



**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

COUNTRY CLUB HAWAII

121 Banyan Drive

Hilo, Hawaii

Registration No. 1856 (Conversion)

Issued: May 24, 1988  
Expires: June 24, 1989

**Report Purpose:**

This report is based on information and documents submitted by the developer to the Real Estate Commission as of April 19, 19 88 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:** 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.  
(yellow)
- FINAL:** The developer has legally created a condominium and has filed complete information with the Commission.  
(white)  
 Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_
- SUPPLEMENTARY:** Updates information contained in the  
(pink)  
 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.

No prior reports have been issued by the Commission.

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## GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Horizontal Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Some condominium projects are leasehold. This means that the land or the land, building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

### Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

**SUMMARY OF THE CONDOMINIUM PROJECT**

(cite to appropriate pages  
in text of report)

Interest to be Conveyed to Buyer:

A leasehold apartment and an undivided leasehold interest in the common elements of the project.

**Type of Project:**

1.  New Building(s)  Conversion  
 Both New Building(s) and Conversion
2.  Residential  Commercial  
 Mixed Residential and Commercial  
 Other Mixed Hotel-Resort and Commercial
3.  High Rise (5 stories or more)  Low Rise
4.  Single or  Multiple Buildings
5. Apartment Description (See Exhibit "A" attached hereto and incorporated herein by reference.)

<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 148

\*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)	<u>0</u>
Guest Stalls	<u>0</u>
Unassigned Stalls	<u>59</u>
Extra Stalls Available for Purchase	<u>0</u>
Other: _____	<u>0</u>
Total Parking Stalls	<u>59</u>

7. Recreational amenities:

Swimming pool

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Country Club Hawaii (Apt/Hotel), Inc. Phone: 935-9035  
Name 121 Banyan Drive  
Business Address  
Hilo, Hawaii 96720  
(Business)

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

Alyce S. Arata, President  
Herbert Y. Arata, Secretary/Treasurer

Real Estate Sales Agent: Alyce S. Arata Phone: 935-9035  
Bayshore Realty and Management, Inc.  
Name 121 Banyan Drive  
Business Address  
Hilo, Hawaii 96720  
(Business)

Escrow: Security Title Corporation Phone: 961-5516  
Name 101 Aupuni Street, Suite 229  
Business Address  
Hilo, Hawaii 96720  
(Business)

Managing Agent: KBR Management & Realty, Ltd. Phone: 329-8555  
Name Post Office Box 5260  
Business Address  
Kailua-Kona, Hawaii 96745-5260  
(Business)

Attorney for Developer: Sanford K. Okura  
Name 155 Wailuku Drive  
Business Address  
Hilo, Hawaii 96720

**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 20954 Page 93  
 Filed — Land Court — Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

Amendment dated December 14, 1987, recorded in Liber 21727, page 216

- 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. 1076  
 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 20954 Page 119  
 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>65%</u>
House Rules	—	<u>2/3 of Board of Directors</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:

None

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: March 14, 2015  
Rent Renegotiation Date(s): November 21, 1987 and November 21, 2007

Lease Rent Payable:  Monthly  Quarterly  
 Semi-Annually  Annually

Exhibit B 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: This is a Leasehold project, and at the end of the Apartment Lease, the Lessor (fee property owner) shall own all buildings and other improvements, and the apartment owner is required to deliver over possession of same to the Lessor.

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: 121 Banyan Drive (Hawaii County)  
Tax Map Key: 2-1-5-20 and 23  
(TMK)

Address  TMK is expected to change because \_\_\_\_\_

Land Area: Parcel 1st- .92 acres  
Parcel 2nd- [ ] square feet [ ] acre(s) Zoning: Resort - Hotel  
10,890 sq. ft.

Fee Owner: State of Hawaii--Dept. of Land & Natural Resources  
name  
1151 Punchbowl  
address  
Honolulu, Hawaii 96813

Sublessor: Country Club Hawaii (Apt/Hotel), Inc.  
name  
121 Banyan Drive  
address  
Hilo, Hawaii 96720

**C. Buildings and Other Improvements:**

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

2. Buildings: 1 Floors Per Building: 6

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 checked="" type="checkbox"/> Commercial	<u>6</u>	<input type="checkbox"/> Industrial	_____
<input type="checkbox"/> Residential	_____	<input type="checkbox"/> Agricultural	_____
<input checked="" type="checkbox"/> Timeshare/Hotel	<u>142</u>	<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 household pets are allowed.
- Number of Occupants: No more than 4 in units 423/5, 523/5, 623/5; No more than 2 in any of the other units.
- Other: (See House Rules, attached hereto as Exhibit "C" and incorporated herein by reference.)
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments	<u>148</u>				
Elevators	<u>2</u>	Stairways	<u>2</u>	Trash Chutes	<u>0</u>
<u>Apt. Type</u> (see Exhibit "A")	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>	
_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	

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

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

Boundaries of Each Apartment:

Interior finished surfaces of the perimeter and party walls of the unit space.

Permitted Alterations to Apartments:

Any alterations or additions within a unit or within a limited common element appurtenant to and for the exclusive use of a unit, or of certain units, shall require only the written approval thereof, including the unit owner's plans therefor, by the holder of a first lien affecting such unit (if the lienholder requires such approval), the Board, all other unit owners thereby directly affected (as determined by the Board).



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

29 years

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

The project complies with the Building Code and applicable municipal regulations.

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	<u>  X  </u>	<u>      </u>	<u>      </u>
Structures	<u>  X  </u>	<u>      </u>	<u>      </u>
Lot	<u>  X  </u>	<u>      </u>	<u>      </u>

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

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

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

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

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

Exhibit  D  describes the common elements.

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

There are no limited common elements in this project.

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

described in Exhibit  E

as follows:

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

Exhibit  A  describes the common interests for each apartment.

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 April 8, 1988.

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>
None at present	Purchaser's interest will become subordinate to any future mortgage acquired by the Developer.

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

**H. Utility Charges for Apartments:**

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

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

**I. Construction Warranties:**

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

1. Building and Other Improvements: None

2. Appliances: None

J. Status of Construction and Estimated Completion Date:

Completed

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:

The Developer may apply to the State of Hawaii for approval to use some of the units for Time Sharing purposes. In such event, Developer shall comply with Time Sharing regulations.

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 May 19, 1987 with Security Title Corporation.

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

Other Broker Listing Agreement

#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

1. The lease and estate for years shall be assigned to COUNTRY CLUB HAWAII, INC., as Trustee of the leasehold interests pursuant to Chapter 558, Hawaii Revised Statutes, and for the purpose of being responsible for the payments of the ground lease rents to the State and property taxes to the County of Hawaii.
2. The Condominium Conveyance Documents to be issued for condominium apartments shall terminate at midnight March 14, 2015, unless terminated sooner as provided in the Condominium Conveyance Document.
3. Country Club-Hawaii, Inc., as lessee/trustee shall be responsible for complying with the terms of the State lease and the estate for years.
4. Consent of the State to the Condominium Conveyance Documents conveying Horizontal Property Regime units and the assignment thereof is waived.
5. Country Club-Hawaii, Inc., as lessee/trustee shall comply with all applicable federal, state and county laws or requirements in the establishment and operation of the Horizontal Property Regime.
6. In the event of any conflict in the Condominium Conveyance Document, Bylaws and Declaration with that of the State lease and estate for years, then said State lease shall prevail.
7. Country Club-Hawaii, Inc., as lessee/trustee shall hold harmless the State and agrees to indemnify and defend the State as a result of any claim made by anyone as a result of or resulting from the State's consent to the establishment of the Horizontal Property Regime.
8. Notice of any breach of the State lease need not be given to the purchasers of the Horizontal Property Regime units nor to the security holder thereof.
9. Country Club-Hawaii, Inc., as trustee shall provide liability insurance with the State as co-insured in the amount of \$3,000,000 for each occurrence and \$3,000,000 in the aggregate.

**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 Assignment of Lease; Sales Contract; Broker Listing Agreement; Verification of Architect; Site Plan, Floor Plan, Elevation Plan and Parking; Statement by

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

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.

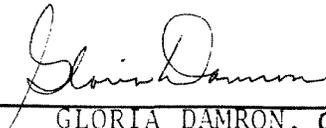
This Public Report is a part of Registration No. 1856 filed with the Real Estate Commission on May 22, 1987.

**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.



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GLORIA DAMRON, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

Bureau of Conveyances  
Department of Finance, County of Hawaii  
Planning Department, County of Hawaii  
Federal Housing Administration  
Escrow Agent

EXHIBIT "A"  
Apartment Description

The net floor areas of the unit spaces hereinafter set forth, are approximate, and are exclusive of the balcony areas which are shown separately. The approximate net floor area of each unit space as set forth hereinafter include the space within the interior finished surfaces of the perimeter and party walls of the unit space, all partitions and walls within the perimeter and party walls, except load bearing walls. All plumbing, mechanical and electrical chases are excluded. The balcony areas are also approximate. The approximate area of a balcony includes the space within the interior face of the balcony walls and railings and to the interior finished surface of the unit to include the window and sliding glass door for the unit abutting the balcony.

The unit space number, location, description, approximate net floor area and other pertinent data relative to the respective unit spaces are as follows:

There are six (6) commercial unit types; namely, Restaurant, Meeting room, Types A, B, F' and K' units. There are one hundred forty-two (142) separate resort-hotel units. There are twenty-four (24) resort-hotel unit types; namely, Types B, B', C, C', D, E, E', E'', E''', F, F'', G, G', H, J, J', K, K', K'', L, L', L'', L''', and M. Types B', C', E', E''', F'', G', H', J', K', L' and L''' units are reverse layouts to Types B, C, E, E'', F, G, H, J, K, L and L'' units respectively. Each of the unit types is a one-story unit.

1. Each Type B and Type B' resort-hotel unit and the Type B commercial unit (bearing space number 204), contains three rooms, being an entry alcove, bedroom and bathroom, plus a balcony. There are a total of eight (8) Type B and eight (8) Type B' resort-hotel units and one (1) Type B commercial unit in the Project. There is one Type B commercial unit on the second floor. There are two (2) Type B and two (2) Type B' resort-hotel units located on the third thru the sixth floors.
2. Each Type C and Type C' resort-hotel unit contains three rooms, being an entry alcove, bedroom and bathroom, plus a balcony. There are a total of four (4) Type C and four (4) Type C' resort-hotel units in the Project. There is one (1) Type C resort-hotel unit and one (1) Type C' resort-hotel unit located on the third thru the sixth floors.
3. Each Type D resort-hotel unit contains three rooms, being an entry alcove, bedroom and bathroom, plus a balcony. There are a total of four (4) Type D resort-hotel units in the Project. There is one (1) Type D resort-hotel unit located on the third thru the sixth floors.
4. Each Type E and Type E' resort-hotel unit contains three rooms, being an entry alcove, bedroom and bathroom, plus a balcony. The Type E'' and Type E''' resort-hotel units have the same three room layout as the Type E and Type E' resort-hotel units respectively, but do not have a balcony. There are a total of ten (10) Type E, thirteen (13) Type E', five (5) Type E'' and two (2) Type E''' resort-hotel units in the Project. There are two (2) Type E resort-hotel units located on the second thru the sixth floor, two (2) Type E' resort-hotel units located on the second and third floors and three (3) Type E' resort-hotel units on the fourth thru sixth floors. There is one (1) Type E'' resort-hotel unit located on the second thru sixth floors and one (1) Type E''' resort-hotel unit located on the second and third floors.
5. Each Type F'' resort-hotel unit and the Type F' commercial unit (bearing space number 227) contains three rooms, being an entry alcove, bedroom and bathroom, plus a balcony. Each Type F resort-hotel unit has the same three room layout as the Type F'' resort-hotel unit, but does not have a balcony. There are a total of four (4) Type F and one (1) Type F'', resort-hotel units and one (1) Type F' commercial unit in the Project. There is one (1)

Type F resort-hotel (located on the third thru the sixth floor. There is one (1) Type F' commercial unit and one (1) Type F'' resort-hotel unit located on the second floor.

6. Each Type G and Type G' resort-hotel unit contains three rooms, being an entry alcove, bedroom and bathroom, plus a balcony. There are a total of ten (10) Type G and ten (10) Type G' resort-hotel units in the Project. There are two (2) Type G and two (2) Type G' resort-hotel units located on the second thru the sixth floors.
7. Each Type H and Type H' resort-hotel unit contains three rooms, being an entry alcove, bedroom and bathroom, plus a balcony. There is a total of one (1) Type H resort-hotel unit and one (1) Type H' resort-hotel unit in the Project. There is one (1) Type H resort-hotel unit and one (1) Type H' resort-hotel unit located on the third floor.
8. Each Type J and Type J' resort-hotel unit contains three rooms, being an entry alcove, bedroom and bathroom, plus a balcony. There are a total of ten (10) Type J and ten (10) Type J' resort-hotel units in the Project. There are two (2) Type J resort-hotel units and two (2) Type J' resort-hotel units located on the second thru the sixth floors.
9. Each Type K and Type K' resort-hotel unit and Type K' commercial unit (bearing space number 228), contains three rooms, being an entry alcove, bedroom and bathroom. The Type K'' resort-hotel unit has the same three room layout as the Type K', plus a balcony. There are a total of five (5) Type K, four (4) Type K' and five (5) Type K'' resort-hotel units and one (1) Type K' commercial unit in the Project. There is one (1) Type K and one (1) Type K'' resort-hotel unit located on the second thru the sixth floors, and one (1) Type K'' resort-hotel unit located on the third thru the sixth floors. There is one (1) Type K' commercial unit located on the second floor.
10. Each Type L and Type L' resort-hotel unit contains three rooms, being an entry alcove, bedroom and bathroom, plus a balcony. The Type L'' and Type L''' resort-hotel units have the same three room layout as the Type L and L' resort-hotel units respectively, but do not have a balcony. There are a total of five (5) Type L, five (5) Type L', five (5) Type L'' and five (5) Type L''' resort-hotel units in the Project. There is one (1) Type L resort-hotel unit, one (1) Type L' resort-hotel unit, one (1) Type L'' resort-hotel unit and one (1) Type L''' resort-hotel unit located on the second thru the sixth floors.
11. Each Type M resort-hotel unit contains six rooms, being two entry alcoves, two bedrooms and two bathrooms, plus a balcony. There are a total of three (3) Type M resort-hotel units in the Project. There is one (1) Type M resort-hotel unit located on the fourth thru the sixth floors.
12. The Restaurant commercial unit (bearing space number 101), contains four rooms, being a bar, dining room, meeting room and kitchen. The adjacent restroom facilities bearing space numbers 103 and 104, containing an area of approximately 210 square feet is a limited common element to the Restaurant commercial unit. There is one (1) Restaurant commercial unit located on the first floor.
13. The Meeting Room commercial unit (bearing space number 206), contains five rooms, being a meeting room, men's and women's restrooms, service area and entry, plus a balcony. There is one (1) Meeting Room commercial unit located on the second floor.
14. The Type A commercial unit (bearing space number 201), contains six rooms, being a living room, dining room, kitchen, bedroom, bathroom and dressing room, plus a balcony. There is one (1) Type A commercial unit located on the second floor.

Type Unit	Resort-Hotel Unit Nos.	Unit Quan	Net Area Living	Net Area Balcony	Total Net L+B Area	% Common Interest
Unit Type B	302, 304, 402, 404 502, 504, 602, 604	8	308	61	369	0.64313
Unit Type B'	301, 303, 401, 403, 501 503, 601, 603	8	308	61	369	0.64313
Unit Type C	305, 405, 505, 605	4	308	61	369	0.64313
Unit Type C'	306, 406, 506, 606	4	308	61	369	0.64313
Unit Type D	307, 407, 507, 607	4	309	61	370	0.64487
Unit Type E	211, 221, 311, 321, 411 421, 511, 521, 611, 621	10	259	48	307	0.53507
Unit Type E'	215, 219, 315, 319, 415 419, 427, 515, 519, 527 615, 619, 627	13	259	48	307	0.53507
Unit Type E''	217, 317, 417, 517, 617	5	259	0	259	0.45141
Unit Type E'''	223, 323	2	259	0	259	0.45141
Unit Type F	309, 409, 509, 609	4	255	0	255	0.44444
Unit Type F''	225	1	255	48	303	0.52810
Unit Type G	230, 232, 330, 332, 430 432, 530, 532, 630, 632	10	325	72	397	0.69193
Unit Type G'	229, 231, 329, 331, 429 431, 529, 531, 629, 631	10	325	72	397	0.69193
Unit Type H	325	1	258	48	306	0.53332
Unit Type H'	327	1	258	48	306	0.53332
Unit Type J	212, 224, 312, 324, 412 424, 512, 524, 612, 624	10	311	48	359	0.62570
Unit Type J'	214, 226, 314, 326, 414 426, 514, 526, 614, 626	10	311	48	359	0.62570

Type Unit	Resort-Hotel Unit Nos.	Unit Quan	Net Area Living	Net Area Balcony	Total Net L+B Area	% Common Interest
Unit Type K	210, 310, 410, 510, 610	5	311	0	311	0.54204
Unit Type K'	328, 428, 528, 628	4	311	0	311	0.54204
Unit Type K''	208, 308, 408, 508, 608	5	311	48	359	0.62570
Unit Type L	218, 318, 418, 518, 618	5	313	48	361	0.62918
Unit Type L'	220, 320, 420, 520, 620	5	313	48	361	0.62918
Unit Type L''	222, 322, 422, 522, 622	5	313	0	313	0.54552
Unit Type L'''	216, 316, 416, 516, 616	5	313	0	313	0.54552
Unit Type M	423/5, 523/5, 623/5	3	527	48	575	1.00216

Commercial Type Unit	Commercial Unit Nos.	Unit Quan	Net Area Living	Net Area Balcony	Total Net Area	% Common Interest
Restaurant	101	1	4,608	210	4,818	8.39724
Meeting	206	1	946	184	1,130	1.96946
Unit Type A	201	1	937	184	1,121	1.95378
Unit Type B	204	1	308	61	369	0.64313
Unit Type F'	227	1	255	48	303	0.52810
Unit Type K'	228	1	311	0	311	0.54204

# KBR Management & Realty, Ltd.

## PROPOSED BUDGET COUNTRY CLUB HAWAII CONDOMINIUM

The following items make-up the proposed budget for the above referenced project:

<u>ITEM</u>	<u>MONTHLY</u>	<u>ANNUAL</u>
Maintenance Fee	\$23,300.00	\$279,600.00
	<u>\$23,300.00</u>	<u>\$279,600.00</u>
<u>INSURANCE</u>		
Package	\$ 760.00	\$ 9,120.00
Medical	\$ 80.00	\$ 960.00
<u>UTILITIES</u>		
Electricity	8,400.00	100,800.00
Gas	1,500.00	18,000.00
Water	1,050.00	12,600.00
Sewer	800.00	9,600.00
Telephone	30.00	360.00
<u>TAXES</u>		
Real Property	1,695.00	20,340.00
General Excise Tax	10.00	120.00
<u>SUPPLIES</u>		
Grounds	15.00	180.00
Pool	150.00	1,800.00
Electric/Light	60.00	720.00
Bldg/Other	165.00	1,980.00
<u>CONTRACT SERVICES</u>		
Building	125.00	1,500.00
Elevator	865.00	10,380.00
Air Conditioning	300.00	3,600.00
Grounds	200.00	2,400.00
Pool	300.00	3,600.00
Refuse Service	345.00	4,140.00
Payroll Reimbursement	2,635.00	31,620.00
Other Equipment	50.00	600.00

Proposed Budget - The Country Club  
Page Two

<u>ADMINISTRATIVE COSTS</u>	<u>MONTHLY</u>	<u>ANNUAL</u>
Management Fee	\$930.00	\$11,160.00
Payroll-Resident Manager	800.00	9,600.00
Lodging-Resident Manager	400.00	4,800.00
Payroll Service	20.00	240.00
Tax Preparation/Audit	150.00	1,800.00
<u>OTHER COSTS</u>		
Lease Rent	765.00	9,180.00
Miscellaneous	200.00	2,400.00
Transfer to Reserves	500.00	6,000.00
	<hr/>	<hr/>
	\$23,300.00	\$279,600.00

This budget will be revised and updated every twelve (12) months and at least three (3) months prior to the estimated completion date of the project.

The budget figures have been prepared on generally accepted accounting principles. The actual budget and actual expenses will vary depending on various factors such as inflation, casualty loss or damages, apartment owner delinquencies, changes in types and quantity of service and other such factors.

Sincerely,

KBR MANAGEMENT & REALTY, LTD.



William A. Knutson, CPM  
President

May 2, 1988

COUNTRY CLUB HAWAII CONDOMINIUM  
MAINTENANCE FEE BY APARTMENT TYPE

<u>TYPE</u>	<u>PERCENT</u>	<u>MAINT. FEE</u>	<u>INCLUDES LEASE RENT OF</u>
A	1.92767	\$ 449.15	\$14.75
B	.63453	147.85	4.85
B1	.63453	147.85	4.85
C	.63453	147.85	4.85
C1	.63453	147.85	4.85
D	.63625	148.25	4.87
E	.52792	123.00	4.04
E1	.52792	123.00	4.04
E2	.44538	103.77	3.41
E3	.44538	103.77	3.41
F	.43851	102.17	3.35
F1	.52104	121.40	3.99
F2	.52104	121.40	3.99
G	.68268	159.06	5.22
G1	.68268	159.06	5.22
H	.52620	122.61	4.03
H1	.52620	122.61	4.03
J	.61734	143.84	4.72
J1	.61734	143.84	4.72
K	.53480	124.61	4.09
K1	.53480	124.61	4.09
K2	.61734	143.84	4.72
L	.62077	144.64	4.75
L1	.62077	144.64	4.75
L2	.53823	125.41	4.12
L3	.53823	125.41	4.12
M	.98877	230.38	7.56
101 Rest.	8.28504	1,930.41	63.38
206 Mtg.	1.94315	452.75	14.87

## HOUSE RULES

### COUNTRY CLUB HAWAII (APT/HOTEL)

These House Rules have been adopted for the purpose of insuring order and safety in the building and to maintain the rights of owners, tenants and guests. The Board of Directors of the Association of Apartment Owners (hereinafter called the "Board") reserves the right to modify, supplement or rescind any of these rules for the safety, care and cleanliness of the premises and for the preservation of good order therein. The owner of a condominium unit (hereinafter referred to as "owner") violating any of these rules, or the tenant and owner of a condominium unit occupied by a tenant violating any of these rules, shall be liable for injury or damage caused by any such violation. The Board will have the right to repair such damage, charging cost of same to the person or persons liable, which amount shall be added to charges due for the month.

#### 1. Occupancy:

The number of people living in one unit shall be limited as follows:

Studio - 2 people  
One-Bedroom Unit - 4 people

#### 2. Family and Guests:

Owners and tenants are responsible at all times for the reasonable conduct of their family members and guests.

#### 3. Alterations:

No alterations or changes of any nature shall be made to the exterior surface of each unit.

#### 4. Lanai:

Towels, clothes, etc. shall not be hung on lanai railings.

#### 5. Trash:

Trash and garbage items shall be deposited in the rubbish container next to the restaurant.

#### 6. Pets:

No household pets are allowed.

7. Hibachis:

No hibachis or portable stoves are allowed.

8. Alcoholic Beverages:

Alcoholic beverages shall not be consumed in the common areas.

9. Closing Premises:

The owner or tenant, as the case may be, shall see that his premises are securely locked and will exercise caution to insure that all water faucets and powered equipment are shut off before the owner or the owner's tenants or employees leave the building.

10. Common Rooms or Areas:

Rooms or other areas used in common by tenants shall be subject to regulations adopted by the Board.

11. Dedication -- Prevention of:

The Board reserves the right to close off any and all of the plazas, promenades and sidewalks of the building for twenty-four (24) hours once every five years to prevent dedication.

12. Deliveries:

Only hand trucks equipped with rubber tires and side guards will be permitted in the building. All deliveries will be brought only through the loading dock, if any, or through such entrance as the Board may from time to time designate for loading.

13. Heavy Items:

All carrying in or out of freight, packages or bulky matter of any description must take place only during hours selected by the Board, and then only with prior notice to and approval by the Board. No objects beyond the rated capacity of elevators shall be brought into the building. The Board shall have the power to prescribe the location of heavy objects and, if considered necessary, means to distribute the weight thereof (to no more than 50 pounds per square foot). All costs incurred will be charged to the owner bringing in such heavy objects.

14. Electrical and Air Conditioning Systems:

The owner or tenant shall not alter the standard building lighting or air conditioning system, if any, nor install any special wiring or abnormal power consuming equipment without

approval of the Board. Power used beyond normal consumption thereof is subject to surcharge.

15. Janitor Service:

The owner or tenant, as the case may be, shall clean the demised premises. The Board shall not be responsible for any loss or any damage to the property of owners, tenants or guests by the janitor, its employees or any other person.

16. Obstruction of Common Areas:

All common areas will be used only for ingress and egress to owners' and tenants' demised premises, or for other purposes for which such common areas exist. The Board retains the right to control and prevent access on the property by any and all persons other than those persons having a legal right to ingress to and egress from the demised premises. Only persons authorized by the Board will be permitted in areas housing mechanical, electrical or equipment of any kind.

16. Repairs and Alterations:

Only contractors authorized by the Board will be permitted to carry out any repairs or alterations within the building.

17. Service Area:

All loading and unloading of goods and all garbage and refuse disposal shall be made only through service ways provided for such purposes. No rubbish or debris will be deposited by the owners or tenants in the corridors, loading areas and adjacent traffic and pedestrian ways.

18. Service Calls:

The requirements of the owners and tenants will be attended to by the owners and tenants. Building employees will not perform any work outside of regular duties pertaining to common areas.

19. Signs, Screens and Awnings:

No notice or advertisement visible from the exterior of the building or the demised premises will be permitted without prior written approval of the Board. All graphics, curtains, blinds, shades or screens, where permitted, shall conform to building standards as specified separately. In the event of the violation of this rule by any owner or tenant, the Board may remove same without any liability, and may charge the expense incurred thereby to the owner or tenant.

20. Solicitors:

The Board reserves the right to eject from the building any solicitors, canvassers or peddlers and any other class of persons who, in the judgment of the Board, are annoying or interfering with operations of any owner, tenant or the Board, or who are otherwise undesirable.

21. Use:

Except with the prior written consent of the Board, no owner or tenant shall conduct any business other than that specifically provided for in the Declaration of Horizontal Property Regime. No owner or tenant will permit his demised premises to be used in a manner offensive or objectionable to the other owners, tenants or the Board. No owner or tenant shall cause or permit any unusual or objectionable odors to be produced upon or permeate from the demised premises. No owner or tenant shall at any time bring, allow or keep upon the premises any inflammable, combustible or explosive fluid, chemical or substance in such quantities as may endanger or imperil the demised premises or any other premises or the property or lives of other persons. No owner or tenant shall make or permit to be made any unseemly noises or disturb or interfere with occupants of this or adjoining buildings or premises or those having business with them whether by the use of any musical instruments, radio or television set, phonograph, singing or the making of any disturbing sounds.

22. Violations:

The Board is not responsible to any owner or tenant for the non-observance or violation of these regulations by any other owner or tenant.

23. Washrooms (if any):

The lavatory facilities and other water apparatus shall not be used for any purpose other than that for which they were constructed. The expense to repair any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the owner and/or tenant whose employees or visitors shall have caused it.

24. Window Displays:

No owner or tenant will use any method or type of display or window advertising without the Board's prior approval, which shall only be given if the proposals are considered by the Board to be consistent with the building character.

25. Windows and Doors:

No windows, glass doors or any other light sources that reflect light into the lobbies or other places of the building shall be obstructed or covered except in a manner approved by the Board.

In the event that the above basic and common rules do not cover a given situation, the decision of the Board at the time of the infraction will prevail.

**END OF**  
**EXHIBIT C**

## Common Elements

**Access to Common Elements.** Each unit space has immediate access to the grounds of the Project or to a corridor leading to stairways or elevators which connect the unit to the grounds, walkways, parking and driveways of the Project. The lobby, corridor, stairways, and the grounds are common elements.

**Common Elements.** The remaining portions of the Project are hereby designated as and herein called the "Common Elements", including specifically but not limited to:

- (a) The land described herein in leasehold;
- (b) All foundations, floor and ceiling slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls (except for the inner decorated or finished surfaces of the perimeter and party walls, load-bearing walls, floors and ceilings within each unit space and except as expressly provided otherwise), corridors, roofs, stairs, elevators, walkways, fire escapes, ducts, and entrances and exits of said building;
- (c) All areas and/or facilities within the buildings which serve more than one unit space, such as trash room, laundry rooms, refuse facilities, electrical rooms, machine and equipment rooms, storage rooms, the lobbies, mailboxes, manager's offices and all other common facilities;
- (d) All areas, structures or facilities of the Project which are for common use or which serve more than one unit space, such as driveways, service roads and other common ways, planters, landscaping, yards, gardens, swimming pool, recreational facilities and areas, fences, retaining walls, refuse collection areas, surface parking, loading areas and parking stalls;
- (e) All central and appurtenant installations serving more than one unit for power, light, gas, water, ventilation, refuse, telephone, radio and television signal distribution and all pipes, wires, conduits, ducts, vents and other service utility lines which serve more than one unit space;
- (f) All elevators, tanks, pumps, motors, fans, and in general, all apparatus and installations for common use, and all other parts of the Project necessary or convenient to its existence, maintenance, or safety and normally in common use;
- (g) The banquet room, space number 102, together with the adjacent storage rooms, space numbers 105 and 106;
- (h) All other parts of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use, which are not included in the definition of an unit space.

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

- (a) Restroom facilities (space numbers 103 and 104) adjacent to the Restaurant commercial unit space shall be for the exclusive use of the Restaurant commercial unit space.
- (b) All other common elements of the Project which are rationally related to less than all of the unit spaces shall be limited to the use of such unit spaces.

Encumbrances Against Title

A Commitment for Title Insurance issued by First American Title Insurance Company dated April 8, 1988, lists the following encumbrances against title.

1. Real property taxes due and payable, reference is made to Director of Finance, County of Hawaii,
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

**AS TO PARCEL FIRST:**

3. a) As to that portion of the land herein described bordering on the ocean:

The effect of Sections 205-31 to 205-37, inclusive, Hawaii Revised Statutes, as now or hereafter amended pertaining to shoreline setbacks.

Any adverse claim of the State of Hawaii based upon the contention that some portion of the land herein described lies seaward of the line of vegetation, pursuant to the ruling in County of Hawaii v. Sotomura, (1973) 55 H. 176, 517 P. 2d 57.

- b) The terms and provisions of that certain Unrecorded General Lease No. 3269, herein referred to.

**AS TO PARCEL SECOND:**

- a) "Reserving, unto M. & H. Associates, Inc., a Hawaii corporation, its successors and assigns, an estate of years up to and including March 14, 2015; the intent being to continue to maintain complete control over the use and possession of the premises until March 14, 2015.", as reserved in that certain Deed dated July 2, 1968, recorded in the Bureau of Conveyances of the State of Hawaii in Book 6116 Page 65.

EXHIBIT "F"

Page 1 of 4

The foregoing Deed was assigned by the following:

**ASSIGNMENT OF ESTATE FOR YEARS**

Assignor: Country Club-Hawaii, Inc.  
Assignee: Country Club-Hawaii, Inc., duly  
authorized to accept and execute trusts  
within the State of Hawaii, as Trustee  
under the provisions of a certain Trust  
Agreement, dated September 19, 1987, and  
pursuant to the Land Trust Act, Chapter  
558 of the Hawaii Revised Statutes  
Dated: September 19, 1987  
Book: 21727  
Page: 240

b) **UNRECORDED GRANT**

In Favor Of: Hilo Electric Light Company, Limited, a  
Hawaii corporation  
Dated: January 20, 1966  
Purpose: Easement for utility purposes over,  
under, across and through a portion of  
the land herein described.  
(also affects other property)

NOTE: Security Title Corporation is unable to  
determine the location of said Grant.

c) The terms and provisions of that certain "Estate for  
Years" herein referred to.

5. The terms and provisions of that certain:

**UNRECORDED SUBLEASE**

Sublessor: Bayshore Realty Investment, Inc., doing  
business as Hilo Country Club  
(Apartment/Hotel), a Hawaii corporation  
Sublessee: Ronald C. Swenson, single, and Emma L. Drake,  
widow  
Dated: April 26, 1984

EXHIBIT "F"

Page 2 of 4

The foregoing Sublease was assigned by the following:

**ASSIGNMENT OF SUBLEASE**

Assignor: Ronald C. Swenson, single, and Emma L. Drake,  
widow  
Assignee: Ronald C. Swenson, single, and Emma L. Drake,  
widow, as Trustees of the Swenson/Drake Joint  
Revocable Trust dated November 13, 1984  
Dated: November 13, 1984  
Book: 18758  
Page: 452  
Consent thereto recorded in Book 18758 Page 458. (affects  
Suite 314 on the third floor of the Hilo Country Club  
(Apartment/Hotel) same being a portion of the within  
premises)

**THE FOREGOING SUBLEASE IS SUBJECT TO THE FOLLOWING:**

The terms, provisions, conditions and restrictions, if any,  
contained in that certain Swenson/Drake Joint Revocable  
Trust dated November 13, 1984, to which reference is hereby  
made.

**AS TO PARCELS FIRST AND SECOND:**

6. The covenants, agreements, obligations, conditions,  
easements and other provisions as contained in the  
following:

**DECLARATION OF HORIZONTAL PROPERTY REGIME OF "COUNTRY CLUB  
HAWAII":**

Dated: May 19, 1987  
Book: 20954  
Page: 93

Condominium Map No. 1076, to which reference is hereby made.

The foregoing Declaration of Horizontal Property Regime was  
amended by the following:

<u>Dated</u>	<u>Book</u>	<u>Page</u>
December 14, 1987	21727	216

7. **BY-LAWS OF THE ASSOCIATION OF APARTMENT OWNERS OF "COUNTRY CLUB HAWAII"**

Dated: May 19, 1987  
Book: 20954  
Page: 119

8. The terms and provisions of that certain unrecorded Land Trust Agreement dated September 19, 1987, to which reference is hereby made.
9. Any and all unfiled leases, tenant leases, subleases, agreements and or parties or person presently occupying the land or spaces herein described or the improvements thereon.

SUMMARY OF PERTINENT PROVISIONS OF SALES CONTRACT

1. Bayshore Realty Management represents the Seller.
2. Buyer is buying the unit "as is" and Seller makes no warranties as to any defects in the building, the subject unit, or the common elements.
3. Buyer acknowledges that Buyer has received a copy of the final HPR Public Report, has read it, and accepts the contents of the report.
4. If the contract is subject to financing, Buyer shall apply for financing within five (5) business days of acceptance of the contract.

EXHIBIT G

SUMMARY OF PERTINENT PROVISIONS OF ESCROW AGREEMENT

1. Payments due under the sales contract shall be promptly made to Escrow.
2. All moneys received by Escrow shall be deposited in an interest-bearing account, and all interest paid thereon shall be credited to the account of the Seller.
3. Upon receipt of notice in writing from Seller, Escrow shall give notice in writing to Purchaser to make payment to Escrow.
4. No disbursements of Purchaser's funds shall be made from Escrow until the Real Estate Commission has issued a Final Public Report.
5. Purchaser shall be entitled to a refund, less Escrow's cancellation fee, if Purchaser requests refund in writing and a) Seller requests such refund to Purchaser, or b) Purchaser's funds were obtained prior to issuance of a Final Public Report, and Purchaser cancels the reservation prior to signing receipt of the Final Public Report.
6. If Seller notifies Escrow that a Purchaser has defaulted and the sales contract has been terminated, all deposits, less Escrow's \$25.00 cancellation fee, shall be treated as Seller's funds.
7. Escrow shall report receipts, interest-bearing deposits, and disbursements at least twice each month, if requested by Seller.
8. Escrow shall arrange for and supervise the signing of all documents.
9. Escrow is relieved from all liability for acting in accordance with the escrow agreement. Escrow shall not be responsible for the validity of any sales contract. Escrow shall have no obligation to inform Purchasers or Seller regarding any sale, loan exchange or other transaction or facts within Escrow's knowledge. Purchaser and Seller agree to indemnify Escrow against all costs, damages, attorney's fees and liabilities incurred in connection with this escrow.
10. The compensation of Escrow shall be \$104.00 for each unit for which a sales contract is received on or before May 19, 1988.
11. This agreement shall apply to the respective heirs, personal representatives, successors and assigns of the parties.
12. This agreement may be terminated by either party upon fifteen (15) days written notice.
13. Chapter 514A, Hawaii Revised Statutes, shall control this agreement.

EXHIBIT A