

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report 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 developer.

Changes made are as follows:

SPECIAL ATTENTION

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

Unit 2825A is a non-conforming structure under the present Land Use Ordinance as the floor area in the unit exceeds the present "Ohana" building code. Future reconstruction of the unit in its present size is not possible under the present code and Purchaser of this unit should be cognizant of possible future limitations or restrictions which may be imposed by the City Building Department in the event of reconstruction.

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

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

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General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

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 owners/tenants) 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 at the lessee's expense. 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 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 project's 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 the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the 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 important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Rosemary Taylor Roberts and
Josette Louise Clapp Name Phone: 595-2048
2825 Pali Highway (Business)
Business Address
Honolulu, HI 96817

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

N/A

Real Estate Broker: None selected - Units Name presently for Phone: _____
sale (Business)
Business Address

Escrow: Title Guaranty Escrow Services, Inc. Name Phone: 521-0211
235 Queen Street, 1st Floor (Business)
Business Address
Honolulu, HI 96813

General Contractor: N/A Name Phone: _____
Name (Business)
Business Address

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

Attorney for Developer: Melvin Y. Kaneshige, Esq.
Kyong-su Im, Esq. Name Phone: 528-8200
745 Fort Street, 9th Floor (Business)
Business Address
Honolulu, HI 96813

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

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and 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.

- 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. 93-2120
Book _____ Page _____
 Filed - Land Court: Document No. 1987308

The Declaration referred to above has been amended by the following instruments (state name of document, date and recording/filing information):

First amend to Declaration of Condominium Regime dated April 29, 1993, recorded April 30, 1993 as Document No. 93-69552

- 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 Conveyances Condo Map No. 1787
 Filed - Land Court Condo Map No. 947

The Condominium Map has been amended by the following instruments (state name of document, date 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 manner in which meetings will be conducted, whether pets are prohibited or allowed 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. 93-2121
Book _____ Page _____
 Filed - Land Court: Document No. 1987309

The Bylaws referred to above have been amended by the following instruments (state name of document, date and recording/filing information):

D. House Rules. The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. 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>65%</u>

* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

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:

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

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

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

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

For Subleaseholds:

- Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 - Canceled Foreclosed
- As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.
- Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

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

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

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

Address: 2825 Pali Highway Tax Map Key: (1) 2-2-34-22
Honolulu, HI 96817 (TMK)

Address TMK is expected to change because _____

Land Area: 11,607 square feet acre(s) Zoning: R-10

Lessor (30%) Rosemary Taylor Roberts
(Fee Owner): (70%) Josette Louise Clapp

Name _____
2825 and 2825A Pali Highway
Address _____
Honolulu, HI 96817

Sublessor:

Name _____
Address _____

C. Buildings and Other Improvements:

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

2. Number of Buildings: 2 Floors Per Building 2 and 3

Exhibit B contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other _____

4. Permitted Uses by Zoning:

	<u>No. of</u>	<u>Use Permitted</u>		<u>No. of</u>	<u>Use Determined</u>
	<u>Apts.</u>	<u>By Zoning</u>		<u>Apts.</u>	<u>By Zoning</u>
<input checked="" type="checkbox"/> Residential	<u>2</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Ohana		<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Industrial		<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Agricultural		<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Recreational		<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other: _____		<u> </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?

Yes No

5. Special Use Restrictions:

The Declaration and Bylaws may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to:

- [x] Pets: Permitted with restrictions.
- [x] Number of Occupants: "not more than 2 persons per bedroom; except by immediate family members of occupant"
- [x] Other: See House Rules
- [] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 3 Trash Chures: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
A	<u> </u>	<u>7/4</u>	<u>3,963</u>	<u>-0-</u>
B	<u> </u>	<u>8/3</u>	<u>3,607</u>	<u>106</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Total Apartments: 2

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

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

Boundaries of Each Apartment:

All walls, ceilings, floors, slabs, foundations, door and door frames, windows and window frames, supporting beams and fixtures and all ducts, pumps, pipes, conduits, wires and other utility lines running through such apartments which do not serve or are not utilized by any other apartment.

Permitted Alterations to Apartments:

With consent of the Board, all apartment owners may make alterations to their respective apartments at their sole cost and expense. See Declaration, Section 17.

7. Parking Stalls:

Total Parking Stalls: 4

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for each unit)	<u>2</u>	<u>2</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>4</u>
Guest	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Unassigned	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Extra for Purchase	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other:	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Covered & Open	<u>4</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

- Commercial parking garage permitted in condominium project.
- Exhibit N/A contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

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

9. Compliance With Building Code and Municipal Regulations: Cost to Cure Violations

- There are no violations. Violations will not be cured.
- Violations and cost to cure are listed below. Violations will be cured by _____

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

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

See Exhibit E

11. 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>		
Structures	<u>x</u>	<u>2825A/Basement*</u>	
Lot	<u>x</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 other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit _____.

as follows: The front portion of the driveway, as shown on the Condominium Map.

*Unit exceeds the present City Ohana Land Use Ordinance which limits the size of the unit in any future reconstruction.

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 use them, as described in the Declaration, are:

described in Exhibit _____.

as follows: Mailbox, yards appurtenant to each apartment and assigned parking stalls as shown on the Condominium Map.

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 used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit _____.

as follows:

Apartment A: 50%
Apartment B: 50%

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit B describes the encumbrances against the title contained in the title report dated February 16 and issued by Title Guaranty of Hawaii. 199

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien 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. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Two Mortgages for a \$2,500,000 loan and a \$260,000 loan	Buyer's interest may be terminated and Buyer's deposits may be refunded.

F. Construction Warranties:

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

1. Building and Other Improvements:

2. Appliances:

G. Status of Construction and Estimated Completion Date:

Apartment A was constructed in 1932, renovated in February, 1993.
Apartment B was constructed in 1984.

H. Project Phases:

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

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

V. MISCELLANEOUS

A. 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 C contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated February 24, 1993
Exhibit D contains a summary of the pertinent provisions of the escrow agreement.
- Other _____

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

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 or Supplementary Report to a Final Report: Sales made by the developer are binding if:

- A) The Developer delivers to the buyer a copy of:
 - 1) Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;

AND

 - 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
- B) The buyer is given an opportunity to read the report(s); AND
- C) One of the following has occurred:
 - 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - 2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - 3) 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:

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND
- B) 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.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
 - B) Declaration of Condominium Property Regime.
 - C) Bylaws of the Association of Apartment Owners.
 - D) House Rules.
 - E) Condominium Map.
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
 - H) Other _____

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 Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 2834 filed with the Real Estate Commission on March 12, 1993

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

[] yellow paper stock [x] white paper stock [] pink paper stock

C. Additional Information Not Covered Above

Maintenance Fees:

All costs of every kind pertaining to each apartment and its respective limited common elements, including but not limited to, cost of landscaping, maintenance, repair, replacement and improvement shall be borne entirely by the respective apartment owner.

Section 514A-86, Hawaii Revised Statutes, requires the Association of Apartment Owners purchase fire insurance to cover the improvements of the Project, and that premiums be common expenses. Developer anticipates that the Association will elect to permit individual apartment owners to obtain and maintain separate policies of fire insurance and name the Association will elect to permit individual apartment owners to obtain and maintain separate policies of fire insurance and name the Association as an additional insured. In such case, fire insurance premiums will be the responsibility of individual apartment owners and not common expenses. Developer estimates such annual premium expenses to be \$ 750 per apartment. This estimate was prepared in accordance with generally accepted accounting principles.

D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

Josee Louise Clapp - Rosemary Taylor Roberts
Name of Developer

By: _____ Date 3/12/93
Duly Authorized Signatory Date

Josee Louise Clapp Rosemary Taylor Roberts
print name & title of person signing above

Distribution:

- Department of Finance, City and County of Honolulu
- Planning Department, City and County of Honolulu
- Federal Housing Administration

EXHIBIT A

ENCUMBRANCES AGAINST TITLE

1. Real Property Taxes, as may be due and owing. Refer to the Director of Finance, City and County of Honolulu, for further information.

Tax Key: 2-2-034-022 (1) Area Assessed: 11,607 sq. ft.

2. Reservation and restrictive condition contained in DEED dated May 1, 1917, filed as Land Court Document No. 1260, recorded in Liber 468 at Page 376, to-wit:

"Excepting, however, and always reserving unto the said party of the first part, (James T. Taylor), his heirs and assigns, all water and water rights appurtenant to or running with the premises hereby conveyed."

"That no malt, vinous, spirituous or intoxicating liquors of any kind shall ever be sold or exposed or manufactured on the granted premises or any part thereof."

3. -AS TO PARCEL FIRST ONLY:-

(A) Designation of easement for sanitary sewer purposes, as shown on Map 9, as set forth by Land Court Order No. 22785, filed February 5, 1964.

(B) Grant in favor of the City and County of Honolulu, dated December 6, 1963, filed as Land Court Document No. 324635; granting an easement for sewer purposes.

4. -AS TO PARCEL SECOND ONLY:-

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

EXHIBIT A CONTINUED

5. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

MORTGAGOR : ROSEMARY TAYLOR ROBERTS, unmarried, and
JOSETTE LOUISE CLAPP, wife of Willis Lawrence
Clapp

MORTGAGEE : GECC FINANCIAL CORPORATION, a Hawaii
corporation

DATED : December 12, 1990
FILED : Land Court Document No. 1789009
RECORDED : Document No. 90-192802
AMOUNT : \$2,250,000.00

6. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

MORTGAGOR : ROSEMARY TAYLOR ROBERTS, unmarried

MORTGAGEE : JOSETTE LOUISE CLAPP, wife of Willis Lawrence
Clapp

DATED : December 21, 1990
FILED : Land Court Document No. 1794187
RECORDED : Document No. 91-003206
AMOUNT : \$260,000.00 - covers the undivided 30%
interest of Mortgagor
CONSENT : Given by GECC FINANCIAL CORPORATION, a Hawaii
corporation, by instrument dated January 3,
1991, filed as Land Court Document No.
1794188, recorded as Document No. 91-003207

7. 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 September 17, 1992, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 1987308, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 93-002120, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 947.) Consent given by GECC FINANCIAL CORPORATION, a Hawaii corporation, by instrument dated January 4, 1993, filed as Land Court Document No. 1987310, recorded as Document No. 93-002122.

EXHIBIT A CONTINUED

8. By-Laws of the Association of Apartment Owners of the Condominium Project known as "2825 PALI" dated September 17, 1992, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 1987309, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 93-002121, as the same may hereafter be amended. Consent given by GECC FINANCIAL CORPORATION, a Hawaii corporation, by instrument dated January 4, 1993, filed as Land Court Document No. 1987310, recorded as Document No. 93-002122.

-NOTE:-

1. The bonds of matrimony existing between W. LAWRENCE CLAPP and JOSETTE LOUISE CLAPP and were dissolved by Decree of Divorce filed in the Circuit Court of the First Circuit, State of Hawaii, on December 21, 1990, with Divorce No. 90-4740. (Not noted on Transfer Certificate(s) of Title referred to herein)

EXHIBIT B

SUMMARY OF SALES CONTRACT AND DEPOSIT RECEIPT

(Page 17, Section L)

The form of the 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 Owner and of Purchaser in the event of a default under the Contract.

Among other provisions, the specimen Sales Contract provides:

1. The Sales Contract contains restrictions on selling or assigning the Sales Contract.

2. Owner 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.

3. The Sales Contract is subject to the provisions of the Declaration of Condominium Property Regime, Bylaws, and other condominium documents.

4. The purchase of an apartment in the Project is subject to ongoing sales and construction activity by the Owner with respect to completing the sales of the Project and construction, which may result in noise, dust and other annoyance.

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

EXHIBIT C

SUMMARY OF EXECUTED ESCROW AGREEMENT

(Page 17, Section L)

A copy of the executed Escrow Agreement, dated February 24, 1993, between Title Guaranty Escrow Services, Inc., as Escrow, and the Owner 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 Owner. In the event that the Sales Contract or Chapter 514A, Hawaii Revised Statutes, as amended, entitles a Purchaser to a refund of Purchaser's deposits held by Escrow, then Escrow, upon instruction from the Owner, 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 Owner until the Sales Contract becomes effective under the provisions of Chapter 514A, Hawaii Revised Statutes, as amended.

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

EXHIBIT D

ARCHITECTURAL REPORT

2825 Pali Highway
Honolulu, Hawaii 96817

Introduction

2825 Pali Highway, Honolulu, Hawaii 96817 is an existing structure originally built in the late 1920's as a single family residence. The main building is two stories with a basement, and there is a one story service structure on the north side of the property. The building is currently being renovated and will be finished in February 1993. The building also received a renovation approximately seven years ago. Most plumbing fixtures are being replaced as are the kitchens. Several interior partitions are being removed and replaced, changing the interior floor plan to accommodate the required modifications.

Roofing

The roof of the main building was resurfaced approximately seven years ago with aluminum tile shingles. The roof of the main building appears to be in excellent condition. The roof of the service structure is a combination of built-up asphalt roofing and corrugated aluminum sheet roofing, and it appears to be in fair serviceable condition.

Structural

2825 Pali Highway, Honolulu, Hawaii 96817 is a residence fairly typical of those residences built in the Nuuanu valley during the 1920's. The main building is a fully free standing structure which occupies approximately twenty percent of the lot. The top two stories of the main building are built on top of a basement level with concrete block walls and a concrete slab on grade floor. The top two stories are of wood frame construction and all floor and roof framing are also of wood frame construction. The service structure is primarily open on three sides and is built of wood frame construction on a concrete slab on grade. The building has maintained its structural integrity over the years. The structure was tented for termites in 1990, and no significant structural damage has been noticed due to termites during the current renovation.

Exterior

The exterior walls of the main building were re-sided approximately seven years ago with vinyl siding. All existing vinyl siding will be cleaned as a part of the current renovation. The exterior walls of the basement story are concrete block which is being painted as a part of the current renovation. The remaining portion of the exterior of the main building is wood trim work, and it has been

cleaned and repainted during the current renovation.

The windows of the main building are all in good working order. The windows on the basement level are primarily aluminum framed jalousie windows, with the exception of a glass block window in the bathroom. The windows on the first and second floors are a combination of wood frame windows dating back to the original construction of the building, and aluminum framed awning windows and aluminum framed jalousie windows. The majority of the windows have been replaced within the last seven years.

The exterior doors of the main building have mostly been replaced during the current renovation. They are primarily solid core wood doors with single glazed glass panes. All exterior doors are in good working order.

Interior

The interior of 2825 Pali Highway, Honolulu, Hawaii 96817 has had several alterations throughout the years since its original construction in the 1920's. It is currently undergoing a primarily cosmetic renovation which will be completed early this year. The basement story has had all of its interior partitions removed and replaced during the current renovation. The relocation of the interior partitions was necessary in order to accommodate three bedrooms, one bathroom, and a kitchen. All interior partitions on the basement level are of double wall construction, and all interior doors are new. Some of the interior partitions on the first and second floors have been removed or relocated to accommodate present day needs. The partitions replaced as a part of the current renovation are primarily of double wall construction, and the previously existing partitions are primarily of single wall construction.

Mechanical

There is no mechanical heating nor cooling system in the main building at 2825 Pali Highway, Honolulu 96817.

The current water service is an existing service provided by the City and County of Honolulu, and is shared with the residence known as 2825 A Pali Highway, Honolulu, Hawaii 96817.

The interior plumbing fixtures of the main building have all been replaced with new fixtures and fittings as a part of the current renovation. The interior water supply piping and waste water piping has been substantially replaced as a part of the current renovation. However, portions of the water supply piping and waste water piping pre-date the current renovations. The service structure houses a laundry sink and washing machine which both pre-date the current renovations. Hot water is provided by an existing water heater which is approximately seven years old and located at

the north-east corner of the main building on the basement level. It is slightly rusted but is in good working order.

Gas service for 2825 Pali Highway, Honolulu, Hawaii 96817 is separately metered from the structure known as 2825 A Pali Highway, Honolulu, Hawaii 96817.

All gas operated kitchen fixtures are new and in good condition.

Water and sewer services for 2825 Pali Highway, Honolulu, Hawaii 96817 and the structure known as 2825 A Pali Highway, Honolulu, Hawaii 96817 are separately metered.

Electrical

A new 200 Amp electrical service was installed to the main building as a part of the current renovations. The electrical wiring on the basement level is primarily new wiring installed as part of the current renovation. However, some pre-existing wiring remains on the basement level. Wiring on the first and second floors is mixed old and new with new wiring associated with the current renovation located primarily in the first floor kitchen and the new partitions on the second floor. Circuit breakers are located on the basement level and the first floor.

All electrically operated kitchen and bathroom fixtures are new and in good working order.

Electrical service at 2825 Pali Highway, Honolulu, Hawaii 96817 is separately metered from the structure known as 2825 A Pali Highway, Honolulu, Hawaii 96817.

Conclusion

The preceding report is based on observations made at 2825 Pali Highway, Honolulu, Hawaii 96817. No warranty, guaranty, nor other representation is made, and no responsibility nor liability is assumed by the architect.

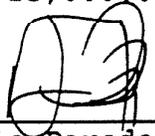
Approximate Age, Useful Life, and Replacement Costs

Approximate age, useful life, and replacement costs of major components are summarized below. Replacement costs are based on current price trends and do not include extensive removals, nor demolition of general construction that may be required at the time of replacement. The indicated years and costs are estimates. No warranty, guaranty, nor other representation is made and no responsibility is assumed by the architect.

ITEM	AGE	YEARS OF USEFUL LIFE REMAINING	ESTIMATED REPLACEMENT COST
Bathroom fix. and fittings	New	30 years	\$ 5,000.00
Soil waste and vent piping	Varies	40 years	\$ 10,000.00
Domestic water piping	Varies	40 years	\$ 6,000.00
Gas supply piping	Varies	30 years	\$ 3,500.00
Water heater	7 years	3 years	\$ 800.00
Roofing	7 years	13 years	\$ 8,000.00
Windows and exterior doors	Varies	12 years	\$ 7,500.00
Vinyl siding	7 years	28 years	\$ 25,000.00

This report certified by

Hawaii registration # 7367


Pablo Paredes

1/27/92

