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

MANOA VALLEY TOWN HOMES I
3017 and 3021 Manoa Road
Honolulu, Hawaii

Registration No. 1811 (Conversion)

Issued: December 24, 1986
Expires: January 24, 1988

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of December 12, 19 86 **and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.**

Type of Report:

____ **PRELIMINARY:** (yellow) — The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.

__X__ **FINAL:** (white) — The developer has legally created a condominium and has filed complete information with the Commission.
[ ] Supersedes all prior public reports
[ ] Must be read together with _____

____ **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:

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

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

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued.

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. Utility Charges 16
I. Construction Warranties 16
J. Status of Construction 17
K. Project Phases 17
L. Sales Documents Filed with the Real Estate Commission 17

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE 18

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

EXHIBIT A: Amendment of Declaration
EXHIBIT B: Permitted Alteration to Units
EXHIBIT C: Common Elements
EXHIBIT D: Limited Common Elements
EXHIBIT E: Common Interest
EXHIBIT F: Encumbrances Against Title
EXHIBIT G: Summary of Sales Contract
EXHIBIT H: Summary of Escrow Agreement
EXHIBIT I: Estimate of Initial Maintenance Fees and Estimate of Maintenance Fee Disbursements
EXHIBIT J:

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:

Individual dwellings and the underlying land will be in fee simple.

Type of Project:

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

2. [x] Residential [ ] Commercial
   [ ] Mixed Residential and Commercial
   [ ] Other _____

3. [ ] High Rise (5 stories or more) [x] Low Rise

4. [ ] Single or [x] Multiple Buildings

5. Apartment Description

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
Unit 3017	1	2/1	844	
Unit 3021	1	2/1	1,129	

Total Apartments: Two (2)

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

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

6. Parking:

	Number of Stalls
Assigned Stalls (Individual Units)	5
Guest Stalls	
Unassigned Stalls	
Extra Stalls Available for Purchase	
Other: _____	
Total Parking Stalls	5

7. Recreational amenities: None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: THE GREAT MAHELE LAND COMPANY, INC.
Name
1515 Nuuanu Avenue, Queen 90
Business Address
Honolulu, Hawaii 96817
Phone: 521-7742 (Business)

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

President	Steven Boggs
Vice President	H. Edward Hampton
Secretary	Renee Hampton
Treasurer	Sandy Byrnes

Real Estate Sales Agent: HEH, INC.
Name
1515 Nuuanu Avenue, Queen 90
Business Address
Honolulu, Hawaii 96817
Phone: 521-7742 (Business)

Escrow: SECURITY TITLE CORPORATION
Name
1001 Bishop Street, Suite 1200, Pacific Tower
Business Address
Honolulu, Hawaii 96813
Phone: 521-9511 (Business)

Managing Agent: None
Name
Business Address
Phone: (Business)

Attorney for Developer: WOO KESSNER DUCA & MAKI
Name
19th Floor, Central Pacific Plaza
Business Address
220 South King Street
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 _____ Page _____
[x] Filed — Land Court — Document Number 1418961

Amendment date(s) and recording/filing information:

First Amendment dated November 25, 1986 recorded on December 8, 1986 as Document No. 1421343.

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. _____
[x] Filed — Land Court Condo Map No. 520

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 _____ Page _____
[x] Filed — Land Court — Document Number 1418962

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 [x] Adopted

[ ] Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

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

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

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%	75%
Bylaws	65%	65%
House Rules	--	Amended by 2/3 vote of the Board of Dirctors

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

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

See Exhibit "A" attached hereto.

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

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

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

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

Exhibit _____ contains further explanations.

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

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

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

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

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

Exhibit _____ contains further explanations.

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

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

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

[ ] Other:

For Subleaseholds:

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

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

B. **Underlying Land:**

Address: 3017 and 3021 Manoa Road
Honolulu, Hawaii 96822

Tax Map Key: 1-2-9-30-65 (TMK)

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

Land Area: 12,678 [x] square feet [ ] acre(s)

Zoning: R-4

Fee Owner: THE GREAT MAHELE LAND COMPANY, INC.
name
1515 Nuuanu Avenue, Queen 90
address
Honolulu, Hawaii 96817

Sublessor: _____
name
_____
address
_____

C. **Buildings and Other Improvements:**

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

2. Buildings: two Floors Per Building: one

   [ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

   [ ] Concrete [ ] Hollow Tile [x] Wood

   [ ] Other _____

4. Permitted Uses:

	No. of Apts.		No. of Apts.
[ ] Commercial	_____	[ ] Industrial	_____
[x] Residential	2	[ ] Agricultural	_____
[ ] Timeshare/Hotel	_____	[ ] Recreational	_____
[ ] Other: _____			_____

5. Special Use Restrictions:

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

[x] Pets: One (1) dog or one (1) cat, aquarium fish and a pair of small birds.

[ ] Number of Occupants: _____

[ ] Other: _____

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments Two

Elevators --- Stairways --- Trash Chutes ---

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
3017	1	2/1	844	---
3021	1	2/1	1,129	---

*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:

One freehold estate is hereby designated in each of the two (2) units contained in the project, within the outside surfaces of the exterior walls and roof and the bottom surfaces of the footing and foundations of each dwelling.

Permitted Alterations to Apartments:

See Exhibit "B" attached hereto.

7. Parking Stalls:

Total Parking Stalls: Five (5)

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	5						5
Guest							
Unassigned							
Extra Available for Purchase							
Other:							
Total Covered & Open	5						

Each apartment will have the exclusive use of at least two parking stall(s). Buyers are encouraged to find out which stall(s) will be available for their use.

[ ] Commercial parking garage permitted in condominium project.

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

8. Recreational and Other Common Facilities:

[x] There are no recreational or common facilities.

[ ] Swimming pool

[ ] Recreation Area

[ ] Tennis Court

[ ] Storage Area

[ ] Laundry Area

[ ] Trash Chute

[ ] Other: _____

_____

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

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

(1) The structures appear to be in good condition and no major structural defects are noticed.

(2) The electrical and mechanical systems and the plumbing systems appear to be functioning properly.

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

Investigation by the Building Department, City and County of Honolulu, revealed that the single family dwellings met applicable code requirements at the time of construction.

10. Conformance to Present Zoning Code

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

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

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

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

	Conforming	Non-Conforming	Illegal
Uses		x	
Structures		x	
Lot		x	

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

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

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

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

   Exhibit C 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.

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

   [x] described in Exhibit D

   [ ] 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.

   [x] Exhibit E 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 F describes the encumbrances against the title contained in the title report dated _____.

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.

Type of Lien	Effect on Buyer's Interest If Developer Defaults
Mortgage in favor of First Interstate Bank of Hawaii	Termination of Buyer's interest

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: None

[ ] 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 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 I 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:

[ ] Electricity [ ] Television Cable

[ ] Gas [ ] Water & Sewer

[ ] 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:

No warranties for fitness and use or merchantability or any other warranties are made as to either the units or common elements of the project. The units are sold "as is".

2. Appliances:

Developer warrants that appliances are in working condition with the exception of one burner on the range located in Unit 3017. No other warranties, either express or implied, are given.

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

K. **Project Phases:**

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

Summary of Developer's Present Plans for Future Development:

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

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

[ ] Notice to Owner Occupants

[x] Specimen Sales Contract

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

[x] Escrow Agreement dated _____

Exhibit H 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. 1811 filed with the Real Estate Commission on December 12, 1986.

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

[ ] yellow paper stock [x] 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 and County of Honolulu
Planning Department, City and County of Honolulu
Federal Housing Administration
Escrow Agent

EXHIBIT "A"

AMENDMENT OF DECLARATION

Except as otherwise provided herein and in particular in Paragraph 21 for the reconstruction or rebuilding of Dwellings or as provided for in said Horizontal Property Act, this Declaration may be amended by an instrument filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, signed, verified and acknowledged by the President or Vice-President, and Secretary or Treasurer of the Association of Owners of the Project, setting forth the amendment involved and that such amendment has been approved by at least seventy-five percent (75%) of the Unit owners at a meeting of the Association of Owners duly called and held for that purpose. Notwithstanding the foregoing, however, if (1) at any time prior to the first filing in the Office of the Assistant Registrar of the Land Court of the State of Hawaii of a conveyance of a Unit, the Declarant may amend this Declaration (including all Exhibits) and the By-Laws in any manner, without the consent of any Unit purchaser; and (2) at any time thereafter, the Declarant may amend this Declaration (and when applicable, the Condominium File Plan) to file the "As Built" verified statement required by Section 514A-12 of the Act (i) so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plan thereto filed fully and accurately depicts layout, location, Unit numbers, and the dimensions of an improvement or change in a Dwelling as built; or (ii) so long as the plans filed therewith involve only immaterial changes to the layout, location, or dimensions of the Dwellings as built or any change in any Unit number. In case of a modification or amendment to the By-Laws, this Declaration shall be amended to set forth such modification or amendment pursuant to such percentage vote as required by the By-Laws which render the modification or amendment thereof effective.

EXHIBIT "B"

PERMITTED ALTERATIONS TO UNITS

A. Changes to Dwellings. Notwithstanding anything to the contrary contained in this Declaration,

(1) The Declarant reserves to itself, its successors and assigns, and subsequent owners, the right at any time after the date of this Declaration, at their sole discretion to amend this Declaration by reconstructing or rebuilding the Dwellings on the Units designated on the Condominium File Plan in accordance with all ordinances, codes, rules or regulations in force at the time of construction, which right to rebuild shall be transferable, and

(2) Each Dwelling owner has the right at his sole option at any time and from time to time without the consent of anyone other than the holders of all liens affecting his Dwelling, to improve, renovate, remodel, make additions to, remove, replace or restore the improvements to or in his Dwelling or portions thereof,

(3) The foregoing (1) and (2) are referred to collectively as "changes" and are subject to the following conditions:

(a) All building plans for any such changes must be prepared by a licensed architect or professional engineer and conform with building or zoning laws and other applicable City and County ordinances, rules and regulations;

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

(c) No change may reduce the distance between improvements placed on each Dwelling to less than that required under the applicable City and County ordinances, rules and regulations and will only be made within the Dwelling Lot to which the Dwelling is appurtenant;

(d) No change shall impair any easement or hereditament or detract from the appearance of the Project;

(e) All such changes shall be at the expense of the Dwelling owner making the change and such shall be expeditiously made and in a manner that will not unreasonably interfere with the other owners' use of their Units;

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

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

(h) If the Declaration is amended to accomodate any reconstruction or rebuilding, then the common interest appurtenant to each Unit shall not be changed;

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

(j) The owner of any changed Dwelling shall have the right and duty without the consent or joinder of any other person to amend and shall be required to amend this Declaration and the Condominium File Plan to accomplish any such changes. If required by the Act, then promptly upon completion of such changes, the owner of the

changed Dwelling or the Declarant, as the case may be, shall duly record any amendment to this Declaration with the Office of the Assistant Registrar of the Land Court of the State of Hawaii, together with a complete set of the floor plans of the Project as so altered, certified as built by a registered architect or professional engineer. All existing Dwelling owners and all future Dwelling owners and their mortgagees, by accepting an interest in a Dwelling, shall be deemed to have given the Declarant and all other Dwelling owners a Power of Attorney to execute an amendment to the Declaration solely for the purpose of describing the changes to any Dwelling on the Declaration so that the Declarant and each Dwelling owner shall hereafter have a Power of Attorney from all the other Dwelling Owners to execute such amendment to the Declaration. This Power of Attorney shall be deemed coupled with each owner's interest in his Dwelling (including his common interest) and shall be irrevocable; and

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

B. Changes to Other Than Dwellings. Except as to changes to a Dwelling, changes to the Project or any building thereof or construction of any additional building or structural alteration or addition to any building, different in any material respect from the Condominium File Plan of the Project, shall be undertaken by the Association of Owners only pursuant to an amendment of this Declaration, duly executed by or pursuant to vote of all the Dwelling owners and accompanied by the written consent of the holders of all liens affecting any of the Dwellings, and in accordance with complete plans and specifications therefor first approved in writing by the Board, and promptly upon completion of such restoration, replacement or construction, the Association shall duly file such amendment in said Office, together with a complete set of the floor plans of the Project as so altered, certified as built by a registered architect or professional engineer.

EXHIBIT "C"

COMMON ELEMENTS

Common elements shall include the limited common elements described below and all other portions of the Property, excluding those items defined as part of any Dwelling hereof, but including the portion of land on which the Dwellings are located and all elements mentioned in the Act which are actually constructed on the land, and specifically shall include, but not be limited to:

(a) The land in fee simple;

(b) The driveways, access areas, and parking areas which are limited common elements to the Units;

(c) All electrical and mechanical equipment and wiring and other central and appurtenant installations for services, including power, lights, and water; and

(d) All other portions of the land and improvements not specifically heretofore designated as Dwellings, but which are intended for common use and all other devices and installations existing for or rationally of common use or necessary to the existence, maintenance and safety of the Project.

EXHIBIT "D"

LIMITED COMMON ELEMENTS

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

(a) The site of each Dwelling called "Dwelling Lot", and consisting of the land beneath and immediately adjacent thereto, as shown and delineated on said Condominium File Plan, including without limitation, any garage and other parking space shall be deemed a limited common element for the sole and exclusive use of the Dwelling to which it is appurtenant.

EXHIBIT "E"

COMMON INTERESTS

Each Dwelling shall have appurtenant thereto an undivided percentage interest in all the common elements of the Project as follows:

Unit No.	Percentage of Common Interest
3017	50%
3021	50%

Each Unit shall have said percentage interest in all common profits and expenses of the Project and for all other purposes, including voting on all matters requiring action by the Dwelling owners.

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

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

2. That certain Mortgage, Security Agreement and Financing Statement dated November 3, 1986, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1414952, in favor of First Interstate Bank of Hawaii, a Hawaii corporation.

3. Condominium Map No. 620 filed in said Office of the Assistant Registrar of the Land Court.

4. The restrictions, covenants, agreements, obligations, conditions, easements and other provisions set forth in Declaration of Horizontal Property Regime dated November 25, 1986, filed in said Office of the Assistant Registrar as Document No. 1418961.

5. The restrictions, covenants, agreements, obligations, conditions and other provisions set forth in Bylaws of the Association of Owners of Manoa Valley Town Homes I dated November 25, 1986, filed in said Office of the Assistant Registrar as Document No. 1418962.

EXHIBIT "G"

SUMMARY OF SALES CONTRACT

The sales contract contains the price, description and location of the unit to be conveyed, and other terms and conditions under which a buyer will agree to buy a unit in the Project. Among other things, the sales contract states:

(a) What a buyer must do to qualify for a loan if the buyer wants a mortgage loan to cover part of the purchase price.

(b) That a buyer must pay 5% of the total purchase price within ten (10) days after the execution of the sales contract.

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

(d) That seller makes no representations or warranties, express or implied, and buyer accepts possession of the property in "as is" condition.

(e) What will happen if there is a default under the sales contract.

EXHIBIT "H"

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement between the Developer and Security Title Corporation sets up an arrangement under which the deposits which a buyer makes under a sales contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement the following will or may happen:

(a) Escrow will collect all payments due pursuant to each sales contract.

(b) Escrow will deposit all monies received pursuant to a sales contract in a special account with a financial institution in Honolulu, Hawaii.

(c) Escrow will let buyers know when payments shall be due.

(d) Escrow will arrange for and supervise the execution of all necessary documents for each sales transaction.

(e) The Escrow Agreement states under what conditions refund will be made to buyers and provides for payment of cancellation fees.

(f) The Escrow Agreement states what will happen to a buyer's funds upon default under a sales contract.

The Escrow Agreement prescribes the procedure for receiving and disbursing buyers' funds and contains various other provisions and establishes certain charges all of which buyers and prospective buyers should review and become familiar with.

EXHIBIT I

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Apartment	Monthly Fee	x 12 months =	Yearly Total
3017	$-0-		$-0-
3021	$-0-		$-0-

[ ] 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 1/	$-0-	$-0-
Air Conditioning		
Electricity		
[ ] common elements only		
[ ] common elements and apartments		
Gas		
Refuse Collection		
Telephone		
Water and Sewer		
Maintenance, Repairs and Supplies	$-0-	$-0-
Building		
Grounds		
Management	$-0-	$-0-
Management Fee		
Payroll and Payroll Taxes		
Office Expenses		
Insurance 2/	$-0-	$-0-
Reserves	$-0-	$-0-
Taxes and Government Assessments	$-0-	$-0-
Audit Fees	$-0-	$-0-
Other		
TOTAL	$-0-	

I/We, THE GREAT MAHELE LAND COMPANY, 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.

THE GREAT MAHELE LAND COMPANY, INC.

By _____

Its PRES

Date: _____

1/ All utilities will be separately metered or otherwise charged, and the common elements will incur no separate utility charge.

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