



**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

WAIKALUA BAYSIDE ESTATES  
 45-079 W. Waikalua Road  
 Kaneohe, Hawaii

Registration No. 2210

Issued: May 29, 1990  
 Expires: June 29, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of May 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 \_\_\_\_\_  
 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

<u>Apt Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
A	8	3/2 $\frac{1}{2}$	1,976 sq. ft.	93.52 sq. ft.
B	9	3/2 $\frac{1}{2}$	1,961 sq. ft.	61.88 sq. ft.
C	7	3/2 $\frac{1}{2}$	1,920 sq. ft.	303.36 sq. ft.

Total Apartments: 24

*\*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)	48
Guest Stalls	6
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
Total Parking Stalls	<u>54</u>

7. Recreational amenities: Clubhouse and Pier

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: WAIKALUA BAYSIDE PARTNERSHIP Phone: (808) 834-2533  
Name 3130 Ala Ilima Street, #23A  
Business Address Honolulu, Hawaii 96813  
(Business)

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

General Partners: KEEN JUN ENTERPRISES, INC.  
WAIKALUA DEVELOPMENT, INC.

Real Estate Sales Agent: \* SPACES, LTD. Phone: (808) 946-7921  
Name 1522 Makaloa Street, Suite 206  
Business Address Honolulu, Hawaii 96814  
(Business) \*also see below

Escrow: TITLE GUARANTY ESCROW SERVICES, INC. Phone: (808) 521-0211  
Name 235 Queen Street, First Floor  
Business Address Honolulu, Hawaii 96813  
(Business)

Managing Agent: CHANEY BROOKS & COMPANY Phone: (808) 544-1600  
Name 606 Coral Street  
Business Address Honolulu, Hawaii 96813  
(Business)

Attorney for Developer: CARLSMITH, WICHMAN, CASE, MUKAI AND ICHIKI  
Name 1001 Bishop Street  
2200 Pacific Tower  
Business Address Honolulu, Hawaii 96813  
Attention: Michelle C. Imata, Esq.  
\*STARTS INTERNATIONAL, INC.  
2250 Kalakaua Avenue, Suite 515  
Honolulu, Hawaii 96815  
(808) 926-8856

**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                       To be submitted later

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>---</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:

SEE EXHIBIT "A"



**B. Underlying Land:**

Address: 15-079 W. Waikalua Road Tax Map Key: 4-5-005: 001, 002, 011  
Kaneohe, Hawaii 96744 (TMK) 013, 014

Address  TMK is expected to change because parcels will be consolidated

Land Area: 118,052  square feet  acre(s) Zoning: R-5

Fee Owner: Waikalua BaySide Partnership  
Name

3130 Ala Ilima Street, #23A  
Address

Honolulu, Hawaii 96818

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: 25 Floors Per Building 1, 2 or 3

Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

Concrete  Hollow Tile  Wood  
 Other \_\_\_\_\_

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>24</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:

- [X] Pets No Pets
- [X] Number of Occupants: No Restrictions
- [X] Other: Time sharing and short term vacation rental prohibited
- [ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 24

Elevators N/A

Stairways N/A

Trash Chutes N/A

<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>8</u>	<u>3/2½</u>	<u>1,976 sq. ft.</u>	<u>93.52 sq. ft.</u>
<u>B</u>	<u>9</u>	<u>3/2½</u>	<u>1,961 sq. ft.</u>	<u>61.88 sq. ft.</u>
<u>C</u>	<u>7</u>	<u>3/2½</u>	<u>1,920 sq. ft.</u>	<u>303.36 sq. ft.</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </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:

SEE EXHIBIT B

Permitted Alterations to Apartments:

SEE EXHIBIT C

7. Parking Stalls:

Total Parking Stalls: 54

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	48						
Guest		6					
Unassigned							
Extra Available for Purchase							
Other:							
Total							
Covered & Open	54						

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
- Recreation Area
- Tennis Court
- Storage Area
- Laundry Area
- Trash Chute
- Other: Club house and pier

9. Present Condition of Improvements N/A

(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

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

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	X	_____	_____
Structures	X	_____	_____
Lot	X	_____	_____

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

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

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

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

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

Exhibit     D     describes the common elements.

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: Each Apartment shall have appurtenant to it as a Limited Common Element, the driveway servicing the garage which forms a part of that Apartment, as shown on the Condominium Map.

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     E     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     F     describes the encumbrances against the title contained in the title report dated December 3, 1989 and issued by TITLE GUARANTY OF HAWAII, INC.

**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>
First Lien of Mortgage Construction Loan	Purchaser's interest in the Reservation Agreement will be foreclosed, but any Purchaser's funds held in Escrow will be refunded to Purchaser.

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       H       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:**

Seller makes no warranty regarding the buildings and improvements constructed in the project. The Seller will pass through to each Purchaser of the project the one-year construction warranty from the first publication of the notice of completion. Seller to assist Purchaser in presenting to contractor or other warrantor any claims based on such warranty or warranties.

2. **Appliances:**

Seller will only assign to Purchaser any and all manufacturers or dealers warranties covering furnishings or appliances in the apartment or project. Seller to assist Purchasers in pursuing any claims resulting from such warranty or warranties.

J. Status of Construction and Estimated Completion Date:

No dates have been set for start of construction.

K. Project Phases:

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

Summary of Developer's Present Plans for Future Development:

L. Sales Documents Filed With the Real Estate Commission:

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

[X] Notice to Owner Occupants

[X] Specimen Sales Contract

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

[X] Escrow Agreement dated  March 6, 1990

Exhibit  I  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. 2210 filed with the Real Estate Commission on March 20, 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.



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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"

RESERVATION OF RIGHTS BY DEVELOPER

1. Reservation of Power to Grant Easements.

Developer reserves to itself the non-exclusive right to grant from time to time within the Common Elements, easements and rights-of-way over, under, and across the Common Elements for utilities, sanitary and storm sewers, drains, cable television and other utility services for two (2) or more Apartments, provided that such easements, their use, relocation, realignment, or cancellation shall not materially impair or interfere with the use of any Apartment.

2. Reservation for Sales Activities.

The Developer also reserves the right for itself and its agents to use all areas of the Project to conduct sales of Apartments at the Project until Apartment Deeds are issued to Apartment purchasers with respect to all Apartments in the Project. Such right shall include the right to display model Apartments, operate a sales office, conduct advertising, place signs, use parking spaces and erect lighting in connection with such sale.

EXHIBIT "B"

BOUNDARIES OF EACH APARTMENT

Each Apartment is contained within the spaces within and including the exterior walls, floors and roofs of each of the twenty four (24) Apartment Units of the Project, and includes the appurtenant lanais and carports of each Apartment.

EXHIBIT "C"

PERMITTED ALTERATIONS TO APARTMENTS

1. Alteration of Project. Restoration or replacement of the Project or any portion thereof or construction of any additional improvement or structural alteration or addition to any improvement, different in any material respect from the Condominium Map of the Project, shall be undertaken by the Association or any Apartment Owner only pursuant to an amendment of the Declaration in accordance with the terms of the Declaration. Promptly upon completion of such restoration, replacement or construction the Association or Owner, as the case shall be, shall duly record or file of record such amendment, together with a complete set of floor plans of the Project as so altered, certified as built by a registered architect or professional engineer.

2. Alteration Within an Apartment. Each Owner of an Apartment shall have the right at any time, and from time to time, at such Owner's sole cost and expense, and without the necessity of the consent or joinder of any other Apartment Owner or the amendment of the Declaration, but with the prior approval of the Board and with the presentation of such plans and specifications and other materials as the Board may require as more fully set forth in the Bylaws, to make any of the following alterations solely within the Apartment space as defined in the Declaration: to install, maintain, remove, and rearrange partitions and other structures from time to time within such Apartments, and to paint, paper, panel, plaster, tile, finish, and do or cause to be done such other work on the interior surfaces of the ceilings, floors and walls within any such Apartment and to finish, alter or substitute any plumbing, electrical or other fixtures attached to the ceilings, floors and walls as shall be appropriate for the utilization of such Apartment by such Owner or the tenants or lessees thereof. No such work or alteration shall be allowed which would jeopardize the soundness or safety of any part of the Project, reduce the value therefor, adversely affect any other Apartment or alter the uniform external appearance of the Project, or affect or impair any easement or rights of any other Apartment Owners.

EXHIBIT "D"

COMMON ELEMENTS

The Common Elements of the Project include, but are not limited to:

- a. The Land in fee simple.
- b. All yards, grounds and landscaping and all refuse facilities, if any, whether within or appurtenant to the Project.
- c. Any and all roads, parking areas, driveways, ramps, loading areas and walkways which are rationally of common use by Owners of more than one Apartment.
- d. All ducts, sewer lines, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, sewer, refuse, telephone and radio and television signal distribution.
- e. Unimproved areas, maintenance and storage areas, mailbox areas and other similar areas which are not part of an Apartment.
- f. The Clubhouse and the pier and dock facilities;
- g. Six (6) guest parking stalls available for use by the guests, visitors and invitees of the Apartment Owners.
- h. Any interest which the Association may acquire in and to any Apartment or Apartments for use by a resident manager or resident managers.
- i. Any and all other 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 "E"

COMMON INTERESTS

The common interests for each Apartment are as follows:

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Percentage</u>	<u>or</u>	<u>(Fractional</u>
		<u>Common Int.</u>		<u>Interest)</u>
A-1	A	4.21297	or	1/24
A-2	A	4.21297	or	1/24
A-3	A	4.21297	or	1/24
A-4	A	4.21297	or	1/24
A-5	A	4.21297	or	1/24
A-6	A	4.21297	or	1/24
A-7	A	4.21297	or	1/24
A-8	A	4.21297	or	1/24
B-1	B	4.18193	or	1/24
B-2	B	4.18193	or	1/24
B-3	B	4.18193	or	1/24
B-4	B	4.18193	or	1/24
B-5	B	4.18193	or	1/24
B-6	B	4.18193	or	1/24
B-7	B	4.18193	or	1/24
B-8	B	4.18193	or	1/24
B-9	B	4.18193	or	1/24
C-1	C	4.09601	or	1/24
C-2	C	4.09381	or	1/24
C-3	C	4.09381	or	1/24
C-4	C	4.09381	or	1/24
C-5	C	4.09381	or	1/24
C-6	C	4.09381	or	1/24
C-7	C	4.09381	or	1/24
Totals 24		100.00000	or	24/24

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

Real property taxes due and owing, reference is made to the Real Property Tax Assessment Office.

**PARCELS FIRST thru TENTH** as described in the Exhibit A to the Declaration are subject to the following encumbrances:

As to **PARCEL FIRST** only:

a) "That certain perpetual right-of-way granted by conveyance of Henry Hodges Parker to May Theodosia Wilcox, dated November 12, 1924, and of record in the Office of the Bureau of Conveyances in Honolulu in Book 757 Page 40, the use of said right-of-way to be restricted to said May Theodosia Wilcox, her heirs and assigns."

b) Grant of Easement dated June 1, 1982, filed in said Office as Document No. 1119021, over and across said Lot 2, in favor of Lot 1, granting a nonexclusive easement (20,210 square feet) for all purposes including ingress to and egress for roadway and walkway purposes, the placement of pavement and utility transmission lines of all types and kinds, including, but not limited to, electrical, water, gas, sewer, storm drain, telephone and cable T. V. transmission lines.

c) Grant dated September 7, 1983, filed in said Office as Document No. 1197070, in favor of Hawaiian Electric Company, Inc., granting a perpetual right and easement to construct, reconstruct, etc., underground power lines, etc.

As to **PARCEL SECOND** only:

a) Location of the seaward boundary in accordance with the laws of the State of Hawaii and shoreline setback line in accordance with the County regulation and/or ordinance and the effect, if any, upon the area of the land described herein.

b) "That certain perpetual right of way four (4) feet wide, vested in May Theodosia Wilcox, which said right of way is set forth and described in the Decree entered and filed by the above entitled Court in Land Court Application No. 636, May Theodosia Wilcox, Applicant, and which said right of way shall be restricted to said May Theodosia Wilcox, her servants, agents and immediate relatives."

c) Reservations as set forth by Land Court Order No. 6925, filed July 1, 1946.

d) Easement "A", over and across said Lot 3, as shown on Maps 2 and 4, as set forth by Land Court Order No. 8334, filed June 23, 1948.

e) Grant dated August 15, 1942, filed in said Office as Document No. 102289, in favor of the United States of America, granting an easement over said Easement "A".

f) Final Order of Condemnation dated February 4, 1965, filed in said Office as Document No. 355157, in favor of the City and County of Honolulu (Civil No. 14757), re condemning easement for sewer across said Lot 3.

g) Easement for sanitary sewer purposes, as shown on Map 3, as set forth by Land Court Order No. 26271, filed October 20, 1966.

As to **PARCEL FOURTH** only:

a) Easement "1", over and across said Lot 1, as shown on Map 3 of Land Court Application No. 636 (amended), as set forth by Land Court Order No. 62846, filed May 27, 1982.

b) Grant dated June 1, 1982, filed in said Office as Document No. 1119020, in favor of Margaret Philomena Daily, wife of Sammy George Daily, granting a nonexclusive easement to use and have access over, above, below, in and through said Easement "1", in favor of Lot 1, as shown on Map 3 of Land Court Application No. 636, for the purpose of ingress to and egress from said parcel, including, but not limited to, the use for roadway and walkway purposes, the placements of pavement and utility transmission lines of all types and kinds, including, but not limited to, electrical, water, gas, sewer, storm drain, telephone and cable T. V. transmission lines, and together also with the right to construct, reconstruct, install, maintain, operate, repair and remove from said easement area, such facilities as the Grantee shall deem necessary or expedient for the utilization of the easement.

As to **PARCELS FIFTH, SIXTH, SEVENTH, EIGHTH, NINTH** and **TENTH** only: Reservation in favor of the State of Hawaii of all mineral and metallic mines.

As to **PARCEL NINTH** only: Grant dated March 18, 1926, recorded in said Bureau in Liber 811, Page 187, in favor of May T. Wilcox, her heirs and assigns, granting the right and license to construct, erect and use telephone and electric wire

conduits and water pipes under and across said parcel, said right of way being located at Kaneohe, District of Koolaupoko, City and County of Honolulu, State of Hawaii, and thus bounded and described as follows:

Beginning at the south corner of this piece of land, on the northwest boundary of Lot 1 of Land Court Application No. 636 (amended), the true azimuth and distance to a pipe marking the west corner of said Lot 1 being  $56^{\circ} 21'$  71.0 feet, and running by true azimuths:

1.  $160^{\circ}$  30' 24.28 feet to the southeast boundary of Lot 2 of Land Court Application No. 636 (amended);
2.  $228^{\circ}$  13' 4.33 feet along said Lot 2;
3.  $340^{\circ}$  30' 24.90 feet to the northwest boundary of Lot 1 of said Land Court Application No. 636 (amended);
4.  $56^{\circ}$  12' 4.12 feet along said Lot 1 to the point of beginning.

WAIKALUA BAYSIDE ESTATES

EXHIBIT "G"

ESTIMATE OF INITIAL MAINTENANCE FEES  
and  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

<u>Apartment</u>		<u>Monthly x 12 months = Yearly Total</u>
A-1	246.46	3,718.32
A-2	246.46	3,718.32
A-3	246.46	3,718.32
A-4	246.46	3,718.32
A-5	246.46	3,718.32
A-6	246.46	3,718.32
A-7	246.46	3,718.32
A-8	246.46	3,718.32
B-1	244.64	3,690.96
B-2	244.64	3,690.96
B-3	244.64	3,690.96
B-4	244.64	3,690.96
B-5	244.64	3,690.96
B-6	244.64	3,690.96
B-7	244.64	3,690.96
B-8	244.64	3,690.96
B-9	244.64	3,690.96
C-1	239.62	3,615.12
C-2	239.49	3,613.20
C-3	239.49	3,613.20
C-4	239.49	3,613.20
C-5	239.49	3,613.20
C-6	239.49	3,613.20
C-7	239.49	3,613.20

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

(X) common elements only     \$ 150                             \$ 1,800  
( ) common elements  
    and apartments

Telephone                             200                             2,400  
Water and Sewer                     150                             1,800

Maintenance, Repairs and Supplies

Building                                375                             4,500  
Grounds                                 170                             2,040

Management

Management Fee                     998                             11,976  
Payroll and Payroll Taxes        2,457                           29,484  
Office Expenses                       180                             2,160

Insurance                               600                             7,200

Reserves                                300                             3,600

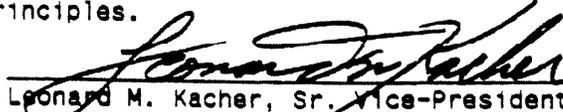
Taxes and Government Assessments    20                             240

Audit Fees                              100                             1,200

Other                                      150                             1,800

TOTAL                                    \$5,850                           \$70,200

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.

  
Leonard M. Kacher, Sr. Vice-President

Date: 3-1-90

EXHIBIT "H"

SUMMARY OF SALES CONTRACT

The unexecuted Sales Contract, filed with the Commission, provides for, among other things, a description of the apartment to be sold, the purchase price, the time, manner and place of payment, the Purchaser's obligations regarding mortgage financing, Developer's warranties and disclaimers regarding the construction, fixtures and appliances, and the remedies of Developer and of Purchaser in the event of a default under the Sales Contract.

Among other provisions, the specimen Sales Contract provides:

3. That said Sales Contract is only a reservation agreement until the Sales Contract becomes "final". The Sales Contract becomes final when the Developer delivers a true copy of the Final Public Report (with all then issued Supplementary Public Reports, if any) to the Purchaser, the Purchaser has an opportunity to read the report(s), executes and gives the Developer a receipt/notice for the report(s) waiving Purchaser's right to cancel. The Sales Contract may also become final if Purchaser does not execute and return the receipt/notice within thirty (30) days from the date of delivery of the report(s) and receipt/notice, or if Purchaser's Apartment is conveyed to Purchaser prior to the expiration of said thirty (30) day period.

4. If the Developer makes a material change in the Project affecting (i) Purchaser's apartment or appurtenant limited common elements, or (ii) amenities of the Project available for Purchaser's use, the Developer is required to obtain Purchaser's consent or implied acceptance to such material change to the Project. The Purchaser may indicate consent by executing and returning to Developer written approval or acceptance of material change. If Purchaser does not execute and return such written approval or acceptance of material change within thirty (30) days of delivery of such written approval or acceptance, or if Purchaser's apartment is conveyed to Purchaser prior to the expiration of said thirty (30) day period, then Purchaser shall be deemed to have impliedly accepted and approved such material change.

5. Until the Sales Contract becomes final and until the Purchaser has consented to or otherwise accepted any material change in the Project as described above, and in accordance with Chapter 514A, Hawaii Revised Statutes, the Sales Contract may be unconditionally cancelled at any time by

either the Developer or the Purchaser. Upon such cancellation by Developer, Developer shall direct the Escrow Agent to refund to Purchaser, together with any interest earned, all deposits paid by Purchaser; upon cancellation by Purchaser, Developer shall direct the Escrow Agent to refund to Purchaser, with any interest earned (see paragraph 6 below), a full refund of all deposits paid, less any escrow cancellation fee and other costs associated with the purchase of Purchaser's Apartment. So long as the cancellation occurs prior to the time the Sales Contract becomes final (following the issuance of the Final Public Report), the escrow cancellation fee and other costs will not exceed a maximum of \$250.00.

6. The Sales Contract prohibits the Purchaser from selling or assigning the Sales Contract.

7. Developer has made no representations and has not authorized any representations to be made by any sales agent concerning any services or arrangements relating to the rental or sale or management of the Purchaser's Apartment.

8. Interest is payable on Purchasers' deposits except as follows: no interest paid for any deposits prior to the issuance of the First Public Report by the Real Estate Commission; no interest on any deposits held less than sixty (60) days; no interest paid after the recordation of the first Apartment Deed; no interest where the Purchaser's deposit is retained by Developer based upon Purchaser's default under the Sales Contract; no interest in any other case where the Sales Contract expressly provides that such interest shall be retained by the Developer. The rate of interest paid to Purchaser shall be 5.5% per annum, interest computed daily and compounded quarterly.

9. In order to insure orderly move-in, the Developer will assign each Purchaser a time to move in. Failure to adhere to Developer's schedule may mean a delay for the Purchaser in moving into the Apartment.

10. Prior to the time the Sales Contract becomes final, the Developer has the right to increase the purchase price, provided that in order to exercise this right Developer must mail or deliver a notice of the price increase not later than the time of mailing or delivery of the Final Public Report.

11. In the event of the enactment of new laws or other events beyond Developer's control which occur after the Sales Contract becomes final, Developer will have the option to cancel the Project or increase the price of apartments (in

which case the Purchaser will have thirty (30) days to agree to the price increase or rescind the Sales Contract).

12. The Sales Contract is subject to the provisions of the Declaration, Bylaws, and other condominium documents.

13. The purchase of an Apartment in the Project is subject to ongoing sales and construction activity by the Developer with respect to completing the sales of the Project, which may result in noise, dust and other annoyance.

14. The Sales Contract (and also the Escrow Agreement) provides that Purchaser's deposits may be used (along with Developer's funds and the Construction Lender's funds) to finance the construction of the Project. However, no Purchaser's funds may be disbursed from Escrow to finance construction prior to the time the Sales Contract becomes final (see paragraph 1, above for a discussion of when the Sales Contract becomes final).

It is incumbent on the Purchaser that he read the full text of the Sales Contract.

EXHIBIT "I"

SUMMARY OF ESCROW CONTRACT

A copy of the executed Escrow Agreement dated March 6, 1990 by and between Title Guaranty Escrow Services, Inc., a Hawaii corporation, as Escrow Agent, and Waikalua Bayside Partnership, a Hawaii general partnership, as Developer, has been filed with the State of Hawaii Real Estate Commission. The Escrow Agreement provides for the deposit of Purchaser's funds pursuant to the Sales Contract and also provides for the retention or disbursement of the funds. The Escrow Agreement provides, in part, that any interest earned on money on deposit shall be paid to the parties in accordance with the terms of the Sales Contract. In the event that the Sales Contract or Hawaii Revised Statutes Chapter 514A entitle a Purchaser to a refund of Purchaser's deposits held by the Escrow Agent, then Escrow Agent, upon instructions from Developer, will refund Purchaser's deposits, together with such interest as is provided under the Sales Contract, less certain cancellation fees and costs (e.g., escrow cancellation fees, loan processing fees, cost of credit reports, etc.) as provided in the Sales Contract and Chapter 514A, Hawaii Revised Statutes, as amended.

By law, the total amount of such cancellation fees shall not exceed Two Hundred Fifty and No/100 Dollars (\$250.00) so long as the cancellation occurs prior to the time the Sales Contract becomes effective (following issuance of the First Public Report). Under the Escrow Agreement, no disbursement of funds can be made to the Developer until the Sales Contract becomes effective under the provisions of Chapter 514A, Hawaii Revised Statutes.

It is incumbent upon each prospective Purchaser to read the executed Escrow Agreement with care.