



**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

OLOHU ROAD ESTATES

51-062A Olohu Rd.

51-062B Olohu Rd.

Kaaawa, Hawaii

Registration No. 2266

Issued: January 8, 1991  
 Expires: February 8, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of January 2, 1991, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

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

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

- No prior reports have been issued
- Supersedes all prior public reports
- Must be read together with \_\_\_\_\_

**SUPPLEMENTARY:** Updates information contained in the  
*(pink)*

- Prelim. Public Report dated \_\_\_\_\_
- Final Public Report dated \_\_\_\_\_
- Supp. Public Report dated \_\_\_\_\_

And  Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_

This report reactivates the \_\_\_\_\_  
 public report(s) which expired on \_\_\_\_\_

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required       Not Required - disclosures covered in this report.

**Summary of Changes from Earlier Public Reports:**

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued by the Commission.

Changes made are as follows:

## TABLE OF CONTENTS

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

## **GENERAL INFORMATION ON CONDOMINIUMS**

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Condominium Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

### **Operation of the Condominium Project**

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

## SUMMARY OF THE CONDOMINIUM PROJECT

**Interest to be Conveyed to Buyer:**

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

**Types of Project:**

1.  New Building(s)  Conversion  
 Both New Building(s) and Conversion
2.  Residential  Commercial  
 Mixed Residential and Commercial  
 Other \_\_\_\_\_
3.  High Rise (5 stories or more)  Low Rise
4.  Single or  Multiple Buildings

**5. Apartment Description**

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
A	1	3/2	1728 sq. ft.	304
B	1	3/3	1820 sq. ft.	500

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)	4
Guest Stalls	<u>none (street parking available)</u>
Unassigned Stalls	0
Extra Stalls Available for Purchase	0
Other: _____	
<b>Total Parking Stalls</b>	<u><u>4</u></u>

**7. Recreational amenities:**

None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Adam Sutton  
Name [REDACTED]  
Business Address [REDACTED]

Phone: [REDACTED]  
(Business)

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Sales Agent: Adam Sutton, R.A., Vantage Pacific Realty  
Name [REDACTED]  
1777 Ala Moana Blvd., Suite 101  
Business Address [REDACTED]  
Honolulu, Hawaii 96815

Phone: 955-5790  
(Business)

Escrow: Title Guaranty Escrow Services, Inc.  
Name [REDACTED]  
235 Queen St., 1st Floor  
Business Address [REDACTED]  
Honolulu, Hawaii 96813

Phone: 521-0219  
(Business)

Managing Agent: Self managed by the Association of Apartment Owners  
Name [REDACTED]  
Business Address [REDACTED]

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

Attorney for Developer: Keith M. Kiuchi  
Name [REDACTED]  
1188 Bishop St., Suite 2710  
Business Address [REDACTED]  
Honolulu, Hawaii 96813

## II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. **Declaration of Condominium Property Regime** contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

- Proposed  
 Recorded - Bureau of Conveyances - Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

- B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

- Proposed  
 Recorded - Bureau of Conveyance Condo Map No. \_\_\_\_\_  
 Filed - Land Court Condo Map No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

- C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed  
 Recorded - Bureau of Conveyances - Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- D. **House Rules.** The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:

- Proposed                       Adopted
- Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>75%</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:

The Developer has the right to change to change the Declaration, By-Laws, Condominium Map, Rules and Regulations of the Association, form of Apartment Lease, and other documents. The Developer may make any changes that the Developer determines to be necessary, made at any time before the leasing of the first apartment to any person other than Seller, but only if the changes don't a) substantially change any of Developer's obligations under the Reservation and Sales Agreement, b) require a substantial change in the design, location or size of the Apartment or of the building in which the Apartment is located, c) cause any Buyer to lose his/her loan commitment, d) increase the Buyer's undivided percentage common interest in the common elements of the Project, or e) reduce the Developer's obligation for common expenses on any unsold apartments in the condominium Project. The Developer may change the shape, design, size, location or number of rooms of any apartment in the project and may change any of the parking areas of the project or the locations of parking stalls. The Developer may also make minor changes to the Apartment but no changes may be made in an apartment to which a Buyer has executed a sales and reservation agreement if those changes relate to location or design of the apartment.



**B. Underlying Land:**

Address: 51-062B Olohu Rd. Tax Map Key: 1-5-1-14-4  
Kaaawa, Hawaii 96730 (TMK)

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

Land Area: 13,500 [X] square feet [ ] acre(s) Zoning: R-5

Fee Owner: Adam Sutton and Amanda Sutton  
Name



Address

Sublessor: None  
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>2</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 0

Stairways 0

Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>A</u>	<u>1</u>	<u>3/2</u>	<u>1728 sq. ft.</u>	<u>304</u>
<u>B</u>	<u>1</u>	<u>3/3</u>	<u>1820 sq. ft.</u>	<u>500</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 perimeter walls, floors, foundations and roofs, all pipes, wires, conduits, utility and service lines only serving the respective apartments.

**Permitted Alterations to Apartments;**

As stated in Paragraph T of the Declaration, Owners may alter apartments in any manner provided that the alteration is according to the building code and the alterations are completed as set forth in Paragraph T of the Declaration.

7. Parking Stalls:

Total Parking Stalls: 4

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
Guest	<u>0</u>						
Unassigned	<u>0</u>						
Extra Available for Purchase	<u>0</u>						
Other:	<u>0</u>						
Total Covered & Open	<u>4</u>		<u>0</u>		<u>0</u>		

Each apartment will have the exclusive use of at least 2 parking stall(s).  
Buyers are encouraged to find out which stall(s) will be available for their use.

- Commercial parking garage permitted in condominium project.
- Exhibit \_\_\_\_\_ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities.

- There are no recreational or common facilities.
- Swimming pool
- 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     A     describes the common elements.

] As follows:

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

] There are no limited common elements in this project.

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

] described in Exhibit     B    

] as follows:

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

] Exhibit                      describes the common interests for each apartment.

] As follows:      55% for Unit B  
                            45% for Unit A

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

Exhibit C describes the encumbrances against the title contained in the title report dated April 17, 1989 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.

There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Mortgage Financing Statement	Buyer's contract will be cancelled and Buyer's deposit will be refunded. Buyer may lose the right to acquire the apartment.

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     D     contains a schedule of maintenance fees and maintenance fee disbursements.

H. **Utility Charges for Apartments:**

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

- |  |   |
|--|---|
| <input type="checkbox"/> Electricity               | <input type="checkbox"/> Television Cable |
| <input type="checkbox"/> Gas                       | <input type="checkbox"/> Water & Sewer    |
| <input type="checkbox"/> Other _____               |   |
| <input checked="" type="checkbox"/> Not applicable |   |

I. **Construction Warranties:**

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

1. Building and Other Improvements:

No warranty

2. Appliances:

Manufacturer's warranty.

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

Unit A is nearing completion.

Unit B is expected to begin construction shortly and should be completed by May, 1991.

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:**

None. Two units on the property constitutes the legal number of units presently allowed under an H.P.R. approval.

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

Escrow Agreement dated November 26, 1990 with Title Guaranty

Exhibit           F           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. 2266 filed with the Real Estate Commission on July 3, 1990.

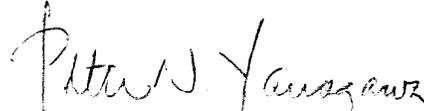
**Reproduction of Report.** When reproduced, this report must be on:

yellow paper stock

white paper stock

pink paper stock

**Expiration Date of Reports.** Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary Public Report is issued or unless the Commission issues an order extending the effective period for the report.



---

PETER N. YANAGAWA, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

Bureau of Conveyances  
Department of Finance, City & County of Honolulu  
Planning Department, City & County of Honolulu  
Federal Housing Administration  
Escrow Agent

# EXHIBIT "A"

## DESCRIPTION OF COMMON ELEMENTS

One freehold estate is hereby designated and all remaining portions of the Project (herein called the "common elements") including specifically, but not limited to:

- A. The land in fee simple;
- B. All yards, grounds, retaining walls, landscaped areas and uncovered walkways around and between said Dwellings;
- C. All roadways, stairways, sidewalks, driveways which are rationally of common use by owners of more than one Dwelling;
- D. All ducts, sewer lines, electrical equipment, pipes, wiring and other essential and appurtenant transmissions from facilities over, under and across the Project which serve more than one Dwelling for services such as power, light, water, refuse, sewer, telephone, radio and television signal distributions; and
- E. Any and all apparatus installations of common use on all other parts of the property necessary or convenient to its existence, maintenance or safety, or normally in common use.

# EXHIBIT "B"

## DESCRIPTION OF LIMITED COMMON ELEMENTS

Certain parts of the common elements (herein called the "Limited Common Elements") are hereby designated and set aside for the exclusive use of certain Dwellings, and such Dwelling shall have appurtenant thereto exclusive easements for the use of such Limited Common Elements. The Limited Common Elements so set aside and reserved are as follows:

A. Each lot upon which the respective Dwellings are built shall be appurtenant to and for the exclusive use of such Dwelling;

B. All unfinished, undecorated portions of all perimeters (not including the party walls) and load-bearing walls for the respective units, and all structural components, foundations, floor slabs, columns, girders, beams, supports and roofs for the respective Dwellings;

C. The mailboxes of the respective Dwellings shall be deemed a limited common element appurtenant to and for the exclusive use of the Dwelling or Dwellings served thereby.

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

# EXHIBIT "C"

## LIST OF ENCUMBRANCES AGAINST TITLE OF OWNER

- 1) Reservation in favor of the State of Hawaii of all mineral and metallic mines.
- 2) Declaration of Covenants, Conditions and Restrictions for Kaaawa Beach Owners Association dated August 17, 1982, recorded in Liber 16521 at Page 395, made by Kualoa Ranch, Inc., a Hawaii corporation, "Declarant". The Declarant's rights under said Declaration was assigned to Francis S. Morgan and Hawaiian Trust Company, Limited, a Hawaii corporation, as cotrustees under that certain unrecorded Trust Agreement dated January 17, 1984, made by Francis S. Morgan, as settlor, by instrument dated November 8, 1984, recorded in Liber 18268 at Page 562. Said Declaration was amended by instrument date June 16, 1986, recorded in Liber 19663 at Page 226.

3. The following grant:

TO: BISHOP TRUST COMPANY, LIMITED, a Hawaii corporation, Trustee under the Will and of the Estate of Georgiana Akana, deceased

DATED: August 2, 1984

RECORDED: Liber 18105, Page 526

GRANTING: a nonexclusive easement to use the existing cesspool on Lot No. 193 of the "Kaaawa Beach Lots", which existing cesspool is the present means of sewage disposal for the improvements constructed on Lot Nos. 192 and 193; and to the covenants and conditions contained therein.

4. The following Mortgage and Financing Statement:

MORTGAGOR: ADAM FRANKLIN SUTTON and AMANDA JANE SUTTON, husband and wife

MORTGAGEE: FIRST HAWAIIAN BANK, a Hawaii corporation

DATED: April 13, 1989

RECORDED: Liber 23072, Page 580

AMOUNT: \$115,000.00

# EXHIBIT "D"

## SCHEDULE OF MAINTENANCE FEES AND MAINTENANCE FEE DISBURSEMENTS

### Schedule of Maintenance Fees:

Apartment A - \$27.50 a month

Apartment B - \$22.50 a month

The regular maintenance and repair of each condominium unit, including all utility charges individually metered, is the sole responsibility of each respective unit owner. The only common expense requiring monthly assessments (i.e. - maintenance fees) is for the maintenance of the roadway. The developer estimates that these costs will be approximately \$1,200.00 a year. Additional maintenance fees for the purposes of resurfacing the roadway may be assessed from time to time.

# EXHIBIT "E"

## SUMMARY OF RESERVATION AND SALES AGREEMENT

1. PURCHASE PRICE:  
Unit A - \_\_\_\_\_  
Unit B - \_\_\_\_\_
2. PAYMENTS. Payments to be made in a two payment plan. The first payment is due upon the execution of the agreement to purchase the property and the second payment is due after the final H.P.R. has been approved. The developer will require the maximum allowed by law as the initial deposit in the first payment.
3. ADDITIONAL SUMS TO BE PAID: Only closing costs and prorations to be paid five days before the scheduled closing date.  
CONSTRUCTION LENDER HAS PRIORITY. The Developer's construction lender has priority over all other loans.
5. ESCROW AGREEMENT. Under the terms of the escrow agreement, escrow will be at First Hawaiian Bank Escrow and all interest accrued in escrow shall belong to the Seller.
6. BUYER'S APPLICATION FOR A LOAN. Buyer must notify the Seller if he intends to apply for a loan to purchase the unit. The Seller may contact the Buyer's prospective Lender.
7. RETURN OF BUYER'S PAYMENTS. Buyer may cancel and receive a full refund of the deposits (less any escrow fees, interest and costs of Seller) if the Buyer's loan is rejected or not approved within 30 days of the execution of the Agreement. If the Seller cancels the agreement the Buyer will receive a full refund of the deposits (less any escrow fees, interest and costs of Seller). If Buyer defaults after loan approval, the initial deposit is retained by the Seller.
8. APPLIANCES INCLUDED IN SALE. The sale of the condominium unit includes a refrigerator, dishwasher, range, oven, microwave hood, garbage disposal, sinks and bathroom fixtures.
9. MAINTENANCE FEES. Maintenance fees in the sum of \$50.00 a month will be assessed for each condominium in the Project..
10. NO OTHER WARRANTIES. Except for manufacturer's warranty on the appliances, the Developer makes no other warranties as to the construction of the condominium unit or any other warranties.

# EXHIBIT "F"

## SUMMARY OF ESCROW AGREEMENT

The escrow agreement sets up an arrangement under which the deposits a buyer makes under a sales contract will be held by a neutral party ("Escrow"). Under the escrow agreement these things will or may happen:

(a) Escrow will collect payments due pursuant to the sale contract.

(b) Escrow will deposit all monies received pursuant to the sales contract in a special account with a financial institution.

(c) Escrow will let buyers know when payments are due.

(d) Escrow will arrange for and supervise the signing of all necessary documents.

(e) The escrow agreement says under what conditions refund will be made to a buyer.

(f) The escrow agreement says what will happen to a buyer's funds upon default under the sales contract.

The escrow agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.