

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer CASTLE & COOKE HOMES HAWAII, INC.
Address 650 Iwilei Road, Honolulu, Hawaii 96817

Project Name(*): THE CROWNE AT WAILUNA, PHASE II
Address: Mauka End of Kaahumanu Street, Aiea, Hawaii 96701

Registration No. 3156

Effective date: September 14, 1994

Expiration date: October 14, 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: The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.
(yellow)

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

SUPPLEMENTARY: This report updates information contained in the:
(pink)
 Preliminary Public Report dated: _____
 Final Public Report dated: _____
 Supplementary Public Report dated: _____

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

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

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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: CASTLE & COOKE HOMES HAWAII, INC. Phone: 548-4811
Name (Business)
650 Iwilei Road
Business Address
Honolulu, Hawaii 96817

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

SEE EXHIBIT "A"

Real Estate Broker: CONCEPTS UNLIMITED, INC. Phone: 487-7237
Name dba ERA Concepts Unlimited (Business)
98-211 Pali Momi Street, Suite 405
Business Address
Aiea, Hawaii 96701

Escrow: TITLE GUARANTEE ESCROW SERVICES, INC. Phone: 521-0211
Name (Business)
235 Queen Street
Business Address
Honolulu, Hawaii 96813

General Contractor: CASTLE & COOKE HOMES HAWAII, INC. Phone: 548-4811
Name (Business)
650 Iwilei Road
Business Address
Honolulu, Hawaii 96817

Condominium Managing Agent: CERTIFIED MANAGEMENT, INC. Phone: 836-0911
Name (Business)
3179 Koapaka Street, 2nd Floor
Business Address
Honolulu, Hawaii 96819-1927

Attorney for Developer: CHARLES W. KEY Phone: 531-8031
Name (Business)
DAMON KEY BOCKEN LEONG KUPCHAK
Business Address
1600 Pauahi Tower, 1001 Bishop Street
Honolulu, Hawaii 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. 94-130740
Book _____ Page _____
 Filed - Land Court: Document No. _____

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

- 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. 2078
 Filed - Land Court Condo Map No. _____

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

- 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. 94-130741
Book _____ Page _____
 Filed - Land Court: Document No. _____

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

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

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents**

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

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

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

SEE EXHIBIT "B"

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: Mauka End of Kaahumanu Street Tax Map Key: (1) 9-8-2-064
Aiea, Hawaii 96701 (TMK)

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

Land Area: 5,919 [] square feet [x] acre(s) Zoning: A-1

Lessor

(Fee Owner): Castle & Cooke Homes Hawaii, Inc.

Name
650 Iwilei Road

Address
Honolulu, Hawaii 96817

Sublessor: _____
Name

Address

C. Buildings and Other Improvements:

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

2. Number of Buildings: 34 Floors Per Building 2

Exhibit _____ contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood
Composition roof, interior drywall partitions, exterior omniwood
 Other siding, glass, aluminum and appropriate trim.

4. Permitted Uses by Zoning:

	<u>No. of</u>	<u>Use Permitted</u>		<u>No. of</u>	<u>Use Determined</u>
	<u>Apts.</u>	<u>By Zoning</u>		<u>Apts.</u>	<u>By Zoning</u>
<input checked="" type="checkbox"/> Residential	<u>34</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Ohana	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Industrial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Agricultural	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Recreational	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other: _____	___	<input type="checkbox"/> Yes <input type="checkbox"/> No

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

The Units can only be used for residential purposes.

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:

The Bylaws limit the pets to a reasonable number of generally

[X] Pets: accepted house pets.

[] Number of Occupants: _____

There are special use restrictions in the Declaration of Condominium

[X] Other: Regime, the Bylaws and the House Rules.

[] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 0 Trash Chutes: 0

Apt. ** Type	Quantity	BR/Bath	Net Living Area (sf)*	Entry and Lanai (sf)	Garage (sf)	TOTAL (sf)
1A	6	3/2.5	1,230	112/75	468	1,885
1B	5	3/2.5	1,230	112/75	468	1,885
2A	7	3/3	1,324	115/54	460	1,953
2B	3	3/3	1,324	115/54	460	1,953
3A	7	4/3	1,422	99/70	503	2,094
3B	6	4/3	1,422	99/70	503	2,094
Total Apartments: <u>34</u>						

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

** Developer reserves the right to change the apartment type.

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:

Each unit is a detached dwelling unit located upon a specific land area that is an appurtenant limited common element which is referred to as a "private yard". The unit is comprised of a house and certain other improvements within each private yard. It includes any retaining wall (or portion thereof) located within the private yard and all other improvements that do not service any other unit.

Permitted Alterations to Apartments:

Interior alterations may be made by the apartment owner. Exterior alterations must be approved by a Design Committee created by the Bylaws.

7. Parking Stalls:

Total Parking Stalls: 68 Each apartment has a two (2) car garage.

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for each unit)	<u>2</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>68</u>
Guest	<u>0</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Unassigned	<u>0</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Extra for Purchase	<u>0</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other:	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Covered & Open	<u>68</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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.
- Exhibit contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

- There are no recreational or common facilities.
- Swimming pool Storage Area Recreation Area
- Laundry Area Tennis Court Trash Chute
- Other: _____

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

- There are no violations. Violations will not be cured.
- Violations and cost to cure are listed below. Violations will be cured by _____

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations
(For conversions of residential apartments in existence for at least five years):

N/A

11. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u> X </u>	<u> </u>	<u> </u>
Structures	<u> X </u>	<u> </u>	<u> </u>
Lot	<u> X </u>	<u> </u>	<u> </u>

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

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

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

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit "C" .

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 "D".

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:

Every Unit			
but for Unit No. 89:	2.94117%	x 33 =	97.05861%
Unit No. 89:	2.94139%	x 1 =	<u>2.94139%</u>
TOTAL			<u>100%</u>

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.

June 16, 1994
(revised

Exhibit "E" describes the encumbrances against the title contained in the title report dated July 28, 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.

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
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F. Construction Warranties:

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

1. Building and Other Improvements:

SEE EXHIBIT "F"

2. Appliances:

SEE EXHIBIT "F"

G. Status of Construction and Estimated Completion Date:

Construction commenced in January 1994, and the estimated completion date is March 1995.

H. Project Phases:

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

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

The Crowne at Wailuna, Phase II, consists of 34 detached residential units. This is a phased project. The Developer is in the process of constructing the Crowne at Wailuna, Phase I, consisting of sixty-one (61) detached residential units. Developer intends to develop one additional adjoining project to be known as The Crowne at Wailuna, Phase III (63 units). Phase III will include a private park comprised of a gazebo, picnic area with barbeque pit, exercise nodes, benches and an office/pavilion building. It is the Developer's intent to develop this additional phase, but Developer is not obligated to do so. In addition, under the Declaration of Condominium Property Regime, Developer has the absolute right to merge any of the projects. The Developer intends to merge all three projects, but is not obligated to do so. The Declaration for The Crowne at Wailuna, Phase II provides that the Developer may effect the merger within seven years from the date the Declaration is recorded if conditions specified in the Declaration are met.

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

Exhibit "H" contains special provisions for the payment of the initial common expenses.

C. **Utility Charges for Apartments:**

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

- None
- Electricity
- Gas
- Water
- Sewer
- Television Cable
- Other _____

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

- Notice to Owner Occupants
- Specimen Sales Contract
Exhibit "I" contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated March 22, 1994
Exhibit "J" contains a summary of the pertinent provisions of the escrow agreement.
- Other Limited Construction Warranties

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. 3156 filed with the Real Estate Commission on Aug. 9, 1994

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

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C. Additional Information Not Covered Above

The following are provisions from the various documentation relating to soils, drainage and easements.

1. Soils, Setbacks, Slopes and Drainage Disclosure. Developer hereby makes the following disclosures concerning the soil, setback from slopes, and drainage patterns. The Project is located on the Waiiau Ridge at the mauka end of Kaahumanu Street in Honolulu, Hawaii. In constructing the homes and the roads and other improvements, Developer was required to cut into the hillside and grade and fill in land areas to create flat areas and slopes. This means there is considerable fill, and in addition, much of the soil is expansive in nature and has a tendency to shrink or swell with moisture changes. Developer took into account the nature of the soil and the location of slopes within the Project when determining the construction design which includes, but is not limited to the method of construction of improvements, the location of the units, and the amount of setback of the units from the slopes. Developer notes that it is important for the unit owners to preserve and maintain the drainage patterns within the Project and to prevent and control erosion. The unit owners should be aware of these characteristics and conditions when buying a home in the Project, and it is also important that the unit owners consider same when landscaping their Private Yards and also when considering the construction of any additions to their unit. The unit owners are advised to consult with qualified design professionals when considering landscaping or the construction of any additional improvements because care must be taken to maintain existing drainage patterns so as to drain surface water away from the footings and foundations of the home and because the nature of the soil should be considered when deciding the method of the construction of additional improvements, such as concrete patio slabs, masonry walls, gutters, etc.

2. Soils-Settlement-Drainage: The unit owners understand, and subsequent owners are hereby notified, that portions of the Project may have been created in part by filling of lands and that the Project is comprised of built-up earth fill overlaying the pre-existing earth. The unit owners further understand, and subsequent owners are hereby notified, that some settlement and movement of the earth in the Property may occur. The unit owners hereby agree, and subsequent owners are hereby notified, that the Developer shall not have any liability or responsibility whatsoever in connection with damage due to concentration of water on the Property or saturation of water in the soils thereon or in connection with any future improvements on the Property by the unit owners or the Association.

The unit owners, by themselves and through the Association of Home Owners, agree to use reasonable efforts to prevent movement and settlement of the earth in the Project and in adjoining properties. These efforts shall include the prevention of excessive water saturation of the earth near or beneath any building and other improvements on the Property and the prevention of accumulation or ponding of water in any area. Without limitation as to the nature or extent of such efforts, the Association of Home Owners and each and every unit owner shall be responsible for and do the following things:

a. Keep all swales, ditches, subdrains, solid pipe clean outs and other drainageways on the Project free of debris, open and in good and operating condition.

b. Divert the water from any eave, gutter or downspout on the Project well away from the foundations of the buildings and other improvements on the Project and on adjoining properties.

c. Refrain from excessive watering of landscaping near or next to any building foundation on the Project or on any adjoining property.

d. Maintain the earth in the Project such that it slopes and drains away from the foundation of the buildings and other improvements on the Property and on the adjoining properties. This includes filling in any depressions and refraining from creating any depressions, including "planter areas," in the earth near or next to any foundation.

e. Maintain, by sealing and caulking, all joints and any cracks in exterior concrete work on the Project, especially joints or cracks between sidewalks or driveways and building foundations where sidewalks or driveways abut the building and joints and cracks in driveways and sidewalks.

f. Obtain the advice of qualified design professionals prior to constructing any building or other improvements on the Project.

The unit owners expressly agree that Developer shall not have any liability or responsibility whatsoever in connection with any future improvements on the Project which may be made by the unit owners or others nor for any damage due to concentration of waters near foundations of improvements.

3. Easements Across the Land Which Encumber the Land.

a. Developer hereby discloses and unit owners understand that the Trustees of the Estate of Bernice Pauahi Bishop, Board of Water Supply, Hawaiian Electric Company, Inc., the City and County of Honolulu, and Daitoh (Hawaii), Inc. have easements for ingress and egress and for utility purposes over, under and across the main private road through the Project (the makai-mauka extension of Kaahumanu Street) for use for certain purposes or in connection with land owned by them which is located mauka of the Project. In addition, Bishop Estate has the right to connect into and use the sewer and drainage systems of the Project for up to fifty (50) residential units that could be constructed on land owned by Bishop Estate that is mauka of the Project. Daitoh's intended use of the easements is in connection with the proposed development of a golf course on its land ("Daitoh's Land") that adjoins the Project, and each unit owner, in purchasing or otherwise taking title to a unit, expressly acknowledges that his or her use and occupancy may be periodically affected by the use of the easement areas, and any noise, dust, or other adverse conditions created by Daitoh's intended golf course or other developments. The unit owners specifically acknowledge the possible existence of said uses and activities in the future which include, but are not limited to, operations and events of the golf course construction and maintenance, fertilization and pest management, weed control and irrigation of any and all of Daitoh's Land. The Developer has reserved the right to use all roadways in the Project in connection with a possible additional housing project by Developer on the mauka and Honolulu side of the Project (the Pananani Gulch side of the Project), and the Developer has the right to extend all roadways of the Project to the boundary line of the Project for access to and from the potential future housing project and for utility easements for said project, together with the right to connect up to the Project's sewer and drainage systems. The reservations, easements and encumbrances referred to in this paragraph are described in EXHIBIT "A" attached to the Declaration.

b. In addition to the easements set forth above, the property is subject to a 100 foot wide easement in favor of Hawaiian Electric Company, Inc. to build, construct, reconstruct, rebuild, repair, maintain and operate pole and wire lines, etc. for the transmission of the electricity. There is a high voltage electrical transmission overhead line within said easement area.

In recent years, concerns have been raised about possible adverse health effects of electric and magnetic fields from power lines. Unit owners hereby understand and acknowledge that the aforesaid Hawaiian Electric high voltage electrical transmission line may result in nuisances, disturbances and hazards to persons. Each unit owner hereby acknowledges he/she has determined that the benefits of owning and enjoying his/her unit outweigh such detriments and risks. Each unit owner hereby agrees to assume all risks of impairment of the use and enjoyment of his/her unit, loss of market value of his/her unit and any personal injury arising from such conditions and activities. Each unit owner hereby agrees to indemnify, defend and hold Developer, its affiliated companies and each of their successors and assigns, harmless from any and all liability, claims, losses, damages, or expenses, including attorneys' fees, arising from such impairment and the use and enjoyment of his/her unit, loss of market value of the unit, and personal injury to the person of the unit owner and unit owner's tenants, lessees, family, servants, guests, invitees, licensees, agents and employees. The easement referred to in this subparagraph is described in EXHIBIT "A" attached to the Declaration.

4. Easement "A" for roadway and utility purposes encumbers the entire main private road through the Project (the makai-mauka extension of Kaahumanu Street). The easement area is 44 feet wide but the pavement is only 28 feet wide. The curb, sidewalk and planting strip on the southerly side of the private street cover about 8 feet and adjoin the front yards of Units 64, 65 and 66 and Units 93, 94, 95, 96 and 97. The owners of these Units covenant and agree to plant grass in the planting strip within the private street between the front yard and the street curb, and further covenant and agree to properly maintain said grass and ground area so long as it exists. There is no sidewalk on the northerly side of the street. The owners of all units fronting on the private road which is an extension of Kaahumanu Street acknowledge notice that third parties have the right to increase the width of the pavement from 28 feet to 44 feet.

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.

CASTLE & COOKE HOMES HAWAII, INC.

Name of Developer

By Wallace Miyahira
Duly Authorized Signatory

9/9/94
Date

Wallace Miyahira, President

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

THE CROWNE AT WAILUNA, PHASE II

LIST OF OFFICERS OF
CASTLE & COOKE HOMES HAWAII, INC.

<u>OFFICE</u>	<u>NAME</u>
President	WALLACE MIYAHIRA
Sr. Vice President/ Treasurer/CFO	STEPHEN P. WALLACE
Vice President & General Manager	LARRY K. S. LUM
Vice President & Controller	BEVERLY GARCIA
Vice President- Human Resources	BERT T. KIDO
Vice President	ROLAND KIM
Vice President/ Secretary	KEVIN R. SHANEY
Assistant Secretary	J. BRETT TIBBITTS
Assistant Treasurer	DAVID W. PERRIGO

EXHIBIT "A"
Page 1 of 1

THE CROWNE AT WAILUNA, PHASE II

DEVELOPER'S (SELLER'S) RIGHT TO MODIFY DOCUMENTS

The Sales Agreement contains the following provisions:

"Seller reserves the right to modify the Declaration, By-Laws, the Condominium Deed, and the merger document provided that no such modification shall:

- (a) Increase Buyer's share of common expense;
- (b) Increase the purchase price for the Property; or
- (c) Reduce the obligations of the Seller for common expenses on unsold units."

The Declaration of Condominium Property Regime contains the following provisions:

"The Developer expressly reserves the right to successively amend this Declaration without the consent or joinder of any of the unit owners by filing amendment(s) to this Declaration pursuant to the provisions of Section 514A-12, Hawaii Revised Statutes, after completion of the construction of the improvements described herein, by attaching to such amendment(s) the proper verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed or being filed simultaneously with such amendment fully and accurately depict the layout, location, unit numbers and dimensions of the units as built, and (2) Developer reserves the right from time to time without the consent or joinder of any unit owners to change the type of unit to be constructed on a specific land area and to amend the Declaration and the Condo Map so as to reflect any such change."

THE CROWNE AT WAILUNA, PHASE II

DESCRIPTION OF COMMON ELEMENTS

1. The land described in Exhibit "A" of the Declaration of Condominium Property Regime in fee simple;

2. All grounds and landscaping, roads, sidewalks, walls, and driveways.

(NOTE: all the foregoing is shown on the Condominium Map ("Condo Map") except for the landscaping. The walls and also the sidewalks within the road that are common elements are shown on the Site Plan which is a part of said Condo Map. The actual location on the ground of the walls and other improvements may vary from location shown on the Condo Map);

3. All ducts, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities, installations over, under and across said Land which serve more than one unit for services such as power, light, water, gas, drainage, sewer, telephone and radio and television signal distribution; and

4. Any and all apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use which are not part of a unit.

THE CROWNE AT WAILUNA, PHASE II

DESCRIPTION OF LIMITED COMMON ELEMENTS

1. The various separate land areas numbered 64 through 97, as shown on the Condominium Map, are limited common elements. These land areas are referred to herein as "Private Yard(s)", and each unit has appurtenant thereto as a limited common element the specific land area having the same number as said unit. (NOTE: The square footage of all of the Private Yards is an approximation and may vary from that shown on the Condo Map.)

2. All other common elements of the Project which are rationally related to less than all of said units shall be limited to the use of such units.

All limited common elements, costs and expenses, including but not limited to, maintenance, repair, replacement, additions and improvements, shall be charged to the owner of the unit to which the limited common elements are appurtenant, and all such charges shall be collected in the same manner as common expenses and the Association shall have a lien against units for any unpaid charges in accordance with the provisions of this Declaration and the Condominium Property Act.

THE CROWNE AT WAILUNA, PHASE II

ENCUMBRANCES AGAINST TITLE

1. For information regarding real property taxes as may be due and owing, reference is made to the City and County of Honolulu Director of Finance.

Tax Key: 9-8-002-064 (1) Area assessed: 5.919 acres

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Grant in favor of Hawaiian Electric Company, Inc., dated April 30, 1958, recorded in Liber 3437 at Page 240; granting a perpetual right and easement to build, construct, reconstruct, rebuild, repair, maintain and operate pole and wire lines, etc., for the transmission of electricity.
4. CONDITIONS APPLICABLE TO AN AMENDMENT OF DISTRICT BOUNDARY FROM CONSERVATION TO URBAN dated June 21, 1989, recorded in Liber 23401 at Page 745.
5. UNILATERAL AGREEMENT AND DECLARATION FOR CONDITIONAL ZONING dated February 15, 1990, recorded as Document No. 90-035097.
6. AGREEMENT FOR CONDITIONAL USE PERMIT UNDER SECTION 4.40-21 dated December 19, 1991, recorded as Document No. 92-116438, by THE LUSK COMPANY, a California corporation.

EXHIBIT "E"
Page 1 of 2

7. Claims arising out of rights customarily and traditionally exercised for subsistence, cultural, religious, access or gathering purposes as provided for in the Hawaii Constitution or Sections 1-1 or 7-1 of the Hawaii Revised Statutes.
8. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in GRANT OF EASEMENT dated May 12, 1992, recorded as Document No. 92-105466.
9. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in PARTIAL SURRENDER OF EASEMENTS FOR ACCESS AND UTILITY PURPOSES AND GRANT OF EASEMENT FOR ROADWAY AND UTILITY PURPOSES dated October 20, 1993, recorded as Document No. 93-172827A.
10. Designation of a portion of Easement "4" for roadway and utility purposes, in favor of Castle & Cooke Homes Hawaii, Inc. and the Board of Water Supply of the City and County of Honolulu, as shown on survey map prepared by Wayne M. Teruya, Registered Professional Land Surveyor, dated June 12, 1992, revised January 10, 1994, March 15, 1994 and March 24, 1994, being the same Easement shown on survey map prepared by Wayne M. Teruya, Registered Professional Land Surveyor, dated June 22, 1992, revised January 10, 1994, March 25, 1994 and April 6, 1994.
11. Designation of Easements "20" (area 25 square feet), "21" (area 51 square feet), "22" (area 50 square feet), "23" (area 50 square feet), "24" (area 50 square feet), and "39" (area 25 square feet) for water meter purposes, in favor of the Board of Water Supply of the City and County of Honolulu, as shown on survey map prepared by Wayne M. Teruya, Registered Professional Land Surveyor, dated June 12, 1992, revised January 10, 1994, March 15, 1994 and March 24, 1994, being the same Easements shown on survey map prepared by Wayne M. Teruya, Registered Professional Land Surveyor, dated June 22, 1992, revised January 10, 1994, March 25, 1994 and April 6, 1994.

THE CROWNE AT WAILUNA, PHASE II

CONSTRUCTION WARRANTIES (LIMITED WARRANTIES)

1. Limited Warranty on the Improvements Comprising a Unit. Developer agrees to repair or cause to be repaired at no cost to the unit owner, any defects in the building and other improvements comprising a unit due to faulty materials or workmanship which are discovered within one (1) year after the date the first conveyance of the unit is recorded in the Bureau of Conveyances of the State of Hawaii. This warranty covers only the buildings and other improvements comprising the units developed by Developer on the Property.

2. Limited Warranty on the Improvements Which are Part of the Common Elements. As set forth in the Developer's written limited warranty policy, Developer agrees to repair or cause to be repaired at no cost to the unit owners, any defects in the improvements comprising the common elements of the Property due to faulty materials and/or workmanship which are discovered within one (1) year after the date that the first conveyance of a unit in the Project by the Developer is recorded in the Bureau of Conveyances of the State of Hawaii. This warranty covers only the improvements comprising a part of the common elements developed by the Developer on the Property.

3. Appliances, Materials, Fixtures, Etc. Developer agrees that, to the extent legally possible, the unit owners may enforce any warranties from suppliers of appliances, fixtures, services, carpets (or other flooring materials) or from subcontractors, suppliers and vendors, and the unit owners agree and acknowledge that Developer shall have no obligation or responsibility in connection with any such warranties of others.

4. No Other Warranties. Other than as stated above, the unit owners acknowledge and agree that the Developer has not made any express warranties of any kind and that Developer hereby expressly disavows and excludes any implied warranties, including, without limitation, implied warranties of merchantability, fitness and/or habitability.

EXHIBIT

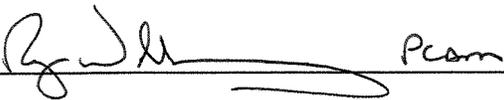
THE CROWNE AT WAILUNA
PHASE II

Estimate of Maintenance Fee Disbursements:

	<u>Monthly</u> times 12 months	=	Yearly Total
Utilities and Services			
Air Conditioning			
Electricity			
<input checked="" type="checkbox"/> common elements only	\$35.00		\$420.00
<input type="checkbox"/> common elements & apartments			
Gas			
Refuse Collection			
Telephone			
Water and Sewer	\$1,345.00		\$16,140.00
Maintenance, Repairs, and Supplies			
Building	\$0.00		\$0.00
Grounds	\$697.00		\$8,364.00
Management			
Management Fee	\$323.00		\$3,876.00
Payroll and Payroll Taxes	\$0.00		\$0.00
Office Expenses	\$105.00		\$1,260.00
Insurance	\$1,515.00		\$18,180.00
Reserves	\$450.00		\$5,400.00
Taxes and Government Assessments	\$3.00		\$36.00
Audit Fees/Legal	\$80.00		\$960.00
Other			

TOTALS	\$4,553.00		\$54,636.00

I, Roger Woodbury, as agent and employed by Certified Management, the condominium managing agent, for the condominium project Crowne at Wailuna, Phase II hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



 DATE: June 24, 1994

EXHIBIT

**ESTIMATE OF INITIAL MAINTENANCE FEES
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

Estimate of Initial Maintenance Fees;

APARTMENT	MONTHLY	YEARLY TOTAL
APARTMENTS, 64 – 88, 90 – 97	\$133.91	\$1,606.92
APARTMENT 89	133.92	\$1,607.04

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

Castle & Cooke Homes Hawaii, Inc. has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

PAYMENT OF INITIAL COMMON EXPENSES

Pursuant to the provisions of Chapter 514A-15, Hawaii Revised Statutes, Developer shall assume all the actual common expenses in a project until a date certain as herein provided for. The unit owners shall not be obligated for the payment of their respective share of the common expenses until such time as the Developer files an amended abstract with the Real Estate Commission which shall provide that after a date certain, the respective unit owners shall thereafter be obligated to pay for their respective share of common expenses allocated to their respective units. The date certain above referred to will be established by the Developer filing an amended abstract at least 30 days in advance with the Real Estate Commission which sets forth the date certain for the unit owners to start paying the common expenses. In addition to Developer filing the amended abstract with the Real Estate Commission, a copy of same will be delivered either by mail or personal delivery to each of the unit owners.

EXHIBIT "H"
Page 1 of 1

SUMMARY OF SALES AGREEMENT

1. The sales agreement contains the price and other terms and conditions under which a buyer will agree to buy an apartment in the project.

2. The contract provides for the buyer to get a copy of certain legal documents that buyer should closely examine.

3. The buyer is responsible for obtaining his/her own mortgage financing.

4. The buyer is required to perform all obligations in the sales agreement in a very punctual manner.

5. If the Buyer should default under the contract, the Developer (i) can terminate the Agreement and retain the buyer's deposits (not to exceed 20% of the purchase price) as liquidated damages, or (ii) pursue any other legal remedy. In addition, the buyer would be responsible for Seller's attorneys fees and costs.

6. The buyer waives any claims against Developer for consequential damages (including emotional distress) and agrees that any suit against Developer must be filed within two (2) years.

7. The buyer must complete the sale and purchase of the apartment by a certain date and pay closing costs, in addition to the purchase price.

8. The buyer will not receive interest on deposits made under the terms and conditions of the Escrow Agreement for the Project.

9. The buyer's money will be held in escrow on deposits under the sales agreement.

10. The project will be subject to ongoing construction and sales activities which will result in certain annoyances to the buyer.

11. The Developer is making no warranties or representations in connection with the sale of any of the apartments, except for its written limited warranty.

This is a very brief summary of certain of the terms and conditions of the sales contract, and any buyer should review all the terms and conditions of the sales agreement before signing.

SUMMARY OF ESCROW AGREEMENT

1. The Escrow Agreement for the Project dated March 22, 1994, is between CASTLE & COOKE HOMES HAWAII, INC., as Developer, and TITLE GUARANTY ESCROW SERVICES, INC., as Escrow.

2. All payments made by a buyer will be made to the Escrow.

3. Escrow is a neutral party and the funds of all buyers will be held and disbursed by Escrow as provided by the terms and conditions of the Escrow Agreement.

4. All moneys received by Escrow will be deposited in a federally insured bank or savings and loan association.

5. Escrow will let purchasers know when payments are due.

6. Escrow will arrange for purchasers to sign all necessary documents.

7. Escrow will arrange for the Buyer's deed to his/her unit to be recorded when Escrow disburses the purchase price to Developer.

8. The Escrow Agreement says under what conditions a refund will be made to a buyer.

The Escrow Agreement contains many other provisions and establishes certain charges that may be incurred by the buyer, and the buyer should carefully read the entire Escrow Agreement.