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

MAUI GARDENS
1450 South Kihei Road
Kihei, Maui, Hawaii 96753

Registration No. 2261

Issued: January 23, 1991
Expires: February 23, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of December 4, 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:** *(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.

X **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:

[X] 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.

[X] Changes made are as follows:

1. Mitcham & Iwado Management, Inc. (see page 6) has obtained its management license from the State of Hawaii and posted its fidelity bond.

2. The Developer has appointed Sumitomo Real Estate Sales Co., Ltd. as its broker for the sale of apartments in Japan as referred to on page 6 hereof.

3. The Declaration, By-Laws and Condominium File Plan have been recorded as indicated on page 7 hereof.

4. The House Rules have been adopted by the Developer as indicated on page 8 hereof.

5. The property is subject to those liens referred to on page 15 hereof.

6. The estimated completion date of construction has been extended to December 1, 1990 as indicated on page 17 hereof.

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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:

[x] 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. [x] New Building(s) [ ] Conversion
   [ ] Both New Building(s) and Conversion
2. [x] Residential [ ] Commercial
   [ ] Mixed Residential and Commercial
   [ ] Other _____
3. [ ] High Rise (5 stories or more) [x] Low Rise
4. [ ] Single or [x] Multiple Buildings
5. Apartment Description

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
I	32	2/1-1/2	782	171
II	6	2/1-1/2	832	171
III	2	1/1-1/2	821	209
IV	50	1/1	560	109

Total Apartments: 90

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

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

6. Parking:

	Number of Stalls
Assigned Stalls (Individual Units)	109
Guest Stalls	9
Unassigned Stalls	
Extra Stalls Available for Purchase	
Other: Office	1
Total Parking Stalls	119 (See page 12)

7. Recreational amenities: Swimming pool/spa (See page 12)
   Tennis Court
   Barbecue

PEOPLE CONNECTED WITH THE PROJECT

Developer: J.P.D. Hawaii Co., Inc.
Name
Phone: (808)922-2326 (Business)

Waikiki Trade Center, Suite 2200
Business Address
2255 Kuhio Avenue
Honolulu, Hawaii 96815

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

Tsuneaki Kobayashi - President
Mitsunari Akaki - Vice President/Secretary
Etsuo Isoda - Vice President
Shunro Shima - Treasurer

Real Estate Sales Agent:

In Hawaii:

Iwado Realty, Inc.
Name
296A Alamaha Street
Business Address
Kahului, Maui, Hawaii 96732

Phone: (808) 877-7727

In Japan:

Sumitomo Real Estate Sales Co., Ltd.
4-1, Nishi-Shinjuku 2-chome
Shinjuku-ku, Tokyo, 163 Japan

Phone: (03) 346-1021

Escrow: Title Guaranty Escrow Services, Inc.
Name
Phone: (808)879-1551 (Business)

1325 S. Kihei Road, Suite 108
Business Address
Kihei, Maui, Hawaii 96753

Managing Agent: Mitcham & Iwado Management, Inc.
Name
Phone: (808)877-9000 (Business)

296B Alamaha Street
Business Address
Kahului, Maui, Hawaii 96732

Attorney for Developer: Foley Maehara Judge Nip & Chang
Name (Attn: Edward R. Brooks/Paula W. Chong)

737 Bishop Street, Suite 2700
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

[x] Recorded - Bureau of Conveyances - ~~Book~~ ____ ~~Page~~ Document Number 90-181026

[ ] 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

[x] Recorded - Bureau of Conveyance Condo Map No. 1413

[ ] 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

[x] Recorded - Bureau of Conveyances - ~~Book~~ ____ ~~Page~~ Document Number 90-181027

[ ] 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 [x] 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:

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%	75%
Bylaws	65%	65%
House Rules	---	Not Applicable

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

III. THE CONDOMINIUM PROJECT

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

[X] 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 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: Not Applicable

[ ] 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: 1450 South Kihei Road
Kihei, Maui, Hawaii 96753

Tax Map Key: (TMK) 3-9-009-021
3-9-009-022
(2nd Division)

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

Land Area: 159,608 [X] square feet [ ] acre(s) Zoning: A-1

Fee Owner: J.P.D. Hawaii Co., Inc.
Name
Waikiki Trade Center, Suite 2200
2255 Kuhio Avenue
Address
Honolulu, Hawaii 96815

Sublessor: Not Applicable
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: 7 Floors Per Building 2 floors each
   [X] Exhibit B contains further explanations.
3. Principal Construction Material:
   [ ] Concrete [ ] Hollow Tile [X] Wood
   [ ] Other _____
4. Permitted Uses:

	No. of Apts.		No. of Apts.
[ ] Commercial		[ ] Industrial	
[X] Residential	90	[ ] Agricultural	
[ ] Timeshare	*See p. 18	[ ] Recreational	
[ ] Other:			

5. Special Use Restrictions:

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

[X] Pets No livestock, poultry, rabbits, pets or other animals whatsoe without the prior written consent of the Board of Directors

[ ] Number of Occupants: _____

[X] Other: See Exhibit C

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 90

Elevators Not Applicable

Stairways 4 (Bldg. A) 3 (Bldg. B) 4 (Bldg. C) 5 (Bldg. D) 3 (Bldg. E) 2 (Bldg. F) 2 (Bldg. G)

Trash Chutes Not Applicable

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
I	32	2/1-1/2	782	171
II	6	2/1-1/2	832	171
III	2	1/1-1/2	821	209
IV	50	1/1	560	109

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

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

Boundaries of Each Apartment: The interior surface of the perimeter walls, floors and ceilings of each of the ninety (90) apartments of the Project, excluding lanais and any other areas not fully enclosed.

Permitted Alterations to Apartments: See Exhibit D

7. Parking Stalls:

Total Parking Stalls: 119

	Regular		Compact		Tandem		
	covered	open	covered	open	covered	open	TOTAL
Assigned (for individual units)		86		23			109
Guest		6		3			9
Unassigned							
Extra Available for Purchase							
Other:		1					1
Total Covered & Open	93		26		-0-		

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.

[X] Exhibit E contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities.

[ ] There are no recreational or common facilities.

[X] Swimming pool / Spa

[ ] Storage Area

[ ] Recreation Area

[ ] Laundry Area

[X] Tennis Court

[ ] Trash Chute

[x] Other: Barbecue

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least five years):

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

Not Applicable

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

Not Applicable

10. Conformance to Present Zoning Code

a. [X] 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 or time but which does not now conform to present zoning requirements.

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buy 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, a restrictions on altering and repairing structures. In some cases, a non-conforming structure that destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a nc 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.

   [X] Exhibit F 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.

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

      [X] described in Exhibit F

      [ ] 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.

   [X] Exhibit G 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 H describes the encumbrances against the title contained in the title report dated November 27, 1990 and issued by Title Guaranty of Hawaii.

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.

Type of Lien	Effect on Buyer's Interest If Developer Defaults
1. Mortgage, Security Agreement and Financing Statement dated June 18, 1990, made by J.P.D. Hawaii Co., Inc. in favor of Finance Factors, Limited.	If Developer defaults prior to conveying the apartment to buyers, the buyers' interests could be terminated and buyers' deposits would be refunded as set forth in their sales contracts.
2. Additional Charge Adjustable Rate Mortgage dated November 8, 1990, made by J.P.D. Hawaii Co., Inc. in favor of Finance Factors, Limited.	

F. **Management of the Common Elements:** The Association of Apartment Owners is responsible for th management of the common elements and the overall operation of the condominium project. The Associatio may be permitted, and in some cases may be required, to employ or retain a managing agent to assist th Association in managing the condominium project.

Initial Managing Agent: When the developer or the developer's affiliate is the initial managing agent, th management contract must have a term of one year or less and the parties must be able to terminate th contract on notice of 60 days or less.

The initial managing agent for this condominium is:

[X] not affiliated with the Developer.

[ ] the Developer or the Developer's affiliate.

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

[ ] other _____

G. **Estimate of Initial Maintenance Fees:**

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

Exhibit I 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:

[x] Electricity (Common areas only)
[x] Television Cable
[x] Gas
[x] Water & Sewer
[x] Other Refuse collection
[ ] 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: The closing of the sale of the apartment shall constitute the assignment by Developer to the Buyer of any and all warranties given the Developer by the Contractor for the Project and by any subcontractors or materialmen, including the Contractor's guarantee of materials and workmanship against faulty or deficient materials and installation for a period of one (1) year after "substantial completion" of the apartment, as defined in the construction contract for the Project, and the benefit of such warranties shall accrue to the Buyer on closing without further instruments or documents.

2. Appliances: Warranties on appliances furnished with an apartment shall run in favor of each Buyer directly from the respective manufacturer thereof. The duration and expiration dates of said appliance warranties will vary depending upon the type of appliance, the terms of the warranty and the dates of installation and/or first use. There are no other warranties, express or implied, with respect to the apartments or the appliances in the Project or any common element or anything installed therein.

J. **Status of Construction and Estimated Completion Date:** Construction of the Project commenced in August, 1989. The estimated completion date is December 1, 1990.

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:

Not Applicable

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 J contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated June 4, 1990

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

[ ] Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

TIMESHARE

The developer does not intend to establish a time share plan in any of the apartments in the project. Individual apartment owners shall have the right to utilize their apartments for time sharing in compliance with Chapter 514E of the Hawaii Revised Statutes, as amended, unless otherwise prohibited by law or by amendment of the Declaration governing the project.

SPECIAL MANAGEMENT AREA

The project is located in a Special Management Area ("SMA") designated by the County of Maui. Any additions to or alterations of the project requiring building permits may also require issuance of an SMA permit by the Maui County Planning Commission.

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 document 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 1 107, 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 f review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) a available at the Department of Commerce and Consumer Affairs.

This Public Report is a part of Registration No. 2261 filed with the Real Estate Commission on June 6, 1990.

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

[ ] yellow paper stock [X] 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 Maui
Planning Department, County of Maui
Federal Housing Administration
Escrow Agent

EXHIBIT A

DEVELOPER'S RESERVED RIGHTS TO CHANGE CONDOMINIUM DOCUMENTS

The following provisions in the Declaration, By-Laws and the apartment sales contracts, as indicated, reflect those rights which the Developer has reserved to change the Declaration, Condominium File Plan, By-Laws and Rules and Regulations ("House Rules"):

I. DECLARATION

Paragraph S. Except as otherwise provided herein or in the Act, this Declaration may be amended by a vote of the owners of seventy-five percent (75%) of the interests in the common elements effective only upon the recording of an instrument setting forth such amendment and vote duly executed by such owners or by any two (2) officers of the Association; provided, however, that an amendment required to transfer parking stalls pursuant to Section 14 of the Act need only be executed by the owners of the apartments to which and from which such parking stalls are being transferred, and their mortgagee(s), if any, and such transfer of parking stalls between apartments shall be effective only upon recording such amendment in the Bureau; provided, further, that Developer may, at any time prior to the recordation of an apartment deed in the Bureau conveying an apartment to a party not a signatory hereto, amend this Declaration and the By-Laws in any manner as Developer may deem fit, and specifically, may amend the designation of the parking stalls appurtenant to the apartments. Notwithstanding the foregoing and notwithstanding the sale and conveyance of any of the apartments, the Developer may amend this Declaration to file the "as built" verified statement (with plans, if so applicable) required by Section 514A-12 of the Act, provided (1) such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed fully and accurately depict the layout, location, numbers and dimensions of the apartments as built, or (2) the plans filed therewith involve only immaterial changes to the layout, location, numbers and dimensions of the apartments as built.

Paragraph U. In addition to any other rights reserved herein, Developer reserves the right for itself and its agents, until such time as the last apartment deed for the Project executed by Developer as grantor shall have been recorded, to do the following:

1. To grant to any public utility or governmental authority easements for sewer, drainage, water and other utility facilities over, under, along, across and through

said land, and to consolidate, subdivide and dedicate to any governmental authority such land as may be required by such governmental authority for roadway purposes, all under the usual terms and conditions required by the grantee for such easement and roadway rights; provided, however, that such easement and roadway rights shall be granted and exercised in such a manner as not to unreasonably damage the buildings of the Project or unreasonably interfere with the use of said land by the apartment owners and their successors and assigns. Each apartment owner agrees that such apartment owner shall, and any person claiming an interest in said land by, through or under such apartment owner will, upon request, join in and execute any and all documents designating and granting any such easements and land for roadway purposes;

2. To amend this Declaration, the Condominium File Plan and By-Laws consistent with any grant of rights by Developer under 4.1 hereinabove; and

3. To maintain development facilities and conduct sales of apartments on and at the Project, including, but not limited to, maintaining model apartments, operating a sales and construction office, conducting advertising, placing signs, using parking spaces and erecting lighting in connection with such sales; provided, however, that Developer shall not use any apartment (or its limited common elements) with respect to which an apartment deed has been recorded (other than in the name of Developer as grantee); provided, further, that in exercising such right, Developer shall not interfere with the rights of any apartment owner to the use of, or access to, his apartment or any of the common elements or limited common elements appurtenant thereto.

II. BY-LAWS

Article II, Section 2. Developer shall be entitled to exercise the powers, vote and/or act for the Association and the Board on all matters until such time as the first conveyance of an apartment of the Project to a party not a signatory hereto, except as to those rights reserved to Developer in paragraph U of the Declaration, which rights have been reserved to Developer until such time as the last apartment deed for the Project executed by Developer as grantor shall have been recorded. Thereafter, the Developer, as the owner of any unsold apartments, shall be entitled to vote the interest of each such apartment.

III. APARTMENT SALES CONTRACTS

The Developer has filed two (2) specimen sales contracts with the Hawaii Real Estate Commission as follows: (1) Deposit Receipt and Sales Contract For Owner-Occupants (the "Owner-Occupant DRSC") and (2) Deposit Receipt and Sales Contract for owner non-occupants (the "DRSC"). Developer, as "Seller" under both sales contracts, has reserved the following rights:

Paragraph 15 of the Owner-Occupant DRSC and DRSC. Seller reserves the right to modify the Declaration, By-Laws and Exhibits, and the Apartment Deed, as may be required by law, any title insurance company or any institutional mortgagee.

Seller further reserves the right to make minor changes in the Apartment and other apartments and in the common elements or limited common elements but, except as provided in the Declaration, no changes shall be made which substantially affect the physical location or design of the Apartment.

Paragraph 26(b) of the Owner-Occupant DRSC and Paragraph 27(b) of the DRSC. Buyer understands and agrees that Seller shall be entitled to exercise the powers, vote and/or act for the Association and the Board on all matters until such time as the first conveyance of an apartment of the Project to a party other than Seller, except as to those rights reserved to Seller, as Developer, in paragraph U of the Declaration, which rights are reserved to Developer until such time as the last apartment deed for the Project executed by Developer as grantor shall have been recorded.

EXHIBIT B

DESCRIPTION OF BUILDINGS

The Project will consist of seven (7) buildings designated as Buildings A through G, respectively, and contain a total of ninety (90) apartments (the "apartments"). The buildings will be constructed principally of concrete, wood, metal and related building materials on a concrete slab foundation. There will be one hundred nineteen (119) parking stalls in the Project. None of the buildings will have any basement.

Building A will be a two-story structure and will consist of a total of sixteen (16) apartments, including eight (8) apartments on the ground floor and eight (8) apartments on the second floor.

Building B will be a two-story structure and will consist of a total of twelve (12) apartments, including six (6) apartments on the ground floor and six (6) apartments on the second floor.

Building C will be a two-story structure and will consist of a total of sixteen (16) apartments, including eight (8) apartments on the ground floor and eight (8) apartments on the second floor.

Building D will be a two-story structure and will consist of a total of eighteen (18) apartments, including nine (9) apartments on the ground floor and nine (9) apartments on the second floor.

Building E will be a two-story structure and will consist of a total of twelve (12) apartments, including six (6) apartments on the ground floor and six (6) apartments on the second floor.

Building F will be a two-story structure and will consist of a total of eight (8) apartments, including four (4) apartments on the ground floor and four (4) apartments on the second floor.

Building G will be a two-story structure and will consist of a total of eight (8) apartments, including four (4) apartments on the ground floor and four (4) apartments on the second floor.

EXHIBIT C

USE RESTRICTION FOR APARTMENTS
AND PROJECT COMMON ELEMENTS

The following provisions in the Declaration, By-Laws and House Rules, as indicated, contain restrictions on the use of the apartments and the common elements of the Project:

I. DECLARATION

Paragraph J. Each apartment shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests and may be utilized for long-term or transient rentals, specifically including vacation rentals and timesharing plans.

The owners of the apartments shall have the absolute right to rent or lease the same subject to the limitations, restrictions, covenants and conditions of this Declaration.

II. BY-LAWS

Article VIII, Section 5.

(A) All apartments of the Project shall be used only for residential purposes and for long-term or transient rentals, specifically including vacation rentals and timesharing plans, provided in the Declaration.

(B) Each apartment owner may use the common elements in accordance with the purposes for which they were intended without hindering or encroaching upon the lawful rights of the other apartment owners, subject to: (1) the right of the Board, upon the approval of the owners of seventy-five percent (75%) of the common interests, to change the use of the common elements; (2) the right of the Board, on behalf of the Association, to lease or otherwise use for the benefit of the Association those common elements which are not actually used by any of the apartment owners for an originally intended special purpose, as determined by the Board; provided that unless the approval of the owners of seventy-five percent (75%) of the common interests is obtained, any such lease shall not have a term exceeding five (5) years and shall contain a provision that the lease or agreement for use may be terminated by either party thereto on not more than sixty (60) days' written notice; (3) the right of the Board to lease or otherwise use for the benefit of the Association those common elements not falling within subsection (2) above, upon obtaining: (i) the approval of the owners of seventy-five percent (75%) of the common interests, including all directly affected owners and all owners of apartments to which such common elements are appurtenant in the case of limited common elements,

and (ii) approval of all mortgagees of record on apartments with respect to which owner approval is required by (i) above, if such lease or use would be in derogation of the interest of such mortgagees; and (4) the exclusive use of the limited common elements as provided in the Declaration.

(C) No owner or occupant of an apartment shall post any advertisement, bill, poster or other sign on or about the Project without the prior written approval of the Board.

(D) All owners and occupants shall exercise extreme care about causing or permitting noises that may disturb other occupants.

(E) No owner or occupant shall permit any child residing or visiting with him to loiter or play in the stairways, corridors or parking areas or other areas of the Project not intended for such use.

(F) No garbage, refuse or trash of any kind shall be thrown, placed or kept on any common element other than the disposal facilities provided for such purposes.

(G) Nothing shall be allowed, done or kept in any apartment or common element which will cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance maintained by or for the Board with respect thereto, nor shall any noxious or offensive activity or nuisance be made or suffered thereon.

(H) No owner or occupant shall place, store or maintain on walkways, roadways, grounds or other common elements any furniture, packages or objects of any kind or otherwise obstruct transit through such common elements.

(I) No owner or occupant shall make or suffer any strip or waste or unlawful, improper or offensive use of such owner's or occupant's apartment or the Project nor alter or remove any furniture of the common elements.

(J) Except in those cases where construction or alterations are permitted by the Declaration, no owner or occupant shall erect or place in the Project any building or structure including fences and walls, nor make any additions or structural alterations to or exterior changes of any common elements of the Project, nor place or maintain thereon any signs, posters or bills whatsoever, except in accordance with plans and specifications including detailed plot plan, prepared by a licensed architect if so required by the Board and approved by the Board and a majority of the apartment owners (or such larger percentage required by law or the Declaration) including all owners of apartments thereby directly affected where such additions, alterations to or exterior changes are made to any limited common elements of the Project.

(K) No owner shall use or keep anything on the grounds or any other common elements which would in any way hinder the full use and enjoyment thereof by any other owner or occupant. It is intended that the buildings shall present a uniform appearance, and to effect that end the Board may require the painting or repair of outside doors, windows, trim, fences, railings and other exposed portions of the buildings and regulate the type and color of paint to be used. The Board is authorized to contract for said painting and repair and to assess each owner for such owner's proportionate share of such painting and repair.

(L) No owner or occupant, without the prior written consent of the Board, shall erect, place or maintain any television or other antennas on said Project visible from any point outside of the Project.

(M) No livestock, poultry, rabbits, pets or other animals of any kind, shall be allowed or kept in any part of the Project without the prior written consent of the Board.

(1) Any apartment owner who keeps a pet in the owner's apartment with the prior written consent of the Board may, upon the death of the animal, replace the animal with another and continue to do so for as long as the owner continues to reside in the owner's apartment or another apartment subject to these By-Laws.

(2) Any apartment owner who is keeping a pet pursuant to subsection (1) as of the effective date of an amendment to these By-Laws which prohibits owners from keeping pets in their apartments shall not be subject to the prohibition but shall be entitled to keep the pet and acquire new pets as provided in subsection (1).

III. HOUSE RULES

SECTION A. RULES PERTAINING TO APARTMENTS

1. Visible Aesthetics. Except for any of the following items provided with the apartment by the Developer, no awning, venetian blinds, window guards, radio or television antenna or planters shall be attached to or hung from the exterior of any building or protrude through the walls, windows or roof thereof, and no notice, advertisement, bill, poster, illumination or other sign shall be inscribed or posted on or about the Project, unless approved in writing by the Board of Directors or the Managing Agent, nor shall anything be projected from any windows of the Project without similar approval. If a person wishes to change the draperies originally provided with the apartment, the side of all draperies or curtains placed against the windows or doors or openings facing toward the exterior of the building shall be as nearly identical in color to those originally provided as practical.

2. Common Areas; Building. It is intended that the exterior of the building shall present a uniform appearance and, to effect that end, the Board of Directors may require the painting of walls and ceilings of all or part of any building and regulate the type and color of paint to be used. The Board of Directors is authorized to contract for such painting and to make payment therefor out of the maintenance fund.

3. Nameplates. Nameplates and names of the apartment owners may be displayed only in the form and at such places as are approved by the Board of Directors.

4. Noise. All noises from whatever source shall be discriminately controlled so that they do not disturb or annoy other residents of the buildings. All residents shall maintain quiet between the hours of 8:30 p.m. and 7:00 a.m. daily except on Fridays, Saturdays and nights preceding holidays when the quiet hours shall begin at 12:00 midnight. Excessive noise at any time should be reported to the Resident Manager, the Managing Agent or the Board of Directors for appropriate action.

5. Lanais. All plants shall be placed in containers so as to prevent the dripping of water or soil onto other apartments or the common elements. Care should be taken in scrubbing lanais so as to prevent water from running down the exterior of the building. Garments, rugs, mops or other objects shall not be dusted or shaken from lanais, windows, stairways or the fire escape areas of the buildings or cleaned by beating or sweeping on any exterior part of the buildings. Dust, rubbish or litter shall not be swept or thrown from any apartment or any other room of the buildings into any entry way or other parts of the premises. Furthermore, nothing shall be thrown or emptied by occupants or their guests out of windows or doors into any part of the buildings or the Project. Textile items, such as towels, bathing apparel and clothing, brooms, mops or cartons shall not be placed on lanais or passages or in windows so as to be in view from the outside of the building or from the apartment above. No shoes, go-aheads, dry cleaning, etc., shall be allowed to remain in view at any entry way or from the apartment above. No fires or open flame shall be permitted on any apartment lanai.

6. Pets. No livestock, poultry, rabbits, pets or other animals whatsoever, shall be allowed or kept in any part of the Project without the prior written consent of the Board of Directors.

(1) Any apartment owner who keeps a pet in the owner's apartment with the prior written consent of the Board may, upon the death of the animal, replace the animal with another and continue to do so for as long as the owner continues to reside in the owner's apartment or another apartment subject to the By-Laws.

(2) Any apartment owner who is keeping a pet pursuant to subsection (1) as of the effective date of an amendment to the By-Laws which prohibits owners from keeping pets in their apartments shall not be subject to the prohibition but shall be entitled to keep the pet and acquire new pets as provided in subsection (1).

7. Rubbish. Explosives or waste of flammable nature, and other refuse or waste materials which may create an unpleasant odor, discharge noxious or flammable gases or vapors, or pose any hazard to health or property shall not be deposited in the garbage collection areas. Rubbish is to be bound in reasonable bundles, placed in plastic bags and deposited by the residents in the garbage collection areas.

8. Guests. The apartment occupant is responsible at all times for the reasonable conduct of the occupant's guests. Any guest who will be residing in the building for a week or more should be registered with the Resident Manager or the Managing Agent.

9. Air Conditioning. All air conditioning units (excluding those units originally installed in the apartments by the Developer) must be approved by the Board prior to installation to insure that the voltage requirements are compatible with the electrical system of the Project. All air conditioners shall be equipped with appropriate drip pans to prevent the accumulation or dripping of water on lanais and thus prevent the possibility of water damage or irritation to other apartments.

SECTION B. COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

1. Soliciting. No charitable or commercial soliciting for sales of goods and services, or religious or political activities shall be permitted in the Project unless approved by the Board of Directors.

2. Surfboards and Bicycles. Surfboards and bicycles shall be stored only in the apartments and not in or on any common element of the Project.

3. Protection of Common Areas. Furniture, furnishings and equipment for the common elements have been provided for the safety, comfort and convenience of all residents and guests of the residential apartments and therefore, shall not be altered, extended, removed or transferred to other areas without permission from the Managing Agent or the Board of Directors.

4. Access. The grounds, walkways, stairways, building entrances, driveways and other similar common elements shall be used strictly for ingress and egress from the parking

and apartment areas, and must be at all times kept free from obstructions.

5. Litter. Waste receptacles are provided for use in the common elements.

6. Children. An apartment resident shall be responsible for the conduct of his children at all times, insuring that their behavior is neither offensive to any occupant of the building nor damaging to any portion of common elements.

7. Landscaping. None of the Project's landscaping is to be removed, picked or transplanted by any residents or guests.

8. Recreational Facilities. Each apartment owner will abide by the rules and regulations attached hereto as Exhibit "1" and made a part hereof for all purposes for the swimming pool/spa, tennis court and any other recreational facilities which are a part of the Project.

SECTION C. GENERAL

1. Hazards. Nothing shall be allowed, done or kept in any apartment unit or common areas of the Project which would overload or impair the floors, walls or roofs thereof, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereon maintained by or for the Association, nor shall any noxious or offensive activity or nuisance be made or suffered thereon. WATERBEDS ARE EXPRESSLY PROHIBITED IN THIS PROJECT. No occupant shall use or permit to be brought into the building or common areas anything deemed extra hazardous to life, limb or property, such as gasoline, kerosene or other combustibles of like nature, nor any gunpowder, fireworks or other explosives. The throwing of firecrackers and the explosion of any fireworks anywhere on the grounds or within any building is expressly prohibited.

2. Rentals. Subject to the terms of the Declaration and the By-Laws of the Association, an apartment owner may lease his apartment or make it available to friends, but the person or persons leasing, renting or living in the apartment shall abide by the House Rules, and the apartment owner shall assume responsibility for the occupants' conduct. The apartment owner must notify the Resident Manager or the Managing Agent of the names and length of anticipated occupancy of all such occupants, and must register them in person with the Resident Manager or the Managing Agent. Each such occupant shall in writing, on a form provided by the Resident Manager or the Managing Agent, acknowledge that he has read and understands, and agrees to abide by, the House Rules, as they may be amended from time to time.

An apartment owner shall, upon request of the Board of Directors, the Managing Agent or the Resident Manager, immediately abate and remove, at his expense, any structure,

thing or condition that may exist with regard to the occupancy of his apartment by his lessee(s), rentee(s) or guest(s) which is in violation of the lease, Declaration, By-Laws or the House Rules or contrary to the intent and meaning of the provisions hereof; or, if the apartment owner is unable to control or require the lessee(s), renter(s) or guest(s) to comply herewith, he shall, upon request of the Board of Directors, the Managing Agent or the Resident Manager, immediately remove such lessee(s), renter(s) or guest(s) from the premises, without compensation for lost rentals or any other damage resulting therefrom.

Apartment owners shall be responsible for designating a local agent to represent their interest if their residence is outside of the State of Hawaii or if they will be absent from the apartment for more than thirty (30) days. Each apartment owner shall file with the Managing Agent or the Resident Manager his out-of-town address and telephone number and the telephone number of their agent.

Each apartment owner shall observe and perform these House Rules and ensure that his licensees and invitees also observe and perform these House Rules. Apartment owners will be responsible for their guests' observance of all House Rules set forth herein. In the event expenses are incurred due to violations of House Rules by guests or licensees, the apartment owner shall be responsible for payment of same.

SECTION D. VEHICLES

1. Car Washing. Washing, cleaning or polishing of cars and motorcycles shall be permitted only in the parking areas.

2. Parking Stalls. No personal items, such as lumber, furniture or crates shall be stored in the parking stalls. Guests, licensees and invitees (long-term or transient users) of apartment owners or their tenants may use the guest parking stalls on a first-come, first-served basis. Said use is a revocable, non-exclusive privilege that the Board of Directors may revoke or limit either for failure to comply with rules and regulations relating to vehicles or parking, or for orderly administration of the Project in the discretion of the Board of Directors.

3. Movement of Vehicles. Vehicles shall travel at no more than five (5) miles per hour while in the Project. Drivers are expected to observe traffic signs for the safety of all.

4. Access. No vehicle belonging to an apartment owner or to a member of the family, a guest, tenant or employee of an apartment owner shall be parked in such manner as to impede or prevent ready access to any entrance or to any exit from the Project by another vehicle.

5. Nuisance. No major repairs to automobiles or motorcycles are permitted in the Project. No racing of motors is permitted, and all automobiles and motorcycles must be equipped with quiet mufflers. All cars parked in the parking areas must be in operating condition with current vehicle license and safety stickers required by law.

THE DECLARATION, BY-LAWS AND HOUSE RULES CONTAIN OTHER USE PROVISIONS IN ADDITION TO THOSE STATED ABOVE. PROSPECTIVE OWNERS SHOULD READ AND UNDERSTAND ALL OF THE USE RELATED PROVISIONS CONTAINED IN THE AFORESAID DOCUMENTS.

EXHIBIT D

PERMITTED ALTERATIONS TO APARTMENTS

The By-Laws permit alterations to the apartments as follows:

BY-LAWS

Article V, Section 3(A). Additions, alterations, repairs or improvements to the common or limited common elements of the Project may be made only by or at the direction of the Board, except as provided for in the Declaration. No owner of an apartment may, except with the written consent of the Board, make any alteration, addition, repair or improvement to any of the common elements including, without limitation, common or limited common elements within, encompassing or adjacent to such owner's apartment, except as provided for in the Declaration or if such alteration, addition, repair or improvement shall be required by law.

Article V, Section 4. No apartment owner shall do any work which could jeopardize the soundness or safety of the property, reduce the value thereof, or impair any easement or hereditament, nor may any apartment owner add any material structure or excavate any additional basement or cellar, without in every such case the consent of seventy-five percent (75%) of the apartment owners, together with the consent of all apartment owners whose apartments or limited common elements appurtenant thereto are directly affected, being first obtained. Except as may be otherwise provided herein or in the Declaration, no owner shall install any solar energy devices or make any addition or alteration in or to such owner's apartment which may affect the common elements or change the exterior appearance of the Project, without the prior written consent thereto of the Board. The Board shall have the obligation to answer any written request by an apartment owner for approval of a proposed addition or alteration in such owner's apartment within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition or alteration.

EXHIBIT E

PARKING

There are nine (9) guest parking stalls and one (1) office parking stall as designated on the Condominium File Plan, which parking stalls are common elements of the Project. The remaining one hundred nine (109) parking stalls are limited common elements for the exclusive use of the owners of the apartments bearing the same numbers as the numbers of the apartments; however, Apartment A-102 shall also include nineteen (19) additional parking stalls designated as numbers 1 through 19 on the Condominium File Plan.

The Condominium Property Act (Chapter 514A, Hawaii Revised Statutes) provides that owners shall have the right to change the designation of parking stalls which are appurtenant to their respective apartments by amendment of the Declaration and the respective apartment deeds involved, which said amendment need only be signed and approved by the owners of the apartments whose parking stalls are being changed and their respective mortgagees, if any.

The House Rules contain specific provisions about vehicles and parking, which owners should thoroughly understand. The provisions concern requirements and restrictions on vehicle registration by residents with the Board of Directors, Managing Agent or Resident Manager, if any, washing vehicles, storage of personal items in parking stalls, and avoidance of access problems caused by vehicles. The House Rules also address particular problems such as tow-away for unauthorized parking and operation of vehicles while in the Project. Nuisances created by repairs, maintenance, noise and improper or unsafe vehicle operating conditions are prohibited. Owners will be held responsible for violations of parking rules by their lessees, renters or guests.

EXHIBIT F

DESCRIPTION OF COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

I. COMMON ELEMENTS

Paragraph E of the Declaration provides:

"One freehold estate is hereby designated in all of the remaining portions of the Project (the "common elements"), which shall include the limited common elements described in paragraph F hereinbelow and all portions of the land and improvements other than the apartments, including the buildings, the land on which the buildings are located and all common elements mentioned in the Act which are actually constructed on the land described herein. Said common elements shall include, but shall not be limited to the following:

1. The land described in Exhibit "A".

2. All foundations, columns, girders, beams, floor slabs, supports, unfinished perimeter and load-bearing walls (except for the inner decorated surfaces within each apartment), roofs, stairways, walkways, entrances and exits of said buildings.

3. The Project sign located at the northeast and southeast corners of the Project.

4. The Project office located between Buildings A and B.

5. All yards, grounds, landscaping, refuse and like facilities.

6. All driveways, loading areas, ramps, parking area entryways and exitways, and the one hundred nineteen (119) parking stalls designated on the Condominium File Plan, including nine (9) guest parking stalls and one (1) office parking stall as designated on the Condominium File Plan.

7. The swimming pool/spa, swimming pool/spa deck areas, pool filtration system and cabana.

8. The tennis court.

9. The barbecue facilities located between the spa and the cabana.

10. All electrical transformer boxes and rooms, storage rooms, trash rooms, all central and appurtenant

EXHIBIT G

COMMON INTEREST FOR EACH APARTMENT

Each apartment shall have appurtenant thereto an undivided percentage interest (the "common interest") in all common elements of the Project and in all common profits and expenses of the Project and for all other purposes including voting. The common interest appurtenant to each apartment is set forth in paragraph D.1 of the Declaration.

The common interest and easements shall not be separated from the apartment to which they appertain and shall be deemed to be conveyed, leased or encumbered with such apartment even though such interest or easements are not expressly mentioned or described in the conveyance or other instrument. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by the Condominium Property Act.

The percentage common interest for each apartment is as follows:

Apt. No.	Percentage Common Interest
A-101, 108, 201, 208	1.393%
A-102, 103, 104, 105, 106, 107, 202, 203, 204, 205, 206, 207	.929%
B-101, 102, 103, 104, 105, 106, 201, 202, 203, 204, 205, 206	1.323%
C-101, 102, 103, 104, 105, 106, 107, 108, 201, 202, 203, 204, 205, 206, 207, 208	1.323%
D-101, 102, 201, 202	1.322%
D-103, 203	1.393%
D-109, 209	1.430%
D-104, 105, 106, 107, 108, 204, 205, 206, 207, 208	.929%
E-101, 102, 103, 104, 105, 106, 201, 202, 203, 204, 205, 206	.929%
F-101, 102, 103, 104, 201, 202, 203, 204	.929%
G-101, 102, 103, 104, 201, 202, 203, 204	.929%

EXHIBIT H

ENCUMBRANCES AGAINST PROJECT LAND TITLE

1. Three (3) road setback areas, as shown on survey of George F. Newcomer, Registered Professional Land Surveyor, dated December 15, 1989.

AS TO LOT 1 ONLY:

2. AS TO EASEMENTS 1 AND 2: Easements for fire hydrant purposes as set forth in Easement dated April 27, 1990, by and between J.P.D. Hawaii Co., Inc., a Hawaii corporation, as Grantor, and the Board of Water Supply of the County of Maui, a political subdivision of the State of Hawaii, as Grantee, recorded in said Bureau as Document No. 90-109682, and as shown on Map dated December 6, 1989, revised August 13, 1990, prepared by Albert S. Saiki, Registered Professional Land Surveyor.

3. AS TO EASEMENT 3: Easement for access and utility purposes as shown on Map dated December 6, 1989, revised August 13, 1990, prepared by Albert S. Saiki, Registered Professional Land Surveyor.

AS TO LOTS 1 AND 8:

4. Mortgage; Security Agreement and Financing Statement dated June 18, 1990, by and between J.P.D. Hawaii Co., Inc., a Hawaii corporation, as Mortgagor, and Finance Factors, Limited, a Hawaii corporation, as Mortgagee, recorded in said Bureau as Document No. 90-092243.

5. AS TO EASEMENTS A AND B: Easements for electrical and telephone purposes as set forth in Grant of Easement and Consent dated July 26, 1990, by and between J.P.D. Hawaii Co., Inc., a Hawaii corporation, as Grantor, and Maui Electric Company, Limited, a Hawaii corporation, and GTE Hawaiian Telephone Company, Incorporated, a Hawaii corporation, as Grantee, recorded in said Bureau as Document No. 90-143588.

6. Easement for cable television purposes as set forth in Cable Television Easement dated September 27, 1990, by and between J.P.D. Hawaii Co., Inc., a Hawaii corporation, as Grantor, and The Chronicle Publishing Company, a Nevada corporation, as Grantee, recorded in said Bureau as Document No. 90-157454. Consent by Finance Factors, Limited, a Hawaii corporation, as Mortgagee, recorded in said Bureau as Document No. 90-157455.

7. Additional Charge Adjustable Rate Mortgage dated November 8, 1990, by and between J.P.D. Hawaii Co., Inc., a Hawaii corporation, as Mortgagor, and Finance Factors, Limited, a

Hawaii corporation, as Mortgagee, recorded in said Bureau as Document No. 90-174460.

8. Declaration of Condominium Property Regime dated November 21, 1990, by J.P.D. Hawaii Co., Inc., a Hawaii corporation, as Developer, recorded in said Bureau as Document No. 90-181026.

9. By-Laws of the Association of Apartment Owners of Maui Gardens dated November 21, 1990, by J.P.D. Hawaii Co., Inc., a Hawaii corporation, as Developer, recorded in said Bureau as Document No. 90-181027.

10. Condominium File Plan No. 1413.

EXHIBIT I

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE DISBURSEMENTS

Building	Apt. No.	Percentage Common Interest	Estimated Monthly Maintenance Fees	Estimated Annual Maintenance Fees
A	A-101, A-108, A-201, A-208	1.393%	$223.81	$2,685.72
	A-102 through A-107, A-202 through A-207	.929%	149.24	1,790.88
B	B-101 through B-106, B-201 through B-206	1.323%	212.54	2,550.48
C	C-101 through C-108, C-201 through C-208	1.323%	212.54	2,550.48
D	D-101, D-102, D-201, D-202	1.322%	212.38	2,548.56
	D-103, 203	1.393%	223.81	2,685.72
	D-109, 209	1.430%	229.75	2,757.00
	D-104 through D-108, D-204 through D-208	.929%	149.24	1,790.88
E	E-101 through E-106, E-201 through E-206	.929%	149.24	1,790.88
F	F-101 through F-104, F-201 through F-204	.929%	149.24	1,790.88
G	G-101 through G-104, G-201 through G-204	.929%	149.24	1,790.88

MAUI GARDENS
ASSOCIATION OF APARTMENT OWNERS
PROPOSED BUDGET

RECEIPTS:	MONTHLY	ANNUAL
MAINTENANCE FEES	$16,065.00	$192,780.00
TOTAL RECEIPTS	$16,065.00	$192,780.00

DISBURSEMENTS:	MONTHLY	ANNUAL
MANAGER'S APARTMENT RENT	$950.00	$11,400.00
MAINTENANCE & REPAIRS	$450.00	$5,400.00
SUPPLIES & EQUIPMENT	$200.00	$2,400.00
POOL SUPPLIES/MAINT.	$350.00	$4,200.00
GROUNDS MAINTENANCE	$750.00	$9,000.00
REFUSE COLLECTION	$350.00	$4,200.00
PEST CONTROL	$250.00	$3,000.00
CABLE T.V. SYSTEM MAINT.	$1,220.00	$14,640.00
FIRE EXTINGUISHER MAINT.	$50.00	$600.00
ELECTRIC REIMBURSEMENT	$0.00	$0.00
ELECTRIC COMMON AREA	$500.00	$6,000.00
GAS	$50.00	$600.00
WATER/SEWER	$2,400.00	$28,800.00
MANAGEMENT	$1,250.00	$15,000.00
OFFICE SUPPLIES & SERVICES	$40.00	$480.00
SALARIES & WAGES	$3,850.00	$46,200.00
PAYROLL TAXES	$1,120.00	$13,440.00
TDI/WORKMENS COMP	$350.00	$4,200.00
HEALTH INSURANCE	$220.00	$2,640.00
FIRE/LIABILITY INSURANCE	$800.00	$9,600.00
FLOOD INSURANCE	$85.00	$1,020.00
TAX FILING/AUDIT	$50.00	$600.00
ASSOCIATION TELEPHONE	$35.00	$420.00
OTHER PROFESSIONAL SERVICES	$25.00	$300.00
ASSN. MEETING EXPENSE	$20.00	$240.00
TOTAL DISBURSEMENTS	$15,365.00	$184,380.00
TRANSFER TO RESERVES	$700.00	$8,400.00
NET SURPLUS	$0.00	$0.00

(Rev. 11/15/90)

It is hereby certified that the above estimate of the Monthly and Annual Common Expenses and the Monthly and Annual Estimated Maintenance Fees for Each Apartment set forth herein have been based on generally accepted accounting principles.

MITCHAM & IWADO MANAGEMENT, INC.

Mark F. Gilliland, Treasurer

EXHIBIT J

SUMMARY OF PERTINENT PROVISIONS OF SALES CONTRACT

Developer has filed two (2) specimen sales contracts with the Hawaii Real Estate Commission as follows: (1) Deposit Receipt and Sales Contract For Owner-Occupants (the "Owner-Occupant DRSC") and (2) Deposit Receipt and Sales Contract (for owner non-occupants) (the "DRSC"). The terms of both the Owner-Occupant DRSC and the DRSC are substantially similar. The Owner-Occupant DRSC, however, contains an additional provision addressing statutory requirements applicable to sales transactions involving "owner-occupants" as defined in the Condominium Property Act.

Among other provisions contained therein, the Owner-Occupant DRSC and the DRSC (hereinafter sometimes collectively referred to as the "Agreement") contain the following common provisions:

"4. USE OF ESCROW FUNDS. Buyer agrees that payments under paragraph 2 hereof may be disbursed by Escrow Agent prior to the date of completion of the buildings to pay the cost of constructing the building and other expenses of the Project, all as provided in the Condominium Escrow Agreement, a copy of which has been furnished to Buyer, which Buyer hereby ratifies and approves and which is incorporated herein.

6. SELLER'S CANCELLATION RIGHTS. In addition to any other rights of cancellation or termination reserved to Seller herein, if (a) Buyer's initial deposit check is returned for insufficient funds, or (b) Buyer (or any one (1) of them if Buyer is more than one (1) person) should die prior to closing, then, in any such event, Seller reserves the right to return Buyer's check or payments, without interest and less the processing and cancellation fee imposed by Escrow Agent and any other actual expenses incurred by reason of Buyer's execution of this Agreement. Until Seller so elects to cancel this Agreement, it shall remain in full force and effect.

17. BUYER'S RIGHT TO RESCIND. Notwithstanding anything contained in paragraph 16 hereinabove:

(a) Except for any additions, deletions, modifications and reservations made pursuant to the terms of the Declaration, if there is a material change in the Project which directly, substantially and adversely affects the use or value of (1) Buyer's Apartment or appurtenant limited common elements, or (2) those amenities of the Project available for Buyer's use, Buyer shall have the right to rescind the sale made under this Agreement and to receive a prompt and full refund of any monies paid.

(b) Buyer's right of rescission under subparagraph (a) above shall be waived upon (1) delivery to Buyer, either personally or by registered or certified mail, return receipt requested, of a disclosure document which describes the material change and contains a provision for Buyer's written approval or acceptance of such change, and (2) Buyer's written approval or acceptance of the material change, or the lapse of ninety (90) days since Buyer has accepted the Apartment, or the occupancy of the Apartment by Buyer; provided, however, that if Buyer does not rescind this Agreement or execute and return the written approval or acceptance of such change as provided in the disclosure document within thirty (30) days from the date of delivery of such disclosure document, Buyer shall be deemed to have approved and accepted such change; provided, further, that the deemed approval and acceptance shall be effective only if at the time of delivery of the disclosure document, Buyer is notified in writing of the fact that Buyer will be deemed to have approved and accepted the change upon Buyer's failure to act within the thirty (30) day period; provided, further, that if, prior to delivery of such disclosure document, ninety (90) days have lapsed since Buyer has accepted the Apartment, or Buyer has occupied the Apartment, then Buyer's right of rescission under subparagraph (a) above shall not be waived unless Buyer shall execute the written approval or acceptance of such change as provided in the disclosure document within thirty (30) days from the date of delivery of such disclosure document or Buyer is deemed to have approved and accepted such change as set forth above. A copy of the form of disclosure document shall be delivered to the Commission prior to delivery to Buyer.

18. DEFAULT.

(a) Time is of the essence of this Agreement, and if Buyer shall default in any payment when required or fail to perform any other obligations required of Buyer hereunder and shall fail to cure such default within ten (10) days after receipt of written notice thereof from Seller, Seller may, at Seller's option, terminate this Agreement by written notice to Buyer. In the event of such default, the parties hereto understand and agree that in view of (i) Seller's financial commitments with respect to the Project, (ii) the connection between sales, cancellation or default with respect to one (1) apartment and the sale, cancellation or default with respect to other apartments in the Project, and (iii) the nature of the real estate market in Hawaii, the injury to Seller will be uncertain as to nature and amount and difficult to ascertain. As a reasonable estimate of Seller's damages resulting from such default, the parties agree that the sums paid by Buyer hereunder prior to such default shall belong to Seller as liquidated damages. At Seller's option, Seller may also pursue any other remedy at law or in equity for specific performance, damages or otherwise. All costs, including reasonable attorneys' fees, incurred by reason of default by Buyer shall be borne by Buyer.

(b) If Seller shall default in the performance of any obligation required of Seller hereunder, Buyer shall be entitled to specific performance of this Agreement or Buyer shall have the right to cancel and terminate this Agreement. In the event of such cancellation and termination, Seller shall repay to Buyer all sums paid by Buyer to Seller or Escrow Agent pursuant to the provisions hereof, and, in addition, Seller shall pay Buyer ONE HUNDRED AND NO/100 DOLLARS ($100.00) as liquidated damages for Seller's default. Buyer expressly waives any right or remedy against Seller which now exists or which hereafter may exist for the default of Seller under this Agreement, except for the foregoing right to specific performance or to cancel and terminate this Agreement, and to receive all sums paid to Seller and Escrow Agent and the sum of ONE HUNDRED AND NO/100 DOLLARS ($100.00).

20. PRE-PAID ITEMS. Buyer acknowledges that Buyer will be required to prepay: (a) maintenance fees for a period of two (2) months, which amount shall constitute a non-refundable start-up fee to be transferred to the Association for use in paying the initial operating costs of the Project, (b) maintenance fees for a period of two (2) months, which amount shall constitute a contribution to the maintenance reserve fund for the Project pursuant to the Declaration, (c) real property taxes for a period of six (6) months, and (d) insurance premiums to the extent required by any first mortgage lender. Real property taxes, insurance and maintenance expenses shall be prorated as of the Closing Date or the date of actual possession, whichever sooner occurs. Buyer further agrees that all insurance, maintenance, assessments and other expenses shall also be prorated between Seller and Buyer as of such proration date for real property taxes. Buyer understands and agrees that any amount to be paid by Buyer under this paragraph 20 is in addition to, and is not part of the total purchase price set forth hereinabove.

23. SUBORDINATION. Buyer acknowledges that Seller has entered into a Building Loan Agreement with Finance Factors, Limited, a Hawaii corporation ("Construction Lender"), pursuant to which Construction Lender has loaned Seller the principal amount of FIVE MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS ($5,500,000.00), for a term of one (1) year at a floating interest rate per annum equal to two percent (2%) over the Bank of Hawaii Base Rate, as such term is defined in the Building Loan Agreement, and a default interest rate per annum equal to twenty-four percent (24%).

Buyer further acknowledges that Seller may enter into an additional agreement or agreements with Construction Lender or any other established financial institution ("Additional Lender") pursuant to which said lenders may loan Seller an additional aggregate amount not to exceed ONE MILLION AND NO/100 DOLLARS ($1,000,000.00), for a term not to exceed five (5) years at a floating interest rate which shall not be more than five percent

(5%) per annum above the Bank of Hawaii Base Rate, and a default interest rate which shall not be more than twenty-four percent (24%) per annum. To secure the loan(s), Seller has granted to Construction Lender and may grant to Additional Lender security interests covering Seller's interest in the Project land and the Project, including this Agreement and the property covered by this Agreement. Buyer acknowledges and agrees that all security interests obtained by Construction Lender and Additional Lender in connection with such loan(s) as well as any extensions, renewals and modifications thereof, shall be and remain at all times a lien or charge on the Project, including the property covered by this Agreement, prior to and superior to any and all liens or charges on the Project arising from this Agreement. Buyer hereby expressly waives, relinquishes and subordinates the priority or superiority of any lien under this Agreement in favor of the lien or charge on the Project of the security interests of Construction Lender and Additional Lender. In confirmation of such subordination, Buyer further undertakes and agrees to execute and deliver promptly any further instrument required by Construction Lender or Additional Lender or their successors in interest to evidence such subordination and hereby appoints Seller as Buyer's attorney-in-fact to execute and deliver any such instrument on behalf of Buyer should Buyer refuse or fail to do so within five (5) days after request is made. Buyer also consents to Seller's assignment by way of security of Seller's interests in this Agreement and Buyer's escrow deposits to Construction Lender and Additional Lender and agrees that in the event of passage of Seller's interests therein to Construction Lender and Additional Lender, Buyer shall attorn to and recognize Construction Lender and Additional Lender or their successors in interest as the Seller hereunder, with all of the rights of the Seller hereunder, as if Construction Lender and Additional Lender were the original Seller hereunder.

24. CONDITION TO BINDING EFFECT OF AGREEMENT.

(a) Anything herein to the contrary notwithstanding, this Agreement shall not be binding upon Buyer and any obligation to purchase the Apartment under this Agreement shall not be enforceable against Buyer until:

(1) A true copy of the Commission's Final Public Report on the Project has been delivered to Buyer, either personally or by certified mail with return receipt requested, together with a true copy of all other public reports on the Project, if any, issued prior to the date of such delivery and not previously delivered to Buyer (unless the Final Public Report supersedes all prior public reports or a supplementary public report has been issued which supersedes the Final Public Report and any other public reports, in which case a true copy of the Commission's supplementary public report shall be delivered instead);

(2) Buyer has been given an opportunity to read the reports; and

(3) Two (2) copies of the form of the receipt and notice set forth in Section 514A-62 of the Hawaii Revised Statutes, as amended, have been delivered to Buyer and Buyer (i) executes the receipt and notice, and (ii) waives Buyer's right to cancel; provided, however, that if Buyer does not execute and return the receipt and notice within thirty (30) days from the date of delivery of such reports, or if the Apartment is conveyed to Buyer prior to the expiration of such thirty-day period, Buyer shall be deemed to have receipted for the reports and to have waived Buyer's right to cancel.

(b) Unless such right has previously been waived pursuant to subparagraph (a) hereinabove, Buyer shall have the right to cancel this Agreement at any time prior to the earlier of (1) the conveyance of the Apartment to Buyer or (2) midnight of the thirtieth (30th) day following the date of delivery of said Final Public Report to Buyer, and, upon any such cancellation, shall be entitled to a prompt and full refund of all monies paid, less any escrow cancellation fee and other costs associated with the purchase up to a maximum of TWO HUNDRED FIFTY AND NO/100 DOLLARS ($250.00).

25. BUYER'S RECOGNITION OF PERMITTED APARTMENT USES. Buyer acknowledges that the apartments in the Project shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests and may be utilized for long-term or transient rentals, specifically including vacation rentals and timesharing plans. The owners of the apartments shall have the absolute right to rent or lease the apartments subject to the limitations, restrictions, covenants and conditions of the Declaration.

Seller and all entities, persons and agents related to or affiliated with Seller, have no program at this time, nor is any program planned or contemplated, to offer a rental service of any kind to the owners of apartments, either individually or in any form of pooling arrangements, nor have any representations been made by Seller or its agents as to the feasibility of renting the apartments. Purchasers of apartments who desire to rent their apartments must therefore make their own rental arrangements.

Neither Seller nor its agents have made any representation regarding either economic benefits to be derived from rentals or tax treatment of any purchaser of an apartment. The tax treatment and economic benefits may vary with individual circumstances and Seller, and its agents, recommend that Buyer consult Buyer's own attorney, accountant or other tax counsel for advice regarding appropriate tax treatment.

Buyer hereby acknowledges receipt of written notice that Seller has not authorized any agents, salesmen or brokers for the Project to make any representations as to rentals of an apartment, income from an apartment or any other economic benefit to be derived from the rental of an apartment in said Project, and if any such representations are made, they are hereby expressly disclaimed by Seller."

The Owner-Occupant DRSC differs from the DRSC by providing in paragraph 3(a) that if Buyer does not obtain adequate financing or a commitment for adequate financing within forty-five (45) calendar days following the end of the ten (10) calendar day period following the issuance of the first public report by the Commission for the Project, the Agreement shall automatically terminate, and upon such termination, Seller shall cause Escrow Agent to refund to Buyer the amounts already paid without interest, less any escrow cancellation fee and other costs actually incurred by Seller or Buyer's lending institution in processing the loan application; provided, however, that the cancellation shall be approved by any lender financing the Project.

The Owner-Occupant DRSC also provides:

"26. BUYER'S OPTION TO CANCEL. Buyer hereby represents and warrants to Seller that Buyer intends to become an owner-occupant of the Apartment on completion of the Project. In consideration of the foregoing, notwithstanding anything herein to the contrary, it is understood and agreed that if during the ten (10) calendar day period following the issuance of the first public report for the Project by the Commission, Buyer indicates by written notice to Seller that Buyer desires to cancel this Agreement on account of hardship circumstances such as serious illness of Buyer or a member of Buyer's family, job or military transfer, unforeseeable change in marital status, or the birth of a child, which causes Buyer to be unable to purchase the Apartment, or if Buyer indicates an intent not to become an owner-occupant of such Apartment, Seller shall cancel this Agreement, and Seller shall cause Escrow Agent to refund to Buyer all monies paid without interest, less any escrow cancellation fee and other costs incurred by Seller in processing this Agreement; provided, however, that the cancellation shall be approved by any lender financing the Project."

(2) If applicable, delivery to and acknowledgment of receipt of appropriate public reports by a purchaser, and delivery to Escrow Agent of a written opinion by Developer or Developer's attorney stating that the purchaser's sales contract has become effective;

(3) Delivery to Escrow Agent of a written opinion by Developer or Developer's attorney stating that certain statutory requirements have been met; and

(4) A written waiver of any option reserved in any sales contract to cancel such sales contract.

EXHIBIT K

SUMMARY OF PERTINENT
PROVISIONS OF ESCROW AGREEMENT

Among other provisions, the Condominium Escrow Agreement dated June 4, 1990 (the "Escrow Agreement"), executed by and between Title Guaranty Escrow Services, Inc., as Escrow, and J.P.D. Hawaii Co., Inc., as Developer, provides that a purchaser shall be entitled to a return of his funds and Escrow shall pay such funds to such purchaser, without interest, if any one of the following has occurred:

(a) Developer and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held hereunder by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Developer; or

(c) Developer and purchaser shall have requested Escrow in writing and any one of the following events has occurred:

(i) no sales contract has been offered to the purchaser who has been placed on the Developer's reservation list of owner-occupant applicants; or

(ii) purchaser has been unable to obtain adequate financing, or a commitment for adequate financing, for his unit within forty-five (45) calendar days following the end of the ten (10) calendar day period during which the Developer is limited to selling to owner-occupant; or

(iii) the purchaser desires to cancel the contract on account of hardship circumstances such as those set forth in Section 514A-104(1), Hawaii Revised Statutes; or

(iv) the purchaser indicates an intent not to become an owner-occupant of such unit.

No disbursement of purchasers' funds held in escrow, other than refunds provided for in the Escrow Agreement, shall be made until certain conditions are satisfied. In general, these conditions include:

(1) The issuance of a Final Public Report on the Project by the Hawaii Real Estate Commission;