



**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

ACACIA PARK
1111 Acacia Road
Pearl City, Hawaii 96782

Registration No. 1779

Issued: July 31, 1986
Expires: August 31, 1987

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of July 21, 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.
- FINAL:**
(white) The developer has legally created a condominium and has filed complete information with the Commission. ~~This report must be read together with~~
XXXXXXXXXXXXXXXXXXXXXXXXXXXX
- 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 _____

Summary of Changes from Earlier Public Reports:

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

NO PRIOR PUBLIC REPORT HAS BEEN ISSUED BY THE COMMISSION.

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
V. ATTACHMENT	21
EXHIBIT A: Apartment Description	
EXHIBIT B: Parking Stall Assignment	
EXHIBIT C: Lease Rent Schedule	
EXHIBIT D: Common Elements	
EXHIBIT E: Limited Common Elements	
EXHIBIT F: Encumbrances Against Title	
EXHIBIT G: Estimate of Initial Maintenance Fees and Estimate of Maintenance Fee Disbursement	
EXHIBIT H: Summary of Provisions of the Sales Contract	
EXHIBIT I: Summary of Provisions of the Escrow Agreement	
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

Interest to be Conveyed to Buyer: The interest to be conveyed to a buyer will be a leasehold estate in and to an apartment and an undivided interest in all common elements of the Project. Each apartment shall have appurtenant thereto an undivided interest in all common elements of the Project in the proportion as set forth in Exhibit A and the same proportionate share in all common profits and expenses of the Project and for all other purposes, including voting.

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 See Exhibit A for additional information about the apartments.

<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>
A	30	2/1	607	107
AR	29	2/1	607	107
B	15	3/2	771	64
BR	15	3/2	771	64
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 89

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

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

6. Parking: See Exhibits B and E

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	_____
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
Total Parking Stalls	<u>120</u>

7. Recreational amenities: The Project will have a private park area containing two grilles, three picnic tables, and play apparatus.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Acacia Nonprofit Housing Corporation Phone: 528-4828
Name
Suite 1460, Central Pacific Plaza
220 South King Street
Business Address
Honolulu, Hawaii 96813
(Business)

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

Valerie Mendes President
Daniel K. Ide Vice-President/Treasurer
Scott W. Poepoe Secretary

Real Estate Sales Agent: James Kometani, Inc., Realtors Phone: 533-3861
Name
1154 Fort Street Mall, Suite 315
Business Address
Honolulu, Hawaii 96813
(Business)

Escrow: Long & Melone Escrow, Ltd. Phone: 531-3189
Name
333 Queen Street, Suite 500
Business Address
Honolulu, Hawaii 96813
(Business)

Managing Agent: Hawaiiana Management Company, Ltd. Phone: 528-3800
Name
1101 Ward Avenue, Suite 1100
Business Address
Honolulu, Hawaii 96814
(Business)

Attorney for Developer: Hong, Iwai and Hulbert (Attention: Roy K. Kawano)
Name
Suite 2200, Pauahi Tower, 1001 Bishop Street
Business Address
Honolulu, Hawaii 96813

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 19618 Page 133
 Filed — Land Court — Document Number _____

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. 1012
 Filed — Land Court — File Plan No. _____

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 19618 Page 179
 Filed — Land Court — Document Number _____

Amendment date(s) and recording/filing information:

First Amendment to Bylaws dated June 23, 1986, recorded in the Bureau of Conveyances in Book 19618, Page 227.

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 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:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>67%</u>
House Rules	—	The Board of Directors shall have the power to adopt, <u>amend or repeal</u> the 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 developer reserves the right to modify the Declaration, Bylaws, Apartment Lease and Escrow Agreement; provided that no such modification shall (a) increase buyer's share of common expenses, (b) require a substantial change of the buildings, (c) reduce substantially the size of an apartment, or (d) substantially impair or modify any of the obligations in respect of the buildings given or undertaken by the developer. The developer further reserves the right to make minor changes to any apartment and to the common elements; provided that no changes shall be made which shall affect the physical location or reduce the number of apartments in the Project or substantially change the design.

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: 55 years from the date the first apartment lease is recorded.
Rent Renegotiation Date(s): 35 years from the date the first apartment lease is recorded.

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit C 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:

approximately
Land Area: 113,757 square feet Zoning: A-1/P-1

Fee Owner: City and County of Honolulu
name
Honolulu Hale, 650 South King Street
address
Honolulu, Hawaii 96813

Sublessor: _____
name

address

C. Buildings and Other Improvements:

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

2. Buildings: 5 Floors Per Building: 3

3. Principal Construction Material:

- Concrete Slabs and Block Hollow Tile Wood
 Other Aluminum frames for glass windows, metal roofing overhang above entry doors, and gypsum boards for nonload-bearing walls

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Industrial	_____
<input checked="" type="checkbox"/> Residential	<u>89</u>	<input type="checkbox"/> Agricultural	_____
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input type="checkbox"/> Other:	_____		_____

5. Special Use Restrictions:

The Declaration, Bylaws, and House Rules may contain restrictions on the use and occupancy of apartments. Restrictions for this condominium include but are not limited to:

- Pets: Only 1 pet may be kept in any apartment and the approval of the Board of Directors is required before any dog may be kept in an apartment.

Number of Occupants: _____

- Other: See item 1 of Attachment at page 21 regarding restrictions on the use, transfer and right to acquire the fee interest in the apartments.

6. Interior (fill in appropriate numbers):

Total Apartments 89 Each building will contain 3 separate stairways
 Elevators _____ Stairways _____ Trash Chutes _____

<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>
<u>A</u>	<u>30</u>	<u>2/1</u>	<u>607</u>	<u>107</u>
<u>AR</u>	<u>29</u>	<u>2/1</u>	<u>607</u>	<u>107</u>
<u>B</u>	<u>15</u>	<u>3/2</u>	<u>771</u>	<u>64</u>
<u>BR</u>	<u>15</u>	<u>3/2</u>	<u>771</u>	<u>64</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

The layout of rooms for Type AR apartments will be the reverse of Type A apartments, and the layout of rooms for Type BR apartments will be the reverse of Type B 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 floor area may have been used.

Boundaries of Each Apartment: Each apartment shall be deemed to include (a) all walls and partitions which are not load-bearing within its perimeter or party walls, (b) the interior decorated or finished surfaces of all perimeter or party walls and load-bearing walls, floors and ceilings, the exterior unfinished surfaces of entry doors and the frames thereof, and all floor coverings, (c) all windows, window glass, and frames, and (d) all fixtures contained or installed in the apartment. An apartment will not be deemed to include the perimeter or party walls or the interior load-bearing walls or the floors and ceilings surrounding the apartment or any pipes, wires, conduits, or other utility or service lines running through the apartment which are utilized by or serve more than one apartment.

Permitted Alterations to Apartments: Any alterations or additions within an apartment shall be undertaken by an apartment owner only pursuant to the written approval thereof, including the plans therefor, by the holders of first mortgages affecting such apartment, the Board of Directors, the City and County of Honolulu, and all other apartment owners thereby directly affected (as determined by the Board of Directors in its sole discretion). Upon completion of such alteration or addition, the apartment owner shall duly record and file of record an amendment to the Declaration, together with the approved plans showing only such alteration or addition.

7. Parking Stalls: See Exhibits B and E.

	<u>Number of Stalls</u>
Assigned Stalls (For Individual Units)	See <u>NOTE</u> below
Guest Stalls	_____
Unassigned Stalls	_____
Other: _____	_____
 Total Parking Stalls	<u>120</u>

Each apartment will have the exclusive use of at least 1 parking stall(s).

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

	regular	compact	tandem
Number of covered stalls	_____	_____	_____
Number of open stalls	<u>64</u>	<u>56</u>	_____

Commercial parking garage permitted on condominium.

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

NOTE: Though all parking stalls will initially be assigned to apartment number 101, the Developer reserves the right to designate some parking stalls for guest parking and reassign other parking stalls as apartment sales occur so that ultimately, each apartment shall have at least one stall assigned to it for its exclusive use.

8. Recreational and Other Common Facilities:

- | | |
|--|---------------------------------------|
| <input type="checkbox"/> Swimming pool | <input type="checkbox"/> Storage Area |
| <input type="checkbox"/> Recreation Area | <input type="checkbox"/> Laundry Area |
| <input type="checkbox"/> Tennis Court | <input type="checkbox"/> Trash Chute |

Other: Driveways, a loading zone, landscaping and other ground improvements, and a private park area containing two grilles, three picnic tables, and play apparatus.

9. Present Condition of Improvements Not Applicable.
(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) Not Applicable.

	<u>Conforming</u>	<u>Non-Conforming</u>	
		<u>Legal</u>	<u>Illegal</u>
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 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. The limited common elements and the apartment which may use them are:

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 A describes the common interests for each apartment.

The percent common interest for each apartment as shown in Exhibit A will also be used to determine each apartment's share of the maintenance fees and other common profits and expenses of the Project and for all other purposes, including voting.

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 26, 1986.

Blanket Liens:

- 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.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
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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. 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:

- 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 G 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:

- | | |
|--------------------------------------|---|
| <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

1. **Building and Other Improvements:** The construction contract with the general contractor for the Project contains a warranty clause in the form and content as set forth in Section 13.2.2 of AIA Document A201 which generally provides as follows:

If, within one year after the date of substantial completion of the work, any of the work is found to be defective or not in accordance with the contract documents, the contractor shall correct it promptly after receipt of a written notice from the developer to do so unless the developer has previously given the contractor a written acceptance of such condition. The developer shall give such notice promptly after discovery of the condition.

The developer makes no warranties itself, but if buyer shall give the developer written notice of any such condition promptly after discovery thereof, and during the unexpired term of such contractor's warranty, the developer will forward such notice together with the written notice to the contractor to correct such condition.

2. **Appliances:** A description of warranties on the appliances to be installed in each apartment is presently unavailable inasmuch as final selection of the appliances have not been made by the developer. The developer will attempt to assign to buyers the unexpired term, if any, of any manufacturer's or dealer's warranties covering any fixtures or appliances in the apartment. By such assignment the developer will be merely passing through to buyers any such manufacturer's or dealer's warranties, and the developer will not be adopting any such warranties or acting as co-warrantor.

J. Status of Construction and Estimated Completion Date A construction contract has been executed on February 28, 1986 between the developer and Pacific Construction Co., Ltd., as Contractor. The developer advised the Commission that construction of the Project began on or about March 3, 1986 and that the estimated completion date is sometime in December, 1986 (assuming there are no delays).

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

Escrow Agreement dated June 9, 1986

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

Other Affidavit of Intent to Purchase an Apartment Set Aside for Eligible Income Households; Receipt for Public Report(s) and Notice of Right to Cancel; Apartment Lease.

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

A. Names and Location of the Buildings. The Project will have five separate three story buildings without basement, each building containing eighteen apartments and being named as follows: Hale Kiawe, Hale Koa, Hale Kolu, Hale Lehua, and Hale Ohai. Hale Kiawe will front Acacia Road and will be located on the ewa side of the underlying land. Hale Koa will be located to the rear of Hale Kiawe. Hale Kolu will be located on the diamond head side of Hale Koa. Hale Lehua will be located on the diamond head side of Hale Kolu. Hale Ohai will front Acacia Road and will be located on the diamond head side of the underlying land. The ground level of each building will contain three separate stairways with a building directory and mailboxes located at the entrance of each stairway. A sign identifying the name of the building will be located at the entrance of the middle stairway of each building. Apartment numbered 114, to be located on the ground level in Hale Kolu, will be the resident manager's apartment.

B. Apartment Numbering and Location. The apartments in each of the five separate buildings will be numbered by assigning the lowest number to the apartment on the ewa corner of the building and the highest number to the apartment on the diamond head corner of the building. The apartments in Hale Kiawe will be numbered serially 01 to 06 inclusive, preceded by a number indicating the floor in which the apartment is located. The apartments in Hale Koa will be numbered serially 07 to 12 inclusive, preceded by a number indicating the floor in which the apartment is located. The apartments numbered 108, 109, 110, 111, and 112 located on the ground level in Hale Koa will be designed to accommodate the handicapped. The apartments in Hale Kolu will be numbered serially 13 to 18 inclusive, preceded by a number indicating the floor in which the apartment is located, except that apartment numbered 114 will be the resident manager's apartment. The apartments in Hale Lehua will be numbered serially 19 to 24 inclusive, preceded by a number indicating the floor in which the apartment is located. The apartments in Hale Ohai will be numbered serially 25 to 30 inclusive, preceded by a number indicating the floor in which the apartment is located.

C. Financing of Project. The developer has advised the Commission that the cost of the Project will be paid by means of a grant from the City and County of Honolulu.

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 Apartment Lease

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.

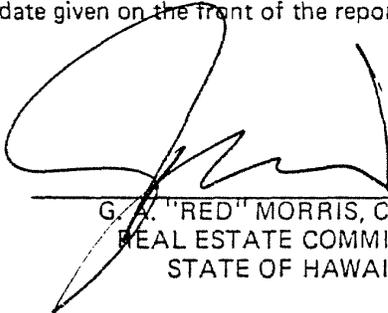
This Public Report is a par Registration No. 1779 filed in the Real Estate Commission on July 21, 1986.

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 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:

Required Not Required — disclosures covered in this 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

V. ATTACHMENT

1. Other Special Use Restrictions: The apartments shall be occupied and used only as residential dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose. The apartments shall not be rented for transient or for hotel purposes, which are defined as (a) rental for any period less than thirty days, or (b) any rental in which the occupants of such apartments are provided customary hotel services on a daily basis, such as room service for food and beverages, maid service, laundry and linen or bellboy service. The apartments shall not be used, leased, rented or any undivided interest therein conveyed for time-sharing purposes or under any time-sharing plan or arrangement. Except for such transient, hotel, or time-sharing purposes, the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration. Notwithstanding the foregoing, each apartment owner shall at all times comply with the restrictions as to use set forth in his apartment lease. BUYERS ARE URGED TO REVIEW THE APARTMENT LEASE GIVEN TO THEM WITH CARE RESPECTING THE PARAGRAPHS ON RESTRICTIONS ON TRANSFER OF THE APARTMENT, RESTRICTIONS ON USE OF THE APARTMENT, AND WAIVER BY LESSEE OF THE RIGHT TO PURCHASE IN FEE SIMPLE THE APARTMENT AND APPURTENANT COMMON INTEREST.

EXHIBIT A

Apartment Description

Rooms Listing. Numbers shown in the column entitled Apartment Rooms Listing correspond to the key numbers shown below which identify the rooms in each of the respective apartments. For example, Type A apartments would have in the Room Listing column the key numbers "1, 3, 6, 7, 8, 10." Reference to the key numbers shows that the rooms described would be two bedrooms, one bathroom, living-dining room, laundry room, kitchen, and two lanais.

<u>Key No.</u>	<u>Room</u>	<u>Key No.</u>	<u>Room</u>
1	Two Bedrooms	6	Living-Dining Room
2	Three Bedrooms	7	Laundry Room
3	One Bathroom	8	Kitchen
4	Two Bathrooms	9	One Lanai
5	Dressing Room	10	Two Lanais

Floor Area. The floor areas of the apartment spaces are hereinafter set forth in square feet and in terms of "net living area," "lanai area," "total apartment area" and "gross floor area." Net living area represents the approximate area of the space within the interior finished surfaces of the perimeter non-party walls and party walls of the apartment space, including all partitions and walls (load-bearing and nonload-bearing), and all plumbing, mechanical and electrical chases within such perimeter and party walls. The net living area is the area of the apartment (exclusive of the lanai) measured in accordance with the regulations of the Real Estate Commission of the State of Hawaii. Lanai area includes the space within the exterior face of the lanai railing and the exterior face of the doors, windows and walls separating the living area of the apartment space and the lanai. Total apartment area is the sum of the net living area and the lanai area.

Gross floor area represents the approximate area of the apartment space measured not in accordance with the above-mentioned regulations, but in accordance with local architectural practice and represents the space within the exterior surfaces of the perimeter non-party walls of the apartment space, the interior half of the party walls of the apartment space, and all partitions and walls (load-bearing and nonload-bearing) and all plumbing, mechanical and electrical chases within such perimeter and party walls. Gross floor area also includes the lanai area. Gross floor areas of the apartment spaces are set forth for comparison purposes only.

ALL AREAS SET FORTH HEREINAFTER ARE APPROXIMATE ONLY. THE AREAS OF THE APARTMENT SPACES UPON COMPLETION ARE LIKELY TO VARY SOMEWHAT. EVEN APARTMENTS OF THE SAME TYPE MAY DIFFER SLIGHTLY.

<u>Apt. Type</u>	<u>Apt. Numbers</u>	<u>Net Living Area</u>	<u>Lanai Area</u>	<u>Total Apt. Area</u>	<u>Gross Floor Area</u>	<u>Apt. Rooms Listing</u>	<u>Percent Common Interest</u>
A	102, 104, 202, 204, 302, 304, 109, 111, 209, 211, 309, 311, 115, 117, 215, 217, 315, 317, 121, 123, 221, 223, 321, 323, 127, 129, 227, 229, 327, 329	607	107	714	775	1, 3, 6, 7, 8, 10	1.0730
AR	103, 105, 203, 205, 303, 305, 108, 110, 208, 210, 308, 310, 116, 214, 216, 314, 316, 120, 122, 220, 222, 320, 322, 126, 128, 226, 228, 326, 328	607	107	714	775	1, 3, 6, 7, 8, 10	1.0730
B	101, 201, 301, 112, 212, 312, 118, 218, 318, 124, 224, 324, 130, 230, 330	771	64	835	884	2, 4, 5, 6, 7, 8 9	1.2231
BR	106, 206, 306, 107, 207, 307, 113, 213, 313, 119, 219, 319, 125, 225, 325	771	64	835	884	2, 4, 5, 6, 7, 8 9	1.2231

Note: Apartment numbers 108, 109, 110, 111, and 112 will be designed to accommodate the handicapped.

EXHIBIT B

Parking Stall Assignment

<u>Apt. Number</u>	<u>Parking Stall(s)</u>
101	1 to 120 inclusive

Note: All parking stalls are uncovered and are located on the ground level. Parking stalls numbered 17 to 23 inclusive, 49 to 72 inclusive, 86 to 93 inclusive, and 104 to 120 inclusive are designed for compact cars.

EXHIBIT C

Lease Rent Schedule

<u>Apartment Type</u>	Monthly Lease Rent		
	<u>Initial Period</u> <u>(15 Years)</u>	<u>2nd Period</u> <u>(10 Years)</u>	<u>3rd Period</u> <u>(10 Years)</u>
A	\$25	\$38	\$56
AR	25	38	56
B	30	45	68
BR	30	45	68

EXHIBIT D

Common Elements

There will be designated one freehold estate consisting of the remaining portion and appurtenances of the Project, being the common areas and facilities. The common elements shall include, but are not limited to, the following:

1. The underlying land in fee simple;
2. All foundations, beams, floors, slabs, supports, perimeter and party walls, load-bearing walls, floors and ceilings (except for the inner decorated or finished surfaces of the perimeter and party walls, load-bearing walls, floors, and ceilings within each apartment space and except as expressly provided otherwise), roofs, and stairways of the buildings;
3. All areas, structures, or facilities of the Project, within or outside of the buildings, which are for common use or which serve more than one apartment space, such as electric transformers, stairways, walkways and common ways, planters, landscaping, yards, mailboxes, private park area and the equipment and facilities therein, fences, retaining walls, refuse collection areas, and the parking stalls;
4. All central and appurtenant installations serving more than one apartment space for power, light, gas, water, ventilation, telephone, radio and television signal distributions, and all pipes, wires, conduits, ducts, vents, and other service utility lines which serve more than one apartment space;
5. All tanks, pumps, motors, fans and, in general, all apparatus and installations for common use, and all other parts of the Project necessary or convenient to its existence, maintenance or safety, and normally in common use;
6. The resident manager's apartment space numbered 114 in Hale Kolu;
7. All other parts of the Project which are not included in the definition of an apartment space.

EXHIBIT E

Limited Common Elements

Certain of the common elements are designated as "limited common elements" and are set aside and reserved for the use of certain apartment spaces, which apartment spaces shall have appurtenant thereto an exclusive easement for the use of such limited common elements. The limited common elements so set aside and so reserved are as follows:

1. Parking Stalls. The parking stalls and the apartment space to which the same appertain are set forth in Exhibit B. The developer reserves the right to designate some of said parking stalls as common elements and to reassign parking stalls to other apartment spaces in the Project as and when sales of apartment spaces are effected to the intent and purpose that when such reassignment of parking stalls is completed, each apartment space will have one or more parking stalls for the exclusive use of such apartment space. Subject to the limitation that each apartment space shall at all times have at least one parking stall appurtenant to it, apartment space owners will have the right to change the assignment (but not the numbering) of parking stalls by amendment of the Declaration and the respective apartment leases involved, such amendment to the Declaration and apartment leases to be in writing and executed only by the City and County of Honolulu and the owners of the apartment spaces seeking such change (and their respective mortgagees, if any) and to be effective only upon recording the same in the Bureau of Conveyances of the State of Hawaii.

2. Mailboxes. The mailbox assigned to an apartment space shall be limited to the use of such apartment space. Each apartment space shall at all times have at least one mailbox appurtenant to it.

3. Other. All other common elements of the Project which are rationally related to less than all of the apartment spaces shall be limited to the use of such apartment space or apartment spaces to which the same are related.

EXHIBIT F

Encumbrances Against Title

A Preliminary Report issued by Long & Melone, Ltd., dated June 26, 1986, identifies the following encumbrances on the underlying land:

1. Title to all mineral and metallic mines reserved to the State of Hawaii.
2. That certain Master Lease dated January 3, 1986, made by and between the City and County of Honolulu, a municipal corporation of the State of Hawaii, by its Department of Housing and Community Development, as Lessor, and the developer, as Lessee, for a term of 3 years commencing on January 3, 1986, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 19205, Page 745.
3. Terms, covenants, conditions, reservations, restrictions and provisions contained in that certain Development Agreement, Acacia Housing Project dated January 3, 1986, recorded as aforesaid in Liber 19205, Page 773, by and between the City and County of Honolulu, a municipal corporation of the State of Hawaii, by and through its Department of Housing and Community Development and the developer.
4. Grant of Easement dated May 7, 1986, recorded as aforesaid in Liber 19573, Page 291, granting a water meter easement for the operation and maintenance of a water meter in favor of the City and County of Honolulu for the use of the Board of Water Supply.
5. The underlying land is currently exempt from real property taxes; but upon sale of each apartment, real property taxes may be prorated and become due and owing.

EXHIBIT G

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> x 12 months =	<u>Yearly Total</u>									
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><u>Apt. Type</u></td> <td style="width: 80%;"><u>Apt. Numbers</u></td> <td style="width: 10%;"></td> </tr> <tr> <td>A</td> <td>102, 104, 202, 204, 302, 304, 109, 111, 209, 211, 309, 311, 115, 117, 215, 217, 315, 317, 121, 123, 221, 223, 321, 323, 127, 129, 227, 229, 327, 329</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">\$70.39</td> <td style="text-align: right;">\$25,340.40</td> </tr> </table>	<u>Apt. Type</u>	<u>Apt. Numbers</u>		A	102, 104, 202, 204, 302, 304, 109, 111, 209, 211, 309, 311, 115, 117, 215, 217, 315, 317, 121, 123, 221, 223, 321, 323, 127, 129, 227, 229, 327, 329			\$70.39	\$25,340.40		
<u>Apt. Type</u>	<u>Apt. Numbers</u>										
A	102, 104, 202, 204, 302, 304, 109, 111, 209, 211, 309, 311, 115, 117, 215, 217, 315, 317, 121, 123, 221, 223, 321, 323, 127, 129, 227, 229, 327, 329										
	\$70.39	\$25,340.40									
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">AR</td> <td style="width: 80%;">103, 105, 203, 205, 303, 305, 108, 110, 208, 210, 308, 310, 116, 214, 216, 314, 316, 120, 122, 220, 222, 320, 322, 126, 128, 226, 228, 326, 328</td> <td style="width: 10%;"></td> </tr> <tr> <td></td> <td style="text-align: center;">\$70.39</td> <td style="text-align: right;">24,495.72</td> </tr> </table>	AR	103, 105, 203, 205, 303, 305, 108, 110, 208, 210, 308, 310, 116, 214, 216, 314, 316, 120, 122, 220, 222, 320, 322, 126, 128, 226, 228, 326, 328			\$70.39	24,495.72					
AR	103, 105, 203, 205, 303, 305, 108, 110, 208, 210, 308, 310, 116, 214, 216, 314, 316, 120, 122, 220, 222, 320, 322, 126, 128, 226, 228, 326, 328										
	\$70.39	24,495.72									
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">B</td> <td style="width: 80%;">101, 201, 301, 112, 212, 312, 118, 218, 318, 124, 224, 324, 130, 230, 330</td> <td style="width: 10%;"></td> </tr> <tr> <td></td> <td style="text-align: center;">\$80.24</td> <td style="text-align: right;">14,443.20</td> </tr> </table>	B	101, 201, 301, 112, 212, 312, 118, 218, 318, 124, 224, 324, 130, 230, 330			\$80.24	14,443.20					
B	101, 201, 301, 112, 212, 312, 118, 218, 318, 124, 224, 324, 130, 230, 330										
	\$80.24	14,443.20									
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">BR</td> <td style="width: 80%;">106, 206, 306, 107, 207, 307, 113, 213, 313, 119, 219, 319, 125, 225, 325</td> <td style="width: 10%;"></td> </tr> <tr> <td></td> <td style="text-align: center;">\$80.24</td> <td style="text-align: right;"><u>14,443.20</u></td> </tr> </table>	BR	106, 206, 306, 107, 207, 307, 113, 213, 313, 119, 219, 319, 125, 225, 325			\$80.24	<u>14,443.20</u>					
BR	106, 206, 306, 107, 207, 307, 113, 213, 313, 119, 219, 319, 125, 225, 325										
	\$80.24	<u>14,443.20</u>									
	Total =	\$78,722.52									
	Rounded:	\$78,723.00									

[] Revised on _____

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

[] common elements only	\$300.00	\$ 3,600.00
[] common elements and apartments		

Gas

--

--

Refuse Collection

--

--

Telephone

20.00

240.00

Water and Sewer

1,570.00

18,840.00

Maintenance, Repairs and Supplies

Building

425.00

5,100.00

Grounds

425.00

5,100.00

Management

Management Fee

834.00

10,008.00

Payroll and Payroll Taxes

880.00

10,560.00

Office Expenses

40.00

480.00

Insurance

500.00

6,000.00

Reserves

1,271.25

15,255.00

Taxes and Government Assessments

10.00

120.00

Other

Legal fees (reserve)

25.00

300.00

Misc. expenses

50.00

600.00

Res. Mgr. Benefits

(TDI, Workers Comp. 210.00

2,520.00

Health Care & Ground

Lse. Rent)

TOTAL

\$6,560.25

\$78,723.00 per year

I/We, Hawaiiana Management Company, Ltd., as managing agents for the condominium, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Robert D. August
Date: 6-12-86

EXHIBIT H

Summary of Provisions of the Sales Contract

The Sales Contract establishes the developer's willingness to sell and a buyer's willingness to purchase an apartment.

Among other provisions, the Sales Contract includes the following:

1. Each Sales Contract shall constitute a "reservation" and not a "binding contract" for the purchase of an apartment until (a) a Final Public Report is issued on the Project and (b) the buyer waives or is deemed to have waived the buyer's right to cancel the Sales Contract.

2. The developer may cancel the Sales Contract if the buyer's application for eligibility for a mortgage loan is rejected or not preliminarily approved within forty-five days after application.

3. The buyer will pay for the following closing costs: acknowledgments of buyer's signatures on all documents, cost of credit reports, drafting of buyer's mortgage, mortgage insurance premiums, financing and other fees in connection with buyer's mortgage, title insurance, recording fees not paid by the developer, and one-half of the escrow fees.

4. The developer makes no warranties, express or implied, with respect to the apartments, the Project, or consumer products or other things installed therein, including warranties of merchantability, habitability, workmanlike construction, or fitness for a particular purpose.

5. The buyer agrees that the developer shall have the right to conduct construction activities for the completion of the improvements and correction of defects in the Project, and such rights shall terminate 24 months after the later of (a) the date of filing in the Office of the Assistant Registrar of the Land Court of the State of Hawaii of the first Apartment Lease to an apartment in the Project, or (b) "substantial completion" (as the term is used in Chapter 507, Part II, Hawaii Revised Statutes) of the improvements to be completed or corrected.

6. The buyer further agrees that the developer shall have the right to conduct sales activities on the Project, including the use of model apartment units, sales offices, signs and extensive sales displays and activities, and the use of five parking spaces in the Project for parking for prospective

purchasers, until the earlier to occur of (a) 24 months from the filing as aforesaid of the first Apartment Lease to an apartment in the Project, or (b) the sale of the last unsold apartment in the Project.

The foregoing are only excerpts from certain paragraphs in the Sales Contract. It is incumbent upon the prospective buyer that he reads with care the entire Sales Contract.

EXHIBIT I

Summary of Provisions of the Escrow Agreement

The Escrow Agreement establishes how the proceeds from the sale of the apartments are placed in trust as well as the retention and disbursements of said funds.

Among other provisions, the Escrow Agreement includes the following:

1. Escrow shall deposit any or all funds received and held in escrow in interest bearing accounts in federally-insured savings and loan institutions or federally-insured banking institutions designated by the developer or may use such funds for the purchase of time certificates. Any and all interest earned on such funds during the holding thereof shall accrue to the credit of the developer in accordance with the agreements and instructions contained in the Sales Contracts.

2. Subject to such deductions as may be provided in the Sales Contract and the escrow cancellation fee, the buyer shall be entitled to a return of his funds, and Escrow shall pay such funds to such buyer, if one of the following has occurred:

(a) The developer notifies Escrow to return to the buyer the funds of the buyer then being held thereunder by Escrow; or

(b) The developer notifies Escrow of the developer's exercise of the option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available to the developer; or

(c) The conditions provided for a refund under Sections 514A-62, 514A-63 or 514A-105 of the Horizontal Property Act (as amended on the date upon which the Sales Contract becomes binding and effective) have been met, and written notice thereof has been provided to the developer, and the developer and the buyer shall advise Escrow to refund buyer's funds. Upon the return of said funds to the buyer as aforesaid, Escrow shall return to the developer such buyer's Sales Contract and any conveyancing documents theretofore delivered to Escrow pursuant to such Sales Contract; and thereupon the buyer shall no longer be obligated under the Sales Contract.

3. Escrow shall make no disbursements of any buyer's funds, except by way of refunds thereof as provided above, until such buyer's Sales Contract has "become effective" and the requirements of Section 514A-39, 514-62 and 514A-63 of the Horizontal Property Act have been met. No disbursements of any buyer's funds shall be made until Escrow receives satisfactory evidence that all mechanics' and materialmen's liens have been cleared, unless sufficient funds are set aside for any bona fide dispute.

The foregoing are only a summary of certain provisions in the Escrow Agreement. It is incumbent upon the prospective buyer that he reads the entire Escrow Agreement with care.