



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
 PLEASANT ACRES

Pleasant Acres, Lots 35 & 37
 Waimea, South Kohala, Hawaii

Registration No. 2357

Issued: February 1, 1991
 Expires: March 1, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of January 16, 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:

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GENERAL INFORMATION ON CONDOMINIUMS

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

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

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

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

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

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

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

Operation of the Condominium Project

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

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

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

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

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

Types of Project:

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

2. Residential Commercial
 Mixed Residential and Commercial
 Other _____

3. High Rise (5 stories or more) Low Rise

4. Single or Multiple Buildings

5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
all	2	3/2.5	1,104	96
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

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)	_____
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: <u>Each</u> unit has attached 2 car garage of 480 sq. ft.	<u>2</u>
Total Parking Stalls	<u>4</u>

7. Recreational amenities: none

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Dennis J. and Barbara H. Davis
Name
737 Bishop St., #1460
Business Address
Honolulu, HI 96813

Phone: 531-9988
(Business)

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

n/a

Real Estate Sales Agent: Dennis J. Davis
Name
737 Bishop Street, #1460
Business Address
Honolulu, HI 96813

Phone: 531-9988
(Business)

Escrow: Island Title Corp.
Name
1001 Bishop St., Pauahi #320
Business Address
Honolulu, HI 96813

Phone: 531-0261
(Business)

Managing Agent: none - Self managed by AOAO
Name

Business Address

Phone: _____
(Business)

Attorney for Developer: Dennis J. Davis
Name
737 Bishop St., #1460
Business Address
Honolulu, HI 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 _____ Doc # 90-158168.5
 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. 1387
 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 _____ Doc # 90-158169
 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>65%</u>
House Rules	---	<u>n/a</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:

none

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

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

Exhibit _____ contains further explanations.

Lease Term Expires: _____
Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

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

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

Exhibit _____ contains further explanations.

Lease Term Expires: _____
Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

- Other:

For Subleaseholds:

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

B. Underlying Land:

Address: Lots 35 & 37, Pleasant Acres Sub-divis. Tax Map Key: (3) 6/4/20/01 & 6/4/19/64
Waimea, South Kohala, Hawaii (TMK)

Address TMK is expected to change because _____

Land Area: 30,886 square feet acre(s) Zoning: Ag 1

Fee Owner: Dennis J. & Barbara H. Davis

Name 737 Bishop St., #1460

Address Honolulu, HI 96813

Sublessor: n/a

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 checked="" type="checkbox"/> Residential	<u>2</u>	<input type="checkbox"/> Agricultural	_____
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input type="checkbox"/> Other:	_____		_____

5. Special Use Restrictions:

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

[] Pets _____

[] Number of Occupants: _____

[] Other: _____

[x] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators none

Stairways none

Trash Chutes none

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>both</u>	<u>2</u>	<u>3/2.5</u>	<u>1,104</u>	<u>96</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

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

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

Boundaries of Each Apartment:

See attached Exhibit "A"

Permitted Alterations to Apartments:

See attached Exhibit "A"

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, buyers 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 "B" 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: Each apartment and its owner(s) shall have appurtenant thereto a fifty percent (50%) interest in the common elements of the project for all purposes including voting, said interest being referred to as the "common interest".

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 Oct. 23, 1990 and issued by Island Title Corporation.

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.

Type of Lien

Effect on Buyer's Interest
If Developer Defaults

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 n/a contains a schedule of maintenance fees and maintenance fee disbursements.

No periodic maintenance fee is anticipated, only special assessments.

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 checked="" type="checkbox"/> Other <u> none </u> | |
| <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:

none

2. Appliances:

none

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. 2357 filed with the Real Estate Commission on
December 3, 1990.

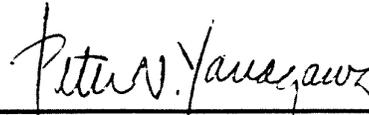
Reproduction of Report. When reproduced, this report must be on:

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, County of Hawaii
Planning Department, County of Hawaii
Federal Housing Administration
Escrow Agent

EXHIBIT "A"

BOUNDARIES OF EACH APARTMENT

- A. Apartment One and Two are each separate one-story, wood frame structure, without basement, containing 3 bedrooms and 2.5 baths. The total net interior living area each is approximately 1,104 square feet. Each said apartment also contains an attached garage totalling approximately 480 square feet and a covered deck area of approximately 96 square feet.
- B. The apartments are located in the manner shown on the Condominium Map.
- C. The respective apartments shall not be deemed to include any pipes, wires, conduits or other utility lines running over, under, or through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided.
- D. Each apartment has direct access to the common areas.

PERMITTED ALTERATION TO APARTMENTS

Individual apartment owners may remodel, expand or otherwise alter their apartment, provided same is done in complete accordance with all applicable ordinances, codes, rules, regulations or other requirements in force at the time of said construction. Restoration or replacement of the Project or any building thereof, or construction of any additional building or structural alteration or addition to any building, different in any material respect from the Condominium Map of the Project, shall be undertaken only pursuant to an amendment of this Declaration, in accordance with complete plans and specifications submitted to the Board of Directors. Promptly upon completion of such restoration, replacement or construction, the Association shall record the amendment in the Bureau of Conveyances together with a complete set of floor plans of the Project so altered, certified as built by a registered architect or professional engineer.

EXHIBIT "B"

COMMON ELEMENTS

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

- (1) The land in fee simple;
- (2) The common driveway as so designated on the Condominium Map;
- (3) All ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, water, sewage, irrigation and telephone;
- (4) Any and all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the Project.

LIMITED COMMON ELEMENTS

Certain parts of the common elements, herein referred to as the "limited common elements," are hereby designated and set aside for the exclusive use of one or more apartments, and such apartment(s) 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. The immediate land and yard area upon and around which each apartment is located, as so shown and designated on Condominium Map as Lot A for Apartment One containing an area of approximately 14,520 sq. ft. and Lot B for Apartment Two containing an area of approximately 14,060 sq. ft.

NOTE: The land and yard area under and around each apartment does not, designate a legally subdivided lot.

EXHIBIT "C"

ENCUMBRANCES AGAINST TITLE

1. As to Lot 37: Covenants, conditions and restrictions set forth in that certain Deed dated August 23, 1971, and recorded in said Bureau in Liber 7870, Page 1, being:

"That for and during the period commencing with July 4, 1964, and ending December 31, 1980:

(a) No structure will be built or placed on the property which is constructed or repaired with secondhand materials or which is a quonset hut; no outdoor privy or privy house shall be erected or used upon the premises.

(b) No hog raising or commercial poultry farm shall be permitted on said premises, and all domestic fowl shall be confined.

(c) No deed, mortgage or lease shall be made or delivered by the Grantees, conveying or leasing the above described premises or any part thereof at any time during said period, unless such deed, mortgage or lease shall contain or be subject to the same restrictive terms, covenants and conditions as herein set forth, including this covenant.

(d) The foregoing covenants shall be continued in effect and shall bind the Grantees, their heirs, personal representatives and assigns, during successive ten-year periods following December 31, 1980, except to the extent that the same shall be modified or amended prior to the commencement of any such period by agreement of the owners of the majority of the residential lots adjacent to the road constructed in connection with this subdivision."

2. As to Lot 35:

(A) Unrecorded Grant of Easement dated December 4, 1964, as mentioned in that certain instrument recorded in said Bureau in Liber 9167, Page 2.

(B) Covenants, conditions and restrictions set forth in that certain Deed dated September 7, 1979, and recorded in said Bureau in Liber 14035, Page 649. (Being the same as set out in item 1. above)

3. As to both lots:

(A) Title to all minerals and metallic mines reserved to the State of Hawaii.

for use by its members.

HAWAII ASSOCIATION OF REALTORS' STANDARD FORM DEPOSIT RECEIPT, OFFER AND ACCEPTANCE (Standard Terms on the reverse side are part of the DRO.)

8 ("DROA")



members of the NATIONAL ASSOCIATION OF REALTORS' and subscribe to its strict Code of Ethics. If this transaction involves a sale of real property at a price less than \$25,000, Hawaii's Plain Language Statute may apply and this form may not comply with that statute.

Reviewed by: (Principal Broker, Broker in Charge, Authorized Signature)

Reference Date:

DEPOSIT RECEIPT

Received from _____ herein called Buyer the sum of \$ _____ in the form of _____ as an initial deposit on account of this offer. Receipt is acknowledged by (REALTOR) (REALTOR-Associate) _____ REALTOR'S firm and address _____ PHONES (Home) _____ (Bus.) _____

OFFER

- 1. PURCHASE PRICE: 3 6 4 19 64 and
2. PROPERTY DESCRIPTION: Tax Map Key Division 3 / Zone 6 / Sec 4 / Plat 20 / Parcel 01 / HPR
(a) Realty: All of that (leasehold) (fee simple) property situated at Pleasant Acres subdivision, district of S. Kohala, Island/State of Hawaii, described as follows: All of the fee simple interest in 3 bdrm 2.5 bath apartment and 50% interest in common interest in Pleasant Acres condominium.
(b) Seller's Real Property Disclosure Statement dated _____ (has) (has not) been received by Buyer. If not, address in paragraph 8, Special Terms.
(c) Sale Includes: All built-in furniture, attached fixtures, built-in appliances, water heater, electrical and/or gas and plumbing fixtures, attached carpeting, existing drapes, and the following items if checked: Chandelier (x); Range (x); Refrigerator (x); Disposal (x); Dishwasher (x); Compactor (); Washer (x); Dryer (x); Air Conditioner (); TV Antenna (); TV Cable (); and all floor and window coverings.
(d) Title: Seller agrees to convey the property with warranties vesting marketable title in Buyer, free and clear of all liens and encumbrances and any other covenants, easements, reservations or restrictions now or hereafter which do not materially affect the value of the property.
(e) Assessments: if any shall be (paid by Seller at closing) (assumed by Buyer).
3. FINANCING: Buyer agrees to pay said purchase price as follows: ADDITIONAL DEPOSIT: \$ _____ in cash to be made on or before _____ \$ _____ in cash at closing including all deposits herein. \$ _____ by way of _____ Total Purchase Price (see paragraph #1 above)
4. CLOSING: Closing will be on or before 19 _____. Escrowed by _____.
5. OCCUPANCY: Seller agrees to give Buyer occupancy at closing or on _____.
6. PRORATIONS: Property taxes, lease rents, interest on assumed obligations, mortgage insurance premiums, other insurance premiums, maintenance fees, tenants' rents, if applicable, and _____ shall be prorated as of the date of closing or on _____. Tenants' security deposit, if any, shall be charged to Seller and credited to Buyer at closing.
7. TENANCY: Title shall vest in Buyer(s) as follows: _____ print full legal name(s) and marital status (no initials) Tenancy: _____
8. SPECIAL TERMS: (Please number) (1) Seller is a real estate broker in Hawaii.
9. AGENCY DISCLOSURE: By placing their initials here, Buyer: () and Seller: () acknowledge that _____ and all its salespeople represent the _____ and that oral or written disclosure was provided before the signing of this offer.
10. AGREEMENT TO BUY: Buyer agrees to buy the property on the terms and conditions contained herein including The Standard Terms On The Reverse Side, acknowledges receipt of a copy hereof, and agrees that this offer shall be binding if accepted by Seller before _____ AM/PM, 19 _____. Offer Date _____, 19 _____. AM/PM.
Buyer's address: _____ Signature _____ SS# _____
Phones: (Home) _____ (Bus.) _____ Buyer _____ signature _____ SS# _____

ACCEPTANCE

- 11. AGREEMENT TO SELL: Seller agrees to sell the property at the price and terms offered above, including The Standard Terms On The Reverse Side, and acknowledges that he has been given a copy of this offer.
12. SELLER'S AGREEMENT TO PAY COMMISSION: I agree to pay to _____ a commission for the above sale of _____ in U.S. dollars. I hereby instruct escrow to pay your commission directly to you at closing. I agree that I cannot change these instructions without your written consent. Unless otherwise agreed upon, I give you permission to share this commission as you see fit with the real estate company named here in the DEPOSIT RECEIPT section of this agreement. In the event of Buyer's default, if I retain the deposit(s), I agree to pay you one half of the amount I retain, but you shall not be paid more than what would have been your full commission. Date _____, 19 _____. AM/PM.
Seller's Name _____ print full legal name Signature _____
Seller's Tax Identification # to be reported to IRS _____
Seller's Name _____ print full legal name Signature _____ Owner occupant () Other ()
Seller's Tax Identification # to be reported to IRS _____
Seller's Address _____ Phone: (Home) _____ (Bus.) _____
Seller's Address _____

ACKNOWLEDGEMENT OF ACCEPTANCE: The undersigned acknowledges that he has been given a copy of the acceptance of this offer.

EXHIBIT "D"

STANDARD TERMS

A. CONTRACT:

This is more than a receipt for money. It is a legally binding contract. Read it carefully.

B. EVIDENCE OF TITLE:

Seller shall furnish Buyer evidence of title from a licensed abstractor showing Seller's marketable title to the interest which is to be conveyed to Buyer. If Seller fails to deliver title as herein provided, Buyer at his option may terminate this agreement and any deposits shall be returned to Buyer. The foregoing shall not exclude any other remedies available to Buyer.

C. STAKING:

Seller shall order and pay for the cost of staking by a licensed surveyor if stakes are not visible. If Buyer wishes to confirm the accuracy of staking, he may order a survey prior to closing and Seller agrees to reimburse Buyer for the cost of this survey on or before closing only if the original stakes prove to be inaccurate. This provision does not apply to a condominium or co-operative apartment.

D. CUSTOMARY CLOSING COSTS (Except Where Not Applicable):

These are customary costs and not intended to be an all inclusive list.

Expenses to be paid by Buyer

- Continuation of Title Evidence
- Title Insurance (Less Seller's Cost of Certificate of Title/Lien Letter)
- Drafting of Agreement of Sale
- Drafting of Mortgage and Note
- Drafting of Buyer's Consents
- Mortgage Assumption Fee
- Buyer's Notary Fee
- Buyer's Consent Fee
- All Recording Fees except Documents to Clear Seller's Title
- 1/2 Escrow Fee
- Condo Ownership Transfer Fee
- FHA Discounts When Applicable

Expenses to be paid by Seller

- Certificate of Title/Lien Letter
- Drafting of Deed or Assignment of Lease
- VA or FHA Discount Points When Applicable
- Drafting of Seller's Consents
- Drafting of Bill of Sale
- Seller's Notary Fee
- Seller's Consent Fee
- Conveyance Tax
- 1/2 Escrow Fee
- Survey and Staking
- Pest Control Inspection Report
- Pest Control Treatment

E. PEST CONTROL:

Seller shall deliver to Buyer through escrow a report from a licensed pest control company stating that there is no live visible wood destroying pest infestation in the improvements described herein. Seller shall pay for wood destroying pest extermination treatment if it is required in order to furnish the report.

F. SELLER'S LIMITED WARRANTY:

Seller warrants and Buyer will acknowledge in writing that all major appliances, plumbing and electrical and/or gas fixtures included in the sale will be in working order consistent with their age as of the date of closing or occupancy, if earlier. No continuing warranty is expressed or implied.

G. RISK OF LOSS AND INSURANCE:

Risk of loss and responsibility for insurance coverage passes to Buyer upon transfer of title or occupancy whichever comes first.

H. DEFAULT:

It is expressly understood and agreed: First: In the event Buyer fails to pay the balance of the purchase price or complete the purchase as herein provided, Seller may (a) bring an action for damages for breach of contract; (b) retain the initial deposit and all additional deposits provided for herein, as liquidated damages; and (c) Buyer shall be responsible for any cost incurred in accordance with this contract. Second: In the event Seller fails to perform his obligations as herein provided, Buyer not being in default, Buyer may (a) bring an action against Seller for damages for breach of contract; (b) file and maintain an action against Seller for specific performance of this contract; and (c) Seller shall be responsible for any cost incurred in accordance with this contract. The foregoing shall not exclude any other remedies available to either Seller or Buyer. In the event of default and/or a lawsuit arising out of this contract (including a suit by a REALTOR for commission), the prevailing party shall be entitled to recover all costs incurred including reasonable attorney's fees. All expenses incurred by escrow shall be deducted from deposited funds prior to any disbursement to the prevailing party.

I. CLOSING:

For the purpose of this contract "closing" shall be the date upon which all appropriate documents are recorded. Buyer and Seller agree to execute appropriate or customary documents when requested to do so.

J. CONSENT:

The obligations of Buyer or Seller hereunder are conditioned upon obtaining those necessary consents of vendors, existing mortgagees, lessors and/or condominium, co-op or other such associations; Buyer or Seller agree to cooperate and take all reasonable action to obtain such consents.

K. TIME IS OF THE ESSENCE:

If either Buyer or Seller for reasons beyond his control cannot perform his obligation to purchase or sell the property by the closing date, then such party by giving escrow written notice prior to the closing date called for in this contract with copies to all parties to this contract, can extend closing for no longer than 30 calendar days to allow performance. Thereafter time is of the essence and the default provisions of Paragraph H. apply. Any further extension must then be agreed to in writing by both parties. There is no automatic right to extend. This provision relates only to the extension of the closing date.

L. OBLIGATIONS:

REALTOR shall not be held liable to either Buyer or Seller for the failure of either to perform their obligations pursuant to this contract.

M. CONFLICT:

Handwritten or typed provisions herein shall supersede any printed provisions in this contract if there is a conflict.

N. PERMISSION:

REALTOR has Buyer's and Seller's permission to supply data to Multiple Listing Service regarding the sales price and terms of this transaction for use by REALTORS in making market studies, providing service to the public and advising their clients.

O. COMPLETE AGREEMENT:

This contract constitutes the entire agreement between Buyer and Seller and supersedes and cancels any and all prior negotiations, representations, warranties, understandings or agreements (both written and oral) of Buyer and Seller. No variation or amendment of this contract shall be valid or enforceable without written approval by Buyer and Seller.

IMPORTANT: PLEASE SEPARATE DROA COPIES BEFORE EXECUTING COOPERATING REALTOR'S SEPARATE AGREEMENT OR SIGNATURES WILL COPY THROUGH TO OTHER SIDE.

COOPERATING REALTOR'S SEPARATE AGREEMENT

Seller's REALTOR agrees to pay to Cooperating REALTOR through escrow at closing the following amount: _____ in consideration of assistance given by Cooperating REALTOR. In the event Seller retains Buyer's deposit money as liquidated damages and Seller's REALTOR retains a portion of the deposit as stated in paragraph 12, Seller's REALTOR will share 1/2 of his retained funds with Cooperating REALTOR.

Date _____, 19____ Date _____, 19____

Seller's REALTOR _____ (name of REALTOR firm) Cooperating REALTOR: _____ (name of REALTOR firm)

Office ID Number: _____ Office ID Number: _____

By: _____ By: _____

Address: _____ Address: _____

Phone: _____ Phone: _____

SUBDIVISION ESCROW AGREEMENT

THIS AGREEMENT, made this 23rd day of NOVEMBER,
1976, by and between Island Title Corporation,
a Hawaii corporation, with its principal place of business
and post office address at Suite 320, 1001 Bishop Street,
Honolulu, Hawaii 96813, hereinafter called "Escrow", and
DENNIS DAVIS,
with its principal place of business and post office address
at 737 BISHOP STREET, SUITE 1460, HONOLULU, HAWAII 96813,
hereinafter called "Seller",

W I T N E S S E T H T H A T :

WHEREAS, Seller intends to sell Two Condominium
~~Units~~ vacant-lots at Waimea, Hawaii
the Condominium
~~subdivision~~ project known as _____,
hereinafter referred to as the "Project".

WHEREAS, Seller proposes to sell the Condominium Units
~~vacant-lots~~ under a document entitled Deposit Receipt, Offer and Acceptance
_____, hereinafter called "sales
agreement" which provides that all funds due thereunder shall
be paid directly to Escrow and shall be held and disbursed by
Escrow pursuant to the terms and provisions hereof; and

WHEREAS, Seller has asked that Escrow hold and
disburse and Escrow has consented to hold and disburse, all
funds received under said sales agreements and all other
funds received hereunder pursuant to the terms and provi-
sions hereof;

NOW, THEREFORE, the Escrow and Seller, in con-
sideration of the promises, agree as follows:

1. Payment of Funds to Escrow. As and when Seller enters into a sales agreement for the sale of a ~~Unit~~ ^{Unit}, Seller shall deliver an executed copy of each such agreement to Escrow. Each such agreement shall include purchaser's address and require the direct payment to Escrow of all funds due thereunder. Seller shall also pay over to Escrow all monies received by Seller from purchaser.

2. Receipt of Funds by Escrow. Escrow shall receive and hold in escrow and disburse as set forth herein (a) all funds received by it under the aforesaid agreements; (b) all funds received by it from Seller.

3. Deposit of Funds Pending Disbursement. All funds received by Escrow hereunder shall be deposited, within a reasonable time of their receipt by Escrow and in reasonably convenient and practical sums, in an account with one or more Federally-insured banking institutions in Hawaii, as designated by Seller and held in accordance with the terms thereof.

4. Refunds to Purchasers. A purchaser shall be entitled to a refund of his funds, and Escrow shall pay said Purchaser, without interest and less Escrow's cancellation fee, if any one of the following has occurred:

A) Seller has requested Escrow in writing to return to purchaser the funds of such purchaser then held hereunder by Escrow.

B) Either Seller or a purchaser has notified Escrow of its exercise of any option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to either. In particular, pursuant to Section 484-7, Hawaii Revised Statutes, as amended ("HRS"), each purchaser has a

seven-day period, after signing a contract to purchase a ~~lot~~ ^{Unit} from Seller, to rescind the contract at no penalty to the purchaser. Seller agrees to deposit with Escrow a receipt signed by each purchaser stating that the purchaser has received a written notice of such rescission right. Escrow agrees to refund a purchaser's deposit, without charge, upon receipt within the seven-day period of a copy of any notice of rescission from a purchaser.

In any of the foregoing events, Escrow shall pay said funds to said purchaser and thereupon said sales contract and any conveyance document theretofore delivered to Escrow shall be returned to Seller and shall be deemed no longer held hereunder; provided, however, that no refund shall be made to a purchaser at purchaser's request prior to receipt by Seller of written notice from Escrow of its intent to make such refund.

5. Execution of Documents. Escrow shall arrange for and supervise the signing of all documents related to the project to be signed subsequent to the sales agreement and shall record the same, as directed by the Seller.

6. Delivery of Purchaser's Deed. Seller shall execute and deliver to Escrow for each purchaser, a Deed for the ~~lot~~ ^{Unit} purchased under each such sales agreement. Upon final closing, Escrow shall deliver each such Deed to each such purchaser. In the event a sale is made by way of _____ Deed _____, Escrow shall simultaneously record such Conveyance Document in the Bureau of Conveyances _____ upon final closing.

7. Exemptions of Escrow. In consideration of Escrow acting as escrow holder hereunder, it is agreed that Escrow is relieved from all liability for acting strictly in accordance with the terms hereof. Escrow shall not be responsible for the validity or sufficiency of any sales agreements and other documents received by it and shall be entitled for all purposes to assume that said sales agreements and other documents have been signed by the persons whose signatures purport to be thereon and that any written certifications or instructions from Seller are true and accurate. If any dispute or difference arises between Seller and any third person or if any conflicting demand shall be made upon Escrow, Escrow shall not be required to determine the same or take any action in the premises, but Escrow may await settlement of the controversy by final appropriate legal proceedings or otherwise as it may require, or Escrow may file a suit in interpleader in the Circuit Court of the _____ Circuit, State of Hawaii, for the purpose of having the respective rights of the parties adjudicated and may deposit with the court any or all monies held hereunder. Upon institution of such interpleader suit or other action, depositing such money with the court and giving notice thereof to the parties thereto by personal service, or in accordance with the order of the court, Escrow shall be fully released and discharged from all further obligations hereunder with respect to the monies so deposited. Seller agrees to the extent provided for by law to pay Escrow on demand any and all costs and reasonable attorney's fees incurred by Escrow in connection with such interpleader or other action and to hold and save Escrow harmless from any obligations hereunder.

8. Escrow Fees. The compensation of Escrow for acting hereunder shall be \$495.00 per ~~lot~~ ^{Unit}, payable at the time title thereto is transferred to the purchaser. Upon the cancellation of any sales agreement as specified above in paragraph 4, Escrow shall be entitled to a cancellation fee of \$25.00 plus applicable out of pocket costs (ie. cost of drafting conveyance documents) for each cancelled sales agreement as compensation for services rendered prior to such cancellation, plus reimbursement for out-of-pocket expenses incurred by Escrow. Each escrow fee shall be paid one-half by Seller and one-half by Purchaser. The escrow fees hereinabove quoted are for the period from the date executed hereof thru August 20, 1991, upon which date Escrow reserves the right to renegotiate the herein described fees.

9. Title Fees. Based on an average Sales Price of \$125,000.00, the title fees will be as follows:

Owner's & Mortgagee's Policies of Title Insurance	\$ <u>415.00</u> + 4%
Seller's portion.....	\$ <u>per contract</u> 4%
Buyer's portion.....	\$ <u>per contract</u> 4%

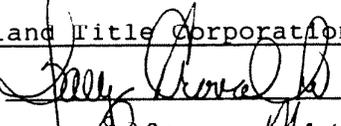
10. Termination of Agreement. This Agreement may be terminated by either Escrow or Seller upon fifteen (15) days' written notice. However, all transactions in progress at the time of such termination will be completed under the terms of this Agreement. In any event, this Agreement will terminate upon the recording and delivery of all pertinent documents relating to the Project and final payment of all funds deposited in escrow under this Agreement.

11. Application and Succession. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

Seller:


DENNIS DAVIS
By _____
Its _____

Escrow:
Island Title Corporation
By 

Its 