

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer: WALTER AND CAROL APIKI PARTNERSHIP, a Hawaii general partnership
Address: 47-742 ABUIMANU LOOP KANEOHE, HI 96744

Project Name (*): THE APIKI CONDOMINIUM
Address: 47-742 ABUIMANU LOOP KANEOHE, HI 96744

Registration No. 2862 (Conversion)

Effective date: June 9, 1993
Expiration date: July 9, 1994

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports: Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

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 by the developer when complete information is filed.

X FINAL: The developer has legally created a condominium and has filed complete information with the Commission.
[X] No prior reports have been issued.
[] This report supersedes all prior public reports.
[] This report must be read together with

SUPPLEMENTARY: This report updates information contained in the:
[] Preliminary Public Report dated:
[] Final Public Report dated:
[] Supplementary Public Report dated:
And [] Supersedes all prior public reports
[] Must be read together with
[] This report reactivates the public report(s) which expired on

(*) Exactly as named in the Declaration

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

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.

1. Apartment C consists of a stable/barn, which may be defined as an "apartment" under the condominium property act. The purchaser of Apartment C shall have the right to build additional buildings but this is subject to City approval. **THERE IS NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO BUILD A RESIDENTIAL DWELLING UNIT WITHIN THE LIMITED COMMON ELEMENT. THERE IS ALSO NO ASSURANCE THAT A PURCHASER WILL BE ABLE TO CONVERT THE EXISTING NON-RESIDENTIAL STRUCTURE TO A RESIDENTIAL USE. SEE PARAGRAPH 3. BELOW.**
2. The reserved right of the purchaser of Apartment A to construct an additional apartment is subject to the zoning and building ordinances of the City & County of Honolulu. Prospective purchasers are cautioned to consult with the appropriate City & County offices to determine if their expectations can be met.

If another apartment is not permitted (and the common interest therefore not changed), the 50% common interest appurtenant to Apartment A might be of material concern to the purchasers of Apartments B & C, who may be singly out-voted by the owners of Apartment A on any issue subject to a vote.

3. Although the property is over 43 acres, only about 5 acres is zoned "country" and this is the area subject to density review. Prospective purchasers should examine Exhibit D on Reserved Rights carefully and recognize that exercise of such rights are subject to the review and approval of the City.

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

TABLE OF CONTENTS

	page
Preparation of this Report	1
Expiration Date of Reports	1
Type of Report	1
Disclosure Abstract	2
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Operation of the Condominium Project	4
I. PERSONS CONNECTED WITH THE PROJECT	5
Developer Attorney for Developer General Contractor	
Real Estate Broker Escrow Company Condominium Managing Agent	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	6
B. Condominium Map (File Plan)	6
C. Bylaws	6
D. House Rules	7
E. Changes to Condominium Documents	7
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	8
B. Underlying Land	9
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	13
E. Encumbrances Against Title	14
F. Construction Warranties	15
G. Status of Construction	16
H. Project Phases	16
IV. CONDOMINIUM MANAGEMENT	
A. Management of the Common Elements	17
B. Estimate of Initial Maintenance Fees	17
C. Utility Charges for Apartments	17
V. MISCELLANEOUS	
A. Sales Documents Filed with the Real Estate Commission	18
B. Buyer's Right to Cancel Sales Contract	18
C. Additional Information Not Covered Above	20
D. Signature of Developer	21
EXHIBIT A: BUILDINGS AND OTHER IMPROVEMENTS/PARKING STALLS	
EXHIBIT B: PETS/NUMBER OF OCCUPANTS	
EXHIBIT C: ENCUMBRANCES AGAINST TITLE	
EXHIBIT D: PROJECT PHASES/RESERVED RIGHTS	
EXHIBIT E: ESTIMATE OF INITIAL MAINTENANCE FEES	
EXHIBIT F: SUMMARY OF SALES CONTRACTS	
EXHIBIT G: SUMMARY OF EXECUTED ESCROW AGREEMENTS	

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: WALTER AND CAROL APIKI PARTNERSHIP Phone: 261-7472
Name 47-742 AHUIMANU LOOP (Business)
KANEHOHE, HI 96744
Business Address _____

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

General Partner: WALTER H. APIKI, as Trustee under that certain Declaration of Trust dat June 15, 1992, and known as the "Walter H. Apiki Changeable Trust"

General Partner: CAROL L. APIKI, as Trustee under that certain Declaration of Trust date July 15, 1981, and known as the "Carol L. Apiki Changeable Trust"

Real Estate Broker: N/A Phone: N/A
Name _____ (Business)
Business Address _____

Escrow: TITLE GUARANTY ESCROW Phone: 521-0211
SERVICES, INC. (Business)
235 Queen Street, First Floor
Honolulu, HI 96813

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

Condominium Managing Agent: _____ Phone: 261-7472
Walter and Carol Apiki Partnership (Business)
(Attention: Mr. Walter H. Apiki or Ms. Carol L. Apiki)
47-742 Ahuimanu Loop
Kaneohe, Hawaii 96744

Attorney for Developer: CARLSMITH BALL WICHMAN MURRAY Phone: 523-2500
CASE MUKAI & ICHIKI (Business)
1001 Bishop Street
Pacific Tower, Suite 2200 FAX: 523-0842
Honolulu, Hawaii 96813
Attention: Ronald Y. Shigetani, Esq.

**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. _____

Book _____ Page _____

Filed - Land Court:

Document No. 2002335

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

- 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. _____

Filed - Land Court Condo Map No. 959

The Condominium Map has been amended by the following instruments (state name of document, date and recording/filing information): N/A

- 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. _____

Book _____ Page _____

Filed - Land Court:

Document No. 2002336

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

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>N/A (MAY, HOWEVER, BE AMENDED BY A MAJORITY OF THE BOARD.)</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. HOWEVER, RIGHTS HAVE BEEN RESERVED ON BEHALF OF THE APARTMENT OWNERS TO CHANGE THE DECLARATION, CONDOMINIUM MAP, BYLAWS, AND HOUSE RULES, ALL AS MORE FULLY SET FORTH IN SECTION H. "PROJECT PHASES" OF THIS REPORT.
- 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.

N/A--
 SEE
 Exhibit BELOW 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: JANUARY 1, 2053.

Rent Renegotiation Date(s): ON THE DATE THAT THE APARTMENT IS NO LONGER OWNED BY A DESCENDENT OF WALTER AND CAROL APIKI AND EACH TENTH ANNIVRSARY THEREAFTER UNTIL 2053.

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

Other: RENT: So long as the Apartment is owned by a descendent of Walter and Carol Apiki, the rent is \$1.00 per year. If the Apartment is not owned by a descendent of Walter and Carol Apiki, the rent will be the Apartment Owners' proportionate share of an amount equal to 8% of the fair market value of the land for each ten-year period from the time the Apartment is not owned by a descendent of Walter and Carol Apiki.

SURRENDER CLAUSE: At the end of the Lease, the Apartment Owner will return the property with all improvements to the Lessor in good condition except for normal wear and tear.

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:

47-742 ABUIMANU LOOP
KANEOHE, HI 96744

Address: _____ Tax Map Key: 1-4-7-40:22
_____ (TMK)

Address TMK is expected to change because THE APARTMENT ADDRESSES WILL BECOME
47-742 -A, -B, AND -C ABUIMANU LOOP.

Land Area: 43.789 _____ square feet acre(s) Zoning: COUNTRY DISTRICT
AG-2; R-2, R-3

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:

Pets: See Exhibit "B"

Number of Occupants: See Exhibit "B"

Other: _____

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: -0- Stairways: -0- Trash Chutes: -0-

Apt. Type	Quantity	BR/Bath	Net	
			Living Area (sf)*	Lanai/Patio (sf)
A (home)	<u>1</u>	<u>2/2</u>	<u>3,080</u>	<u>700</u>
B (home)	<u>1</u>	<u>3/2</u>	<u>2,752</u>	<u>300</u>
C (kennel)	<u>1</u>	<u>N/A</u>	<u>444</u>	<u>N/A</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 3

*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:

Three (3) apartments are designated in the spaces within the perimeter walls, doors, windows, floors and ceilings of each of the six (6) buildings of the Project (subject to the reserved right of the Owner of Apartment A to construct an additional apartment and to the reserved right of the Owner of Apartment C to construct additional buildings. The respective apartments shall not be deemed to include any roads, driveways, pipes, shafts, wires, conduits or other utility or service lines which are utilized for or serve more than one apartment. Each apartment shall include, (i) all the walls and partitions including its perimeter walls, (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, (iii) all walls, floors, ceilings, and roofs, (iv) all doors, windows or panels, (v) all appliances and fixtures installed therein, (vi) all roads, parking area, driveways and walkways which are utilized for and serve only that apartment, (vii) all sewer lines, water lines, utility lines, electrical equipment, wiring, pipes and other appurtenant transmission facilities over, under and across the Project which are utilized for and serve only that apartment, (viii) all walls and fences located on the Land which are utilized for and define the perimeter of only that apartment, and (ix) any and all other apparatus and installations which are utilized for and serve only that apartment.

Permitted Alterations to Apartments:

Each owner of an Apartment shall have the right, at the sole cost and expense of such owner, to install, modify and remove partitions or mezzanines and walls and fences, to paint, paper, panel, plaster, tile, finish and do other such work on the exterior and interior surfaces of the ceilings, floors and walls of the apartment, to substitute new finished surfaces for the finished surfaces then existing on said ceilings, floors and walls, and to finish, alter or substitute any plumbing, electrical or other such fixtures attached to said ceilings, floors or walls; provided, however, that this section shall not be construed as permitting interference with the use and enjoyment of the common elements by other owners or violation of any building, safety, health or fire codes, nor shall it be construed to adversely affect any other Apartment or affect or impair any easement or rights of any other Apartment Owner.

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>4</u>	<u>—</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>4</u>

Each apartment will have the exclusive use of at least 2 parking stall(s), except Apartment C has no parking stall. Buyers are encouraged to find out which stall(s) will be available for their use.

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

8. Recreational and Other Common Facilities:

- There are no recreational or common facilities.
- 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):

<u>APT.</u>	<u>CONDITION</u>	<u>STRUCTURAL COMPONENTS</u>	<u>MECHANICAL</u>	<u>ELECTRICAL INSTALLATIONS</u>
A	GOOD	<u>100</u> YEARS	<u>N/A</u> YEARS	<u>15</u> YEARS
B	GOOD	<u>100</u> YEARS	<u>N/A</u> YEARS	<u>15</u> YEARS
C	GOOD	<u>100</u> YEARS	<u>N/A</u> YEARS	<u>15</u> YEARS

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>	<u> </u>	<u> </u>
Structures	<u>X</u>	<u> </u>	<u> </u>
Lot	<u>X</u>	<u> </u>	<u> </u>

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

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

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

D. Common Elements, Limited Common Elements, Common Interest

1. Common Elements: Common Elements are those parts of the condominium project 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:

- a. The Land in fee simple.
- b. All yards, grounds and landscaping within the Project and not included in an apartment.
- c. All roads, parking areas, driveways and walkways which are rationally of common use by owners of more than one apartment.
- d. All sewer lines, water lines, utility lines, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities over, under and across the Project which serve more than one apartment for services such as power, light, water, gas, sewer, refuse, telephone and radio and television signal distribution.
- e. All walls and fences located on the Land (if any) which define the entire outer perimeter of the Project, but excluding all walls and fences located on the Land adjacent to an apartment that defines the perimeter of an apartment.
- f. Three (3) mailboxes; one designated for each apartment.
- g. Any and all other apparatus and installations of common use by owners of more than one apartment and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use by owners of more than one apartment.

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:

Each apartment shall have appurtenant to it as a limited common element (i) all roads, parking areas, driveways and walkways which serve only that apartment, (ii) all sewer lines, water lines, utility lines, electrical equipment, wiring, pipes and other transmission facilities over, under and across the Project which serve only that apartment, (iii) the land and yard area immediately adjacent to that apartment as delineated on the Condominium Map as a limited common element land area and which the apartment owner may enclose by a fence or wall, (iv) all walls and fences which define the perimeter of that apartment and its limited common element yard, and (v) any and all other apparatus and installations which serve only that apartment.

NOTE: Land areas referenced in item (iii) herein are not legally subdivided lots.

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: 25%

Apartment C: 25%

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 "C" describes the encumbrances against the title contained in the title report dated 4/20/93 and issued by TITLE GUARANTY OF HAWAII, INC.

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.
- 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>
---------------------	---------------------------------------------------------------------------------------------------------------

Mortgage dated December 24, 1986, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1628935, made by and between Carol L. Apiki, as Trustee under that certain Declaration of Trust dated July 15, 1981, executed by Carol Lee Apiki as Grantor and known as the "Carol L. Apiki Changeable Trust", as Mortgagor, and First Nationwide Bank, a federal savings bank, as Mortgagee.

Buyer's interest may be terminated and buyer will receive a refund of all deposits.

F. Construction Warranties:

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

1. Building and Other Improvements:

THE BUILDING AND OTHER IMPROVEMENTS SHALL BE CONVEYED TO PURCHASERS "AS IS, WHERE IS" WITH ALL FAULTS, IF ANY. DEVELOPER 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 APARTMENTS, THE PROJECT, OR THE COMMON ELEMENTS OF THE PROJECT.

2. Appliances:

THE APPLIANCES AND FURNISHINGS SHALL BE ASSIGNED "AS IS, WHERE IS" WITH ALL FAULTS, IF ANY. DEVELOPER 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 APARTMENTS, THE PROJECT, OR THE COMMON ELEMENTS OF THE PROJECT.

G. Status of Construction and Estimated Completion Date: N/A

Apartment A construction completed in 1985.

Apartment B and Apartment C (two stall kennel) completed in 1990.

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):

See Exhibit "D"

IV. CONDOMINIUM MANAGEMENT

A. 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 condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium 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 condominium managing agent for this project, named on page five (5) of this report, is:

- not affiliated with the Developer the Developer or the Developer's affiliate.
- self-managed by the Association of Apartment Owners other _____

B. 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.

Exhibit "E" contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. 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:

- None Electricity Gas Water
- Sewer Television Cable Other _____

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

[X] Specimen Sales Contract
Exhibit "F" contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated 3/31/93
Exhibit "G" 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. 2862 filed with the Real Estate Commission on 4/30/93

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

- yellow paper stock white paper stock pink paper stock

C. Additional Information Not Covered Above

- 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.

WALTER AND CAROL APIKI PARTNERSHIP,
a Hawaii general partnership

By its General Partner Name of Developer

WALTER H. APIKI, as Trustee under that
certain Declaration of Trust dated
June 15, 1992, and known as the "Walter
H. Apiki Changeable Trust"

April 7, 1993
Date

By Walter H. Apiki
Walter H. Apiki,
Trustee as aforesaid

By its General Partner

CAROL L. APIKI, as Trustee under that
certain Declaration of Trust dated
July 15, 1981, and known as the "Carol L.
Apiki Changeable Trust"

By Carol L. Apiki
Carol L. Apiki,
Trustee as aforesaid

Distribution:

Department of Finance, CITY & COUNTY OF HONOLULU
Planning Department, CITY & COUNTY OF HONOLULU
Federal Housing Administration

EXHIBIT "A"
CONDOMINIUM PUBLIC REPORT
THE APIKI CONDOMINIUM
BUILDINGS AND OTHER IMPROVEMENTS/PARKING STALLS

BUILDINGS AND OTHER IMPROVEMENTS. Three (3) freehold estates are designated in the spaces within the perimeter walls, doors, windows, floors and ceilings of each of the six (6) buildings of the Project (subject to the reserved right of the Owner of Apartment A to construct an additional apartment and to the reserved right of the Owner of Apartment C to construct additional buildings, all as set forth in the Declaration), which spaces are referred to herein as "apartments" and are designated and located on the Condominium Map and are more particularly described as follows:

1. Apartment A: This apartment consists of three (3) stand-alone buildings of one (1) story each containing a net area of approximately 3,080 square feet of interior space and consists of an open porch, breakfast nook, hall, laundry room, bath room, bedroom, living room, master bedroom, closet, master bathroom, studio, office, and a detached tack room and detached garage, all connected by covered walkways.

2. Apartment B: This apartment consists of two (2) buildings of one (1) story each containing a net area of approximately 2,752 square feet of interior space and consists of a lanai, a dining room, living room, utility room, two (2) bathrooms, two (2) bedrooms, a master bedroom, kitchen, stairwell, storage area, entry porch, porch/lanai, and detached garage connected by a walkway.

3. Apartment C: This apartment consists of one building of one (1) story containing a net area of approximately 444 square feet of interior spaces consisting of two (2) stalls, a feed and tack room and a tie stall.

PARKING STALLS.

1. Apartment A: This apartment has two (2) covered and assigned parking stalls.

2. Apartment B: This apartment has two (2) covered and assigned parking stalls.

3. Apartment C: This apartment has no parking stall.

EXHIBIT "B"
CONDOMINIUM PUBLIC REPORT
THE APIKI CONDOMINIUM
PETS/NUMBER OF OCCUPANTS

PETS: No owner or occupant of a residential apartment shall keep any fish, fowl, or livestock for any purpose other than as pets without the expressed permission of the Board. Any animal or pet which causes excessive noise or is otherwise a nuisance or offensive to any other apartment owner is subject to removal from the Project at the order or direction of the Board. Notwithstanding anything to the contrary in the foregoing, visiting pets or animals are allowed on the premises with the expressed permission of the apartment owners whose limited common elements the visiting animals or pets are being permitted upon.

Responsibility of Pet or Animal Owners. Any pet or animal, visiting or kept by an apartment owner or tenant, that is causing a nuisance or any unreasonable disturbance to any other occupant of the Project will be subject to permanent and prompt removal upon notice given by the Board. Pet or animal owners are responsible for undue noise made by their pets or animals.

NUMBER OF OCCUPANTS: Each apartment will have no more than six (6) persons residing therein permanently, whether such occupants are homeowners or tenants, unless they have obtained the expressed permission of the Board. Permanent residence is hereby defined as residence of 32 consecutive days or more or a total of more than seventy days in any calendar year.

EXHIBIT "C"
CONDOMINIUM PUBLIC REPORT
THE APIKI CONDOMINIUM
ENCUMBRANCES AGAINST TITLE

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

Tax Key: 4-7-040-022 (1) Area assessed: 43.789 acres

2. The right of DILLINGHAM BROS., LIMITED, at any time to change the location of said easements, roadways, or rights of way, other than the Kamehameha Highway, provided, DILLINGHAM BROS., LIMITED, furnishes the owners of said pieces of lands affected by such change with equally suitable easements, roadways, or rights of way, to those already existing and hereby provided of the same width at least as the existing roadways, easements or rights of way, and if any dispute shall arise between DILLINGHAM BROS., LIMITED and the owners of the land affected by such change as to the suitability of the new easements, roadways, or rights of way, such dispute shall be submitted to and settled by a Judge of the Land Court of the State of Hawaii.

Nothing herein contained shall be construed as determining the rights to water and/or easements for irrigation ditches in favor of DILLINGHAM BROS., LIMITED, and/or any of the parties interested in the lands covered by Land Court Certificate of Title No. 47,043.

3. Perpetual covenants in DEED, dated June 5, 1951, filed as Land Court Document No. 130310.

4. **MORTGAGE**

MORTGAGOR: CAROL L. APIKI, as Trustee under that certain Declaration of Trust dated July 15, 1981, executed by Carol Lee Apiki as Grantor and known as the "Carol L. Apiki Changeable Trust"

MORTGAGEE: FIRST NATIONWIDE BANK, a federal savings bank

DATED: December 24, 1986
FILED: Land Court Document No. 1428935
AMOUNT: \$350,000.00

5. Terms, conditions and provisions contained in that certain Declaration of Trust dated July 15, 1981 and known as the "Carol L. Apiki Changeable Trust" dated July 15, 1981.
6. The project is also subject to the condominium documents identified on page 6 of this public report.

EXHIBIT "D"
CONDOMINIUM PUBLIC REPORT
THE APIKI CONDOMINIUM
PROJECT PHASES/RESERVED RIGHTS

PROJECT PHASES/RESERVED RIGHTS

1. The Owner of Apartment C shall have the right for the next fifty (50) years from the date of the Declaration to construct additional buildings and improvements on the Limited Common Element Land Area appurtenant to Apartment C, in accordance with the following:

a. The Owner of Apartment C shall have the right to determine from time to time the elevation of the additional building or buildings and the layout, location, floor plan and dimensions of the additional improvements to be constructed on the Limited Common Element Land Area appurtenant to Apartment C.

b. The Owner of Apartment C shall have the right to build such additional buildings and improvements from time to time which shall constitute Apartment C and improvements such as roads, utility lines, etc. which serve Apartment C; provided, however, that any such construction shall be done by licensed contractors pursuant to plans and specifications drawn by a licensed architect or professional engineer and the design and exterior finishes of the structures shall be generally consistent with the design and exterior finishes of the other Apartments of the Project. Prior to commencement of any such construction, the Owner of Apartment C shall obtain a performance and payment bond(s) or a certificate thereof naming as obligees collectively all Apartment Owners and their respective mortgagees, as their respective interests may appear, in a penal sum of not less than one hundred percent (100%) of the cost of such construction with a surety authorized to do business in the State of Hawaii;

c. The Owner of Apartment C shall have the right to amend the Condominium Map from time to time to accurately depict the elevation of the additional building or buildings and the layout, location, floor plans, and dimensions of such additional buildings and improvements, all of which shall constitute Apartment C "as built";

d. The Owner of Apartment C shall have the right to amend the Declaration, upon construction of such additional buildings and improvements, to provide for the following:

(i) a description of the buildings and other structures built on Apartment C, all of which shall constitute Apartment C and none of which shall constitute a Common Element or Limited Common Element, and a description of the improvements built to serve Apartment C which may constitute Common Elements or Limited Common Elements of the Project.

(ii) a description of Apartment C;

(iii) other data identifying Apartment C; and

(iv) such other provisions as may be reasonable or necessary as the Owner of Apartment C may determine.

e. The additional buildings and improvements of Apartment C shall not be occupied until the amendments to the Declaration and Condominium Map shall have been recorded.

2. The Owner of Apartment A shall have the right for the next fifty (50) years from the date of the Declaration to construct or have a third party construct an additional apartment to be known as "Apartment D" in accordance with the following:

a. The Owner of Apartment A shall have the right to determine from time to time the elevation of the building or buildings and the layout, location, floor plan and dimensions of the improvements to be constructed on the Limited Common Element Land Area appurtenant to Apartment A as Apartment D. The location of Apartment D shall not encroach on any other apartment of the Project.

b. The Owner of Apartment A shall have the right to build such buildings and improvements from time to time which shall constitute Apartment D and improvements such as roads, utility lines, etc. which serve Apartment D; provided, however, that any such construction shall be done by licensed contractors pursuant to plans and specifications drawn by a licensed architect or professional engineer and the design and exterior finishes of the structures shall be generally consistent with the design and exterior finishes of the other Apartments of the Project. Prior to commencement of any such construction, the Owner of Apartment A shall obtain a performance and payment bond(s) or a certificate thereof naming as obligees collectively all Apartment Owners and their respective mortgagees, as their respective interests may appear, in a penal sum of not less than one hundred percent (100%) of the cost of such construction with a surety authorized to do business in the State of Hawaii;

c. The Owner of Apartment A shall have the right to amend the Condominium Map from time to time to accurately depict the elevation of the building or buildings and the layout, location, floor plans, and dimensions of Apartment D "as built";

d. The Owner of Apartment A shall have the right to amend the Declaration, before or after construction of such buildings and improvements as shall constitute Apartment D, to provide for the following:

(i) a description of the buildings and other structures built or to be built as Apartment D, all of which shall constitute Apartment D and none of which shall constitute a Common Element or Limited Common Element, and a description of the improvements built to serve Apartment D, which may constitute Common Elements or Limited Common Elements of the Project.

(ii) a description of Apartment D;

(iii) specifying the undivided percentage interest appurtenant to Apartment A as being 25% and the undivided percentage interest appurtenant to Apartment D as being 25%;

(iv) other data identifying Apartment D; and

(v) such other provisions as may be reasonable or necessary as the Owner of Apartment A may determine to establish Apartment D.

e. The buildings and improvements of Apartment D shall not be occupied until the amendments to the Declaration and Condominium Map shall have been recorded.

EXHIBIT "E"
CONDOMINIUM PUBLIC REPORT
THE APIKI CONDOMINIUM
ESTIMATE OF INITIAL MAINTENANCE FEES

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services		
Air Conditioning		None
Electricity		None
[] common elements only		
[] common elements and apartments		
Elevator		None
Gas		None
Refuse Collection		None
Telephone		None
Water and Sewer		None
Maintenance, Repairs, and Supplies		None
Building		
Grounds		
Management		
Management Fee		None
Payroll and Payroll Taxes		
Office Expenses		
Insurance	\$ 13.88 x 12 x 3 =	\$ 500.00
Reserves(*)	\$ 5.00 x 12 x 3 =	\$ 180.00
Taxes and Government Assessments		None
Audit Fees		None
Other		None
Total		\$ 680.00 per year

(*) Mandatory reserves in effect January 1, 1993

WALTER AND CAROL APIKI PARTNERSHIP, a Hawaii general partnership, as Developer of The Apiki Condominium project, hereby certifies that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

**WALTER AND CAROL APIKI
PARTNERSHIP**

By its General Partner
WALTER H. APIKI, as Trustee under
that certain Declaration of Trust
dated June 15, 1992, and known as
the "Walter H. Apiki Changeable
Trust"

By Walter H. Apiki
Walter H. Apiki,
Trustee as aforesaid

By its General Partner

CAROL L. APIKI, as Trustee under
that certain Declaration of Trust
dated July 15, 1981, and known as
the "Carol L. Apiki Changeable
Trust"

By Carol L. Apiki
Carol L. Apiki,
Trustee as aforesaid

"Developer"

Date: April 7, 1993.

EXHIBIT "F"
CONDOMINIUM PUBLIC REPORT
THE APIKI CONDOMINIUM
SUMMARY OF SALES CONTRACTS

The unexecuted Deposit Receipt Offer and Acceptance ("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 the lease and the underlying land, 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 provides:

1. That the sale of the apartment is to close immediately upon approval of the Final Public Report by the Real Estate Commission.

2. That the provisions relating to "staking", "termite inspection", "consents", "obligations", and "permission" found on the reverse side of the Sales Contract are deleted.

3. That the property is to be sold "as is", with all faults, if any.

4. That the provisions of Hawaii Revised Statutes Chapter 514A applicable to sales contracts are incorporated into the Sales Contract by reference.

5. That 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.

EXHIBIT "G"
CONDOMINIUM PUBLIC REPORT
THE APIKI CONDOMINIUM
SUMMARY OF EXECUTED ESCROW AGREEMENTS

A copy of the executed Escrow Agreement dated March 31, _____, 1993 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 under HRS Chapter 514A entitles 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 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 effected under the provisions of Chapter 514A, Hawaii Revised Statutes.

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