



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

KAPALAI HALE
45-544, 45-546 & 45-548 Kapalai Road
Honolulu, Hawaii

Registration No. 1809

Issued: December 2, 1988
Expires: June 2, 1989

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of November 23, 1988 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 _____

SUPPLEMENTARY: (pink) Updates information contained in the
[] Prelim. Public Report dated _____
[X] Final Public Report dated December 17, 1986
[] Supp. Public Report dated _____

And [X] Supersedes all prior public reports
[] Must be read together with _____
[] This report reactivates the _____
public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[] Required [X] Not Required -- disclosures covered in this report.

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.

A Final Report was issued on December 17, 1986. The developer has exercised his development rights and added an additional unit on the project.

The common interest appurtenant to each unit has changed.

* * * * *

* SPECIAL ATTENTION *

* The developer has disclosed that area beneath *
* and adjacent to the unit which is designated as the *
* limited common element does not represent a legally *
* subdivided lot. (See Exhibit B). *
* The prospective purchaser is cautioned to carefully *
* review the documents for further information with *
* regards to the foregoing. *

* * * * *

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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:

A fee simple interest in an individual apartment and an undivided interest in the common elements of the project.

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
5. Apartment Description

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
45-544	1	3/2	1,184.2 s.f.	_____
45-546	1	4/3	1,678	_____
45-548	1	4/3	1,678	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 3

*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)	<u>11</u>
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
Total Parking Stalls	<u>11</u>

7. Recreational amenities: NONE

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: KAPALAI ROAD PARTNERS Phone: 848-2484
Name (Business)
80 Sand Island Access Road
Business Address
Honolulu, Hawaii 96819

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

WILLIAM OWEN FARRIOR
WILLIAM OWEN FARRIOR III
ROBERT EDWARD WILLIS
ROBERT HARDIN ARMSTRONG

Real Estate Sales Agent: WILLIAM O. FARRIOR, dba COUNTRY HOMES Phone: 848-2487
Name (Business)
80 Sand Island Access Road
Business Address
Honolulu, Hawaii 96819

Escrow: ISLAND TITLE CORPORATION Phone: 261-7993
Name (Business)
315 Uluniu St., Suite 202
Business Address
Kailua, Hawaii 96734

Managing Agent: NONE Phone: _____
Name (Business)
Business Address

Attorney for Developer: LESTER G. L. WONG
Name
900 Fort St., Suite 1270
Business Address
Honolulu, Hawaii 96813

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

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

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

The Declaration for this condominium is:

- Proposed
 Recorded – Bureau of Conveyances – Book 20043 Page 477
 Filed – Land Court – Document Number _____

Amendment date(s) and recording/filing information:

December 8, 1986 and filed December 10, 1986 in Book 20128, Page 247
December 30, 1986 and filed January 5, 1987 in Book 20252, Page 183
January 31, 1987 and filed February 3, 1987 in Book 20332, Page 645
May 31, 1988 and filed July 11, 1988 in Book 22124 Page 399
August 22, 1988 and filed September 9, 1988 in Book 22331, Page 478

- 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. 1039
 Filed – Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

Amended August 12, 1987 and filed on July 11, 1988.

- 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 20043 Page 509
 Filed – Land Court – Document Number _____

Amendment date(s) and recording/filing information:

D. **House Rules.** The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:

Proposed Adopted

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>75%</u>
House Rules	-	<u>See Art. VI; Sec. 5, Bylaws</u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:** The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules:

Developer has exercised its right to add to the Project a second phase consisting of an additional dwelling.

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: 45-544, 45-456 & 45-458 Kapalai Road Tax Map Key: 4-5-071-001
Kaneohe, Hawaii (TMK)

Address TMK is expected to change because _____

Land Area: 30,532 square feet acre(s) Zoning: R-5

Fee Owner: For Unit 45-544 William Owen Farrior, William Owen Farrior III,
name Robert Edward Willis, Robert
80 Sand Island Access Road Hardin Armstrong
address
Honolulu, Hawai 96819

Sublessor: _____
name

address

C. Buildings and Other Improvements:

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

2. Buildings: 3 Floors Per Building: One for 45-544
Two for 45-546 and 45-548

Exhibit _____ contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other Glass

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>3</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 project include but are not limited to:

- Pets: No livestock, poultry or other animals except one dog or cat.
- Number of Occupants: Eight for a four bedroom unit; six for a three bdrm
- Other: _____
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 3

Elevators No Stairways No Trash Chutes No

<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>
<u>45-544</u>	<u>1</u>	<u>3/2</u>	<u>1,184.2 sf</u>	<u>_____</u>
<u>45-546</u>	<u>1</u>	<u>4/3</u>	<u>1,678</u>	<u>_____</u>
<u>45-548</u>	<u>1</u>	<u>4/3</u>	<u>1,678</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</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 all of the walls, floors, and ceiling, all windows and window frames and doors and door frames serving the apartment and all fixtures and appliances originally installed in such apartment for its exclusive use.

Permitted Alterations to Apartments:

Each apartment owner has the right, at his sole option, at any time, without the consent of anyone other than the holders of all liens affecting his unit, to improve, renovate, remodel, make additions to, remove, replace, or restore the improvements to or in his unit.

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. However Unit 45-544 is pursuant to a cluster Application Approval. (Cluster Application has been approved. No 87/CL-5)
 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	<u> X </u>	<u> </u>	<u> </u>
Structures	<u> X </u>	<u> </u>	<u> </u>
Lot	<u> X </u>	<u> </u>	<u> </u>

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 A describes the common elements.

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

There are no limited common elements in this project.

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

described in Exhibit B

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 C describes the common interests for each apartment.

as follows:

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

Exhibit D describes the encumbrances against the title contained in the title report dated July 26, 1988, by Island Title Corp.

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.

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 project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

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

The initial managing agent for this condominium is:

not affiliated with the Developer.

the Developer or the Developer's affiliate.

other No management agent is contemplated.

G. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

Exhibit _____ contains a schedule of maintenance fees and maintenance fee disbursements.

None contemplated at this time.

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 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:** The developer warrants against structural defects in an individual apartment of which written notice has been given to the Developer by the apartment owner at any time within one year from the date of substantial completion of the project or conveyance of title to the apartment owner, whichever comes first. In addition, the Developer warrants against structural defects in the common elements for one year from the date of substantial completion of the project.

2. **Appliances:** Warranties on appliances furnished with an apartment shall be assigned by the Developer and shall thereafter run in favor of the apartment purchaser directly from the manufacturer. These warranties will expire at different times, depending on the date of installation of the appliance. The Developer will assure each purchaser only that the appliances are in working order at the time of occupancy by the purchaser.

J. Status of Construction and Estimated Completion Date:

Construction of unit 45-546 and 45-548 was completed in October, 1986.
Construction of unit 45-544 is estimated to commence in November, 1988.

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:

Developer has exercised its right to add a phase 2 which consists of one additional unit. No further development is reserved.

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 E contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated August 1988

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

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

Preliminary Report: Sales made by the Developer are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

1. The Developer delivers to the buyer a copy of:
 - a. Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report;
AND
 - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
 - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - c. The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

B. Rights Under the Sales Contract:

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Horizontal Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other _____

If these documents are not in final form, the buyer should ask to see the most recent draft.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS and Hawaii Administrative Rules Chapter 16-107) are available at the Department of Commerce and Consumer Affairs.

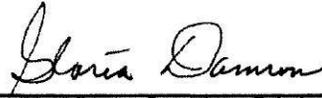
This Public Report is a part of Registration No. 1809 filed with the Real Estate Commission on November 21, 1986.

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.



GLORIA DAMRON, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

EXHIBIT A

Common Elements

- a. The land in fee simple;
- b. All yards, grounds, and planting areas, and landscaping;
- c. The driveway, access areas, and carports which are limited common elements to the units;
- d. All electrical and mechanical equipment and wiring and other central and appurtenant installations for services, including power, lights, sewer, sewer pump system, and water;
- e. All other parts of the Project existing for the common use where necessary to the existence, maintenance, and safety of the Project.

EXHIBIT B

Limited Common Elements

a. The site of each unit consisting of the land beneath and immediately adjacent thereto, as shown and delineated on said Condominium Map, including without limitation, any private area, shall be deemed a limited common element for the sole and exclusive use of the unit to which it is appurtenant.

Note: The land beneath and adjacent to the unit does not represent a legally subdivided lot.

EXHIBIT C

Common Interests

<u>Unit No.</u>	<u>Approximate Net Living Floor Area</u>	<u>Percentage of Common Interest</u>
45-544	1,184.2	33.3333%
45-546	1,678	33.3334%
45-548	1,678	33.3333%

Note: The common interest for an apartment was determined by dividing the common interest by the number of apartments to the extent possible.

EXHIBIT D

Encumbrances Against Title

1. Grant in favor of the State of Hawaii dated September 30, 1960, recorded in Liber 3962 at Page 123; granting a temporary easement to maintain a drainage system and to slope the easement lands along, through, over and under said parcel.

2. Restricted abutter's right of vehicle access into and from Likelike Highway, Federal Aid Secondary Project No. S 0630 (5) (Kalihi Tunnel Project, Kaneohe Approach Road, Section "A"), which rights were conveyed in Deed recorded in Liber 3962, Page 163.

3. Excepting and reserving all rights to water appurtenant to said premises as set forth in Deed recorded in Liber 3363 at Page 189 and in Liber 3372 at Page 431.

4. The rights, if any, of all tenants and others occupying the property, and any right, license, lease or agreement, whether written or oral, to graze or run cattle across the property as set forth in Deed dated April 26, 1985, recorded in Liber 18596 at Page 572.

5. Title to all minerals and metallic mines reserved to the State of Hawaii.

6. Condominium Map No. 1039, filed in the Bureau of Conveyances, State of Hawaii.

7. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions and easements set forth in the Declaration of Horizontal Property Regime dated November 6, 1986, recorded November 13, 1986, in the Bureau of Conveyances, State of Hawaii, in Book 20043, Page 477.

Said Declaration was amended by the following:

<u>DATED</u>	<u>RECORDED</u>	<u>BOOK</u>	<u>PAGE</u>
December 8, 1986	December 10, 1986	20128	247
December 30, 1986	January 5, 1987	20252	183
January 31, 1987	February 3, 1987	20332	645
May 31, 1988	July 11, 1988	22124	399
August 22, 1988	September 8, 1988	22331	478

8. Terms and provisions contained in the By-Laws of the Association of Apartment Owners of Kapalai Hale, dated November 6, 1986, recorded November 13, 1986, in the Bureau of Conveyances, State of Hawaii, in Book 20043, Page 509.

9. Any and all covenants, conditions, restrictions and easements encumbering the apartment herein mentioned, and/or the common interest appurtenant thereto, as created by or mentioned in said Declaration, as amended, and/or in said Apartment Deed, and/or as delineated on said Condominium Map.

* 10. For real property taxes that may be due and owing reference is made to the Office of the Tax Assessor, City and County of Honolulu.

End of Exhibit D

EXHIBIT E

Summary of Sales Contract

The Sales Contract contains the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Project. Among other things, the Sales Contract says:

(a) That the apartment will be subject to the various Horizontal Property Regime documents which the purchaser should examine.

(b) That the purchaser must close the purchase price at a certain date and pay closing costs in addition to the purchase price.

The Sale Contract contains various other provisions with which the Purchaser should become acquainted.

EXHIBIT F

Summary of Escrow Agreement

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement these things will or may happen:

(a) Escrow will let purchaser know when payments are due.

(b) Escrow will arrange for purchasers to sign all necessary documents.

(c) The Escrow Agreement says under what conditions a refund will be made to a purchaser.

(d) The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract.

The Escrow Agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.