



**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**

THE ARBORS, INCREMENT E

91-999 (Bldg. 31), 91-988 (Bldg. 34), 91-983 (Bldg. 35), 91-979 (Bldg. 36) and 91-970 (Bldg. 37)

La'aulu Street

EWA BEACH, HAWAII

Registration No. 2559

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 February 21, 1992, 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.

[xx] Changes made are as follows: Since the Final Report was issued, the entire Arbors project (with the exception of Lot 6212 (Increment J)) has been resubdivided by Land Court Order No. 105143 filed December 19, 1991. As a result the land area cited in III B of page 10 has been revised to reflect the correct land area. The encumbrances cited on Exhibit "C" have also been changed to designate new easement numbers. Section IV, Items 5 and 6 on page 18a have also been updated to reflect the new Lot No. and Map No.

The Preliminary Public Report had incorrectly reflected certain garage square footages which erroneously included entry way and stairway floor areas. The entry way and stairway square footages should have been allocated to the net interior floor areas. This Report corrects those errors (see page 5, Item 5 and page 11, Item 6). Exhibit "A" has also been revised to reflect the correct net interior square footages and the resulting changes to each apartment's percentage common interest. The maintenance fee allocations noted in Exhibit "D" were also revised due to the changes in square footages.

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*
*           SPECIAL ATTENTION:
*
*   The developer has disclosed that the project
*   is one of a number of increments of The
*   Arbors project which will be ultimately
*   merged administratively. (See page 17)
*
*   The prospective purchaser is cautioned to
*   carefully review the documents for further
*   information with regard to the foregoing.
*
*   Also note Additional Information on pages
*   18, 18a and 18b.
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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:**

- 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

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lana: Pano (sf):
1A	5	2/2	1,009	(See Note Below)
2	5	2/2	1,098	. . . .
3	5	2/2	1,010	. . . .
4	5	3/3	1,526	. . . .
4A	5	3/3	1,526	. . . .
5	5	2/2	1,060	. . . .

Total Apartments: 37

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

NOTE: Courtyard and lanai configurations and sizes may vary due to jobsite conditions.

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)	70 (35 two-stall parking garages)
Guest Stalls	30
Unassigned Stalls	--
Extra Stalls Available for Purchase	--
Other: _____	--
<b>Total Parking Stalls</b>	<u>100</u>

7. **Recreational amenities:** There are no recreational amenities within The Arbors, Increment E project itself; however, the Declaration discloses that the Developer has developed a Recreation Area on a separate site in the vicinity of this Project and intends to convey it in fee simple title to the respective Associations of Apartment Owners for The Arbors project after the administrative merger of all of the increments in that project. The administrative merger is more fully disclosed in paragraph K herein and in paragraph 19 of the Declaration.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: GENTRY HOMES, LTD. Phone: (808) 671-6411  
Name (Business)  
94-539 Puahi Street  
Business Address  
Waipahu, Hawaii 96797

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

GENTRY HOMES, LTD.  
JOSEPH J. RAMIA -- President  
NORMAN H. GENTRY and JEFFREY K. BROWN -- Vice Presidents  
HARVEY JAY MIGDAL -- Secretary, Assistant Vice President  
LINDA F. K. NAKATA -- Treasurer

Real Estate Broker: GENTRY REALTY, LTD. Phone: (808) 671-6411  
Name (Business)  
94-539 Puahi Street  
Business Address  
Waipahu, Hawaii 96797

Escrow: SECURITY TITLE CORPORATION Phone: (808) 521-9511  
Name (Business)  
1001 Bishop Street, 1200 Pacific Tower  
Business Address  
Honolulu, Hawaii 96813

General Contractor: DEVELOPER IS OWNER-BUILDER Phone: \_\_\_\_\_  
Name (Business)  
Business Address

Condominium Managing Agent: CHANEY, BROOKS & COMPANY Phone: (808) 544-1600  
Name (Business)  
606 Coral Street  
Business Address  
Honolulu, Hawaii 96813

Attorney for Developer: DAWN SUYENAGA /MELINDA CHING Phone: (808) 599-8200  
Name (Business)  
560 North Nimitz Highway, #212  
Business Address  
Honolulu, Hawaii 96817

**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. \_\_\_\_\_  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document No. 1888863

Amendment date(s) and recording/filing information:

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

- Proposed  
 Recorded - Bureau of Conveyance Condo Map No. \_\_\_\_\_  
 Filed - Land Court Condo Map No. 894

Amendment date(s) and recording/filing information:

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed  
 Recorded - Bureau of Conveyances - Document No. \_\_\_\_\_  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document No. 1888864

Amendment date(s) and recording/filing information:

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

D. House Rules. The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:

Proposed                       Adopted                       Developer does not plan to adopt house rules.

E. Changes to Condominium Documents

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. Apartment Owners: Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>51%</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 to make any changes to said documents, and any other documents affecting this Project, as may be required by law, any title insurance company, or as Developer decides is necessary, all without the consent or approval of the Purchaser, provided that the changes do not substantially impair the prospective use and enjoyment of the apartment; materially alter the arrangement of the rooms or reduce the useable space within the apartment; render unenforceable the Purchaser's mortgage loan commitment; increase Purchaser's share of common expenses or reduce the obligations of the Seller for common expenses on unsold apartments. Developer also reserves the right to file the as-built verified statement required by Section 514A-12, Hawaii Revised Statutes, as amended, and also to make any changes to the documents necessary in connection with the merger of this Project as set forth in paragraph K, page 17 of this report.





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>35</u>	<u>Yes</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:

Dogs, cats and other household pets limited to two in number and subject to compliance with

Pets: provisions of House Rules.

Number of Occupants: \_\_\_\_\_

Apartment cannot be used for transient or hotel use. The apartment cannot be sold, rented or used for "time share", "time interval", "vacation license" or "travel club membership."

Other: \_\_\_\_\_

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Exterior stairways to Type 1A only.

All other 2nd floor units have

Elevators NONE

Stairways interior stairways. Trash Chutes NONE

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>1A</u>	<u>5</u>	<u>4/4</u>	<u>1,009</u>	<u>↔(See Note Below)</u>
<u>2</u>	<u>5</u>	<u>2/2</u>	<u>1,098</u>	<u>• • • •</u>
<u>3</u>	<u>5</u>	<u>2/2</u>	<u>1,010</u>	<u>• • • •</u>
<u>4</u>	<u>5</u>	<u>3/3</u>	<u>1,526</u>	<u>• • • •</u>
<u>4A</u>	<u>5</u>	<u>3/3</u>	<u>1,526</u>	<u>• • • •</u>
<u>5</u>	<u>5</u>	<u>2/2</u>	<u>1,060</u>	<u>" " " "</u>

Total Apartments: 35

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

↔NOTE: Courtyard and lanai configurations and sizes may vary due to jobsite conditions.

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:** Each apartment includes the walls and partitions which are not load bearing within its perimeter or party walls; glass windows or panels; doors (except for exterior surface of any door located on perimeter and any fixtures and appliances originally installed. The apartment does NOT include undecorated or unfinished surfaces of perimeter or party walls or interior load-bearing walls, floors and ceilings; any pipes, wires or other utility lines running through the apartment and utilized for more than one apartment. The apartment also does not include the adjacent lanai or courtyard which are considered limited common elements.

**Permitted Alterations to Apartments:** Additions, alterations or improvements solely within an apartment or within a limited common element appurtenant to and for the exclusive use of the apartment may be made by the apartment owner with only the approval of the Board of Directors of the Association of Apartment Owners and any other apartment owner directly affected.

**7. Parking Stalls:**

Total Parking Stalls: 100

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	35	two-stall					70
Guest		30					30
Unassigned							
Extra Available for Purchase							
Other:							
Total							100
Covered & Open	100						100

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

Commercial parking garage permitted in condominium project.

Exhibit A contains additional information on parking stalls for this condominium project.

**8. Recreational and Other Common Facilities:**

There are no recreational or common facilities in the Project (See paragraph 7 on page 5)

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     B     describes the common elements.

As follows:

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

There are no limited common elements in this project.

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

described in Exhibit                     

as follows:

- (a) The mailbox bearing the same designation as the apartment;
- (b) The fenced courtyard area adjoining the apartment (for apartments on the ground floor);
- (c) The lanai area adjacent to second story apartments; and
- (d) Two-stall parking garage for each apartment upon the original conveyance thereof which is appurtenant to and for the exclusive use of such apartment.

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     A     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 C describes the encumbrances against the title contained in the title report dated February 13, 1972 and issued by Security Title Corporation

**Blanket Liens:**

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

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

[ 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>
Mortgage	Lender has priority over Purchaser's rights under a Sales contract, and has a right to terminate sales contracts upon foreclosure of its mortgage before apartment sale is closed. Should the lender terminate Purchaser's Sales Contract, Purchaser shall be entitled to a refund of all deposits less a nominal cancellation fee.

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:

[ x ] not affiliated with the Developer.

[ ] the Developer or the Developer's affiliate.

[ ] self-managed by the Association of Apartment Owners.

[ ] other \_\_\_\_\_

**G. Estimate of Initial Maintenance Fees:**

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

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

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

Exhibit D is only an estimate.

**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 Developer warrants against defects in the apartment due to faulty material or workmanship which are discovered and brought to the attention of Developer within one year from the date of conveyance of title to the apartment owner or the date of occupancy, whichever occurs first. In addition, the Developer warrants the common elements against all defects for a period of two years from the date of completion of the common elements or two years from the date the first apartment in the Project is conveyed to a purchaser other than the Developer, whichever is later. For purposes of this warranty, the Developer agrees to repair, renovate, restore or replace any defective material or workmanship within the respective warranty periods. ROUTINE MAINTENANCE WORK IS NOT COVERED BY ANY WARRANTY.
  
2. **Appliances:** Warranties on appliances furnished with an apartment are not provided by the Developer. The execution and delivery of the apartment deed will operate as an assignment from the Developer to the purchaser of the respective manufacturers or dealers' warranties, if any.

J. Status of Construction and Estimated Completion Date:

Construction on the Project is expected to be completed in April 1992.

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:

The project is the fourth increment of The Arbors project which is ultimately planned to consist of 289 apartments to be developed in ten separate increments. Each increment will be a separate condominium project. The Developer intends to merge the ten increments for purposes of administration and use so that the management, control, administration and use of the ten condominium projects will be unified under one Association of Apartment Owners. The merger will only affect the administration and use of the increments and will affect each owners' proportionate share of common expenses. It will not affect the ownership of the apartments nor their appurtenant common interests in their respective increments.

The apartments in each increment will be substantially similar in design and construction, except for Increment F, which will consist of four buildings of a slightly different design. None of the increments shall contain particular facilities or amenities which could substantially increase the upkeep or maintenance of the entire project.

L. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

Notice to Owner Occupants

Specimen Sales Contract

Exhibit       E       contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated       June 5, 1991      

Exhibit       F       contains a summary of the pertinent provisions of the escrow contract.

Other \_\_\_\_\_

#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

1. Construction of The Arbors will be going on for several months after the first units are sold, and construction of the units located on the makai portion of The Arbors may not begin for several months after that. This ongoing construction will create dust, noise and increased traffic in the vicinity of your unit. Also, certain hazardous conditions relating to the construction may exist for a period of time.

2. The Developer has reserved the right to the respective Associations of Apartment Owners of The Arbors to purchase an apartment in one of the increments of The Arbors which the Association may use as lodging for a resident manager. The Developer will select an apartment unit and offer the unit for purchase by the respective Associations of The Arbors.

3. The Developer has no control over certain activities on adjacent property owned by others ("Activities on Adjacent Land"). For example:

a. The Project is located in the vicinity of several military installations, including Barber's Point Naval Air Station and the West Loch Branch of the Lualualei Naval Magazine ("West Loch"). In the event of military action, these military installations are sensitive areas. The Navy has denoted an area east of the Project as an Explosive Safety Hazard Zone in connection with munitions which may be loaded onto ships at West Loch. This area is depicted on a map which is available for inspection in the sales office of the Developer. The Navy has represented that the boundary of said area represents the probable limit of any impact on the adjacent community.

b. The Project is located in the vicinity of a commercial airport (Honolulu International Airport) and a military air base (Barber's Point Naval Air Station) and there is a likelihood of noise from planes passing overhead or nearby.

c. The Project is near or adjacent to land that is used for the cultivation and harvesting of sugar cane and other agricultural products. The Hawaii Right-to-Farm Act (H.R.S. Ch. 165) and Hawaii law limit the types of farm activities that may be deemed a nuisance.

d. The Project is located near the Honouliuli Sewage Treatment Plant, which will be expanded in the future to accommodate increased usage.

These Activities on Adjacent Land may cause some unpleasant odors, surface water runoff, noise, dust, smoke, and other unpleasant effects that may bother or be a nuisance to Buyer and other occupants and invitees of the Project. In the Apartment Deed, each buyer, for himself, his heirs, personal and legal representatives and assigns, will release, indemnify and hold harmless the Seller and any of its related entities, the Trustees of the Estate of James Campbell, Deceased, and Oahu Sugar Company, Limited and their

respective officers, directors, employees, agents, successors, and successors-in-trust and assigns from and against any and all liability, claims or expenses relating to any claim made by the Buyer or any person using or occupying the Property covered by this Sales Agreement, arising directly or indirectly from the Activities on Adjacent Land; provided, however, that the person or entity whose actions or omissions are the direct cause of any damage to the Buyer shall be responsible for the consequences or results of its own gross negligence, willful misconduct or violation of applicable law.

4. The Arbors projects are bordered on the mauka and Diamond Head sides by two major roadways (Kolowaka Drive and Ft. Weaver Road) and on the Ewa and mauka sides by another condominium project called Palm Villas II. There are presently no plans to construct border fences or walls along these boundaries, but these plans are subject to change.

5. The Arbors project consists of eleven (11) lots. Each of the ten increments of The Arbors project (Increments A through J) will be constructed on one of the lots. The Recreation Center is constructed on the remaining lot adjacent to Increment B. The lot on which the Increment E project (this project) is situated consists of 2.382 acres. The entire Arbors project, including the Recreation Center, will occupy approximately 19.804 acres.

6. The Recreation Center has been developed on Lot 7214, Map 582, adjacent to this Project. The Recreation Center improvements will consist of a swimming pool, cabana, barbecue grills, meeting room and shower facilities. The Recreation Center will be available for use by all of the apartment owners of the overall Arbors Project. The maintenance fees for this Project do not yet include the costs of operating the Recreation Center.

7. The Developer is currently planning to construct a portion of a golf course along the makai border of the project property and is in the process of obtaining the necessary governmental approvals for the golf course construction. However, the Developer may revise its plans and makes no assurances or representations that a golf course will be built. Should the Developer choose not to pursue the development of the golf course for any reason in its sole discretion, portions of the property presently shown as a golf course may be developed and other portions may remain vacant, open space.

If a golf course is developed, owners in The Arbors will not be accorded any ownership interest in or right to use the golf course or its related facilities by virtue of their ownership in The Arbors or by reason of their membership in the Ewa by Gentry Community Association.

8. Developer has reserved the right to withdraw land from the Project without being required to obtain the consent or joinder of any owner of any other person who may have an interest in the Project (see paragraph 20 of the Declaration) in order to implement correct increment boundaries for The Arbors projects. This will not affect any owners' use and enjoyment of the property, nor will it affect each owners' ownership interest. The withdrawal will be done by legal consolidation and subdivision.

9. The sizes and configurations of the lanais and courtyards reflected on the Condominium Map are approximations only. Actual sizes and configurations may vary due to the placement and location of utilities and due to varying terrain surrounding each building.

**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 Ewa By Gentry Community Area Declaration of Covenants, Conditions and Restrictions

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. 2559 filed with the Real Estate Commission on December 9, 1991.

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

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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.



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PETER 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"

DESCRIPTION OF APARTMENT TYPES AND DESIGNATIONS:

TYPE 1 - (Two bedroom, two bath)

(Interior net living area: approximately 1,009 square feet; garage: approximately 485 square feet.) All Type 1 apartments are on the ground floor and contain two (2) bedrooms, two (2) baths, a separate kitchen and living/dining room. Each apartment also has a fenced courtyard and a two (2) car enclosed garage as limited common elements. All Type 1 apartments have been modified to be accessible and adaptable according to federal regulations.

TYPE 1A - (Two bedroom, two bath)

(Interior net living area: approximately 1,009 square feet; garage: approximately 408 square feet.) All Type 1A apartments are on the second floor and contain two (2) bedrooms, two (2) baths, a separate kitchen and a living/dining room. Each apartment also has a lanai and a two (2) car enclosed garage as limited common elements. Each apartment has exterior stairway access to the ground floor.

TYPE 2 - (Two bedroom, two bath)

(Interior net living area: approximately 1,098 square feet; garage: approximately 526 square feet.) Type 2 apartments are on the second floor and each contain two (2) bedrooms, two (2) baths, a separate kitchen and a living/dining room. Each apartment also has a lanai, a courtyard and a two (2) car enclosed garage as limited common elements. Each apartment has direct ground floor access and an interior stairway to the second floor.

TYPE 3 - (Two bedroom, two bath)

(Interior net living area: approximately 1010 square feet; garage: approximately 461 square feet.) All Type 3 apartments are on the second floor and contain two (2) bedrooms, two (2) baths, a separate kitchen and a living/dining room. Each apartment also has a lanai and a two (2) car enclosed garage as limited common elements. Each apartment has direct ground floor access and an interior stairway to the second floor.

TYPE 4 - (Three bedroom, three bath)

(Interior net living area: approximately 1,526 square feet; garage: approximately 462 square feet.) All Type 4 apartments are two (2) floors, with two (2) bedrooms and two (2) baths on the second floor and one bedroom, one bath, a separate kitchen and a living/dining room on the ground floor. Each apartment also has a courtyard and a two (2) car enclosed garage as limited common elements.

TYPE 4A - (Three bedroom, three bath)

(Interior net living area: approximately 1,526 square feet; garage: approximately 453 square feet.) All Type 4 apartments are two (2) floors, with two (2) bedrooms and two (2) baths on the second floor and one bedroom, one bath, a separate kitchen and a living/dining room on the ground floor. Each apartment also has a courtyard and a two (2) car enclosed garage as limited common elements.

TYPE 5 - (Two bedroom, two bath)

(Interior net living area: approximately 1060 square feet; garage: approximately 460 square feet.) All Type 5 apartments are on the second floor and contain two (2) bedrooms, two (2) baths, a separate kitchen and a living/dining room. Each apartment also has a lanai and a two (2) car enclosed garage as limited common elements. Each apartment has direct ground floor access and an interior stairway to the second floor.

NOTE: The sizes and configurations of the lanais and courtyards reflected on the Condominium Map are approximations only. Actual sizes and configurations may vary due to the placement and location of utilities and due to varying terrain surrounding each building.

THE ARBORS, INCREMENT E  
UNDIVIDED PERCENTAGE INTEREST IN COMMON ELEMENTS

<u>Apt. Type</u>	<u>Apt. Nos.</u>	<u>Approx. Sq. Ft. (interior &amp; garage)</u>	<u>Percentage Common Interest</u>		<u>No. of Apts.</u>	<u>Total % Common Interest</u>
1	31A/34A/35A/ 36A/37A	1,494	2.60%	x	5	13.00
1A	31B/34B/35B/ 36B/37B	1,417	2.47%	x	5	12.35
2	31C/34C/35C/ 36C/37C	1,624	2.83%	x	5	14.15
3	31D/34D/35D/ 36D/37D	1,471	2.56	x	5	12.80
4	31E/34E/35E/ 36E/37E	1,988	3.46%	x	5	17.30
4A	31F/34F/35F/ 36F/37F	1,979	3.44%	x	5	17.20
5	31G/34G/35G/ 36G/37G	1,520	2.64%	x	<u>5</u>	<u>13.20</u>
					35	100.00%

As nearly as practicable, the percentage of common interest for each residential apartment is determined by calculating what percentage of the total interior net floor area plus garage floor area of all of the residential apartments is represented by the net floor area of the particular apartment and multiplying the percentage thus obtained by one hundred percent (100%).

EXHIBIT "B"

Common Elements

1. The land described in Exhibit "A" of the Declaration;
2. All structural components, such as foundations, girders, beams, supports, unfinished perimeter walls and loadbearing walls (except for the inner decorated surfaces within each apartment) and the roofs of the buildings; the attic crawlspace, all exterior stairways, walkways, landings, railings and the fences enclosing the fenced courtyard areas of said buildings;
3. All yards, gardens, planting areas, fences, and trash collection areas;
4. The carports, parking areas, including uncovered visitor parking stalls, driveways and access lanes;
5. 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 Project which serve more than one apartment for services such as power, light, gas, hot water, cold water, sewage, telephone, radio and television signal distribution, if any;
6. Any apparatus and installations existing for common use, such as tanks, pumps, motors, fans, compressors, ducts, vents and other such installations and apparatus; and
7. All other parts of the Project necessary or convenient to its existence, maintenance and safety or normally in common use.

END OF EXHIBIT "B"

EXHIBIT "C"  
Encumbrances Against Title

1. Real property taxes as may be due and owing.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. The terms and provisions of that certain Unilateral Agreement and Declaration for Conditional Zoning dated September 4, 1984, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1256439.
4. Rights, easements, privileges, reservations, terms, conditions and provisions as contained in that certain Deed dated January 15, 1985, filed in said Office of the Assistant Registrar as Document No. 1277742. *(Developer intends to record a document to release this encumbrance prior to conveyance of apartment to purchaser.)*
5. Restrictions, covenants and conditions as contained in that certain Ewa by Gentry Community Area Declaration of Covenants, Conditions and Restriction dated July 21, 1988, filed in said Office of the Assistant Registrar as Document No. 1568352, as amended by instrument dated May 30, 1989, recorded in the Office of said Assistant Registrar as Document No. 1652869. *(Developer intends to record a document to annex the entire Arbors project into the Ewa by Gentry Community Area.)*
6. Rights, easements, privileges and reservations thereof and certain terms, conditions and provisions, as set forth in the Limited Warranty Deed dated January 4, 1989, filed in said Office of the Assistant Registrar as Document No. 1605407. *(Developer intends to record a document to release this encumbrance prior to conveyance of apartment to purchaser.)*
7. That certain Additional Security Real Property Mortgage, Security Agreement and Financing Statement dated June 27, 1991, and filed in said Office of the Assistant Registrar as Document No. 1831869. *(Developer intends to record a document to release this encumbrance prior to conveyance of apartment to purchaser.)*
8. That certain Financing Statement made by Gentry Homes, Ltd. in favor of First Hawaiian Bank and filed on June 28, 1991 as Document No. 91-088286. *(Developer intends to record a document to release this encumbrance prior to conveyance of apartment to purchaser.)*

9. Conditional Use Permit-Joint Development and Agreement for Issuance of Conditional Use Permit Under Section 4.40-21 of Land Use Ordinance (LUO) dated August 1, 1990, filed in said Office of the Assistant Registrar as Document No. 1774065.
10. The terms and provisions of that certain Unilateral Agreement and Declaration for Conditional Zoning dated March 11, 1991, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 91-031327.
11. Easement 3166, containing an area of 7,087 square feet, for access and utility purposes, as shown on Map 582, as set forth by Land Court Order No. 105143, filed on December 19, 1991.
12. Easement 3167, containing an area of 9,624 square feet, for access and utility purposes, as shown on Map 582, as set forth by Land Court Order No. 105143, filed on December 19, 1991.
13. The covenants, agreements, obligations, conditions, easements and other provisions as contained in the Declaration of Condominium Property Regime of The Arbors, Increment E dated February 11, 1992, filed in said Office of the Assistant Registrar as Document No. 1888863 and Condominium Map No. 894, to which reference is hereby made.
14. By-Laws of the Association of Apartment Owners of The Arbors, Increment E dated February 11, 1992, filed in said Office of the Assistant Registrar as Document No. 1888864.

END OF EXHIBIT "C"

EXHIBIT "C" - Page 2 of 2

EXHIBIT "D" -- Page 1 of 2  
THE ARBORS, INCREMENT E

ESTIMATE OF INITIAL MAINTENANCE FEES  
(Prior to Merger)

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<u>APARTMENT MODEL</u>	<u>MONTHLY FEE x 12 MONTHS</u>	<u>YEARLY TOTAL</u>
1 (5 units)	\$134.06	\$ 1,608.72
1A (5 units)	127.35	1,528.20
2 (5 units)	145.91	1,750.92
3 (5 units)	131.99	1,583.88
4 (5 units)	178.40	2,140.80
4A (5 units)	177.37	2,128.44
5 (5 units)	136.12	1,633.44

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The Developer has reserved the right to merge all of the increments of The Arbors as set forth in the Declaration. Although the Developer does not know at this time when all of the increments of The Arbors can be merged it anticipates being able to merge all of the increments by December, 1992. Once all increments have been merged, the maintenance fees will be recalculated based upon the projects expenses for the merged increments. No budget or estimate of maintenance fees for The Arbors project after merger of all increments is available at this time.

It is anticipated that a resident manager for the Project will be hired when approximately 200 units are occupied. The Developer anticipates this will occur in the summer of 1992. The expenses related to the Resident Manager are not included in the budget for this project. Until The Arbors Association of Apartment Owners makes a decision regarding the purchase of an apartment for the Resident Manager an apartment may be rented for the Resident Manager from the Developer.

The expenses relating to the Recreation Area are not yet included in the above maintenance fees.

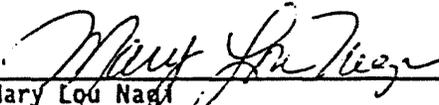
The foregoing maintenance fees do not include the dues payable to the Ewa by Gentry Community Association. At the present time, those dues are \$30 per quarter.

**THE ARBORS, INCREMENT E  
(35 UNITS)**

**ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS:**

	<u>Monthly</u> x 12 months = <u>Yearly</u> Total	
<b>Utilities and Services</b>		
Electricity (Common Elements Only)	55	\$ 660
Refuse Collection	545	6,540
Water/Sewer	1,180	14,160
<b>Maintenance, Repairs &amp; Supplies</b>		
Buildings	500	6,000
Grounds	750	9,000
Non-Potable Well	55	660
<b>Management</b>		
Management Fee	536	6,432
Payroll and Payroll taxes	N/A	-0-
<b>Office Expenses</b>	45	540
<b>Insurance</b>	700	8,400
<b>Reserves</b>	475	5,700
<b>Audit and Tax Preparation</b>	170	2,040
<b>Taxes and Government Assessments</b>	20	240
<b>Other</b>	125	1,500
	<hr/>	<hr/>
<b>TOTAL</b>	<b>\$5,156</b>	<b>\$61,872</b>

We, Chaney, Brooks & Company, as managing agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and the monthly cash operating costs were prepared in accordance with generally accepted accounting principals. The information contained herein is based on the data available to us at this time.

  
 \_\_\_\_\_  
 Mary Lou Nagel  
 Vice President

\_\_\_\_\_  
 Date 3 July 91

EXHIBIT "E"

Summary of Sales Contract

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

1. That the buyer of the apartment must live in the apartment for at least 12 months.
2. What the obligations are of the buyer if the buyer wants a mortgage loan to cover part of the purchase price.
3. That a buyer's money will be held in escrow, under the terms of the Escrow Agreement.
4. That a buyer will not receive interest on deposits made under the Sales Contract.
5. That the apartment will be subject to various other legal documents which the buyer should examine.
6. That the Project will be subject to ongoing construction and sales activities which may result in certain annoyances to buyer.
7. That the Seller has no control over certain activities on adjacent property owned by others including agriculture, military, utility and aviation; that these activities may cause some inconveniences to the buyers; and that the buyer will indemnify the Developer and the owners of the properties involved except in cases of negligence or willful misconduct.
8. That under certain circumstances where the apartment is ready for occupancy and the buyer has not completed his financing arrangements for the purchase of the apartment, buyer will be responsible for all of the Seller's expenses as a result of buyer's delay.
9. That the Developer has reserved the right to administratively merge the increments of The Arbors.

END OF EXHIBIT "E"

EXHIBIT "F"

Summary Of Escrow Agreement

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

1. Escrow will let buyers know when payments are due.
2. The Escrow Agreement says that interest on buyer's deposits will accrue in favor of the Developer and not the buyer unless the Sales Contract specifically provides that interest be credited to the buyer.
3. Escrow will arrange for buyers to sign all necessary documents.
4. The Escrow Agreement says under what conditions a refund will be made to a buyer.
5. The Escrow Agreement says what will happen to a buyer's funds upon a default under the Sales Contract.
6. The Escrow Agreement contains various other provisions and establishes certain charges with which the buyer should become acquainted.

END OF EXHIBIT "F"