



**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  
 410 MANONO STREET  
  
 410 Manono Street  
 Kailua, Hawaii

Registration No. 2241

Issued: February 11, 1991  
 Expires: March 11, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of May 1, 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:**      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*)
- X   **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:

```
* * * * *
*
*           SPECIAL ATTENTION
*
*   The Developer has disclosed that the
*   dwelling "lots" are not legally subdivided.
*
*   The prospective purchasers are cautioned
*   to carefully review all documents regarding
*   this condominium project for further
*   information with regard to the above.
*
* * * * *
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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> |
|------------------|-----------------|----------------|------------------------------|-------------------------|
| Unit A           | 1               | 4/3            | 1,768                        | _____                   |
| Unit B           | 1               | 4/3            | 1,768                        | _____                   |
| _____            | _____           | _____          | _____                        | _____                   |
| _____            | _____           | _____          | _____                        | _____                   |
| _____            | _____           | _____          | _____                        | _____                   |
| _____            | _____           | _____          | _____                        | _____                   |

Total Apartments: 2

*\*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>4 (2 for each unit)</u> |
| Guest Stalls                        | _____                      |
| Unassigned Stalls                   | _____                      |
| Extra Stalls Available for Purchase | _____                      |
| Other: _____                        | _____                      |
| <b>Total Parking Stalls</b>         | <u>4</u>                   |

**7. Recreational amenities:**

None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Bruce Terry Stern and  
Name Pamela Jane Stern  
[Redacted]  
Business Address  
[Redacted]

Phone: [Redacted]  
(Business)

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

Real Estate Sales Agent: The units will not be offered for sale at this time.  
When the Developer offers the units for sale, the  
Developer will be required to meet the  
Name requirements of Chapter 514A, HRS.  
Business Address  
\_\_\_\_\_

Phone: \_\_\_\_\_  
(Business)

Escrow: Hawaii Escrow & Title, Inc.  
Name  
700 Bishop Street  
Business Address  
Honolulu, Hawaii 96813

Phone: 521-2977  
(Business)

Managing Agent: Bruce Terry Stern \*  
Name  
414 Maono Loop  
Business Address  
Honolulu, Hawaii 96821

Phone: 373-1208  
(Business)

Attorney for Developer: Jeffrey S. Grad  
Name  
841 Bishop Street, Suite 2001  
Business Address  
Honolulu, Hawaii 96813

\* The Developer is not a licensed condominium managing agent and does not have the required bond as specified under Chapt. 514A, Hawaii Revised Statutes. The Developer will not be able to operate as a condo managing agent until he is properly licensed and registered with the Real Estate Commission. If the Developer does not obtain a condominium managing agent (CMA) license or a licensed CMA is not appointed, then, the project will be considered self-managed.

**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 1723326

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. 777

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 1723326

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<br/>Set by Law</u> | <u>This Condominium</u> |
|--------------------------------|-------------------------------|-------------------------|
| Declaration<br>(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 attached Exhibit "A"

**III. THE CONDOMINIUM PROJECT**

**A. Interest to be Conveyed to Buyer:**

- Fee Simple:** Individual apartments and the common elements which includes the underlying land will be in fee simple.
- Leasehold or Subleasehold:** Individual apartments and the common elements which includes the underlying land will be leasehold.

The leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

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

Lease Term Expires: \_\_\_\_\_  
Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable:     Monthly                                    Quarterly  
                               Semi-Annually                                    Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per  
 Month                                    Year.

- Individual Apartments in Fee Simple Common Interest in the Underlying Land in Leasehold or Subleasehold:**

The leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners - tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

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

Lease Term Expires: \_\_\_\_\_  
Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable:     Monthly                                    Quarterly  
                               Semi-Annually                                    Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per  
 Month                                    Year.

- Other:**

**For Subleaseholds:**

- Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is  
 Cancelled            Foreclosed
- As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is cancelled or foreclosed.

**B. Underlying Land:**

Address: 410 Manono Street Tax Map Key: 1-4-3-43-11  
Kailua, Hawaii 96734 (TMK)

[ ] Address [ ] TMK is expected to change because \_\_\_\_\_

Land Area: 8,975 [ x ] square feet [ ] acre(s) Zoning: R-5

Fee Owner: Bruce Terry Stern and Pamela Jane Stern

Name

\_\_\_\_\_

Address

\_\_\_\_\_

Sublessor:

Name

\_\_\_\_\_

Address

\_\_\_\_\_

**C Buildings and Other Improvements:**

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

2. Buildings: 2 Floors Per Building 2

[ ] Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

[ ] Concrete [ ] Hollow Tile [ x ] Wood

[ ] Other \_\_\_\_\_

4. Permitted Uses:

|                     | <u>No. of Apts.</u> |                  | <u>No. of Apts.</u> |
|---------------------|---------------------|------------------|---------------------|
| [ ] Commercial      | _____               | [ ] Industrial   | _____               |
| [ x ] Residential   | <u>x</u>            | [ ] Agricultural | _____               |
| [ ] Timeshare/Hotel | _____               | [ ] Recreational | _____               |
| [ ] Other:          | _____               |                  | _____               |

5. Special Use Restrictions:

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

[ ] Pets \_\_\_\_\_

[ ] Number of Occupants: \_\_\_\_\_

[ ] Other: \_\_\_\_\_

[ x] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators None

Stairways 2

Trash Chutes None

| <u>Apt. Type</u>  | <u>Quantity</u>   | <u>BR/Bath</u>    | <u>Net Living Area (sf)*</u> | <u>Lanai/Patio (sf)</u> |
|-------------------|-------------------|-------------------|------------------------------|-------------------------|
| <u>Unit A</u>     | <u>1</u>          | <u>4/3</u>        | <u>1,768</u>                 | <u>          </u>       |
| <u>Unit B</u>     | <u>1</u>          | <u>4/3</u>        | <u>1,768</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>            | <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:**

The outside surfaces of the exterior walls and roof and the bottom surfaces of the footings and foundations of each Dwelling.

**Permitted Alterations to Apartments;**

See attached Exhibit "B"

7. Parking Stalls:

Total Parking Stalls: 4 (2 for each unit)

|                                       | Regular  |       | Compact |       | Tandem  |       | TOTAL |
|---------------------------------------|----------|-------|---------|-------|---------|-------|-------|
|                                       | covered  | open  | covered | open  | covered | open  |       |
| Assigned<br>(for individual<br>units) | <u>4</u> | _____ | _____   | _____ | _____   | _____ | _____ |
| Guest                                 | _____    | _____ | _____   | _____ | _____   | _____ | _____ |
| Unassigned                            | _____    | _____ | _____   | _____ | _____   | _____ | _____ |
| Extra Available<br>for Purchase       | _____    | _____ | _____   | _____ | _____   | _____ | _____ |
| Other:                                | _____    | _____ | _____   | _____ | _____   | _____ | _____ |
| Total<br>Covered & Open               | <u>4</u> | _____ | _____   | _____ | _____   | _____ | _____ |

Each apartment will have the exclusive use of at least two (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
- Other: \_\_\_\_\_
- Storage Area
- Laundry Area
- Trash Chute

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       | 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     C     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     D    

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                      describes the common interests for each apartment.

As follows:

Each Unit shall have appurtenant thereto an undivided 50% interest in all common elements of the Project (herein called the "Common interest"), and the same proportionate share in all common profits and expenses of the Project and for all other purposes, including voting on all matters requiring action by the Dwelling Lot owners.

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

Exhibit     E     describes the encumbrances against the title contained in the title report dated     April 20, 1990     and issued by     Hawaii Escrow & Title, 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<br/>If Developer Defaults</u> |
|---------------------|---|
|---------------------|---|

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 \_\_\_\_\_ contains a schedule of maintenance fees and maintenance fee disbursements.

See attached Disclosure Abstract (Exhibit F)

**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

Television Cable

Gas

Water & Sewer

Other \_\_\_\_\_

Not applicable

See attached Disclosure Abstract (Exhibit F)

**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 Seller is giving a warranty of one year with respect to the construction, materials and workmanship of Units A and B.

**2. Appliances:**

Purchaser shall have the direct benefit of any manufacturer's or dealer's warranties covering the furnishings and appliances in the Apartments.

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

Units A and B were constructed in May, 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 \_\_\_\_\_ contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated \_\_\_\_\_

Exhibit \_\_\_\_\_ 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 \_\_\_\_\_

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. 2241 filed with the Real Estate Commission on  
May 1, 1990.

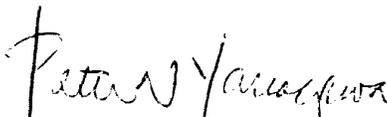
**Reproduction of Report.** When reproduced, this report must be on:

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**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 & County of Honolulu  
Planning Department, City & County of Honolulu  
Federal Housing Administration  
Escrow Agent

O/R: 1783H

EXHIBIT "A"

DEVELOPER'S RESERVED RIGHTS

The Developer has reserved the following rights to change the Declaration, Condominium Map, By-Laws or House Rules:

1. Paragraph 20 of the Declaration provides:

Except as otherwise provided in the Declaration, the Declaration may be amended by vote of seventy-five percent (75%) of the Dwelling Owners, effective only upon the recording of an instrument setting forth such amendment and vote duly executed by such owners or by the proper officers of the Association. Notwithstanding the foregoing, however, if (1) at any time prior to the first filing in the Bureau of Conveyances or the Office of the Assistant Registrar of the Land Court of the State of Hawaii of a conveyance of a Dwelling, the Developer may amend the Declaration (including all exhibits) and the By-Laws in any manner, without the consent of any Dwelling purchaser; and (2) at any time thereafter, the Developer may amend the Declaration (and when applicable, the Condominium Map) to file the "As Built" verified statement required by Section 514A-12 of the Act (i) so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plan thereto filed fully and accurately depicts layout, location, apartment numbers, and the dimensions of an improvement or change in a Dwelling as built; or (ii) so long as the plans filed therewith involve only immaterial changes to the layout, location, or dimensions of the apartments as built or any change in any apartment number. In case of a modification or amendment to the By-Laws, the Declaration shall be amended to set forth such modification or amendment pursuant to such percentage vote as required by the By-Laws which rendered the modification or amendment thereof effective.

EXHIBIT "B"

PERMITTED ALTERATIONS TO APARTMENTS. Paragraph 19.1 of the Declaration states:

"Each Dwelling Owner, with the consent of any holder of any mortgage affecting the Owner's Dwelling, shall have the right at his sole option at any time and from time to time without the consent of anyone other than the holders of all liens affecting his Dwelling, to improve, renovate, remodel, make additions to, enlarge, remove, replace or restore the improvements to or in his Dwelling or portions thereof or to make improvements upon the Dwelling Lot to which the Dwelling is appurtenant (collectively, the foregoing are referred to as "changes") subject to the following conditions:

(i) All building plans for any such changes shall be prepared by a licensed architect or professional engineer and conform with County building or zoning laws and other applicable City and County ordinances.

(ii) The value of the Dwelling after such changes shall not be less than the value before such changes.

(iii) Any change will be made outside the Dwelling Lot to which the Dwelling is appurtenant; no change will reduce the distance between improvements placed on each Dwelling Lot to less than what it was originally as shown on the Condominium Map, and no change to a Dwelling will be made if the effect of such change would be to exceed the Dwelling's proportionate share of the allowable floor area or Lot area coverage for the Land, as defined by the Zoning Ordinance of the City and County of Honolulu in effect when the change is to be made. (The proportionate share for each Dwelling shall be the same as its interest in the common interest); and no change shall be made if the effect would be to endanger the common roof between the two Dwellings or if the effect would be to reduce the distance between the two Dwellings to less than what it was when the Dwellings were initially submitted under this Declaration.

(iv) All such changes shall be at the expense of the Dwelling owner making the change and shall be expeditiously made and in a manner that will not unreasonably interfere with the other owners' use of his Dwelling Lot.

(v) During the entire course of such construction, the Dwelling owner making such change will cause to be maintained at his expense builder's all-risk insurance in an amount not less than the estimated cost of construction. The Association shall be named as an additional insured and evidence of such insurance shall be deposited with the Association or its Managing Agent, if any;

(vi) Prior to commencement of the construction of a change, and as a condition thereto, the Dwelling owner making such change shall give reasonable assurance to the Association of the owner's financial ability to complete and to pay for the change.

(vii) The owner of the changed Dwelling shall have the right to utilize, relocate and realign existing and/or to develop additional, central and appurtenant installations for services to the Dwelling affected by such change for electricity, sewer and other utilities and services and when applicable, to add, delete, relocate, realign, designate and grant easement and rights-of-way over, under and on the common elements as necessary or desirable in connection therewith; provided that the same shall not cause any interruption in the service of such utilities to any other part of the project;

(viii) The owner of any changed Dwelling shall have the right and duty without the consent or joinder of any other person to apply for a building permit and any other permit from Governmental Authorities and public utilities to effect any change and to amend this Declaration and the Condominium Map to reflect any such changes. If required by the Act, then promptly upon completion of such changes, the owner of the changed Dwelling shall duly record any amendment to this Declaration with the Bureau of Conveyances of the State of Hawaii, together with a complete set of the floor plans of the Project as so altered, certified as built by a registered architect or professional engineer. All existing Dwelling owners and all future Dwelling Owners and their mortgagees, by accepting an interest in a Dwelling, shall be deemed to have given each Dwelling owner a Power of Attorney to execute applications for a building or other permit as aforesaid and any amendment to the Declaration solely for the purpose of describing the changes to his respective Dwelling. Each Dwelling Owner shall hereafter have a Power of Attorney from all the other Dwelling owners to execute such amendment to the Declaration or to make applications as aforesaid. This Power of Attorney shall be deemed coupled with each Owner's interest in his Dwelling (including his common interest) and shall be irrevocable.

(ix) Each and every conveyance, lease and mortgage or other lien made or created on any Dwelling and all common interests and other appurtenances thereto shall be subject to the provisions of this paragraph and any lease of a Dwelling Lot shall reserve to all Dwelling Owners the rights set forth in this paragraph."

EXHIBIT "C"

COMMON ELEMENTS. Paragraph 4 of the Declaration designates certain portions of the Project as "common elements", including specifically but not limited to:

1. The Land in fee simple;
2. The "Common Roof" as shown on the Condominium Map;
3. The "Common Lane" as shown on the Condominium Map;
4. All other portions of the Land and improvements not specifically designated in the Declaration as Dwellings, but which are intended for common use and all other devices and installations existing for or rationally of common use or necessary to the existence, upkeep and safety of the Condominium Property Regime.

EXHIBIT "D"

LIMITED COMMON ELEMENTS. Paragraph 5 of the Declaration designates:

Certain parts of the common elements as the "Limited Common Elements", which are set aside for the exclusive use of each Dwelling, and each Dwelling shall have appurtenant thereto exclusive easements for the use of such limited common elements. Unless otherwise specified, all costs of every kind pertaining to each limited common element, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne immediately by the Dwelling to which it is appurtenant. The limited common elements so set aside and reserved are as follows:

(a) The site of each Unit, called herewith a "Dwelling Lot", consisting of the land beneath and immediately adjacent to each Unit, as shown and delineated on said Condominium Map. Dwelling Lot "A" is for the exclusive use of Dwelling A. Dwelling Lot "B" is for the exclusive use of Dwelling B.

EXHIBIT "E"

ENCUMBRANCES AGAINST TITLE

1. For Real Property Taxes that may be due and owing, reference is made to the Office of the Tax Assessor, City and County of Honolulu.
2. Declaration of Condominium Property Regime, By-Laws and Condominium Map as noted on page 7 of this Public Report.

EXHIBIT "F"

410 MANONO STREET

DISCLOSURE ABSTRACT

1. (a) PROJECT: 410 MANONO STREET  
410 Manono Street  
Kailua, Hawaii, State of Hawaii
  
- (b) DEVELOPER: Bruce Terry Stern and  
Pamela Jane Stern  

  
- (c) MANAGING AGENT: Bruce Terry Stern \*

\* The Developer is not a licensed condominium managing agent and does not have the required bond as specified under Chapt. 514A, Hawaii Revised Statutes. The Developer will not be able to operate as a condo managing agent until he is properly licensed and registered with the Real Estate Commission. If the Developer does not obtain a condominium managing agent (CMA) license or a licensed CMA is not appointed, then, the project will be considered self-managed.

2. Breakdown of annual maintenance fees and monthly estimate costs for each unit (revised and updated every twelve (12) months and certified to have been based on generally accepted accounting principles).
  
3. DESCRIPTION OF ALL WARRANTIES COVERING THE UNITS AND COMMON ELEMENTS: The Developer is making a one year warranty on the materials and workmanship of Dwelling A and Dwelling B.
  
4. USE OF UNITS. The 410 Manono Street Condominium Project will consist of two (2) unit(s) which will be used for residential purposes by the respective owners thereof, their tenants, families and domestic servants and social guests, and for no other purpose.

ESTIMATED OPERATING EXPENSES

410 MANONO STREET

For Period May 1, 1990 to April 30, 1991  
As Prepared by Developer

Estimated Annual Expenses

|                               |            |
|-------------------------------|------------|
| Ground Maintenance and        |            |
| *Water/Sewer and Electricity: | \$ -0-     |
| **Fire/Liability Insurance:   | \$ -0-     |
| Management Fee:               | \$ -0-     |
| Miscellaneous:                | \$ -0-     |
| <br>TOTAL ANNUAL EXPENSES     | <br>\$ -0- |

Estimated Monthly Expenses

\$ -0- - 12 months): \$ -0-

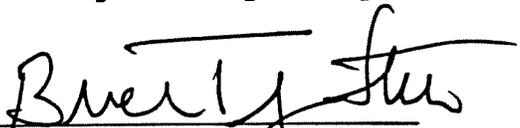
Estimated Monthly Maintenance Fee for Each Apartment:

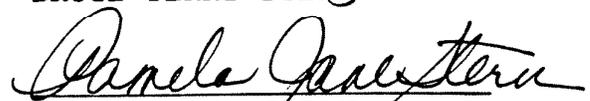
Estimated Monthly Expenses: \$ -0-

TOTAL MONTHLY MAINTENANCE  
FEE FOR EACH APARTMENT: \$ -0-

- Note:
- \* All utilities will be separately metered or otherwise charged, and the common elements will incur no separate utility charges.
  - \*\* It is contemplated that each apartment owner will purchase and maintain his own homeowner's insurance policy which will include fire and liability coverage and that the Association of Apartment Owners will be named as an additional insured, but without any cost to the Association.

The Developer certifies that the maintenance fees and costs as estimated by the Developer is based on generally accepted accounting principles.

  
BRUCE TERRY STERN

  
PAMELA JANE STERN

"Developer"