

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer COUNTRY CLUB-HAWAII, INC.
Address 121 BANYAN DRIVE, HILO, HAWAII 96720

Project Name(*): COUNTRY CLUB HAWAII
Address: 121 BANYAN DRIVE, HILO, HAWAII 96720

Registration No. 1856 (Conversion)

Effective date: October 15, 1993

Expiration date: November 15, 1994

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

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

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

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 by the developer when complete information is filed.
(yellow)

 FINAL: The developer has legally created a condominium and has filed complete information with the Commission.
(white)
 [] No prior reports have been issued.
 [] This report supersedes all prior public reports.
 [] This report must be read together with _____

 X SUPPLEMENTARY: This report updates information contained in the:
(pink)
 [] Preliminary Public Report dated: _____
 [X] Final Public Report dated: MAY 24, 1988
 [] Supplementary Public Report dated: _____

And [X] Supersedes all prior public reports
 [] Must be read together with _____
 [X] This report reactivates the FINAL
 public report(s) which expired on JUNE 24, 1989

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report 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 developer.

Changes made are as follows:

1. The name of real estate broker for the project has been changed to "Country Club Hawaii Realty & Management, Inc."

Pursuant to §§16-99-3(g) and 16-99-11(d), Hawaii Administrative Rules ("HAR"), prospective purchasers are hereby advised that Alyce S. Arata (RB-9242), Vice President and Secretary of the Developer/Lessor, Country Club-Hawaii, Inc., is a current and active Hawaii-licensed real estate broker and principal broker of the Country Club Hawaii Realty & Management, Inc., real estate broker for the project. Further, pursuant to §16-99-11(c), HAR, "(n)o licensee shall advertise 'For Sale by Owner,' 'For Rent by Owner,' 'For Lease by Owner,' 'For Exchange by Owner.'"

2. Effective June, 1988, the project has been self-managed by the Association of Apartment Owners.
3. The Income and Expense exhibit and the Encumbrances Against Title exhibit were updated to reflect the current status of the project.

TABLE OF CONTENTS

	page
Preparation of this Report	1
Expiration Date of Reports	1
Type of Report	1
Disclosure Abstract	2
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Operation of the Condominium Project	4
I. PERSONS CONNECTED WITH THE PROJECT	5
Developer Attorney for Developer General Contractor	
Real Estate Broker Escrow Company Condominium Managing Agent	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	6
B. Condominium Map (File Plan)	6
C. Bylaws	6
D. House Rules	7
E. Changes to Condominium Documents	7
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	8
B. Underlying Land	9
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	13
E. Encumbrances Against Title	14
F. Construction Warranties	15
G. Status of Construction	16
H. Project Phases	16
IV. CONDOMINIUM MANAGEMENT	
A. Management of the Common Elements	17
B. Estimate of Initial Maintenance Fees	17
C. Utility Charges for Apartments	17
V. MISCELLANEOUS	
A. Sales Documents Filed with the Real Estate Commission	18
B. Buyer's Right to Cancel Sales Contract	18
C. Additional Information Not Covered Above	20
D. Signature of Developer	21
EXHIBIT A: Description of Apartments	
EXHIBIT B: Income & Expense Schedule	
EXHIBIT C: House Rules	
EXHIBIT D: Common Elements	
EXHIBIT E: Limited Common Elements	
EXHIBIT F: Encumbrances Against Title	
EXHIBIT G: Summary of Sales Contract	
EXHIBIT H: Summary of Escrow Agreement	
EXHIBIT I:	

General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the 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 owners/tenants) 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 at the lessee's expense. 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.

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 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 project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium 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 the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the 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 important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: COUNTRY CLUB-HAWAII, INC. Phone: 935-7171
Name (Business)
121 BANYAN DRIVE
Business Address
HILO, HAWAII 96720

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

HERBERT Y. ARATA, PRESIDENT AND TREASURER
ALYCE S. ARATA, VICE PRESIDENT AND SECRETARY

Real Estate Broker: ALYCE S. ARATA
COUNTRY CLUB HAWAII REALTY & MANAGEMENT, INC. Phone: 935-9035
Name (Business)
121 BANYAN DRIVE, SUITE 203
Business Address
HILO, HAWAII 96720

Escrow: SECURITY TITLE CORPORATION Phone: 961-5516
Name (Business)
101 AUPUNI STREET, SUITE 229
Business Address
HILO, HAWAII 96720

General Contractor: N/A Phone: _____
Name (Business)

Business Address

Condominium Managing Agent: BOARD OF DIRECTORS OF THE ASSOCIATION OF APARTMENT OWNERS OF COUNTRY CLUB HAWAII Phone: 935-7171
Name (Business)
121 BANYAN DRIVE
Business Address
HILO, HAWAII 96720

Attorney for Developer: SANFORD K. OKURA Phone: 935-3344
Name (Business)
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 Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and 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.

- A. Declaration of Condominium 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: Document No. _____
Book 20954 Page 93
 Filed - Land Court: Document No. _____

The Declaration referred to above has been amended by the following instruments [state name of document, date 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 Conveyances Condo Map No. 1076
 Filed - Land Court Condo Map No. _____

The Condominium Map has been amended by the following instruments [state name of document, date 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 manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed
 Recorded - Bureau of Conveyances: Document No. _____
Book 20954 Page 119
 Filed - Land Court: Document No. _____

The Bylaws referred to above have been amended by the following instruments [state name of document, date 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 limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. 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 common interest which 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 for projects with five or fewer apartments.

2. Developer:

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

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

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/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 regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

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

For Subleaseholds:

Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 Canceled 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 canceled or foreclosed.

Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

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 at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

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

[X] 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.

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

Address: 121 BANYAN DRIVE Tax Map Key: (3) 2-1-5-20
HILO, HAWAII 96720 (TMK)

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

PARCEL 1ST-.92 ACRES
Land Area: PARCEL 2ND-10,890 [] square feet [] acre(s) Zoning: RESORT-HOTEL
COMBINED SQ. FT. = 51,055.2 SQ. FT.

Lessor
(Fee Owner): STATE OF HAWAII - DEPT. OF LAND & NATURAL RESOURCES

Name
1151 PUNCHBOWL STREET
Address
HONOLULU, HAWAII 96813

Sublessor: COUNTRY CLUB-HAWAII, 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. Number of Buildings: 1 Floors Per Building 6

Exhibit _____ contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood
 Other _____

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Permitted By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
<input type="checkbox"/> Residential	<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Ohana	<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Commercial	<u>6</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Industrial	<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Agricultural	<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Hotel	<u>142</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Recreational	<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
* <input checked="" type="checkbox"/> Timeshare	<u>?</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other: _____	<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?
 Yes No

*SEE PAGE 16 FOR FURTHER EXPLANATION

11. 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 other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit D .

as follows:

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 use them, as described in the Declaration, 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 used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit A.

as follows:

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit F describes the encumbrances against the title contained in the title report dated JUNE 26, 1993 and issued by SECURITY TITLE CORPORATION.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien 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.

[X] 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. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
---------------------	-------------------------------------------------------------------------------------------------------------------

F. 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

G. Status of Construction and Estimated Completion Date:

THE PROJECT IS A CONVERSION OF AN EXISTING BUILDING WHICH WAS COMPLETED IN 1969.

H. Project Phases:

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

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

NOTE:

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.

V. MISCELLANEOUS

A. 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, AS AMENDED ON JUNE 17, 1993
Exhibit H contains a summary of the pertinent provisions of the escrow agreement.
 - Other BROKER LISTING AGREEMENT
-

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales 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 or Supplementary Report to a Final Report: Sales made by the developer are binding if:

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

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND
- B) 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.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
 - B) Declaration of Condominium Property Regime, as amended.
 - C) Bylaws of the Association of Apartment Owners.
 - D) House Rules.
 - E) Condominium Map.
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
 - H) Other _____

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 Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

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

C. Additional Information Not Covered Above

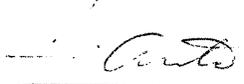
1. The lease and estate for years was assigned to COUNTRY CLUB-HAWAII, INC., as Trustee of the leasehold interests pursuant to Chapter 558, Hawaii Revised Statutes, for the purpose of being responsible for the payments of the ground lease rents to the State and property taxes to the County of Hawaii.
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 Condominium Conveyance Documents conveying Condominium 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 Condominium 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 Condominium Property Regime.
8. Notice of any breach of the State lease need not be given to the purchasers of the Condominium 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.

D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

COUNTRY CLUB-HAWAII, INC.

Name of Developer

By:


Duly Authorized Signatory

10/8/93
Date

HERBERT Y. ARATA, PRESIDENT

print name & title of person signing above

Distribution:

Department of Finance, COUNTY OF HAWAII
Planning Department, COUNTY OF HAWAII
Federal Housing Administration

EXHIBIT A

APARTMENT DESCRIPTION

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 unit located on the third thru the sixth floors. 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

INCOME AND EXPENSE SCHEDULE

COUNTRY CLUB HAWAII ASSOCIATION OF APARTMENT OWNERS

1993 BUDGET

<u>INCOME:</u>	<u>Monthly</u>	<u>Annual</u>
Maintenance Fees	\$28,355.00	\$340,260.00
10% Mgmt. Fees	2,900.00	34,800.00
Maid Service & Repairs	3,620.00	43,440.00
Commissions:		
Laundry, Soda, Candy	105.00	1,260.00
Phone Booth	20.00	240.00
<u>TOTAL INCOME:</u>	<u>\$35,000.00</u>	<u>\$420,000.00</u>

EXPENSES:

ADMINISTRATIVE:

Wages	\$10,000.00	\$120,000.00
Resident Mgr - payroll	350.00	4,200.00
lodging	350.00	4,200.00
Office - Maint. Fee	183.50	2,202.00
Board Meeting	75.50	906.00
Petty Cash	100.00	1,200.00

TOTAL ADMINISTRATIVE: \$11,059.00 \$132,708.00

CONTRACT SERVICES:

GTE Phone System	\$1,039.56	\$12,475.00
Helco Transformer Lease	500.00	6,000.00
Business Services - Trash	227.50	2,730.00
Otis Elevator	932.37	11,188.00
A/C	100.57	1,207.00

TOTAL CONTRACT SERVICES: \$2,800.00 \$33,600.00

DUES & DONATIONS:

Japanese Chamber of Commerce	\$12.50	\$150.00
Hawaii Island Chamber	14.50	174.00

TOTAL DUES & DONATIONS: \$27.00 \$324.00

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

EXHIBIT B

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.

EXHIBIT C

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.

COMMON ELEMENTS

Access to Common Elements. Each apartment space has immediate access to the grounds of the Project or to a corridor leading to stairways or elevators which connect the apartment 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 apartment 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 apartment 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 apartment 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 apartment 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 apartment 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) 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 apartment space.

EXHIBIT D

LIMITED COMMON ELEMENTS

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

- (a) Balconies adjacent to and fronting apartment spaces shall be for the exclusive use of the respective apartment spaces to which such balconies are adjacent and fronting.
- (b) Restroom facilities (space numbers 103 and 104) adjacent to the Restaurant commercial apartment space shall be for the exclusive use of the Restaurant commercial apartment space.
- (c) Storage rooms (space numbers 105 and 106) adjacent to Banquet commercial apartment space shall be for the exclusive use of the Banquet commercial apartment.
- (d) All other common elements of the Project which are rationally related to less than all of the apartment spaces shall be limited to the use of such apartment spaces.

EXHIBIT E

ENCUMBRANCES AGAINST TITLE

1. **TAXES Tax Map Key: HAWAII 2-1-05-20**

For any taxes that may be due and owing and a lien on the parcel of land herein described, reference is hereby made to the Office of the Tax Assessor of the Third Division.

(Taxes are individually assessed.)

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. **AS TO PARCEL FIRST:**

a) Location of the seaward boundary in accordance with the laws of the State of Hawaii and shoreline setback line in accordance with County regulation and/or ordinance and its effect, if any, upon the area of the land herein described.

b) The terms and provisions of that certain Unrecorded General Lease No. 3269 dated June 15, 1948, as amended, to which reference is hereby made.

4. **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.

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

EXHIBIT F

b) UNRECORDED GRANT

In Favor Of: Hilo Electric Light Company, Limited, a
Hawaii corporation, now known as Hawaii
Electric Light Company, Inc.
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 dated July 2, 1968, to which reference is hereby
made.

5. The terms and provisions of:

UNRECORDED SUBLEASE

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

The foregoing Unrecorded Sublease was assigned by the
following:

a) 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
Re: affects Suite 314 on the third floor of
the Hilo Country Club (Apartment/Hotel)
same being a portion of the within
premises.

Consent thereto recorded in Book 18758 Page 458.

b) ASSIGNMENT OF SUBLEASE

Assignor: Emma L. Drake, Trustee of The Swenson/Drake Joint Revocable Trust, a Hawaii Trust, as amended
Assignee: Country Club-Hawaii, Inc., a Hawaii corporation, formerly known as Bayshore Realty Investment, Inc., doing business as Hilo Country Club (Apartment/Hotel)
Dated: ---
Book: 21837
Page: 667
Consent thereto recorded in Book 21837 Page 672.

NOTE:

Security Title Corporation has been informed of the death of Ronald C. Swenson, by that certain instrument:

Dated: ---
Book: 21837
Page: 667

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 Trust Agreement dated September 19, 1987, and pursuant to the Land Trust Act, Chapter 558 of the Hawaii Revised Statutes, 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.

NOTE: This report does not purport to disclose any of the individual units of the condominium project set forth herein, nor any encumbrances affecting such units.

SUMMARY OF PERTINENT PROVISIONS OF SALES CONTRACT

1. Country Club Hawaii Realty & Management, Inc., 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 Supplementary 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.

5. In the event Buyer is in default, Seller may (i) bring an action for damages for breach of contract, or (ii) retain the initial deposit and all additional deposits as liquidated damages, and (iii) Buyer shall be responsible for any costs incurred in accordance with such action.

6. In the event Seller is in default, Buyer may (i) bring an action for damages for breach of contract, (ii) seek specific performance of the contract, and (iii) Seller shall be responsible for any costs incurred in accordance with such action.

7. The foregoing shall not exclude any other remedies available under the contract to either Seller or Buyer on account of the other party's default.

8. In the event of default by a party and/or a legal action or arbitration, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorney's fees.

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 H