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

PEARL CITY HAVEN
931, 933, 935 and 937 Fourth Street
Pearl City, Hawaii

Registration No. 1937

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

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of 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:** (yellow) — The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.

__X__ **FINAL:** (white) — The developer has legally created a condominium and has filed complete information with the Commission.
[X] Supersedes all prior public reports
[ ] Must be read together with _____

____ **SUPPLEMENTARY:** (pink) — Updates information contained in the
[ ] Prelim. Public Report dated _____
[ ] Final Public Report dated _____
[ ] Supp. Public Report dated _____

And [ ] Supersedes all prior public reports
[ ] Must be read together with _____

[ ] This report reactivates the _____
public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

FORM: RECO-30 286/986-350W, 150Y, 50P

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 were no prior public reports issued on this project.

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GENERAL INFORMATION ON CONDOMINIUMS

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

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

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

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

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

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

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

Operation of the Condominium Project

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

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

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

SUMMARY OF THE CONDOMINIUM PROJECT

(cite to appropriate pages in text of report)

Interest to be Conveyed to Buyer:

A freehold interest in a dwelling (hereinafter called "apartment") and an undivided interest in the Project's common elements.

Type of Project:

1. [x] New Building(s) [ ] Conversion
   [ ] Both New Building(s) and Conversion
2. [x] Residential [ ] Commercial
   [ ] Mixed Residential and Commercial
   [ ] Other _____
3. [ ] High Rise (5 stories or more) [x] Low Rise
4. [ ] Single or [x] Multiple Buildings
5. Apartment Description

Apt. Type	Qty	BR/Bath	Net Living Area*	Ground Floor Parking Stalls Garage/Carport
A1	1	3/2-1/2	1671 sq. ft.	2
A2	1	3/2-1/2	1679 sq. ft.	2
B1	1	3/2-1/2	2000 sq. ft.	2
B2	1	3/2-1/2	2000 sq. ft.	2

Total Apartments: 4

*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:

	Number of Stalls
Assigned Stalls (Individual Units)	0
Guest Stalls	0
Unassigned Stalls	0
Extra Stalls Available for Purchase	0
Other: 4 garages for 2 cars each	8
Total Parking Stalls	8

7. Recreational amenities:

None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: CITY PARTNERS, a Hawaii general partnership
Name
802 Mapunapauna Street
Business Address
Honolulu, Hawaii 96819
Phone: (808) 836-1456 (Business)

Names of officers or general partners of developers who are corporations or partnerships:
Dave Y. Asato, Sogen Kayo, Wallace T. Urabe, Damon K. Ishida, Mitsuro Nagasako, Paul Fujimoto, Haruki Miyasato, Ann M. Moriguchi, Ray K. Moriguchi

Real Estate Sales Agent: LOCATIONS INCORPORATED
Name
320 Ward Avenue, Suite 100
Business Address
Honolulu, Hawaii 96814
Phone: (808) 521-0351 (Business)

Escrow: FOUNDERS TITLE & ESCROW OF HAWAII
Name
10th Floor, 900 Fort Street Mall
Business Address
Honolulu, Hawaii 96813
Phone: (808) 531-0226 (Business)

Managing Agent: Self-Managed by the Board of Directors of
Name
the Condominium Association
Business Address
Phone: (Business)

Attorney for Developer: CASE & LYNCH (Susan A. Bender)
Name
737 Bishop Street, #2600
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
[x] Recorded – Bureau of Conveyances – Book 21830 Page 681
[ ] Filed – Land Court – Document Number _____

Amendment date(s) and recording/filing information:

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

The Condominium Map for this condominium project is:

[ ] Proposed
[x] Recorded – Bureau of Conveyance Condo Map No. 1120
[ ] Filed – Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

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

The Bylaws for this condominium are:

[ ] Proposed
[x] Recorded – Bureau of Conveyances – Book 21830 Page 704
[ ] Filed – Land Court – Document Number _____

Amendment date(s) and recording/filing information:

D. House Rules. The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:
[ ] Proposed [ ] Adopted

[x] 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:

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%	100%
Bylaws	65%	100%
House Rules	–	

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:

During the sales period, the Developer has reserved the right to make any changes to the project documents and the Project as may be required by law, any title insurance company, any institutional lender, or any governmental agency, and, prior to the conveyance or transfer of the first apartment, for any reason and in any manner as the Developer deems necessary, provided that no such change shall substantially impair the prospective use and enjoyment of the apartment, substantially alter or reduce the usable space within the apartment, render unfavorable the Buyer's mortgage loan commitment, increase the Buyer's share of common expenses, or reduce the obligations of the Developer for common expenses on unsold apartments.

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

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

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

Exhibit _____ contains further explanations.

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

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi–Annually [ ] Annually

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

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

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

Exhibit _____ contains further explanations.

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

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi–Annually [ ] Annually

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

[ ] Other:

For Subleaseholds:

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

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

B. **Underlying Land:**

Address: 931, 933, 935 and 937 Fourth Street
Pearl City, Hawaii 96782

Tax Map Key: (1)9-7-21:19, 70 (TMK)

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

Land Area: 12,752 [X] square feet [ ] acre(s)

Zoning: R5

Fee Owner: See Exhibit "A"
name

address

Sublessor: N/A
name

address

C. **Buildings and Other Improvements:**

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

2. Buildings: 4 Floors Per Building: 2

   [X] Exhibit "B" contains further explanations.

3. Principal Construction Material:

   [x] Concrete [x] Hollow Tile [x] Wood

   [x] Other glass and allied building materials.

4. Permitted Uses:

	No. of Apts.		No. of Apts.
[ ] Commercial		[ ] Industrial	
[x] Residential	4	[ ] 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: _____

[ ] Number of Occupants: _____

[x] Other: There are special use restrictions in the By-Laws and the Declaration.

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 4

Elevators N/A Stairways N/A Trash Chutes N/A

Apt. Type	Qty	BR/Bath	Net Living Area*	Ground Floor Parking Stalls ~~x Lanai/Patio~~
A1	1	3/2-1/2	1671	2
A2	1	3/2-1/2	1679	2
B1	1	3/2-1/2	2000	2
B2	1	3/2-1/2	2000	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 floor area may have been used.

Boundaries of Each Apartment:

Each apartment shall be deemed to include spaces enclosed by and within the outside surfaces of the exterior walls and roof, and the bottom surface of the slabs, footings and foundations of each of the four apartments of the Project.

Permitted Alterations to Apartments:

See Exhibit "C"

7. Parking Stalls:

Total Parking Stalls: 8

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)							
Guest							
Unassigned							
Extra Available for Purchase							
Other:	8						
Total Covered & Open	8						

Each apartment will have the exclusive use of at least 2 parking stall(s). Buyers are encouraged to find out which stall(s) will be available for their use.

[ ] Commercial parking garage permitted in condominium project.

[ ] Exhibit _____ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

[x] There are no recreational or common facilities.

[ ] Swimming pool

[ ] Recreation Area

[ ] Tennis Court

[ ] Storage Area

[ ] Laundry Area

[ ] Trash Chute

[ ] Other: _____

_____

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

N/A

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

N/A

10. Conformance to Present Zoning Code

a. [x] 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 N/A

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.

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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

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

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

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

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

   Exhibit "D" describes the common elements.

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

   [ ] There are no limited common elements in this project.

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

   [x] described in Exhibit "E"

   [ ] as follows:

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

   [ ] Exhibit _____ describes the common interests for each apartment.

   [x] as follows:

Apartment Number	Percentage
A1	22.74
A2	22.84
B1	27.21
B2	27.21

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

Exhibit "F" describes the encumbrances against the title contained in the title report dated March 18, 1988.

Blanket Liens:

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

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

[x] 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	Effect on Buyer's Interest If Developer Defaults
Construction Loan Mortgage	Buyer's interest subject to termination but Buyer entitled to return of deposit.

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.

[x] other The Board of Directors of the Association of Apartment Owners will be the managing agent of the Project.

G. **Estimate of Initial Maintenance Fees:**

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

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

Exhibit "G" 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:

[ ] Electricity [ ] Television Cable

[ ] Gas [ ] Water & Sewer

[ ] 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:

The Developer shall require from the general contractor for the project a written warranty with respect to any defects in each apartment and the common elements due to faulty materials and/or workmanship which are discovered and reported within one (1) year from the "Date of Substantial Completion" as defined in the construction contract. The Developer makes no warranties itself; however, the Developer will assign to each apartment owner any and all warranties given the Developer by the general contractor for the project and by any subcontractors or materialmen, and the Developer will cooperate with each apartment owner during the effective period of any such warranties in asserting any claims based on such warranties.

2. Appliances:

Each apartment owner shall have the direct benefit of any manufacturer's or dealer's warranties covering the appliances in his or her apartment. These warranties will expire at different times, depending on the date of installation of the appliances. The Developer does not adopt the manufacturer's or dealer's warranties, if any, but will assign and pass on to each apartment owner the benefit of such warranties.

J. **Status of Construction and Estimated Completion Date:**

The Project commenced construction on November 2, 1987. The Project was completed on March 31, 1988.

K. **Project Phases:**

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

Summary of Developer's Present Plans for Future Development:

L. **Sales Documents Filed with the Real Estate Commission:**

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

[ ] Notice to Owner Occupants

[x] Specimen Sales Contract

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

[x] Escrow Agreement dated February 8, 1988

Exhibit "I" contains a summary of the pertinent provisions of the escrow agreement.

[x] Other Specimen apartment deed.

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. 1937 filed with the Real Estate Commission on April 22, 1988.

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

[ ] yellow paper stock [X] 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"

FEE OWNER

ANN M. MORIGUCHI, wife of Ray K. Moriguchi, whose residence and post office address is 1400 Pensacola Street, #802, Honolulu, Hawaii 96822; RAY K. MORIGUCHI, husband of Ann M. Moriguchi, whose residence and post office address is 1400 Pensacola Street, #802, Honolulu, Hawaii 96822; MITSURO NAGASAKO, husband of Emiko Nagasako, whose residence and post office address is 647 Kunawai Lane, #105, Honolulu, Hawaii 96817; DAVE Y. ASATO, husband of Marsha M. Asato, whose residence and post office address is 3725 Likini Street, Honolulu, Hawaii 96818; DAMON K. ISHIDA, unmarried, whose residence and post office address is 45008 Pomaikai Place, Kaneohe, Hawaii 96744; SOGEN KAYO, husband of Keiko Kayo, whose residence and post office address is 2787 Waialae Avenue, #1A, Honolulu, Hawaii 96826; HARUKI MIYASATO, husband of Kimiko Miyasato, whose residence and post office address is 99-048 Hokio Place, Aiea, Hawaii 96701; WALLACE T. URABE, husband of Duk Hee Urabe, whose residence and post office address is 1561 Pensacola Street, #2301, Honolulu, Hawaii 96822; and PAUL FUJIMOTO, husband of Shirley Fujimoto, whose residence and post office address is 98-890B Iho Street, Aiea, Hawaii 96701, collectively.

SAB 051888 3530D

EXHIBIT "B"

DESCRIPTION OF BUILDINGS

The improvements to be constructed as part of the Project shall consist of four (4) single family residential buildings, each of which will have a garage appurtenant thereto. Each building shall contain one (1) single family residential apartment (hereinafter called "Apartment") consisting of two stories or levels and no basement, and shall be constructed principally of double wall construction, composition fiberglass shingle roof material, concrete and hollow tile foundation, glass and allied building materials.

SA3 051888 3530D

EXHIBIT "C"

PERMITTED ALTERATIONS TO APARTMENT

(a) Subject to the provisions of the Act and except as may otherwise be provided in the declaration, an owner of an apartment shall not, without the prior written consent of the board, make any structural alterations in or additions to his apartment or make any alterations in or additions to the exterior of his apartment (including painting, awnings, jalousies and screens). The owner of an apartment may, with the prior written consent of the board, erect fences or walls upon or within his private yard area, but not upon or within any other portion of the limited common elements. The board of directors shall respond within thirty days after receipt of the request of an owner for approval to structural alterations or additions and shall not unreasonably withhold consent. If no written approval or denial of the request is made within thirty days, the board's approval shall be deemed given.

(b) Additions or alterations to the common elements may be made only by or at the direction of the board of directors, except as provided in the declaration and the bylaws.

(c) Whenever in the judgment of the board of directors the common elements shall require additions or alterations with a total cost of less than Ten Thousand Dollars, the board may proceed with such work and shall assess the cost as a common expense.

(d) Neither any owner nor the association will make or permit any additions, alterations, repairs or improvements of the project or change in the grading or drainage of the property if the cost is in excess of Ten Thousand Dollars in any one instance except (i) in accordance with complete plans and specifications and detailed plot plans prepared by a registered architect or professional engineer and first approved by the board of directors, and (ii) after a bond or certificate of a bond naming the association as obligee, in a penal sum not less than one hundred percent (100%) of the cost of such construction, and in a form and with a surety satisfactory to the board of directors is deposited with the board assuring the completion of such construction free and clear of all mechanics' and materialmen's liens. Except as may otherwise be provided in the declaration, any alteration or addition undertaken that is different in any material respect from the Condominium File Plan shall be commenced only pursuant to an amendment of the declaration, and promptly upon completion of such work the association shall record such amendment, together with a complete set of plans of the property as so altered, certified as built by a registered architect or professional engineer; provided, however, that alterations or additions within an apartment or within a limited common element appurtenant to and for the exclusive use of an apartment shall require the written consent of the owner's plans by the board and the apartment owners directly affected by such alteration, as determined by the board. Any necessary amendment of the declaration may be made by such owners and the board and recorded in the Bureau of Conveyances with the plans certified as built by a registered architect or professional engineer.

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EXHIBIT "D"

COMMON ELEMENTS

One freehold estate is hereby designated in all remaining portions of the Project, herein called the "common elements" including specifically, but not limited to:

(a) the land in fee simple;

(b) all yards, grounds, landscaped areas and uncovered walkways around and between said buildings;

(c) all roadways, stairways, sidewalks, driveways, and retaining walls;

(d) all central and appurtenant installations for common services, including power, light, water, telephone, television, sewer and trash disposal; and

(e) all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the Project.

EXHIBIT "E"

LIMITED COMMON ELEMENTS

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 apartment shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved as follows:

(a) The yards adjacent to each apartment shall be appurtenant to and for the exclusive use of such apartment, as more particularly shown on said Condominium File Plan as follows:

Apartment No.	Private Yard (sq. ft.)
A1	948
A2	950
B1	1,053
B2	1,411

(b) The driveway connecting the garage of each Apartment to Fourth Street shall be deemed a limited common element appurtenant to and for the exclusive use of the apartment or apartments which are served thereby; and

(c) The walkways connecting the apartment to the driveways of the Project and/or to the garages of such apartment or apartments served thereby; and

(d) The retaining wall shall be deemed a limited common element appurtenant to and for the exclusive use of Apartments B1 and B2; and

(e) The mailboxes of the respective apartments shall be deemed a limited common element appurtenant to and for the exclusive use of the apartment or apartments served thereby.

EXHIBIT "F"

ENCUMBRANCES AGAINST LAND

1. Real property taxes as may be due and owing.

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

3. Mortgage dated September 28, 1987, made by Ann M. Moriguchi (formerly known as Ann M. Igawa), wife of Ray K. Moriguchi; Ray K. Moriguchi, husband of Ann M. Moriguchi; Mitsuro Nagasako, husband of Emiko Nagasako; Dave Y. Asato, husband of Marsha M. Asato; Damon K. Ishida, unmarried; Sogen Kayo, husband of Kaiko Kayo; Haruki Miyasato, husband of Kimiko Miyasato; Wallace T. Urabe, husband of Duk Hee Urabe; and Paul Fujimoto, husband of Shirley Fujimoto, as Mortgagor, in favor of Servco Financial Corp., a Hawaii corporation, as Mortgagee, recorded in Liber 21259, Page 735.

4. Affidavit executed by Susan A. Bender in favor of the Building Department of the City and County of Honolulu, recorded in Liber 20934, Page 1, regarding proposed subdivision which was approved on July 2, 1987.

5. Grant of Easement in favor of Hawaiian Electric Company, Inc. and GTE Hawaiian Telephone Company Incorporated, both Hawaii corporations, dated February 22, 1988, recorded in Liber 21732, Page 700.

6. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in that certain Declaration of Horizontal Property Regime recorded on April 18, 1988 in Liber 21830, Page 681, and those certain By-Laws recorded April 18, 1988 in Liber 21830, Page 704, as the same are or may hereafter be amended in accordance with law, said Declaration or said By-Laws. (Project covered by Condominium File Plan No. 1120.)

EXHIBIT "G"

PEARL CITY HAVEN

DISCLOSURE ABSTRACT

1.	NAME OF PROJECT:	PEARL CITY HAVEN 931, 933, 935 and 937 Fourth Street Pearl City, Hawaii 96782
2.	DEVELOPER:	CITY PARTNERS 802 Mapunapuna Street Honolulu, Hawaii 96819
3.	MANAGING AGENT:	The Project will be managed by the Board of Directors of the Association of Apartment Owners

4. USE OF APARTMENTS:

The four (4) apartments in the Project may be occupied and used only for residential purposes. No apartment may be used for commercial purposes. The apartments are subject to additional restrictions on their use as set forth in (i) the Declaration of Horizontal Property Regime of PEARL CITY HAVEN, (ii) the Bylaws of the Association of Apartment Owners of PEARL CITY HAVEN, (iii) the Apartment Deed for the individual apartments, (iv) and the Deposit, Receipt, Offer and Acceptance and Addendum to DROA ("Sales Contract") for the individual apartments. Copies of the foregoing documents are on file with the Real Estate Commission of the State of Hawaii.

5. WARRANTIES:

THE DEVELOPER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, COMMON ELEMENTS, APPLIANCES, FURNISHINGS OR OTHER PRODUCTS, OR ANYTHING INSTALLED IN OR UPON THE PREMISES OR USED IN CONNECTION WITH THE PROJECT IN ANY MANNER, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

As set forth in the Sales Contract, the Developer shall require from the general contractor for the project a written warranty with respect to any defects in the Buyer's apartment and the common elements due to faulty materials and/or workmanship which are discovered and reported within one (1) year from the "Date of Substantial Completion" as defined in the construction contract. The Developer makes no warranties itself; however, the execution, delivery and recordation of the Buyer's Apartment Deed shall constitute the assignment by the Developer to the Buyer of any and all warranties given the Developer by the general contractor for the project, and by any subcontractors or materialmen, and the benefit of such warranties shall accrue to the Buyer on closing without further instruments or documents. The Developer agrees to

cooperate with the Buyer during the effective period of any such warranties in asserting any claims based on such warranties. The Buyer shall also have the direct benefit of any manufacturer's or dealer's warranties covering the appliances in the apartment. The Developer does not adopt the contractor's or manufacturer's warranties, if any, and the Developer is not acting as co-warrantor, but is merely attempting to pass to the Buyer the benefit of such warranties, if any, and the Buyer expressly acknowledges and agrees to this. The Buyer acknowledges that the Developer has made no other warranties, express or implied, with respect to the property or any common element or anything installed therein.

6. ESTIMATED MAINTENANCE FEES:

See attached Schedule 1 and Schedule 2.

The breakdown of estimated initial maintenance fees and maintenance fee disbursements for PEARL CITY HAVEN has been prepared by the Developer, as of April 12, 1988, and is subject to revision based on actual cost for the items enumerated. The Developer can make no assurances regarding the estimated maintnenace fees and maintenance fee disbursements. Variables such as inflation, uninsecured casualty loss or damages, increased or decreased services from those contemplated by the Developer, apartment owner delinquencies and other factors may cause the actual maintenance fees to be greater or lesser than the estimated maintenance fees. The breakdown of the estimated fees for each apartment does not include the Buyer's obligation for the payment of real property taxes; estimates of such real property taxes will be provided by the Developer upon request.

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* *
* NOTE: THE DEVELOPER ADVISES THAT COSTS AND EXPENSES OF MAINTENANCE AND *
* OPERATION OF A CONDOMINIUM PROJECT ARE DIFFICULT TO ESTIMATE INITIALLY *
* AND EVEN IF THE MAINTENANCE FEES ARE ACCURATELY ESTIMATED, SUCH FEES WILL *
* TEND TO INCREASE IN AN INFLATIONARY ECONOMY AND AS THE IMPROVEMENTS AGE. *
* MAINTENANCE FEES CAN VARY DEPENDING ON SERVICES DESIRED BY APARTMENT *
* OWNERS. THE BUYERS SHOULD CHECK THE ATTACHED MAINTENANCE FEE SCHEDULES *
* TO SEE WHAT SERVICES ARE INCLUDED THEREIN. THE INITIAL ESTIMATES HAVE *
* BEEN MADE WELL IN ADVANCE OF THE COMPLETION OF THE PROJECT AND MAY BE *
* SUBJECT TO SUBSTANTIAL REVISION PRIOR TO OR UPON COMPLETION. *
* *
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SCHEDULE 1

ESTIMATE OF INITIAL MAINTENANCE FEES

Apartment No.	Undivided Common Interest (Per Apartment)	Monthly (Per Apt.)	Yearly Total (Per Apt.)
A1	22.74	$19.71	$ 236.50
A2	22.84	19.80	237.54
B1	27.21	23.58	282.98
B2	27.21	23.58	282.98

SCHEDULE 1
(Page 1 of 1)

EXHIBIT "G"
(Page 3 of 4)

SCHEDULE 2

PROPOSED OPERATING BUDGET FOR PEARL CITY HAVEN

(4-unit condominium project)

	ANNUALLY
RECEIPTS	
Maintenance Fees	
TOTAL RECEIPTS	$1,040.00
DISBURSEMENTS	
Insurance premium	$1,040.00
TOTAL DISBURSEMENTS	$1,040.00

The operating budget (prorated on a monthly basis) and the estimated yearly cost for each unit is for the year commencing 1988. The information contained herein is based on the data available to us at the present time.

We certify that the operating budget and the estimated monthly fees have been based on generally accepted accounting principles.

April 14, , 1988.

CITY PARTNERS, a Hawaii general partnership

By _____
Its General Partner

By _____
Its General Partner

By _____
Its General Partner

EXHIBIT "H"

SUMMARY OF DEPOSIT RECEIPT, OFFER AND ACCEPTANCE AND ADDENDUM TO DROA

The Deposit Receipt, Offer and Acceptance (the "DROA") and the Addendum to DROA (hereinafter collectively called the "Sales Contract") contain the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Project. Among other things, the Sales Contract states:

(a) The total purchase price, method of payment and additional sums which must be paid in connection with the purchase of an apartment.

(b) That the purchaser acknowledges having received and read a public report (either preliminary or final) for the Project prior to signing the Sales Contract.

(c) That the Developer makes no representations concerning rental of an apartment, income or profit from an apartment, or any other economic benefit to be derived from the purchase of an apartment.

(d) That the Sales Contract may be subordinate to the lien of a construction lender.

(e) That the purchaser's money will be hold in escrow, under the terms of the Escrow Agreement.

(f) Requirements relating to the purchaser's financing of the purchase of an apartment.

(g) That the apartment and the Project will be subject to various other legal documents which the purchaser should examine, and that the Developer may change these documents under certain circumstances.

(h) That the Developer makes no warranties regarding the apartment, the Project or anything installed or contained in the apartment or the Project.

(i) That the Project will be subject to ongoing sales activities which may result in certain annoyances to the purchaser.

(j) That the purchaser must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

(k) That the purchaser will not receive interest on deposits made under the Sales Contract.

The Sales Contract contains various other important provisions relating to the purchase of an apartment in the Project. It is incumbent upon purchasers and prospective purchasers to read with care the specimen Sales Contract on file with the Real Estate Commission.

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EXHIBIT "I"

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement sets up an arrangement under which the deposits a purchaser makes pursuant to a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement, these things will or may happen:

(a) Escrow will let the purchaser know when payments are due.

(b) Escrow will arrange for the purchaser to sign all necessary documents.

(c) The purchaser will be entitled to a refund of his or her funds only under certain cirucumstances as set forth in the Sales Contract.

The Escrow Agreement also establishes the procedures for the retention and disbursement of a purchaser's funds and says what will happen to the funds upon a default under the Sales Contract. The Escrow Agreement contains various other important provisions and establishes certain charges with which a purchaser should be familiar. It is incumbent upon purchasers and prospective purchasers to read with care the executed Escrow Agreement on file with the Real Estate Commission.