



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

37 PUAKO BEACH DRIVE
 PUAKO, HAWAII 96743

Registration No. 2709 (Conversion)

Issued: October 23, 1992
 Expires: November 23, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as September 24, 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.

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GENERAL INFORMATION ON CONDOMINIUMS

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

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessee (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including all 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 all improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

Types of Project:

1. New Building(s) Conversion
 Both New Building(s) and Conversion
2. Residential Commercial Ohana
 Mixed Residential and Commercial Agricultural
 Other _____
3. High Rise (5 stories or more) Low Rise
4. Single or Multiple Buildings
5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)</u>	<u>Lanai/Patio (sf)</u>
A	1	3/2	2,184.75	778
B	1	3/2	2,184.75	778

Total Apartments: 2

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

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

6. Parking:

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

7. Recreational amenities:

None.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: George T. & Helen R. Duffin, Trustees Phone: (408) 637-7210
Name (Business)
P. O. Box 1348
Business Address
Gilroy, CA 95021

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

n/a

Real Estate Broker: Byrd of Paradise Properties Phone: 885-9666
Name (Business)
P.O. Box 1463
Business Address
Kamuela, HI 96743

Escrow: Title Guaranty Escrow Services, Inc. Phone: 885-5966
Name (Business)
P. O. Box 2380
Business Address
Kamuela, HI 96743

General Contractor: John Moreno Construction Phone: 889-0222
Name (Business)
P. O. Box 703
Business Address
Kapaau, HI 96755

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

Attorney for Developer: Robert D. Triantos Phone: 329-6464
Name (Business)
P.O. Box 1720
Business Address
Kailua-Kona, HI 96745

**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. 92-097313
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. 1682
 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. 92-097314
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>n/a</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

During the sales period, the Developer has reserved the right to make any changes to the Project documents as may be required by law, any title insurance company, and institutional lender or any governmental agency, and prior to the conveyance or transfer of the first apartment, for any reason and in any manner as the developer deems necessary, provided that no such change shall substantially alter or reduce the usable space within the Apartment, render unenforceable the Buyer's mortgage loan commitment, increase the Buyer's share of common expenses or reduce the obligations of the Developer for common expenses for unsold Apartments.

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
<input type="checkbox"/> Commercial	_____	_____	<input type="checkbox"/> Industrial	_____	_____
<input checked="" type="checkbox"/> Residential	<u>2</u>	<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: two dogs or cats permitted per By-laws

Number of Occupants: five permanent residents as per By-laws

Other: see By-laws

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>
<u>A</u>	<u>1</u>	<u>3/2</u>	<u>2,184.75</u>	<u>778</u>
<u>B</u>	<u>1</u>	<u>3/2</u>	<u>2,184.75</u>	<u>778</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 2

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

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

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 Unit A - 50%

Apartment Unit B - 50%

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 June 22, 1992 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

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

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Mortgages	Buyer's interest may be terminated and Buyer will receive a refund of all deposits
Mechanics' and Materialmen's Liens	Buyer's interest may be terminated and Buyer will receive a refund of all deposits

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

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

The initial managing agent for this condominium is:

[] not affiliated with the Developer.

[] the Developer or the Developer's affiliate.

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

[] other _____

G. Estimate of Initial Maintenance Fees:

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

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

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

H. Utility Charges for Apartments:

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

Not applicable

Electricity Common Area Only

Television Cable

Gas

Water & Sewer

Other _____

I. Construction Warranties:

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

1. Building and Other Improvements:

Seller makes no express warranties. SELLER DISCLAIMS ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE, ANY IMPLIED WARRANTY OF WORKMANSHIP AND ANY OTHER EXPRESS OR ANY IMPLIED WARRANTIES WITH RESPECT TO THE APARTMENT, THE COMMON ELEMENTS OR THE PROJECT.

Seller disclaims any and all responsibility or liability for any water infiltration, any malfunction, any construction or design defect, or any other problems which Buyer may encounter with respect to the Apartment or the Project.

2. Appliances:

Seller warrants that all major appliances, plumbing and electrical fixtures included in the sale will be in working order consistent with their age as of the date of closing, or occupancy, if earlier. No continuing warranty is expressed or implied.

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

Apartment Units A and B completed June 1991.

K. **Project Phases:**

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

Summary of Developer's Present Plans for Future Development:

none

L. **Sales Documents Filed With the Real Estate Commission:**

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

Notice to Owner Occupants

Specimen Sales Contract

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

Escrow Agreement dated June 3, 1992

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

Other Disclosure Abstract

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

None

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

Preliminary Report: Sales made by the Developer are not binding on the prospective buyer. Sales made by the Developer may be binding on the Developer unless the Developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

1. The Developer delivers to the buyer a copy of:
 - a. Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report;
AND
 - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
 - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - c. The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

B. Rights Under the Sales Contract:

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Condominium Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other _____

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

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is part of Registration No. 2709 filed with the Real Estate Commission on August 19, 1992.

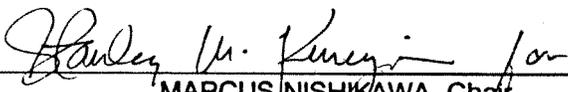
Reproduction of Report. When reproduced, this report must be on:

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.



MARCUS NISHIKAWA, Chair
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Department of Finance, County of Hawaii
Planning Department, County of Hawaii
Federal Housing Administration

EXHIBIT A

Description of the Buildings:

1. Description of the Building: The Project is described in the Condominium Map and consists of two (2) three (3) story dwelling units, without basements, with a two-car garage and constructed principally of wood, glass and allied building materials, each of which comprises a single condominium Apartment Unit;

2. Description of the Apartments. Each of the two (2) free standing residential structures, together with the exterior walls, floors, roofs, concrete footings, and garages, are hereby designated as the Apartment Units of the Project, as designated on the Condominium Map and as described as follows:

a. Apartment Numbers and Locations. The Apartment numbers and the location of Apartments are shown on the Condominium Map.

b. Layout and Area. The various Apartment types and their respective areas are more particularly described as follows:

(1) Unit A: This unit has a net area of approximately 3,980 square feet and consists of a kitchen, dining area, living room, recreation area, two (2) bathrooms, three (3) bedrooms, five lanais and a double car garage with two doors.

(2) Unit B: This unit has a net area of approximately 3,980 square feet and consists of a kitchen, dining area, living room, recreation area, two (2) bathrooms, three (3) bedrooms, five lanais and a double car garage with two doors.

The foregoing approximate total square footage areas for the enclosed portions of Apartment Units A and B are computed from and to the interior surface of the Apartment perimeter walls and include the areas of all Common Elements located within the Apartments. The areas for the non-enclosed lanais, if any, are computed from the outside surfaces of the Apartment unit walls to the outside surface walls of the lanais.

END OF EXHIBIT A

EXHIBIT B

Boundaries of Each Apartment:

The respective Apartments shall not be deemed to include any pipes, shafts, wires, conduits or other utility or service lines which are located outside of an Apartment or which are utilized for or serve more than one Apartment, the same being deemed Common Elements as hereinafter provided. Each Apartment shall be deemed to include (i) all portions of the residential structure, inclusive of concrete footings, (ii) all pipes, shafts, ducts, pumps, conduits, wires and other utility or service lines running through such Apartment which are utilized for and serve only that Apartment, and (iii) all appliances and fixtures installed therein and replacements thereof.

END OF EXHIBIT B

EXHIBIT C

Permitted Alteration to Apartments:

1. Prohibition on Activities Which Jeopardize the Project. No Apartment Owner shall do or suffer or permit to be done anything on any Apartment or appurtenant Limited Common Element or elsewhere on the Project which will (a) injure the reputation of the Project, or (b) jeopardize the safety or soundness of the Project, or (c) create a nuisance or interfere with or unreasonably disturb the rights of other Owners and occupants, or (d) reduce the value of the Project, or (e) result in the cancellation of insurance applicable to the Project, or adversely affect the right of recovery thereunder or result in reputable companies refusing to provide insurance as required or permitted by the Bylaws; or (f) increase the rate of insurance applicable to the Apartments or the contents thereof or the Project.

2. Changes to the Exterior of the Units. Except as provided herein, and in the Bylaws hereto, each Owner of an Apartment shall have the right, without the necessity of the approval of the Board, to alter the Apartment or to change the exterior appearance of their Apartment; provided, that no work which requires a building permit shall be done without a building permit and no work shall be done which is in violation of any applicable code, regulation or ordinance; provided, further, that the exterior of each Apartment shall present a neat, attractive, but not necessarily uniform appearance. The Board may, but is not required to, establish rules regarding permitted colors and finishes for roofs, siding and trim. Any work done in violation of this section shall be removed and the Apartment restored to its former condition at the request of the Board. The Board may establish uniform regulations as to the selection of roofs, siding and trim as shall be aesthetically suitable and appropriate to the design and function of the Project.

END OF EXHIBIT C

EXHIBIT D

Common Elements:

1. Common Elements. One freehold estate is hereby designated in all remaining portions of the Project, herein called the "Common Elements", including specifically but not limited to:

a. The Land in fee simple.

b. All yards, grounds and landscaping, if any, whether within or appurtenant to the Project.

c. All ducts, sewer lines, cesspools, electrical equipment, water meters, wiring, pipes and other appurtenant transmission facilities over, under and across the Project which are outside of the Apartment or which serve more than one Apartment for services such as power, light, water, gas, sewer, refuse, telephone and radio and television signal distribution.

d. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

END OF EXHIBIT D

EXHIBIT E

Limited Common Elements:

1. Limited Common Elements. Certain parts of the Common Elements, herein called the "Limited Common Elements", are hereby designated, set aside and reserved for the exclusive use of certain Apartments, and such Apartments shall have appurtenant thereto exclusive easements for the use of such Limited Common Elements as set forth herein. The costs and expenses of every description pertaining to the Limited Common Elements, including but not limited to the costs of maintenance, repair, replacement, improvement or additions to the Limited Common Elements shall be charged to the Owner of the Apartment to which the Limited Common Element shall be appurtenant, and if there is more than one Apartment to which the Limited Common Elements shall be appurtenant, then in proportion to the Common Interest appurtenant to each of the respective Apartments except as otherwise provided in this Paragraph.

a. Apartment A shall have appurtenant to it as a limited common element the driveway to Apartment A as shown on the Condominium Map, shown as Unit "A" Concrete Driveway. Apartment B shall have appurtenant to it as a limited common element the driveway to Apartment B as shown on the Condominium Map, shown as Unit "A" Concrete Driveway.

b. Apartment A shall have appurtenant to it the area described on the Condominium Map as "Unit A Lawn Area" and Apartment B shall have appurtenant to it the area described on the Condominium Map as "Unit B Lawn Area".

NOTE: "Lawn Areas" herein described are not legally subdivided lots.

c. Apartment A shall have appurtenant to it as a limited common element the cesspool for Unit A as shown on the Condominium Map and designated as Unit "A" cesspool. Apartment B shall have appurtenant to it as a limited common element the cesspool for Unit B as shown on the Condominium Map and designated as Unit "B" cesspool.

d. All common elements of the Project which are rationally related to less than all of said apartments shall be limited common elements appurtenant to the apartments to which they are so related.

END OF EXHIBIT E

EXHIBIT F

Encumbrances Against The Title:

1. MORTGAGE

MORTGAGOR : JOHN THOMAS CALISTRO and KIMBERLY ARDELL
CALISTRO, husband and wife
MORTGAGEE : GEORGE T. DUFFIN and HELEN R. DUFFIN,
husband and wife, as Tenants by the
Entirety
DATED : December 28, 1987
RECORDED : Liber 21489 Page 656
AMOUNT : \$90,000.00

ASSIGNMENT OF MORTGAGE AND PROMISSORY NOTE

ASSIGNOR : GEORGE T. DUFFIN and HELEN R. DUFFIN,
husband and wife
ASSIGNEE : GEORGE T. DUFFIN and HELEN R. DUFFIN, as
Trustee under the Geroge T. and Helen R.
Duffin Trust Agreement
DATED : September 2, 1988
RECORDED : Liber 22379 Page 405

2. MORTGAGE

MORTGAGOR : GEORGE T. DUFFIN and HELEN R. DUFFIN, as
Trustee under the Duffin Family Trust dated
April 12, 1988
MORTGAGEE : HONFED BANK, A FEDERAL SAVINGS BANK
DATED : September 23, 1991
RECORDED : Document No. 91-133630
AMOUNT : \$650,000.00

3. Terms, conditions and provisions contained in that George
T. and Helen R. Duffin Trust Agreement.
4. Real property taxes as may be due and owing. Check with
the Director of Finance, County of Hawaii.

5. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Condominium Property Regime dated June 3, 1992 recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 92-097313, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1682 filed in said Bureau of Conveyances.)
6. By-Laws of the Association of Apartment Owners of the condominium Project known as the "37 PUAKO BEACH DRIVE" dated June 3, 1992, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 92-097314, as the same may hereafter be amended.
7. Mechanics and materialmen's lien, dated December 26, 1991, filed as M. L. No. 91-025 in the Third Circuit Court of the State of Hawaii.

END OF EXHIBIT F

EXHIBIT G

**ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

Estimate of Initial Maintenance Fees:

Apartment	Monthly Fee X 12 months	=	Yearly Total
1	\$93.50	=	\$1,112.00
2	\$93.50	=	\$1,112.00

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

Maintenance Fees and Maintenance Fee Disbursements:

Estimate of Maintenance Fee Disbursements:

	Monthly X 12 months =	<u>Yearly Total</u>
Utilities and Services		
Air Conditioning		
Electricity		
(X) common elements only		
() common elements		
and apartments		
Gas		
Refuse Collection		
Telephone		
Water and Sewer	15 X 12 =	180.00
Maintenance, Repairs and Supplies		
Pool		
Building		
Grounds	25 X 12 =	300.00
Pest		
Reserves-Long term maintenance	25 X 12 =	300.00
Management		
On-site Manager		
Management Fee		
Payroll and Payroll Taxes		
Office Expenses		
Insurance	50 X 12 =	600.00
Taxes and Government Assessments (Real Property Taxes)	62 X 12 =	744.00
Audit Fees		
Other		
TOTAL:		\$2,244.00

I/We, GEORGE T. DUFFIN, Trustee, as owner/developer for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Date: _____

George T. Duffin

GEORGE T. DUFFIN, TRUSTEE

END OF EXHIBIT G

EXHIBIT H

SUMMARY OF SALES CONTRACT AND RECEIPT:

The unexecuted Sales Contract filed with the Commission, provides for, among other things, a description of the apartment to be sold, the purchase price, the time, manner and place of payment, the Purchaser's obligations regarding mortgage financing, Developer's warranties and disclaimers regarding the construction, fixtures and appliances, and the remedies of Developer and of Purchaser in the event of a default under the Contract.

Among other provisions, the specimen Sales Contract and the provisions of Chapter 514A, Hawaii Revised Statutes provide:

1. That said Sales Contract is only a reservation agreement until (i) a true copy of the Final Public Report (with all then issued Supplementary Public Reports, if any) is delivered to the Purchaser, the Purchaser has an opportunity to read the report(s) and executes and gives the Developer a receipt/notice for the report(s) waiving Purchaser's right to cancel, provided that if Purchaser does not execute and return the receipt/notice within thirty (30) days from the date of delivery of the report(s) and receipt/notice, or if Purchaser's Apartment is conveyed to Purchaser prior to the expiration of said thirty (30) day period, then Purchaser shall be deemed to have receipted for the report(s) and waived his right to cancel, and if (and only if) there is a material change affecting (i) Purchaser's apartment or appurtenant limited common elements, or (ii) amenities of the Project available for Purchaser's use, and Purchaser executes and returns to Developer the written approval or acceptance of material change, provided that if Purchaser does not execute and return such written approval or acceptance of material change within thirty (30) days of delivery of such written approval or acceptance, or if Purchaser's apartment is conveyed to Purchaser prior to the expiration of said thirty (30) day period, then Purchaser shall be deemed to have accepted and approved such material change. Until the Sales Contract becomes binding and effective as described above, and in accordance with Chapter 514-A, Hawaii Revised Statutes, the Sales Contract may be unconditionally cancelled at any time by either the Developer or the Purchaser. Upon such cancellation by Developer, Developer shall direct Escrow Agent to refund to Purchaser, without interest earned, all deposits paid by Purchaser; upon cancellation by Purchaser, Developer shall direct Escrow Agent to refund to Purchaser, without interest earned, a full refund of all deposits paid, less any escrow cancellation fee and other costs associated

with the purchase of Purchaser's Apartment, up to a maximum of \$250.00.

2. In the event Purchaser fails to pay the balance of the purchase price or complete the purchase as provided in the Sales Contract, Developer may (a) bring an action for damages for breach of contract, (b) retain the initial deposit and all additional deposits provided for in the Sales Contract, as liquidated and (c) Purchaser shall be responsible for any cost incurred in accordance with this contract.

3. Developer has made no representations and has not authorized any representations to be made by any sales agent concerning any services or arrangements relating to the rental or sale or management of the Purchaser's Apartment.

4. The Sales Contract is subject to the provisions of the Declaration of Condominium Property Regime, By-laws, and other condominium documents.

It is incumbent on the Purchaser that he read the full text of the Sales Contract.

END OF EXHIBIT H

EXHIBIT I

SUMMARY OF EXECUTED ESCROW AGREEMENTS:

A copy of the executed Escrow Agreement dated June 3, 1992 between Title Guaranty Escrow Services, Inc., as Escrow Agent, and Developer has been filed with the Commission. The Escrow Agreement provides for the deposit of Purchaser's funds pursuant to the Sales Contract and also provides for the retention or disbursement of the funds. The Escrow Agreement provides in part that any interest earned on money on deposit belongs to the Developer. In the event that the Sales Contract and Chapter 514A, Hawaii Revised Statutes entitle a Purchaser to a refund of Purchaser's Deposits held by the Escrow Agent, then Escrow Agent, upon instruction from Developer, will refund Purchaser's deposits, without interest earned and less certain cancellation fees and costs (e.g., escrow cancellation fees, loan processing fees, cost of credit reports, etc.) as provided in the Sales Contract and Chapter 514A, Hawaii Revised Statutes, as amended.

By law the total amount of such cancellation fees shall not exceed Two Hundred Fifty and No/100 Dollars (\$250.00). Under the Escrow Agreement no disbursement of funds can be made to the Developer until the Sales Contract becomes effective under the provisions of Chapter 514A, Hawaii Revised Statutes.

It is incumbent upon a prospective Purchaser to read the executed Escrow Agreement with care.

END OF EXHIBIT I

37 PUAKO BEACH DRIVE - DISCLOSURE ABSTRACT

Name and Address of Project:

37 Puakoa Beach Drive is located at 37 Puako Beach Drive, Puako, Hawaii 96743.

Name, Address and Telephone Number of Owner:

George T. Duffin and Helen R. Duffin, Trustees, whose mailing address is P. O. Box 1348, Gilroy, California 95021, and whose telephone number is (408) 637-7210.

Managing Agent:

The condominium will be self managed by the Association of Apartment Owners.

Estimated Annual Maintenance Fees and Monthly Costs for Each Unit:

(See attached)

Description of Warranties:

Express Disclaimers.

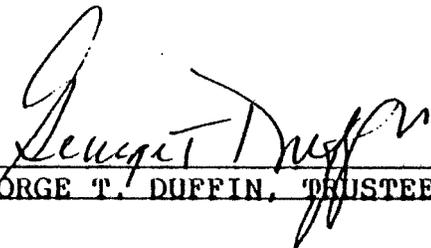
Except for Seller's Warranty set forth in this Paragraph, Seller makes no express warranties. SELLER DISCLAIMS ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE, ANY IMPLIED WARRANTY OF WORKMANSHIP AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE APARTMENT, THE PROPERTY, THE COMMON ELEMENTS OR THE PROJECT. Purchaser acknowledges that, except for Seller's Warranty, Seller has made no warranties, express or implied, with respect to the Property, its quality or grade, or any common element or

anything installed therein, its quality or grade. In particular with the exception of Seller's Warranty, Seller disclaims any and all responsibility or liability for any malfunctions, construction or design defects, or any other problems which Purchaser may encounter with respect to the Unit or the Project. Purchaser acknowledges Seller's disclaimers and with the exception of seller's Warranty, expressly waives any rights, claims or actions against Seller arising out of or connected with any defects with respect to the Property.

Usage: The project contains Residential Units. the estimated annual and monthly maintenance fees were prepared as of June 3, 1992, and are hereby certified to have been based on generally accepted accounting principles. THE FIGURES CONTAINED HEREIN ARE ESTIMATES AND ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY REPRESENTATION OR WARRANTY BY OWNER, INCLUDING BUT NOT LIMITED TO ANY REPRESENTATION AS TO THE ACCURACY OF SUCH ESTIMATES.

Please sign this disclosure Abstract and return the copy to us. Your signature acknowledges your receipt of this Disclosure Abstract dated 3 June, 1992.

DATED: 3 June 1992



GEORGE T. DUFFIN, TRUSTEE

UNIT NO. _____ Receipt acknowledged this _____ day
of _____, 19____.
