



**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
KANEHOE BAY RESIDENCE
44-723 and 44-725 Kaneohe Bay Drive
Kaneohe, Oahu, Hawaii

Registration No. 1934 (Conversion)

Issued: June 3, 1988
Expires: July 3, 1989

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of May 16, 19 88 and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

- PRELIMINARY:** The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
(yellow)
- FINAL:** The developer has legally created a condominium and has filed complete information with the Commission.
(white)
- Supersedes all prior public reports
 Must be read together with _____
-
- SUPPLEMENTARY:** Updates information contained in the
(pink)
- Prelim. Public Report dated _____
 Final Public Report dated _____
 Supp. Public Report dated _____
- And Supersedes all prior public reports
 Must be read together with _____
- This report reactivates the _____
public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required Not Required -- disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued.

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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:

Fee simple interest in an individual apartment and an undivided interest in the common elements of the project.

Type of Project:

1. New Building(s) Conversion (Project includes two existing buildings. An addition is being added to one of the buildings.)
 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

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
44-723 Kaneohe Bay Dr.	1	3/2	1,032 sq. ft.	1,106 sq. ft.**
44-725 Kaneohe Bay Dr.	1	3/2	1,849 sq. ft.	none
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 2 (The apartments are designated as 44-723 and 44-725 Kaneohe Bay Drive.)

*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls. **Includes 203 sq. ft. upper deck and 903 sq. ft. lower level covered deck.

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

6. Parking:

	Number of Stalls
Assigned Stalls (Individual Units)	4
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
Total Parking Stalls	4

7. Recreational amenities:

A sun deck upon the rear of the property - See Condominium Map.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: CHRISTMAS PROPERTIES ONE, INC. **Phone:** 533-2366
Name (Business)
677 Ala Moana Boulevard, Suite 302
Business Address
Honolulu, Hawaii 96813

Names of officers or general partners of developers who are corporations or partnerships:
JOSEPH MASTRANTONIO (PRESIDENT/TREASURER)
GEORGE CHRISTENSEN, III (VICE-PRESIDENT/SECRETARY)

Real Estate Sales Agent: JOSEPH MASTRANTONIO **Phone:** 533-2366
Name (Business)
677 Ala Moana Boulevard, Suite 302
Business Address
Honolulu, Hawaii 96813

Escrow: SECURITY TITLE CORPORATION **Phone:** 263-8891
Name (Business)
315 Uluniu Street, Suite 201A
Business Address
Kailua, Hawaii 96734

Managing Agent: SELF-MANAGED **Phone:** _____
Name (Business)
Business Address

Attorney for Developer: RUSH, MOORE, CRAVEN, KIM & STRICKLIN (Attention: Sandra J. Smith)
Name
745 Fort Street, 20th Floor, Hawaii Building
Business Address
Honolulu, Hawaii 96813

**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 1541611

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. 662

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 1541612

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>N/A</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:

The developer may amend the Declaration pursuant to the provisions of H.R.S. §514A-12, after completion of 44-723 Kaneohe Bay Drive by attaching to such amendment a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed or being filed simultaneously with such apartment fully and accurately depict the layout, location, apartment number and dimensions of 44-723 Kaneohe Bay Drive as built.

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.

1. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

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

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

Exhibit _____ contains further explanations.

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

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

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

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

Exhibit _____ contains further explanations.

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

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

Other:

For Subleaseholds:

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

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

3. Underlying Land:

Address: 44-723 and 44-725 Kaneohe Bay Drive
Kaneohe, Oahu, Hawaii

Tax Map Key: 4-4-014-015(1)
(TMK)

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

Land Area: 15,497 [X] square feet [] acre(s)

Zoning: R-7.5

Fee Owner: CHRISMAS PROPERTIES ONE, INC.

name
677 Ala Moana Boulevard, Suite 302

address
Honolulu, Hawaii 96813

Sublessor: N/A
name

address

C. Buildings and Other Improvements:

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

2. Buildings: 2 Floors Per Building: 44-723 Kaneohe Bay Drive: One
44-725 Kaneohe Bay Drive: Two

[] Exhibit _____ contains further explanations.

3. Principal Construction Material:

[] Concrete [] Hollow Tile [XX] Wood

[] Other _____

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
[] Commercial	_____	[] Industrial	_____
[XX] 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:

Pets: dogs, cats and other household pets in reasonable numbers

Number of Occupants: _____

Other: No hotel or transient use of apartments permitted.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators None **Stairways** _____ **Trash Chutes** None

<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>
44-723 Kaneohe Bay Dr.	<u>1</u>	<u>3/2</u>	<u>1,032</u> sq. ft.	<u>1,106</u> sq ft.**
44-725 Kaneohe Bay Dr.	<u>1</u>	<u>3/2</u>	<u>1,849</u> sq. ft.	<u>none</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls. **Includes 203 sq. ft. upper deck and 903 sq. ft. lower level covered deck.

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 walls, roofs, windows, doors, floors, slabs, footings foundations, and entire structure of each of the two (2) separate residential dwellings, including the spaces contained therein. The apartments are designated on the Condominium File Plan as "44-723 Kaneohe Bay Drive" and "44-725 Kaneohe Bay Drive".

Permitted Alterations to Apartments: Alterations other than those which could jeopardize the soundness or safety of the project, reduce the value thereof, or impair any easement or hereditament are permitted without restriction provided that the approval of the holder of a first lien affecting the apartment shall be obtained if the lienholder requires such approval, that the alterations comply with all applicable laws, ordinances and regulations of any governmental entity and that any necessary building permits are obtained by the apartment owner. The consent of seventy-five percent (75%) of the apartment owners is required before any material structure is added or any basement or cellar is excavated. Also, the consent of the other apartment owner is necessary before an improvement or addition may be constructed within five (5) feet of any portion of the real property of the project which has been designated as the limited common element appurtenant to the other apartment.

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

No representations whatsoever are made as to the useful life of the structural components and mechanical and electrical installations.

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

None pursuant to Verified Statement of Building Superintendent.
Note: The Developer has noted on page 18 of this report that the neighbor's fence is partially encroaching on the project lot and the project concrete slab is encroaching on the neighbor's lot.

Purchasers and prospective purchasers are to purchase the apartments with full knowledge of the existence of these encroachments.

10. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

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

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

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

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

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

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

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

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

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

Exhibit B 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 C

as follows:

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

Exhibit _____ describes the common interests for each apartment.

as follows:

44-723 Kaneohe Bay Drive : 50%

44-725 Kaneohe Bay Drive : 50%

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 March 24, 1988, issued by Security Title Corporation.

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[] There are no blanket liens affecting title to the individual apartments.

[XX] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

Type of Lien

Mortgage in favor of Bancorp
Finance of Hawaii, Inc.

Effect on Buyer's Interest
If Developer Defaults

Foreclosure of the mortgage may cause
buyer's interest in the property covered
by the sales contract to be cancelled.

F. Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

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

The initial managing agent for this condominium is:

[] not affiliated with the Developer.

[] the Developer or the Developer's affiliate.

[XX] other The project will be self-managed.

G. Estimate of Initial Maintenance |

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

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

H. Utility Charges for Apartments:

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

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

I. Construction Warranties:

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

1. Building and Other Improvements:

With respect to 44-723 Kaneohe Bay Drive: Seller makes no warranties itself, but any and all warranties given Seller by the General Contractor for the Project shall accrue to Buyer on closing without further instruments or documents. Seller will cooperate with Buyer in asserting any claims based thereon. Seller is not adopting the contractor's warranty or acting as co-warrantor but is merely attempting to pass through to Buyer the benefit of any such contractor's warranty, if any.**

2. Appliances:

With respect to 44-723 and 44-725 Kaneohe Bay Drive: Seller will assign to Buyer the unexpired term, if any, of any manufacturer's or dealer's warranties covering any furnishings, fixtures and appliances in the apartment. Seller is only passing through to Buyer any such manufacturer's or dealer's warranties; Seller is not undertaking to adopt any such warranties or to act as co-warrantor with respect to any furnishings, fixtures or appliances covered thereby.**

**SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, CONSUMER PRODUCTS INSTALLED THEREIN, THE PROJECT OR ANYTHING INSTALLED THEREIN, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OR MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS OF THE APARTMENT FOR A PARTICULAR PURPOSE.

J. Status of Construction and Estimated Completion Date:

Construction of the addition to the apartment designated as 44-723 Kaneohe Bay Drive began on March 1, 1988. The estimated completion date is June 1, 1988.

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 (exempt pursuant to H.R.S. §514A-108)

Specimen Sales Contract

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

Escrow Agreement dated April 6, 1988 with Security Title Corporation.

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

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

As shown on the Condominium Map, a fence which divides the lot upon which the project is located with the neighboring lot encroaches partially upon the project lot and partially upon the neighboring lot. Further, a concrete slab located upon the project lot encroaches upon the neighboring lot.

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. 1934 filed with the Real Estate Commission on April 11, 1988.

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

EXHIBIT "A"

SCHEDULE OF PARKING STALL ASSIGNMENTS

<u>Apartment</u>	<u>Parking Stall Nos.</u>
44-723 Kaneohe Bay Drive	P-3 and P-4
44-724 Kaneohe Bay Drive	P-1 and P-2

END OF EXHIBIT "A"

EXHIBIT "B"

DESCRIPTION OF COMMON ELEMENTS

The "common elements" include specifically but are not limited to:

- (a) The land upon which the project is situated in fee simple;
- (b) All yards, grounds and landscaping;
- (c) All driveways and parking areas;
- (d) All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any; and
- (e) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

END OF EXHIBIT "B"

EXHIBIT "C"

DESCRIPTION OF LIMITED COMMON ELEMENTS

Certain parts of the common elements are designated and set aside for the exclusive use of each apartment, as follows:

(a) The land area under and surrounding each respective apartment, including the yard, grounds, landscaping and any amenities located thereon, as outlined in red on the Condominium Map, shall be appurtenant to and for the exclusive use of such apartment.

(b) Two (2) parking spaces, as designated on the Condominium Map by numbers, which numbers are also set forth opposite the number of each of the respective apartments set forth below, shall be appurtenant to and for the exclusive use of such apartment:

44-723 Kaneohe Bay Drive P-3 and P-4

44-725 Kaneohe Bay Drive P-1 and P-2

(c) All pipes, wires, conduits, and other utility and service lines not contained within an apartment but used exclusively by and servicing only such apartment, shall be appurtenant to and for the exclusive use of that apartment.

(d) One (1) mailbox shall be appurtenant to and for the exclusive use of each apartment and shall be designated with the apartment number thereon.

END OF EXHIBIT "C"

EXHIBIT "D"

ENCUMBRANCES AGAINST TITLE

1. Real property taxes due and payable, refer to Director of Finance, City and County of Honolulu.
2. First Mortgage, Security Agreement and Financing Statement dated February 19, 1988, recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1531621 made by CHRISMAS PROPERTIES ONE, INC., as Mortgagor, to BANCORP FINANCE OF HAWAII, INC., as Mortgagee.
3. Second Mortgage dated March 28, 1988, recorded as aforesaid as Document No. 1539245, made by CHRISMAS PROPERTIES ONE, INC., as Mortgagor, to BANCORP FINANCE OF HAWAII, INC., as Mortgagee.
4. The covenants, agreements, obligations, conditions, easements and other provisions as contained in the following:

Declaration of Horizontal Property Regime and By-Laws recorded as aforesaid on April 7, 1988, as Document No. 1541611 and Document No. 1541612, respectively. The Condominium Map was filed as Map No. 662.
5. Reservation in favor of the State of Hawaii for all mineral and metallic mines.

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>
44-723 Kaneohe Bay Drive	20.00	240.00
44-725 Kaneohe Bay Drive	20.00	240.00

[] Revised on _____

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services	n/a
Air Conditioning	
Electricity	
[] common elements only	
[] common elements and apartments	
Gas	
Refuse Collection	
Telephone	
Water and Sewer	
Maintenance, Repairs and Supplies	n/a
Building	
Grounds	
Management	n/a
Management Fee	
Payroll and Payroll Taxes	
Office Expenses	
Insurance	480.00
Reserves	n/a
Taxes and Government Assessments	n/a
Audit Fees	n/a
Other	n/a
 TOTAL	 480.00

I/We, CHRISMAS PROPERTIES ONE, INC. DEVELOPER
XXXXXXXXXXXXXXXXXX
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.

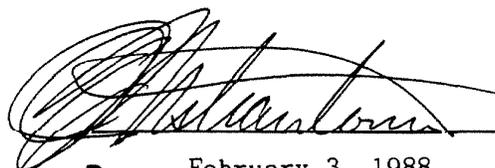

Date: February 3, 1988

EXHIBIT "F"

SUMMARY OF PROVISIONS OF SPECIMEN SALES CONTRACT

The specimen sales contract contains, among other things, the following provisions:

1. The warranties set forth in the specimen sales contract are set forth in the attached Final Public Report, Page 16, Section I.

2. All of the rights of Buyer under the sales contract are and shall be subject and subordinate to the lien of any mortgage securing the repayment of the interim loan set forth in the sales contract.

3. (a) All payments to be made by Buyer shall be placed on deposit with Escrow and all checks shall be made payable to Escrow.

(b) All funds received by Escrow may be deposited in an interest bearing account or accounts in a federally insured bank or savings and loan institution, and all interest earned from such account or accounts shall be credited to Seller's account, except as otherwise set forth in the sales contract.

4. If Buyer, within thirty (30) days from the mailing or delivery to Buyer by the Seller of a copy of any Supplementary Public Report, shall fail to acknowledge receipt thereof, or shall fail to give his written approval or acceptance of any said Supplementary Public Report, if the same differs from the Final Public Report in any material respect, then Seller in any such case may, at its sole option, terminate the sales contract and upon such termination, Seller shall cause Escrow to refund to Buyer all payments previously made by Buyer, without interest, and less Escrow's cancellation fee, and Seller shall have no further liability; provided, however, that if Seller shall not exercise this option and Buyer shall have failed to notify Seller in writing within said thirty (30) day period of Buyer's refusal to approve or accept any material changes set forth in such Supplementary Public Report, then and in such event, Buyer's approval and acceptance of any such material changes shall be conclusively presumed to have been given, and the sales contract shall continue as a binding obligation on both parties.

5. Buyer shall be entitled to a refund of all payments to be made pursuant to the sales contract without interest, if there is any material change in the project subsequent to the execution of the sales contract, which directly, substantially, and adversely affects the use or value of (1) Buyer's apartment or appurtenant limited common elements, or (2) those amenities of the project available for Buyer's use. This right of rescission may be waived according to the terms set forth in Hawaii Revised Statutes Section 514A-63.

* * * * *

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE CONTRACT. WHILE A BUYER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE BUYER'S RIGHTS AND OBLIGATIONS, THE BUYER MUST REFER TO THE BUYER'S CONTRACT TO DETERMINE THE BUYER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONTRACT, THE CONTRACT WILL CONTROL NOT THIS SUMMARY.

END OF EXHIBIT "F"

EXHIBIT "G"SUMMARY OF PROVISIONS OF ESCROW AGREEMENT

1. All monies received by Escrow shall be deposited, within a reasonable time of their receipt by Escrow and in reasonably convenient and practical sums in a special account or accounts with a financial institution or institutions in Honolulu, Hawaii, at the prevailing interest rate, and all interest paid thereon shall be credited to the account of the Seller.

2. Upon receipt of notice in writing from Seller that any payments are due under any sales contracts, Escrow shall give notice in writing to each Purchaser under a sales contract held by Escrow and shall call for such payment to be made to Escrow.

3. Purchaser is entitled to a refund of his funds, without interest, if:

(a) Escrow receives a written request from Seller to return to Purchaser the funds; or

(b) There is any material change in the project subsequent to the execution of Purchaser's contract, which directly, substantially, and adversely affects the use or value of (1) Purchaser's apartment or appurtenant limited common elements, or (2) those amenities of the project available for Purchaser's use. The Purchaser's right of rescission under this subsection (b) shall be waived upon (1) delivery to the Purchaser, either personally or by registered or certified mail, return receipt requested, of a disclosure document which describes the material change and contains a provision for the Purchaser's written approval or acceptance of the change, and (2) the Purchaser's written approval or acceptance of the material change, or the lapse of ninety (90) days since the Purchaser has accepted the apartment, or the occupancy of the apartment by the Purchaser; provided that if the Purchaser does not rescind the contract or execute and return the written approval or acceptance of the change as provided in the disclosure document within thirty (30) days from the date of delivery of the disclosure document, the Purchaser shall be deemed to have approved and accepted the change; provided further that the deemed approval and acceptance shall be effective only if at the time of delivery of the disclosure document, the Purchaser is notified in writing of the fact that the

Purchaser will be deemed to have approved and accepted the change upon the Purchaser's failure to act within the thirty (30) day period; provided further that if, prior to delivery of the disclosure document, ninety (90) days have lapsed since the Purchaser has accepted the apartment, or the Purchaser has occupied the apartment, then the Purchaser's right of rescission under subsection (b) shall not be waived unless the Purchaser shall execute the written approval or acceptance of the change as provided in the disclosure document within thirty (30) days from the date of delivery of the disclosure document or the Purchaser is deemed to have approved and accepted the change as set forth above.

Upon refund of said funds to Purchaser as aforesaid, Escrow shall return to Seller such Purchaser's sales contract and any conveyance document theretofore delivered to Escrow, and thereupon neither the Purchaser nor Seller shall be deemed obligated thereunder.

4. If Seller certifies in writing to Escrow that a Purchaser, whose funds are being held by Escrow, has defaulted under the terms of his sales contract and that Seller has terminated said sales contract pursuant to the terms thereof, Escrow shall notify said Purchaser by registered mail of such default and shall thereafter treat all funds of such Purchaser paid under such contract, as the escrowed funds of Seller and not of Purchaser.

5. Escrow shall arrange for and supervise the signing of all documents relating to the condominium project to be signed subsequent to the sales contracts including, among others, the applicable conveyance document.

* * * * *

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE AGREEMENT. WHILE ONE CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE AGREEMENT, HE MUST REFER TO THE ACTUAL AGREEMENT TO DETERMINE THE RIGHTS AND OBLIGATIONS OF THE PARTIES. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE AGREEMENT, THE AGREEMENT WILL CONTROL AND NOT THIS SUMMARY.

END OF EXHIBIT "G"