



REAL ESTATE COMMISSION
 STATE OF HAWAII
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
 PROFESSIONAL AND VOCATIONAL LICENSING DIVISION
 P. O. Box 3469
 Honolulu, Hawaii 96801

CONDOMINIUM PUBLIC REPORT

on

PUUOWAA STREET RESIDENCE
 54-138 and 54-140 Puuowaa Street
 Hauula, Hawaii 96717

Registration No. 2429

Issued: July 8, 1991
 Expires: August 8, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of June 25, 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:**
(yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
- FINAL:**
(white) The developer has legally created a condominium and has filed complete information with the Commission.
 No prior reports have been issued
 Supersedes all prior public reports
 Must be read together with _____
- SUPPLEMENTARY:**
(pink) Updates information contained in the
 Prelim. Public Report dated _____
 Final Public Report dated _____
 Supp. Public Report dated _____
- And Supersedes all prior public reports
 Must be read together with _____
 This report reactivates the _____
 public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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:

SPECIAL ATTENTION

1. The prospective purchaser is cautioned to carefully review the documents referenced herein, which are on file with the Real Estate Commission.

2. The project does not involve the sale of individual subdivided lots. The land area beneath and immediately adjacent to each unit as shown on the condominium map is designated as a limited common element and does not represent a legally subdivided lot. The dotted lines on the condominium map merely represent the approximate location of the limited common element assigned to each unit.

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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.

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 lessee (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.

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.

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 Ohana
 Mixed Residential and Commercial Agricultural
 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>Carport (sf)</u>
A	1	3/2	1,058	456
B	1	3/2	1,058	456
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 2

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

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

6. Parking:

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

7. Recreational amenities:

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: R & W, Incorporated Phone: 696-6036
Name (Business)
86-416 Halona Road
Business Address
Waianae, Hawaii 96792

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

Richard W. Medeiros, Sr. - President/Secretary
Wayne J. Salcedo - Vice President/Treasurer
Sainna P. Gouveia - Second Vice President

Real Estate Broker: TLC Realty Phone: 536-3432
Name (Business)
1149 Bethel Street, Room 307
Business Address
Honolulu, Hawaii 96813

Escrow: Title Guaranty Escrow Services, Inc. Phone: 533-6261
Name (Business)
235 Queen Street, First Floor
Business Address
Honolulu, Hawaii 96813

General Contractor: Steinke Bros., Inc. Phone: 488-9668
Name (Business)
98-889 Kaahele Street
Business Address
Aiea, Hawaii 96701

Condominium Managing Agent: Self managed by the association of Phone: N/A
Name (Business)
apartment owners
Business Address

Attorney for Developer: Dwyer Imanaka & Schraff (Attn: Jon M.H. Pang) Phone: 524-8000
Name (Business)
900 Fort Street, Suite 1800
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 - Document No. 91-043401
Book _____ Page _____
 Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

None

- 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. 1473
 Filed - Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

None

- 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. 91-043402
Book _____ Page _____
 Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

None

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> </u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:**

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules

The developer has reserved the right unto itself, its successors and assigns, to and until December 31, 2000, to delete, relocate, realign, reserve and grant all easements and rights of ways over, under and on the common elements necessary or desirable, including, but not limited to, easements and/or rights of ways from utilities, cesspools, sanitary and storm sewers, cable television, refuse disposal, driveways, parking areas and roadways, provided that such easements and/or rights of ways shall not be located on or within any existing structure of the property and shall not be exercised so as to unreasonably disturb, impair or interfere with the normal use and enjoyment of the property by the apartment owners.

The developer has reserved the right unto itself, its successors and assigns, to and until December 31, 2000, to develop jointly the land with any neighboring lot or lots, and to enter into such agreements, sign, record and deliver such documents, obtain such permits and do such things as may be required to effect the plan and gain the benefit of such joint development, including, without limitation, any increased floor area allocable to such neighboring lot or lots, all in accordance with the applicable ordinances and rules and regulations pertaining thereto set forth in the Land Use Ordinance of the City and County of Honolulu, including specifically Section 4.40-21 thereof, or any successor law or ordinance.

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: 54-138 and 54-140 Puuowaa Street Tax Map Key: (1) 5-4-15-024
Hauula, Koolauloa, Oahu, Hawaii 96717 (TMK)

Address TMK is expected to change because _____

Land Area: 11,250 square feet acre(s) Zoning: R-5

Fee Owner: Hana Property Partnership
Name

86-416 Halona Road
Address

Waianae, Hawaii 96792

Sublessor: None
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 Drywall and glass

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</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: _____					

Is/Are this/these use(s) specifically permitted by the project's declaration or bylaws?
 Yes No

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: Exhibit "A" contains further explanations.
- Number of Occupants: _____
- Other: Exhibit "A" contains further explanations.
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0 Stairways 0 Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Carport (sf)</u>
<u>A</u>	<u>1</u>	<u>3/2</u>	<u>1,058</u>	<u>456</u>
<u>B</u>	<u>1</u>	<u>3/2</u>	<u>1,058</u>	<u>456</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 2

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

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

Boundaries of Each Apartment:

The boundaries of each apartment shall constitute the perimeter walls and decorated or finished surfaces thereof, the roof and the finished exterior surfaces thereof, the foundation and supporting members, the perimeter doors, door frames, window and window frames, the carport and the storage and laundry closet located within the carport and all structures covering the designated parking stalls for each unit, and any and all cement pads on said parking stalls.

Permitted Alterations to Apartments:

Exhibit "B" contains further explanations.

7. Parking Stalls:

Total Parking Stalls: 4

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

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

Commercial parking garage permitted in condominium project.

Exhibit "C" 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

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute

Other: _____

9. Present Condition of Improvements

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

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

Not Applicable

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

Not Applicable

10. Conformance to Present Zoning Code

a. 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 "D"

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 residential apartment shall have appurtenant thereto an undivided fifty percent (50%) interest in all common elements of the property, and the same proportionate share in all common profits and expenses of the property and for all other purposes, including voting.

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

Exhibit "E" describes the encumbrances against the title contained in the title report dated April 10, 1991 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

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

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Mortgages in favor of:	
(1) First Hawaiian Creditcorp, Inc.	The buyer's interest may be affected if there is a default and foreclosure of the developer's mortgages. Upon the conveyance of the apartment to the buyer, however, the apartment will be released from the lien of the mortgages.
(2) Lorene M. Anastasi, M.D., Trustee for the Lorene M. Anastasi, M.D., Inc., Defined Benefit Pension Plan	

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.

[X] 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 "F" contains a schedule of maintenance fees and maintenance fee disbursements.

H. Utility Charges for Apartments:

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

- Not applicable
- Electricity Television Cable
- Gas Water & Sewer
- Other _____

I. Construction Warranties:

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

1. Building and Other Improvements:

The general contractor for the Project has not warranted the workmanship or quality of the individual apartments or the common elements of the Project. FURTHERMORE, THE DEVELOPER MAKES NO WARRANTIES, EXPRESS OR IMPLIED WITH RESPECT TO THE APARTMENT, THE PROPERTY, THE PROJECT OR CONSUMER PRODUCTS OR OTHER THINGS WHICH MAY BE INSTALLED OR WHICH ARE CONTAINED IN THE APARTMENT, THE PROPERTY OR THE PROJECT, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR PURPOSE.

2. Appliances:

The developer will attempt to pass on for the purchaser's benefit any manufacturer's warranties on appliances installed in the apartment. As indicated above, the developer makes no warranties, express or implied, with respect to any consumer products, including appliances, installed or contained in the apartment.

J. Status of Construction and Estimated Completion Date:

The construction of all improvements, including the individual apartments in the Project have been completed.

K. Project Phases:

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

Summary of Developer's Present Plans for Future Development:

None

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 - Not applicable per section 514A-108, HRS.

Specimen Sales Contract

Exhibit "G" contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated April 12, 1991

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

Other Apartment Deed - Exhibit "I" contains a summary of the pertinent provisions of the apartment deed.

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 on the prospective buyer. Sales made by the Developer may be binding on the Developer unless the Developer clearly states in the sales contract that sales 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, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is a part of Registration No. 2429 filed with the Real Estate Commission on April 19, 1991.

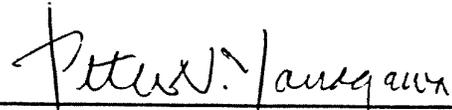
Reproduction of Report. When reproduced, this report must be on:

yellow paper stock

white paper stock

pink paper stock

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



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

Distribution:

Bureau of Conveyances

Department of Finance, City & County of Honolulu

Planning Department, City & County of Honolulu

Federal Housing Administration

EXHIBIT "A"

Special Use Restrictions

1. The apartments of the Property shall be used only for their respective purposes as set forth in the Declaration, the By-Laws, and the Rules and Regulations and for no other purpose.
2. All common elements of the Property shall be used only for their respective purposes as designed.
3. No apartment owner or occupant shall place, store or maintain on walkways, grounds, parking areas or other common elements (except the limited common elements appurtenant to his apartment), any furniture, packages or objects of any kind, or otherwise obstruct transit through such common elements.
4. Every apartment owner and occupant shall at all times keep his apartment and the limited common elements appurtenant thereto, in a strictly clean and sanitary condition and shall observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority or the Association for the period during which the same are applicable to the use of the property.
5. No apartment owner or occupant shall make or suffer any strip or waste or unlawful, improper or offensive use of his apartment or the project nor alter or remove any equipment of the common elements.
6. No apartment owner or occupant shall make any additions or alterations to any exterior common elements of the property, nor place or maintain thereon any signs, posters or bills whatsoever, except in accordance with plans and specifications, including a detailed plot plan, prepared by a licensed architect, if so required by the Board, and unless such shall be first approved by the Board and a majority of apartment owners (or such larger percentage required by law or the Declaration), including all owners of apartments thereby directly affected.
7. All owners and occupants shall exercise extreme care to avoid making noises in the use of musical instruments, radios, televisions and amplifiers that may disturb other occupants.

8. No refuse, garbage or trash of any kind shall be thrown, placed or kept on any common elements of the property outside of the disposal facilities provided for such purpose.
9. No livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the property except that dogs, cats and other household pets not to exceed two pets per apartment, may be kept by the apartment owners and occupants in their respective residential apartments or the limited common elements appurtenant thereto, but shall not be kept, bred, or used therein for any commercial, profit making, or money generating purposes, nor allowed on any other common elements. Upon the death of any animal allowed pursuant to this subsection, the owner may replace the animal with another and may continue to do so as long as the owner continues to reside in the apartment or the limited common elements appurtenant thereto.
10. No apartment owner or occupant, without the prior approval of the Board, shall erect, place or maintain any television, radio or other antennas on said property visible from any point outside of the property.
11. Nothing shall be allowed, done or kept in any apartment or common element of the property which would cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereon maintained by or for the Association, unless the owner of said apartment shall agree to pay any such increases or obtain substitute insurance.
12. No unlawful use shall be made of the property or any part thereof, and all valid laws, orders, rules and regulations of all governmental agencies having jurisdiction thereof (collectively "Legal Requirements") shall be strictly complied with. Compliance with any Legal Requirements shall be accomplished by and at the sole expense of the apartment owner or owners, or the Board, as the case may be, whomever shall have the obligation under the Declaration or the By-Laws to maintain and repair the portion of the property affected by any such Legal Requirements or otherwise comply with such Legal Requirements. Notwithstanding the foregoing provisions, any apartment owner may, at his expense, defer compliance with and contest, by appropriate proceedings prosecuted diligently and in good faith, the validity or applicability of any Legal Requirement affecting any portion of the property which such Apartment Owner is obligated to maintain and repair, and the Board shall cooperate with such apartment owner in such proceedings, provided that:

(i) Such apartment owner shall pay and shall defend, save harmless and indemnify the Board, the Association, and each other apartment owner against all liability, loss or damage which any of them respectively shall suffer by reason of such contest and any noncompliance with such Legal Requirement, including reasonable attorneys' fees and other expenses reasonably incurred; and

(ii) Such apartment owner shall keep the Board advised as to the status of such proceedings.

The Board may also contest any Legal Requirement without being subject to the foregoing conditions as to contest with respect to indemnification and notification. Such apartment owner or the Board need not comply with any Legal Requirement so long as it shall be so contesting the validity or applicability thereof, provided that noncompliance shall not create a dangerous condition or constitute a crime or an offense punishable by fine or imprisonment, and provided further that no part of the Property shall be subject to being condemned or vacated by reason of noncompliance or otherwise by reason of such contest. The costs and expenses of any contest by the Board shall be a common expense. The amount due to the Board and the Association under the foregoing obligation of an apartment owner to defend, save harmless and indemnify the Board and the Association shall be secured by the lien created under Section 4 of Article VI of the By-laws.

EXHIBIT "B"

Permitted Alterations to Apartments

No owner of an apartment may, except with the prior written permission of the Board of Directors, at least sixty-five percent (65%) of the apartment owners and all owners whose apartments or limited common elements appurtenant thereto are directly affected, make any alteration, addition, repair or improvement (i) to his apartment which may affect the common elements (except the limited common elements appurtenant to his apartment), or (ii) to any of the common elements, except the limited common elements appurtenant to his apartment.

Unless otherwise prohibited by the provisions of the Declaration or the By-Laws, an apartment owner may make additions, alterations or improvements to his apartment or the limited common elements appurtenant thereto at his sole cost and expense.

Notwithstanding anything herein provided to the contrary, no apartment owner shall do any work which could jeopardize the soundness or safety of the property, reduce the value thereof, or impair any easement or hereditament, nor may any apartment owner add any material structure or excavate any additional basement or cellar, without in every such case the consent of one hundred percent (100%) of the owners being first obtained; provided that each apartment owner may make non-material structural additions to his respective apartment and the limited common elements appurtenant thereto, including, without limitation, the installation of solar energy devices, or additions to or alterations of the apartment or within the limited common elements appurtenant thereto for the exclusive use of the apartment. "Solar energy device" means any new identifiable facility, equipment, apparatus, or the like which makes use of solar energy for heating, cooling, or reducing the use of other types of energy dependent upon fossil fuel for its generation. If the equipment sold cannot be used as a solar energy device without its incorporation with other equipment, it must be installed in place and be immediately ready to be made operational in order to qualify as a "solar energy device." "Non-material structural additions," as used herein, shall mean a structural addition to an apartment or the limited common elements appurtenant thereto which does not jeopardize the soundness or safety of the property, reduce the value thereof, impair any easement or hereditament, detract from the appearance of the project, interfere with or deprive any non-consenting owner of the use or enjoyment of any part of property, or directly affect any non-consenting owner.

EXHIBIT "C"

Parking Stalls

Each apartment shall have two (2) designated parking stalls (as shown on the Condominium Map) which shall be covered by a carport, which carport shall constitute a part of the apartment.

<u>Apartment</u>	<u>Parking Stalls</u>
" A	A-1 and A-2
B	B-1 and B-2

EXHIBIT "D"

Common Elements

I. Common Elements

One freehold estate is hereby designated in all of the portions of the property other than the apartments, herein called the "common elements", including specifically, but not limited to:

(1) Said land in fee simple;

(2) All structural components not attached to the individual apartments, such as concrete sidewalks, driveways and curbs and any other structure on the property such as retaining walls and perimeter walls or fences;

(3) All common spaces such as yards, gardens, planting areas, trash enclosure area, cesspools, driveways and access lanes;

(4) Installations for services such as pipes, cables, conduits, ducts, electrical equipment, wiring and other central appurtenant transmission facilities and installations over, under or across the property which serve more than one apartment for services such as power, light, gas, hot water, cold water, sewage, telephone, air conditioning, radio and television signal distribution, if any;

(5) Any apparatus and installations existing for common use, such as tanks, pumps, motors, fans, compressors, ducts, vents, and other such installations and apparatus;

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

II. Limited Common Elements

Certain parts of the common elements, herein called the "limited common elements", are hereby designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. Each apartment shall have for its exclusive use two (2)

parking stalls, a mailbox and a cesspool as designated on the Condominium Map. Said limited common elements are more particularly described as follows:

Limited Common Elements

Appurtenant to Apartment A

Being a portion of Lot 68 of the Hauula Park Tract (File Plan 246), being also portions of Grant 5619 of Olaf R. Olsen and Grant 5620 to C. Christoffersen.

Situate at Hauula, Koolaupoko, Oahu, Hawaii

Beginning at the most Northerly corner of this parcel of land, being also the Northwest corner of Apartment B of a subdivision of Lot 68 of the Hauula Park Tract (File Plan 246), on the Southeast side of Puuowaa Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KAIPAPAU" being 1,821.10 feet South and 2,769.57 feet East, and running by azimuths measured clockwise from True South:

1. 326° 50' 80.00 feet along Apt. B of a portion of Lot 68 of the Hauula Park Tract (File Plan 246);
2. 56° 50' 63.00 feet along Apt. B of a portion of Lot 68 of the Hauula Park Tract (File Plan 246);
3. 146° 50' 80.00 feet along Lot 70-A-1 of a subdivision of Lot 70 of the Hauula Park Tract (File Plan 246);
4. 236° 50' 63.00 feet along the Southeast side of Puuowaa Street to the point of beginning and containing an area of 5,040 square feet, as per survey by Alden S. Kajioka, Licensed Land Surveyor, Certificate No. 6605, dated April 7, 1990.

Parking Spaces A-1 and A-2, Cesspool "A" and Mailbox "A" shall also be limited common elements appurtenant to Apartment A.

Limited Common Elements
Appurtenant to Apartment B

Being a portion of Lot 68 of the Hauula Park Tract (File Plan 246), being also portions of Grant 5619 to Olaf R. Olsen and Grant 5620 to C. Christoffersen.

Situate at Hauula, Koolaupoko, Oahu, Hawaii

Beginning at the Northwest corner of this parcel of land, being also the Northwest corner of Lot 66 of the Hauula Park Tract (File Plan 246), on the Southeast side of Puuowaa Street, the coordinates of said point beginning referred to Government Survey Triangulation Station "KAIPAPAU" being 1,821.10 feet South and 2,769.57 feet East, and running by azimuths measured clockwise from True South:

1. 326° 50' 150.00 feet along Lot 66 of the Hauula Park Tract (File Plan 246);
2. 56° 50' 75.00 feet along Lot 69-C of a subdivision of Lot 69 of the Hauula Park Tract (File Plan 246);
3. 146° 50' 70.00 feet along Lots 70-B-1 and 70-A-1 of a subdivision of Lot 70 of the Hauula Park Tract (File Plan 246);
4. 236° 50' 63.00 feet along Apt. A of a subdivision of Lot 68 of the Hauula Park Tract (File Plan 246);
5. 146° 50' 80.00 feet along Apt. A of a subdivision of Lot 68 of the Hauula Park Tract (File Plan 246);
6. 236° 50' 12.00 feet along the Southeast side of Puuowaa Street to the point of beginning and containing an area of 6,210 square feet, as per survey by Alden S. Kajioka, Licensed Land Surveyor, Certificate No. 6605, dated April 7, 1990.

Parking Spaces B-1 and B-2, Cesspool "B" and Mailbox "B" shall also be limited common elements appurtenant to Apartment B.

EXHIBIT "E"

Encumbrances Against Title

1. Mortgage dated December 29, 1988 by and between Hana Property Partnership, a Hawaii limited partnership, as Mortgagor, and First Hawaiian Creditcorp, Inc., a Hawaii corporation, as Mortgagee, recorded at the Bureau of Conveyances of the State of Hawaii in Liber 22728 at Page 590.
2. Mortgage dated June 29, 1989 by and between Richard Walter Medeiros and Odetta Margaret Medeiros, husband and wife, as Mortgagor, and Lorene M. Anastasi, M.D., Trustee for the Lorene M. Anastasi, M.D., Inc., Defined Benefit Pension Plan dated January 1, 1979, as Mortgagee, recorded at said Bureau in Liber 23407 at Page 710.
3. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Condominium Property Regime dated March 28, 1991, recorded at said Bureau as Document No. 91-043401, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1473.)
4. By-Laws of the Association of Apartment Owners of the Condominium Project known as "PUUOWAA STREET RESIDENCE" dated March 28, 1991, recorded at said Bureau as Document No. 91-043402, as the same may hereafter be amended.

EXHIBIT "F"

**Estimate of Initial Maintenance Fees and
Estimate of Maintenance Fee Disbursements**

Due to the character of the project where substantially all of the common elements constitute limited common elements appurtenant to a particular apartment, and the requirement that each apartment owner maintain at his own expense the limited common elements appurtenant to his respective apartment, it is anticipated that funds for the operation and maintenance of the common areas will be collected by special assessments rather than regular monthly assessments. Accordingly, no initial maintenance fees are anticipated.

to lender. The purchasers also irrevocably appoint the seller to receive and accept service of process on behalf of the purchasers.

(5) Seller and its agents have no program at this time nor is any program planned or contemplated to offer a rental service of any kind to the owners of apartments in the project, either individually or in any form of pooling arrangement, or by a third-party designated or arranged for by Seller, nor have any representations been made by Seller or its agents as to the feasibility of renting the apartment, or otherwise generating income or deriving any other economic benefit from ownership of the apartment. Seller and its agent have made no representations (nor is anyone authorized to do so) contrary to this paragraph with respect to either benefits to be derived from the rentals or other tax treatment of any purchaser of an apartment, except as to the availability of income tax deductions for mortgage interest payments and real estate taxes.

(6) The purchaser will pay all closing costs and the nonrefundable start-up fee for commencement of the operations of the project by the Managing Agent, if any, and the Association of Apartment Owners. Real property taxes, maintenance costs and other prorations shall be made, and risk of loss shall transfer from seller to purchaser on the scheduled Closing Date as defined in the specimen Sales Agreement. Purchaser shall execute all documents necessary for closing and deposit with escrow all funds other than proceeds of purchaser's first mortgage loan within ten (10) days after receiving written notice to pre-close. Pre-closing may commence at any time after the effective date of the Sales Agreement.

(7) In the event development and construction of the project is delayed due to governmental restrictions or regulations enacted after the date of the Sales Agreement, or by occurrence of a contingency, the non-occurrence of which was a basic assumption upon which the contract was made, the seller determines that increases in development and construction costs because of such delay require increases in sales prices to maintain financial feasibility of the project, then and in any such event, and provided the sale of the property has not finally closed and the apartment deed has not been recorded, seller may increase the total purchase price stated in the Sales Agreement only to the extent necessitated by said increases in development and construction costs and seller shall notify purchaser in writing of any such increases in the total purchase price. After receipt of such notice, purchaser shall have fifteen (15) days within which to affirm or terminate said Sales Agreement. If, within said fifteen-day period, purchaser does not notify seller in writing that

purchaser elects to terminate said Sales Agreement, purchaser shall be deemed to have affirmed said Sales Agreement at the increased purchase price. If purchaser elects to terminate said Sales Agreement, seller shall cause escrow to refund to purchaser all deposits made pursuant to the Sales Agreement, without interest and less any escrow cancellation fee, and seller may then offer said apartment to other prospective purchasers. Nothing in this paragraph shall be deemed to terminate, modify or qualify the obligations of the seller to complete construction within the period prescribed in the Sales Agreement if purchaser timely affirms said Sales Agreement at the increased purchase price.

It is incumbent upon purchasers and prospective purchasers that they read with care the specimen Sales Agreement and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of the condominium apartments are placed in trust, as well as the retention and disbursement of funds.

EXHIBIT "H"

Escrow Agreement Summary

The Escrow Agreement dated April 12, 1991 is made by the developer and Title Guaranty Escrow Services, Inc. and sets forth certain understandings and agreements with respect to the handling of buyers' funds and the closing of sales. Specifically, the Escrow Agreement provides in part that:

(1) All payments made under the sales agreement will be deposited with the escrow agent, who will in turn deposit the funds in a trust fund with a bank, savings and loan or trust company authorized to do business in the State of Hawaii under an escrow arrangement. Any interest earned on such funds will be credited to the developer. (Note that the developer has certain obligations to pay interest on deposits to buyers under the Condominium Deposit, Receipt and Sales Agreement.)

(2) Except for refunds to buyers, no disbursement of buyers' funds will be made until the escrow agent has received a letter from the developer, assuming that the buyers have signed the required Receipt and Notice of Right to Cancel or are deemed to have receipted for the public reports and to have waived their right to cancel, and further that no subsequent events occur which give buyers the right to rescind, that the Condominium Deposit, Receipt and Sales Agreements have become effective, and the requirements of Section 514A-39, 514A-62 and 514A-63 of the Hawaii Revised Statutes (pertaining to the delivery of public reports and rescission rights) have been met.

(3) Each buyer is entitled to a return of his funds, and the escrow agent must pay such funds to the buyer if one of the following has occurred:

(a) The escrow agent receives a written request from the developer to return to the buyer the buyer's funds then being held by the escrow agent; or

(b) The developer notifies the escrow agent in writing of the developer's exercise of the option to rescind the Condominium Deposit, Receipt and Sales Agreement; or

(c) The conditions provided for a refund under Section 514A-62 or under Section 514A-63 of the Hawaii Revised Statutes have been met, and written notice thereof has been provided to the developer.

(4) If the buyer is in default under the Condominium Deposit, Receipt and Sales Agreement and fails to cure such

default upon notice of same being given to the buyer, then, if the developer certifies in writing to the escrow agent that (i) the developer has elected to terminate the Condominium Deposit, Receipt and Sales Agreement and has notified the buyer, or (ii) the buyer is otherwise in default, then, the escrow agent shall, subject to the provisions relating to dispute and conflicting demands set forth in the Escrow Agreement, treat all funds of the buyer, less any cancellation fee, as the funds of the developer.

EXHIBIT "I"

Apartment Deed Summary

Among other provisions, the specimen Apartment Deed provides that:

(1) The developer has the reserved right to, among other things, delete, relocate, realign, reserve and grant all easements and rights of way over the common elements, including, without limitation, easements and/or rights of way for utilities, cesspools, sanitary and storm drain sewers, cable television, refuse disposal, driveways, parking areas and roadways.

(2) Buyer consents to the granting and/or realignment of the easements and/or rights of ways described above; and agrees to execute such documents and instruments and do such other things as may be necessary or convenient to effect the same; and appoints seller and its assigns his attorney-in-fact with full power of substitution to execute such documents and instruments and to do such things on his behalf, which grant of power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be affected by the disability of such party or parties.