CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer: Hawaiian Trust Company, Ltd. and Gilbert J. Leong, Successor Co-Trustees of the Vivia B. Lee Revocable Trust Agmt Datec 7/11/90
Address: 111 S. King St., Honolulu, HI 96813

Project Name(*): Pacific Heights Villas
Address: 3083 Pacific Heights Rd., Honolulu HI 96813

Registration No. 2973 (CONVERSION)

Effective date: December 27, 1993
Expiration date: January 27, 1995

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. A Final Public Report will be issued by the developer when complete information is filed.

_X_ FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.

[X] No prior reports have been issued.
[ ] This report supersedes all prior public reports.
[ ] This report must be read together with _____

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

[ ] Preliminary Public Report dated: _____
[ ] Final Public Report dated: _____
[ ] Supplementary Public Report dated: _____

And [ ] Supersedes all prior public reports
[ ] Must be read together with _____
[ ] This report reactivates the _____ public report(s) which expired on _____

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[x] Required and attached to this report as EXHIBIT "F" [ ] 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.

[x] No prior reports have been issued by the developer.

[ ] Changes made are as follows:

SPECIAL ATTENTION

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

House A is an "ohana" additional dwelling unit. The maximum floor area of such a unit is presently 1470 square feet. Although House A's present size was legal when it was constructed in 1983, it exceeds current size restrictions and therefore is considered a "non-conforming" structure under the Land Use Ordinance of the City and County of Honolulu (the "LUO"). The LUO will not permit House A to be enlarged. However, if House A were destroyed to an extent of more than 50% of its replacement cost, it may be reconstructed to its previously existing size, subject to certain restrictions. Prospective purchasers are advised to consult with the City and County of Honolulu Department of Land Utilization for further information.

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

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

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: Common Elements
EXHIBIT B: Limited Common Elements
EXHIBIT C: Encumbrances Against Title
EXHIBIT D: Summary of Sales Contract
EXHIBIT E: Summary of Escrow Agreement
EXHIBIT F: Disclosure Abstract
EXHIBIT G:
EXHIBIT H:
EXHIBIT I:

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: Hawaiian Trust Company, Ltd. Phone: 538-4570 (Business)
Name
111 South King St.
Business Address
Honolulu, HI 96813

Gilbert J. Leong
841 Bishop St., #1830, Honolulu, HI 96813
Names of officers or general partners of developers who are corporations or partnerships:

Richard Kuitunen, Real Estate Officer of Hawaiian Trust Company, Ltd.
Thomas Sandoz, Vice President of Hawaiian Trust Company, Ltd.

Real Estate Broker: Aleta E. Klein, Conley Dew Ltd. Phone: 942-4411 (Business)
Name
201 Merchant St., #2200
Business Address
Honolulu, HI 96813

Escrow: Guardian Escrow Services, Inc. Phone: 538-6991 (Business)
Name
737 Bishop St., #2090
Business Address
Honolulu, HI 96813

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

Condominium Managing Agent: WILL INITIALLY BE DEVELOPER Phone: (Business)
Name
Business Address

Attorney for Developer: KIMO C. LEONG, ESQ. Phone: 528-2222 (Business)
Name
737 Bishop St., #2060
Business Address
Honolulu, HI 96813

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

A. Declaration of Condominium Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

[ ] Proposed

[ ] Recorded - Bureau of Conveyances: Document No._____
Book_____ Page _____

[x] Filed - Land Court: Document No. 1722865

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]:
Amendment of Declaration of Condominium Property Regime dated September 13, 199[illegible] filed as Document No. 2070219. The Second Amendment of Declaration of Condominium Property Regime dated November 8, 1993 filed as Document No. 2092379.

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. _____

[x] Filed - Land Court Condo Map No. 776

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

C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

[ ] Proposed

[ ] Recorded - Bureau of Conveyances: Document No._____
Book_____ Page _____

[x] Filed - Land Court: Document No. 1722866
Amendment Filed

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]:
Amendment of By-Laws of the Pacific Heights Villas Condominium Project dated September 13, 1993, filed as Document No. 2070220.

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 [x] 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:

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%*	100%
Bylaws	65%	100%
House Rules	—	N/A

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

2. Developer:

[X] No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

[ ] Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

[x] 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: 3083 Pacific Heights Road
Honolulu, HI 96813

Tax Map Key: (1)2-2-29-22 (TMK)

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

Land Area: 16,055 [x] square feet [ ] acre(s) Zoning: R-10

Lessor (Fee Owner): Hawaiian Trust Company, Ltd. and Gilbert J. Leong, Successor Co-Trustees of the Vivia B. Lee Revocable Trust Agreement dated July 11, 1990

Name

111 South King Street

Address

Honolulu, HI 96813

Sublessor: _____

Name

_____

Address

_____

C. Buildings and Other Improvements:

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

2. Number of Buildings: 2 Floors Per Building A:2; B:3

[X] Exhibit A contains further explanations.

3. Principal Construction Material:

[ ] Concrete [ ] Hollow Tile [X] Wood

[x] Other Glass

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning		No. of Apts.	Use Determined By Zoning
[X] Residential	1	[X] Yes [ ] No	[X] Ohana	1	[X] Yes [ ] No
[ ] Commercial	____	[ ] Yes [ ] No	[ ] Industrial	____	[ ] Yes [ ] No
[ ] Mix Res/Comm	____	[ ] Yes [ ] No	[ ] Agricultural	____	[ ] Yes [ ] No
[ ] Hotel	____	[ ] Yes [ ] No	[ ] Recreational	____	[ ] Yes [ ] No
[ ] Timeshare	____	[ ] Yes [ ] No	[ ] Other:_____	____	[ ] Yes [ ] No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?
[X] Yes [ ] No

5. Special Use Restrictions:

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

[x] Pets: Not more than 2 pets allowed per apartment.

[x] Number of Occupants: As permitted by applicable zoning laws and ordinances.

[ ] Other: _____

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: A:1 B:1 Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
A	1	3/2½	1,470	152
B	1	4/3	2,387	290/199

Total Apartments: 2

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

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

Boundaries of Each Apartment: All perimeter walls, floors, ceilings, roofs, stairways, entry doors and door frames, windows, window glass and frames, entries and garages.

Permitted Alterations to Apartments: Only as permitted by applicable zoning code provisions

7. Parking Stalls:

Total Parking Stalls: 4

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

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

[ ] Commercial parking garage permitted in condominium project.

[x] Exhibit A contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

[ ] There are no recreational or common facilities.

[ ] Swimming pool [ ] Storage Area [ ] Recreation Area

[ ] Laundry Area [ ] Tennis Court [ ] Trash Chute

[x] Other: Common yard of 3,603 square feet

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

[x] 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):

No representations of any kind are made as to the expected useful life, if any, of the structural components and mechanical and electrical installations material to the use and enjoyment of the condominium project. See Disclosure Abstract attached hereto as Exhibit "F".

11. Conformance to Present Zoning Code

a. [X] 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.

	Conforming	Non-Conforming	Illegal
Uses	x		
Structures	x	x -House A: See p.2	
Lot	x		

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

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

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

D. Common Elements, Limited Common Elements, Common Interest

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

[X] described in Exhibit B .

[ ] 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.

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

[X] 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 _____.

[X] as follows: Each apartment and its owner(s) shall have appurtenant thereto the following interest in the common elements of the Project for all purposes, including, said interest being referred to as the "common interest":

House A: 35% interest
House B: 65% interest

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 D describes the encumbrances against the title contained in the title report dated August 30, 1993 and issued by Title Guaranty of Hawaii, Incorporated.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

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

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

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

Type of Lien	Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage	If the mortgage is foreclosed, buyer's deposit will be refunded, the buyer's contract may be cancelled, and the buyer may lose all rights to acquire the apartment.

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: None.

2. Appliances: None.

G. Status of Construction and Estimated Completion Date:

House A was built in 1983.
House B was built in 1934.

H. Project Phases:

The developer [ ] has [x] 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):

IV. CONDOMINIUM MANAGEMENT

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

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

The initial condominium managing agent for this project, named on page five (5) of this report, is:

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

B. Estimate of Initial Maintenance Fees:

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

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

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

C. Utility Charges for Apartments:

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

[x] None [ ] Electricity [ ] Gas [ ] Water

[ ] Sewer [ ] Television Cable [ ] Other_____

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

[ ] Notice to Owner Occupants

[x] Specimen Sales Contract
Exhibit D contains a summary of the pertinent provisions of the sales contract.

[x] Escrow Agreement dated 11/8/93
Exhibit E 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, as amended.
C) Bylaws of the Association of Apartment Owners, as amended.
D) House Rules.
E) Condominium Map.
F) Escrow Agreement.
G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
H) Other_____

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 2973 filed with the Real Estate Commission on Oct. 6, 1993.

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

[ ] yellow paper stock [X] white paper stock [ ] pink paper stock

C. Additional Information Not Covered Above

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.

Hawaiian Trust Company, Ltd. and Gilbert J. Leong, Successor Co-Trustees of the Vivia B. Lee Revocable Trust Agreement dated July 11, 1990

Name of Developer

HAWAIIAN TRUST CO., LTD.

Gilbert J. Leong Date: 9/28/93

By: _____
Duly Authorized Signatory
Vice President

Date

By: _____
REAL ESTATE OFFICER

9/28/93
Date

Gilbert J. Leong; Thomas F. Sandoz, Jr., Vice Pres. and Richard Kuitunen, Real Estate Officer of Hawaiian Trust Co., Ltd.

print name & title of person signing above

Distribution:

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

93K0438

COMMON ELEMENTS

One freehold estate is hereby designated of all the remaining portions of the Project, herein referred to as "common elements", including specifically, but not limited to:

(1) The land in fee simple;

(2) All areas, structures, or facilities of the Project, outside of House A and House B, which are for common use or which serve more than one apartment space, such as the walkways and common ways, landscaping, yards, mailboxes, fences, retaining walls and the driveway and guest parking area;

(3) All central and appurtenant installations serving more than one apartment space for common services, if any, including power, light, gas, water, ventilation, refuse, telephone, radio and television signal distributions and all pipes, wires, conduits, ducts, vents and other service utility lines which serve more than one apartment space;

(4) All tanks, pumps, motors, fans and in general, all apparatus and installations for common use, and all other parts of the Project necessary or convenient to its existence, maintenance or safety and normally in common use;

(5) Any and all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the Project;

(6) All other parts of the Project which are not included in the definition of an apartment space.

The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof, except as provided in the Condominium Property Act. Any such partition or division shall be subject to the prior consent thereto by the holder(s) of all mortgage(s) of any apartment which are filed of record.

EXHIBIT "A"

93K0439

LIMITED COMMON ELEMENTS

Certain parts of the common elements, herein referred to as the "limited common elements", are hereby designated and set aside for the exclusive use of one or more apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited Common elements so set aside and reserved are as follows:

1. Sites of Apartment Spaces. The portion of the land beneath each apartment space is limited to the exclusive use of such apartment space. The site of each apartment space is depicted on the Condominium Map;

   NOTE: Sites referenced herein are **not** legally subdivided lots.

2. Mailboxes. The mailbox assigned to an apartment space shall be limited to the use of such apartment space. Each apartment space shall at all time have at least one mailbox appurtenant to it;

3. Private yards. Each apartment space has adjoining thereto an uncovered private yard, which private yard is a limited common element for the exclusive use of the apartment space to which it adjoins. The respective areas and locations of the private yards are set forth in the Site Plan attached hereto as Exhibit "A";

4. Garage. The single level garage depicted on the Site Plan attached hereto as Exhibit "A" and containing an approximate area of 490 square feet is a limited common element for the exclusive use of House B;

5. Other. All other common elements of the Project which are rationally related to less than all of the apartment spaces are limited to the use os such apartment space to which the same are related.

EXHIBIT "B"

93K0439.A

EXHIBIT "C"

ENCUMBRANCES AGAINST TITLE (House A)

1. For Real Property Taxes that may be due and owing, reference is made to the Office of the Tax Assessor, City and County of Honolulu [Second Installment, Fiscal Year July 1, 1993 - June 30, 1994. (see tax statement attached)]

2. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

   MORTGAGOR : VIVIA CHANG LEE, unmarried

   MORTGAGEE : CENTRAL PACIFIC BANK, a Hawaii corporation

   DATED : December 23, 1986
   FILED : Land Court Document No. 1427674
   AMOUNT : $20,000.00

3. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Condominium Property Regime dated April 17, 1990, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 1722865, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 776.)

4. By-Laws of the Association of Apartment Owners of the Condominium Project known as "PACIFIC HEIGHTS VILLAS" dated April 17, 1990, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 1722866, as the same may hereafter be amended.

5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in the Vivia B. Lee Revocable Trust Agreement dated July 11, 1990, a Short Form of which is recorded as Document No. 90-106719. (Said instrument is not filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii)

93K0439.B

EXHIBIT "C"

ENCUMBRANCES AGAINST TITLE (House B)

1. For Real Property Taxes that may be due and owing, reference is made to the Office of the Tax Assessor, City and County of Honolulu [Second Installment, Fiscal Year July 1, 1993 - June 30, 1994. (see tax statement attached)]

2. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

   MORTGAGOR : VIVIA CHANG LEE, unmarried

   MORTGAGEE : CENTRAL PACIFIC BANK, a Hawaii corporation

   DATED : December 23, 1986
   FILED : Land Court Document No. 1427674
   AMOUNT : $20,000.00

3. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Condominium Property Regime dated April 17, 1990, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 1722865, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 776.)

4. By-Laws of the Association of Apartment Owners of the Condominium Project known as "PACIFIC HEIGHTS VILLAS" dated April 17, 1990, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 1722866, as the same may hereafter be amended.

5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in that certain unrecorded Revocable Living Trust Agreement dated July 11, 1990, a Short Form of which is recorded as Document No. 90-106719. (Said instrument is not filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

END OF EXHIBIT "C"

93MM0984

EXHIBIT "D"
SUMMARY OF SALES CONTRACT

The PACIFIC HEIGHTS VILLAS Sales Contract, (the "contract") contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

1. The method of payment of the purchase price to the escrow agent, subject to other terms.

2. The purchase price does not include the closing costs, prorations and additional costs provided in other sections of the contract.

3. If at the time of execution of the contract, a final public report has not been issued, the contract is merely a reservation agreement and it may be cancelled at any time by either the Buyer or Seller.

4. The terms and conditions of the sale which include, among other provisions, the following:

(a) Buyer has received the Declaration of Condominium Property Regime, Bylaws of the Association of Apartment Owners, form of Apartment Deed, and Escrow Agreement and acknowledges that he has had adequate opportunity to read those documents and to examine the project plans and accepts them.

(b) Buyer agrees that all payments made will be placed on deposit with escrow pursuant to the terms of the Escrow Agreement.

(c) Risk of loss to the apartment and percentage interest in the common elements will be borne by Seller until the date of closing as defined in the contract. Buyer will not be entitled to possession of the apartment until the date of closing.

(d) Seller has reserved the right to make certain modifications to the Declaration, Bylaws, Apartment Deed and other documents as may be required by law, a title insurance company, any institution, mortgagee or governmental agency.

(e) Until the Apartment Deed conveying title is delivered to Buyer, the Seller may exercise all of the powers of the Association and of the Buyer as a member thereof.

(f) After issuance of the Final Public Report and Buyer's waiver of its right to cancel under Hawaii Revised Statutes Section 514A-62, Buyer shall have the right to rescind the contract only if there is a material change in the project which directly, substantially and adversely affects the use or value of Buyer's apartment or appurtenant limited common elements or those amenities of the project available for the Buyer's use subject to waiver by the Buyer pursuant to the terms set forth in the contract and Hawaii Revised Statutes Section 514A-63.

(g) Time is of the essence of the obligations of Buyer under the contract.

(h) Neither Seller nor any of its representatives has made any representations as to the rental income to be derived from the unit.

(i) The contract shall not be construed as a present transfer of any interest in the property but it is an agreement to transfer in the future.

* * * * * * * * * * * * * * * *

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE CONTRACT. WHILE A BUYER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE BUYER'S RIGHTS AND OBLIGATIONS, THE BUYER MUST REFER TO THE BUYER'S CONTRACT TO DETERMINE THE BUYER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONTRACT, THE CONTRACT WILL CONTROL NOT THIS SUMMARY.

END OF EXHIBIT "D"

93MM0985

EXHIBIT "E"
SUMMARY OF PORTIONS OF ESCROW AGREEMENT

The Escrow Agreement ("Agreement") between GUARDIAN ESCROW SERVICES, INC. ("Escrow") and HAWAIIAN TRUST COMPANY, LTD. and GILBERT J. LEONG, Successor Co-Trustees of the Vivia B. Lee Revocable Trust Agreement dated July 11, 1990, contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

1. Whenever Seller enters into a sales contract for the sale of an apartment, Seller will require that payments due under the sales contract be made to Escrow and will deliver an executed copy of the sales contract to Escrow.

2. Escrow will receive payments under the sales contracts and sums received from any other source with respect to the project. Funds held under the Agreement will initially be deposited in an account for the project. Interest on all funds will be paid to Seller.

3. Escrow will release from the Trust Fund and disburse Buyer's funds at closing. No disbursements will be made from Buyer's fund until: (a) the Real Estate Commission has issued a Final Public Report on the project and forty-eight (48) hours have elapsed since Buyer's receipt of a copy of the Final Public Report; (b) Buyer has waived its right to cancel the sales contract; and (c) Seller has notified Escrow that all other requirements of Sections 514A-39 and 514A-63, Hawaii Revised Statutes, have been met. Where sales contracts are entered into Escrow will disburse funds upon presentation by Seller of Buyer's signed receipt for the Final Public Report and with notification by Seller that all of the requirements of Sections 514A-39 and 514A-63, Hawaii Revised Statutes, have been met. Escrow will call for payments by the Buyer upon receipt of notice from Seller that any payments are due under any sales contract.

4. Escrow will return deposited sums to the Buyer without interest if Seller gives Escrow written notice to return the funds to Buyer, or with respect to a Buyer whose funds were obtained before the issuance of a Final Public Report, Escrow receives from the Buyer a written request to cancel the sales contract or after issuance of the Final Public Report and Buyer's waiver of his right to cancel the sales contract in accordance with Section 514A-62, Hawaii Revised Statutes, there shall be any material change in the project which directly, substantially and adversely affects the use or value of the Buyer's apartment or appurtenant common elements or those amenities of the project available for Buyer's use, of a nature entitling the Buyer to cancel his contract pursuant to Section 514A-63, Hawaii Revised Statutes. These funds shall be returned to Buyer less Escrow's cancellation fee, if any, any mortgagee's cancellation fee and all other costs incurred in connection with the Escrow, but in the aggregate shall not be less than $100.00 per apartment.

5. Escrow will arrange for and supervise the signing of all documents which are to be signed subsequent to and contemplated by the sales contract.

6. As Escrow's compensation for its performance under this Agreement, Escrow will receive $1,250.00 for each apartment for which an apartment deed of the project is handled by Escrow and recorded in the Bureau of Conveyances of the State of Hawaii. Escrow will record all applicable documents. Title insurance will also cost an additional amount not ascertainable at the present time.

****

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE AGREEMENT. WHILE ONE CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE AGREEMENT, ONE MUST REFER TO THE ACTUAL AGREEMENT TO DETERMINE THE RIGHTS AND OBLIGATIONS OF THE PARTIES. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE AGREEMENT, THE AGREEMENT WILL CONTROL AND NOT THIS SUMMARY.

END OF EXHIBIT "E"

93K0440

EXHIBIT "F"
DISCLOSURE ABSTRACT

PACIFIC HEIGHTS VILLAS
Condominium Project

Pursuant to §514A-61, Hawaii Revised Statutes
Condominium Property Act

Developer/Project Manager

Hawaiian Trust Company, Ltd.
111 South King Street
Honolulu, Hawaii 96813
(808)538-4444

Estimated Maintenance Fees/Costs per Apartment

There is no regular utility, maintenance or repair expense common to the whole Project since each apartment has its own electric and water meter. It is anticipated that there will be no monthly maintenance fee per apartment. The maintenance and repair of each apartment, including electrical and water utility charges, is the sole responsibility of each respective apartment owner. Additional maintenance fees, if required, will be by special assessment. Additional maintenance fees, if required, will be by special assessment. Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the improvements portion of the Project. Developer anticipates that the Association will elect to obtain separate policies for each individual apartment pursuant to Section XIV of the Declaration. As such, the premiums on said policies will be the individual responsibility of each apartment owner rather than common expenses of the Project.

Warranties

NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO ANY OF THE APARTMENTS OR COMMON ELEMENTS OF THE PROJECT. PURCHASERS ARE ADVISED TO CONDUCT THEIR OWN INSPECTION OF THE APARTMENT THEY DESIRE TO BUY. THE APARTMENTS ARE SOLD "AS IS".

Use of Apartments

All two apartments comprising the Project are for residential purposes only. There is no non-residential development in the Project.

President Condition of Structural Components and Mechanical and Electrical Installations

Based on a report prepared by an independent registered engineer, it is the Developer's opinion that all structural components and mechanical and electrical installations material to the use and enjoyment of the condominium apartments are presently sound and appear to be in satisfactory working condition.

Expected Useful Life of Structural Components and Mechanical and Electrical Installations

NO REPRESENTATIONS OF ANY KIND ARE MADE AS TO THE EXPECTED USEFUL LIFE, IF ANY, OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS MATERIAL TO THE USE AND ENJOYMENT OF THE CONDOMINIUM APARTMENT.

Code Violations

To the best of the knowledge, information and belief of the undersigned, there are no outstanding notices of uncured violations of the Building Code or other municipal regulations of the City and County of Honolulu.

HAWAIIAN TRUST COMPANY, LTD.,
Successor Co-Trustee of the Vivia
B. Lee Revocable Trust Agreement
dated July 11, 1990

By: _____
Its Vice President

By: _____
Its REAL ESTATE OFFICER

EXHIBIT "F"