

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer WDL HAIKU PARTNERS, LLC
Address 44-647A Kaneohe Bay Drive, Kaneohe, Hawaii 96744

Project Name (*): ESTATES AT HAIKU
Address: 46-246 Haiku Road, Kaneohe, Hawaii 96744

Registration No. 2956
Effective date: January 30, 2001
Expiration date: March 2, 2002

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: (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report.
FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
X SUPPLEMENTARY: (pink) This report updates information contained in the:
And [] Supersedes all prior public reports.
[X] Must be read together with Final Public Report
[X] This report reactivates the Final Public Report public report(s) which expired on June 8, 1999

(*) Exactly as named in the Declaration
This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2644 to submit your request.

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:

- (1) WDL Haiku Partners, LLC is the new developer for the project and its real estate broker, escrow and attorney are as identified on Page 5.
- (2) The Declaration has been amended to change the Developer's Reserved Rights to Change Documents, as described in Exhibit "A" to the final public report, so that such right expires upon the issuance of a certificate of occupancy for a fourth apartment in the Project or eight (8) years (instead of the five (5) years originally provided for) after the date of recordation in the Land Court of the first conveyance of an Apartment in the Project, whichever shall first occur. Exhibit "A" is amended and replaced by Exhibit "A" attached hereto.
- (3) The Estimate of Initial Maintenance Fees and Estimate of Maintenance Fee Disbursements, as described in Exhibit "G" to the final public report, has been updated. Exhibit "G" is amended and replaced by Exhibit "G" attached hereto.
- (4) Apartment B was previously sold. This Supplementary Public Report is to be used in connection with the sale of Apartment A.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: WDL Haiku Partners, LLC Phone: (808) 335-1959
Name* (Business)
44-647A Kaneohe Bay Drive
Business Address
Kaneohe, Hawaii 96744

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):

Wayland D. Lum, Member

Real Estate Broker*: Tengan Realty Inc. Phone: (808) 732-4520
Name (Business)
1123 11th Avenue, Suite 403A
Business Address
Honolulu, Hawaii 96816

Escrow: Guardian Escrow Services, Inc. Phone: (808) 951-6991
Name (Business)
2347 S. Beretania Street, Suite 200
Business Address
Honolulu, Hawaii 96826

General Contractor*: Same Phone: Same
Name (Business)
Same
Business Address

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

Attorney for Developer: Law Offices of Wesley Y. S. Chang Phone: (808) 534-4807
Name (Business)
841 Bishop Street, Suite 702
Business Address
Honolulu, Hawaii 96813-4917
Attn: Lisa T. Redell

* For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

**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:

| | | | | |
|-------------------------------------|------------|------------------------|--------------|------------------|
| <input type="checkbox"/> | Proposed | | | |
| <input type="checkbox"/> | Recorded - | Bureau of Conveyances: | Document No. | _____ |
| | | | Book | _____ Page _____ |
| <input checked="" type="checkbox"/> | Filed - | Land Court: | Document No. | <u>2062045</u> |

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]:
Estates at Haiku First Amendment to Declaration of Condominium Property Regime dated February 23, 2000 and filed on April 28, 2000 in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2622579.

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:

| | | | | |
|-------------------------------------|------------|-------------------------------------|------------|--|
| <input type="checkbox"/> | Proposed | | | |
| <input type="checkbox"/> | Recorded - | Bureau of Conveyances Condo Map No. | _____ | |
| <input checked="" type="checkbox"/> | Filed - | Land Court Condo Map No. | <u>993</u> | |

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:

| | | | | |
|-------------------------------------|------------|------------------------|--------------|------------------|
| <input type="checkbox"/> | Proposed | | | |
| <input type="checkbox"/> | Recorded - | Bureau of Conveyances: | Document No. | _____ |
| | | | Book | _____ Page _____ |
| <input checked="" type="checkbox"/> | Filed - | Land Court: | Document No. | <u>2062046</u> |

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

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 "C" .

as follows:

3. **Common Interest:** Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is 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 "D" .

as follows:

- 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 "E" describes the encumbrances against the title contained in the title report dated January 5, 2001 and issued by First American Long & Melone Title Company, Ltd. .

G. Status of Construction and Date of Completion or Estimated Date of Completion:

Construction of Apartment A was completed on January 15, 2001, and construction of Apartment B was completed in 1993.

H. Project Phases:

The developer [X] 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):

Pursuant to paragraph 18 of the Declaration, the Developer has reserved the right (but is not obligated) to construct up to two (2) additional apartments on part of the common elements designated in the Declaration and on the Condominium Maps "Reserved Land." In connection with the creation of additional apartments, the Developer has also reserved the right to amend the Declaration and Condominium Map to reflect the addition of new apartments to the Project, to reapportion the common interests among the original and new apartments, and to designate all or part of the Reserved Land as limited common element "Open Areas" appurtenant to the new apartments. Purchasers are advised to read paragraph 18 of the Declaration and the First Amendment to the Declaration of Property Regime to carefully ascertain the full range of rights reserved to the Developer in connection with the creation of additional apartments.

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 "H" contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated January 11, 2001
Exhibit "H" 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 issued an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners, as amended.
- D) House Rules, if any.
- E) Condominium Map, as amended.
- 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 Title Report issued by First American Long & Melone Title Company, Ltd. dated January 5, 2001 or the most recent issued title report.

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. 2956 filed with the Real Estate Commission on September 2, 1993.

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

YELLOW paper stock

WHITE paper stock

PINK paper stock

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-] (The developer is required to make this declaration for issuance of an effective date for a final public report.)

- E. 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.

WDL HAIKU PARTNERS, LLC

Printed Name of Developer

By: 

Duly Authorized Signatory*

January 11, 2001

Date

Wayland D. Lum, Member-Manager

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

**Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership(LLP) by the general partner; Limited Liability Company(LLC) by the manager or member; and for an individual by the individual.*

DEVELOPER'S RESERVED RIGHTS TO CHANGE DOCUMENTS

Under paragraph 18 of the Declaration, the Developer reserves the right to amend the Declaration and the Condominium Map to reflect the creation of up to two (2) additional apartments in the Project. This right shall terminate upon the issuance of a certificate of occupancy for a fourth apartment in the Project, or eight (8) years after the date of recordation in the first conveyance of an apartment in the Project, whichever first occurs.

Under paragraph 19 of the Declaration, the Developer reserves the right to amend the Declaration, Condominium Map and Bylaws at any time prior to the first recording of a conveyance or transfer (other than for security) of an apartment and its appurtenances to a party who has not signed the Declaration. Paragraph 19 of the Declaration also permits the Developer to amend the Declaration and the Condominium Map to file the "as-built" verified statement required by the Condominium Property Act at any time before or after the lease, sale or conveyance of any of the apartments.

Section K of the Rules and Regulations provides that the Developer may amend the Rules and Regulations in any manner prior to election of the first Board of Directors for the Project.

Under paragraph E.18 of the Sales Contract, the Developer reserves the right to make changes to all of the Project's documents, under certain circumstances explained in paragraph E.18 of the Sales Contract.

ENCUMBRANCES

- (1) For any real property taxes that may be due and owing, reference is made to the Director of Finance, Real Property Assessment Division, of the City and County of Honolulu.
- (2) A grant in favor of Hawaiian Electric Company, Inc., and GTE Hawaiian Telephone Company Incorporated, dated March 31, 1992, recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1913695, granting a perpetual right and easement to construct, reconstruct, operate, maintain, repair and remove poles, wirelines, guywires, etc., for the transmission and distribution of electricity.
- (3) Designation of Easement 6 (area 192 square feet) for sewer purposes in favor of Lot 10 as shown on map attached to Land Court Order No. 111797, filed May 18, 1993.
- (4) Declaration of Condominium Property Regime of ESTATES AT HAIKU dated August 31, 1993, recorded as Land Court Document No. 2062045, as amended by First Amendment to Declaration of Condominium Property Regime of ESTATES AT HAIKU dated February 23, 2000, recorded as Land Court Document No. 2622579, together with Land Court Condominium Map No. 993.
- (5) By-Laws of the Association of Apartment Owners of ESTATES AT HAIKU dated August 31, 1993, recorded as Land Court Document No. 2062046, as now or hereafter amended.

EXHIBIT "G"
ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

| <u>Model</u> | <u>Monthly Fee</u> | <u>X 12 months = Yearly Total</u> |
|--------------|--------------------|-----------------------------------|
| A | \$89.00 | X 12 months = \$1,068.00 |
| B | \$89.00 | X 12 months = \$1,068.00 |

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

Estimate of Maintenance Fee Disbursements:

Utilities and Services

Air Conditioning

Electricity – common elements only \$25.00 X 12 months = \$300.00
(2 units @ \$25.00 each)

Elevator

Gas

Refuse Collection

Telephone

Water and Sewer

Maintenance, Repairs and Supplies

Building

Grounds (2 units @ \$37.50 each) \$38.00 X 12 months = \$456.00

Management

Management Fee

Payroll and Payroll Taxes

Office Expenses

Insurance

Liability (2 units @ \$12.50 each) \$25.00 X 12 months = \$300.00

Property* (2 units @ \$30.00 each) \$60.00 X 12 months = \$720.00

Reserves (2 units @ \$15.00 each) \$30.00 X 12 months = \$360.00

Taxes and Government Assessments

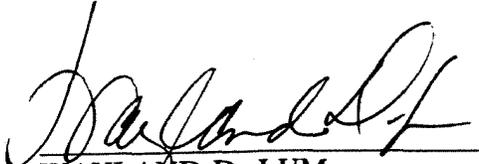
Audit Fees

Other

TOTAL \$178.00 X 12 months = \$2,136.00

* Based on a replacement cost of \$229,000.00 per dwelling and a \$1,000.00 deductible.

I, Wayland D. Lum, as the member manager of WDL Haiku Partners, LLC., the developer, for the condominium project, "Estates at Haiku", hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



WAYLAND D. LUM

DATED: *January 11, 2001*

STATEMENT REGARDING RESERVES

In arriving at the figure for "Reserves", the Developer has not conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.