



REAL ESTATE COMMISSION
 STATE OF HAWAII
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
 PROFESSIONAL AND VOCATIONAL LICENSING DIVISION
 1010 Richards Street - P. O. Box 3469
 Honolulu, Hawaii 96801

CONDOMINIUM PUBLIC REPORT

on

PUU IKI
 46-001 & 46-007 Puulena Street
 Kaneohe, Hawaii 96744

Registration No. 2003

Issued: October 12, 1990
 Expires: November 12, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of October 3, 1990, 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.
- FINAL:** (white) The developer has legally created a condominium and has filed complete information with the Commission.
 - No prior reports have been issued
 - Supersedes all prior public reports
 - Must be read together with _____
- SUPPLEMENTARY:** (pink) Updates information contained in the
 - Prelim. Public Report dated February 7, 1989
 - 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 by the Commission.

Changes made are as follows:

1. The Project now consists of 38 apartments, instead of 36, as previously proposed.

2. The description of apartments has been revised.

3. The number and types of parking stalls has been changed.

4. There is a new Developer for the Project, as well as a new Real Estate Sales Agent and Managing Agent. Although the Escrow Agent remains unchanged, a new branch office has been designated.

5. New forms of Declaration of Condominium Property Regime, By-Laws of the Association of Apartment Owners, Apartment Lease and Condominium Map have been submitted to the Commission.

6. Lease rent under the Apartment Leases is to be paid semiannually. in advance, instead of monthly.

7. Both buildings of the Project now contain three stories.

8. The areas of the apartments has been changed.

9. Certain apartments now have, as limited common elements appurtenant thereto, enclosed "Private Yards" adjoining them.

10. The Common Interests appurtenant to the apartments has been changed.

11. There are new dates for Start of Construction and Estimated Completion Date.

12. The new Managing Agent has filed a revised Exhibit E, relating to estimated maintenance fees.

13. A new Specimen Sales Contract, as well as a new Escrow Agreement, have been filed with the Commission.

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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 "Condominium 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 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

Interest to be Conveyed to Buyer:

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

Types of Project:

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

5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
A	1	1/1	622	N/A
B	1	1/1	622	64
C	2	1/1	665	64
D	4	2/2	838	N/A
E	15	2/2	864	192
ER	15	2/2	864	192

Total Apartments: 38

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

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

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>74</u>
Guest Stalls	<u>4</u>
Unassigned Stalls	<u>2</u>
Extra Stalls Available for Purchase	<u>0</u>
Other: <u>Loading</u>	<u>1</u>
Total Parking Stalls	<u>81</u>

7. Recreational amenities:

NONE

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Y-S (HAWAII), INC. Phone: 531-4171
Name (Business)
Suite 902 City Financial Tower
Business Address
201 Merchant Street, Honolulu, HI 96813

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

Nobuaki Yamauchi - Chairman
Masanobu Shimada - President/Secretary
Tomoji Abe - Vice President/Treasurer

Real Estate Sales Agent: George H. Sakoda Realty Phone: 538-1948
Name (Business)
1305 South King Street
Business Address
Honolulu, Hawaii 96814

Escrow: Long & Melone Escrow, Ltd.-Hawaii Kai Br Phone: 395-9426
Name (Business)
6650 Hawaii Kai Dr., Suite 103
Business Address
Honolulu, Hawaii 96825

Managing Agent: AR Corporation, dba Certified Management Phone: 263-8818
Name (Business)
417 Uluniu Street
Business Address
Kailua, Hawaii 96734

Attorney for Developer: Ken Harimoto
Name
900 Fort Street, Suite 1505
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 Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

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

The Declaration for this condominium is:

- Proposed
- Recorded - Bureau of Conveyances - Book _____ Page _____
- 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
- Recorded - Bureau of Conveyance Condo Map No. _____
- 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
- Recorded - Bureau of Conveyances - Book _____ Page _____
- Filed - Land Court - Document Number _____

Amendment date(s) and recording/filing information:

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.

- 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 common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>75%</u>
House Rules	---	<u>Majority of the Board of Directors</u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:** The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules:

Before the first conveyance of an apartment to a purchaser, the Developer may change the Declaration, Condominium Map, By-Laws and House Rules in any manner without any purchaser's consent. After the first conveyance, the Developer may, without any purchaser's consent, change the Declaration (and, if applicable, the Condominium Map), to (a) transfer parking stalls owned by the Developer to another apartment, and (b) file the architect's certificate required under the Condominium Statute (Chapter 514A, HRS, as amended).

B. Underlying Land:

Address: 46-001 & 46-007 Puulena Street Tax Map Key: 4-6-2-39 (1st Div.)
Kaneohe, Hawaii 96744 (TMK)

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

Land Area: 37,245 [X] square feet [] acre(s) Zoning: A-2

Fee Owner: Trustees of the Bernice Pauahi Bishop Estate
Name

567 South King Street, 2nd Floor
Address

Honolulu, Hawaii 96813

Sublessor: Michael T. McCormack, Personal Representative of the Estate of
Name Thomas Francis McCormack, deceased

1580 Makaloa Street, Suite 500
Address

Honolulu, Hawaii 96814

C Buildings and Other Improvements:

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

2. Buildings: 2 Floors Per Building 3

[] Exhibit _____ contains further explanations.

3. Principal Construction Material:

[X] Concrete [] Hollow Tile [] Wood
[] Other _____

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
[] Commercial	_____	[] Industrial	_____
[X] Residential	<u>38</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 _____

Number of Occupants: _____

Other: The apartments may be used for residential purposes, only.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 38

Elevators None

Stairways 5

Trash Chutes None

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>A</u>	<u>1</u>	<u>1/1</u>	<u>622</u>	<u>N/A</u>
<u>B</u>	<u>1</u>	<u>1/1</u>	<u>622</u>	<u>64</u>
<u>C</u>	<u>2</u>	<u>1/1</u>	<u>665</u>	<u>64</u>
<u>D</u>	<u>4</u>	<u>2/2</u>	<u>838</u>	<u>N/A</u>
<u>E</u>	<u>15</u>	<u>2/2</u>	<u>864</u>	<u>192</u>
<u>ER</u>	<u>15</u>	<u>2/2</u>	<u>864</u>	<u>192</u>

**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.

Boundaries of Each Apartment: Each apartment shall be deemed to include the walls and partitions which are not load-bearing and which are within its perimeter walls, doors and door frames, windows and window frames; the inner decorated or finished surfaces of walls, floors and ceilings adjoining or connecting thereto; all ducts, pipes, wires and conduits which serve only one apartment; all stairways and entrances made for the exclusive use of an apartment and all fixtures originally installed therein.

Permitted Alterations to Apartments; No alterations are permitted without the prior approval of the Board of Directors. In addition, certain provisions of the Condominium Property Act (Chapter 514A, Hawaii Revised Statutes, as amended), prohibit certain types of material changes without the consent of other apartment owners.

7. Parking Stalls:

Total Parking Stalls: 81

	Regular		Compact		Tandem-Compact		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	<u>34</u>	<u>19</u>	<u>3</u>	<u></u>	<u>18</u>	<u></u>	<u>74</u>
Guest	<u></u>	<u>4</u>	<u></u>	<u></u>	<u></u>	<u></u>	<u>4</u>
Unassigned	<u></u>	<u></u>	<u></u>	<u>2</u>	<u></u>	<u></u>	<u>2</u>
Extra Available for Purchase	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
Other:	<u></u>	<u>1</u>	<u></u>	<u></u>	<u></u>	<u></u>	<u>1</u>
Total Covered & Open	<u>56</u>	<u></u>	<u>5</u>	<u></u>	<u>18</u>	<u></u>	<u></u>

Each apartment will have the exclusive use of at least _____ 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 C contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities.

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute

Other: _____

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least 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. 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.

As follows:

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

There are no limited common elements in this project.

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

described in Exhibit _____

as follows:

(1) All entries of each residential apartment shall be appurtenant to and for the exclusive use of the apartment.

(2) Each residential apartment shall have an exclusive easement to use one or more parking stalls within the Project, as designated in Exhibit "C" attached hereto and incorporated herein by reference.

(3) All other common elements of the Project which are rationally related to less than all of the apartments or buildings shall be limited to the use of such apartments or buildings.

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 C describes the common interests for each apartment.

As follows:

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

Exhibit D describes the encumbrances against the title contained in the title report dated September 11, 1990 and issued by Long & Melone, Ltd.

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.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Mortgage Liens	Any liens on the Project to be released prior to conveyance of apartments to purchasers.

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:

[X] not affiliated with the Developer.

[] the Developer or the Developer's affiliate.

[] self-managed by the Association of Apartment Owners.

[] other _____

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 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 checked="" type="checkbox"/> Water & Sewer |
| <input type="checkbox"/> Other _____ | |
| <input type="checkbox"/> Not applicable | |

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:**

One (1) year warranty on construction.

2. **Appliances:** Range with hood; refrigerator; stacked washer-dryer; disposal; water heater and carpets.

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

Start Construction: June, 1990

Complete Construction: January-February, 1991

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:

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

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

Notice to Owner Occupants

Specimen Sales Contract

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

Escrow Agreement dated April 6, 1990

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

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

NONE

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 Condominium 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. 2003 filed with the Real Estate Commission on
December 2, 1988.

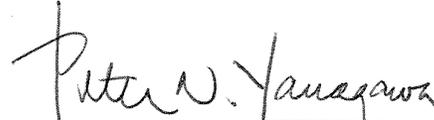
Reproduction of Report. When reproduced, this report must be on:

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.



PETER N. YANAGAWA, 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"

Lease Rent Schedule

Each Apartment Lease shall provide for lease rent, as follows:

Apartments B-1, 101, 201 and 301:

period; (a) \$480.00 per annum for the first ten (10) year

period; (b) \$840.00 per annum for the next ten (10) year

period thereafter ensuing; and (c) \$1,470.00 per annum for the five (5) year

periods and the balance of the term thereafter successively ensuing shall be negotiated with the Lessor.

All other apartments:

period; (a) \$624.00 per annum for the first ten (10) year

year period; (b) \$1,092.00 per annum for the next ten (10)

period thereafter ensuing; and (c) \$1,911.00 per annum for the five (5) year

periods and the balance of the term thereafter successively ensuing shall be negotiated with the Lessor.

EXHIBIT B

COMMON ELEMENTS

The common elements of the project include the limited common elements described in Exhibit C, and all other portions of the project, other than apartments, including, but not limited to:

(a) All of the land ("Land") submitted to the Condominium Property Regime, in fee simple;

(b) All foundations, columns, floor supports, girders, beams, supports, unfinished perimeter walls and load bearing walls and roofs of the residential buildings;

(c) All yards, grounds and landscaping, roads, walkways, loading areas, driveways, refuse facilities and all parking areas;

(d) All ducts, electrical equipment, wiring, pipes 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, water, gas, sewer, telephone and radio and television signal distribution; and

(e) Any and all 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.

EXHIBIT "C"

COMMON INTEREST/PARKING STALL ASSIGNMENTS

<u>APARTMENT NO.</u>	<u>COMMON INTEREST</u>	<u>PARKING STALL NO.</u>
B-1	1.643718%	B-1
B-2	2.214529%	B-2 (Tandem-c*)
B-3	2.790624%	B-3 (Tandem-c*)
B-4	2.790624%	B-4 (Tandem-c*)
B-5	2.790624%	B-5 & B-5 (c*)
B-6	2.790624%	B-6 & B-6 (c*)
B-7	2.790624%	B-7 & B-7
B-8	2.790624%	B-8 & B-8 (c*)
101	1.926482%	101
102	2.214529%	102 & 102 (c*)
103	2.790624%	103 & 103 (c*)
104	2.790624%	104 & 104 (c*)
105	2.790624%	105 & 105 (c*)
106	2.790624%	106 & 106
107	2.790624%	107 (Tandem-c*)
108	2.790624%	108 (Tandem-c*)
109	2.790624%	109 (Tandem-c*)
110	2.790624%	110 (Tandem-c*)
201	1.926482%	201
202	2.214529%	202 (Tandem-c*)
203	2.790624%	203 (Tandem-c*)
204	2.790624%	204 (Tandem-c*)
205	2.790624%	205 (Tandem-c*)
206	2.790624%	206 (Tandem-c*)
207	2.790624%	207 (Tandem-c*)
208	2.790624%	208 (Tandem-c*)
209	2.790624%	209 (Tandem-c*)
210	2.790624%	210 (Tandem-c*)
301	1.926482%	301
302	2.214529%	302 & 302 (c*)
303	2.790624%	303 (Tandem-c*)
304	2.790624%	304 (Tandem-c*)
305	2.790624%	305 (Tandem-c*)
306	2.790624%	306 (Tandem-c*)
307	2.790624%	307 & 307
308	2.790624%	308 & 308
309	2.790624%	309 & 309 (c*)
310	2.790624%	310 & 310

* c = Compact

Tandem-c = Tandem-Compact

EXHIBIT "D"

ENCUMBRANCES AGAINST TITLE

1. For any taxes that may be due and owing, reference is made to the Office of the Finance Director, City and County of Honolulu, State of Hawaii.

2. "...the encroachment into said lot of a portion of the PuuAlii fountain...", as disclosed by Bishop Estate Lease No. 27,420 dated September 24, 1984.

3. Bishop Estate Lease No. 27,420, dated September 24, 1984, filed as aforesaid as Document No. 1440048, made by and between the Trustees of the Estate of Bernice Pauahi Bishop, as Lessor, and Thomas Francis McCormack, husband of Hilda Frances McCormack, as Lessee, as amended by instrument dated November 27, 1986, filed as aforesaid as Document No. 1440050, and acknowledged by instrument dated August 10, 1989, filed as aforesaid as Document No. 1074826.

4. Bishop Estate Lease No. 27,420-A (Construction Sublease), dated September 24, 1984, filed as aforesaid as Document No. 1440049, made by and between the Trustees of the Estate of Bernice Pauahi Bishop, "Owners", and Thomas Francis McCormack, husband of Hilda Frances McCormack, "Tenant", as Lessor, and Puu Iki Development, Inc., a Hawaii corporation, as Lessee, as amended by instrument dated November 7, 1986, filed as aforesaid as Document No. 1440051, which said Construction Sublease was assigned to Y-S (HAWAII), INC., a Hawaii corporation, by instrument dated November 22, 1990, filed as aforesaid as Document No. 1697422.

5. Unilateral Agreement for Conditional Zoning dated November 19, 1975, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 11047, Page 583.

6. That certain Mortgage, Security Agreement and Financing Statement dated December 26, 1990, filed as aforesaid as Document No. 1697423, in favor of Puu Iki Development, Inc.

7. That certain Mortgage, Security Agreement and Financing Statement dated December 26, 1989, filed as aforesaid as Document No. 1697424, in favor of City Bank, a Hawaii corporation.

8. Subordination Agreement dated December 28, 1989, filed as aforesaid as Document No. 1697425.

9. Financing Statement recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 90-2302.

10. Third Mortgage, Security Agreement and Financing Statement dated February 22, 1990, filed as aforesaid as Document No. 1708256, in favor of J. Tamashiro, Inc., a Hawaii corporation.

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>
B-1	85.69 1028.28
B-2	115.44 1385.28
B-3	145.48 1745.76
B-4	145.48 1745.76
B-5	145.48 1745.76
B-6	145.48 1745.76
B-7	145.48 1745.76
B-8	145.48 1745.76
101	100.43 1205.16
102	115.44 1385.28
103	145.48 1745.76
104	145.48 1745.76
105	145.48 1745.76
106	145.48 1745.76
107	145.48 1745.76
108	145.48 1745.76
109	145.48 1745.76
110	145.48 1745.76
201	100.43 1205.16
202	115.44 1385.28
203	145.48 1745.76
204	145.48 1745.76
205	145.48 1745.76
206	145.48 1745.76
207	145.48 1745.76
208	145.48 1745.76
209	145.48 1745.76
210	145.48 1745.76
301	100.43 1205.16
302	115.44 1385.28
303	145.48 1745.76
304	145.48 1745.76
305	145.48 1745.76
306	145.48 1745.76
307	145.48 1745.76
308	145.48 1745.76
309	145.48 1745.76
310	145.48 1745.76

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

common elements only

\$350.00

\$4,200.00

common elements
and apartments

Gas

Refuse Collection

400.00

4,800.00

Telephone

Water and Sewer

850.00

10,200.00

1,600.00

19,200.00

Maintenance, Repairs and Supplies

Building

190.00

2,280.00

Grounds

100.00

1,200.00

290.00

3,480.00

Management

Management Fee

570.00

6,840.00

Payroll and Payroll Taxes

1,326.00

15,912.00

Office Expenses

112.00

1,344.00

2,008.00

24,096.00

Insurance

515.00

6,180.00

Reserves

610.00

7,320.00

Taxes and Government Assessments

140.00

1,680.00

Audit Fees

50.00

600.00

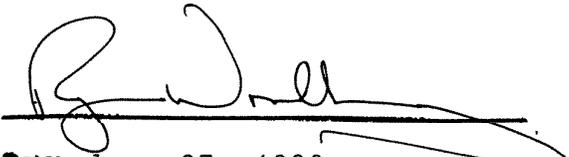
Other

TOTAL

\$5,213.00

\$62,556.00

I/We, Certified Management, 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: June 27, 1990

PUU IKI

PROJECTED CASH RECEIPTS AND DISBURSEMENTS

RECEIPTS	MONTHLY	YEARLY
Maintenance Fees	\$ 5,213	\$62,550
Total Receipts	\$ 5,213	\$62,550
DISBURSEMENTS		
Utilities		
Electricity	350	4,200
Water/Sewer	850	10,200
Refuse	400	4,800
Sub Total	\$ 1,600	\$19,200
Maintenance/Repair		
Repairs & Purchases	\$ 150	\$ 1,800
Grounds	100	1,200
Pest Control	25	300
Fire Systems	15	180
Sub Total	\$ 290	\$ 3,480
Administration		
Management Fee	\$ 570	\$ 6,840
Office & Admin Expense	87	1,044
Audit & Tax Preparation	50	600
Legal Fees	25	300
Sub Total	\$ 732	\$ 8,784
Payroll		
Maintenance Salary	\$ 1,040	\$12,480
Taxes	97	1,164
Worker's Compensation Insurance	90	1,080
TDI	9	108
Medical Insurance	90	1,080
Sub Total	\$ 1,326	\$15,912
Insurance/Other		
Fire/Liability/D&O/Fid Bond	\$ 515	\$ 6,180
General Excise/State/Fed Taxes	140	1,680
Sub Total	\$ 655	\$ 7,860
Reserves	\$ 610	\$ 7,320
TOTAL DISBURSEMENTS	\$ 5,213	\$62,556
SURPLUS (DEFICIT)	0	0

EXHIBIT F

SUMMARY OF PERTINENT SALES CONTRACT PROVISIONS

A specimen Deposit Receipt and Sales Contract (the "Sales Contract") has been submitted to the Real Estate Commission and is also available in the sales office of the Developer. All purchasers and prospective purchasers should carefully review the Sales Contract in its entirety, since this summary is not a complete description of its provisions. The Sales Contract, among other things, covers in more detail the following items:

1. After the purchaser has receipted for a Final Public Report on the project, all or a portion of the purchaser's deposits made under the Sales Contract will be used by the Developer for the construction of the project and for other expenses of developing the project. The amounts disbursed for construction and development purposes will earn no interest. However, interest earned on all deposits made by the purchaser which are not disbursed for construction and development purposes will be credited to the purchaser's account at closing, provided the purchaser closes the sale of his or her apartment by the scheduled closing date. If the purchaser does not close by the scheduled closing date, then all interests earned on the purchaser's deposit will be the sole property of the Developer.

2. The closing date of the sale of the apartment to the purchaser shall be specified in a written notice given by the Developer to the purchaser. The Developer shall give the purchaser at least ten (10) days prior written notice of the scheduled closing date; provided, however, that the closing date shall not be earlier than the date a Certificate of Occupancy covering the purchaser's apartment is issued, and shall not be later than twenty-four (24) months after the date the purchaser receipts for the Final Public Report on the project.

3. If the purchaser intends to obtain a loan to pay for a portion of the purchase price, then the purchaser will be required to submit within thirty (30) days after the Developer signs the Sales Contract, a written loan approval for the purchaser's loan from the purchaser's lender. If the purchaser should fail to obtain such loan approval, then the Developer may cancel the Sales Contract or extend the

date for obtaining the loan approval. If the Sales Contract is cancelled, then the purchaser's deposit will be refunded to the purchaser without any interest, and less any cancellation fees imposed by Escrow and any actual expenses incurred by the Developer or Escrow. It is the purchaser's responsibility to be sure that the purchaser's lender funds the loan on the scheduled closing date. If the purchaser's lender does not fund on the scheduled closing date, then the Developer may cancel the Sales Contract and keep all deposits made by the purchaser under the Sales Contract.

4. Once the purchaser receipts for the Final Public Report on the project, then the Sales Contract becomes a binding sales contract. If the purchaser should fail to close the purchase of the apartment by the scheduled closing date or otherwise defaults under the Sales Contract, then the Developer will be entitled to exercise various default remedies, including suing the purchaser for specific performance or cancelling the Sales Contract and keeping all of the purchaser's deposits. If the Developer should fail to fulfill any of its obligations under the Sales Contract, then the purchaser will be entitled to sue the Developer for specific performance or cancel the Sales Contract and receive a refund of all of the purchaser's deposits, plus the sum of \$500.

5. The Sales Contract requires the purchaser to pay various closing costs, such as title insurance premiums, one-half of the escrow fees and purchaser's notary fees. In addition, the purchaser will be obligated to pay at closing two (2) months of prepaid maintenance fees and a non-refundable start-up fee equal to an additional two (2) months' maintenance fees, determined as of the date a Certificate of Occupancy is issued for the purchaser's apartment.

6. The Developer makes no warranties, expressed or implied, with respect to the purchaser's apartment, the project or consumer products or other things installed or contained in the apartment or the project, including but not limited to warranties of merchantability, habitability, workmanlike construction or fitness for a particular use.

7. The Developer shall complete construction of the purchaser's apartment so as to permit normal occupancy within twelve (12) months after the purchaser has receipted for the Final Public Report on the project, subject,

however, to certain extensions of time due to certain factors beyond the Developer's control.

8. The Developer intends to borrow a loan for the construction of the project. This loan will be secured by one or more mortgages upon the project. The purchaser's interest in the apartment and under the Sales Contract shall be subordinate in all respects to these mortgage liens. At the time of closing, the purchaser's apartment will be conveyed to purchaser free and clear of these mortgage liens.

9. Until the first conveyance of an apartment in the project to a purchaser, the Developer shall have the right to change the Declaration of Horizontal Property Regime, Bylaws of Association of Apartment Owners, Condominium Map and other documents pertaining to the project.

10. The purchaser may not assign the Sales Contract without the Developer's prior written consent and payment of a processing fee.

11. In order to facilitate the closing of sales of apartments in the project, the Developer has the right to "pre-close" the purchaser's sale. This means that the purchaser will be required to sign various documents and to pay into Escrow that portion of the purchase price which the purchaser is not borrowing from his or her lender. However, pre-closing shall not occur earlier than sixty (60) days before the date that a Certificate of Occupancy is expected to be issued for the purchaser's apartment.

12. All apartments in the project may be used only for residential purposes, and may not be rented for tenement or rooming house or transient purposes, except that the Developer shall have the right to use apartments in the project for sales purposes (such as a sales office, model unit, etc.). The Developer will not sponsor, arrange or promote any program for the rental or temporary use and occupancy of apartments in the project. The Developer has authorized no agents, salespersons or brokers to make any representations as to rental or other income from any apartment or any other economic benefit, including possible advantages from the ownership of an apartment under federal and state tax laws, to be derived from the purchase of an apartment in the project.

13. The purchaser shall inspect the apartment at such time as directed by the Developer.

ALL PURCHASERS SHOULD READ THE SALES CONTRACT IN ITS ENTIRETY, AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT GIVE A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE SALES CONTRACT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE SALES CONTRACT, AND DOES NOT ALTER OR AMEND THE SALES CONTRACT IN ANY MANNER.

EXHIBIT G

SUMMARY OF PERTINENT ESCROW AGREEMENT PROVISIONS

Copies of the Escrow Agreement between the Developer and First Hawaii Title Corporation ("Escrow") have been submitted to the Real Estate Commission and are available for inspection in the sales office of the Developer. All purchasers and prospective purchasers should carefully read the Escrow Agreement in its entirety, since this summary is not a complete description of its provisions. The Escrow Agreement, among other things, covers in more detail the following items:

1. The Developer will turn over the purchaser's initial deposits to Escrow. All other payments to be made by the purchaser under the Sales Contracts are to be made to Escrow.

2. The purchaser's funds will be deposited in a federally-insured institution. Except as otherwise stated in the Sales Contract, the Developer will get all of the interest paid on the purchaser's funds.

3.a. The purchaser's funds may be released by Escrow to the Developer when two (2) full working days have passed since the purchaser has receipted for the Final Public Report on the project, and the Developer notifies Escrow that certain requirements imposed under the Condominium Statutes (Chapter 514A, HRS) have been satisfied and that the Sales Contract has become a binding sales contract in accordance with the terms of the Sales Contract.

b. If the purchaser's funds are released to the Developer by Escrow, then the Developer may use the funds for the payment of construction costs, architectural fees, engineering fees, finance and legal fees and other incidental expenses of the project, and for the payment of any other items which does not violate the Condominium Statutes.

c. The balance of the purchaser's funds will be released by Escrow to the Developer when the purchaser's Apartment Deed has been recorded, and the purchaser is protected against mechanics' and materialmen's liens.

d. The Sales Contract explains when purchasers may obtain refunds of their deposits. Escrow will make these refunds only if the Developer instructs Escrow to make such refunds. No refund is to be made at a purchaser's request unless Escrow receives written approval from the Developer. The refunds will be made without interest unless the Sales Contract states differently. If permitted under the Sales Contract, Escrow will deduct its cancellation fees from the refunds. Escrow will also make refunds as required under Part IV of the Condominium Statutes.

e. The Developer will notify Escrow if a purchaser has defaulted and the Developer has cancelled the purchaser's Sales Contract. Escrow will then notify the purchaser by registered mail that the Developer has cancelled the Sales Contract because of the default. After ten (10) days following Escrow's mailing of such notice to the purchaser, Escrow will treat all of the purchaser's funds in escrow as belonging to the Developer, and shall release the funds to the Developer upon the Developer's request.

3. Escrow will assist and supervise the signing of all documents necessary for closing. Escrow will close the sale only if all of the money required to be paid to Escrow has been paid and all necessary closing documents can be recorded.

4. Escrow's fee will be \$135 per sale, plus Hawaii general excise tax. Escrow will also issue to each purchaser, at closing, an owner's title policy. The cost of such policy will be \$150, plus Hawaii general excise tax. An additional sum of \$26, plus Hawaii general excise tax, will be charged for each title policy issued in favor of the purchaser's lender.

It will be the purchaser's responsibility to pay for the purchaser's and lender's title policies, and payment will not be the responsibility of the Developer.

5. If escrow is cancelled, Escrow's cancellation fee will be \$25. If escrow is cancelled as a result of the purchaser's default or cancellation, then the purchaser will also have to pay as an additional cancellation fee, all out-of-pocket costs incurred by Escrow.

6. Escrow will not be liable to anyone so long as Escrow acts in accordance with the terms of the Escrow Agreement, even if someone attempts to give Escrow instructions which are different from the terms of the Escrow Agreement.

7. Except as otherwise provided in the Escrow Agreement, Escrow is not obligated to choose sides or do anything if the Developer and a purchaser should have a dispute. Escrow can wait until the dispute is resolved or file an "interpleader" action to have the dispute resolved by the courts. In that case, Escrow will deposit into court any money involved in the dispute, and Escrow will not have any further liability to the parties. The Developer and the purchaser will be jointly and severally responsible for the payment of all costs and attorneys' fees payable by Escrow in connection with this interpleader action. As between the Developer and the purchaser, the party that wins the interpleader action will be entitled to recover from the losing party all of the winning party's attorneys' fees and costs.

8. The Developer and the purchaser will jointly and severally indemnify Escrow against all sums and damages incurred by Escrow in connection with the Escrow Agreement, except that the Developer and purchaser need not indemnify Escrow in cases of misconduct or negligence by Escrow or Escrow's failure to comply with the terms of the Escrow Agreement.

9. The Escrow Agreement can be amended only by Escrow and the Developer.

10. The Escrow Agreement may be terminated by either the Developer or Escrow upon fifteen (15) days notice to the other party. The Escrow Agreement is subject to the provisions of the Condominium Statutes.

ALL PURCHASERS SHOULD READ THE ESCROW AGREEMENT IN ITS ENTIRETY, AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE ESCROW AGREEMENT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE ESCROW AGREEMENT, AND DOES NOT ALTER OR AMEND THE ESCROW AGREEMENT IN ANY MANNER.