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

COAST VIEW VILLAS

73-1190 Ahulani Street
Kailua-Kona, Hawaii 96740

Registration No. 2492

Issued: March 11, 1992
Expires: April 11, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of MARCH 4 ,19 92 , 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.

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

[X] 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 [X] 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.

[X] No prior reports have been issued by the Commission.

[ ] Changes made are as follows:

* *

SPECIAL ATTENTION

This is a CONDOMINIUM PROJECT, not a subdivision. The land area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and does not represent a legally subdivided lot. The dotted lines in the Condominium Map bounding the designated number of square feet in each limited common element land area are for illustration purposes only and should not be construed to be formal subdivision lines.

This public report does not constitute approval of the Project by the Real Estate Commission, nor does it ensure that all applicable County codes, ordinances, and subdivision requirements have necessarily been complied with.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

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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 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.

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:

[X] 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. [X] New Building(s) [ ] Conversion
   [ ] Both New Building(s) and Conversion

2. [X] Residential [ ] Commercial [ ] Ohana
   [ ] Mixed Residential and Commercial [ ] Agricultural
   [ ] Other _____

3. [ ] High Rise (5 stories or more) [X] Low Rise

4. [ ] Single or [X] Multiple Buildings (2)

5. Apartment Description

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
73-1190A	1	4/4	2,404	195
73-1190B	1	4/4	2,404	195

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:

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

7. Recreational amenities: N/A

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: JOSE SANTIAGO
Name
Phone: (808) 322-8419
(Business)

P.O. Box 135
Business Address

Kealakekua, HI 96750

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

N/A

Real Estate Broker: None
Name
Phone:
(Business)

Business Address

Escrow: LONG & MELONE ESCROW LTD.
Name
Phone: (808) 329-9357
(Business)

74-5565 Luhia Street
Business Address

Kailua-Kona, HI 96740

General Contractor: B & B CONSTRUCTION, INC.
Name
Phone: (808) 322-3567
(Business)
(808) 322-3939

P.O. Box 135
Business Address

Kealakekua, HI 96750

Condominium Managing Agent: Self-managed by the Association
Name of Apartment Owners
Phone:
(Business)

Business Address

Attorney for Developer: ROBERT L. SMITH
Name
Phone: (808) 329-3511
(Business)

77-6400 Nalani Street, Ste. 200
Business Address

Kailua-Kona, HI 96740

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
[X] Recorded - Bureau of Conveyances - Document No. 91-077328
Book _____ Page _____
[ ] Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

Amended: February 27, 1992 - Bureau of Conveyance - Doc. No. 92-028299

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
[X] Recorded - Bureau of Conveyance Condo Map No. 1515
[ ] 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
[X] Recorded - Bureau of Conveyances - Document No. 91-077329
Book _____ Page _____
[ ] Filed - Land Court - Document No. _____

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 [X] 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:

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%	100%
Bylaws	65%	65%
House Rules	---	Majority vote of Board

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

2. Developer:

[X] 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

III. THE CONDOMINIUM PROJECT

A. **Interest to be Conveyed to Buyer:**

[X] Fee Simple: Individual apartments and the common elements which includes the underlying land will be in fee simple.

[ ] Leasehold or Subleasehold: Individual apartments and the common elements which includes the underlying land will be leasehold.

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

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

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

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

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

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

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

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

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

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

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

[ ] Other:

For Subleaseholds:

[ ] Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is
[ ] Cancelled [ ] Foreclosed

[ ] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is cancelled or foreclosed.

B. **Underlying Land:**

Address: 73-1190 Ahulani Street
Kailua-Kona, HI 96740

Tax Map Key: (3) 7-3-22-67
(TMK)

[ ] Address [ ] TMK is expected to change because N/A

Land Area: 17,203 [X] square feet [ ] acre(s) Zoning: unplanned

Fee Owner: JOSE SANTIAGO
Name
P.O. Box 135
Address
Kealakekua, HI 96750

Sublessor: N/A
Name

Address

C **Buildings and Other Improvements:**

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

2. Buildings: 2 Floors Per Building 2

[ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

[ ] Concrete [ ] Hollow Tile [X] Wood

[ ] Other _____

4. Permitted Uses by Zoning:

	No. of Apts.	Use Determined By Zoning		No. of Apts.	Use Determined By Zoning
[ ] Commercial			[ ] Industrial		
[X] Residential	2	yes	[ ] Agricultural		
[ ] Timeshare/Hotel			[ ] Recreational		
[ ] Other:					

Is/Are this/these use(s) specifically permitted by the project's declaration or bylaws?
[X] 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:

[X] Pets: Household pets in reasonable number that are not nuisances.

[X] Number of Occupants: Obey Planning Department.

[X] Other: Residential use only.

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0 Stairways 1 per unit Trash Chutes 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
73-1190A	1	4/4	2,404	195
73-1190B	1	4/4	2,404	195

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 interior finished surface of all perimeter walls.

Permitted Alterations to Apartments:

See Exhibit "H"

7. Parking Stalls:

Total Parking Stalls: 4

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

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

[ ] Commercial parking garage permitted in condominium project.

[ ] Exhibit _____ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

[X] 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. [X] 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.

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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

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

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

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

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

   [X] Exhibit "A" describes the common elements.

   [ ] As follows:

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

   [ ] There are no limited common elements in this project.

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

      [X] described in Exhibit "B"

      [ ] as follows:

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

   [X] Exhibit "C" 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 "D" describes the encumbrances against the title contained in the title report dated JULY 2, 1991 and issued by Long & Melone, Ltd.

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.

Type of Lien	Effect on Buyer's Interest If Developer Defaults
Mortgage	Buyer's contract may be cancelled and Buyer may lose all rights to purchase the apartment. Buyer's deposit will be returned.

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 "E" 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

[X] Electricity

[ ] Television Cable

[ ] Gas

[X] Water & Sewer

[X] Other Refuse collection

I. **Construction Warranties:**

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

1. Building and Other Improvements:

None.

2. Appliances:

None.

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

Notice of Completion for both apartments were published on November 18, 1990 and November 25, 1990.

K. **Project Phases:**

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

Summary of Developer's Present Plans for Future Development:

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

[X] Specimen Sales Contract (D.R.O.A.)

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

[X] Escrow Agreement dated August 13, 1991

Exhibit "G" 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 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. 2492 filed with the Real Estate Commission on July 29, 1991.

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

[ ] yellow paper stock [X] 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

PETER 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

EXHIBIT "A"

COMMON ELEMENTS

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

(a) The land in fee simple;

(b) All ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, sewage, irrigation and telephone;

(c) The roof and all load bearing perimeter walls;

(d) Any and all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the Project.

The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof, except as provided in the Condominium Property Act.

Any such partition or division shall be subject to the prior consent thereto by the holder(s) of all mortgage(s) of any condominium unit(s) which are filed of record.

End of EXHIBIT "A"

EXHIBIT "B"

LIMITED COMMON ELEMENTS

Certain parts of the common elements, herein referred to as the "limited common elements", are hereby designated and set aside for the exclusive use of one or more units, and such unit(s) shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

(a) That certain land area upon and around which Unit A is located, shown and designated on the Condominium Map as "Lot "A", and being 5000 square feet in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit A.

(b) That certain land area upon and around which Unit B is located, shown and designated on the Condominium Map as "Lot "B", and being 5000 square feet in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit B.

All costs of every kind pertaining to and aforesaid limited common elements, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne solely by the owner of the unit to which said limited common elements are appurtenant.

End of EXHIBIT "B"

EXHIBIT "C"

COMMON INTEREST

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

End of EXHIBIT "C"

EXHIBIT "D"

ENCUMBRANCES AGAINST TITLE

1. Covenants, conditions and restrictions as contained in Deed dated July 24, 1965, recorded in the Bureau of Conveyances in Book 5315, Page 269.

2. Unrecorded Grant of easement in favor of Hawaii Electric Light Company, Inc., dated April 29, 1966, as set forth in instrument dated May 17, 1973, recorded in Book 9167, Page 2.

3. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT
Mortgagor(s) : Jose Santiago, a single person
Mortgagee(s) : Central Pacific Bank, a Hawaii corporation
Dated : May 1, 1990
Recorded in the Bureau of Conveyances as Document No. 90-064893.
To Secure : $165,000.00

4. ASSIGNMENT OF RENTS
Assignor(s) : Jose Santiago, a single person
Assignee(s) : Central Pacific Bank, a Hawaii corporation
Dated : May 1, 1990
Recorded in the Bureau of Conveyance as Document No. 90-064894.

5. Covenants, Conditions and Restrictions contained in Agreement by and between Jose Santiago, a single person and The Planning Development of the County of Hawaii dated June 5, 1990, recorded in the Bureau of Conveyance as Document No. 90-090623. RE: Improvements for a new single family dwelling.

6. Covenants, Conditions and restrictions contained in Agreement by and between Jose Santiago, a single person and The Planning Development of the County of Hawaii dated June 5, 1990, recorded in the Bureau of Conveyance as Document No. 90-090624. RE: Improvements for two story (Ohana) single family dwelling.

7. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT
Mortgagor(s) : Jose Santiago, a single person
Mortgagee(s) : Central Pacific Bank, a Hawaii corporation
Dated : April 4, 1991
Recorded in the Bureau of Conveyance as Document No. 91-043941.
To Secure : $135,000.00

8. ASSIGNMENT OF RENTS
Assignor(s) : Jose Santiago, a single person
Assignee(s) : Central Pacific Bank, a Hawaii corporation
Dated : April 4, 1991
Recorded in the Bureau of Conveyance as Document No. 91-043942.

9. Covenants, conditions, restrictions, reservations, easements, liens for assessments, options, power of attorney, limitations on title, and all other provisions contained in or incorporated in the Declaration of Condominium Property Regime acknowledged May 29, 1991, recorded in the Bureau of Conveyance as Document No. 91-077328 (By-Laws thereto dated May 29, 1991, recorded in the Bureau of Conveyance as Document No. 91-077329), Condominium Map No. 1515; any instrument creating the estate or interest insured by this policy; and in any other allied instrument referred to in any of the instruments aforesaid.

10. For real property taxes as may be due and owing, reference is made to the Director of Finance, County of Hawaii.

End of EXHIBIT "D"

EXHIBIT "E"

ESTIMATE OF INITIAL MAINTENANCE FEES AND ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Apartment	Monthly Fee x 12 months = Yearly Total
73-1190A	$232.50 x 12 = $2,790.00
73-1190B	$232.50 x 12 = $2,790.00

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

Estimate of Maintenance Fee Disbursements:

		Monthly x 12 months =	Yearly Total
Utilities and Services			
Air Conditioning		Ø	Ø
Electricity			
[ ] common elements only			
[xx] common elements and apartments	$	160.00 x 12 =	$1,920.00
Gas		Ø	Ø
Refuse Collection		20.00 x 12 =	240.00
Telephone		Ø	Ø
Water and Sewer (water only)		60.00 x 12 =	720.00
Maintenance, Repairs and Supplies			
Building		25.00 x 12 =	300.00
Grounds		80.00 x 12 =	960.00
Management			
Management Fee		Ø	Ø
Payroll and Payroll Taxes		Ø	Ø
Office Expenses		20.00 x 12 =	240.00
Insurance		25.00 x 12 =	300.00
Reserves		Ø	Ø
Taxes and Government Assessments		75.00 x 12 =	900.00
Audit Fees		Ø	Ø
Other		Ø	Ø
TOTAL			$5,580.00

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

J&P Santiago

Date: 6-26-91

(Standard Terms on the reverse side are part of the DROA) may not comply with that statute.

Reviewed by: ___ Reference Date: _____

(P Broker, Broker in Charge, Authorized Signature)

DEPOSIT REC

Received from _____ herein called Buyer the sum of $ _____

in the form of _____ as an initial deposit on account of this offer. Receipt is acknowledged by (Broker)

_____ Broker's firm and address _____

_____ PHONES (Home)_____ (Bus.)_____

OFFER

1. **PURCHASE PRICE:** _____

2. **PROPERTY DESCRIPTION:** Tax Map Key Division_____/Zone_____/Sec_____/Plat_____/Parcel_____/HPR_____

(a) Realty: All of that (leasehold) (fee simple) property situated at _____

_____ Hawaii, described as follows: _____

(b) **Seller's Real Property Disclosure Statement** dated _____ (has) (has not) been received by Buyer. If not, address in paragraph 8, Special Terms.

(c) **Sale Includes:** All built-in furniture, attached fixtures, built-in appliances, water heater, electrical and/or gas and plumbing fixtures, attached carpeting, existing drapes, and the following items if checked: Chandelier ( ); Range ( ); Refrigerator ( ); Disposal ( ); Dishwasher ( ); Compactor ( ); Washer ( ); Dryer ( ); Air Conditioner ( ); TV Antenna ( ); TV Cable ( ); and _____

(furnishings and pool equipment per attached inventory, if any). Specifically excluded: _____

(d) **Title:** Seller agrees to convey the property with warranties vesting marketable title in Buyer, free and clear of all liens and encumbrances except _____

and any other covenants, easements, reservations or restrictions now of record which do not materially affect the value of the property.

(e) **Assessments:** _____ shall be (paid by Seller at closing) (assumed by Buyer).

3. **FINANCING:** Buyer agrees to pay said purchase price as follows:

ADDITIONAL DEPOSIT: $ _____ **in cash to be made on or before** _____.

$ _____ in cash at closing including all deposits herein.

$ _____ by way of _____

$ _____

$ _____ Total Purchase Price (see paragraph #1 above)

4. **CLOSING:** Closing will be on or before _____, 19_____. Escrowed by _____

5. **OCCUPANCY:** Seller agrees to give Buyer occupancy at closing or on _____, 19_____.

6. **PRORATIONS:** Property taxes, lease rents, interest on assumed obligations, mortgage insurance premiums, other insurance premiums, maintenance fees, tenants' rents, if applicable, and _____ shall be prorated as of the date of closing or on _____, 19_____. _____, 19_____. Tenants' security deposit, if any, shall be charged to Seller and credited to Buyer at closing.

7. **TENANCY:** Title shall vest in Buyer(s) as follows: _____
print full legal name(s) and marital status (no initials)

_____ Tenancy: _____

8. **SPECIAL TERMS:** (Please number) _____

9. **AGENCY DISCLOSURE:** By placing their initials here, Buyer: ( ) and Seller: ( ) acknowledge that _____ and all its salespeople represent the _____ and that oral or written disclosure was provided before the signing of this offer.

10. **AGREEMENT TO BUY:** Buyer agrees to buy the property on the terms and conditions contained herein including **The Standard Terms On The Reverse Side,** acknowledges receipt of a copy hereof, and agrees that this offer shall be binding if accepted by Seller before _____ AM/PM, _____, 19_____. Offer Date_____, 19_____, _____ AM/PM.

Buyer's address: _____

_____

Phones: (Home)_____ (Bus.)_____

Buyer _____
signature

SS# _____

Buyer _____
signature

SS# _____

ACCEPTANCE

11. **AGREEMENT TO SELL:** Seller agrees to sell the property at the price and terms offered above, including **The Standard Terms On The Reverse Side,** and acknowledges that he has been given a copy of this offer.

12. **SELLER'S AGREEMENT TO PAY COMMISSION:** I agree to pay to _____ a commission for the above sale of _____ in U.S. dollars. I hereby instruct escrow to pay your commission directly to you at closing. I agree that I cannot change these instructions without your written consent. Unless otherwise agreed upon, I give you permission to share this commission as you see fit with the real estate company named here in the **DEPOSIT RECEIPT** section of this agreement. In the event of Buyer's default, if I retain the deposit(s), I agree to pay you one half of the amount I retain, but you shall not be paid more than what would have been your full commission.

Date _____, 19_____, _____ AM/PM.

Seller's Name_____
print full legal name

Seller's Tax Identification # to be reported to IRS_____

Seller's Name_____
print full legal name

Seller's Tax Identification # to be reported to IRS_____

Seller's Address_____

Seller's Address_____

Signature _____

Signature _____

Owner occupant ( ) Other ( )

Phones: (Home)_____ (Bus.)_____

EXHIBIT F

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

Date_____, 19_____, _____ AM/PM. Signature _____

EXHIBIT "G"

SUMMARY OF PERTINENT PROVISIONS OF ESCROW CONTRACT

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement these things will or may happen:

(a) Escrow will let purchasers know when payments are due.

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

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

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

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

End of EXHIBIT "G"

EXHIBIT "H"

PERMITTED ALTERATIONS TO APARTMENTS

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 cellar, without in every such case the consent of seventy-five percent of the apartment owners, together with the consent of all apartment owners whose apartments or limited common elements appurtenant thereto are directly affected, being first obtained; provided that nonmaterial structural additions to the common elements, including, without limitation, the installation of solar energy devices, or additions to or alterations of an apartment made appurtenant to and for the exclusive use of the apartment shall require approval only by the Board of Directors of the Association of Apartment Owners and such percentage, number, or group of apartment owners as may be required by the Declaration or By-Laws. "Nonmaterial structural additions to the common elements," as used in this section, means a structural addition to the common elements 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 nonconsenting owner of the use or enjoyment of any part of property, or directly affect any nonconsenting owner. For purposes of this section, "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; provided that if the equipment sold cannot be used as a solar device without its incorporation with other equipment, it must be installed in a place and ready to be made operational in order to qualify as a "solar energy device."

End of EXHIBIT "H"

Lorraine R. Inouye
Mayor
Norman K. Hayashi
Director
Tad Nagasako
Deputy Director

Planning Department

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720 • (808) 961-8288

December 13, 1991

Mr. Calvin Kimura
Real Estate Commission
Dept. of Commerce & Consumer Affairs
828 Fort Street Mall, Suite 600
Honolulu, Hawaii 96813

Dear Mr. Kimura:

Condominium Public Report
Coast View Villas
Tax Map Key: 7-3-22:67

We have reviewed the subject report and accompanying documents and have the following comments to offer:

1. In Exhibit "B" any reference to "Lot A and B" including reference to the condominium map should be omitted. Property consists of only one (1) lot.

2. The dotted line between Units A & B should be omitted on the condominium map as it gives the appearance of the lot being subdivided and approved as a separate entity.

Should you have any further questions, please feel free to contact Masa Onuma of this office.

Sincerely,

NORMAN K. HAYASHI
Planning Director

MO:eti
3982D-2
cc: Robert L. Smith
West Hawaii Office

EXHIBIT "I"