



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

THE GREENS AT WAIKOLOA

68-1745 Waikoloa Road
 Waikoloa, District of
 South Kohala, Hawaii
 Registration No. 2372

Issued: January 3, 1991
 Expires: February 3, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of December 14, 1990, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

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

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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>
	<u>Ten (10) residential buildings, each containing a single apartment</u> <u>(BUILDINGS A through I and Building K)</u>				
		<u>SEE EXHIBIT "A" ATTACHED</u>			
<u>BLDG. J</u>	<u>J101 to J106</u>	<u>6</u>	<u>2/2</u>	<u>998</u>	<u>238</u>
(18 units)	<u>J202 to J211</u>	<u>10</u>	<u>3/3</u>	<u>1,208</u>	<u>144</u>
	<u>J201, J212</u>	<u>2</u>	<u>3/3</u>	<u>1,292</u>	<u>147</u>
<u>BLDG. L</u>	<u>L202 to L211</u>	<u>10</u>	<u>3/3</u>	<u>1,208</u>	<u>144</u>
(17 units)	<u>L201, L212</u>	<u>2</u>	<u>3/3</u>	<u>1,292</u>	<u>147</u>
	<u>L101 to L104</u> <u>& L106</u>	<u>5</u>	<u>2/2</u>	<u>998</u>	<u>238</u>
Total Apartments:		<u>45</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.

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>257</u>
Guest Stalls	<u> </u>
Unassigned Stalls	<u>105</u>
Extra Stalls Available for Purchase	<u> </u>
Other: <u>Handicap</u>	<u>5</u>
Total Parking Stalls	<u>367</u>

7. Recreational amenities:

The Project has a Recreation Building, a swimming pool (including a whirlpool tub), an entry gate and a tennis court.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: The Greens at Waikoloa Partners Phone: 545-4811
Name (Business)
1270 Ala Moana Blvd., Suite 100
Business Address
Honolulu, Hawaii 96814

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

Waikoloa Partners - General Partner

Real Estate Sales Agent: Hawaiiana Resorts, Inc. Phone: 526-2655
Name (Business)
1270 Ala Moana Blvd.
Business Address
Honolulu, Hawaii 96814

Escrow: Title Guaranty Escrow Services, Inc. Phone: 521-0211
Name (Business)
235 Queen Street
Business Address
Honolulu, Hawaii 96813

Managing Agent: Hawaiiana Resorts, Inc. Phone: 523-7785
Name (Business)
1270 Ala Moana Boulevard
Business Address
Honolulu, Hawaii

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

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

- Proposed
 Recorded - Bureau of Conveyances - Document No. 90-159175
 Filed - Land Court - Document Number _____

Amendment date(s) and recording/filing information:

Amendment dated October 22, 1990, filed as Doc. No. 90-168242
Amendment dated November 5, 1990, filed as Doc. No. 90-173238

- 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. 1388
 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 - Document No. 90-159176
 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%, except when a higher percentage is required in specific provisions of By-Laws</u>
House Rules	---	<u>Majority Board of Directors</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 may amend the Declaration, By-Laws and Condominium Map (a) at any time prior to the recording of the first apartment deed or other conveyance to a party not signatory to the Declaration; (b) to make any amendments required by law, by the Real Estate Commission of the State of Hawaii, by any title insurer issuing title insurance on the Project, or by any governmental agency of any other jurisdiction as a condition to marketing the Project in such jurisdiction; (c) to file the "as built" verified statement required by Section 514-A-12, HRS; and (d) at any time to effect the changes provided in Section 19 of the Declaration, which include without limitation, the right to subdivide a Building Unit into Residential Apartments.

B. Underlying Land:

Address: 68-1745 Waikoloa Road Tax Map Key: 3-6-8-03:12
Waikoloa, Hawaii 96743 (TMK)

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

Land Area: 592,814 [x] square feet [] acre(s) Zoning: RM-3

Fee Owner: The Greens at Waikoloa Partners
Name

1270 Ala Moana Boulevard
Address

Honolulu, Hawaii 96814

Sublessor: _____
Name

Address

C Buildings and Other Improvements:

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

2. Buildings: 12 Residential Floors Per Building 3
1 Recreation Building
[] Exhibit _____ contains further explanations.

3. Principal Construction Material:

[x] Concrete [] Hollow Tile [x] Wood

[x] Other composition shingle roofs, aluminum windows and exterior cement
plaster finish, glass, steel, aluminum and allied building materials.

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
[] Commercial	_____	[] Industrial	_____
[x] Residential *	<u>45</u>	[] Agricultural	_____
[] Timeshare/Hotel	_____	[] Recreational	_____
[] Other: _____			_____

* To the extent permissible under State and County law,
Time sharing of units is permissible under the
Declaration of Condominium Property Regime

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 Not allowed
- Number of Occupants: Within each Dwelling Unit, two (2) per bedroom, except for immediate family members; Four (4) per bedroom maximum
- Other: _____
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 45

Elevators None

Stairways _____

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>Ten (10) residential buildings, each containing a single apartment</u> (BUILDINGS A through I and Building K)					
<u>SEE EXHIBIT "A" ATTACHED</u>					
<u>BLDG. J</u>	<u>J101 to J106</u>	<u>6</u>	<u>2/2</u>	<u>998</u>	<u>238</u>
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<u>(17 units)</u>	<u>L201, L212</u>	<u>2</u>	<u>3/3</u>	<u>1,292</u>	<u>147</u>
	<u>L101 to L104 & L106</u>	<u>5</u>	<u>2/2</u>	<u>998</u>	<u>238</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 "B"

Permitted Alterations to Apartments;

See attached Exhibit "C"

7. Parking Stalls:

Total Parking Stalls: 367

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for individual units)		<u>257</u>					
Guest							
Unassigned (incl. guests)		<u>105</u>					
Extra Available for Purchase							
Other: Handicap		<u>5</u>					
Total							
Covered & Open	<u>367</u>						

Each apartment will have the exclusive use of at least one (1) parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

- Commercial parking garage permitted in condominium project.
- 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	<u> X </u>	<u> </u>	<u> </u>
Structures	<u> X </u>	<u> </u>	<u> </u>
Lot	<u> X </u>	<u> </u>	<u> </u>

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 D 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 E

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 F describes the common interests for each apartment.

As follows:

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

Exhibit G describes the encumbrances against the title contained in the title report dated October 30, 1990 and issued by Title Guaranty of Hawaii.

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

There are no blanket liens affecting title to the individual apartments.

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 dated March 29, 1990, filed as Document No. 90-043989	If the Developer defaults after the apartment is conveyed to Buyer, the Buyer's interest will not be affected. If the Developer defaults before the apartment is conveyed to Buyer, the Mortgagee may or may not decide to sell the apartment to buyer pursuant to the Sales Contract.

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

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

The initial managing agent for this condominium is:

not affiliated with the Developer.

the Developer or the Developer's affiliate.

self-managed by the Association of Apartment Owners.

other _____

G. Estimate of Initial Maintenance Fees:

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

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

Exhibit _____ contains a schedule of maintenance fees and maintenance fee disbursements.

See attached Disclosure Abstract (Exhibit L)

H. Utility Charges for Apartments:

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

Electricity

Television Cable

Gas

Water & Sewer

Other _____

Not applicable

See attached Disclosure Abstract (Exhibit L)

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:

See Exhibit "H" attached

2. Appliances:

N/A

J. Status of Construction and Estimated Completion Date:

It is estimated that the Project will be completed in June, 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:

NOTE: The Developer has reserved the right to subdivide each of the 10 Building Units (Buildings A through I and Building K) into separate Residential Apartments (see Exhibit "I"). In such event, the 162 Living Units in the 10 Building Units could result in as many as 162 Residential Apartments being created. This would mean a total of 197 Residential Apartments in the Project.

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

Escrow Agreement dated October 2, 1990

Exhibit K 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 the 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. 2372 filed with the Real Estate Commission on December 14, 1990.

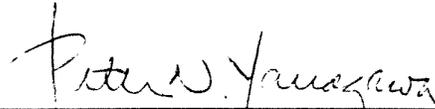
Reproduction of Report. When reproduced, this report must be on:

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

O/R: 78B

Condominium Public Report on
The Greens at Waikoloa

EXHIBIT "A"

DESCRIPTION OF BUILDING UNITS (Buildings A through I and
Building K) AND LIVING UNITS

The Building Units are designated on the Condominium Map by letters "A" through "I" inclusive and "K". Each Building Unit contains within it a number of living units, which are not separate apartments (although pursuant to paragraph 19.3, they may become separate apartments upon the subdivision of the Building Unit in which they are located).

Building Units

There are three different types of Building Units.

The characteristics of each type are as follows:

<u>Building Unit Letter Designation</u>	<u>Type of Building Unit</u>	<u>No. and Types of Living Units Located in a Building Unit</u>
A, B, C, D, E and F	II	18 living units consisting of 6 - Plan B living units 2 - Plan Be living units 4 - Plan C living units 6 - Plan A living units
G, H and I	I	12 living units consisting of 6 - Plan B living units 2 - Plan Be living units 4 - Plan A living units
K	III	18 living units consisting of 10 - Plan C living units 2 - Plan Ce living units 6 - Plan A living units

<u>Building Unit</u>	<u>Approx. Net Apt.Total Floor Area (excl.lanai) in Sq. Ft.</u>	<u>Approx. Net Lanai Floor Area in Sq. Ft.</u>	<u>Approx. Area In Sq. Ft.</u>
A	18,848	3,506	22,354
B	18,848	3,506	22,354
C	18,848	3,506	22,354
D	18,848	3,506	22,354
E	18,848	3,506	22,354
F	18,848	3,506	22,354
G	12,020	2,454	14,474
H	12,020	2,454	14,474
I	12,020	2,454	14,474
K	20,652	3,162	23,814

Characteristics of Each Type of Living Units.

There are five (5) different types of floor plans for the living units within the Building Units in the Project. The types are designated as Plans A, B, Be, C and Ce. Each living unit within a Building Unit has been designated for convenience by the letter of the building in which it is located followed by a number. A number beginning with "1" indicates the living units is located on the first floor. A number beginning with "2" indicates the living unit is located on the second floor. The following is a list of the living units and the type of living unit:

<u>Living Unit No.</u>	<u>Plan</u>
G 101, G 102, G 103, G 104	A
H 101, H 102, H 103, H 104	
I 101, I 102, I 103, I 104	
<u>Living Unit No.</u>	<u>Plan</u>
A 101, A 102, A 103, A 104,	A
A 105, A 106	
B 101, B 102, B 103, B 104,	
B 105, B 106	
C 101, C 102, C 103, C 104,	
C 105, C 106	
D 101, D 102, D 103, D 104,	
D 105, D 106	
E 101, E 102, E 103, E 104,	
E 105, E 106	
F 101, F 102, F 103, F 104,	
F 105, F 106	
K 101, K 102, K 103, K 104,	
K 105, K 106	

<u>Living Unit No.</u>	<u>Plan</u>
G 202, G 203, G 204, G 205, G 206, G 207	B
A 202, A 203, A 204, A 209, A 210, A 211 B 202, B 203, B 204, B 209, B 210, B 211 C 202, C 203, C 204, C 209, C 210, C 211 D 202, D 203, D 204, D 209, D 210, D 211 E 202, E 203, E 204, E 209, E 210, E 211 F 202, F 203, F 204, F 209, F 210, F 211	B
G 201, G 208	Be
A 201, A 212 B 201, B 212 C 201, C 212 D 201, D 212 E 201, E 212 F 201, F 212	Be
A 205, A 206, A 207, A 208 B 205, B 206, B 207, B 208 C 205, C 206, C 207, C 208 D 205, D 206, D 207, D 208 E 205, E 206, E 207, E 208 F 205, F 206, F 207, F 208	C
K 202, K 203, K 204, K 205, K 206, K 207, K 208, K 209, K 210, K 211	C
K 201, K 212	Ce

Each living unit so designated and identified by unit number and floor plan type is located in the project as shown on the Condominium Map.

The following are the characteristics of each type of living unit:

Plan A. Each living unit with a type A floor plan is one-story and has two (2) bedrooms, two (2) bathrooms, a living/dining room, a kitchen and a lanai. These types of living unit are located on the ground floor of each Building.

Plan B. Each living unit with a type B floor plan is two stories and has two (2) bedrooms, two (2) bathrooms, a living/dining room, a kitchen and a lanai. These types of living units are located on the middle and upper floors of each Building.

Plan Be. Each living unit with a type Be floor plan is a two stories end unit and has two (2) bedrooms, two (2) bathrooms, a living/dining room, a kitchen and a lanai. This type of living unit is located on the middle and upper floors.

Plan C. Each living unit with a type C floor plan is two stories and has three (3) bedrooms, three (3) bathrooms, a living/dining room, a kitchen and a lanai. This type of living unit is located on the middle and upper floors.

Plan Ce. Each apartment with a type Ce floor plan is two stories end unit and has three (3) bedrooms, three (3) bathrooms, a living/dining room, a kitchen and a lanai. This apartment is located on the middle and upper floors.

Approximate Floor Area of Living Unit. Each living unit with each of the respective floor plan types has the following number of rooms (exclusive of lanai), approximate net living floor area in square feet (exclusive of lanai) and approximate net lanai floor area in square feet:

<u>Floor Plan Type</u>	<u>No. of Rooms</u>	<u>Approx. Net Apt. Total Floor Area (excl. lanai) in Sq. Ft.</u>	<u>Approx. Net Lanai Floor Area in Sq. Ft.</u>	<u>Approx. Area In Sq. Ft.</u>
A	4	998.0	238	1,236
B	4	984.0	187	1,171
Be	4	1,062.0	190	1,252
C	5	1,208.0	144	1,352
Ce	5	1,292.0	147	1,439

NOTE: Square footages may vary slightly to accommodate the various building type configurations on the site. Square footages may also vary from actual construction plans.

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EXHIBIT "B"

BOUNDARIES OF EACH APARTMENT

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls or partitions, the foundations, columns, girders, beams, floor slabs, supports, roofs, skylights and ceilings located within or at the perimeter of or surrounding such apartment, any pipes, wires, vents, shafts, ducts, conduits or other utility or service lines or enclosed spaces for wiring, pipes, air exhaust or air conditioning running through or otherwise located within such apartment which are utilized for or serve more than one apartment and any mechanical, electrical and air conditioning equipment originally installed and located within such apartment utilized for or serving more than one apartment, all of which are deemed common elements as hereinafter provided.

Each apartment shall be deemed to include all of the walls and partitions which are not load-bearing and which are within its perimeter walls, the inner decorated or finished surfaces of all walls, floors, roofs and ceilings (other than skylights); all glass windows (other than skylights), window frames (other than skylight frames), louvers, shutters (if any), panels, doors and door frames along its perimeter; any mechanical, electrical and air conditioning equipment originally installed and located within such apartment utilized for or serving only such apartment; the lanai shown on the Condominium Map to the inner decorated or finished surfaces of the exterior perimeter walls of such lanai and to the exterior edge of the exterior railings of such lanai; and all of the fixtures and appliances originally installed therein.

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EXHIBIT "C"

PERMITTED ALTERATIONS TO APARTMENTS

Paragraph 19 of the Declaration provides in part as follows:

(a) Any material structural alteration or material addition to any structure shall be undertaken by the Association or any apartment owners only pursuant to an amendment of the Declaration, pursuant to the affirmative vote or written consent of seventy-five percent (75%) of the apartment owners and in accordance with complete plans and specifications therefor first approved in writing by the Board of Directors and the Architectural Committee of the Waikoloa Village Association; PROVIDED, HOWEVER, that notwithstanding any other provision in the Declaration to the contrary, the owner of any apartment may make any alterations or additions within any apartment and the owner of any two or more apartments separated by a common element which is a wall may alter or remove all or portions of the intervening wall, if the structural integrity of the building is not thereby affected and if the finish of the common element then remaining is then restored to a condition substantially comparable to that of the common element prior to such alterations. Such alterations or additions within any apartment or apartments shall require only the written approval thereof, including the apartment owner's plans therefor, by the holders of first mortgage liens affecting such apartments (if the lien holders require such approval), by the appropriate agencies of the State of Hawaii and the County of Hawaii if such agencies so require, by the Board of Directors (which approval shall not be unreasonably or arbitrarily withheld or delayed), and by all other apartment owners thereby directly affected (as determined in a reasonable manner by the Board of Directors), and such alterations or additions may be undertaken without an amendment to the Declaration or filing of a complete set of floor plans of the Project as so altered. Prior to the termination of the common ownership of any such adjacent apartments, if the intervening

wall shall have been altered or removed pursuant to the foregoing provisions and any entry to hallways sealed, the owner of such apartments shall be obligated to restore such intervening wall and hallway entries to substantially the same condition in which the same existed prior to such alteration or removal. For the purpose hereof, the materiality of any such modification shall be determined pursuant to and in accordance with the criteria for determining materially as set forth in Section 514A-89, Hawaii Revised Statutes, as amended from time to time.

(b) Notwithstanding any other provision in the Declaration or the By-Laws to the contrary, prior to: (i) the time that all apartments in the Project have been sold pursuant to an instrument filed in the Bureau of Conveyances of the State of Hawaii ("Recording Office"), and (ii) the filing by the Developer of the as-built verified statement (with plans, if applicable) required by Section 514A-12 of the Condominium Property Act (but in no event later than January 1, 2005), the Developer shall have the right to make alterations in the Project (and to amend the Declaration and the Condominium Map accordingly) without the approval, consent or joinder of any apartment owner, which alterations: (i) change the configuration of, alter the number of rooms of, decrease or increase the size of, or change the location of any apartment (and any limited common elements appurtenant thereto) in the Project which is not sold pursuant to an instrument filed in the Recording Office; or (ii) make minor changes in any apartment or in the common elements which do not affect the physical location, design or size of any apartment which has been sold pursuant to an instrument filed in the Recording Office; PROVIDED, HOWEVER, that any such changes shall be reflected in an amendment to the Declaration as provided in paragraph (c) of Section 21 of the Declaration. As used herein, "sold pursuant to an instrument filed in the Recording Office" shall mean and refer to the sale of apartments in the Project, and recording in the Recording Office, of apartment deeds or other conveyances transferring interests in the apartments from the Developer to parties not signatory to the Declaration.

(c) (i) Notwithstanding any other provision in the Declaration or the By-Laws to the contrary, the owner of a Building Unit may subdivide a Building Unit into the number of living units (which may be referred to as "Residential Apartments") which are contained within such Building Unit.

(ii) Exhibit "E" attached to the Declaration sets forth as to each Building Unit the following information: (aa) the number of Residential Apartments into which the Building

Unit may be subdivided; (bb) a letter and numerical designation of each Residential Apartment created as a result of the subdivision of a Building Unit; (cc) the percentage of common interest appurtenant to each Residential Apartment created as the result of the subdivision of a Building Unit; (dd) the type of each Residential Apartment created as a result of the subdivision of a Building Unit, including its layout, location, the number of rooms and dimensions; and (ee) the number of parking stalls designated as limited common elements and reserved for the benefit and use of each Residential Apartment created as a result of the subdivision of a Building Unit.

(iii) in order to subdivide a Building Unit into Residential Apartments, the owner of a Building Unit shall have the right to amend the Declaration (and if applicable, the Condominium Map) without the approval, consent or joinder of any other person or entity, including any owner, mortgagee or purchaser of an apartment in the Project or interest therein.

(iv) the subdivision of a Building Unit in the Residential Apartments shall take effect upon the recordation in the Recording Office of an amendment to the Declaration setting forth with respect to such Building Unit those items (aa) through (ee) inclusive, set forth in subparagraph (ii) above.

(v) before offering for sale or selling the Residential Apartments created as a result of the subdivision of a Building Unit, the owner of such Building Unit shall comply with the requirement of Chapter 514A, H.R.S., as amended, including without limitations the requirement to obtain and deliver a Supplementary Final Public Report and to comply with the requirements of Part VI "Sales to Owner-Occupants".

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EXHIBIT "D"

COMMON ELEMENTS

All of the Project other than the designated apartments are the common elements, and they include specifically, but not limited to:

- (1) The Land in fee simple;
- (2) The foundations, columns, girders, beams, floor slabs, supports, unfinished perimeter, party and load-bearing walls and partitions, roofs, exterior skylights, stairways, walkways, corridors, ramps, fences (if any), trellises, store rooms (which are not within any apartment) and mail boxes, mechanical rooms, entrances, entry ways and exits of all buildings of the Project;
- (3) All yards, grounds, planting areas, planters, walkways, walkway railings, landscaping, refuse facilities, gardens, the swimming pool, the tennis court, the Recreation Building, and all other recreational facilities and appurtenances;
- (4) All roads, driveways, driveway ramps and parking areas;
- (5) All ducts, vents, shafts, sewer lines, sewage treatment equipment and facilities (if any), electrical equipment, telephone equipment (if a telephone switchboard and related facilities is provided), pipes, wiring and other central and appurtenant transmission facilities and installations over, under and across the Project which serve more than one apartment for services such as power, light, water, gas (if any), cablevision (if any), air conditioning (if any), sewer, refuse, telephone, and radio and television signal distribution;
- (6) Any and all apparatus and installations existing for common use, such as tanks, pumps, motors, fans, compressors and, in general, all other installations and apparatus existing for common use;
- (7) All mechanical and electrical equipment originally installed and located within any apartment or located elsewhere in the Project utilized for or serving more than one apartment;
- (8) The parking stalls;
- (9) Any and all other apparatus and installation of common use and all other parts of the Project necessary or convenient to its existence, maintenance or safety, or normally in common use.

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EXHIBIT "E"

LIMITED COMMON ELEMENTS

Certain parts of the common elements, herein called and designated limited common elements, are set aside and reserved for the exclusive use of certain apartments and such apartments 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:

(1) Any entrance, exit, gateway, entry, patio, yard, driveway or steps which would normally be used only for the purposes of ingress to and egress from a specific apartment shall be a limited common element appurtenant to and reserved for the exclusive use of such apartment.

(2) Each of the two hundred fifty-seven (257) regular-size uncovered parking stalls designated on the Condominium Map by a letter followed by a number shall be a limited common element appurtenant to and reserved for the exclusive use of the Building Unit having the same letter designation as the parking stall. In the event that a Building Unit is subdivided into Residential Apartments in accordance with paragraph 19(c) of the Declaration, then each of the two hundred fifty-seven (257) regular-size uncovered parking stalls designated on the Condominium Map by a letter followed by a number shall be a limited common element appurtenant to and reserved for the exclusive use of the Residential Apartment having the same letter and number designation.

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EXHIBIT "F"

PERCENTAGE COMMON INTEREST APPURTENANT
TO BUILDING UNITS IN PROJECT

<u>Building Unit Type</u>	<u>Common Interest Per Building Unit</u>	<u>Total No.</u>	<u>Common Interest (Category)</u>
I (Building Units G, H & I)	5.837	3	17.51
II (Building Units A,B,C,D,E & F)	9.018	6	54.11
III (Building Unit K)	9.625	1	9.625

<u>Building Unit</u>	<u>Residential Apt. Types & Comm. Int.</u>	<u>Total No.</u>	<u>Common Interest Per Building</u>
J	A: .4915 C: .5507 Ce: .5845	6 10 2	9.6250
L	A: .4915 C: .5504 Ce: .58425	5 10 2	9.1300
		—	—
		<u>45</u>	<u>100.00</u>

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EXHIBIT "G"

ENCUMBRANCES AGAINST TITLE

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. Easement "W-4" 115 feet wide for water pipeline purposes, as shown on File Plan 1188.
3. Grant in favor of Waikoloa Water Co., Inc. dated December 20, 1978, recorded in said Bureau in Liber 13374 at Page 441, as amended by instrument dated February 4, 1981, recorded in said Bureau in Liber 15498 at Page 103: granting an easement over said Easement W-4.
4. Covenants, conditions and restrictions set forth in Declaration of Protective Covenants dated May 27, 1971, recorded in said Bureau in Liber 7577, Page 66, as supplemented and amended.
5. The terms and provisions of that certain Deed dated May 15, 1989, recorded in Liber 23182, Page 402.
6. Encroachment of the edge of the golf course grass and the trees or near the premises under search, as shown on survey map prepared by Donald C. McIntosh, Registered Professional Land Surveyor, dated September 2, 1989.
7. Sewer easement (15 feet wide) and a sewer manhold easement (15 feet wide), as shown on survey map prepared by Donald C. McIntosh, Registered Professional Land Surveyor, dated September 2, 1989.
8. Mortgage dated March 29, 1990, recorded as Document No. 90-043989, in favor of Sanchin (U.S.A.) Inc., a Delaware corporation, and The Mitsui Trust & Banking Co., Ltd., Los Angeles Agency, a Japan corporation, and Assignment thereto dated April 26, 1990, recorded as Document No. 90-059052.
9. Declaration of Condominium Property Regime dated October 2, 1990, recorded as Document No. 90-159175; and By-Laws dated October 2, 1990, recorded as Document No. 90-159176 (Project covered by Condominium Map No. 1388).

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EXHIBIT "H"

CONSTRUCTION WARRANTIES

THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE OF THE SALES AGREEMENT. DEVELOPER MAKES NO WARRANTIES OR PROMISES OF "MERCHANTABILITY", "HABITABILITY", "WORKMANLIKE CONSTRUCTION" OR "FITNESS FOR A PARTICULAR USE OR PURPOSE" OR ANY OTHER WARRANTIES OR PROMISES OF ANY KIND, EXPRESS OR IMPLIED, ABOUT THE BUILDINGS, THE PROPERTY OR THE DEVELOPMENT PROJECT (INCLUDING THE COMMON ELEMENTS AND LIMITED COMMON ELEMENTS OF THE DEVELOPMENT PROJECT), OR ABOUT ANY FURNISHING, FIXTURES, APPLIANCES OR OTHER CONSUMER PRODUCTS OR ANYTHING ELSE INSTALLED, ATTACHED, AFFIXED OR OTHERWISE CONTAINED IN THE BUILDINGS, THE PROPERTY OR THE DEVELOPMENT PROJECT (INCLUDING THE COMMON ELEMENTS AND LIMITED COMMON ELEMENTS THEREOF).

The construction contract(s) for the Development Project will contain a clause which provides in pertinent part that:

"If, within one year after the Date of Substantial Completion ./././, any of the Work is found defective or not in accordance with the Contract Documents, the Contract shall correct it promptly after receipt of a written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition."

The Developer makes no warranties itself, but, agrees that upon closing of the transaction, it shall constitute the assignment by the Developer to the Buyer as tenants in common with the Developer in shares equal to their respective interests in the common elements of any and all warranties given the Developer by the contractor(s) for the Development Project, including the contractor's agreement to promptly correct any of its work found to be defective or not in conformance with the construction contract for a period of one (1) year after the "Date of Substantial Completion" of the Buildings, as defined in the contraction contract, and the benefit of such agreement shall accrue to the Buyer on closing without further instruments or documents.

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EXHIBIT "I"

SPECIAL PROVISION ALLOWING SUBDIVISION BY BUILDING UNIT OWNER
INTO RESIDENTIAL APARTMENTS (Paragraph 19(c) of the Declaration)

(i) Notwithstanding any other provision in the Declaration or the By-Laws to the contrary, the owner of a Building Unit may subdivide a Building Unit into the number of living units (which may be referred to as "Residential Apartments") which are contained within such Building Unit.

(ii) Exhibit E to the Declaration sets forth as to each Building Unit the following information: (aa) the number of Residential Apartments into which the Building Unit may be subdivided; (bb) a letter and numerical designation of each Residential Apartment created as a result of the subdivision of a Building Unit; (cc) the percentage of common interest appurtenant to each Residential Apartment created as the result of the subdivision of a Building Unit; (dd) the type of each Residential Apartment created as a result of the subdivision of a Building Unit, including its layout, location, the number of rooms and dimensions; and (ee) the number of parking stalls designated as limited common elements and reserved for the benefit and use of each Residential Apartment created as a result of the subdivision of a Building Unit.

(iii) in order to subdivide a Building Unit into Residential Apartments, the owner of a Building Unit shall have the right to amend the Declaration (and if applicable, the Condominium Map) without the approval, consent or joinder of any other person or entity, including any owner, mortgagee or purchaser of an apartment in the Project or interest therein.

(iv) the subdivision of a Building Unit in the Residential Apartments shall take effect upon the recordation in the Recording Office of an amendment to the Declaration setting forth with respect to such Building Unit those items (aa) through (ee) inclusive, set forth in subparagraph (ii) above.

(v) before offering for sale or selling the Residential Apartments created as a result of the subdivision of a Building Unit, the owner of such Building Unit shall comply with the requirement of Chapter 514A, H.R.S., as amended, including without limitations the requirement to obtain and deliver a Supplementary Final Public Report and to comply with the requirements of Part VI "Sales to Owner-Occupants".

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EXHIBIT "J"

SUMMARY OF PURCHASE AND SALE AGREEMENT (FOR A BUILDING UNIT)

A Specimen Purchase and Sale Agreement (the "Sales Agreement") has been submitted to the Real Estate Commission and is also available in the Sales Office of the Developer. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ THE SALES AGREEMENT IN FULL, since this summary is NOT A COMPLETE DESCRIPTION of its provisions. The Sales Agreement, among other things, covers in more detail the following items:

1. The Property to be conveyed to the Buyer includes the Building Unit described in the Sales Agreement, together with (a) an undivided interest (common interest) in the Project, (b) certain tangible personal property, such as furniture, fixtures, draperies and carpeting; and (c) an undivided interest in certain other tangible and intangible property in the Project (Paragraph 1.03).

2. The Buyer agrees that all of the rights of Buyer under the Sales Agreement are subject and subordinate to the lien of any mortgages securing loans made to finance the cost of construction and other costs of the Project, until the final closing and delivery of an Apartment Deed to the Buyer. THE PURCHASER INTENTIONALLY WAIVES, RELINQUISHES AND SUBORDINATES THE PRIORITY OF ANY INTEREST ARISING OUT OF THE SALES AGREEMENT TO THE LIENS AND SECURITY INTERESTS OF THE LOANS MADE TO FINANCE THE COST OF CONSTRUCTION AND OTHER COSTS OF THE PROJECT. (See Paragraph 17).

3. Modifications to Contracts. If (a) any single (i) amendment or change to the Assigned Contracts, or (ii) other agreement which relates to the development or construction of the Development Project to be entered into after the date hereof, or amendments or changes thereto, impose or could impose an obligation that requires or would require an expenditure by the Buyer, upon the Buyer's assumption thereof as of the Closing Date, of funds in excess of Twenty-Five Thousand Dollars (\$25,000.00), or (b) any combination of such amendments or agreements imposes or could impose an obligation that requires or would require expenditures by the Buyer, upon the Buyer's assumption thereof as of the Closing Date, of funds in excess of One Hundred Thousand Dollars (\$100,000.00), or (c) any of such amendments or other agreements provides for the delivery of materials or the rendering of services for periods to extend beyond six (6) months after the Closing Date, including extensions and renewals, then the Seller shall submit such proposed amendment or other agreement to the Buyer for the

Buyer's prior written approval. Should the total cost to complete the construction of the Development Project exceed the amount set forth in the budget for the Development Project as approved by the Seller and its construction lender, the Seller and the Buyer agree to negotiate an adjustment to the Purchase Price in good faith.

4. The Seller MAKES NO WARRANTIES OF ANY KIND with respect to any aspect of the Project, but agrees only to assign to the Buyer the benefit of any applicable contractor's warranty or manufacturer's or dealer's warranties. (See Paragraph 8.13 and Exhibit H of the Final Public Report).

5. Seller agrees that the Closing Date will take place on the fifteenth (15th) business day following the filing of the Affidavit of Publication and the copy of the Notice of Completion (provided for in Section 507-43 of the Hawaii Revised Statutes) in the Office of the Clerk of the First Circuit Court of the State of Hawaii (the "Scheduled Closing Date"); provided, however, that the Scheduled Closing Date may not be beyond two years after the date the Sales Agreement is entered into or such extended date as may be mutually agreed upon by the parties hereto in writing upon the occurrence of any event beyond the reasonable control of the Seller, including without limitation, a Force Majeure (as defined in Section 18.16) (the "Termination Date") after which date the Buyer may cancel the transaction and the provisions of Section 10.04 shall apply. (See Paragraph 4.02).

6. In the event of default by the Buyer under the Sales Agreement, the Seller may cancel the Sales Agreement. Seller may also sue for damages, specific performance, and may pursue any other remedy permitted. If the Seller defaults, the Buyer is entitled to specific performance of the Agreement, or may cancel and terminate the Agreement. (See Paragraphs 10.01 and 10.02).

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EXHIBIT "J-1"

SUMMARY OF PURCHASE AND SALE AGREEMENT (FOR A RESIDENTIAL APT.)

A Specimen Condominium Reservation, Deposit Receipt and Contract (the "Sales Agreement") has been submitted to the Real Estate Commission and is also available in the Sales Office of the Developer. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ THE RESERVATION AND SALES AGREEMENT IN FULL, since this summary is NOT A COMPLETE DESCRIPTION of its provisions. The Sales Agreement, among other things, covers in more detail the following items:

1. The Property to be conveyed to the Buyer includes the Apartment described in the Sales Agreement, together with an undivided interest (common interest) in the Project, which will be conveyed to the Buyer on the Closing Date by an Apartment Deed. (See subparagraph E.7(d).)

2. The Seller or any other owner has the right to subdivide a Building Unit into the number of living units (which may be referred to as "Residential Apartments") which are contained within such Building Unit. (See paragraph E.14.)

3. The Buyer agrees that all of the rights of Buyer under the Sales Agreement are subject and subordinate to the lien of any mortgages securing loans made to finance the cost of construction and other costs of the Project, until the final closing and delivery of an Apartment Deed to the Buyer. THE PURCHASER INTENTIONALLY WAIVES, RELINQUISHES AND SUBORDINATES THE PRIORITY OF ANY INTEREST ARISING OUT OF THE SALES AGREEMENT TO THE LIENS AND SECURITY INTERESTS OF THE LOANS MADE TO FINANCE THE COST OF CONSTRUCTION AND OTHER COSTS OF THE PROJECT. (See subparagraph E.2(g)).

4. The Buyer represents that he is financially capable of making the payments required by the Sales Agreement. Seller may (but does not have to) cancel the Sales Agreement if any material negative change occurs in the Buyer's financial condition or any material negative discrepancy is discovered between the financial information furnished by the Buyer and the Buyer's actual financial condition. The Sales Agreement shall be cancelled (a) if the Buyer has not obtained and delivered to Seller an executed copy of a mortgage loan commitment acceptable to Seller (in Seller's sole discretion) within forty-five (45) days after the effective date of the Sales Agreement, or such longer period of time permitted by the Seller, or (b) if the Buyer plans to pay the purchase price in cash and if Seller is not satisfied for any reason with the

Buyer's ability to make the cash payments. Seller may also cancel (but does not have to) the Sales Agreement if the Buyer should die. (See subparagraph E.3(a) and paragraph E.13).

5. If the development and construction of the Project is at any time delayed due to any governmental restrictions or regulations enacted after the date of acceptance of the Sales Agreement by the Seller, or by the occurrence of any contingency, the non-occurrence of which was a basic assumption on which the Sales Agreement was made, and if Seller determines that increases in the development and construction costs because of such delay require increases in the sales prices of apartments to maintain financial feasibility of the Project, then and in any such event Seller may increase the Total Purchase Price of the Property only to the extent necessitated by said increases in development and construction costs and Seller shall notify Buyer in writing of any such increases in the Total Purchase Price. If the Buyer, within fifteen (15) days after receiving such written notice from Seller, agrees in writing to pay the increased purchase price which Seller decides is enough to make the Project economically feasible, or within such fifteen (15) days buyer does not notify Seller in writing that Buyer elects to cancel the Sales Agreement, then the Sales Agreement will be deemed to be affirmed at the increased Total Purchase Price. (See paragraph E.2(o)).

6. The Buyer acknowledges having had full opportunity to read and review, and approves all documents, plans and specifications relating to the Project. The Seller has the right to change such documents in certain respects, as more fully provided in paragraph E.2(h) of the Sales Agreement and the Declaration:

Seller reserves the right to modify the Declaration, By-Laws, the Condominium Map, the form of Apartment Deed and other documents as may be required by law, any title insurance company, any institutional mortgagee or governmental agency or as otherwise may be deemed necessary by Seller, in its sole discretion, at any time prior to the conveyance of first apartment therein to any person other than the Seller to make and specifically approves all changes to said documents and the Project, provided that no such modification shall:

(i) Increase Buyer's share of common expenses without his consent; or

closing paid in cash or by certified check drawn on a financial institution having its principal office in Honolulu, Hawaii. A late charge of one percent (1%) per month is payable on all sums not paid by Buyer when due. The Buyer must pay all of the escrow fees, its own notary fees, any appraisal fees, credit report, mortgage costs and closing fees, title insurance costs, and all document drafting costs, including the Apartment Deed, and all mail and other delivery charges. (See subparagraphs E.7 (a), (b) and (c)).

11. In the event of default by the Buyer under the Sales Agreement, the Seller may cancel the Sales Agreement and retain all amounts theretofore paid by Buyer as LIQUIDATED DAMAGES. Seller may also sue for damages, specific performance, and may pursue any other remedy permitted. If the Seller defaults, the Buyer is entitled to specific performance of the Agreement, or may cancel and terminate the Agreement. The sole and exclusive remedy of the Buyer is against the Seller and its assets, and not against any of the constituent partners of the Seller. (See paragraph E.11).

12. Buyer further acknowledges that construction activity within the Project may continue after Buyer occupies the Apartment, and that the Project is located within a resort area in which there may be continuing and ongoing development, all of which may result in noise, dust and other annoyances. Buyer agrees to suffer and permit all such activities. (See subparagraph E.2(f)).

(ii) Reduce the obligations of Seller for common expenses on unsold apartments; or

(iii) Require a substantial physical change of the Apartment or of the building in which the Apartment is located.

7. The Seller MAKES NO WARRANTIES OF ANY KIND with respect to any aspect of the Project, but agrees only to attempt to pass on to the Buyer the benefit of any applicable contractor's warranty or manufacturer's or dealer's warranties. (See subparagraph E.6 and page 16 of the Preliminary Public Report).

8. The rental or other disposition of the Apartment is the sole responsibility of the Buyer. The Buyer acknowledges that Seller is not offering directly or indirectly a rental pool within the Project in which there is a "pooling" or sharing of expenses or income among apartment owners in the Project; that Seller has not made any representations as to the feasibility of renting the apartment or otherwise deriving any economic benefit therefrom; and that the Seller has not made any representations regarding tax benefits to be derived from apartment rental or tax treatment of any apartment purchaser. (See subparagraph E.2(n) and subparagraph E.6(a)).

9. Seller agrees to complete construction of the Apartment, the Building in which the Apartment is located, and certain amenities of the Project so as to permit usual occupancy within two (2) years after the date the Sales Agreement is executed by the Buyer, subject to certain limited exceptions. (See subparagraph E.2(h)).

10. If the Sales Agreement is accepted by the Seller more than seventy-five (75) days prior to the estimated Occupancy (which shall be the date when the Hawaii County Building Department or an inspecting architect or engineer for the Project certifies that the Apartment is ready for occupancy), the Date of Closing shall be one day after such date of Occupancy; otherwise the Date of Closing shall be seventy-five (75) days after Seller's acceptance of the Sales Contract. Seller may postpone the scheduled closing date for up to ninety (90) additional days. In order to avoid any delays in closing, if the Seller accepts the Sales Agreement more than one hundred twenty (120) days before the Estimated Date of Occupancy, then the Buyer agrees to have all documents required for closing to be deposited with escrow prior to the Closing Date, and to have all funds due at or within forty-five (45) days prior to

Condominium Public Report on
The Greens at Waikoloa

EXHIBIT "K"

SUMMARY OF THE MATERIAL PROVISIONS OF THE ESCROW AGREEMENT

Summary of the Condominium Escrow Agreement between the Developer and Title Guaranty Escrow Services, Inc..

1. All deposits will be paid to Escrow. A copy of each Sales Contract and all payments made to purchase an Apartment shall be turned over to the Escrow Agent.

2. Refunds. A Buyer shall be entitled to a return of his funds, and Escrow shall pay such funds to such Buyer, without interest, in accordance with the Sales Contract if any of the following has occurred:

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

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

(c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, the purchaser has exercised his right to cancel the contract pursuant to Section 514A-62, Hawaii Revised Statutes, as amended; or

(d) A purchaser has exercised his right to rescind the contract pursuant to Section 514A-63, Hawaii Revised Statutes, as amended.

Upon such refund, Escrow Agent shall be entitled to a reasonable fee not less than \$25 or a fee commensurate with the work done by Escrow prior to cancellation.

3. Requirements Prior to Disbursement of Buyer's Funds. Escrow Agent shall make no disbursements of Buyer's funds, pursuant to paragraph 5 of the Escrow Agreement until all of the following have occurred:

(a) the Real Estate Commission has issued a final public report (the "Final Report") on the Project;

(b) Seller or Seller's attorney has given a written opinion to Escrow stating that all of the requirements of Sections 514A-39, 514A-62 and 514A-63 of the Hawaii Revised

Statutes, then applicable to the Project, have been satisfied and if the project is a conversion project, that the requirement of Section 514A-38 have been met.

(c) Seller shall have given Escrow a written waiver of any option reserved in any sales contract to cancel such sales contract;

(d) purchaser's Conveyance Document has been recorded or filed for record; and

(e) Escrow has received evidence (such as title insurance) satisfactory to Escrow that forty-six (46) days have elapsed since the filing of the affidavit of publication of the Notice of Completion, or all mechanics' and materialmen's liens have been cleared or there are sufficient funds available to cover any such liens that may be filed.

4. Purchaser's Default. Seller must notify Escrow in writing if Buyer defaults, and must certify that Seller has cancelled the Purchaser's Sales Contract. After such cancellation Escrow will treat the Purchaser's funds less Escrow's cancellation fees as belonging to the Seller.

EXHIBIT "2"

MAINTENANCE FEE SCHEDULE - GREENS AT WAIKOLOA

<u>Building Unit Type</u>	<u>Common Interest (Per Unit)</u>	<u>Total #</u>	<u>Common Interest (Category)</u>	<u>Maintenance Fee (Per Unit)</u>	<u>Maintenance Fee (Category)</u>
I	5.837	3	17.51	3192.84	9577.97
II	9.018	6	54.11	4932.85	29598.17
III	9.625	2	19.25	5264.88	10529.75
V	9.130	1	9.13	4994.11	4994.11
		12			54700.00

Residential
Apt. Type and
Comm. Int.

J
A: .4915
C: .5507
Ce: .5845
\$268.85
\$301.23
\$319.72

L
A: .4915
C: .5504
Ce: .58425
\$268.85
\$301.06
\$319.00

Apartment Nos. - by Residential
Apt. of Building J

Apartment Type A: J 101, J 102,
J 103, J 104,
J 105 and J 106

Apartment Type C: J 202, J 203,
J 203, J 204,
J 205, J 206,
J 207, J 208,
J 209, J 210, J 211

Apartment Type Ce: J 201, J 212

Apartment Nos. - by Residential
Apt. of Building L

Apartment Type A: L 101, L 102,
L 103, L 104,
L 106

Apartment Type C: L 202, L 203,
L 204, L 205,
L 206, L 207,
L 208, L 209,
L 210, L 211

Apartment Type Ce: L 201, L 212

Exhibit "L"

O/R: 62B

THE GREENS AT WAIKOLOA

DISCLOSURE ABSTRACT

1. (a) PROJECT: The Greens at Waikoloa
Waikoloa, Hawaii
- (b) DEVELOPER: The Greens at Waikoloa Partners
1270 Ala Moana Blvd., Suite 100
Honolulu, Hawaii
Telephone: (808) 545-4811
- (d) MANAGING
AGENT: Hawaiiana Resorts, Inc.
2. Breakdown of annual maintenance fees and monthly estimate costs for each unit (revised and updated every twelve (12) months and certified to have been based on generally accepted accounting principles).
3. DESCRIPTION OF ALL WARRANTIES COVERING THE UNITS AND COMMON ELEMENTS: There are no warranties which extend beyond the description of the face of the Sales Agreement. Developer makes no warranties or promises of "merchantability", "habitability", "workmanlike construction", or "fitness for a particular use or purpose" or any other warranties or promises of any kind, express or implied, about the apartment, the property or the Project (including the common elements and limited common elements of the Project), or about any furnishings, fixtures, appliances or other consumer products or anything else installed, attached, affixed or otherwise contained in the apartment, the property or the Project (including the common elements and limited common elements thereof).

The construction contract(s) for the Development Project will contain a clause which provides in pertinent part that:

If within one year after the date of Substantial Completion ./. /. /, any of the Work is found to be defective or not in accordance with the Contract Documents, the Contractor shall correct it promptly after receipt of a written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition.

THE GREENS AT WAIKOLOA

DISCLOSURE ABSTRACT

1. (a) PROJECT: The Greens at Waikoloa
Waikoloa, Hawaii
- (b) DEVELOPER: The Greens at Waikoloa Partners
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Honolulu, Hawaii
Telephone: (808) 545-4811
- (d) MANAGING
AGENT: Hawaiiana Resorts, Inc.
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The construction contract(s) for the Development Project will contain a clause which provides in pertinent part that:

If within one year after the date of Substantial Completion ././/., any of the Work is found to be defective or not in accordance with the Contract Documents, the Contractor shall correct it promptly after receipt of a written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition.

The Developer makes no warranties itself, but closing of the sale to the Buyer shall constitute the assignment to Buyer as tenant in common with other owners of apartments, of any and all warranties given the Developer by the contractor(s) for the Project including the contractor's agreement to promptly correct any of its work found to be defective or not in conformance with the construction contract for a period of one (1) year following Substantial Completion of the Buildings.

4. USE OF UNITS. The Greens at Waikoloa Condominium Project will be used only for permanent or temporary residential purposes and for transient resort rental purposes. The apartments may also be used as a "time share unit" or "time share plan" as defined under Chapter 514E, Hawaii Revised Statutes, as amended.

ESTIMATED OPERATING EXPENSES

For Period November 1, 1990 to October 31, 1991
As Prepared by Developer

Estimated Annual Expenses

SEE ATTACHED EXHIBIT "1"

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

THE GREENS AT WAIKOLOA PARTNERS,
a Hawaii Limited Partnership

By Its General Partner

WAIKOLOA PARTNERS, a
Hawaii limited partnership

By Its General Partner

BRADLEY DEVELOPMENT WAIKOLOA,
LTD., a Hawaii corporation

By  _____
Its

"Developer"

EXHIBIT "1"

GREENS AT WAIKOLOA

Estimated Monthly Common Expenses

RECEIPTS

Maintenance Fees	\$ 54,700
Interest From Investments	500
Other Taxable Receipts	<u>200</u>
TOTAL RECEIPTS	\$ 55,400

DISBURSEMENTS

Utilities

Electricity - Common	3,200
Water & Sewer	<u>6,500</u>
	\$ 9,700

Building Maintenance

Building	1,500
Equipment	250
Grounds	1,000
Lighting	300
Pool/Rec Deck	800
Pest Control	250
Refuse	<u>1,000</u>
	\$ 5,100

Administration

Management Services	2,950
Vehicle Expense	100
Supplies & Services	400
Legal and Audit	300
Waikoloa Association Village Fees	<u>4,100</u>
	\$ 7,850

Payroll and Benefits

Payroll-Manager	2,400
Payroll-Office	1,500
Payroll-Maintenance	1,800
Payroll-Janitor/Cleaning	3,000
Payroll-Security	2,500
Payroll-Gardening	4,600
Workers Comp	1,300
TDI	70
Health Care	2,000
Payroll-Taxes	3,100
Rent - Apartment	<u>1,300</u>
	\$ 23,570

Greens at Waikoloa
Estimated Monthly Common Expenses
Page Two

<u>ther</u>	
Insurance	\$ 3,200
Miscellaneous	1,000
Office Supplies	250
Taxes: Gross Income	<u>80</u>
	\$ 4,530
TOTAL DISBURSEMENTS	\$ 50,750
<u>RESERVE TRANSFERS</u>	
Replacement Reserves	\$ 3,000
TOTAL DISBURSEMENTS & RESERVE TRANSFERS	\$ 53,750
NET SURPLUS	-0-

It is hereby certified that the foregoing estimate of the Monthly Common Expenses and the Estimate of Initial Maintenance fees have been based on generally accepted accounting principles.

HAWAIIANA MANAGEMENT COMPANY, LTD.



William L. Burke
Treasurer

EXHIBIT "2"

MAINTENANCE FEE SCHEDULE - GREENS AT WAIKOLOA

<u>Building Unit Type</u>	<u>Common Interest (Per Unit)</u>	<u>Total #</u>	<u>Common Interest (Category)</u>	<u>Maintenance Fee (Per Unit)</u>	<u>Maintenance Fee (Category)</u>
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III	9.625	2	19.25	5264.88	10529.75
IV	9.130	<u>1</u>	9.13	4994.11	<u>4994.11</u>
		12			54700.00

Residential
Apt. Type and
Comm. Int.

J
A: .4915
C: .5507
Ce: .5845
\$268.85
\$301.23
\$319.72

L
A: .4915
C: .5504
Ce: .58425
\$268.85
\$301.06
\$319.00

Apartment Nos. - by Residential
Apt. of Building J

Apartment Type A: J 101, J 102,
J 103, J 104,
J 105 and J 106

Apartment Type C: J 202, J 203,
J 203, J 204,
J 205, J 206,
J 207, J 208,
J 209, J 210, J 211

Apartment Type Ce: J 201, J 212

Apartment Nos. - by Residential
Apt. of Building L

Apartment Type A: L 101, L 102,
L 103, L 104,
L 106

Apartment Type C: L 202, L 203,
L 204, L 205,
L 206, L 207,
L 208, L 209,
L 210, L 211

Apartment Type Ce: L 201, L 212