



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

HALAU O' MALANI
 75-5825 Alii Drive
 Kailua-Koʻna, Hawaii 96740

Registration No. 2205

Issued: May 25, 1990
 Expires: June 25, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of May 2, 19 90, 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.

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:

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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 See Exhibit "A" attached hereto.

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

Total Apartments: 45

**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>47</u>
Guest Stalls	<u>8</u>
Unassigned Stalls	<u>3</u>
Extra Stalls Available for Purchase	_____
Other: _____	_____
Total Parking Stalls	<u>59</u>

- 7. Recreational amenities:**
1. Pool
 2. Spa
 3. Sauna
 4. Restrooms

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: W & R, INC., a Hawaii corporation Phone: (808) 523-1318
Name (Business)
1060 Young Street, Suite 210
Business Address
Honolulu, Hawaii 96814

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

<u>Maxine R. Stevenson</u>	<u>President</u>
<u>William W. Stevenson</u>	<u>Secretary/Treasurer</u>
<u>Ralph M. Berezan</u>	<u>Vice President</u>

Real Estate Sales Agent: Libbie & Company Phone: (808) 523-1381
Name (Business)
1060 Young Street, Suite 210
Business Address
Honolulu, Hawaii 96814

Escrow: First American Title Company of Hawaii, Inc. Phone: (808) 524-4050
Name (Business)
923 Nuuanu Avenue
Business Address
Honolulu, Hawaii 96817

Managing Agent: Chaney, Brooks & Company Phone: (808) 544-1600
Name (Business)
606 Coral Street
Business Address
Honolulu, Hawaii 96813

Attorney for Developer: Case & Lynch (Gary L. Wixon)
Name
Suite 2600, Mauka Tower
737 Bishop Street
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>See §13.1, Bylaws</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:

At any time prior to the first recording in the Bureau of Conveyances of a conveyance or transfer (other than for security) of an apartment and its appurtenances to a person not a party to this declaration, the developer may amend this declaration, (the bylaws, Condominium File Plan and exhibits) in any manner without approval or consent of any apartment purchaser.

The developer may amend this declaration (and when appropriate the Condominium File Plan) without the consent or joinder of any persons then owning, leasing or mortgaging the apartments in the project by recording an amendment to which is attached a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed in the Bureau of Conveyances or being filed with the amendment fully and accurately depict the layout, location, apartment numbers and dimensions of the apartments, as built, or so long as the plans being filed simultaneously with the amendment involve only immaterial changes to the layout, location and dimensions of the apartments as built or any change in any apartment number.

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 any small dogs, cats, fish and small birds permitted, with prior written consent of the Board.

Number of Occupants: _____

Other: No waterbeds permitted

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 45

Elevators 2

Stairways 3

Trash Chutes 2

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
See Exhibit "A" attached hereto.	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

*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 includes, but is not limited to, all walls, columns and partitions which are not load-bearing within the apartment's perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, the doors and door frames, lanai railings, windows and window frames along the perimeters, the air space within the perimeters, the lanai air space, and all fixtures originally installed in the apartment. The apartments shall not include the undecorated or unfinished surfaces of the perimeter party or nonparty walls, the interior load-bearing columns, girders, beams and walls, the undecorated or unfinished surfaces of the floors and ceiling surrounding each apartment or any pipes, shafts, wires, conduits or other utility or service lines running through an apartment which are utilized for or serve more than one apartment.

Permitted Alterations to Apartments: Alterations or additions within an apartment, within a limited common element appurtenant to and for the exclusive use of an apartment, or to the exterior of an apartment (including painting, awnings, jalousies and screens), shall require the written consent of the owner's plans by the Board of Directors of the Association of Apartment Owners and the apartment owners directly affected by such alterations or additions, as determined by the Board. Any alteration or addition that is different in any material respect from the Condominium File Plan shall be commenced only pursuant to an amendment of the Declaration. Any necessary amendment of the Declaration may be made by such owners and the Board and recorded with plans certified as built by a registered architect or professional engineer.

The owner of two or more apartments separated by a party wall, floor or ceiling may alter or remove the intervening wall if structural integrity and soundness of the project is not adversely affected. At the termination of the common ownership of adjacent apartments, the altered or removed walls shall be restored by the owner to substantially the same condition as existed prior to the alteration or removal.

7. Parking Stalls:

Total Parking Stalls: 58

	<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>44</u>	<u> </u>	<u>3</u>	<u> </u>	<u> </u>	<u> </u>	<u>47</u>
Guest	<u>7</u>	<u> </u>	<u>1</u>	<u> </u>	<u> </u>	<u> </u>	<u>8</u>
Unassigned	<u>3</u>	<u> </u>	<u>3</u>				
Extra Available for Purchase	<u> </u>						
Other:	<u> </u>						
Total Covered & Open	<u>54</u>	<u> </u>	<u>4</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Each apartment will have the exclusive use of at least one (1) 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: sauna, spa, restrooms

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.

U. Common Elements, Limited Common Elements, Common Interest:

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

Exhibit "D" describes the common elements.

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 "E"

as follows:

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

Exhibit "F" 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 "G" describes the encumbrances against the title contained in the Commitment For Title Insurance
dated February 23, 1990 and issued by First American Title Insurance Company

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>
* 1. Mortgage in favor of First Hawaiian Creditcorp, Inc., dated February 27, 1989.	Buyer's interest may be terminated and Buyer will receive a refund of all deposits.
* 2. Mortgage in favor of Finance Factors, Limited, dated May 10, 1989.	

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.

[X] other Not yet selected.

* To be released before conveyance of an apartment.

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 "ff" contains a schedule of maintenance fees and maintenance fee disbursements.

H. Utility Charges for Apartments:

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

- Electricity
- Gas
- Other _____
- Not applicable
- Television Cable
- Water & Sewer

I. Construction Warranties:

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

1. Building and Other Improvements:

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

2. Appliances:

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

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

The project has not yet commenced construction and has no set commencement date for construction nor a set completion date. Depending on sales, the earliest the Developer expects to commence is August 1, 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:

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 "I" contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated January 4, 1990

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

Other specimen Apartment Deed

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

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

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

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

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

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

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

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

B. Rights Under the Sales Contract:

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

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of 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.

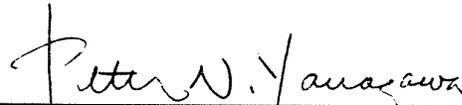
Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs.

This Public Report is a part of Registration No. 2205 filed with the Real Estate Commission on
March 14, 1990

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"

APARTMENT DESCRIPTION

<u>Apartment Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (s/f)*</u>	<u>Lanai (s/f)</u>
"A"	16	1-1 1/2	1158	170
"B"	4	2-2 1/2	1499	398
"C"	3	2-2	1385	176
"D"	2	2-2	1324	258
"E"	2	1-1 1/2	1138	187
"F"	2	1-1 1/2	1234	231
"G"	8	1-1 1/2	1026	147
"H"	4	1-1 1/2	1023	170
"J"	1	1-1	1012	170
"K"	1	1-1	934	139
"L"	1	2-1 1/2	1447	1704
"M"	1	2-2	1659	1769

*The approximate net floor area of each apartment as set forth above is measured from the interior surface of the apartment perimeter walls and includes all of the walls and partitions within its perimeter walls, whether load-bearing or nonload-bearing.

NOTE: THE FLOOR AREAS SHOWN ARE APPROXIMATE ONLY. THE DEVELOPER MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER AS TO THE FLOOR AREA OF ANY PARTICULAR APARTMENT.

EXHIBIT "B"

DESCRIPTION OF BUILDING

The project shall contain one (1) four-story building with parking located in the basement. The first floor shall contain 12 single-level residential apartments and an office. The second floor shall contain 12 single-level residential apartments. The third floor shall contain 11 single-level residential apartments and the fourth floor shall contain 10 single-level residential apartments. The building will be constructed principally of wood, gyp board, concrete, hollow tile, plaster, glass and other allied building materials.

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EXHIBIT "B"
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EXHIBIT "C"

PARKING STALLS

Each apartment shall have appurtenant to it the exclusive right to use the parking stall(s) designated below, located in the parking area as shown on the Condominium File Plan. The Developer hereby reserves the right for itself, its successors and assigns, by way of an amendment to the Declaration of Condominium Property Regime, to convey or otherwise designate any parking stall not specifically designated herein to be appurtenant to and for the exclusive use of any other apartment in the project.

<u>Apartment No.</u>	<u>Parking Stall No.(s)</u>	<u>Apartment No.</u>	<u>Parking Stall No.(s)</u>
A-01	P-38	C-01	P-24
A-02	P-39	C-02	P-48
A-03	P-40	C-03	P-9
A-04	P-41	C-04	P-8C
A-05	P-56	C-05	P-7
A-06	P-57	C-06	P-49C
A-07	P-58	C-07	P-50
A-08	P-2	C-08	P-51
A-09	P-1	C-09	P-52
A-10	P-21	C-10	P-25
A-11	P-22	C-11	P-28C, P-37
A-12	P-23		
B-01	P-42	D-01	P-17
B-02	P-43	D-02	P-44
B-03	P-53	D-03	P-13
B-04	P-54	D-04	P-45
B-05	P-55	D-05	P-12
B-06	P-6	D-06	P-46
B-07	P-5	D-07	P-11
B-08	P-4	D-08	P-47
B-09	P-3	D-09	P-10
B-10	P-20	D-10	P-26, P-27
B-11	P-19		
B-12	P-18		

EXHIBIT "D"

COMMON ELEMENTS

The common elements of the project shall specifically include, but are not limited to, the following:

1. The land described in Exhibit "A" attached to the proposed Declaration of Condominium Property Regime.

2. All structural components, such as foundations, girders, columns, beams, floor slabs, supports, perimeter walls, load-bearing walls, floors, ceilings (except the inner or decorated surfaces of the perimeter walls, load-bearing walls, floors and ceilings), roofs, stairs and stairways.

3. All yards, grounds, gardens, rock walls, planters, plants, landscaping, refuse facilities, roads, driveways, walkways, parking areas, recreational facilities, the spa, toilets, sauna, pond, pool and the archaeological site.

4. 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, if any.

5. The entirety of the fire sprinkler system, if any, including portions thereof installed within the various apartments.

6. The management office located on the first floor, as shown on the Condominium File Plan.

7. Any and all apparatus and installations of common use and all other parts of the project necessary or convenient to its existence, maintenance and safety, or normally in common use.

EXHIBIT "E"

LIMITED COMMON ELEMENTS

Certain apartments shall have appurtenant thereto easements for the use of certain limited common elements as follows:

Parking Stalls. Each apartment shall have appurtenant to it the exclusive right to use the parking stall(s) designated in Exhibit "C" attached hereto, located in the basement of the project building, as shown on the Condominium File Plan. The Developer hereby reserves the right for itself, its successors and assigns, by way of amendment to this declaration, to convey or otherwise designate any parking stall not specifically designated herein to be appurtenant to and for the exclusive use of any other apartment in the project.

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EXHIBIT "F"

COMMON INTERESTS

<u>Apartment Type</u>	<u>Apartment No.</u>	<u>Undivided Common Interest of Each Apartment</u>
"A"	A-03, A-04, A-05, A-07, B-03, B-04, B-05, B-07, C-03, C-04, C-05, C-07, D-03, D-04, D-05, D-07	0.02035 (2.035%)
"B"	A-09, B-09, C-09, D-09	0.02907 (2.907%)
"C"	B-01, C-01, D-01	0.02392 (2.392%)
"D"	B-10, C-10	0.02424 (2.424%)
"E"	A-11, B-11	0.02030 (2.030%)
"F"	A-12, B-12	0.02250 (2.250%)
"G"	A-02, A-06, B-02, B-06, C-02, C-06, D-02, D-06	0.01797 (1.797%)
"H"	A-08, B-08, C-08, C-08	0.01828 (1.828%)
"J"	A-01	0.01812 (1.812%)
"K"	A-10	0.01644 (1.644%)
"L"	C-11	0.04830 (4.830%)
"M"	D-10	0.05254 (5.254%)

EXHIBIT "G"

ENCUMBRANCES AGAINST TITLE

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

*2. The terms and provisions of that certain unrecorded Lease dated October 13, 1987, by and between Harold C. K. Malani, husband of Cloe Ann Malani, as "Lessor", and W & R, Inc., a Hawaii corporation, as "Lessee", a short form of which is dated October 13, 1987, recorded in Liber 21386, Page 797, for a term of 75 years commencing December 1, 1987, to which reference is hereby made.

*3. Terms and provisions of that certain option to purchase agreement made by and between Harold C. K. Malani, husband of Cloe Ann Malani, and W & R, Inc., a Hawaii corporation, as mentioned in that certain instrument dated October 13, 1987, recorded in Liber 21386, Page 797, to which reference is hereby made.

4. The effect, if any, of that certain "Agreement For Assignment of Developers Rights-Alii Drive Agreement" made by and between Penny Bradley, as "Assignor", and W & R, INC., a Hawaii corporation, as "Assignee", dated ----, recorded in Liber 22449, Page 40, regarding Alii Drive Agreement, for forty-eight (48) units.

5. The effect, if any, of that certain "Agreement For Assignment of Developers Rights-Alii Drive Agreement" made by and between Theresa Malani, an unmarried woman, as "Assignor", and Penny Bradley, an unmarried woman, as "Assignee", dated August 16, 1988, recorded in Liber 22449, Page 46, regarding Alii Drive Agreement, for forty-eight (48) units.

*6. First Mortgage dated February 27, 1989, made by Harold Claude Kamalalawalu Malani, also known as Harold C. K. Malani, husband of Cloe Ann Malani, as Mortgagor, in favor of First Hawaiian Creditcorp, Inc., a Hawaii corporation, as Mortgagee, recorded in Liber 22916, Page 28.

*7. Mortgage dated May 10, 1989, made by Harold Claude Kamalalawalu Malani, also known as Harold C. K. Malani, and Cloe Ann Malani, husband and wife, as Mortgagor, in favor of Finance Factors, Limited, a Hawaii corporation, as Mortgagee, recorded in Liber 23182, Page 555.

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8. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in that certain Declaration of Condominium Property Regime dated _____, 19____, recorded as Document No. _____, and that certain Bylaws dated _____, 19____, recorded as Document No. _____, as the same are or hereafter may be amended in accordance with law, said Declaration or Bylaws. (Project covered by Condominium File Plan No. _____.)

9. For real property taxes that may be due and owing reference is made to the Office of the Tax Assessor, County of Hawaii.

*To be released and/or cancelled before conveyance of an apartment.

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EXHIBIT "G"
(Page 2 of 2)

EXHIBIT "H"

ESTIMATE OF INITIAL MAINTENANCE FEES

<u>Apartment Type</u> <u>(Apt. No.)</u>	<u>Undivided</u> <u>Common Interest</u> <u>(Per Apartment)</u>	<u>Monthly Fee</u> <u>(Per Apartment)</u>	<u>Yearly Total</u> <u>(Per Apartment)</u>
"A" A-03, A-04, A-05, A-07, B-03, B-04, B-05, B-07, C-03, C-04, C-05, C-07, D-03, D-04, D-05, D-07	0.02035	\$270.53	\$3,246.48
"B" A-09, B-09, C-09, D-09	0.02907	\$386.46	\$4,637.48
"C" B-01, C-01, D-01	0.02392	\$317.99	\$3,815.91
"D" B-10, C-10	0.02424	\$322.25	\$3,866.96
"E" A-11, B-11	0.02030	\$269.87	\$3,238.42
"F" A-12, B-12	0.02250	\$299.12	\$3,589.38
"G" A-02, A-06, B-02, B-06, C-02, C-06, D-02, D-06	0.01797	\$238.89	\$2,866.72
"H" A-08, B-08, C-08, D-08	0.01828	\$243.01	\$2,916.17
"J" A-01	0.01812	\$240.89	\$2,890.65
"K" A-10	0.01644	\$218.55	\$2,622.64
"L" C-11	0.04830	\$642.10	\$7,705.20
"M" D-10	0.05254	\$698.47	\$8,381.60

THE REAL ESTATE COMMISSION HAS NOT REVIEWED THE ESTIMATES OF MAINTENANCE FEE ASSESSMENTS AND DISBURSEMENTS FOR THEIR ACCURACY OR SUFFICIENCY.

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EXHIBIT "H"
(Page 1 of 2)

Estimate of Maintenance Fee Disbursements:

	<u>Monthly X 12 Months =</u>	<u>Yearly Total</u>
Utilities and Services		
Electricity	625	7,500
[x] common elements only		
[] common elements and apartments		
Refuse Collection	125	1,500
Telephone	50	600
Water and Sewer	1,575	18,900
Maintenance, Repairs and Supplies		
Building	967	11,604
Grounds	3,875	46,500
Management		
Management Fees	1,058	12,696
Payroll and Payroll Taxes	1,822	21,864
Office Expenses	200	2,400
Resident Manager's Lodging		
Insurance	1,780	21,360
Reserves	1,000	12,000
Taxes and Government Assesements		
Audit Fees	117	1,404
Other	100	1,200
	-----	-----
TOTAL	13,294	159,528
	=====	=====

I/We, Chaney, Brooks & Company, 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.



 Norbert Buelsing, CPM, Exec. V.P.
 Chaney, Brooks & Company

Date: January 18, 1990

(HO'MDS)

EXHIBIT "I"

SUMMARY OF DEPOSIT RECEIPT, RESERVATION AND SALES CONTRACT

The Deposit Receipt, Reservation and Sales Contract contains the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Project. Among other things, the Deposit Receipt, Reservation and Sales Contract states:

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT "J"

SUMMARY OF ESCROW AGREEMENT

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

- (a) Escrow will let the purchaser know when payments are due.
- (b) Escrow will arrange for the purchaser to sign all necessary documents.
- (c) The purchaser will be entitled to a refund of his or her funds only under certain circumstances as set forth in the Sales Contract.

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

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