

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued by the developer.

Changes made are as follows:

SPECIAL ATTENTION:

1. Warranties. The Developer makes no warranties, expressed or implied, with respect to the residence, the Property or consumer products or other things installed or contained in the residence, the Property or the project including, but not limited to, warranties of merchantability, habitability, workmanlike construction or fitness for a particular use.
2. Apartment Definition. The words "apartment", "residence" or "condominium apartment", except where the context definitely prescribes another interpretation, are used interchangeably herein and shall have the same meaning as "apartment" in Chapter 514A, Hawaii Revised Statutes.
3. Not Sale of Lots. Prospective purchasers should understand that the Public Report covers the sale of condominium apartments and not the sale of subdivided lots. Developer will not subdivide the various limited common elements appurtenant to the two apartments.

The prospective purchaser is cautioned to carefully review the documents with regard to the information on 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: Apartment Types and Descriptions	
EXHIBIT B: Common Elements	
EXHIBIT C: Limited Common Elements	
EXHIBIT D: Encumbrances Against Title	
EXHIBIT E: Schedule of Maintenance Fees and Maintenance Fee Disbursements	
EXHIBIT F: Summary of Pertinent Provisions of Sales Contract	
EXHIBIT G: Summary of Pertinent Provisions of Escrow Agreement	
EXHIBIT H: Report on Condition and Expected Useful Life of Structural Components, Mechanical and Electrical Installations	

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.

II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

- Proposed
 Recorded - Bureau of Conveyances: Document No. _____
Book _____ Page _____
 Filed - Land Court: Document No. 2145061

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

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

- Proposed
 Recorded - Bureau of Conveyances Condo Map No. _____
 Filed - Land Court Condo Map No. 1027

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 _____
 Filed - Land Court: Document No. 2145062

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

D. House Rules. The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the developer.

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

E. Changes to Condominium Documents

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. Apartment Owners: Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>51%</u>

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

2. Developer:

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

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

Developer reserves the right to amend the Declaration (including any Exhibits attached to the Declaration), the By-Laws and Condominium Map in any manner for any apartment which has not yet been conveyed. Developer also reserves the right to file the "as-built" certificate required by Section 514A-12, Hawaii Revised Statutes, including a verified statement of a registered architect or professional engineer.

See also Exhibit F for other Developer's easements and reservations.

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: 1936 Puu Nanea Place Tax Map Key: (1) 2-9-031: 15
Honolulu, Hawaii 96822 (TMK)

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

Land Area: 9,707 [X] square feet [] acre(s) Zoning: R-7.5

5. Special Use Restrictions:

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

- Pets: See House Rules
- Number of Occupants: _____
- Other: _____
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: none Stairways: 2 Trash Chutes: none

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area*</u> (excluding garage and, if any, patio or balcony)	<u>Garage Area</u> (including storage areas/rooms)*	<u>Patio or Balcony Area*</u>
A	1	3/2	1,611 sq. ft.	457 sq. ft.	66 sq. ft.
B	1	4/2-1/2	2,568 sq. ft.	500 sq. ft.	72 sq. ft.
Total Apartments:		<u>2</u>			

*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:

The respective apartments shall be deemed to include the perimeter walls, all doors, door frames, windows and window frames, the floor, ceiling and roof of each residence and any outside stairs and landings, garage or carport, and the area between the garage or carport and the Residence and if any, patio, terrace and/or balcony, the air space over any uncovered staircase, patio, terrace and/or balcony, any pipes, wires, conduits or other utility or service lines which serve only such residence; except that any pipe, wire, conduit, road, drain or other utility or service line that serves more than one residence is a common element and not part of a residence.

Permitted Alterations to Apartments:

Additions, alterations, repairs or improvements solely within a residence or within a limited common element appurtenant to and for the exclusive use of the residence may be made by the residence owner with the approval of the agencies or departments of the State of Hawaii, the City and County of Honolulu and by the holders of liens affecting the residence (if the lien holders require such approval). For more details see Exhibit D and page 20.

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	X		
Structures		X*	
Lot	X		

*Residence B only - see p. 20

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 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.

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

described in Exhibit C.

as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit _____.

as follows:

Residence A	50%
Residence B	50%

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

Exhibit D describes the encumbrances against the title contained in the title report dated April 21, 1994 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.
- There are blanket liens which may affect title to the individual apartments.

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgage	*A mortgage to secure the loan for construction, renovation, development and sales costs has been placed on the project. The Buyer's interest is subject to the interest of the holder of the mortgage. Among other things, this mean that if the Developer defaults, the mortgage lender may take over the Project, the Buyer's deposit may not be refunded 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:

The apartments were constructed in 1958 (Residence A) and 1987 (Residence B), respectively.

H. Project Phases:

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

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

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

- Notice to Owner Occupants
- Specimen Sales Contract
Exhibit F contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated May 2, 1994
Exhibit G contains a summary of the pertinent provisions of the escrow agreement.
- Other _____

B. Buyer's Right to Cancel Sales Contract:

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

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

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

- A) The Developer delivers to the buyer a copy of:
 - 1) Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;
- AND
- 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
- B) The buyer is given an opportunity to read the report(s); AND
- C) One of the following has occurred:
 - 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - 2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - 3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND
- B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime.
- C) Bylaws of the Association of Apartment Owners.
- D) House Rules.
- E) Condominium Map.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other _____

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

This Public Report is a part of Registration No. 3100 filed with the Real Estate Commission on May 19, 1994.

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

Non-Conforming Structure/Rebuilding/Expansion Restrictions

Residence A was constructed in 1958 and Residence B was constructed in 1987. At the time of construction, the buildings complied with all applicable zoning ordinances. Subsequently, the City and County of Honolulu revised the zoning ordinances, resulting in Residence B, the ohana dwelling, being a non-conforming structure because its floor area exceeds the current maximum floor area allowed under the zoning ordinance for ohana dwellings in the R-7.5 Residential District.

Present ordinances provide that in the event Residence B is damaged to an extent greater than 50% of its replacement value, the apartment may be rebuilt provided that a zoning adjustment is obtained from the City and County of Honolulu, and the floor area of the apartment as rebuilt, does not exceed the present floor area of Residence B. In order to qualify for a zoning adjustment, the owner of the apartment must prove: (1) the apartment was legally constructed; (2) the rebuilt apartment conforms to all existing standards regarding height limits, required yards, maximum building area, and parking; and (3) the floor area of the rebuilt apartment does not exceed the floor area of the existing apartment. The present zoning ordinances prohibit any expansion of Residence B.

The above-described restrictions on rebuilding and expansion do not presently apply to Residence A.

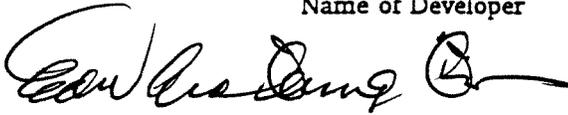
Disclosure re: Selection of Real Estate Broker

This public report shall not be valid for the sale of any apartment until the Developer submits to the Real Estate Commission a duly executed disclosure abstract identifying the designated sales agent, a copy of which shall be attached to this public report, and a duly executed copy of a broker listing agreement with a Hawaii-licensed real estate broker, as applicable. If the Developer, as owners, will represent themselves, the disclosure abstract shall so state.

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.

EDWARD LEUNG LIM, Trustee; ELIZABETH C. L. LIM, Trustee

Name of Developer



By: _____

Duly Authorized Signatory
Elizabeth C.L. Lim

5/2/94
Date

EDWARD L. LIM, OWNER

print name & title of person signing above

L.S.

my Commission Expires: 1/6/98.

Distribution:

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

EXHIBIT A

Apartment Types and Descriptions

There are two separate condominium residences, designated as Residence A and Residence B, located in two two-story buildings.

Residence A. Residence A, located in a one-story building with a basement, consists of a two-car garage, three storage areas, a tool storage area, living room, kitchen, three bedrooms, a study room, a laundry room, a recreation room, a family room, and two bathrooms. Residence A contains 1,611 square feet of NET LIVING AREA, which does not include a covered patio with an area of 66 square feet, and also does not include a two-car garage of 457 square feet (including storage areas of 82 square feet).

Residence B. Residence B, located in a two-story building, consists of a two-car garage, two storage rooms, living room, dining room, kitchen, four bedrooms, a recreation room, a den, a study room, a utility room, and two and one-half bathrooms. Residence B contains 2,365 square feet of NET LIVING AREA, which does not include a balcony of 72 square feet, and also does not include a two-car garage of 500 square feet (including storage rooms of 47 square feet).

The following is a summary by residence number of the two types of residences:

<u>Residence No.</u>	<u>BR/Bath</u>	<u>Net Living Area* (excluding garage and, if any, patio or balcony)</u>	<u>Garage Area (including storage areas/rooms)*</u>	<u>Patio or Balcony Area*</u>
A	3/2	1,611 sq. ft.	457 sq. ft.	66 sq. ft.*
B	4/2-1/2	2,568 sq. ft.	500 sq. ft.	72 sq. ft.

* In accordance with local architectural practice, the net living area of each residence is measured from the inside wall of each residence to the opposite inside wall. THE AREAS SHOWN ABOVE ARE APPROXIMATE ONLY, AND THE DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE AREA OF ANY PARTICULAR RESIDENCE.

Percentage Common Interest and Limited Common Area

Each residence shall have appurtenant thereto an undivided percentage common interest in all common elements of the Property, and the same proportionate share in all common profits and expenses of the Property and for all other purposes, including voting, equal to 50%.

Additionally, a limited common element around and upon a portion of which each residence has been constructed will be appurtenant to each residence. The approximate area of the limited common element that will be appurtenant to each residence is as follows:

<u>Residence</u>	<u>Percentage Common Interest</u>	<u>Limited Common Element Approximate Area (Including Residence Area (in Square Feet))</u>
A	50%	5,562
B	50%	4,132
	100%	

THE AREAS SHOWN ABOVE ARE APPROXIMATE ONLY, AND THE DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE AREA OF ANY PARTICULAR RESIDENCE OR THE AREA OF THE LIMITED COMMON ELEMENT APPURTENANT TO A RESIDENCE.

EXHIBIT B

Common Elements

The common elements shall include the limited common elements described in Exhibit "B" attached to the Declaration, and all portions of the Project other than the apartments, including specifically, but not limited to:

- (a) The Land described in Exhibit "A" attached to the Declaration, in fee simple;
- (b) retaining walls, drainage ditches, channels, pipes or swales serving more than one residence, and perimeter fences;
- (c) The driveway providing ingress and egress to and from Puu Nanea Place and the Property (Easement 1 as shown on the Condominium Map), and all yards and planting areas;
- (d) All common premises for the use of maintenance personnel or other persons employed for operation of the Property, if any;
- (e) Installations for services such as pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under, or across the Property which serve more than one residence for services such as power, light, gas, sewage, drainage, telephone, radio and television signal distribution, if any that is not owned by the governmental agency or electric, telephone or cable television company; provided, however, that ownership of any common element by the Association shall end at the meter box or other measuring device attached or adjacent to each residence; subject, however, to ownership in case of any governmental agency, or electric, telephone or television signal improvements as provided in the laws, rules or regulations applicable to the governmental agency or company providing such services; any meter or other measuring device not owned by the public utility or governmental agency providing the service shall be a common element;
- (f) All other parts of the Property necessary or convenient to its existence, maintenance, and safety or normally in common use.

EXHIBIT C

Limited Common Elements

A. The Declaration describes the limited common elements as follows:

Certain parts of the common elements, herein called the "limited common elements", are hereby designated and set aside for the exclusive use of a specified residence, and such residence shall have appurtenant thereto exclusive easements for the use of such limited common elements as follows: Each residence shall have for its exclusive use (a) the mailbox bearing the same number or street address of such residence; subject to the right of Declarant to determine the type, size, color, materials, construction method, and exact location of the mailbox for each residence; (b) the area of land around and upon which each residence is located and designated as "Limited Common Element" and shown on the Condominium Map, including any common element located therein that serves only such residence and not more than one residence; (c) any meter box or measuring device or cable or wire or line for the exclusive use of a residence which is used by any governmental agency or electric, telephone or cable television company. Each residence shall have the right to use the limited common elements appurtenant to such residence according to the provisions the Criteria for Use of Residence and Limited Common Elements Appurtenant to Each Residence, as set forth in Exhibit "C" attached to the Declaration. Each residence shall also have the obligation to keep and maintain the limited common elements appurtenant to such residence in good condition, fair wear and tear being excepted. Each Residence owner shall also observe the conditions, covenants and restrictions set forth in the Criteria for Use of Residence and Limited Common Elements Appurtenant to Each Residence, attached to the Declaration as Exhibit "C".

B. Exhibit "C" to the Declaration of Condominium Property Regime sets forth the terms under which the limited common elements appurtenant to each residence can be used.

EXHIBIT D

Encumbrances Against Title

The Status Title Report by Title Guaranty of Hawaii, Incorporated, dated April 21, 1994, reflects that fee simple title to the land is held by EDWARD LEUNG LIM, husband of Elizabeth C. L. Lim, as Trustee under an unrecorded Revocable Living Trust Agreement dated July 29, 1991, as to an undivided 1/2 interest, and ELIZABETH C. L. LIM, wife of Edward Leung Lim, as Trustee under an unrecorded Revocable Living Trust Agreement dated July 29, 1991, as to an undivided 1/2 interest.

Said Status Title Report and Developer's report show title to the property to be subject to the following encumbrances (together with a statement relating to those encumbrances) which, in the Developer's judgment, may have a material impact on the Project or the rights and obligations of apartment owners:

1. Easement 1 as shown on the Condominium Map, for ingress and egress to and from Puu Nanea Place.
2. Easement 2 (area 261 square feet) for maintenance purposes in favor of Residence A, as shown on the Condominium Map.
3. "... and the Grantees for themselves and their heirs and assigns covenants with the Grantors, their heirs, executors, administrators and assigns that said Lot 14 of Land Court Application No. 157 and Lot 5 of Land Court Application No. 152 shall be sold, if at all, together with one house-lot as ordered in Land Court Order No. 13631, dated March 30, 1955, and noted on Transfer Certificate of Title No. 60,330 to which reference is hereby made."; as contained in Deed dated April 21, 1955, filed in said Office of the Assistant Registrar as Document No. 173300.
4. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain unrecorded Edward Leung Lim Revocable Living Trust Agreement dated July 29, 1991.
5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain unrecorded Elizabeth C. L. Lim Revocable Living Trust Agreement dated July 29, 1991.
6. That certain Mortgage, Security Agreement and Financing Statement dated March 19, 1993, in favor of Bank of Honolulu, a Hawaii corporation, filed in said Office of the Assistant Registrar as Document No. 2008647.

[The Project is presently subject to the above-mentioned mortgage loan. The Buyer's interest is subject to the interest of the holder of the mortgage. Among other things, this means that if the Developer defaults, the mortgage lender may take over the Project, the Buyer's deposit may not be returned and the Buyer may lose all rights to acquire the residence.

The mortgage will be released on an apartment-by-apartment basis upon payment of specified sums so that individual residence can be conveyed to buyers free and clear of the mortgage.]

7. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Condominium Property Regime dated May 2, 1994, filed in said Office of the Assistant Registrar as Document No. 2145061, as the same are or may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1027).
8. By-Laws of the Association of Apartment Owners of the condominium project known as "1936 PUU NANE A PLACE", dated May 2, 1994, filed in said Office of the Assistant Registrar as Document No. 2145062, as the same may hereafter be amended.
9. For any real property taxes that may be due and owing, reference is made to the Office of the Tax Assessor of the City and County of Honolulu.

EXHIBIT E

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Maintenance Fee Disbursements:

Utilities and Services

Air Conditioning
Electricity
[] common elements only
[] common elements and apartments
Elevator
Gas
Refuse Collection
Telephone
Water and Sewer

Maintenance, Repairs and Supplies

Building
Grounds

Management

Management Fee
Payroll and Payroll Taxes
Office Expenses

Insurance

Reserves(*)

Taxes and Government Assessments

Audit Fees

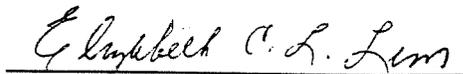
Other

TOTAL

NOTE: The Association is only responsible for the replacement and maintenance of the common elements utilized by both Residences, such as water and electrical lines, and the driveway providing ingress and egress to and from Puu Nanea Place and the Property (Easement 1 as shown on the Condominium Map). All other common elements are maintained, repaired or replaced by either of the apartment owners, individually. All utilities and services, real property taxes, fire and liability insurance, are billed and paid separately by each apartment owner. Accordingly, the Association will not collect any reserves for the repair and/or replacement of the common elements utilized by both Residences, but at the time such repair or replacement of such common elements is necessary, the Association will make a special assessment to each apartment owner for such costs. The project will be self-managed.

We, EDWARD LEUNG LIM, Trustee under unrecorded Revocable Living Trust Agreement dated July 29, 1991, and ELIZABETH C. L. LIM, Trustee under unrecorded Revocable Living Trust Agreement dated July 29, 1991, the developers of the condominium project, "1936 PUU NANEPA PLACE", hereby certify that there are no regular maintenance fees to be assessed against each apartment.


EDWARD LEUNG LIM, Trustee aforesaid


ELIZABETH C. L. LIM, Trustee aforesaid

(*) Mandatory reserves in effect January 1, 1993

EXHIBIT F

Summary of Pertinent Provisions of Sales Contract

The Sales Contract sets forth the terms and conditions concerning the sale of an apartment in the project for the stated purchase price.

Some of the salient areas of the Sales Contract are:

1. Developer retains certain reserved rights, some of which are:

a. Sales activities, including the use of a model apartment unit, signs and extensive sales displays and activities, will continue in the Project, and some of the parking spaces in the Project may be used for parking for prospective purchasers until the sale of the last unsold apartment in the Project. If Developer's mortgage lender shall acquire any portion of the Project, the lender may continue such use until both apartments have been sold and closed.

b. Developer reserves the right for itself, its sales representatives and prospective purchasers to utilize the common elements for ingress and egress and parking for prospective purchasers until the sale of the last unsold apartment in the Project.

c. Developer may cancel the Sales Contract if a purchaser does not have the resources to pay the purchase price or does not diligently follow through with an application to finance the purchase price.

2. Estimated Monthly Maintenance Charges. The Association is only responsible for the replacement and maintenance of the common elements utilized by both Residences, such as water and electrical lines, and the driveway providing ingress and egress to and from Puu Nanea Place and the Property (Easement 1 as shown on the Condominium Map). All other common elements are maintained, repaired or replaced by either of the apartment owners, individually. All utilities and services, real property taxes, fire and liability insurance, are billed and paid separately by each apartment owner. Accordingly, the Association will not collect any reserves for the repair and/or replacement of the common elements utilized by both Residences, but at the time such repair or replacement of such common elements is necessary, the Association will make a special assessment to each apartment owner for such costs. The project will be self-managed.

3. All construction has been completed for some time and all contractors' warranties have expired. THE DEVELOPER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, THE PROPERTY, THE PROJECT, OR CONSUMER PRODUCTS OR OTHER THINGS INSTALLED OR CONTAINED IN THE APARTMENT, THE PROPERTY OR THE PROJECT, INCLUDING BUT NOT LIMITED TO WARRANTIES OR MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR USE.

4. No Rental Representations. Buyer acknowledges and agrees:

a. THAT DEVELOPER AND ITS SALES AGENTS ARE NOT OFFERING AND HAVE NOT OFFERED, DIRECTLY OR INDIRECTLY, A RENTAL SERVICE OF ANY KIND TO ANY PURCHASER OF CONDOMINIUM APARTMENT UNITS IN THE PROJECT, EITHER INDIVIDUALLY OR IN ANY FORM OF POOLING ARRANGEMENT, OR BY A THIRD PARTY DESIGNATED OR ARRANGED FOR BY DEVELOPER, NOR HAVE ANY REPRESENTATIONS BEEN MADE BY DEVELOPER OR ITS SALES AGENTS AS TO THE FEASIBILITY OF RENTING THE APARTMENT OR OTHERWISE GENERATING INCOME OR DERIVING ANY OTHER ECONOMIC BENEFIT FROM OWNERSHIP OF THE APARTMENT.

b. THAT DEVELOPER AND ITS SALES AGENTS HAVE MADE NO REPRESENTATIONS (NOR IS ANYONE AUTHORIZED TO DO SO) CONTRARY TO PARAGRAPH 5 OF THE SALES CONTRACT WITH RESPECT TO EITHER BENEFITS TO BE DERIVED FROM THE RENTALS OR OTHER TAX TREATMENT OF ANY PURCHASE OF AN APARTMENT EXCEPT AS TO THE AVAILABILITY OF INCOME TAX DEDUCTIONS FOR MORTGAGE INTEREST PAYMENTS AND REAL ESTATE TAXES.

c. That the Developer may, as a condition of the closing of the Sales Contract, require of the Buyer, any brokers involved in the sale or agents of such brokers, or anyone else connected in any way with

the offer to sell and the purchase of the property, the execution and delivery to Developer of such waivers, affidavits, or other documents as may from time to time be required by Developer to satisfy Developer that the offer to sell and the purchase of the property is not in violation of any federal or state securities laws or regulations.

d. That it is understood and agreed that any rental or other disposition of the apartment shall be the sole responsibility of the Buyer.

5. The closing date shall be sixty (60) days after the date Developer has accepted the Sales Contract.

6. Default Remedies.

a. If the Buyer shall default in making any payment when required, or fail to perform any other obligation required of the Buyer under the Sales Contract, and the Developer or Escrow shall notify the Buyer by hand delivery or certified or registered mail of such default and if such default shall not be cured within ten (10) days after the date of delivery or deposit of such notice in the United States mail, Developer may, at Developer's option, terminate the Sales Contract. In the event of such termination, the Developer and Buyer acknowledge that they understand and have agreed that in the event of a default the injury to Developer will be difficult and expensive to measure in view of: Developer's financial commitments with respect to the Project; the connection between sale, cancellation or default with respect to one apartment and sale, cancellation or default with respect to the other apartment in the Project; and the nature of the real estate market in Hawaii. As a reasonable estimate of Developer's fair compensation for any damages resulting from such default, the parties agree that the sums paid by the Buyer under the Sales Contract shall belong to Developer as liquidated damages. It is understood that the damages suffered by Developer by virtue of a default later in time will likely be greater than such a default occurring at an earlier point in time. Developer may, in addition to or in lieu of retention of the sums paid by Buyer, pursue any other remedy permitted by law or equity, including specific performance. All costs, including reasonable attorneys' fees, incurred by reason of default by the Buyer shall be borne by the Buyer.

b. If Buyer shall default in making any payment when due, a late charge of one percent (1%) per month (based on the amount of such payment), prorated on a daily basis, shall accrue from the due date until such payment, together with such late charge, is paid. At any time prior to the time that such payment and late charge is paid in full, Developer may, at its option and in lieu of collecting such late charge, terminate the Sales Contract as provided in the preceding paragraph.

c. If the Developer shall fail to perform any of the obligations required of the Developer under the Sales Contract and the Buyer shall notify the Developer by hand delivery or certified or registered mail of such default and if such default shall not be cured within ten (10) days after the date of delivery or deposit of such notice in the United States mail, Buyer may at Buyer's option terminate the Sales Contract and Buyer may pursue any remedy permitted by law or equity, including specific performance, against the Developer.

7. Prohibition Against Assignment. Buyer may not assign this Agreement without the prior written consent of the Developer. Developer may determine to withhold its consent in its sole discretion. Under no circumstances may Buyer assign this Agreement after preclosing or closing commences. Any assignment or attempted assignment by Buyer shall constitute a default. Any assignor hereunder shall not be released from any liability arising under this Agreement by virtue of any assignment consented to unless such release is expressly acknowledged and agreed to by Developer in writing.

This is a summary of selected portions of the Sales Contract and may be incomplete or inadvertently incorrect. The purchaser is requested to read and understand the terms and conditions of the Sales Contract before executing the Sales Contract.

EXHIBIT G

Summary of Pertinent Provisions of Escrow Agreement

The executed escrow agreement dated May 2, 1994, identifies Hawaii Escrow & Title, Inc., as the "Escrow" and provides that a purchaser shall be entitled to a return of his funds, if any one of the following has occurred:

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

(b) Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, the purchaser has exercised his right to cancel the contract pursuant to §514A-62, Hawaii Revised Statutes, as amended; or

(d) A purchaser has exercised his right to rescind the contract pursuant to §514A-63, Hawaii Revised Statutes, as amended.

In any of the foregoing events, Escrow shall, upon the occurrence of the event described in (a) or (b) above or upon receipt of a written request for a refund from purchaser upon the occurrence of an event described in (c) or (d) above, unless the purchaser has waived or has been deemed to have waived the right to a refund, pay said funds to said purchaser (less a cancellation fee of Escrow of not less than \$25.00 per unit or a cancellation fee commensurate with the work done by Escrow prior to such cancellation, whichever fee is greater and other costs associated with the purchase), and thereupon said sales contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer and shall be deemed no longer held under the Escrow Agreement; provided, however, that no refund shall be made to a purchaser at purchaser's request prior to receipt by Developer of written notice from Escrow of its intent to make such refund.

EDWARD LEUNG LIM
ELIZABETH C. L. LIM
1936A Puu Nanea Place
Honolulu, Hawaii 96822

May 2, 1994

Real Estate Commission
State of Hawaii
P. O. Box 3469
Honolulu, Hawaii 96801

Re: 1936 Puu Nanea Place Condominium Project

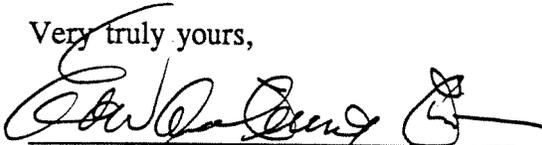
Gentlemen:

The undersigned are the developers of the 1936 Puu Nanea Place Condominium Project at 1936 Puu Nanea Place, Honolulu, Hawaii. There are two residences on the property, which were constructed in 1958 (Residence A) and 1987 (Residence B), respectively.

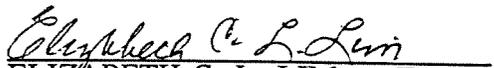
Based upon the report of Glen Kawamoto, a registered professional architect, a copy of which is enclosed, the undersigned believe that the present condition of the structural components and mechanical and electrical installations material to the use and enjoyment of Residences A and B as part of a condominium appear to be satisfactory.

The undersigned make no representations with respect to the expected useful life of the structural, mechanical and electrical components material to the use and enjoyment of Residences A and B. The undersigned have no knowledge of any outstanding notices of uncured violations of the building code or other municipal violations.

Very truly yours,



EDWARD LEUNG LIM, as Trustee
under unrecorded Revocable
Living Trust Agreement dated
July 29, 1991



ELIZABETH C. L. LIM, as Trustee
under unrecorded Revocable
Living Trust Agreement dated
July 29, 1991

EXHIBIT H

November 11, 1993

Subject: Disclosure regarding conditions of the building and improvement for 1936
Puu Nanea Place

1. Site materials:
 - a. The top of the concrete and stone retaining wall which borders the valley-side of the property was repaired, sealed and leveled-off in October of 1993.
 - b. Sawcuts in the existing driveway and walkways have been added to divert standing water away from the structures.
 - c. Minor cracks at the concrete driveways have been patched and repaired.
 - d. The exterior walls on the valley-side of both structures have been sealed at grade to prevent water infiltration.

2. Architectural materials (Residence A):
 - a. The construction of the original residence, Residence A, was completed in June of 1958. Interior renovations to the kitchen and other interior spaces were completed in 1970.
 - b. The concrete stairs to the structure have been recently painted.
 - c. The exterior wall, trim and soffit paint is in fair condition and may be expected to be replaced within 5 to 7 years.
 - d. The roof of the structure consists of asphalt shingles and is in fair condition. A secondary metal roof over the back lanai is also in fair condition.
 - e. The roof drainage system consists of sheet metal gutters and down spouts which appear to be in fair to good condition and in good working order.
 - f. The windows of the structure consist of both fixed glazing and jalousie-type windows in aluminum frames. The operable windows are in fair condition and working order.
 - g. The residence has been equipped with an exterior security lighting system which is in excellent working condition.

3. Architectural materials (Residence B):
 - a. The construction of the second residence, Residence B, was completed in December of 1987.
 - b. The exterior finish is a painted cement plaster with a textured finish and shows no signs of cracking or deterioration.
 - c. The exterior paint is in excellent condition and shows no sign of peeling or weathering.
 - d. The roof of the structure consists of asphalt -type/composition shingles and appears to be in very good condition.
 - e. The roof drainage system consists of sheet metal gutters and down spouts which appear to be in very good condition and working order.
 - f. The windows consist of both fixed glazing and jalousie-type and both appear to be in good condition and working order.
 - g. This residence has also been equipped with an exterior security lighting system and appears to be in excellent working condition.

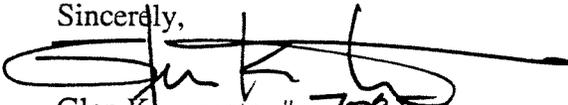
4. Structural:
 - a. Residence A is constructed of a masonry ground floor, a wood frame constructed second floor with miscellaneous steel floor framing members, and wood roof trusses. The ground floor is exposed, painted masonry. The second story is sheathed with wood siding.
 - b. The concrete masonry of Residence A shows no visible signs of major structural cracking or deterioration and should be expected to last through the life of the dwelling.
 - c. The exterior siding of Residence A is in fair condition and shows no visible signs of termite damage or deterioration.
 - d. Residence B is constructed of both masonry and cast-in-place concrete on the ground floor, wood framing on the second floor, and wood roof trusses. These structural materials appear to be good, sound condition, with no visible signs of damage or deterioration and should be expected to last through the life of the structure.

5. Mechanical:
 - a. The plumbing in both structures consists of both galvanized and copper piping and appears to be in good working order.
 - b. The bathroom and kitchen plumbing fixtures in both structures are all original equipment and appear to be good working order.

6. Electrical:
 - a. The electrical service to both structures appears to be adequately sized.
 - b. The Electrical panels and wiring in both structures are original equipment and appear to be good working order.
 - c. There are no visible signs of electrical defects in either structure.

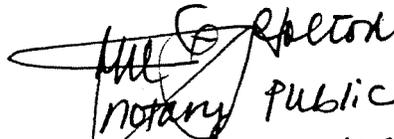
The above conditions are based on visual observations only.

Sincerely,


Glen Kawamoto, # 7025
Registered Professional Architect

STATE OF HAWAII)
CITY AND COUNTY OF HONOLULU) SS.

Subscribed and sworn before me this 11th day of November, 19 93.


notary public
my commission expires 10/10/95