



**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

LAIE POINTE
55-088 Naupaka Street
Laie, Hawaii 96762

Registration No. 1903

Issued: December 24, 1987
Expires: January 24, 1989

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of December 18, 1987 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)

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

Summary of Changes from Earlier Public Reports:

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

There has been no prior public report.

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GENERAL INFORMATION ON CONDOMINIUMS

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

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

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

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

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

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

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

Operation of the Condominium Project

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

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

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

SUMMARY OF THE CONDOMINIUM PROJECT

(cite to appropriate pages
in text of report)

Interest to be Conveyed to Buyer:

Individual apartment and an undivided common interest in the land in fee simple

Type of Project:

1. New Building(s) Conversion
 Both New Building(s) and Conversion
2. Residential Commercial
 Mixed Residential and Commercial
 Other _____

3. High Rise (5 stories or more) Low Rise

4. Single or Multiple Buildings

5. Apartment Description

<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>
<u>A</u>	<u>1</u>	<u>3/2</u>	<u>3,003</u>	<u>total 528 s.f.</u>
<u>B</u>	<u>1</u>	<u>3/5</u>	<u>5,703</u>	<u>total 488 s.f.</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	<u>Also see Attached Exhibit A.</u>			_____
_____	_____	_____	_____	_____

Total Apartments: 2

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

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

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>6</u>
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
Total Parking Stalls	<u>6</u>

7. Recreational amenities: swimming pool, jacuzzi

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Florence Wakumoto Orton
Kenneth Jorgensen Orton
Name
[REDACTED]
Business Address
[REDACTED]

Phone: [REDACTED]
(Business)

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

n/a

Real Estate Sales Agent: n/a
Name
[REDACTED]
Business Address

Phone: _____
(Business)

Escrow: Title Guaranty Escrow Services, Inc.
Name
235 Queen Street, First Floor
Business Address
Honolulu, Hawaii 96813

Phone: 521-0211
(Business)

Managing Agent: n/a
Name
[REDACTED]
Business Address

Phone: _____
(Business)

Attorney for Developer: Tamotsu Tanaka Attorney At Law
Name A Law Corporation
333 Queen Street, Suite 600
Business Address
Honolulu, Hawaii 96813

II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

Proposed
 Recorded – Bureau of Conveyances – Book _____ Page _____
 Filed – Land Court – Document Number 1509293

Amendment date(s) and recording/filing information:

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

The Condominium Map for this condominium project is:

Proposed
 Recorded – Bureau of Conveyance Condo Map No. _____
 Filed – Land Court Condo Map No. 647

Amendment date(s) and recording/filing information:

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

Proposed
 Recorded – Bureau of Conveyances – Book _____ Page _____
 Filed – Land Court – Document Number 1509294

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>majority vote 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:

Developer reserves the right to amend the Declaration (including any Exhibits attached to the Declaration), the By-Laws and Condominium Map in any manner for any apartment which has not yet been conveyed. Developer also reserves the right to file the "as-built" certificate required by Section 514A-12, Hawaii Revised Statutes, including a verified statement of a registered architect or professional engineer.

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.

B. Underlying Land:

Address: 55-088 Naupaka Street Tax Map Key: 5-5-10-28
Laie, Hawaii 96762 (TMK)

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

Land Area: 14,914 [x] square feet [] acre(s) Zoning: R7.5

Fee Owner: Kenneth Jorgensen Orton
Florence Wakumoto Orton
name
[REDACTED]
address
[REDACTED]

Sublessor: _____
name
_____ address

C. Buildings and Other Improvements:

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

2. Buildings: 2 Floors Per Building: _____
[x] Exhibit B contains further explanations.

3. Principal Construction Material:
[] Concrete [] Hollow Tile [] Wood
[x] Other concrete block, sheet rock board, wood, lathe & stucco, and monier tile

4. Permitted Uses:

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

5. Special Use Restrictions:

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

- No animals shall be allowed or kept in any part of the Project except
- [X] Pets: that dogs, cats or other household pets may be kept by owners, tenants, lessees of Apartment B, but not for any commercial purpose.
 - [X] Number of Occupants: Not more than two persons per bedroom contained in each apartment, excluding children under age 5, except that
 - [] Other: in no event shall the number of occupants per bedroom contained in each apartment exceed three per bedroom,
 - [] There are no special use restrictions. inclusive of children under age 5.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators _____ Stairways _____ Trash Chutes _____

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

*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: The respective apartments shall not be deemed to include the perimeter or party walls or the inside undecorated or unfinished surfaces thereof; or the exterior decorated or finished surfaces of all doors, door frames, windows and window frames; or any interior load-bearing walls; or the floor and ceiling surrounding each apartment; or any pipes, wires, conduits or other utility or service lines which are utilized for or serve more than one apartment; all of the foregoing being common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls; the inner decorated or finished surfaces of all walls, floors and ceilings; all doors, door frames, windows and window frames, except the exterior decorated or finished surface thereof; the lanai air space; the fireplace flue(s) serving each apartment; and all fixtures originally installed in the apartment.

Permitted Alterations to Apartments: Additions, alterations, repairs or improvements solely within an apartment or within a limited common element appurtenant to and for the exclusive use of the apartment may be made by the apartment owner with only the approval of the Board of Directors and the agencies or departments of the City and County of Honolulu and by the holders of liens affecting such apartment (if the lien holders require such approval), and any other apartment owner directly affected.

7. Parking Stalls:

Total Parking Stalls: 6

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for individual units)	<u>4</u>	<u>2</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Guest	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Unassigned	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Extra Available for Purchase	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other:	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Covered & Open	<u>6</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

- Commercial parking garage permitted in condominium project.
- Exhibit contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

- There are no recreational or common facilities.
- Swimming pool
- Recreation Area
- Tennis Court
- Other: jacuzzi
- Storage Area
- Laundry Area
- Trash Chute

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

Developers make no representations with respect to the expected useful life of the structural, mechanical and electrical components material to the use and enjoyment of the buildings and other improvements of the Project.

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

n/a

10. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

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

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

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

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

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

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

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

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

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

Exhibit C describes the common elements.

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

There are no limited common elements in this project.

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

described in Exhibit _____

as follows:

Certain parts of the common elements, herein called the "limited common elements", are hereby designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements as follows: Each apartment shall have for its exclusive use (a) the garage or parking stalls designated on the Condominium Map as appurtenant to such apartment; (b) the mailbox bearing the same letter as such apartment, subject to the right of Developers in their discretion and at their expense, to relocate the mailboxes to another location; (c) Apartment B shall have the exclusive use of and maintenance responsibility for the space between the south end of the Residential Building and the beach, and the covered enclosed arcade on the east end of the Residential Building from the Garage Building to the beach.

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

Exhibit _____ describes the common interests for each apartment.

as follows:

Apartment A	35%
Apartment B	<u>65%</u>
	100%

Purchasers should be aware that there are only two apartments in the project and the common interest also determines voting on all matters concerning the project.

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

Exhibit D describes the encumbrances against the title contained in the title report dated September 10, 1987.

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.

[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. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
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F. Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

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

The initial managing agent for this condominium is: n/a

[] not affiliated with the Developer.

[] the Developer or the Developer's affiliate.

[] other _____

J. Status of Construction and Estimated Completion Date:

This is a conversion of existing buildings. The buildings and other improvements were completed in 1981.

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:

n/a

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

Escrow Agreement dated November 23, 1987

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

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

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

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

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

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

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

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

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

B. Rights Under the Sales Contract:

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

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

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

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

This Public Report is a part of Registration No. 1903 filed with the Real Estate Commission on November 27, 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.



GLORIA DAMRON, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

EXHIBIT A

Apartment Description

In accordance with local architectural practice, the approximate net living area of each apartment as set forth on page 5 of the Final Public Report includes all of the inner decorated or finished surfaces of all perimeter walls, including any party walls; floors and ceilings; all doors, door frames, windows and window frames, except the exterior decorated or finished surface thereof; and the lanai air space. THE AREAS SHOWN ON PAGE 5 ARE APPROXIMATE ONLY, AND THE DEVELOPERS MAKE NO REPRESENTATIONS OR WARRANTIES AS TO THE AREAS OF ANY PARTICULAR APARTMENT.

Layout and Area of Individual Apartments:

Apartment A has a living room, dining room, kitchen, three bedrooms, a family room, two bathrooms, and contains a net living area of approximately 3,003 square feet, and six lanais of 52 square feet each, two lanais of 36 square feet each, and two lanais of 72 square feet each.

The ground level of Apartment B has a combination living/dining room, entry foyer, kitchen, three bedrooms, a family room, two bathrooms, and contains a net living area of approximately 3,003 square feet, and two lanais of 52 square feet each, and two lanais of 72 square feet each; the basement level of Apartment B has a rumpus room, office, lounge, storage room and one bathroom, and contains a net living area of 1,596 square feet; the second level of the Garage Building which is a part of Apartment B consists of two exercise rooms, two bathrooms, dressing area and a wetbar, and contain a net living area of 1,104 square feet, and six lanais of 40 square feet each.

EXHIBIT B

Description of Buildings

There are two two-story buildings, constructed principally of concrete block, sheet rock board, wood, lathe and stucco, and monier tile. The buildings are designated as the Residential Building and the Garage Building as shown on the Condominium Map. The Residential Building contains two apartments, including a basement. The Garage Building contains a portion of one apartment and the four-car garage.

EXHIBIT D

Encumbrances Against Title

The Preliminary Report by Title Guaranty of Hawaii, Incorporated, dated September 10, 1987, reflects that fee simple title to the land is held by Kenneth Jorgensen Orton and Florence Wakumoto Orton, husband and wife.

Said Preliminary Report and Developer's report show title to the property to be subject to the following encumbrances:

1. "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 the effect, if any, upon the area of the land described herein."
2. Easement "D" (10 feet wide) for storm drain purpose as shown on Map 5, as set forth by Land Court Order No. 7865, filed December 1, 1947.
3. "A perpetual easement in favor of the State of Hawaii for storm drainage purposes over, across, along, upon and under Easement 'D', as shown on Map 5, of Land Court Application No. 776; together with the right of ingress to and egress from said easement area for all purposes in connection with the installation, maintenance, operation, repair, removal and replacement of an underground pipe line for storm drainage purposes, as set forth in Deed dated May 10, 1948, filed as Land Court Document No. 102149."
4. That certain Mortgage dated September 2, 1983, in favor of Bank of Hawaii, filed in said Office of the Assistant Registrar as Document No. 1190440, which Mortgage was assigned to Federal National Mortgage Association, a corporation organized and existing under the laws of the United States, filed in said Office of the Assistant Registrar as Document No. 1190441.
5. For any real property taxes due and owing, reference is made to the Office of the Finance Director, City and County of Honolulu.

END OF EXHIBIT D

EXHIBIT E

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> x 12 months =	<u>Yearly Total</u>
A	\$450.10	\$5,401.20
B	\$835.90	\$10,030.80

[] Revised on _____

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

common elements only
 common elements
and apartments

\$230

\$2,760

Gas

17

204

Refuse Collection

Telephone

Water and Sewer

34

408

Maintenance, Repairs and Supplies

Building

50

600

Grounds

150

1,800

Management

Management Fee

Payroll and Payroll Taxes

Office Expenses

10

120

Insurance

115

1,380

Reserves

80

960

Taxes and Government Assessments

350

4,200

Audit Fees

125

1,500

Other

125

1,500

TOTAL

\$1,286

\$15,432

I/We, Kenneth Jorgensen Orton and Florence Wakumoto, ^{Orton} ^{Developers} ^{as managing agents} for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles. *F.M.*

Kenneth Jorgensen Orton

Florence Wakumoto Orton

Date: October 14, 1987

EXHIBIT F

Summary of Pertinent Provisions of Sales Contract

The Sales Contract sets forth the terms and conditions concerning the sale of an apartment in the project for the stated purchase price.

Some of the salient areas of the Sales Contract are:

1. Since the buildings and other improvements have been completed and the period of any contractor's or manufacturer's warranties has lapsed, the Seller makes no warranties whatsoever with respect to the apartment, the Property, the Project or consumer products or other things installed or contained in the apartment, Property or Project.

2. The estimates of the monthly maintenance charges for the Property as shown in the Disclosure Abstract are not representations or warranties by the Seller as to the actual monthly maintenance charges.

3. The purchase price may be increased due to unexpected events such as delays due to governmental actions or strike or labor disturbance, but the Purchaser is given fifteen (15) days to affirm the price increase or terminate the Sales Contract and receive a refund of all sums paid toward the purchase price.

4. Seller may cancel the Sales Contract of a Buyer who does not have the resources to pay the purchase price or who does not diligently follow through with an application to finance the purchase price.

The Buyer is requested to read and understand the terms and conditions of the Sales Contract before executing the Sales Contract.

END OF EXHIBIT F

EXHIBIT G

Summary of Pertinent Provisions of Escrow Agreement

The executed escrow agreement dated November 23, 1987, identifies Title Guaranty Escrow Services, Inc. as the "Escrow" and provides that a purchaser shall be entitled to a return of his funds, if any one of the following has occurred:

(a) Developer and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held hereunder by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, the purchaser has exercised his right to cancel the contract pursuant to §514A-62, Hawaii Revised Statutes, as amended; or

(d) A purchaser has exercised his right to rescind the contract pursuant to §514A-63, Hawaii Revised Statutes, as amended.

Upon the occurrence of the event described in (a) or (b) above or upon receipt of a written request for a refund from purchaser upon the occurrence of an event described in (c) or (d) above, Escrow shall pay said funds to said purchaser (less a cancellation fee of Escrow);

Thereupon said sales contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer and shall be deemed no longer held hereunder; provided, however, that no refund shall be made to a purchaser at purchaser's request prior to receipt by Developer of written notice from Escrow of its intent to make such refund.

(e) Notwithstanding any other provision in the Escrow Agreement to the contrary, Escrow further agrees to make refunds to purchasers, in accordance with Part VI, Chapter 514A, Hawaii Revised Statutes, out of the funds then on deposit with Escrow, if the Developer and purchaser shall so request in writing and any one of the following events has occurred:

(i) no sales contract has been offered to the purchaser who has been placed on the Developer's reservation list of owner-occupant applicants; or

(ii) Purchaser has been unable to obtain adequate financing, or a commitment for adequate financing, for his unit within thirty (30) calendar days following the end of the ten (10) calendar day period during which the Developer is limited to selling to owner-occupant; or

(iii) the purchaser desires to cancel the contract on account of hardship such as those set forth in §514A-104(1), Hawaii Revised Statutes; or

(iv) the purchaser indicates an intent not to become an owner-occupant of such unit.

Except for cancellations under subparagraph (i) above, Escrow may deduct from any such refund made to a purchaser a cancellation fee as set forth above.

END OF EXHIBIT G