



**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

KALOKO HEIGHTS  
 Kaloko Drive  
 N. Kona, Hawaii

Registration No. 2340

Issued: November 30, 1990  
 Expires: December 30, 1990

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of Oct. 26, 1990, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

       **PRELIMINARY:**      The developer may not as yet have created the condominium but has filed with the  
*(yellow)*                      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:**                The developer has legally created a condominium and has filed complete information  
*(white)*                        with the Commission.

- 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:

NOTE : (1) The dotted lines in the Condominium Map that separate the units are not subdivision lot lines. The project is a Condominium and each unit is not situated on a legally subdivided lot. (2) The land in this project is a common element. Each Apartment Owner has an undivided common interest in the land and a limited common element. (3) If and when the County Planning Department should issue a letter to either the Developer or Commission on this project, the Developer will be responsible for delivering a copy to each person or party to whom this Public Report is given, and obtaining a signed receipt therefor.

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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.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Jeffrey & James Gregory  
Name  
POB 1313  
Business Address  
Kailua-Kona, HI 96745

Phone: (808) 329-4444  
(Business)

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

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

Real Estate Sales Agent: Real Estate Offices  
Name  
75-5995 Kuakini Ste. 221  
Business Address  
Kona, HI 96740

Phone: 329-4444  
(Business)

Escrow: Hawaii Escrow & Title  
Name  
75-5722 Kuakini Ste. 210  
Business Address  
Kona, HI 96740

Phone: 329-2763  
(Business)

Managing Agent: To be self managed by Association  
Name  
\_\_\_\_\_  
Business Address  
\_\_\_\_\_

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

Attorney for Developer: Gerald Garcia  
Name  
75-5995 Kuakini Ste. 221  
Business Address  
Kona, HI 96740

## 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 Agriculture
3.  High Rise (5 stories or more)  Low Rise
4.  Single or  Multiple Buildings
5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net <del>Living</del> Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>1</u>	<u>2</u>	<u>0</u>	<u>32'</u>	<u>N/A</u>

Total Apartments: 2

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

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

**6. Parking:**

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>4</u>
Guest Stalls	<u> </u>
Unassigned Stalls	<u> </u>
Extra Stalls Available for Purchase	<u> </u>
Other: <u> </u>	<u> </u>
<b>Total Parking Stalls</b>	<b><u>4</u></b>

**7. Recreational amenities: None**

**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 90 163351

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. 1393  
 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 90 163352

Amendment date(s) and recording/filing information:

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Jeffrey & James Gregory  
Name  
POB 1313  
Business Address  
Kailua-Kona, HI 96745

Phone: (808) 329-4444  
(Business)

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

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

Real Estate Sales Agent: Real Estate Offices  
Name  
75-5995 Kuakini Ste. 221  
Business Address  
Kona, HI 96740

Phone: 329-4444  
(Business)

Escrow: Hawaii Escrow & Title  
Name  
75-5722 Kuakini Ste. 210  
Business Address  
Kona, HI 96740

Phone: 329-2763  
(Business)

Managing Agent: To be self managed by Association  
Name  
\_\_\_\_\_  
Business Address  
\_\_\_\_\_

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

Attorney for Developer: Gerald Garcia  
Name  
75-5995 Kuakini Ste. 221  
Business Address  
Kona, HI 96740

**B. Underlying Land:**

Address: Kaloko Drive Tax Map Key: (3) 7-3-27-15  
Kaloko Mauka Subdivision, Kona, HI (TMK)

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

Land Area: 21.468  square feet  acre(s) Zoning: AG-20

Fee Owner: Jeffrey & James Gregory

Name

POB 1313

Address

Kona, HI 96745

Sublessor:

Name

Address

**C Buildings and Other Improvements:**

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

2. Buildings: 2 Floors Per Building 1

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

3. Principal Construction Material:

Concrete  Hollow Tile  Wood

Other \_\_\_\_\_

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Industrial	_____
<input type="checkbox"/> Residential	_____	<input checked="" type="checkbox"/> Agricultural	<u>2</u>
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input type="checkbox"/> Other:	_____		_____

5. Special Use Restrictions:

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

- Pets \_\_\_\_\_
- Number of Occupants: \_\_\_\_\_
- Other: \_\_\_\_\_
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators \_\_\_\_\_ Stairways \_\_\_\_\_ Trash Chutes \_\_\_\_\_

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>1</u>	<u>2</u>	<u>0</u>	<u>32'</u>	<u>0</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 external surfaces of each units' walls, floors, and roofs.

Permitted Alterations to Apartments; Any alteration allowed as long as in conformity with the Declarations, By Laws, and County ordinances & codes.

7. Parking Stalls:

Total Parking Stalls: 4

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

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

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

10. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	X	_____	_____
Structures	X	_____	_____
Lot	X	_____	_____

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

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

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

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

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

Exhibit "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 "A"

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:

Unit 1	42%
Unit 2	58%

Note: The allocation above is based approximately on the ratio of each limited common element relative to the whole.

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 October 19, 1990 and issued by Hawaii Escrow & Title.

**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>
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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 \_\_\_\_\_

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 "A"

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:

Unit 1	42%
Unit 2	58%

Note: The allocation above is based approximately on the ratio of each limited common element relative to the whole.

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       " B "       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 checked="" type="checkbox"/> Water & Sewer |
| <input type="checkbox"/> Other _____    |   |
| <input 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:

None

2. Appliances:

None

J. Status of Construction and Estimated Completion Date:

The two apartments or units, each consisting of a storage shed, were completed in September, 1990.

K. Project Phases:

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

Summary of Developer's Present Plans for Future Development: N/A

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

Escrow Agreement dated Oct. 1, 1990

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

Other \_\_\_\_\_

#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

1. Construction of a residential unit by an apartment owner is permitted on the following conditions:

a. All work to be done by a licensed, bonded Contractor.

b. No work to commence prior to obtaining all necessary permits and other requirements imposed by any governmental authority.

c. Construction does not violate any of the terms of the Declaration or By Laws.

2. Insurance on the structures will be obtained by the association and be paid for by the unit owners.

This Public Report is a part of Registration No. 2340 filed with the Real Estate Commission on Oct. 26, 1990.

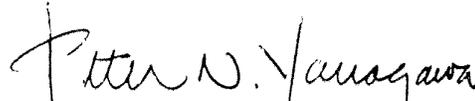
**Reproduction of Report.** When reproduced, this report must be on:

yellow paper stock

white paper stock

pink paper stock

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



---

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

**Distribution:**

Bureau of Conveyances  
Department of Finance, County of Hawaii  
Planning Department, County of Hawaii  
Federal Housing Administration  
Escrow Agent

EXHIBIT "A"  
KALOKO HEIGHTS CONDOMINIUM  
COMMON ELEMENTS

The following portion of the Project called the "common elements" includes specifically but is not limited to:

(a) Central facilities and appurtenant installations for utility and other common services such as power, light, gas and water;

(b) All other apparatus and installations existing for common use;

(c) All other parts of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use.

(d) All land, landscaping, fences, trees, walls, and driveways.

LIMITED COMMON ELEMENTS

(a) Each unit shall have appurtenant thereto an exclusive right to water pipes for water to the unit.

(b) Area surrounding Unit 1 consisting of 9.00 acres as shown in the condominium map, is a limited common element appurtenant to Unit 1.

(c) Area surrounding Unit 2 consisting of 12.468 acres as shown in the condominium map, is a limited common element appurtenant to Unit 2.

NOTE: Although parking stalls are not mentioned in the Declaration under either of the above, the Developer has indicated in his submittal that each Limited Common Area shall have at least two parking stalls.

**Estimate of Maintenance Fee Disbursements:**

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

N/A

Electricity

[ ] common elements only

[ ] common elements  
and apartments

Gas

Refuse Collection

Telephone

Water and Sewer

\$30. X 12 \$360.00

Maintenance, Repairs and Supplies

Building

N/A

Grounds

Management

N/A

Management Fee

Payroll and Payroll Taxes

Office Expenses

Insurance

N/A

Reserves

Taxes and Government Assessments

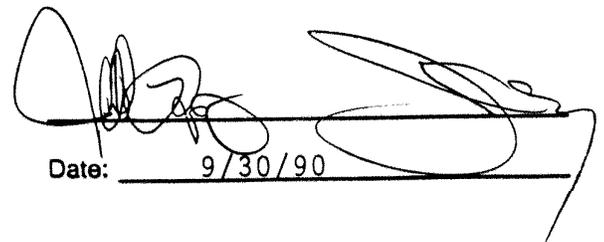
N/A

Audit Fees

Other

TOTAL

Developers I/We, Jeffrey & James Gregory, as ~~managing agents~~ for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

  
Date: 9/30/90

E X H I B I T "C"

- =====
1. REAL PROPERTY TAXES AS MAY BE DUE AND OWING. CHECK WITH TAX ASSESSOR.
  2. ASSESSMENTS  
  
ASSESSMENTS OR CHARGES LEVIED BY MUNICIPAL OR GOVERNMENTAL AUTHORITY OR IMPOSED BY ANY OTHER LAWFULLY CONSTITUTED BODY AUTHORIZED BY STATUTE TO ASSESS, LEVY AND COLLECT THE SAME, IF ANY. CHECK WITH TAX ASSESSOR.
  3. TITLE TO ALL MINERALS AND METALLIC MINES RESERVED TO THE STATE OF HAWAII.
  4. COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, AGREEMENTS, OBLIGATIONS AND OTHER PROVISIONS SET FORTH IN THE INSTRUMENT,  
DATED : MAY 16, 1969.  
RECORDED : JUNE 23, 1969, IN LIBER 6567, PAGE 338,  
IN THE BUREAU OF CONVEYANCES.
  5. AN EASEMENT AFFECTING A PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES,  
IN FAVOR OF : KALOKO LAND CORPORATION, ET AL.  
FOR : RIGHT-OF-WAY TEN (10) FEET IN WIDTH.  
DATED : MAY 16, 1969.  
RECORDED : JUNE 23, 1969, IN LIBER 6567, PAGE 338, IN  
THE BUREAU OF CONVEYANCES.
  6. MATTERS AS SHOWN ON CONDOMINIUM FILE PLAN NO. 1393, FILED IN THE BUREAU OF CONVEYANCES.
  7. COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, AGREEMENTS, OBLIGATIONS, PROVISIONS, EASEMENTS AND BY-LAWS SET FORTH IN THE DECLARATION OF HORIZONTAL PROPERTY REGIME,  
DATED : SEPTEMBER 27, 1990.  
RECORDED : OCTOBER 19, 1990, AS INSTRUMENT NO. 90-163351,  
IN THE BUREAU OF CONVEYANCES.
  8. BY-LAWS OF THE ASSOCIATION OF OWNERS OF KALOKO HEIGHTS,  
DATED : SEPTEMBER 27, 1990.  
RECORDED : OCTOBER 19, 1990, AS INSTRUMENT NO. 90-163352,  
IN THE BUREAU OF CONVEYANCES.

NOTE: Developer represents that encumbrances 4 and 5 above will have no material impact on a purchaser.

END EXHIBIT "C"

EXHIBIT "D"

Summary of Sales Contract

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

(a) What a purchaser must do to qualify for a loan if the purchaser wants a mortgage loan to cover part of the purchase price.

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

(c) That a purchaser will receive any interest earned on deposits made under the Sales Contract.

(d) That the unit will be subject to various other legal documents which the purchaser should examine.

(e) That the purchaser must close the purchase at a certain date and that Developer will pay all closing costs, except those related to a purchaser's mortgage loan.

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

(g) That Developer makes no rental representation in connection with the sale of units.

The Sales Contract contains various other provisions with which the purchaser should become acquainted.

NOTE: ALL PURCHASERS SHOULD READ THE SALES AGREEMENT IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE SALES AGREEMENT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE SALES AGREEMENT, AND DOES NOT ALTER OR AMEND THE SALES AGREEMENT IN ANY MANNER.

EXHIBIT "E"

Summary of Escrow Agreement

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser 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 let purchasers know when payments are due.

(b) Escrow will arrange for purchasers to sign all necessary documents.

(c) The Escrow Agreement says under what conditions a refund will be made to the purchaser.

(d) The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract.

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