



**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

NAHALEKEHA
Onikiniki Place
Aiea, Hawaii

Registration No. 1815

Issued: December 30, 1986
Expires: January 30, 1988

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of December 12, 1986 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 _____
 - Final Public Report dated _____
 - Supp. Public Report dated _____
- And Supersedes all prior public reports
 Must be read together with _____
- This report reactivates the _____
public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required Not Required -- disclosures covered in this report.

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.

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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:

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

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 See Exhibit "A" attached hereto for details. Summary below:

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
26 Types	29	2 and 3 BR	1414-2058 S.F.	24-378 S.F.
_____	_____	2 and 2-1/2 Bath	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 29

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

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

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	58 (each unit has a 2-car garage)
Guest Stalls	<u>22</u>
Unassigned Stalls	<u>-0-</u>
Extra Stalls Available for Purchase	<u>-0-</u>
Other: _____	_____
Total Parking Stalls	<u>80</u>

7. Recreational amenities: Pavilion consisting of conference room/lounge, two restrooms, kitchen and deck

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Jear Sieglar, Inc. Phone: 521-8781
Name (Business)
700 Bishop St., Ste. 1112
Business Address
Honolulu, HI 96813

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

Charles K. Hamane - Vice President
Henry F. Alves - Vice President
G. Russ Lambing - Vice President

Real Estate	Properties	Holman & Sayles
Sales Agent:	Unlimited, Inc.	Realty, Inc.
	Name <u>4510 Salt Lake Blvd.</u>	<u>98-211 Pali Momi St.</u>
	<u>Suite B-4</u>	<u>Suite 411</u>
	Business Address	
	<u>Honolulu, HI 96818</u>	<u>Honolulu, HI 96701</u>
Business		
Phone:	<u>487-3855</u>	<u>487-0008</u>

Escrow: Founders Escrow & Title of Hawaii Phone: 531-0226
Name (Business)
900 Fort Street, Suite 1000
Business Address
Honolulu, HI 96813

Managing Agent: Certified Management Phone: 487-7941
Name (Business)
98-1238 Kaahumanu St., Suite 404
Business Address
Pearl City, HI 96782

Attorney for Developer: Alfred M. K. Wong/Okumura Takushi Funaki & Wee Phone: 543-9800
Name (Business)
733 Bishop St., Suite 1400
Business Address
Honolulu, HI 96813

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

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

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

The Declaration for this condominium is:

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

Amendment date(s) and recording/filing information:

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

The Condominium Map for this condominium project is:

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

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 _____
 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>67%</u>
House Rules	-	<u>By Board action</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:

Paragraph 19 of the Declaration provides:

"...that the Developer expressly reserves the right to successively amend this Declaration without the consent or joinder of persons then owning or leasing the apartments (i) by filing an amendment to this Declaration pursuant to the provisions of Section 514A-12, Hawaii Revised Statutes, after completion of the buildings described herein, by attaching to such amendment a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed or being filed simultaneously with such amendment fully and accurately depict the layout, location, apartment numbers and dimensions of the apartments as built; or (ii) as may be required by law, the Real Estate Commission of the State of Hawaii, any title insurance company issuing a title insurance policy on the project, or any institutional lender lending funds on the security of the project or any of the apartments thereof; provided, however, that no such amendment which would change the common interest appurtenant to an apartment or substantially change the design, location or size of an apartment shall be made without the consent to and joinder in such amendment by the owner of such apartment and all others, if any, having any interest therein."

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: Onikiniki Place Tax Map Key: 1-9-8-11 por 10
(TMK)

Address TMK is expected to change because the City is in the process of giving each of the 29 units a separate address.

Land Area: 5.9 [] square feet [] acres Zoning: R-4
2.8 [] square feet [] acre(s) P-1 (for Recreational Use)
8.7 Acres

Fee Owner: Trustees of the Estate of Bernice Pauahi Bishop (to be purchased by Developer)
name
567 South King Street, Suite 200
address
Honolulu, HI 96813

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: 31 Floors Per Building: 1 or 2
29 residential buildings, 1 pavilion and 1 gatehouse
 Exhibit _____ contains further explanations.

3. Principal Construction Material:

- Concrete Hollow Tile Wood
 Other _____

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>29</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, rabbits, bees, pigs, pigeons or other
- Number of Occupants: animals whatsoever shall be allowed except dogs
- Other: or cats or other household pets not to exceed two in number.
- There are no special use restrictions.

6. Interior (fill in appropriate numbers): See Exhibit "A" attached hereto.

Total Apartments 29

Elevators 0 Stairways 0 Trash Chutes 0

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
26 Types	29	2 and 3 BR	1414-2058 S.F.	24-378 S.F.
		2 and 2-1/2 Bath		

*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:

Entire building.

Permitted Alterations to Apartments:

See Exhibit "B".

7. Parking Stalls:

Total Parking Stalls: 80

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for individual units)	<u>58</u>	<u> </u>	<u>58</u>				
Guest Unassigned	<u> </u>	<u>16</u>	<u> </u>	<u>6</u>	<u> </u>	<u> </u>	<u>22</u>
Extra Available for Purchase	<u> </u>	<u>0</u>					
Other:	<u> </u>						
Total Covered & Open	<u>74</u>	<u> </u>	<u>6</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Each apartment will have the exclusive use of at least 2 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.
- * Each apartment includes a two-car garage.

8. Recreational and Other Common Facilities:

- There are no recreational or common facilities.
- Swimming pool
- Recreation Area
- Tennis Court
- Storage Area
- Laundry Area
- Trash Chute
- Other: Passive recreation in 10,501 square feet which includes a pavilion consisting of conference room/lounge, restrooms, kitchen and deck

9. Present Condition of Improvements

(For conversions of residential apartments in existence for five years): Not applicable.

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

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

10. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

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

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

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

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

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

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

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

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

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

Exhibit "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.

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

described in Exhibit _____

as follows:

The driveway of each respective apartment shall be appurtenant to each apartment.

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

Exhibit _____ describes the common interests for each apartment.

as follows:

Each apartment shall have appurtenant thereto an undivided one-twenty-ninth (1/29) interest. The common interest is based upon each of the 29 apartments having an identical interest.

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 December 1, 1986.

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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Not Applicable

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 _____

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 "E" contains a schedule of maintenance fees and maintenance fee disbursements.

H. Utility Charges for Apartments:

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

- | | |
|--------------------------------------|---|
| <input type="checkbox"/> Electricity | <input type="checkbox"/> Television Cable |
| <input type="checkbox"/> Gas | <input 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:

No warranties are given by Developer. Developer will pass on to Buyer any warranties given by the Contractor. See Exhibit "F".

2. Appliances:

No warranties given by Developer. Developer will pass on warranties of the Manufacturer. See Exhibit "F".

J. Status of Construction and Estimated Completion Date:

Site work underway - expected completion 1/15/87.
Building Construction: 2/15/87 - 9/15/88.

K. Project Phases:

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

Summary of Developer's Present Plans for Future Development:

L. Sales Documents Filed with the Real Estate Commission:

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

Notice to Owner Occupants

Specimen Sales Contract

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

Escrow Agreement dated December 12, 1986

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. 1815 filed with the Real Estate Commission on December 12, 1986.

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

yellow paper stock white paper stock pink paper stock

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

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



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

Distribution:

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

NAHALEKEHA APARTMENT AREAS

<u>Apt.</u>	<u>Interior</u>	<u>Garage</u>	<u>Entryway/ Lanai (If Any)</u>	<u>Total</u>
1	1,843	445	88	2,376
2	1,521	484	194	2,199
3	1,521	464	194	2,179
4	1,532	485	193	2,210
5	1,694	452	273	2,419
6	1,659	475	183	2,317
7	1,659	475	183	2,317
8	1,521	477	378	2,376
9	1,532	477	378	2,387
10	1,521	464	194	2,179
11	1,521	484	194	2,199
12	1,521	484	194	2,199
13	1,521	484	194	2,199
14	1,611	574	273	2,458
15	1,611	574	273	2,458
16	1,414	462	235	2,111
17	1,414	462	235	2,111
18	1,656	459	205	2,320
19	1,532	485	193	2,210
20	1,532	485	193	2,210
21	1,521	464	194	2,179
22	1,521	477	378	2,376
23	1,532	477	378	2,387
24	1,521	477	378	2,376
25	1,532	485	193	2,210
26	1,784	444	280	2,508
27	2,058	444	280	2,782
28	1,784	480	220	2,484
29	1,676	468	24	2,168

NOTE: All areas shown in square feet.

<u>Apartment Number</u>	<u>Model Number</u>	<u>Family Room</u>	<u>Covered Deck</u>	<u>Covered Lanai</u>	<u>Study</u>	<u>Number Floors</u>
1	E-Modified				X	2
2	Hr					1
3	Cr					1
4	Kr					1
5	F-Modified			X		2
6	E-1					Split-Level
7	E					Split-Level
8	J		X			Tri-Level
9	J-1		X			1
10	C		X			1
11	H-1					1
12	H					1
13	H-1					1
14	F-1r					1
15	F					GarageBsmnt
16	D	X		X		1
17	D-1	X		X		1
18	G	X				1
19	K-1		X			1
20	K		X			Split-Level
21	C		X			1
22	J		X			1
23	J-1		X			1
24	J		X			1
25	K		X			1
26	B		X			1
27	L	X	X			Loft
28	B-Modified					Split-Level
29	A	X				1

1. All apartments have a living room, dining room, kitchen, covered entry, foyer, 2 bathrooms and two-car garage.
2. All apartments are 3-bedroom apartments except Model D and E apartments, which have 2 bedrooms.
3. All apartments have 2 baths except Model E-modified, F and F-1r, which have 2-1/2 baths.

PERMITTED ALTERATIONS TO APARTMENTS

Paragraph 17 of the Declaration provides as follows:

"17. Alteration of Project. Restoration or replacement of the project or of any building, or construction of any additional building or structural alteration or addition to any structure, different in any material respect from said Condominium Map of the project, shall be undertaken by the Association or any apartment owners only pursuant to an amendment of this Declaration, duly executed by or pursuant to the affirmative vote of seventy-five per cent (75%) of the apartment owners and accompanied by the written consent of seventy-five per cent (75%) of the holders of first mortgage liens affecting any of the apartments, 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 record or file of record such amendment together with a complete set of floor plans of the project as so altered, certified as built by a registered architect or professional engineer; PROVIDED, HOWEVER, that notwithstanding any other provision in this Declaration to the contrary, the owner of an apartment may make any alterations or additions within an apartment. Such alterations shall require only the written approval thereof, including the apartment owner's plans therefor, by the holders of first mortgage liens affecting such apartments (if the lien holders require such approval), by the appropriate agencies of the State of Hawaii and the City and County of Honolulu if such agencies so require, by the Board (which approval by the Board shall not be unreasonably or arbitrarily withheld), and by all other apartment owners thereby directly affected (as determined in a reasonable manner by the Board) and such alterations may be undertaken without an amendment to this Declaration or filing of a complete set of floor plans of the project as so altered."

Article VI of the By-Laws provide as follows:

"ARTICLE VI

ARCHITECTURAL CONTROL

Section 1. Appointment of Architectural Committee. The Board of Directors shall appoint an Architectural Committee, consisting of not less than three (3) members, who shall be owners and who shall serve at the pleasure of the Board. The members of such Committee shall not be entitled to any compensation for services performed pursuant to this covenant. Said representatives may be the members of the Board of Directors of the Association.

The Committee in its discretion, may promulgate from time to time standards as to landscaping, building, fences, walls or other structures that do not conflict with provisions of the Declaration or these bylaws.

EXHIBIT "B"

Page 1

Section 2. Architectural Approval. No building, fence, wall or other structure shall be erected or maintained upon the project, nor shall any exterior addition to or change or alteration therein, including patio covers and antennas, be made until the plans and specification showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Committee and the Board.

Section 3. Landscaping Approval. No trees, bushes, shrubs or plants which at maturity, and without clipping or pruning thereof, would exceed the height of the apartment shall be planted or emplaced until the plans and specifications for the placement of any such trees, bushes, shrubs or plants have been submitted to and approved in writing by the Architectural Committee and the Board as to the preservation of the natural view and aesthetic beauty which each apartment is intended to enjoy. Said plans as submitted shall show in detail the proposed elevations and locations of said trees, bushes, shrubs or plants, including the location and elevation of same in relation to all other apartments subject to these restrictions. Approval of said plans by the Architectural Committee and the Board may be withheld if in the reasonable opinion of the Committee and the Board the view of any apartment would be impeded by the location of such tree, bush, shrub or plant, or in any other manner. In any event, the Architectural Committee and the Board shall have the right to require any member to remove, trim, top, or prune any tree, or shrub, which in the reasonable belief of the Architectural Committee and the Board impedes or detracts from the view of any apartment.

Section 4. Lanai Structures and Sun Shades. Structures in this section shall be designed to continue and/or complement architectural features of the apartment. The exterior appearance of the addition shall be built and finished to match the color and trim of the apartment. No such structure shall be built or sun shade installed without the prior written approval of the Board.

Section 5. Repainting. All repainting of exterior surfaces must have the prior written approval of the Board.

Section 6. Consents. The Architectural Committee and the Board are required to reply to requests within a reasonable period of time. In the event that the Committee and the Board fail to approve or disapprove of plans and specifications and design within sixty (60) days after said plans and specifications have been submitted to it, approval will not be required, and this Article will be deemed to have been fully complied with."

COMMON ELEMENTS

The Declaration provides as follows:

"5. Common Elements. One freehold estate is hereby designated in all of the remaining portions and appurtenances of the project, herein called the "common elements", including specifically, but not limited to:

(5.01) Said land in fee simple.

(5.02) All yards, grounds and landscaping, roads, and walkways.

(5.03) All ducts, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities, installations over, under and across the project which serve more than one apartment for services such as power, light, water, gas, sewer, telephone and radio and television signal distribution.

(5.04) Any and all apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

(5.05) The twenty-two (22) parking stalls for guest parking.

(5.06) The park area of approximately 10,501 square feet, including the private conference lounge building; subject, however, to all of the terms and conditions of the Declaration of Restrictive Covenants (Private Park) dated December 10, 1985, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 19627 at Page 512, including without limitation, the obligation to contribute proportionately to the perpetual maintenance thereof."

ENCUMBRANCES AGAINST TITLE

1. For taxes that are due and owing, reference is made to the Office of the Finance Director, City and County of Honolulu.
2. The following existing easements affecting LOT 236, as designated on File Plan No. 1091 and affecting LOT 6, as shown on File Plan No. 1794:
 - a) Easement 14 for drainage purposes affecting LOT 3;
 - b) Easement 20 for flowage purposes affecting LOT 3;
 - c) Easement 21 for flowage purposes affecting LOT 3; and
 - d) Easement 24 for road access and water pipeline purposes affecting LOTS 1 and 2.
3. An existing easement for flowage purposes following along a 50-foot flowage setback line from the middle of Kalauao Stream and affecting LOT 3.
4. The following easements affecting LOT 71, as designated on File Plan No. 1127 and affecting LOT 6, as shown on File Plan No. 1794:
 - a) Easement G for drainage purposes affecting LOT 3;
 - b) Easement K for drainage purposes affecting LOT 3;
 - c) Easement N for flowage purposes affecting LOT 3;
 - d) Easement P for flowage purposes affecting LOT 3; and
 - e) Easement Q for flowage purposes affecting LOT 3.

5. Designation of the following easements as shown on File Plan No. _____:
- a) Easement A for access and utility purposes over and across LOTS 1 and 2;
 - b) Easement B for public access purposes affecting LOT 1;
 - c) Easement C for access and utility purposes affecting LOT 1;
 - d) Easement D for access and utility purposes affecting LOT 1;
 - e) Easement E for access and utility purposes affecting LOT 1; and
 - f) Easement F for vehicular, public access and utility purposes over and across LOT 2.
6. Grant dated July 31, 1969, recorded on September 19, 1969 in the Bureau of Conveyances of the State of Hawaii in Book 6689 Page 117, in favor of the CITY AND COUNTY OF HONOLULU, a municipal corporation of the State of Hawaii, and the BOARD OF WATER SUPPLY, granting non-exclusive easements, etc., to construct, etc., an underground water pipeline, etc., through, under and across Easement 24, (also affects other property). Joinder and Consent thereto.
7. Grant dated July 31, 1969, recorded on September 19, 1969 in said Bureau of Conveyances in Book 6689 Page 134, in favor of the CITY AND COUNTY OF HONOLULU, a municipal corporation of the State of Hawaii, and the BOARD OF WATER SUPPLY, granting a non-exclusive easement, etc., to construct, etc., an underground water pipeline, etc., and for road access purposes to be use for vehicular and pedestrian ingress and egress purposes over, through, under, across and on Easement 23; Subject to the interests of all other parties who have rights on or over said roadway right of way. Joinder and Consent thereto.
8. Grant dated July 31, 1969, recorded on March 2, 1970 in said Bureau of Conveyances in Book 6911 Page 362, in favor of the CITY AND COUNTY OF HONOLULU, a municipal corporation of the State of Hawaii, granting an easement to construct, etc., a drainage structure, etc., as part of a drainage system, through, under and across Easement 14, (also affects other property). Joinder and Consent thereto.

9. Grant dated July 31, 1969, recorded on March 2, 1970 in said Bureau of Conveyances in Book 6911 Page 413, in favor of the CITY AND COUNTY OF HONOLULU, a municipal corporation of the State of Hawaii, granting easements for the flowage of storm and surface waters, over, across, under and through Easements 20 and 21.
10. Grant dated February 16, 1970, recorded on March 10, 1970 in said Bureau of Conveyances in Book 6921 Page 6, in favor of HAWAIIAN ELECTRIC COMPANY, INC., a Hawaii corporation, granting an easement to build, etc., pole and wire lines, etc., over, across, through and under LOT 71, as shown on File Plan No. 1127.
11. Grant dated May 15, 1970, recorded on March 2, 1971 in said Bureau of Conveyances in Book 7431 Page 341, in favor of the CITY AND COUNTY OF HONOLULU, a municipal corporation of the State of Hawaii, granting an easement to construct, etc., a drainage structure, etc., as part of a drainage system, through, under and across Easements G and K. Joinder and Consent thereto.
12. Grant dated May 19, 1970, recorded on March 2, 1971 in said Bureau of Conveyances in Book 7431 Page 364, in favor of the CITY AND COUNTY OF HONOLULU, a municipal corporation of the State of Hawaii, granting easements for the flowage of storm and surface waters, over, across, under and through Easements N, P and Q. Joinder and Consent thereto.
13. The conditions as set forth in that certain Certificate and Consent dated October 16, 1979, recorded on October 26, 1979 in said Bureau of Conveyances in Book 14100 Page 662. Consent thereto recorded in Book 14100 Page 663.
14. The conditions as set forth in that certain Certificate and Consent dated February 25, 1985, recorded on March 14, 1985 in said Bureau of Conveyances in Book 18501 Page 95. Consent thereto recorded in Book 18501 Page 96.
15. That certain Unilateral Agreement and Declaration for Conditional Zoning dated March 13, 1985, recorded on March 18, 1985 in said Bureau of Conveyances in Book 18508 Page 777.

16. Grant dated May 23, 1986, recorded on June 30, 1986 in said Bureau of Conveyances in Book 19627 Page 502, in favor of the CITY AND COUNTY OF HONOLULU, a municipal corporation of the State of Hawaii, granting a non-exclusive easement, etc., as access for pedestrian traffic through the subdivision to the mountains, etc..
17. Declaration of Restrictive Covenants (Private Park) as Lease No. 27,611 dated December 10, 1985, recorded on June 30, 1986 in said Bureau of Conveyances in Book 19627 Page 512.
18. The terms and provisions of that certain Lease No. 27,490 dated December 16, 1985, recorded on June 30, 1985 in the Bureau of Conveyances of the State of Hawaii in Book 19627 Page 524, made by and between the TRUSTEES OF THE ESTATE OF BERNICE PAUAHI BISHOP, as Lessor(s), and LEAR SIEGLER, INC. and LEAR SIEGLER PROPERTIES, INC., both Delaware corporation authorized to do business in Hawaii, as Lessee(s), for a term of 27 years from November 1, 1985. (affects LOTS 1 and 2)
19. Terms and conditions contained in that certain Declaration of Restrictive Covenants as Lease No. 27,612 dated December 10, 1985, recorded on June 30, 1985 in said Bureau of Conveyances in Book 19627 Page 553.

EXHIBIT E

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>
1 - 29	\$150.00	\$1,800.00

[] 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
- common elements
and apartments

\$ 250.00 \$ 3,000.00

Gas

Refuse Collection

Telephone

Water and Sewer

38.00 456.00
150.00 1,800.00

Maintenance, Repairs and Supplies

Private Roads

~~Building~~ General

Grounds

Custodial Service & Supplies

957.00 11,484.00
50.00 600.00
1,990.00 23,880.00
50.00 600.00

Management

Management Fee

Payroll and Payroll Taxes

Office Expenses /Admin. Expenses

General Excise Tax

500.00 6,000.00
25.00 300.00
5.00 60.00

Insurance

SMP/Fire Insurance

325.00 3,900.00

Reserves

Taxes and Government Assessments

Audit Fees

10.00 120.00

Other

TOTAL

\$4,350.00 \$52,200.00

I/We, CERTIFIED MANAGEMENT, A Division of AR Corporation, 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.

Robley W. Smith CPM

Date: Dec 12, 1986

WARRANTIES AND CONSTRUCTION DEFECTS

Paragraph F.14 of the Sales Contract provides as follows:

"14. WARRANTIES AND CONSTRUCTION DEFECTS. The execution, delivery and recordation of the Buyer's Apartment Deed shall constitute the assignment by Seller to Buyer of any and all warranties given the Seller by the building contractor or other contractors for the Project, and by any subcontractors or materialmen, including but not limited to said contractor's guarantee of materials and workmanship against faulty or deficient materials and installation for a period of one (1) year after "substantial completion" of the Apartment, as that term is defined in the construction contract for the Project, and the benefit of such warranties shall accrue to Buyer on the designated date of occupancy without further instruments or documents. Seller agrees to cooperate with Buyer during the effective period of any such warranties in asserting any claims based on such warranties. Buyer shall also have the direct benefit of any manufacturer's or dealer's warranties covering the appliances and furnishings in the Apartment. SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, COMMON ELEMENTS, APPLIANCES, FURNISHINGS OR OTHER PRODUCTS, OR ANYTHING INSTALLED IN OR UPON THE PREMISES OR USED IN CONNECTION WITH THE PROJECT IN ANY MANNER, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR PURPOSE OR USE. Buyer expressly acknowledges and agrees that Seller does not adopt the contractor's or manufacturer's warranties, if any, and Seller is not acting as co-warrantor, but merely attempting to pass to Buyer the benefit of such warranties, if any. At Seller's option, an inspection program may be instituted and, if so, Buyer agrees to inspect Buyer's Apartment on a date and at a time to be specified by Seller and upon completion of such inspection, to sign an inspection sheet to be furnished by Seller which shall list all defects or damages to the property, if any. Buyer agrees to accept possession of the property despite the existence of such defects or damages to the property regardless of extent, including but not limited to any defects in appliances and fixtures, which may be listed in said inspection sheet, but which do not render the property uninhabitable. Seller will cooperate with and assist Buyer in having legitimate listed defects or damages corrected or repaired within a reasonable time thereafter by the building contractor or other warrantor. This guarantee shall survive the closing. Buyer agrees to indemnify Seller for any damages or losses, including interest and attorney's fee, resulting from any refusal to make such inspection, to sign such inspection sheet or to accept possession of the property upon request by Seller and if Buyer shall make any such refusal, Buyer shall be deemed to be in default under this Agreement and Seller at Seller's option shall be entitled to cancel this Agreement and keep all payments made hereunder as liquidated damages. Buyer hereby waives all rights of inspection and rights to Seller's cooperation and assistance with the building contractor or other warrantors if Buyer fails to inspect Buyer's Apartment on the date and time specified by Seller and Buyer acknowledges that such waiver shall not in any way affect Buyer's obligations hereunder, including without limitation the making of Payments B, C and D and performance of Buyer's closing obligations."

EXHIBIT "F"

SUMMARY OF SALES CONTRACT PROVISIONS

The Deposit Receipt, and Sales Contract (the "Sales Contract") used in connection with the Project contains, among other things, acknowledgments by each purchaser that: (i) Time is of the essence in the Sales Contract, and if Purchaser fails to perform any obligations required in the Sales Contract, the Developer may, upon written notice of 10 days, terminate the Sales Contract and keep all sums previously paid by Purchaser as liquidated damages; (ii) that the Developer has authorized no agents, salesmen or brokers to make any representations as to rental or other income from any apartment or any other economic benefit, including possible advantages from the ownership of an apartment under federal or state tax laws, to be derived from the purchase of an apartment in the Project; (iii) that the purchaser acknowledges that no such representations or warranties have been made and that the Developer expressly disclaims and repudiates any representation from any source as to any possible economic benefit arising from ownership of an apartment in the Project; (iv) that all interest on deposits in Escrow belong to Seller; and (v) that paragraph I.7. pertaining to closing costs and expenses of sale, provides as follows:

"7. CLOSING COSTS; EXPENSES OF SALE. Buyer further agrees to pay all notary and recording fees, cost of credit report, cost of preparing the Apartment Deed, note(s) and mortgage(s), loan finance fees, conveyance taxes, the cost of any required title insurance, one-half (1/2) of Escrow Agent's fees, and Buyer's share of maintenance fees payable to the Association of Apartment Owners (the "Association") including the first month's fee and start-up fee. The start-up fee shall be a single assessment to each apartment owner and shall be in addition to the normal monthly assessment as determined to be necessary by the Managing Agent. The start-up fee shall be equal to a minimum of two months' maintenance fees. All of the payments referred to herein shall be paid to Escrow Agent at the time of preclosing. "Preclosing" shall be the date specified by Escrow Agent when all closing documents are ready for signature by Buyer prior to actual closing."

Buyer is cautioned that this is a brief summary of some of the provisions of the Sales Contract and Buyer should carefully read the Sales Contract for Buyer's rights and obligations therein.

SUMMARY OF ESCROW AGREEMENT PROVISIONS

Among other provisions, the Escrow Agreement provides as follows:

"5. Return of Funds to Buyer; Return of Documents. A Purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to Purchaser, without interest and after deducting all costs incurred by or chargeable to Purchaser or Seller in connection with such Sales Contract, including without limitation, reasonable attorney's fees, if one of the following has occurred:

(a) Seller requests Escrow to return to Purchaser the funds of Purchaser then being held hereunder by Escrow; or

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

Upon return of such funds to Purchaser, Escrow shall return to Seller, Purchaser's Sales Contract and any conveyancing documents theretofore delivered to Escrow; and thereupon Purchaser shall no longer be obligated under the Sales Contract. Other documents held by Escrow relating to the sale of the Residential Unit identified in such Sales Contract will be returned to the person from whom, or entity from which, they were received."