

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer Princeville Corporation
Address P. O. Box 3040, Princeville, HI 96722

Project Name(*): Emmalani Court - Phase 2
Address: 5250 Ka Haku, Princeville, HI 96722

Registration No. 2966

Effective date: April 5, 1995

Expiration date: May 5, 1996

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.
(yellow)

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

 SUPPLEMENTARY: This report updates information contained in the:
(pink)
[] 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:

Emmalani Court - Phase 2 is the second phase of a two (2) phase development. The Developer has filed for and the Real Estate Commission has issued an effective date of December 18, 1992 for a Final Public Report on Emmalani Court - Phase 1.

Developer discloses that Phase 1 and Phase 2 has been merged to create one (1) condominium property regime consisting of forty-two (42) condominium units. The Certificate of Merger has been recorded at the Bureau of Conveyances.

This registration is for the purpose of sale of Phase 2 units only. Phase 2 contains twenty (20) units. Information regarding the effects of the merger of Phase 1 and Phase 2 are also provided in this Public Report.

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: Unit Specifications	
EXHIBIT B: Description of Buildings	
EXHIBIT C: Boundaries of Each Condominium Unit	
EXHIBIT D: Permitted Alterations to Condominium Unit	
EXHIBIT E: Common Elements	
EXHIBIT F: Limited Common Elements	
EXHIBIT G: Encumbrances Against Title	
EXHIBIT H: Construction Warranties	
EXHIBIT I: Summary of Sales Contract	
EXHIBIT J: Summary of Escrow Agreement	
EXHIBIT K: Disclosure Abstract	

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: Princeville Corporation Phone: 826-3040
Name (Business)
P.O. Box 3040
Business Address
Princeville, HI 96722

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

Teney K. Takahashi, President
Takashi Nishii, Executive Vice President
Ronald S. Jeffrey, Vice President
Takeshi Horinouchi, Vice President
William K. Malish, Secretary & Treasurer

Real Estate Broker: Princeville Management Corporation Phone: 826-3040
Name (Business)
P.O. Box 3040
Business Address
Princeville, HI 96722

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

General Contractor: Obayashi Hawaii Corporation Phone: 593-0000
Name (Business)
725 Kapiolani Boulevard, 4th Floor
Business Address
Honolulu, HI 96813

Condominium Managing Agent: Certified Management, Inc. Phone: 245-3286
Name (Business)
P.O. Box 1325
Business Address
Lihue, HI 96766

Attorney for Developer: Watanabe, Ing & Kawashima Phone: 544-8300
Name (Business)
745 Fort St., 5th Floor
Business Address
Honolulu, HI 96813
Attn: Lyle Y. Harada/Donna Y. Kanemaru

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. 92-166784
Book _____ Page _____
 Filed - Land Court: Document No. _____

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

- 1st Amendment to Decl of CPR, 4/8/93, 93-060599
2nd Amendment to Decl of CPR, 12/27/93, 94-022223
3rd Amendment to Decl of CPR, 2/13/95, 95-021930

- 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. 1752
 Filed - Land Court Condo Map No. _____

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

- 3rd Amendment to Declaration of CPR, 2/13/95, 95-021930

- 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. 92-166785
Book _____ Page _____
 Filed - Land Court: Document No. _____

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> By majority of Board of Directors
House Rules	—	

* 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:

The Developer may amend the Declaration, Bylaws and Condominium Map (a) at any time prior to recording the first condominium deed or other conveyance to a party not a signatory to the Declaration; (b) to make any amendments required by law, by the Real Estate Commission of the State of Hawaii, by any title insurer issuing title insurance on the Project, or by any governmental agency of any other jurisdiction; (c) to file the "as built" verified statement required by Section 514A-12, HRS; (d) to reflect the construction and merger of Phase 2 of the Project as provided in Paragraph 20 of the Declaration of Condominium Property Regime; and (e) to complete the subdivision and removal of land for the proposed Phase 2 of the Project as provided in Paragraph 21 of the Declaration of Condominium Property Regime.

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: 5250 Ka Haku Tax Map Key: (4) 5-4-12:10
Princeville, HI 96722 (TMK)

[] Address [] TMK is expected to change because _____

Land Area: 1.677* [] square feet [X] acre(s) Zoning: R-10

*The area that Phase 2 covers is 73,055 square feet of the total land area of 4.666 acres.

Lessor
(Fee Owner): Princeville Corporation
 Name P.O. Box 3040
 Address Princeville, HI 96722

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: 3 Floors Per Building 2

Exhibit B contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other glass and plaster

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning	No. of Apts.	Use Determined By Zoning
<input checked="" type="checkbox"/> Residential	<u>20</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Ohana	<u>N/A</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	<u>N/A</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Industrial	<u>N/A</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	<u>N/A</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Agricultural	<u>N/A</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	<u>N/A</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Recreational	<u>N/A</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	<u>N/A</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Other: <u>Transient vacation rental and condominium hotel operations are permitted.</u>		<input checked="" 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:

Pets: Small dog or cat or other generally recognized household pets
are permitted.

Number of Occupants: _____

Other: _____

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 1 Trash Chutes: 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>A</u>	<u>4</u>	<u>1/1.75</u>	<u>952</u>	<u>138</u>
<u>B</u>	<u>8</u>	<u>2/2</u>	<u>1.192</u>	<u>108</u>
<u>C</u>	<u>8</u>	<u>2/2</u>	<u>1.456</u>	<u>135</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 20 (Phase 2 only)

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

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

Boundaries of Each Apartment:

See Exhibit "C"

Permitted Alterations to Apartments:

See Exhibit "D"

There is a total of seventy (70) parking stalls for the entire project (Phase 1 and Phase 2 merged). Some stalls may have been disclosed as part of Phase 1 and subject to assignment to Phase 2.

7. Parking Stalls:

Total Parking Stalls: 32 (Phase 2)

	<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>20</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>20</u>
Guest	<u> </u>	<u> </u>	<u> </u>	<u>2</u>	<u> </u>	<u> </u>	<u>2</u>
Unassigned	<u> </u>	<u>4</u>	<u> </u>	<u>6</u>	<u> </u>	<u> </u>	<u>10</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>32</u>
Total Covered & Open	<u>24</u>	<u> </u>	<u>8</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Each apartment will have the exclusive use of at least one (1) 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 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 located in Phase 1 Storage Area Recreation Area
- Laundry Area Tennis Court Trash Chute
- Other: Manager's Building containing a multi-function room and office and one (1) resident manager's unit.

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):

N/A

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>Yes</u>	_____	_____
Structures	<u>Yes</u>	_____	_____
Lot	<u>Yes</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 E .

as follows:

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

There are no limited common elements in this project.

The limited common elements and the apartments which use them, as described in the Declaration, are:

described in Exhibit F.

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 A.

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 G describes the encumbrances against the title contained in the title report dated January 31, 1995 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.

[X] 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>
---------------------	---

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:

See Exhibit "H"

2. Appliances:

A description of warranties on the appliances to be installed in each condominium unit is presently unavailable because the purchase contracts have not been executed. The Developer will attempt to assign to buyers the unexpired term, if any, of any manufacturer's or dealer's warranties covering any fixture or appliance. By such assignment, DEVELOPER IS NOT ¹⁵ ADOPTING ANY SUCH CONTRACTOR'S, MANUFACTURER'S OR DEALER'S WARRANTIES OR ACTING AS CO-WARRANTOR, BUT IS MERELY ATTEMPTING TO PASS THROUGH TO BUYER THEIR BENEFIT OF ANY SUCH WARRANTIES.

G. Status of Construction and Estimated Completion Date:

Status of Construction - 0%

Estimated Completion Date - July 1, 1995

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):

The Developer has merged Phase 1 and Phase 2 and creating one (1) condominium property regime consisting of forty-two (42) condominium units. With the merger, the Developer's reserved right to subdivide and remove the land for Phase 2 is no longer in force.

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 I contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated August 27, 1993
Exhibit J 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 1. DCCR - Princeville at Hanalei Community Association

Waiver and Release,, Document No. 92-071125 dated 4/23/92.

2. Certificate of Merger of Phase 1 and Phase 2, Document No. 95-023254

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. 2966 filed with the Real Estate Commission on 9/23/93.

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

Developer discloses the following information which relates to the Project:

(1) Golf Course Hazard. The Project is located adjacent to golf courses and such location may result in nuisances or hazards to persons and Property within the Project arising from the golf course operations including, but not limited to future expansions, reconfigurations or designs of all or portion of the golf courses, changes in operations, golf tournaments and other activities. Buyers and prospective buyers of the Project should be aware of the existence of such golf hazard potential and future owners should inform their respective lessees, tenants, invitees and/or other persons entering into the Project of the existence of such potential golf hazard.

(2) Princeville Resort. The Project is located within the Princeville Resort. Resort related activities such as, but not limited to, concerts, tournaments, benefits and other activities may result in nuisances or hazards to persons and property within the Project.

(3) Master Association. The Princeville at Hanalei Community Association was established by a Declaration of Restrictions, Covenants and Conditions ("DRCC") dated March 1, 1971. All owners, any other persons or entities having fee simple title to any unit, including contract purchasers, (a) shall be a member of the Princeville at Hanalei Community Association; annual dues for such membership currently ranges approximately between \$259.00 and \$501.00, depending on unit type and is subject to change, (b) shall be liable for his/her proportionate share of the general and special maintenance assessments and the assessments for capital contributions as provided for within said DRCC, and (c) including their lessees, tenants, and invitees, shall comply strictly with the provisions of the DRCC, as it may be amended from time to time.

(4) Ka Haku Entry. Each owner of the Project and their respective lessees, tenants, and invitees shall have a non-exclusive appurtenant easement for road purposes over, upon and through the Ka Haku Road entry. Each owner of the Project shall be obligated to pay a proportionate share of all reasonable expenses for the maintenance, operation, management, replacement, improvement, landscaping, security, real property taxes and insurance of that portion of the Ka Haku Road entry.

The above are summaries of disclosures contained in the Declaration of Condominium Property Regime. Buyers are advised to carefully review Paragraph 22 of the Declaration for a more detailed disclosure prior to entering into a binding sales contract for the purchase of a unit.

- 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.

PRINCEVILLE CORPORATION

Name of Developer

By: *Teney K. Takahashi* 2.13.95
Duly Authorized Signatory Date

Teney K. Takahashi, President

print name & title of person signing above

Distribution:

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

EXHIBIT "A"

EMMALANI COURT

UNIT SPECIFICATIONS - MERGER OF PHASE 1 AND 2 (42 units)

Building No. 1 - Located along the Northern Boundary

<u>Unit No.</u>	<u>Unit Type</u>	<u>Bed Room</u>	<u>Bath Room</u>	<u>Total No. of Rooms</u>	<u>Living Area (s.f.)</u>	<u>Lanai (s.f.)</u>	<u>Total (s.f.)</u>	<u>Common Interest</u>	<u>Parking Stall Nos.</u>
110	D	3	2.5	7.5	1,726	386	2,112	3.5676	3
120	D	3	2.5	7.5	1,726	386	2,112	3.5676	5

Building No. 2 - Located along the Northern Boundary

<u>Unit No.</u>	<u>Unit Type</u>	<u>Bed Room</u>	<u>Bath Room</u>	<u>Total No. of Rooms</u>	<u>Living Area (s.f.)</u>	<u>Lanai (s.f.)</u>	<u>Total (s.f.)</u>	<u>Common Interest</u>	<u>Parking Stall Nos.</u>
211	C	2	2	6	1,456	135	1,591	2.6875	6
212	B	2	2	6	1,192	108	1,300	2.1959	22
213	A	1	1.75	4.75	952	138	1,090	1.8413	24
214	B	2	2	6	1,192	108	1,300	2.1959	26
215	C	2	2	6	1,456	135	1,591	2.6875	28
221	C	2	2	6	1,456	135	1,591	2.6875	21
222	B	2	2	6	1,192	108	1,300	2.1959	23
223	A	1	1.75	4.75	952	138	1,090	1.8413	25
224	B	2	2	6	1,192	108	1,300	2.1959	27
225	C	2	2	6	1,456	135	1,591	2.6875	29

*Total Rooms - includes bedrooms, bathrooms, separate living/dining room, and kitchen.
 **Parking stalls for compact cars are indicated with a "C".

MERGER OF PHASE 1 AND 2 (42 units)

Building No. 3 - Located along the Northern Boundary

Unit No.	Unit Type	Bed Room	Bath Room	Total No. of Rooms	Living Area (S.f.)	Lanai (S.f.)	Total (S.f.)	Common Interest	Parking Stall Nos.
311	C	2	2	6	1,456	135	1,591	2.6875	8
312	B	2	2	6	1,192	108	1,300	2.1959	10
313	A	1	1.75	4.75	952	138	1,090	1.8413	12
314	B	2	2	6	1,192	108	1,300	2.1959	14
315	C	2	2	6	1,456	135	1,591	2.6875	16
321	C	2	2	6	1,456	135	1,591	2.6875	9
322	B	2	2	6	1,192	108	1,300	2.1959	11
323	A	1	1.75	4.75	952	138	1,090	1.8413	13
324	B	2	2	6	1,192	108	1,300	2.1959	15
325	C	2	2	6	1,456	135	1,591	2.6875	17

Building No. 4 - Located Along the Eastern Boundary

Unit No.	Unit Type	Bed Room	Bath Room	Total No. of Rooms	Living Area (S.f.)	Lanai (S.f.)	Total (S.f.)	Common Interest	Parking Stall Nos.
411	C	2	2	6	1,456	135	1,591	2.6875	2
412	B	2	2	6	1,192	108	1,300	2.1959	31

*Total Rooms - includes bedrooms, bathrooms, separate living/dining room, and kitchen.
 **parking stalls for compact cars are indicated with a "C".

MERGER OF PHASE 1 AND 2 (42 units)

<u>Unit No.</u>	<u>Unit Type</u>	<u>Bed Room</u>	<u>Bath Room</u>	<u>Total No. of Rooms</u>	<u>Living Area (s.f.)</u>	<u>Lanai (s.f.)</u>	<u>Total (s.f.)</u>	<u>Common Interest</u>	<u>Parking Stall Nos.</u>
413	A	1	1.75	4.75	952	138	1,090	1.8413	33
414	B	2	2	6	1,192	108	1,300	2.1959	35
415	C	2	2	6	1,456	135	1,591	2.6875	41
421	C	2	2	6	1,456	135	1,591	2.6875	30
422	B	2	2	6	1,192	108	1,300	2.1959	32
423	A	1	1.75	4.75	952	138	1,090	1.8413	34
424	B	2	2	6	1,192	108	1,300	2.1959	42
425	C	2	2	6	1,456	135	1,591	2.6875	43

Building No. 5 - Located Along the Southern Boundary

<u>Unit No.</u>	<u>Unit Type</u>	<u>Bed Room</u>	<u>Bath Room</u>	<u>Total No. of Rooms</u>	<u>Living Area (s.f.)</u>	<u>Lanai (s.f.)</u>	<u>Total (s.f.)</u>	<u>Common Interest</u>	<u>Parking Stall Nos.</u>
511	C	2	2	6	1,456	135	1,591	2.6875	44
512	B	2	2	6	1,192	108	1,300	2.1959	45
513	A	1	1.75	4.75	952	138	1,090	1.8413	63
514	B	2	2	6	1,192	108	1,300	2.1959	65
515	C	2	2	6	1,456	135	1,591	2.6875	67

Total Rooms - includes bedrooms, bathrooms, separate living/dining room, and kitchen.
 **parking stalls for compact cars are indicated with a "c".

MERGER OF PHASE 1 AND 2 (42 units)

<u>Unit No.</u>	<u>Unit Type</u>	<u>Bed Room</u>	<u>Bath Room</u>	<u>Total No. Of Rooms</u>	<u>Living Area (S.f.)</u>	<u>Ianai (S.f.)</u>	<u>Total (S.f.)</u>	<u>Common Interest</u>	<u>Parking Stall Nos.</u>
521	C	2	2	6	1,456	135	1,591	2.6875	69
522	B	2	2	6	1,192	108	1,300	2.1959	64
523	A	1	1.75	4.75	952	138	1,090	1.8413	66
524	B	2	2	6	1,192	108	1,300	2.1959	68
525	C	2	2	6	1,456	135	1,591	2.6875	70

Total Rooms - includes bedrooms, bathrooms, separate living/dining room, and kitchen.
 **parking stalls for compact cars are indicated with a "C".

Exhibit A
 Final Public Report
 Emmalani Court - Phase 2
 0070204.01

MERGER OF PHASE 1 AND 2 (42 units)

EXHIBIT B

EMMALANI COURT

Description of Buildings

The Project shall consist of two (2) residential buildings (hereinafter referred to as "Building 4" and "Building 5" respectively) and one (1) building identified as the "Manager's Building".

Building 4 is located near the eastern boundary of the Project and contains ten (10) residential condominium units. Building 5 is located on the southern boundary of the Project and contains ten (10) residential condominium units. The Manager's Building is located on the western boundary of the Project adjacent to the swimming pool and shall contain a multi-function room and office on the ground floor and one (1) unit as a resident manager's unit on the second floor.

Each building shall have two (2) floors. No building or condominium unit shall contain a basement. The building will be constructed primarily of reinforced concrete, glass, wood, plaster, tile and appropriate trim.

EXHIBIT C

EMMALANI COURT

Boundaries of Each Condominium Unit

Each condominium unit is designated as a separate freehold estate. The respective condominium units shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls and interior load bearing walls, the floors and ceilings surrounding each condominium unit or any pipes, wires, conduits or other utility or service lines running through such condominium unit which are utilized for or serve more than one condominium unit, the same being deemed common elements as hereinafter provided. Each condominium unit shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, any doors, windows or panels along the perimeters and all fixtures originally installed therein. Each condominium unit shall also include the lanai or lanais to which such condominium unit has direct, exclusive access.

EXHIBIT D

EMMALANI COURT

Permitted Alterations to Condominium Unit

The owner of a condominium unit shall not, except as specifically permitted in the Declaration of Condominium Property Regime ("Declaration") or Bylaws of the Association ("Bylaws"), make any structural alterations in or additions to the condominium unit or make any alterations or additions to the exterior of the condominium unit (including awnings, jalousies or screens) or to any other portion or portions of the common elements. Additions to or alterations of any condominium unit made within such condominium unit or within a limited common element appurtenant to and for the exclusive use of the condominium unit shall require the prior written approval of the Board of Directors and prior written consent of the owners of condominium units immediately adjacent to such condominium unit or limited common element. No work shall be done which would jeopardize the soundness or safety of the Project, reduce the value therefor, violate the uniform external appearance of the condominium unit, or impair any easement, without in every such case the consent of seventy-five percent (75%) of the owners, together with the consent of all owners whose condominium units or limited common elements appurtenant thereto are directly affected, the mortgagees of such condominium unit and the Declarant, if appropriate.

Except as otherwise expressly set forth and reserved in the Declaration or Bylaws, any additions or alterations to the exterior of condominium units and to their lanais and structures and landscaping in common elements shall be undertaken by the Association or any condominium unit owners only upon the review and approval by the appropriate agency of the County of Kauai after the written consent of the Association is obtained by the affirmative vote of not less than seventy-five percent (75%) of the condominium unit owners and accompanied by the written consent of holders of all liens affected thereby.

EXHIBIT E

EMMALANI COURT

Common Elements

One freehold estate is hereby designated in all of the remaining portions and appurtenances of the Project (hereinafter referred to as the "common elements"), including specifically, but not limited to:

- (a) Said fee interest in land;
- (b) All structural components such as foundations, beams, supports, main walls, roofs, stairs, stairways, entrances, exits, floor slabs, unfinished perimeter party and load-bearing walls, awnings, corridors and walkways of said buildings;
- (c) All walkways and interior roadways located upon the Land;
- (d) All yards, grounds, landscaping, retaining walls, planters, storage rooms, all refuse facilities, maintenance office, and equipment room;
- (e) All ducts, electrical equipment, central water heating systems, wiring, pipes and other central and appurtenant transmission facilities and installations on, over, under and/or across the property which serve more than one (1) condominium unit for services such as power, light, hot water, cold water, incineration, sewage, gas, telephone and television and radio signal distribution, if any;
- (f) Any apparatus and installation existing for common use such as tanks, pumps, motors, fans, compressors, ducts, vents and other installations and apparatus;
- (g) Deck areas and loading areas;
- (h) Phase 2 shall have two (2) parking stalls, consisting of two (2) uncovered parking stalls, designated for guest parking. Upon merger of Phase 1 and Phase 2, the Project shall have five (5) parking stalls, consisting of five (5) uncovered parking stalls designated for guest parking;
- (i) Phase 2 shall not have any uncovered parking stalls designated for handicap parking. Upon merger of Phase 1 and Phase 2, the Project shall have two (2) uncovered parking stalls designated for handicap parking;
- (j) Phase 2 shall have ten (10) uncovered, unassigned parking stalls. Upon merger of Phase 1 and Phase 2, the Project shall have twenty-one (21) unassigned parking stalls, consisting of one (1) covered parking stall and twenty (20) uncovered parking stalls;

(k) Phase 2 shall have a Manager's Building containing a multi-function room and office on the ground floor and one (1) resident manager's unit located on the second floor. Upon merger of Phase 1 and Phase 2, all Phase 1 unit owners shall have full rights to access, use and enjoy the Manager's Building in accordance with rules and regulations which the Association may adopt. If the Association does not retain a resident manager or managing agent or said manager or managing agent elects not to reside in the resident manager's unit, the Association may rent the resident manager's unit or convert its use in accordance with Section 514A-13, Hawaii Revised Statutes, as amended.

(l) Any and all other apparatus and installation of common use and all other parts of the property necessary or convenient to its existence, maintenance, and safety or normally in common use.

EXHIBIT F

EMMALANI COURT

Limited Common Elements

The following common elements, (hereinafter referred to and designated as "limited common elements"), are hereby set aside and reserved for the exclusive use of certain condominium units, and such condominium units shall have appurtenant thereto exclusive easements for use of such limited common elements. The limited common elements so set aside and reserved are as follows:

(a) Each condominium unit shall have exclusive use of one (1) parking stall as designated on the Condominium Map and designated in Exhibit "B". Notwithstanding any provision of this Declaration, owners shall have the right to change the designation of parking stalls which are appurtenant to their respective condominium unit by amendment of this Declaration and respective condominium deed; provided that each condominium unit shall have one (1) parking stall. The amendment to effectuate a change in the designation of a parking stall shall need only the signature and approval of the owners of the condominium unit whose parking stalls are being changed and their respective mortgagees, if any. The amendment shall be effective only upon recordation in the Bureau of Conveyances.

(b) Each condominium unit shall have use of one (1) mail box which shall be located adjacent to the front door of each condominium unit; provided, however, that if Phase 1 and Phase 2 are merged the mail boxes may be relocated to the office in the Manager's Building. Regardless of the location of the mail box, there is no mail delivery by the United States Postal Service to the Project. Post office boxes are available for rent at the owner's sole expense at the Princeville Contract Station and the Mail Service Center located at the Princeville Shopping Center; and

(c) All other common elements of Project which are rationally related to less than all of said condominium units or buildings shall be limited to the use of such condominium units or buildings.

EXHIBIT G

EMMALANI COURT

Encumbrances Against Title

1. Any and all Real Property Taxes that may be due and owing. Refer to the Director of Finance, County of Kauai.

Tax Key: 5-4-012-010 (4)

2. Location of the seaward boundary in accordance with the laws of the State of Hawaii and shoreline setback line in accordance with County regulation and/or ordinance and the effect, if any, upon the area of the land described herein.
3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in Declaration of Restrictions, Covenants and Conditions by Eagle County Development Corporation, dated March 1, 1971, recorded in Liber 7444 at Page 93, as amended.

By Declaration of Declarant dated May 16, 1985, recorded in Liber 18662 at Page 485, Princeville Development Corporation was declared and designated the Declarant under said Declaration.

The interest of Princeville Development Corporation was assigned to Princeville at Hanalei Community Association, a nonprofit corporation, by Notice of Transfer and Assignment dated May 1, 1990, recorded as Document No. 90-120777.

4. Designation of Easement "S-1" (10 feet wide) for sanitary sewer purposes, as shown on File Plan No. 1252.
5. Grant in favor of Kauai County Public Improvement Corporation, dated March 16, 1972, recorded in Liber 8192 at Page 284; granting an easement over said Easement "S-1".
6. The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in DEED dated February 1, 1980, but effective as of January 1, 1980, recorded in Liber 14600 at Page 217.
7. Designation of Easement "A" for drainage facilities and for golf path, as shown on map prepared by Dennis Esaki, Registered Professional Land Surveyor, approved August 22, 1991, and containing an area of 3,829 square feet, more or less.
8. A 3-foot wide future road widening reserve, as shown on map prepared by Dennis Esaki, Registered Professional Land Surveyor, approved August 22, 1991.

9. The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in WAIVER AND RELEASE dated April 23, 1992, recorded as Document No. 92-071125, by PRINCEVILLE CORPORATION, in favor of the COUNTY OF KAUAI by and for the Department of Water and Board of Water Supply.
10. Right-of-Entry in favor of Citizens Utilities Company, dated June 5, 1992, recorded as Document No. 92-118790; granting a right-of-entry to build, construct, repair, maintain and operate pole and wire lines, and/or underground lines, etc., for the transmission and distribution of electricity.
11. The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in Declaration of Condominium Property Regime for the "EMMALANI COURT - PHASE I" Condominium Project dated October 2, 1992, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 92-166784, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1752.) Said Declaration was amended by instrument dated April 8, 1993, recorded as Document No. 93-060599.
12. The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in By-Laws of the Association of Apartment Owners of said Condominium Project dated October 2, 1992, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 92-166785, as the same may hereafter be amended.
13. Grant in favor of Pali Ke Kua Association of Apartment Owners, dated October 20, 1992, recorded as Document No. 93-028890; granting a perpetual appurtenant easement over, under and across Easement "A-1", containing an area of 187 square feet, and being more particularly described therein, for the construction, installation, reinstallation, maintenance, repair and removal of a walkway, together with the right of ingress and egress at any time to and from said easement area for the proper maintenance, repair and removal of said walkway.
14. Grant in favor of Pali Ke Kua Association of Apartment Owners, dated January 20, 1993, recorded as Document No. 93-028893; granting a perpetual appurtenant easement over, under and across Easement "W-1", containing an area of 1,471 square feet, and being more particularly described therein, for the construction, installation, reinstallation, maintenance, repair and removal of an underground water pipeline, together with the right of ingress and egress at any time to and from said easement area for the proper operation and maintenance of said water line.

-NOTE:-

1. Land Court Order No. 91202, filed September 20, 1988, sets forth the change of name of PRINCEVILLE DEVELOPMENT CORPORATION to PRINCEVILLE CORPORATION on May 6, 1988.

2. The premises described in Schedule C herein has been subdivided into 22 condominium units more particularly described in the Declaration of Condominium Property Regime dated October 2, 1992, recorded as Document No. 92-166784, as amended.

3. Various Apartment Deeds purposely omitted herefrom.

4. Schedule C purposely does not identify the specific interest vested in the titleholder described herein as of the date of this report.

Exhibit G
Final Public Report
Emmalani Court - Phase 2
0070204.01

EXHIBIT H

EMMALANI COURT

Construction Warranties

Paragraph 19 of the Fee Simple Condominium Sales Contract states: The execution, delivery and recordation of the Condominium Unit Deed shall constitute the assignment by Seller to Buyer of any and all warranties given Seller by the general contractor for the Project and by any subcontractors or materialmen, including but not limited to said contractor's guarantee of materials and workmanship against faulty or deficient materials and installation for a period of one (1) year after "substantial completion" of the Condominium Unit, as that term is defined in the construction contract for the Project, and the benefit of such warranties shall accrue to Buyer on closing without further instruments or documents. Seller agrees to cooperate with Buyer during the effective period of any such warranties in asserting any claims based on such warranties.

EXHIBIT I

EMMALANI COURT

Summary of Sales Contract

A specimen Reservation Agreement and Fee Simple Condominium Sales Contract has been submitted to the Real Estate Commission as part of the registration.

The Reservation provides in part that any prospective buyer desiring to reserve the right to be offered a sales contract shall tender a reservation deposit. The Reservation is non-binding and may be cancelled for any reason.

The specimen Fee Simple Condominium Sales Contract provides in part:

(a) That if the buyers who have agreed to obtain mortgage loans have not secured loan commitment therefor within fifty (50) days after application for the same satisfactory to the Seller, the Seller may elect to terminate at Seller's option, the Sales Contract upon written notice to the buyer and, upon such termination all monies paid by the buyer be refunded, without interest, less the cost of any credit report, escrow cancellation fees, if any, and other costs actually incurred by the Seller or lending institution in processing such loan application; provided, however, that if the Seller ascertains that the buyer has failed to qualify for the mortgage loan due to the failure to use his best efforts to obtain such mortgage loan in good faith or to do or perform all acts necessary to obtain such loan, then such failure shall constitute a default by the buyer entitling Seller to retain all sums paid as liquidated damages;

(b) Prospective buyers should be aware that the Seller's mortgage loans (interim, renewals and extensions), if any, used for the construction of the Project shall be and remain at all times a superior lien on all unsold condominium units and the appurtenant undivided percentage interest in the common elements of the Project, and buyers intentionally waive and subordinate the priority of lien under the Sales Contract or reservation agreement in favor of such mortgage loan and waives any claims which they may have against Seller for breach of the Sales Contract or reservation agreement in the event that said mortgage loans are foreclosed;

(c) That the Sales Contract constitutes only a reservation agreement until such time as the Seller provides buyer with one (1) copy of the Final Public Report and two (2) copies of the Receipt of Public Report(s) and Notice of Right to Cancel and buyer either waives his/her right to cancel or a period of thirty (30) days elapses from the date of buyer's receipt of the Final Public Report after which time the Sales Contract shall become binding. Prior to that time, either the Seller or the buyer has

an unconditional right to cancel the contract by written notice to each other;

(d) Additionally, the Sales Contract provides that Seller makes no warranties, expressed or implied, with respect to the condominium units or any common elements or anything installed therein. Seller shall assign to buyers any and all warranties given Seller by the general contractor of the Project together with any guaranties against faulty material or workmanship. Buyer shall receive direct warranties given by dealers or manufacturers on appliances installed in the condominium units and common elements.

(e) All expenses in connection with the sale are to be payable by buyer, including, but not limited to, the cost of drafting the Condominium Unit Deed and the cost of the acknowledgments in respect thereof; the State of Hawaii conveyance tax (NOTE: In connection with the conveyance tax, the Seller and buyer will appoint Escrow Agent as their agent for the purpose of filing the affidavit in respect thereto); the escrow fee; the cost of obtaining financing or a financing commitment for any portion of the purchase price and all expenses incident thereto; the expense of credit reports; the drafting of mortgages, etc. (which costs shall be paid directly to buyer's mortgagee and shall in no event be reimbursed by Seller); acknowledgments of the buyer on all instruments; recording fees; and any costs incurred for title insurance.

(f) Buyer may also be required to prepay maintenance fees for a period of up to two (2) months, prepay insurance premiums for up to one (1) year, prepay real property taxes for the remainder of the tax year prorated as of the date that a certificate of occupancy for the condominium unit has been issued by the County of Kauai and pay a non-refundable start-up fee in an amount equal to two (2) months maintenance fees, which shall be a one-time non-transferable non-refundable assessment at sale, not as a common expense, shall be in addition to the normal monthly maintenance fees, shall be held, accounted for and expended as funds of the Association for the benefit of all of the condominium unit owners by Seller and the managing agent, all of which shall be paid at pre-closing. Buyer further agrees that all maintenance, other taxes, assessments and other expenses shall also be prorated between Seller and buyer as of such proration date for real property taxes which shall be the date that a certificate of occupancy for the condominium unit has been issued by the County of Kauai. (NOTE: This amount, together with other amounts required, are in addition to and are not part of the total purchase price and shall be paid at pre-closing).

(g) The Seller has made no representations with respect to the possibility or probability of rental or other income from the condominium unit or other economical benefit to be derived from the rental of the condominium unit, including but not limited to,

any representations to the effect that Seller or the managing agent of the project by a third party will provide services relating to the rental or sale of the condominium unit nor representations as to the possible advantages from the rental of the condominium unit under Federal and State tax laws. If buyer wishes to rent the condominium unit to third persons, buyer must make his own arrangements. Buyer further agrees and acknowledges that in the event that the offer to sell and the purchase of the condominium unit or the activities of buyer with respect to the condominium unit are determined to be or alleged to give rise to any violation of any Federal or State securities laws or regulations, Seller may obtain an injunction enjoining such acts of the buyer and Seller may, in addition, pursue any other remedies and buyer shall pay the Seller's costs and attorneys' fees in connection therewith. In the event that the buyer or anyone claiming by or through him alleges that the offer to sell or the purchase of the condominium unit gives rise to any violation of any Federal or State disclosure laws or regulations, the buyer covenants not to sue for any remedy other than to sue for refund of the purchase price and actual closing cost plus interest at ten percent (10%) per annum from the date of closing to the date of repayment. Buyer agrees to absorb any additional charges incurred with respect to the condominium unit as the reasonable use value of the condominium unit. The terms of this paragraph shall survive final closing of the sale and buyer's occupancy of the condominium unit.

Exhibit I
Final Public Report
Emmalani Court - Phase 2
0070204.01

EXHIBIT J

EMMALANI COURT

Summary of Escrow Agreement

An executed Escrow Agreement has been submitted to the Real Estate Commission as part of the registration. The Escrow Agreement dated August 27, 1993, identified Title Guaranty Escrow Services, Inc. as the escrow agent. The Escrow Agreement provides that the Escrow Agent shall refund to Buyer all of Buyer's funds, without interest, less a cancellation fee of not less than \$25.00, if Buyer shall request refund of his funds and any one of the following shall have occurred:

(a) Developer and Buyer have requested Escrow Agent in writing to return to Buyer the funds of Buyer then held under the Escrow Agreement by Escrow Agent; or

(b) Developer has notified Escrow Agent of Developer's exercise of the option to rescind the sales contract pursuant to any right of rescission stated therein or otherwise available to Developer; or

(c) With respect to a Buyer whose funds were obtained prior to the issuance of the Final Report,

(i) upon receiving a true copy of the Final Report, Buyer elects to cancel the sales contract before the earlier of (1) the conveyance of the condominium unit to the Buyer, or (2) midnight of the thirtieth day following the date of delivery of the final public report to such Buyer, or

(ii) there is a material change in the Project which directly, substantially and adversely affects the use or value of (1) the Buyer's condominium unit or limited common elements appurtenant thereto, or (2) those amenities of the Project available for Buyer's use, except for any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of the Project made pursuant to the terms of the Declaration.

Escrow shall promptly and diligently close the transactions and perform such services as are necessary or

proper therefor including the recordation of all documents. If Buyer fails to make any payment on or before the due date or fails to perform in any matter which is being handled by Escrow, Escrow shall promptly notify Developer of any such failure on the part of Buyer.

Exhibit J
Final Public Report
Emmalani Court - Phase 2
0070204.01

EXHIBIT K

EMMALANI COURT

DISCLOSURE ABSTRACT - PHASE 2

Name of Project: EMMALANI COURT - PHASE 2
Halelea, Hanalei, County of Kauai,
Island of Kauai.

Developer
and Seller: Princeville Corporation
P.O. Box 3040
Princeville, Hawaii 96722

Managing Agent: Certified Management, Inc.
P.O. Box 1325
Lihue, Hawaii, 96766

Annual Maintenance
Fees and Monthly
Estimated Costs
for Each
Condominium Unit: See Exhibit "1" attached
hereto and made a part hereof.

Description of
Warranties: Paragraph 19 of the Fee Simple
Condominium Sales Contract states: The
execution, delivery and recordation of
the Condominium Deed shall constitute
the assignment by Seller to Buyer of any
and all warranties given Seller by the
general contractor for the Project and
by any subcontractors or materialmen,
including but not limited to said
contractor's guarantee of materials and
workmanship against faulty or deficient
materials and installation for a period
of one (1) year after "substantial
completion" of the Condominium Unit, as
that term is defined in the construction
contract for the Project, and the
benefit of such warranties shall accrue
to Buyer on closing without further
instruments or documents. Seller agrees
to cooperate with Buyer during the
effective period of any such warranties
in asserting any claims based on such
warranties. Buyer shall also have the
direct benefit of any manufacturer's or
dealer's warranties covering the
appliances in the Condominium Unit.
Buyer acknowledges that Seller has made
no other warranties, expressed or
implied, with respect to the Property or

any common element or anything installed therein. At Seller's option, an inspection program may be instituted and, if so, Buyer agrees to inspect Buyer's Condominium Unit on a date and at a time to be specified by Seller and upon completion of such inspection, to sign an inspection sheet to be furnished by Seller which shall list all defects or damages to the property, if any. Buyer agrees to accept possession of the property despite the existence of such defects or damages to the Property regardless of extent, including but not limited to any defects in appliances and fixtures, which may be listed in said inspection sheet, but which do not render the Property uninhabitable. Seller will cooperate with and assist Buyer in having legitimate listed defects or damages corrected or repaired within a reasonable time thereafter by the general contractor or other warrantor. This guarantee shall survive the closing. Buyer agrees to indemnify Seller for any damages or losses, including interest and attorney's fees, resulting from any refusal to make such inspection, to sign such inspection sheet or to accept possession of the Property upon request by Seller and if Buyer shall make any such refusal Buyer shall be deemed to be in default under this Agreement and Seller at its option shall be entitled to cancel this Agreement and keep all payments made hereunder as liquidated damages. Buyer hereby waives all rights of inspection and rights to Seller's cooperation and assistance with the general contractor or other warrantors if Buyer fails to inspect Buyer's Condominium Unit on the date and time specified by Seller and Buyer acknowledges that such waiver shall not in any way affect Buyer's obligations under the Sales Contract including without limitation the payment of money in accordance with the schedule set forth in the Sales Contract and performance of Buyer's closing obligations.

Use:

The Project will contain twenty (20) condominium units which shall be used only for residential purposes. As disclosed on Page 2 of the Final Public Report and Paragraph 20 of the Declaration of Condominium Property Regime (the "Declaration"), Seller may merge the Project, which is the second phase of development, with Emmalani Court - Phase 1. This will result in a total of forty-two (42) units for Emmalani Court and the percentage common interest appurtenant to each unit shall be as set forth in Exhibit "B" of the Declaration. If Phase 1 and Phase 2 do not merge for any reason, the common interest appurtenant to each Phase 2 condominium unit shall be as set forth in Exhibit "C" of the Declaration.

Exhibit K
Final Public Report
Emmalani Court - Phase 2
0070204.01

**EMMALANI COURT
PHASE 1 & 2 (Merged)
42 UNITS**

Estimate of Maintenance Fee Disbursements:

	<u>Monthly</u> times 12 months =	Yearly Total
Utilities and Services		
Air Conditioning		
Electricity		
<input checked="" type="checkbox"/> common elements only	\$900.00	\$10,800.00
<input type="checkbox"/> common elements & apartments		
Gas	\$200.00	\$2,400.00
Refuse Collection	\$500.00	\$6,000.00
Telephone	\$60.00	\$720.00
Water and Sewer	\$3,000.00	\$36,000.00
Maintenance, Repairs, and Supplies		
Building	\$870.00	\$10,440.00
Grounds	\$600.00	\$7,200.00
Exterminating	\$100.00	\$1,200.00
Management		
Management Fee	\$1,094.00	\$13,128.00
Payroll and Payroll Taxes	\$4,605.00	\$55,260.00
Office Expenses	\$336.00	\$4,032.00
Insurance	\$2,919.00	\$35,028.00
Reserves	\$2,038.00	\$24,456.00
Taxes and Government Assessments		
Legal/Audit Fees	\$30.00	\$360.00
Vehicle Costs	\$150.00	\$1,800.00
Amenities (Community Bldg. & Pool Area)	\$50.00	\$600.00
Princeville Community Dues	\$320.00	\$3,840.00
Ka Haku Entry M/F	\$1,200.00	\$14,400.00
	\$417.00	\$5,004.00
<hr/>		
TOTALS	\$19,389.00	\$232,668.00

I/We, Certified Management, Inc., as managing agents for the condominium, hereby certify that the above estimates of initial maintenance fee assessments and disbursements were prepared in accordance with generally accepted accounting principles.


 Steve Pearmain
 Senior Community Association Manager

DATE: FEBRUARY 8, 1995

EXHIBIT B

ESTIMATE OF INITIAL MAINTENANCE FEES
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees;

APARTMENT	% OF INTEREST	MONTHLY	YEARLY TOTAL
A	1.8413	\$357.19	\$4,286.28
B	2.1959	\$425.98	\$5,111.76
C	2.6875	\$521.35	\$6,256.20
D	3.5676	\$692.08	\$8,304.96

[] Revised on February 8, 1995

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

