



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

KAMANI TREES CONDOMINIUM PHASE I
 Holualoa, Kona, Hawaii

Registration No. 2146

Issued: March 14, 1990

Expires: April 14, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of December 27, 19 89, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

PRELIMINARY: The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
(yellow)

FINAL: The developer has legally created a condominium and has filed complete information with the Commission.
(white)

No prior reports have been issued
 Supersedes all prior public reports
 Must be read together with _____

SUPPLEMENTARY: Updates information contained in the
(pink)

Prelim. Public Report dated _____
 Final Public Report dated _____
 Supp. Public Report dated _____

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

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

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required Not Required - disclosures covered in this report.

TABLE OF CONTENTS

	page
Report Purpose	1
Type of Report	1
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Summary of the Condominium Project	5
I. PEOPLE CONNECTED WITH THE PROJECT	6
Developer	
Real Estate Sales Agent	Managing Agent
Escrow Company	Attorney for Developer
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	7
B. Condominium Map (File Plan)	7
C. Bylaws	7
D. House Rules	8
E. Changes to Condominium Documents	8
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	9
B. Underlying Land	10
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	14
E. Encumbrances Against Title	15
F. Management of the Common Elements	15
G. Maintenance Fees	16
H. Utility Charges	16
I. Construction Warranties	16
J. Status of Construction	17
K. Project Phases	17
L. Sales Documents Filed with the Real Estate Commission	17
IV. ADDITIONAL INFORMATION NOT COVERED ABOVE	18
Buyer's Right to Cancel Sales Contract	19
Signature of Real Estate Commission Chairman	20
EXHIBIT A: Description of Common Elements	
EXHIBIT B: Description of Limited Common Elements	
EXHIBIT C: Description of Common Interest	
EXHIBIT D: Encumbrances Against Title	
EXHIBIT E: Estimated Condominium Maintenance Fees	
EXHIBIT F: Summary of Sales Contract	
EXHIBIT G: Summary of Escrow Agreement	
EXHIBIT H: Apartment Description	
EXHIBIT I:	
EXHIBIT J:	

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 - SEE EXHIBIT "H"

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 53 (all types)

**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)	0
Guest Stalls	0
Unassigned Stalls	0
Extra Stalls Available for Purchase	0
Other: <u>53 2-car</u> garages	106
Total Parking Stalls	<u>106</u>

7. Recreational amenities: None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: JPS HAWAII, INC. Phone: 521-5661
Name (Business)
1001 Bishop Street, 1060 Pacific Tower
Business Address
Honolulu, Hawaii 96813

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

James K. Schuler - President/Vice-President/Secretary/Treasurer
Michael T. Jones - Executive Vice-President
Joanne Halsey - Vice-President/Assistant Secretary

Real Estate Sales Agent: Maui Sea Cliffs Development, Inc. Phone: 521-5661
dba South Pacific Properties (Business)
Name
1001 Bishop Street, 1060 Pacific Tower
Business Address
Honolulu, Hawaii 96813

Escrow: Island Title Corporation Phone: 526-9171
Name (Business)
1001 Bishop Street, 320 Pauahi Tower
Business Address
Honolulu, Hawaii 96813

Managing Agent: Chaney Brooks & Company Phone: 329-3121
Name (Business)
75-5706 Hanama Place, Suite 202
Business Address
Kailua-Kona, Hawaii 96740

Attorney for Developer: James A. Stubenberg
Name
1001 Bishop Street, 1250 Pauahi Tower
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>65%</u>
House Rules	---	<u>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:

The Developer may amend the Declaration by filing an "as built" verified statement, so long as this statement is only a verified statement of a registered architect or professional engineer and will state that the final plans that were filed represent the layout, location, apartment numbers and dimensions of the apartments as built, or so long as the plans involved only immaterial changes to the layout, location, apartment numbers, or the dimensions of the apartments as built.

The Developer may also amend the Declaration to implement the merger of phases into a single condominium project. The Developer reserves the right to withdraw from the project both all or any part of the common elements consisting of the roadways, curves, gutters, sidewalks, sewer system and storm drain system and to dedicate the same to the appropriate municipal authority or public utility. Such withdrawal shall be effective upon the amendment of the Declaration by the Developer, which amendment shall describe the common elements so withdrawn.

B. Underlying Land:

Address: Holualoa, Kona, Hawaii Tax Map Key: 7-6-13:11(3)
(TMK)

Address TMK is expected to change because _____

Land Area: 9.330 square feet acre(s) Zoning: RS-7.5 Residential

Fee Owner: JPS HAWAII INC.
Name
1001 Bishop Street, 1060 Pacific Tower
Address
Honolulu, Hawaii 96813

Sublessor: _____
Name

Address

C Buildings and Other Improvements:

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

2. Buildings: 53 Floors Per Building 1 to 2

Exhibit _____ contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other glass

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Industrial	_____
<input checked="" type="checkbox"/> Residential	<u>53</u>	<input type="checkbox"/> Agricultural	_____
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input type="checkbox"/> Other: _____			_____

5. Special Use Restrictions:

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

Pets Dogs, cats or other conventional household pets in reasonable number may be kept by an apartment owner or occupant.

Number of Occupants: _____

Other: No time-sharing plan permitted, including "vacation license," travel club membership" or "time interval ownership."

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 53

Elevators 0

Stairways 0

Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>SEE EXHIBIT "H"</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 footings or slabs on which it is constructed, the exterior walls and roof, all interior walls, ceilings and partitions, and the finished surfaces thereof, and all fixtures originally installed therein. An apartment shall also be deemed to include its garage.

Permitted Alterations to Apartments;

The owner of any apartment shall have the right to alter his/her apartment by decreasing or increasing the size of any apartment, provided that the same shall not extend or place the apartment outside of a 10-foot setback from the limits of the limited common element area upon which the apartment is built as designated on the Condominium File Plan.

7. Parking Stalls:

Total Parking Stalls: 106

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for individual units)	<u>2-car garage</u>		_____	_____	_____	_____	_____
Guest	_____	_____	_____	_____	_____	_____	_____
Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra Available for Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	_____	_____	_____	_____	_____	_____	_____
Total	_____		_____		_____		_____
Covered & Open	<u>53 2-car garages</u>		_____		_____		_____

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.

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

NOT APPLICABLE

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

NOT APPLICABLE

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 "A" 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 "B"

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 "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 9/5/89 and issued by Island Title Corporation.

Blanket Liens:

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

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

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 in favor of First Hawaiian Bank	Buyer entitled to return of deposits and the sales contract will be cancelled.
Mortgage in favor of First Federal Savings and Loan Association of America	

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.

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 type="checkbox"/> Water & Sewer |
| <input type="checkbox"/> Other _____ | |
| <input checked="" 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:

Developer will pass on or assign to the apartment owners all warranties on the building and other improvements from the contractor.

2. Appliances:

Developer will pass on or assign to the apartment owners all warranties from the manufacturers and suppliers of appliances in the apartments.

J. Status of Construction and Estimated Completion Date:

The construction has commenced in November 1989, and the estimated date of completion is April 1990.

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:

Developer plans a merger with Phase II when Phase I has been completely constructed. At that time, the owners of the apartments in each phase will have the right to use all of the common elements of both phases subject to the same limitations that are imposed on an owner of an apartment in each phase. The percentage interest of the common elements appurtenant to each apartment will remain the same after merger. The Developer does not anticipate that the merger will result in higher common area maintenance assessments.

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 February 27, 1989

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

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

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

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

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

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

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

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

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

B. Rights Under the Sales Contract:

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

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of 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 Declaration as to Merger of Increments in a Condominium Project

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. 2146 filed with the Real Estate Commission on
September 19, 1989.

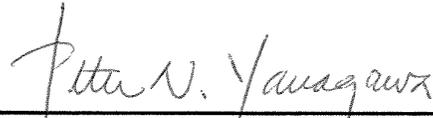
Reproduction of Report. When reproduced, this report must be on:

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, County of Hawaii

Planning Department, County of Hawaii

Federal Housing Administration

Escrow Agent

EXHIBIT "A"

DESCRIPTION OF COMMON ELEMENTS

- A. Land in fee simple; and
- B. Lot 34; 10,230 square feet;* and
- C. All other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the Project.

***NOTE:** Developer has entered into a Memorandum of Agreement with the State of Hawaii to set aside Lot 34 of Phase I as an historic park. Said park will be a part of the common elements and will be open to the community as well as to Native Hawaiians.

EXHIBIT "B"

DESCRIPTION OF LIMITED COMMON ELEMENTS

Certain parts of the common elements are designated and set aside for the exclusive use of certain dwellings, and such dwelling 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 land consisting of the "privacy areas" which are more particularly described on the Condominium File Plan, upon which the respective dwellings are built shall be appurtenant to and for the exclusive use of such dwelling.

All limited common element costs and expenses, including but not limited to, maintenance, repair, replacement, additions and improvements, shall be borne entirely by the owner of the dwelling to which the limited common elements are appurtenant.

EXHIBIT "C"

COMMON INTEREST

<u>DWELLING NUMBER</u>	<u>DWELLING TYPE</u>	<u>% COMMON INTEREST</u>
1A	1000	2.156
1B	1200R	2.586
2A	1200R	2.586
2B	1200	2.586
3A	1200R	2.586
3B	1200	2.586
4A	800A	1.724
4B	800BR	1.724
5A	800A	1.724
5B	800A	1.724
6A	800A	1.724
6B	800A	1.724
7A	800A	1.724
7B	800A	1.724
8A	800A	1.724
8B	800A	1.724
9A	800A	1.724
9B	800A	1.724
10A	800A	1.724
10B	800A	1.724
11A	800A	1.724
11B	800A	1.724
12	1200A	2.586
14A	1000R	2.156
14B	1000	2.156
19A	800B	1.724
19B	800B	1.724
20A	800AR	1.724
20B	800BR	1.724
21A	800A	1.724
21B	800A	1.724
22A	1000	1.941
22B	800	1.509
23A	800R	1.724
23B	800	1.724
24A	800R	1.724
24B	800	1.724
25A	800	1.724
25B	800	1.724

<u>DWELLING NUMBER</u>	<u>DWELLING TYPE</u>	<u>% COMMON INTEREST</u>
26A	800R	1.724
26B	800	1.724
27A	800R	1.724
27B	800	1.724
28A	1200R	2.586
28B	1000	2.156
35A	1000	2.156
35B	1000	2.156
36A	800	1.724
36B	800	1.724
37A	800	1.724
37B	800	1.724
38A	800	1.724
38B	800B	1.724

EXHIBIT "D"

ENCUMBRANCES AGAINST TITLE

1. Title to all minerals and metallic mines reserved to the State of Hawaii.
2. Easement 2, for electrical purposes, as shown on the map of File Plan No. 1970. (As to Lot 20)
3. Easement 3, for electrical purposes, as shown on the map of File Plan No. 1970. (As to Lot 23)
4. Easement 4, for electrical purposes, as shown on the map of File Plan No. 1970. (As to Lot 27)
5. Easement 6, for pedestrian access and sanitary sewer purposes, as shown on the map of File Plan No. 1970. (As to Lot 13)
6. Easement 21-B, for Alii Drive realignment purposes, as shown on the map of File Plan No. 1970. (As to Lot 13)
7. Easement S-21-B, for slope purposes, as shown on the map of File Plan No. 1970. (As to Lots 13 and 14)
8. An easement for electrical purposes, in favor of Hawaii Electric Light Company, Inc., a Hawaii corporation, dated May 15, 1989, recorded August 21, 1989, in the Bureau of Conveyances, State of Hawaii, in Book 23546, Page 649. (Affects Easements 2, 3, 4, and 6)
9. Mortgage dated and recorded April 24, 1989, in the Bureau of Conveyances, State of Hawaii, in Book 23099, Page 1, to secure the repayment of \$8,470,000.00, and any additional advances and other amounts secured thereby, under the terms and provisions thereof,
Mortgagor: JPS Hawaii, Inc., a Hawaii corporation
Mortgagee: First Hawaiian Bank, a Hawaii corporation
10. A Financing Statement covering the property herein described, recorded in the Bureau of Conveyances, State of Hawaii, in Book 23098, Page 788.
Date Recorded: April 24, 1989
Debtor: JPS Hawaii, Inc.
Secured Party: First Hawaiian Bank

EXHIBIT "E"

ESTIMATE OF INITIAL MAINTENANCE FEES

**KAMANI TREES
(53 UNITS)**

<u>DWELLING TYPE</u>	<u>QUANTITY</u>	<u>COMMON INTEREST</u>	<u>MONTHLY FEE</u> X 12 Mos. =	<u>ANNUAL TOTAL</u>
800, 800A, 800B, 800AR, 800BR, 800C, 800R	39	1.724%	\$22.91	\$274.92
1000, 1000R	7	2.156%	\$28.65	\$343.80
1200, 1200A, 1200R	7	2.586%	\$34.37	\$412.44

PROPOSED OPERATING BUDGET

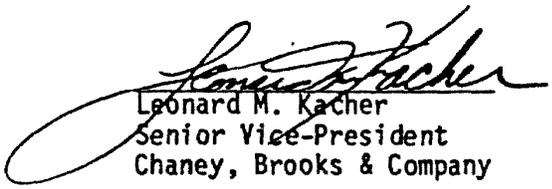
KAMANI TREES
(53 Units)

<u>RECEIPTS</u>	<u>Monthly</u>	<u>Annually</u>	<u>Remarks</u>
Maintenance	\$1,329	\$15,948	
TOTAL RECEIPTS	\$1,329	\$15,948	
<u>DISBURSEMENTS</u>			
Audit & Tax Fees	\$ 83	\$ 996	
Insurance Liability - Property	185	2,220	
Insurance Liability - Director's & Officers	84	1,008	
Maintenance & Repair - Grounds	100	1,200	(Lot 34)
Management & Accounting Services	525	6,300	
Refuse Service	185	2,220	
Utilities - Water	42	504	(Lot 34)
Other Disbursements	75	900	
SUBTOTAL DISBURSEMENTS	\$1,279	\$15,348	
Transfer to Reserves	50	600	
TOTAL DISBURSEMENTS	\$1,329	\$15,948	

The operating budget (prorated on a monthly basis) and the estimated monthly cost for each unit is for one year commencing February 1989. The information contained herein is based on data available to us at this time.

We certify that the monthly maintenance fee and the monthly operating costs have been based on generally accepted accounting principles.

August 15, 1989


Leonard M. Kacher
Senior Vice-President
Chaney, Brooks & Company

S-1571t/94

EXHIBIT "F"

SUMMARY OF SALES CONTRACT

1. Seller has entered into an Escrow Agreement dated February 27, 1989, with Island Title Corporation.

2. Seller may terminate Sales Contract and refund to Buyer all money Buyer has paid without interest, if Seller determines that Buyer's ability to make payments or if the financial ability of Buyer has decreased at the time the credit report is updated.

3. Risk of loss to the apartment and percentage interest in the common elements will be borne by Seller until the date of final closing at which time risk of loss will be borne by Buyer.

4. The contract will not be assignable without the written consent of Seller and any attempt to assign without this consent will be null and void.

5. Seller reserves the right to modify the Declaration, By-Laws, House Rules (if any), Escrow Agreement and Apartment Deed, provided that these modifications do not increase the Buyer's share of common expenses, reduce the obligations of Seller for common expenses on unsold apartments, reduce the size of the apartments, increase the cost of the apartments, or impair or modify any obligations given or undertaken by Seller. Seller also reserves the right to make minor changes that may improve the apartment.

6. Seller anticipates BUT DOES NOT WARRANT that the construction contract with the general contractor shall contain a warranty clause.

THE SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, THE PROJECT, OR CONSUMER PRODUCTS OR OTHER THINGS INSTALLED OR CONTAINED IN THE APARTMENT OR THE PROJECT, INCLUDING BUT NOT LIMITED TO WARRANTIES OR MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR USE.

7. Seller may appoint the initial management agent for the project.

8. Escrow will be paid ONE HUNDRED EIGHTY-FIVE AND NO/100 DOLLARS (\$185.00) per apartment at the closing of Escrow.

9. Escrow will collect TWENTY AND NO/100 DOLLARS (\$20.00) if a Sales Contract is cancelled. After Escrow commences its closing duties, the full escrow fee shall be charged.

EXHIBIT "G"

SUMMARY OF ESCROW AGREEMENT

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

1. Seller will require all payments due to be made to Escrow.

2. All money received by Escrow will be deposited in an interest-bearing account in a federally-insured bank or savings and loan institution. All interest earned in the account will be credited to the account of the Seller.

3. If the Buyer under a reservation as an owner-occupant is not offered an apartment or if the Buyer refuses to enter into a sales contract, Escrow will promptly refund the deposit made by Buyer without interest. If Buyer enters into a Sales Contract but rescinds the Sales Contract because of hardship or because the Buyer no longer intends to be an owner-occupant, Seller will cancel Sales Contract and Escrow will promptly return all money to Buyer without interest and less the cancellation fee.

4. Escrow will not disburse Buyer's funds until

(1) Escrow receives a copy of a "Receipt for Public Report and Notice of Right to Cancel";

(2) Escrow receives certification from Developer stating that the Sales Contract has become effective; and

(3) Buyer's Apartment Deed is recorded.

5. Escrow will from time to time make disbursements from the escrow fund to pay for construction costs, to other persons for architectural, engineering, financing, advertising, legal fees and other expenses, but not for selling expenses or brokerage fees relating to the sales of any apartment.

6. If Buyer is in default under the Sales Contract, Escrow will promptly give to Buyer notice of the default.

7. Escrow is relieved from all liability for acting in accordance with the terms of the Escrow Agreement.

8. Seller reserves the right to exercise all of the power of the Association until the election of the Board of Directors and officers of the Association of Apartment Owners and may vote and exercise all the powers of the Board and officers of the Association including voting of owners of apartments remaining unsold.

9. Buyer may have the right to cancel the Sales Contract and obtain a refund of all money paid by Buyer if the Final Public Report is not issued within one (1) year from the date of the issuance of the Preliminary Public Report, or there are any changes in the condominium building plans after the execution of this contract and before the issuance of a Final Public Report, or the Final Public Report differs in any material respect from the Preliminary Report.

10. If the Buyer defaults when a payment is required, the Seller will notify the Buyer by registered mail of such default. If the default is not cured within ten (10) days after mailing the notice, the Sales Contract may be terminated by Seller with written notice to Buyer. If this occurs, the money paid by the Buyer will belong to the Seller as liquidated damages.

11. Seller agrees that it will erect the building containing the apartment within the period of two (2) years from the date of this Preliminary Report.

12. The Project will be subject to ongoing construction and sales activities which may result in certain annoyances to Buyer.

13. Seller has no program to offer a rental service of any kind to the owners of apartments in the Project.

EXHIBIT "H"

APARTMENT DESCRIPTION

<u>APARTMENT TYPE</u>	<u>QUANTITY</u>	<u>BEDROOM/BATH</u>	<u>NET LIVING AREA</u> (Square Feet)
800	12	2/2	800
800A	17	2/2	800
800B	2	2/2	800
800C	1	2/2	800
800AR	1	2/2	800
800BR	2	2/2	800
800R	4	2/2	800
1000	6	3/2	1000
1000R	1	3/2	1000
1200	2	3/2-1/2	1200
1200A	1	3/2-1/2	1200
1200R	4	3/2-1/2	1200