's funds were obtained prior to the issuance of a Supplementary Public Report and the request is prior to the time the Supplementary Public Report is issued; or

Upon return of such funds to Buyer, Escrow Agent shall return to Seller Buyer's Sales Contract and any conveyancing documents theretofore delivered to Escrow Agent; and thereupon Buyer shall no longer be obligated under the Sales Contract. Other documents held by Escrow Agent relating to the sale of the Apartment identified in such Sales Contract will be returned to the person from whom, or entity from which, they were received.

Upon occurrence of any event specified above, Escrow Agent shall be entitled to a reasonable fee not to exceed $50.00 to compensate it for services rendered prior to such event. If Buyer is entitled to a refund under subparagraphs (a) or (c)

above, Escrow Agent shall also retain from Buyer's funds, at Seller's request, an amount equal to Seller's other costs associated with the purchase, not to exceed $350.00.

3. Requirements Prior to Disbursement of Buyer's Funds. Escrow Agent shall make no disbursements of Buyer's funds, pursuant to paragraph 5.c of the Escrow Agreement, until Seller has certified in writing to Escrow Agent that all of the following have occurred:

(a) Buyer's Sales contract "has become effective", and that "the requirements of Sections 514A-39 and 514A-63 have been met", as said phrases are used in Section 514A-65 of the Horizontal Property Regimes Act (Chapter 514A, Hawaii Revised Statutes), and

(b) Escrow Agent has received a copy of Buyer's receipt for the Preliminary, and Final Public Reports and all Supplementary Public Reports issued by the Hawaii Real Estate Commission, and forty-eight (48) hours have elapsed since Buyer receipted for such Public Reports.

4. Purchaser's Default. Seller must notify Escrow in writing if Purchaser defaults, that the grace period of ten days following notice has expired, and that Seller has cancelled the Purchaser's Sales Contract. Escrow then will notify the Purchaser by registered mail that Seller has cancelled the Sales Contract. After the grace period of such notice, Escrow will treat the Purchaser's funds less Escrow's cancellation fees as belonging to the Seller.

EXHIBIT "J"

O/R:

2771 LANILOA

DISCLOSURE ABSTRACT

1. (a) PROJECT: 2771 Laniloa
2771 Laniloa Drive
Honolulu, State of Hawaii

(b) DEVELOPER: EDDIE ONOUYE, INC.
[redacted]

(d) MANAGING AGENT: Eddie Hiroichi Onouye

2. Breakdown of annual maintenance fees and monthly estimate costs for each unit (revised and updated every twelve (12) months and certified to have been based on generally accepted accounting principles).

3. DESCRIPTION OF ALL WARRANTIES COVERING THE UNITS AND COMMON ELEMENTS: The Developer is not making any warranties relating to the materials and workmanship of the Unit or the common elements. To the extent any appliances are covered by manufacturer's warranty, such warranties will be assigned to the Apartment Owner.

4. USE OF UNITS. The 2771 LANILOA Condominium Project will consist of one (1) unit which will be used for residential purposes by the respective owners thereof, their tenants, families and domestic servants and social guests, and for no other purpose. In accordance with the Declaration, the Developer may elect to add one additional residential apartment.

5. EXISTING STRUCTURES BEING CONVERTED. Based upon a report prepared by Endre Toth, independent Registered Professional Engineer, the Developer states:

a. The present condition of all structural components and mechanical and electrical installation material to the use and enjoyment of the condominium appears to be good.

b. The Developer makes no statement with respect to the expected useful life of each item set forth in paragraph (a); and

(c) There are no outstanding notices of uncured violations of building code or other municipal regulations.

O/R: 39H

ESTIMATED OPERATING EXPENSES

NAME OF PROJECT

For Period January 1, 1986 to December 31, 1986
As Prepared by Developer

Estimated Annual Expenses

Ground Maintenance	$ -0-
Water/Sewer and Electricity:*	$
Fire/Liability Insurance:**	$ -0-
Management Fee:	$ -0-
Miscellaneous:	$ -0-
TOTAL ANNUAL EXPENSES	$ -0-

Estimated Monthly Expenses

$ -0- - 12 months):	$ -0-

Estimated Monthly Maintenance Fee for Each Apartment:

Estimated Monthly Expenses:	$ -0-
TOTAL MONTHLY MAINTENANCE FEE FOR EACH APARTMENT:	$ -0-

Note: * It is expected all utilities will be separately metered or otherwise charged, and the common elements will incur no separate utility charges.

** It is expected that each apartment owner will purchase and maintain his own homeowner's insurance policy which will include fire and liability coverage and that the Association of Apartment Owners will be named as an additional insured, but without any cost to the Association.

The Developer certifies that the maintenance fees and costs as estimated by the Developer is based on generally accepted accounting principles.

EDDIE ONOUYE, INC.

By _____
Eddie Hiroichi Onouye

"Developer"