

**JULY 1, 2005 - JUNE 30, 2007
 CONDOMINIUM ASSOCIATION BIENNIAL
 REGISTRATION APPLICATION**

FOR OFFICE USE ONLY
 11/21/2005

**ALL INFORMATION PROVIDED
 IS PUBLIC INFORMATION**

**BIENNIAL REGISTRATION DEADLINE: Tuesday, May 31, 2005
 (Bond exemption reapplication deadline: Monday, May 2, 2005)**

1. Project registration number: **1950**

Name of condominium project: PALANI ESTATES	593 00075692	13-11/21/05	300.00
	918 00075693	13-11/21/05	52.80

Project street address (required): **74-5061 PALANI RD KAILUA-KONA HI 96740**

Total # apartments: **6** Expiration of bond on file with Commission:

NOTE: If no information is printed in the "Expiration of bond on file with Commission" field, the AOA has previously applied for a fidelity bond exemption (all fidelity bond exemptions expire at the conclusion of the biennial registration period). Question #5 of this application allows the AOA to select a fidelity bond exemption.

2. a. List the names of the officers of the association (*all information provided is public information*)

President (required): Joseph M. Gusman

Vice President (optional): Lorna Valeros

Secretary (required): Steven Boreri

Treasurer (required): Lynn Gusman

b. Designated officer (from section 2a) for direct contact (required): Public Email: _____ (Optional)
 The Hawaii Condominium Bulletin is mailed to this person for distribution.

Title: Secretary Name: Steven Boreri

Officer's public address: 73-1149 Hamanama ST.

City: Kailua-Kona State: HI Zip: 96740 Day Phone: (808) 325-0660

3. a. Person responsible to complete this AOA registration application (required): Public Email: _____ (Optional)
 Communications regarding an incomplete application will be directed to this person.

Title: President Name: Joseph M. Gusman

Mailing Address: PO Box 1908

City: Kealahou State: HI Zip: 96750 Day Phone: (808) 324-0708

b. Person to receive AOA correspondence & calls from Commission (required): Public Email: _____ (Optional)
 Individual to receive notices to update fidelity bond coverage, as well as correspondence (except the Hawaii Condominium Bulletin and broader education materials) from the Commission.

Title: President Name: Joseph M. Gusman

Mailing Address: PO Box 1908

City: Kealahou State: HI Zip: 96750 Day Phone: (808) 324-0708

Reg	593	\$50	\$ 58 \$300.00 \$2 52.80
CEF	918	\$ 4 x 6	
Service Fee	BCF	\$15	
Bond Exemption ..	593	\$50	
TOTAL DUE			\$74 \$352.80

4. Management status (required): (check ONE only and fill in corresponding info)

Self-managed by Association of Apartment Owners (see Instructions) Public Email: _____ (Optional)

Title: President Name: Joseph M. Gusman

Mailing Address: PO Box 1908

City: Kalaheka State: HI Zip: 96750 Day Phone: (808) 324-0708

Managed by Condominium Managing Agent (see Instructions) Public Email: _____ (Optional)

Management Company: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____ Day Phone: _____

5. a. Evidence of Fidelity Bond (required) (Between sections 5a and 5b CHECK ONE ONLY; see Question #1 for preprinted expiration date of bond on file with the Commission)

- No evidence of fidelity bond is attached because bond on file in Question #1 expires AFTER June 30, 2005.
- Completed CSI form or certificate of insurance form is attached because bond on file in Question #1 expires ON OR BEFORE June 30, 2005, or evidence of current fidelity bonding is NOT on file with the Commission.

b. Bond Exemption (If applying for a bond exemption, select ONE of the following exemptions. A corresponding bond exemption form on page B-2, B-3, or B-4 must be completed as part of the application process). An additional \$50 bond exemption application fee must be added to the preprinted total due on page A-1.

- Sole Owner: Where all condominium apartments are owned by a sole individual, sole corporation, sole partnership, sole Limited Liability Corporation ("LLC"), or sole Limited Liability Partnership ("LLP").
- 20 or Fewer Apartments: Where the condominium project contains 20 or fewer apartments.
- 100% Commercial Use: Where all condominium apartments are 100% commercial use.

6. Owner occupancy: Percentage (estimate if not known) of residential use apartments in the project which are owner-occupied: 50 %

7. Annual operating budget: Did the AOA board of directors adopt an annual operating budget? Yes No
If yes, is it distributed to each apartment owner? Yes No

8. Maintenance fees: (see Instructions)

a. State the lowest and highest MONTHLY maintenance fees assessed for any apartment in the last two years.

Lowest per month: \$ 60 (please do NOT attach maintenance fees for every apartment)
Highest per month: \$ 75

b. Has there been an increase in maintenance fees in the last two years? Yes No

c. What is the AOA's total amount of current DELINQUENT maintenance fees over 90 days? \$ 648.00

9. Special assessments:

a. Were special assessments levied against the owners within the last two years? Yes No

If yes, how much per apartment? \$ _____

If yes, for what purpose? _____

b. Is there any plan to collect a special assessment in the near future? Yes No

If yes, when? _____

If yes, how much per apartment? \$ _____

If yes, for what purpose? _____

10. Reserve studies and replacement reserves: (see Instructions)

- a. Has the AOA reserve study been annually updated? Yes No
- b. Has the AOA adopted an annual operating budget for replacement reserves? Yes No
- c. For the current fiscal year, is the AOA collecting a minimum of fifty percent of the estimated replacement reserves OR funding one hundred percent of the estimated replacement reserves when using a cash flow plan? Yes No
- d. Has the AOA funded replacement reserves through special assessments? Yes No
- e. Has the AOA exceeded its annual operating budget during anytime in the last two fiscal years? Yes No
If yes, where did the Association find the monies for the extra expenses?

- From Reserves From Special Assessments From a Combination of Reserves/Assessments
- Loan Increased Maintenance Fees

- f. Where are the reserves deposited/invested? Select all that apply.
- Deposited in a financial institution, including a federal or community credit union, located in the State and whose deposits are insured by an agency of the United States government;
 - Held by a corporation authorized to do business under Article 8 of Chapter 412, HRS;
 - Held by the United States Treasury;
 - Purchased in the name of and held for the benefit of the association through a securities broker that is registered with the Securities and Exchange Commission, has an office in the State, and the accounts of which are held by member firms of the New York Stock Exchange or National Association of Securities Dealers and insured by the Securities Insurance Protection Corporation;
 - Demand deposits, investment certificates, and certificates of deposit;
 - Obligations of the United States government, the State of Hawaii, or their respective agencies;
 - Mutual funds comprised solely of investments in the obligations of the United States government, the State of Hawaii, or their respective agencies;
 - Out of state institution.

- 11. Does the AOA conduct an annual financial audit of AOA funds by a public accountant? Yes No
- 12. Does the AOA prohibit pets? Yes No

If yes, are pet prohibitions stated in the recorded bylaws? Yes No

- 13. Does your AOA maintain and make available for owner-review during reasonable hours a reference binder containing the *Hawaii Condominium Bulletin*, Board of Directors Guides, Real Estate Commission brochures, HRS Chapter 514A, HAR Chapter 107, copies of the declaration, bylaws, house rules and any amendments? Yes No

- 14. a. Has the AOA made any changes to the common elements within the last two years? Yes No
- b. Have all bylaw changes been recorded with the Bureau of Conveyance or the Land Court? Yes No

- 15. a. Are there any leasehold apartments in this project? Yes No
If yes, what is the lease negotiation date? _____

- b. Has the AOA, or have the apartment owners, purchased the lease fee interests in the last five (5) years? Yes No

- 16. a. Has the AOA utilized mediation or arbitration to resolve condominium disputes within the last two years? Yes No

If yes, how many times? Mediation: _____ Arbitration: _____

- b. Have any lawsuits been filed against the association in the last two years? Yes No
- c. Are there any civil or criminal judgments entered against the association in the last two years? Yes No

- 17. a. Does the AOA have a separate email account? Yes No

If yes, what is the association's public email address? (optional) _____

Indicate the AOA's agreement to receive public information from the Real Estate Commission through email.

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 DEPT OF COMMERCE
 & CONSUMER AFFAIRS
 STATE OF HAWAII

Provide information through email? Yes No

b. Does the AOA maintain an Internet website? Yes No

If yes, what is the **public** website address? (optional) _____

18. How does the AOA disseminate new information to homeowners regarding changes to bylaws, house rules, HRS Chapter 514A, and HAR Chapter 107? Select all that apply.

- Newsletter Mailings Bulletin Board Email Website Other

**CERTIFICATION OF CONDOMINIUM ASSOCIATION OFFICER, DEVELOPER, 100% SOLE OWNER, OR
MANAGING AGENT WITH DELEGATION OF DUTY TO REGISTER**
For the period July 1, 2005 – June 30, 2007

1. I have read and understand the Instructions.
2. I certify that this application is complete as required, and is accompanied by the required documents and fees.
3. I certify that I am authorized to sign this certification on behalf of this condominium association, that the information provided is true and correct, and that there are no material omissions. (It is unlawful for any AOAO, its officers, board, or agents to file with the Commission any information that is false or contains a material misstatement of fact (HRS §514A-134). Any violation is a misdemeanor).
4. I certify that any changes to the required information provided in questions one (1) through five (5) of the registration application information, as required by HRS §514A-95.1(a)(1) and (2), shall be reported to the Real Estate Commission, in writing, within 10 days of the date of change. I further certify that the condominium association shall continue to update all other information during the biennial registration period as required by statute and provide updated information as requested by the Real Estate Commission. Also, written notification shall be provided to the Real Estate Commission at least 30 days prior to cancellation, termination, or a material change to the information provided in the evidence of fidelity bond coverage.
5. I certify that this condominium association does maintain continuous fidelity bond coverage in compliance with HRS §514A-95.1, and that evidence of fidelity bonding or bond exemption shall be filed with the Real Estate Commission throughout this entire registration period. This condominium association acknowledges that its registration shall be automatically terminated for failure to provide the Real Estate Commission with evidence of continuous fidelity bond coverage (if applicable) through June 30, 2007.
6. This condominium association has received sufficient notice that if it fails to submit a completed registration application and fails to maintain continuous fidelity bond coverage or an approved fidelity bond exemption as required by HRS §514A-95.1, it shall not have standing to maintain any action or proceeding in the courts of this State until it properly registers (HRS §514A-95.1(b)).

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DEPT OF COMMERCE
& CONSUMER AFFAIRS
STATE OF HAWAII


Signature of Association Officer, Developer, 100% Sole Owner, or Managing Agent
(Original signature or stamp preferred, however facsimile or photocopied signatures are accepted)

Joseph M. Gusman
Print Name

Nov 16, 2005
Date

AOAO Palani Estates
Print Name of Condominium Association (Managing Agent include CMA Name)

CHECK ONE ONLY: President [] Vice-President [] Secretary [] Treasurer
[] Developer or Developer's Agent registering for unorganized association
[] 100% Sole Owner of Condominium Project
[] Managing Agent with Delegation of Duty to Register

Mail or deliver all fees & documents to: Real Estate Branch, AOAO Registration, 335 Merchant Street, Room 333, Honolulu HI 96813

If you need assistance: call (808) 586-2643 to speak to a condominium registration clerk.

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (808) 586-2643 to submit your request.