



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

KANOE PALMS

2058 Kanoe Street
 Kihei, Maui, Hawaii

Registration No. 2618

Issued: May 19, 1992
 Expires: June 19, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of May 1, 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: The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
(yellow)

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

No prior reports have been issued
 Supersedes all prior public reports
 Must be read together with _____

SUPPLEMENTARY: Updates information contained in the
(pink)

Prelim. Public Report dated _____
 Final Public Report dated _____
 Supp. Public Report dated _____

And Supersedes all prior public reports
 Must be read together with _____

This report reactivates the _____
 public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued by the Commission.

Changes made are as follows:

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GENERAL INFORMATION ON CONDOMINIUMS

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

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
- Residential Commercial Ohana
 Mixed Residential and Commercial Agricultural
 Other _____
- 3. High Rise (5 stories or more) Low Rise
- 4. Single or Multiple Buildings
- 5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
Apartment 1-B	1	2/1	715	40
Apartment 1-C	1	2/1	715	40
Apartment 2-B	1	2/1	715	--
Apartment 2-C	1	2/1	715	--
Apartment 1-A	1	2/1	700	40
Apartment 2-A	1	2/1	700	--
Apartment 2-D	1	1/1	472	--
Total Apartments: _____	7			

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

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

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	14 (2 per Apartment)
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
Total Parking Stalls	<u>14</u>

7. Recreational amenities:

None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Pacific Rim Land, Inc. Phone: 879-5263
Name (Business)
381 Hukulii Place, Suite 202
Business Address
Kihei, Maui, Hawaii 96753

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

J. Stephen Goodfellow - President
Daniel R. Goodfellow - Vice President
Marjory W. Zimmerman - Secretary/Treasurer

Real Estate Broker: John Kean Phone: 879-3779
Name (Business)
P.O. Box 1449
Business Address
Kihei, Maui, Hawaii 96753

Escrow: Standard Title and Escrow Phone: 879-1585
Name (Business)
1993 S. Kihei Road
Business Address
Kihei, Maui, Hawaii 96753

General Contractor: Napali Construction, Inc. Phone: 669-0050
Name (Business)
5027 L. Honoapiilani Road
Business Address
Lahaina, Maui, Hawaii 96761

Condominium Managing Agent: Pacific Rim Land, Inc., Developer Phone: 879-5263
Name (Business)
381 Hukulii Place, Suite 202
Business Address
Kihei, Maui, Hawaii 96753

Attorney for Developer: Jeffrey S. Grad Phone: 521-4757
Name (Business)
841 Bishop Street, Suite 2001
Business Address
Honolulu, Hawaii 96813

**II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS**

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

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

The Declaration for this condominium is:

- Proposed
 Recorded - Bureau of Conveyances - Document No. 92-38286
Book _____ Page _____
 Filed - Land Court - Document No. _____

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. 1623
 Filed - Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

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

The Bylaws for this condominium are:

- Proposed
 Recorded - Bureau of Conveyances - Document No. 92-38287
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 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>Majority Board of Directors</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

See attached Exhibit "A"

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>7</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:

Pets: _____

Number of Occupants: _____

Other: _____

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators -0- Stairways 2 Trash Chutes -0-

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
Apartment <u>1-B</u>	<u>1</u>	<u>2/1</u>	<u>715</u>	<u>40</u>
Apartment <u>1-C</u>	<u>1</u>	<u>2/1</u>	<u>715</u>	<u>40</u>
Apartment <u>2-B</u>	<u>1</u>	<u>2/1</u>	<u>715</u>	<u>--</u>
Apartment <u>2-C</u>	<u>1</u>	<u>2/1</u>	<u>715</u>	<u>--</u>
Apartment <u>1-A</u>	<u>1</u>	<u>2/1</u>	<u>700</u>	<u>40</u>
Apartment <u>2-A</u>	<u>1</u>	<u>2/1</u>	<u>700</u>	<u>--</u>
Apartment <u>2-D</u>	<u>1</u>	<u>1/1</u>	<u>472</u>	<u>--</u>

Total Apartments: 7

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

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

Boundaries of Each Apartment:

See attached Exhibit "B"

Permitted Alterations to Apartments:

See attached Exhibit "C"

7. Parking Stalls:

Total Parking Stalls: 14

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	<u>3</u>	<u>8</u>		<u>3</u>			<u>14</u>
Guest							
Unassigned							
Extra Available for Purchase							
Other:							
Total Covered & Open	<u>14</u>						

Each apartment will have the exclusive use of at least two (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:

- There are no recreational or common facilities.
- Swimming pool
- Recreation Area
- Tennis Court
- Other: _____
- Storage Area
- Laundry Area
- Trash Chute

9. Present Condition of Improvements
 (For conversions of residential apartments in existence for at least five years):

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

N/A

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

N/A

10. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	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.

Exhibit D describes the common elements.

As follows:

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

There are no limited common elements in this project.

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

described in Exhibit E

as follows:

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

Exhibit describes the common interests for each apartment.

As follows:

Apartment 1-A	-	.1477+	percentage
Apartment 1-B	-	.1513+	percentage
Apartment 1-C	-	.1513+	percentage
Apartment 2-A	-	.1477+	percentage
Apartment 2-B	-	.1513+	percentage
Apartment 2-C	-	.1513+	percentage
Apartment 2-D	-	.0994+	percentage

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

Exhibit F describes the encumbrances against the title contained in the title report dated March 24, 1992 and issued by First Hawaii Title Corporation.

Blanket Liens:

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

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
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F. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

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

The initial managing agent for this condominium is:

not affiliated with the Developer.

the Developer or the Developer's affiliate.

self-managed by the Association of Apartment Owners.

other _____

G. Estimate of Initial Maintenance Fees:

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

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

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

See attached Disclosure Abstract (Exhibit I)

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 (common areas only)

Television Cable

Gas

Water & Sewer

Other refuse collection

See attached Disclosure Abstract (Exhibit I)

I. Construction Warranties:

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

Building and Other Improvements:

The Seller is giving a one year warranty with respect to the construction materials or workmanship of the Project.

2. Appliances:

Purchaser shall have the direct benefit of any manufacturer's or dealer's warranties covering the furnishings and appliances in the Apartments.

J. Status of Construction and Estimated Completion Date:

The Project will 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:

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

Escrow Agreement dated January 31, 1992

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

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

The Project is subject to the encumbrances described in Exhibit "F", including the Agreement Deferring Placement of Drainage Improvements ("Agreement") which was signed by the County of Maui and American Landmark Development, Inc.. A copy of that Agreement and other encumbrances were submitted with the filing submitted by the Developer to the Real Estate Commission ("Commission") and prospective purchasers may review the Agreement and other encumbrances. The Agreement describes responsibilities of American Landmark Development, Inc., and its successors' assigns resulting from the deferral of drainage improvements for the project on Kanoe Street.

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 Agreement Deferring Placement of Drainage Improvements

If these documents are not in final form, the buyer should ask to see the most recent draft.

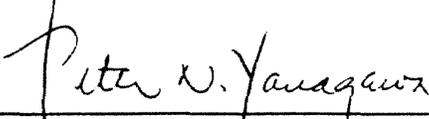
Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) 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. 2618 filed with the Real Estate Commission on April 1, 1992.

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

yellow paper stock white paper stock pink paper stock

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



PETER YANAGAWA, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Bureau of Conveyances
Department of Finance, County of Maui
Planning Department, County of Maui
Federal Housing Administration

EXHIBIT "A"

DEVELOPER'S RESERVED RIGHTS

The Developer (Grantor) has reserved the following rights to change the Declaration, Condominium Map, By-Laws or House Rules:

Paragraph 18.0 of the Declaration states:

"Except as otherwise provided herein or in said Condominium Property Act, this Declaration and By-Laws may be amended at a duly constituted meeting of the Association of Apartment Owners by affirmative vote of seventy-five percent (75%) of all apartment owners, and shall be effective only upon the recording of an instrument setting forth such amendment and both duly executed by such owner, by the proper officers of the Association, or by the Grantor prior to the Association being formed; provided that the By-Laws shall always set forth the requirements of Section 514A-82, Hawaii Revised Statutes, as the same now exist or may be amended from time to time.

Notwithstanding the foregoing, and notwithstanding the conveyance of an Apartment Deed by the Grantor, the Grantor may amend this Declaration to file the "as built" verified statement (with plans, if applicable) required by Section 514-12, Hawaii Revised Statutes, (1) so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans heretofore filed fully and accurately depict the layout, location, apartment numbers and dimensions of the apartments as built, or (2) so long as any plans filed therewith involve only immaterial changes for improvements as to the layout, location, apartment numbers or dimensions of the apartments "as built"."

EXHIBIT "B"

BOUNDARIES OF EACH APARTMENT

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

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

EXHIBIT "C"

PERMITTED ALTERATIONS TO APARTMENTS: Paragraph 16 of the Declaration states:

"Restoration or replacement of the project or any part thereof, or construction of any additional building or structural alterations or additions to any structure, different in any material respect from the said Condominium Map, shall be undertaken by the Association or any apartment owner only pursuant to an amendment of this Declaration, duly executed by or pursuant to the vote of not less than seventy-five percent (75%) of the apartment owners and accompanied by the written consent of the holders of all liens affected thereby, and in accordance with complete plans and specifications therefor first approved in writing by the Board; and promptly upon completion of such restoration, replacement or construction, the Association shall duly record or file of record in said Bureau of Conveyances such amendment, together with a complete set of floor plans of the project as so altered, certified "as built" by a registered architect or professional engineer. Additions to or alterations of any apartment made within such apartment shall require only the written approval thereof by the mortgagees of record affecting such apartment (if such mortgagee require such approval), the Board, and all other apartment owners thereby directly affected (as determined by the Board), and such alterations or additions may be undertaken by filing an amendment to this Declaration, and by filing an amendment to the Condominium Map showing the alterations made to the apartment; provided, however, that such amendment may be recorded and filed without the consent of seventy-five percent (75%) of the apartment owners as otherwise provided in this paragraph; and provided, further, that no work shall be done which would jeopardize the soundness of safety of the project, reduce the value therefor, violate the uniform external appearance of the apartment, or impair any easement."

EXHIBIT "D"

COMMON ELEMENTS

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

- (a) The land described in Exhibit "A" to the Declaration.
- (b) The foundation, floor slab, columns, girders, beams, supports, bearing walls, entrances and exits of the building, and all structural and bearing surfaces.
- (c) The roof.
- (d) The mailboxes, trash areas and storage rooms.
- (e) The driveway.
- (f) The central and appurtenant installations for services, such as power, light air conditioning, hot and cold water, cable and like utilities.
- (g) Mechanical and equipment rooms.
- (h) All walkways, stairs and hallways.
- (i) All of the parts of the project existing for the common use and which are necessary to the existence, maintenance and safety of the project.

EXHIBIT "E"

LIMITED COMMON ELEMENTS. The limited common elements are:

- (a) The mailbox designated for each particular apartment.
- (b) The storage locker numbered 1A located within the carport is for the exclusive use of Apartment 1-A.
- (c) The storage locker numbered 1B located within the carport is for the exclusive use of Apartment 1-B.
- (d) The storage locker numbered 1C located within the carport is for the exclusive use of Apartment 1-C.
- (e) The parking stalls set aside and reserved for the exclusive use of the particular apartment as shown on the Condominium Map as follows:

Apartment 1-A	Stalls 1-A & 1-A
Apartment 1-B	Stalls 1-B & 1-B
Apartment 1-C	Stalls 1-C & 1-C
Apartment 2-A	Stalls 2-A & 2-A
Apartment 2-B	Stalls 2-B & 2-B
Apartment 2-C	Stalls 2-C & 2-C
Apartment 2-D	Stalls 2-D & 2-D

Note: Parking Stall Nos. 1B, 2A and 2B are located within a carport.

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

1. For Real Property Taxes that may be due and owing, reference is made to the Office of the Tax Assessor, County of Maui.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. SECTION VI (c) AGREEMENT FOR CENTRAL MAUI AREA

By and Between: MARK HOLLAND and LONI HOLLAND, husband and wife, ROBERT WALSH, a married man "Owners", AMERICAN LANDMARK DEVELOPMENT CORPORATION, INC. "Applicant", and the DEPARTMENT OF WATER SUPPLY of the County of Maui

Dated: October 16, 1990
Recorded: January 7, 1991
Document No: 91-001785

4. THE EFFECT OF THE FOLLOWING:

AGREEMENT DEFERRING PLACEMENT OF DRAINAGE IMPROVEMENTS

By and Between: AMERICAN LANDMARK DEVELOPMENT, INC., "Applicant", and the COUNT OF MAUI, a political subdivision of the State of Hawaii

Dated: June 28, 1991
Recorded: July 3, 1991
Document No. 91-090336

5. CERTIFICATION OF LONG-TERM RESIDENTIAL USE

Dated: March 28, 1991
Recorded: August 6, 1991
Document No: 91-105804

6. Declaration of Condominium Property Regime dated March 2, 1992, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 92-38286 (Project covered by Condominium Map No. 1623). By-Laws dated March 2, 1992, recorded as Document No. 92-38287.

EXHIBIT "G"

SUMMARY OF THE PROVISIONS OF THE SALES CONTRACT

1. Description of the Property to be Conveyed: Fee simple interest in the Apartment, together with the appliances listed in the Sales Contract.

2. Purchase Price and Terms. The purchase set forth on page 1 of the Sales Contract is to be paid as follows:

a. An earnest money deposit upon execution of the Sales Contract;

b. An additional deposit within ten (10) days from the date Purchaser is qualified for mortgage loan;

c. The balance of the downpayment or balance (if cash buyer) upon Seller's notification after topping of building;

d. The balance if mortgage buyer at closing.

3. Financing of Purchase. If Purchaser desires financing, a loan application must be made within ten (10) days and if Purchaser's application is not approved within sixty (60) days after the application, then Seller may cancel the Sales Contract. Upon such cancellation, Purchaser's deposits will be refunded by escrow without interest.

4. Closing Costs. In addition to the purchase price, the Purchaser is required to pay at closing all escrow fees, notary and recording fees, cost of credit report, if any, any loan fee and the cost for preparing any notes and mortgages, the cost of any required title insurance, and appraisal fees and any obligations of purchaser to his mortgage lender. In addition to the foregoing, the Purchaser is required to pay in advance to Escrow a sum stated in paragraph "C" of the Sales Contract as an advance payment for start-up Reserve and other charges.

5. Closing. Seller has agreed to cause the Apartment to be sold to the Purchaser within two years of when the Sales Contract becomes binding. Seller may require a preclosing up to two months prior to completion of the Project. If Purchaser fails to close as required, then after ten (10) days following Seller's notice of Purchaser's default, if Purchaser has not cured his default under the Sales Contract, the Seller may cancel the Sales Contract and all sums previously paid by Purchaser will belong absolutely to the Seller as liquidated damages. Additionally, Seller may pursue any other remedy, and all costs, including reasonable attorney's fees, incurred by reason of default by the Purchaser shall be borne by the Purchaser.

6. Seller's Rights to Cancel Sales Contract. The Seller may cancel the Sales Contract with the Purchaser if (a) Purchaser

fails to qualify for a permanent loan (paragraph 3); (b) Purchaser defaults under the Sales Contract (paragraph 29); (c) Purchaser dies prior to Closing Date (paragraph 12); (d) If Purchaser fails to accept Final or Supplementary Public Report within ten (10) days after mailing or delivery to Purchaser; or (e) Seller may cancel in the event Project costs increase over 15% of the purchase price (see paragraph 9 below). If Seller cancels the Sales Contract, Escrow will return to Purchaser all of Purchaser's funds earlier deposited in the escrow, without interest.

7. No Present Transfer and Subordination to Construction Loan. The Sales Contract may be subject to existing loans and any security interest obtained by Lender is prior and senior to any rights arising under the Sales Contract.

8. Rights of Purchaser to Cancel the Sales Contract. The Purchaser has the right to cancel the Sales Contract until Purchaser receives and receipts for his Final Public Report.

Thereafter, the Purchaser may cancel his purchase if there is a material change in the Project which directly, substantially and adversely affects the use or value of the Purchaser's Apartment or the amenities available for the Purchaser's use and Purchaser elects to rescind.

9. Rights to Increase Purchase Price (Paragraph 26). If there is an increase in cost of labor and materials which causes the costs of the Project to be increased, Seller may increase the purchase price by up to fifteen percent (15%). If costs increase so Seller determines that for financial feasibility of the Project, that sales price should be increased by more than 15%, then Seller may cancel the Sales Contract, but must give Purchaser right of first refusal when re-offering the Unit at the higher purchase price.

10. Special Provisions for Employees of Seller. Any Purchaser who is an employee of the Seller or Seller's affiliate is required in the event of transfer of the Unit during the four years following closing, to give to the Seller a share in any appreciation in value of the Unit (80% in the first year, 60% in the second year, 40% in the third year and 20% in the fourth year).

EXHIBIT "H"

SUMMARY OF THE MATERIAL PROVISIONS OF THE ESCROW AGREEMENT

Summary of the Condominium Escrow Agreement between the Developer and Standard Title and Escrow, Inc.:

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

2. Refunds. A Purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such Purchaser, without interest, in accordance with the Sales Contract only if Escrow has received written approval from Seller.

Upon such refund, Escrow Agent shall be entitled to a reasonable fee not less than \$50 together with Escrow's out of pocket expenses.

3. Requirements Prior to Disbursement of Purchaser's Funds. Escrow Agent shall make no disbursements of Purchaser's funds, pursuant to paragraph 2 of the Escrow Agreement until all of the following have occurred:

(a) the Real Estate Commission has issued a Final Public Report (the "Final Report") on the Project;

(b) Seller has notified Escrow stating that all of the requirements of Sections 514A-39, 514A-63, 514A-64 and 514A-66 of the Hawaii Revised Statutes, then applicable to the Project, have been satisfied.

(c) Purchaser has received Final Public Report and given Seller receipt for it.

(d) Two (2) working days have gone by since Seller notified Escrow that Seller has received receipt.

(e) Seller notifies Escrow in writing that Sales Contract with Purchaser has become binding and that Purchaser's right to cancel have become void.

4. Purchaser's Default. Seller must notify Escrow in writing if Purchaser defaults, and must certify that Seller has cancelled the Purchaser's Sales Contract. After ten (10) days following Purchaser's receipt of such notice of cancellation, Escrow will treat the Purchaser's funds less Escrow's cancellation fees as belonging to the Seller.

5. Escrow Fees are \$650 per Unit plus General Excise Tax.

EXHIBIT "I"

DISCLOSURE ABSTRACT

1. (a) PROJECT: KANOE PALMS
2058 Kanoë Street
Kihei, County of Maui, Hawaii
- (b) DEVELOPER: Pacific Rim Land, Inc.
381 Hukulii Place, Suite 202
Kihei, Maui, Hawaii 96753
Telephone: (808) 874-5263
- (c) MANAGING AGENT: Pacific Rim Land, Inc.

* The Developer is not a registered condominium managing agent and does not have the required bond as specified under Chapt. 514A, Hawaii Revised Statutes. The Developer will not be able to operate as a condo managing agent until it is properly licensed and registered with the Real Estate Commission. If the Developer does not register as a condominium managing agent (CMA) or a CMA is not appointed and registered, then, the Project will be considered self-managed.

2. Breakdown of annual maintenance fees and monthly estimate costs for each unit (revised and updated every twelve (12) months and certified to have been based on generally accepted accounting principles).

3. DESCRIPTION OF ALL WARRANTIES COVERING THE UNITS AND COMMON ELEMENTS:

The Developer is making a one year warranty on the materials and workmanship of the Project.

4. USE OF UNITS. The KANOE PALMS Condominium Project will consist of seven (7) unit(s) which will be used for residential purposes by the respective owners thereof, their tenants, families and domestic servants and social guests, and for no other purpose.

ESTIMATED OPERATING EXPENSES

For Period May 1, 1992 to April 30, 1993
As Prepared by Developer

Estimated Annual Expenses

MAINTENANCE/REPAIRS	
Building	\$ 1,200.00
Grounds	\$ 1,200.00
Plumbing	\$ 600.00
Pest Control	\$ 480.00
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Sub-Total MAINTENANCE/REPAIRS	\$ 3,480.00
SERVICES/UTILITIES	
Electricity	\$ 1,200.00
Water	\$ 3,000.00
Sewer	\$ 1,010.00
Rubbish	\$ 900.00
	<hr/>
Sub-Total SERVICE/UTILITIES	\$ 6,110.00
ADMINISTRATIVE/GENERAL	
Insurance - Liability	\$ 765.00
Board Coverage	\$ 150.00
Management Fee	\$ 2,400.00
Resident Manager	
Miscellaneous Expense	
Condo Registration	
	<hr/>
Sub-Total ADMINISTRATIVE/GENERAL	\$ 3,315.00
SUB-TOTAL GENERAL OPERATING	\$12,905.00
Savings	<hr/>
TOTAL EXPENSES	\$12,905.00 =====

Estimated Monthly Expenses

(\$12,905 - 12 Months): \$ 1,075.42

Estimated Monthly Maintenance Fee for Each
Type of Apartment:

Estimated Monthly Expenses:	Type A:	\$	158.84
	Type B:	\$	162.71
	Type C:	\$	106.90

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

PACIFIC RIM LAND, INC.

By 
Its Vice President

"Developer"

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