



**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

NEWTOWN MEADOWS
98-633 Kilinoe Street
Waimalu, Aiea, Hawaii

Registration No. 1766

Issued: May 8, 1987
Expires: June 8, 1988

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of May 4, 1987 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 Preliminary Public Report dated June 20, 1986
 - SUPPLEMENTARY:** (pink) Updates information contained in the
 - Prelim. Public Report dated _____
 - Final Public Report dated _____
 - Supp. Public Report dated _____
- And Supersedes all prior public reports
 Must be read together with _____
- This report reactivates the _____ public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required - Not Required -- disclosures covered in this report.
(Exhibit B)

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. Parcels Consolidated - The original 4 parcels upon which the condominium project is developed were consolidated with the approval of Department of Land Utilization into a single tax key parcel. (TMK: 9-8-60-13).
2. An Open Pavilion will be constructed upon the passive recreation area.
3. A Second Loading Area will be provided as a common element available to all apartment owners.
4. Access Ramp - Apartment units UMI-10B-1, UMI-10C1, UMI-10D1 and UMI-10E1, within Building 10 identified as "UMI-Building 10", will be provided with access from the street pavement level to the entrance to each of these apartments by a ramp to accommodate developmentally disabled persons.
5. Maintenance Fee schedule has been recomputed and the requirements of HUD-FHA incorporated as shown on Exhibit "B".

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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 interest
in the common elements.

Type of Project:

1. New Building(s) Conversion
 Both New Building(s) and Conversion
2. Residential Commercial
 Mixed Residential and Commercial
 Other _____
3. High Rise (5 stories or more) Low Rise
4. Single or Multiple Buildings (10 separate 2 story buildings)
5. Apartment Description

	<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>	<u>Total Area</u>
1st floor unit	76	2/2	947	313	1260	
2nd floor unit	76	2/2	947	176	1123	
_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	

Total Apartments: 152

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

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

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units) 2 per unit	304 (152 Regular & 152 Compact)
Guest Stalls	6 (5 Regular & 1 Compact)
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
Total Parking Stalls	<u>310</u>

7. Recreational amenities:

Graded and grassed passive recreation area with an open pavilion.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Venture Fifteen, Inc. Phone: 847-4241
Name 2024 N. King Street (Business)
Business Address Honolulu, HI 96819

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

Herbert K. Horita - President
Kazuaki Tanaka - Vice President
Masakazu Horita - Vice President
Kinji Kanazawa - Secretary
Iwao Kishimoto - Treasurer
Ronald K. Watase - Asst. Treasurer

Real Estate Sales Agent: Herbert K. Horita Realty, Inc. Phone: 847-4241
Name 2024 N. King Street (Business)
Business Address Honolulu, HI 96819

Escrow: Developers Escrow Services, Inc. Phone: 848-2340
Name 2024 N. King Street (Business)
Business Address Honolulu, HI 96819

Managing Agent: IND-COMM MANAGEMENT Phone: 526-2404
Name 681 S. King Street, Suite 202 (Business)
Business Address Honolulu, HI 96813

Attorney for Developer: Kinji Kanazawa
Name 220 S. King Street, Suite 675
Business Address Honolulu, HI 96813

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

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

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

The Declaration for this condominium is:

Proposed
 Recorded – Bureau of Conveyances – Book 20604 Page 630
 Filed – Land Court – Document Number 1458173

Amendment date(s) and recording/filing information:

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

Proposed
 Recorded – Bureau of Conveyance Condo Map No. 1062
 Filed – Land Court Condo Map No. 632

Amendment date(s) and recording/filing information:

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

The Bylaws for this condominium are:

Proposed
 Recorded – Bureau of Conveyances – Book 20604 Page 672
 Filed – Land Court – Document Number 1458174

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 To be adopted by Board of Directors of AOA at its first meeting.
 Developer does not plan to adopt house rules.

E. Changes to Condominium Documents

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

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

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	-	<u>To be approved</u> by AOA by majority vote.

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:

Developer is reserved the right to amend the Declaration, the By-Laws of the Association of Apartment Owners, and Condominium Map to show as built plans, or such other amendments as may be required by law, Real Estate Commission, or lenders before all of the apartments in the project are sold.

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

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

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

Exhibit _____ contains further explanations.

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

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

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

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

Exhibit _____ 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: 98-633 Kilinoe St. Tax Map Key: 9-8-60-13
Newtown Estates, Waimalu, HI (TMK)

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

Land Area: 690,265 [X] square feet [] acre(s) Zoning: Apartment A-1

Fee Owner: Venture Fifteen, Inc.
name
2024 N. King Street
address
Honolulu, HI 96819

(except a small section not utilized or occupied for project is in Preservation P-1 zoning.)

Sublessor: _____
name

address

C. Buildings and Other Improvements:

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

2. Buildings: 10 Floors Per Building: 2

[] Exhibit _____ contains further explanations.

3. Principal Construction Material:

- [] Concrete [] Hollow Tile [X] Wood
[] Other _____

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
[] Commercial	_____	[] Industrial	_____
[X] Residential	<u>152</u>	[] 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:

- [X] Pets: Subject to supervision and approval by Board of Directors
- [X] Number of Occupants: Two per bedroom except family members, but in any event, not more than five.
- [X] Other: Any use for time-share purpose, plan, arrangement or program prohibited.
- [] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 152

Elevators _____ Stairways _____ Trash Chutes _____

	Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio	Total Area
1st	Floor unit	<u>76</u>	<u>2/2</u>	<u>947</u>	<u>313</u>	<u>1260</u>
2nd	floor unit	<u>76</u>	<u>2/2</u>	<u>947</u>	<u>176</u>	<u>1123</u>
	_____	_____	_____	_____	_____	
	_____	_____	_____	_____	_____	

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

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

Boundaries of Each Apartment:

Each apartment shall be deemed to include the walls and partitions which are not load-bearing and which are within the perimeter walls; the inner decorated or finished surfaces of walls, floors, ceilings adjoining and connected thereto; and includes doors, door frames, jalousies, windows and window frames; including a stairway for each second story apartment.

Permitted Alterations to Apartments:

Limited to fixtures and improvements within the apartment units excluding all common and limited common elements.

9. Present Condition of Improvements

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

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

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

10. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

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

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

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

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

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 _____ describes the common elements. (See Declaration of Horizontal Property Regime for Newtown Meadows)

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.

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

[] described in Exhibit _____

[X] as follows:

(a) exclusive use of two assigned parking spaces per apartment unit; (1 Regular & 1 Compact)

(b) walkway, planting areas and common entry ways to each apartment unit to the extent reasonably necessary for ingress and egress.

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 of the 152 apartment units will have appurtenant thereto an undivided .00658 percentage interest in all common elements except apartment unit EKAHI-1A1 will have .00642 percentage interest.

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 February 27, 1987 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>
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Mortgage, Security Agreement and Financing Statement in favor of GECC Financial Corporation dated February 27, 1986 recorded in the Bureau of Conveyances of the State of Hawaii in Book 20411, at Page 95, which will be released as the sale of each apartment is closed.	
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F. Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

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

The initial managing agent for this condominium is:

[x] not affiliated with the Developer.

[] the Developer or the Developer's affiliate.

[x] other _____

The initial managing agent will be IND-COMM MANAGEMENT, INC.,
618 S. King Street, Suite 202, Honolulu, Hawaii.

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

H. Utility Charges for Apartments:

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

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

I. Construction Warranties:

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

1. Building and Other Improvements:

There are no expressed or implied warranties including any implied warranty of merchantability or fitness of the apartment for a particular purpose.

2. Appliances:

Appliances will have the warranty provided by the manufacturer. Developer makes no express or implied warranties with respect to the appliances installed in each apartment.

J. Status of Construction and Estimated Completion Date:

Developer has contracts for the infrastructure with Royal Contracting Co., Ltd. dated February 19, 1987 and 10 separate building contracts all dated August 18, 1986 with S. Horita Contracting & Building Supplies, Ltd. scheduled to be completed as shown on Building Completion Schedule, on file with the Real Estate Commission.

K. Project Phases:

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

Summary of Developer's Present Plans for Future Development:

L. Sales Documents Filed with the Real Estate Commission:

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

Notice to Owner Occupants

Specimen Sales Contract

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

Escrow Agreement dated April 22, 1987

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

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

SPECIAL NOTATION:

The Declaration of Horizontal Property Regime provides that Buyer is to be cognizant of the project being located approximately 3,000 feet down-wind of a piggery. Additionally, Buyer is informed that the hillside apartments along the southern and eastern slopes of the development which rims the property faces a risk of sliding rock due to natural changes in the soil and rock conditions with time, weathering, erosion and natural and artificial vibrations. Although the development plan for the project provides for protective reinforced fences and ditches, Seller does not warrant that the rock catchment designs incorporated in the project will catch and arrest all sliding rocks (but will reduce such risk) and Seller further assumes no liability resulting from sliding rocks due to disturbance of the hillside conditions. Buyers of the project are warned against any disturbance of the slope bench and ditch, and entry in the upper areas of the subject property should be made with caution.

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. 1766 filed with the Real Estate Commission on June 9, 1986.

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

yellow paper stock white paper stock pink paper stock

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

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


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

Distribution:

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

EXHIBIT "A"

ENCUMBRANCES AGAINST TITLE

AS TO FIRST ONLY:

- (a) Perpetual easement in favor of the State of Hawaii for the natural flowage of water over, through and across that portion of the Waimalu Stream included within the boundaries of the land registered herein; but, provided, however, that the said easement shall not be deemed to be a waiver of or prejudicial to the rights of the applicants herein to presently existing water rights in said Waimalu Stream appurtenant or belonging to the lands herein registered.
- (b) Lease of Right-of-Way in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, dated March 9, 1956, filed as Land Court Document No. 190860, for utility purposes, and for a term expiring December 31, 1965 and thereafter from year to year until terminated.
- (c) Master Declaration of Covenants, Conditions and Restrictions dated May 26, 1972, filed as Land Court Document No. 582929.
- (d) Designation of Easement 345 (10 feet wide) for electrical purposes, affecting said lot, as shown on Map 70, filed with said Application No. 950 (amended), as set forth by Land Court Order No. 65838, filed May 10, 1983.
- (e) Easement 445 (24 feet wide) 3,710 square feet and Easement 446, 2,872 square feet for access and utility purposes over and across said Lot 882, as shown on Map 83, filed with said Application No. 950 (amended), as set forth by Land Court Order No. 79682, filed August 18, 1986.
- (f) Designation of Easement 447, 27,647 square feet, Easement 448, 36,950 square feet, for flowage purposes, as shown on Map 84, filed with said Application No. 950 (amended), as set forth by Land Court Order No. 79682, filed August 15, 1986.

AS TO SECOND ONLY:

- (a) Easement 1, (Part One) 6,243 square feet, (Part Two) 1,099 square feet and (Part Three) 1,664 square feet, for access and utility purposes over and across said premises.
- (b) Easement 2, 26,115 square feet for access and utility purposes over and across said premises.

FINANCING STATEMENT made by and between Venture Fifteen, Inc., as Debtor, and GECC Financial Corporation, as Secured Party, recorded in the Bureau of Conveyances of the State of Hawaii in Book 20411, at Page 118, covers a security interest in the types or items of property more fully described therein.

SECURITY AGREEMENT dated February 27, 1986 made by and between Venture Fifteen, Inc., a Hawaii corporation, and GECC Financial Corporation, a Hawaii corporation, filed as Land Court Document No. 1443093, and also recorded as aforesaid in Book 20411, at Page 133, assigns all right, title and interest of Debtor in certain escrow agreement, certain sales contracts and agreements of sales, etc., as security covering the property, more fully described therein.

REAL PROPERTY TAXES due and payable, refer to Director of Finance, City and County of Honolulu.

AS TO THIRD ONLY:

- (a) Title to all mineral and metallic mines reserved to the State of Hawaii.
- (b) Roadway easement commonly known as Waimalu Valley Road as shown on Map 1, filed with Land Court Application No. 950 (amended).
- (c) Easement J for drain purposes, as shown on Map dated June 9, 1986, prepared by Harry K. Matsuo, Registered Professional Surveyor.

AS TO SECOND AND THIRD ONLY:

- (a) Grant of Easement in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company dated January 16, 1956 recorded as aforesaid in Book 3066, Page 370 for utility purposes as shown on Hawaiian Electric Company, Inc.'s Map 1955-149A.
- (b) Rights of others thereto entitled in and to the continued uninterrupted flow of the Waimalu Stream.
- (c) Unilateral Agreement and Declaration for Conditional Zoning covering Newtown Meadows II, dated June 20, 1985, recorded as aforesaid in Book 18724, Page 408.
- (d) Easement F-1, 14,244 square feet, and 34,503 square feet, for flowage purposes in favor of the City and County of Honolulu.

Unilateral Agreement and Declaration for Conditional Zoning dated July 1, 1981, filed as Land Court Document No. 1075133, and also recorded in Book 15671, Page 198.

MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT dated February 27, 1986 made by and between Venture Fifteen, Inc., a Hawaii corporation, as Mortgagor, and GECC Financial Corporation, a Hawaii corporation, as Mortgagee, filed as Land Court Document No. 1443092, and also recorded as aforesaid in Book 20411, at Page 95.

EXHIBIT "B"

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS
AND
ESTIMATE OF INITIAL MAINTENANCE FEE ASSESSMENT

I. <u>DISBURSEMENTS</u>	<u>PROPOSED BUDGET</u>
Electricity	\$ 300
Water	1,040
Sewer	1,094
Refuse	400
Repairs & Maintenance, Building	50
Supplies, Building & Grounds	50
Property Management	1,186
Payroll, Resident Manager	500
Payroll, Maintenance	1,300
Insurance Package (Fire & General Liability)	1,210
Insurance Liability (Umbrella)	400
Insurance Medical (HMSA)	110
Insurance, W.C., T.D.I.	300
Insurance, Other (D & O)	300
Accounting & Audit	50
Legal Fees	50
Taxes, Gross Income	25
Taxes, Payroll	150
Taxes, Other	100
Transfer to Reserve	3,750
Lodging, Resident Manager	600
	<hr/>
TOTAL DISBURSEMENTS	\$12,965

II. MONTHLY MAINTENANCE FEE ASSESSMENT PER UNIT:

\$12,965 ÷ 152 units = \$85.30

NOTE: The proposed monthly budget figures and resulting maintenance fees are subject to increases or decreases.

We, IND-COMM MANAGEMENT, INC., 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.

Ronald T Kobashjian
Date: *April 27, 1987*

Revised on *April 27, 1987*.

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