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

MILILANI TERRACE - PHASE III

Mililani Town, Oahu, Hawaii

Registration No. 1754

Issued: September 10, 1986
Expires: October 10, 1987

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of September 5, 19 86 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.

X **FINAL:** (white) The developer has legally created a condominium and has filed complete information with the Commission. This report must be read together with the Preliminary Public Report dated April 29, 1986.

____ **SUPPLEMENTARY:** (pink) Changes information contained in the
[ ] Prelim. Public Report dated _____
[ ] Final Public Report dated _____
[ ] Supp. Public Report dated _____

And [ ] Supersedes all prior public reports
[ ] Must be read together with _____

FORM: RECO-30 2/86

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.

1. The Declaration of Horizontal Property Regime and the By-Laws of the Association of Apartment Owners and the Condominium Map have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

2. The Rules and Regulations have been adopted.

3. Construction of the Project was completed on July 24, 1986.

4. The list of Encumbrances Against Title (Exhibit A) reflects the information contained in the Status Title Report dated August 5, 1986, issued by Title Guaranty of Hawaii, Incorporated, together with information provided by the Developer.

NOTE: Sections not marked or marked "No Change" on the following pages indicate no material changes to the information thereunder.

TABLE OF CONTENTS

page

Report Purpose 1
Type of Report 1
Summary of Changes from Earlier Public Reports 2
Table of Contents 3
General Information on Condominiums 4
Summary of the Condominium Project 5

I. PEOPLE CONNECTED WITH THE PROJECT 6

Developer
Real Estate Sales Agent
Escrow Company
Managing Agent
Attorney for Developer

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS
A. Declaration 7
B. Condominium Map (File Plan) 7
C. Bylaws 7
D. House Rules 8
E. Changes to Condominium Documents 8

III. THE CONDOMINIUM PROJECT
A. Interest to be Conveyed to Buyer 9
B. Underlying Land 10
C. Buildings and Other Improvements 10
D. Common Elements, Limited Common Elements, Common Interest 14
E. Encumbrances Against Title 15
F. Management of the Common Elements 15
G. Maintenance Fees 16
H. Separate Utility Charges 16
I. Construction Warranties 16
J. Status of Construction 17
K. Project Phases 17
L. Sales Documents Filed with the Real Estate Commission 17

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE 18

Buyer's Right to Cancel Sales Contract 19
Signature of Real Estate Commission Chairman 20

EXHIBIT A: ENCUMBRANCES AGAINST TITLE
EXHIBIT B:
EXHIBIT C:
EXHIBIT D:
EXHIBIT E:
EXHIBIT F:
EXHIBIT G:
EXHIBIT H:
EXHIBIT I:
EXHIBIT J:

Appendix I: People Connected with the Project
Attached only if there are additions or changes to information contained in the body of the report.

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 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 condominiums, 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 or encumbered, and they may be disposed of by will or gift.

Your apartment will, however, be part of the group of apartments that comprise the condominium. 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.

Operation of the Condominium

The Association of Apartment Owners is the means through which apartment owners may take action with regard to the administration, management, and operation of the condominium. 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 control of the administration and operation of the condominium will in most cases be limited to your right to vote as an 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

(NO CHANGE)

Interest to be Conveyed to Buyer:

Type of Project:

1. [ ] New Construction [ ] Conversion
   [ ] Both New Construction 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

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio

Total Apartments: _____

*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)	
Guest Stalls	
Unassigned Stalls	
Extra Stalls Available for Purchase	
Other: _____	
Total Parking Stalls	

7. Recreational amenities:

I. PEOPLE CONNECTED WITH THE PROJECT

(NO CHANGE)

Developer: _____ Phone: _____
Name (Business)

_____
Business Address

_____

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

_____
_____
_____
_____

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

_____
Business Address

_____

Escrow: _____ Phone: _____
Name (Business)

_____
Business Address

_____

Managing Agent: _____ Phone: _____
Name (Business)

_____
Business Address

_____

Attorney for Developer: _____
Name

_____
Business Address

_____

_____ Appendix I may be attached to this report. If so, it will list additional people connected with the project or changes that may have been made to the above information after this public report was issued.

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances 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.

The Declaration for this condominium is:

[ ] Proposed
[ ] Recorded — Bureau of Conveyances — Book _____ Page _____
[X] Filed — Land Court — Document Number 1390865

Amendment date(s) and recording/filing information:

B. **Condominium Map (File Plan)** shows the elevation and layout of the condominium. It also shows the floor plan for each apartment.

The Condominium Map for this condominium is:

[ ] Proposed
[ ] Recorded — Bureau of Conveyances — Map No. _____
[X] Filed — Land Court — Map No. 600

Amendment date(s) and recording/filing information:

C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium. 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 will be governed.

The Bylaws for this condominium are:

[ ] Proposed
[ ] Recorded — Bureau of Conveyances — Book _____ Page _____
[X] Filed — Land Court — Document Number 1390867

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. 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 [X] 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 recorded 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%	_____
Bylaws	65%	_____
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:

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

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

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

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) either (1) remove or dispose of the building and other improvements; or (2) convey the building and improvements to the lessor 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:

Land Area: _____ square feet Zoning: _____

Fee Owner: _____
name

_____
address

_____

Sublessor: _____
name

_____
address

_____

C. Buildings and Other Improvements:

1. [ ] New Construction [ ] Conversion of Existing Building
   [ ] Both New Construction and Conversion

2. Buildings: _____ Floors Per Building: _____

3. Principal Construction Material:

   [ ] Concrete [ ] Hollow Tile [ ] Wood

   [ ] Other _____

4. Permitted Uses:

	No. of Apts.		No. of Apts.
[ ] Commercial	_____	[ ] 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 include but are not limited to:

   [ ] Pets: _____

   [ ] Number of Occupants: _____

   [ ] Other: _____

6. Interior (fill in appropriate numbers):

Total Apartments _____

Elevators _____ Stairways _____ Trash Chutes _____

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio

*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:

Permitted Alterations to Apartments:

7. Parking Stalls:

	Number of Stalls
Assigned Stalls (For Individual Units)	_____
Guest Stalls	_____
Unassigned Stalls	_____
Other: _____	_____
Total Parking Stalls	_____

Each apartment will have the exclusive use of at least _____ parking stall(s).

Buyers are encouraged to find out which stall(s) will be available for their use.

	regular	compact	tandem
Number of covered stalls	_____	_____	_____
Number of open stalls	_____	_____	_____

[ ] Commercial parking garage permitted on condominium.

[ ] Exhibit _____ contains additional information on parking stalls for this condominium.

8. Recreational and Other Common Facilities:

[ ] Swimming pool

[ ] Recreation Area

[ ] Tennis Court

[ ] Other: _____

_____

[ ] Storage Area

[ ] Laundry Area

[ ] Trash Chute

9. Present Condition of Improvements
(For conversions of residential apartments in existence for five years):

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

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

10. Conformance to Present Zoning Code

a. [ ] No variances to zoning code have been granted.

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

b. Conforming/Non-Conforming Uses, Structures, Lot (for conversions only)

		Non-Conforming	
	Conforming	Legal	Illegal
Uses	_____	_____	_____
Structures	_____	_____	_____
Lot	_____	_____	_____

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

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

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

   Exhibit _____ 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. The limited common elements and the apartment which may use them are:

   [ ] described in Exhibit _____

   [ ] 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.

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

Exhibit A describes the encumbrances against the title contained in the title report dated August 5, 1986.

Blanket Liens:

[ ] 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.

Type of Lien	Effect on Buyer's Interest If Developer Defaults
Real Property Mortgage; Security Agreement; Assignment of Contracts; and Financing Statement (see item 12 on Exhibit A)	If the Developer defaults prior to conveyance, Buyer's interest to specific property in the Project is likely to be superseded by the creditor's interest. In such case, Buyer may not have any enforceable rights to the property in the Project subject to the lien. However, such lien will be released as to an apartment and its common interest at the time the apartment and its common interest are conveyed or leased.

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. 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.

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

The initial managing agent for this condominium is:

[X] not affiliated with the Developer.

[ ] the Developer or the Developer's affiliate.

[ ] other _____

G. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium. If you are late 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.

H. Separate Utility Charges for Apartments:

Except for the utilities indicated below, each apartment will be billed separately for utilities:

[ ] Electricity [ ] Television Cable

[ ] Gas [ ] Water & Sewer

[ ] Other _____

I. Construction Warranties

1. Building and Other Improvements:

2. Appliances:

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

Construction of the Project was completed on July 24, 1986.

K. **Project Phases:**

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

Summary of Developer's Present Plans for Future Development:

L. **Sales Documents Filed with the Real Estate Commission:**

[ ] Notice to Owner Occupants

[ ] Specimen Sales Contract

Exhibit _____ contains a summary of the provisions of the sales contract.

[ ] Escrow Agreement dated _____

Exhibit _____ contains a summary of the 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 a copy of the Final Public Report and all prior public reports not previously delivered to the buyer; and
2. The buyer is given an opportunity to read the reports; and
3. One of the following has occurred:
   a. The buyer has signed a receipt for the reports and waived the right to cancel; or
   b. Thirty (30) days have passed from the time the reports were delivered to the buyer; or
   c. The apartment is conveyed to the buyer within 30 days from the date the reports 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 (1) the use or value of the buyer's apartment or its limited common elements; or (2) 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. Declaration of Horizontal Property Regime.
2. Bylaws of the Association of Apartment Owners.
3. House Rules.
4. Escrow Agreement.
5. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
6. 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 are available for $2.50 at the Department of Commerce and Consumer Affairs.

This Public Report is a part of Registration No. 1754 filed with the Real Estate Commission on April 8, 1986.

The Developer is responsible for delivering a true copy of this report to all purchasers and prospective purchasers and for securing a signed receipt for the report. When reproduced, this report must be on:

[ ] yellow paper stock [X] white paper stock [ ] pink paper stock

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

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

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

Separate Disclosure Abstract on this condominium:

[X] Required [ ] Not Required – disclosures covered in this report

Attached to Preliminary Public Report

Distribution:

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

EXHIBIT A

ENCUMBRANCES AGAINST TITLE

1. For any real property taxes that may be due and owing, reference is made to the Director of Finance of the City and County of Honolulu.

2. Easement "3143" situate over and across Lot 9460-C, besides other land, as shown on Maps 535 and 639, as set forth by Land Court Order No. 55162 filed December 5, 1979.

3. Grant of easement for sewer purposes (affecting Easement "3143") in favor of the City and County of Honolulu as set forth in instrument dated January 10, 1980, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document Nos. 1014558 and 1014563.

4. Unilateral Agreement and Declaration for Conditional Zoning dated October 12, 1979, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 14064 at Page 485, as amended by instrument dated October 18, 1979, recorded in Liber 14075 at Page 181. (Not noted on Transfer Certificate of Title No. 261,529.)

5. Agreement for Issuance of Special Use Permit Under Section 21.2.71, Revised Ordinances of Honolulu, 1978, as amended, dated March 16, 1984, recorded in Liber 17856 at Page 596, re: joint development of two or more adjacent lots. (Not noted on Transfer Certificate of Title No. 261,529.)

6. Easement "3480", as shown on Maps 596 and 639, as set forth by Land Court Order No. 64399 filed December 9, 1982.

7. Grant of easement for sewer purposes (affecting Easement "3480") in favor of the City and County of Honolulu, filed as Document No. 1164040.

8. Easement "3481" as shown on Maps 596 and 639, as set forth by Land Court Order No. 64399 filed December 9, 1982.

9. Grant of easement for drainage purposes (affecting Easement "3481") dated December 17, 1982, in favor of the City and County of Honolulu, filed as Document No. 1164041.

10. Restriction of vehicle access right as shown on Map 639, as set forth by Land Court Order No. 70369 filed July 3, 1984.

11. Grant of Easement dated April 11, 1986, in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, filed as Document No. 1369752.

12. Real Property Mortgage; Security Agreement; Assignment of Contracts; and Financing Statement dated May 13, 1985, in favor of First Hawaiian Bank, as agent, as Mortgagee, filed as Document No. 1298869 and also recorded in Liber 18637 at Page 641.

13. Declaration of Covenants, Conditions and Restrictions for Mililani Town, Inc., dated April 19, 1968, filed as Document No. 441561, recorded in Liber 6030 at Page 37, as amended by instrument dated May 22, 1968, filed as Document No. 445150, recorded in Liber 6076 at Page 100, and by Annexation instrument dated July 28, 1986, filed as Document No. 1390863. Consent thereto given by First Hawaiian Bank, a Hawaii corporation, by instrument dated July 30, 1986, filed as Document No. 1390864.

14. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Horizontal Property Regime dated July 28, 1986, filed as Document No. 1390865, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 600 filed in said Office of the Assistant Registrar.) Consent thereto given by First Hawaiian Bank, a Hawaii corporation, by instrument dated July 30, 1986, filed as Document No. 1390866.

15. By-Laws of the Association of Apartment Owners of the Condominium Project known as "MILILANI TERRACE - PHASE III" dated July 28, 1986, filed as Document No. 1390867, as the same may hereafter be amended.

NOTE: The Developer has notified the Commission that at the time of the first conveyance or lease of each apartment, the mortgage instrument described in item 12 above will be paid and satisfied of record, or the apartment being conveyed or leased and its common interest shall be released therefrom.