

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report as Exhibit H 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

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

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

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

TABLE OF CONTENTS

	page
Preparation of this Report	1
Expiration Date of Reports	1
Type of Report	1
Disclosure Abstract	2
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Operation of the Condominium Project	4
I. PERSONS CONNECTED WITH THE PROJECT	5
Developer Attorney for Developer General Contractor	
Real Estate Broker Escrow Company Condominium Managing Agent	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	6
B. Condominium Map (File Plan)	6
C. Bylaws	6
D. House Rules	7
E. Changes to Condominium Documents	7
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	8
B. Underlying Land	9
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	13
E. Encumbrances Against Title	14
F. Construction Warranties	15
G. Status of Construction	16
H. Project Phases	16
IV. CONDOMINIUM MANAGEMENT	
A. Management of the Common Elements	17
B. Estimate of Initial Maintenance Fees	17
C. Utility Charges for Apartments	17
V. MISCELLANEOUS	
A. Sales Documents Filed with the Real Estate Commission	18
B. Buyer's Right to Cancel Sales Contract	18
C. Additional Information Not Covered Above	20
D. Signature of Developer	21
EXHIBIT A: Developer's Reserved Rights	
EXHIBIT B: Permitted Alterations to Apartment	
EXHIBIT C: Common Elements	
EXHIBIT D: Limited Common elements	
EXHIBIT E: Encumbrances Against Title	
EXHIBIT F: Summary of the provisions of the Sales Contract	
EXHIBIT G: Summary of the Provisions of the Escrow Agreement	
EXHIBIT H: Disclosure Abstract	
EXHIBIT I:	

General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

FILEMON PADRE ANCHETA and LETICIA PINGET ANCHETA, husband and wife;
and FELIX P. SORIANO and JANE R. SORIANO, husband and wife

Developer:

Name
47-552 Hakuhale Street
Business Address
Kaneohe, HI. 96744

Phone: (808) 239-9892

(Business)

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

n/a

Real Estate
Broker:

Developers as Owners. See page 20

Name

Business Address

Phone: _____
(Business)

Escrow:

DEVELOPERS ESCROW SERVICES, INC.

Name
2024 No. King St.
Business Address
Honolulu, HI. 96819

Phone: (808) 848-2340

(Business)

General
Contractor:

n/a

Name

Business Address

Phone: _____
(Business)

Condominium
Managing
Agent:

Self-managed by AOA

Name

Business Address

Phone: _____
(Business)

Attorney for
Developer:

KERRY M. KOMATSUBARA

Name
220 So. King St., Suite 600
Business Address
Honolulu, HI. 96813

Phone: (808) 528-1000

(Business)

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. 93-210694
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]:

- * Amendment and Restatement of Declaration Submitting Property to the Condominium Property Regime "87-1732 Farrington Highway CPR" (Condo Map No. 1975) Recorded 5/18/95 as Doc. No. 95-103430

- 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. 1975, as amended
 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]:

*Same as above Amendment and Restatement

- 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. 93-210695
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	---	<u>n/a</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 attached Exhibit "A"

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: 87-1732 Farrington Highway Tax Map Key: (1) 8-7-33-23
Lualualei, Waianae, HI. 96792 (TMK)

Address TMK is expected to change because _____

Land Area: 34,010 square feet acre(s) Zoning: R-5

Fee Owner : FILEMON PADRE ANCHETA and LETICIA PINGET ANCHETA, husband and wife, T/E (50% Interest); FELIX P. SORIANO and JANE R. SORIANO, husband and wife, T/E (50% Interest), as T/C

Name _____
 47-552 Haku Hale Street
 Address _____
 Kaneohe, Oahu, HI. 96744

Sublessor: n/a
 Name _____
 Address _____

C. Buildings and Other Improvements:

1. New Building(s) Conversion of Existing Building(s) Both New Building(s) and Conversion of Existing Building(s)
 2. Number of Buildings: 3 Floors Per Building 1

Exhibit _____ contains further explanations.

3. Principal Construction Material:

- Concrete Hollow Tile Wood
 Other _____

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning		No. of Apts.	Use Determined By Zoning
<input type="checkbox"/> Residential	<u>5</u>	<input checked="" 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

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: Permitted, however excessive noise or running at large in common areas prohibited
- Number of Occupants: _____
- Other: _____
- 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)*	Lanai/Patio (sf)
Unit 1	<u>1</u>	<u>3 1 1/2</u>	<u>960</u>	<u>-</u>
Unit 2	<u>1</u>	<u>3 1 1/2</u>	<u>864</u>	<u>-</u>
Unit 3	<u>1</u>	<u>3 1 1/2</u>	<u>864</u>	<u>-</u>
Unit 4	<u>1</u>	<u>3 1 1/2</u>	<u>864</u>	<u>-</u>
Unit 5	<u>1</u>	<u>3 1 1/2</u>	<u>864</u>	<u>-</u>

Total Apartments: 5

*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 apartments consist of three free standing buildings and the perimeter of each of the apartments into which the Project is so divided shall be established by the exterior face of the free standing buildings' walls; the exterior face of any glass windows, doors, panels or railings along the perimeter of each free standing building; and the inner decorated or finished surfaces of the floors and ceilings.

Permitted Alterations to Apartments:

See attached Exhibit "B"

7. Parking Stalls:

Total Parking Stalls: 12

	<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>10</u>	_____	_____	_____	_____	<u>10</u>
Guest	_____	<u>2</u>	_____	_____	_____	_____	<u>2</u>
Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra for Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	_____	_____	_____	_____	_____	_____	_____
Total Covered & Open	<u>12</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):
Generally, the overall condition of the buildings are structurally sound and existing foundations stable considering the age of the buildings. The plumbing and electrical condition conforms to Code. No representations are made with respect to the expected useful life of the units.

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:

Each Unit shall have appurtenant thereto an undivided 20% interest in all common elements of the Project (herein called the "Common Interest"), and the same proportionate share in all common profits and expenses of the Project and for all other purposes, including voting on all matters requiring action by the Unit owners.

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

Exhibit E describes the encumbrances against the title contained in the title report dated Sept. 11, 199 and issued by Island Title Corporation.

Blanket Liens:

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

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
MORTGAGES	
CENTRAL PACIFIC BANK	Buyers interest may be terminated and buyers shall be entitled to a refund of all deposits, less any escrow cancellation fees
GOO ETAL	

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:

No warranties

2. Appliances:

No warranties

G. Status of Construction and Estimated Completion Date:

The initial dwelling (Unit 1) was constructed in 1977 and the additional two dwellings (Units 2, 3, 4 & 5) were constructed in 1989, all in compliance with all ordinances, codes, rules and regulations in force at the time of construction.

H. Project Phases:

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

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

The Developers have reserved the right and option prior to the expiration of ten (10) years after the date of the amendment of the Declaration to:

- 1) Subdivide the land into two or more parcels;
- 2) To withdraw a portion of the land and any improvements thereon;
- 3) Create one or more additional apartments within area outlined and designated "Reserved for Future Development";

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 the Developer or the Developer's affiliate.
- self-managed by the Association of Apartment Owners 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 * contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

* See attached Disclosure Abstract (Exhibit H)

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

[X] Specimen Sales Contract

Exhibit F contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated June 8, 1995

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., as amended
 - C) Bylaws of the Association of Apartment Owners.
 - D) House Rules. (none)
 - E) Condominium Map., as amended
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
 - H) Other _____

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. 3429 filed with the Real Estate Commission on 10/10/95.

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

All of the apartments have access to Farrington Highway, which is a public street, through, over and across (a) a 14,323 square feet common element for road, utility and recreational purposes; (b) a 720 square feet Easement for Road and Utility Purposes; (c) a 1,114 square feet Easement for Road and Utility Purposes over and across Lot A-2; and (d) Lot D, an 8,856 square feet Easement for Road and Utility Purpose. Each apartment has its own water meter for water hookup and services and its own electrical meter and electrical lines. The utilities and water services will be billed separately.

Pursuant to §§16-99-3(g) and 16-99-11(d), Hawaii Administrative Rules ("HAR"), prospective purchasers are hereby advised that the Developer(s) Leticia P. Ancheta, (RB10447), is a current and inactive Hawaii-licensed real estate broker. Pursuant to §§16-99-11(c), HAR, "(n)o licensee shall advertise 'For Sale by Owner', 'For Rent by Owner', 'For Lease by Owner', For Exchange by Owner'."

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.

FILEMON PADRE ANCHETA and LETICIA PINGET ANCHETA, husband and wife; and FELIX P. SORIANO and JANE R. SORIANO, husband and wife

Name of Developer
By Filemon Padre Ancheta By Leticia Pinget Ancheta
FILEMON PADRE ANCHETA LETICIA PINGET ANCHETA
By: Felix P. Soriano Duly Authorized Signatory Date OCTOBER 8, 1993
FELIX P. SORIANO By Jane R. Soriano
JANE R. SORIANO

FILEMON PADRE ANCHETA and LETICIA PINGET ANCHETA, husband and wife; and FELIX P. SORIANO and JANE R. SORIANO, husband and wife, Developer.

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

EXHIBIT "A"

DEVELOPER'S RESERVED RIGHTS

The Developer (Declarant) has reserved the following rights to change the Declaration, Condominium Map, By-Laws or House Rules:

1. Paragraph 22 of the Declaration, as amended, provides:

(1) At any time prior to the first filing in the Bureau of Conveyances of the State of Hawaii of a conveyance of a Unit, the Declarant may amend the Declaration (including all exhibits) and the By-Laws in any manner, without the consent of any Unit purchaser; and (b) at any time thereafter, the Declarant may amend this Declaration (and when applicable, the Condominium Map) to file the "As Built" verified statement required by Section 514A-12 of the Act (i) so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plan thereto filed fully and accurately depicts layout, location, apartment numbers, and the dimensions of an improvement or change in a Unit as built; or (ii) so long as the plans filed therewith involve only immaterial changes to the layout, location, or dimension of the apartments as built or any change in any apartment number.

2. Paragraph 23 of the Declaration, as amended, provides:

The Declarant has reserved the right for itself and its agents to do the following:

23.1 Declarant shall have the right to maintain development facilities and conduct sales of Units until deeds are issued to unit purchasers with respect to all Units in the Project. Such right shall include, but not be limited to, maintaining model units, operating a sales and construction office, conducting advertising, placing signs, using parking spaces and erecting lighting in connection with such sales; provided, however, that the Declarant shall not use any unit with respect to which a unit deed has been issued (other than to the Developer) and provided, further, that in exercising such right, the Declarant shall not interfere with the rights of any Unit Owner to the use of, or access to, his Unit or any of the common elements appurtenant thereto.

23.2 The Declarant shall have the right to enter upon the Land and the Project and carry on such design, development, construction and demolition activities as may be necessary in connection with such alterations, modifications and restorations, including, but not limited to, parking and storage of construction equipment and materials, provided that the Declarant shall not interfere with the rights of any unit owner to the use of, or access to, his unit or any of the common elements appurtenant thereto.

EXHIBIT "B"

PERMITTED ALTERATIONS TO APARTMENTS. Paragraph 21.1 of the Declaration, as amended and restated, states:

"Changes to the Project or any building thereof or construction of any additional building or structural alteration or addition to any building, different in any material respect from the Condominium Map of the Project, shall be undertaken by the Association of Apartment Owners only pursuant to an amendment of the Declaration, duly executed by or pursuant to vote of all the Unit Owners and accompanied by the written consent of the holders of all liens affecting any of the Units, and in accordance with complete plans and specifications therefor first approved in writing by the Board, and promptly upon completion of such restoration, replacement or construction, the Association shall duly file such amendment in said Office, together with a complete set of the floor plans of the Project as so altered, certified as built by a registered architect or professional engineer."

Paragraph 21.3 of the Declaration, as amended, states:

"In the event any unit owner seeks to rebuild, modify and/or add to their respective unit, the Association shall cooperate with the unit owner and reasonably amend this declaration to allow such rebuilding, modification and/or addition; provided, however, that all improvements of the unit owner shall be (i) located on the areas designated as a limited common element for the said unit owner, (ii) set back at least five (5) feet from the perimeter of the said unit owner's limited common area as shown on the Condominium Map, and (iii) in compliance with all building code requirements of the City and County of Honolulu and the State of Hawaii. In addition, all unit owners shall consent to such improvements and shall use their best faith efforts to obtain the written consent of holders of all liens affecting the project, if any."

EXHIBIT "C"

COMMON ELEMENTS. Paragraph 5 of the Declaration, as amended and restated, designates certain portions of the Project as "common elements", including specifically but not limited to:

1. The Land in fee simple;
2. The "Common elements for Road, Utility and Recreational Purposes" as shown on the Condominium Map.
3. All yards, grounds, landscaping, refuse facilities, building walkways, pathways, driveways and roads within the Project.
4. All ducts, electrical equipment, wiring and other central and appurtenant installations, including power, light, water, sewer, gas and telephone; all pipes, plumbing, wires, conduits or other utility service lines, which run through a unit but which are utilized by or serve more than one unit; and air conditioning and like utilities, if installed.
5. All other portions of the Land and improvements not specifically designated in the Declaration as "Units", but which are intended for common use and all other devices and installations existing for or rationally of common use or necessary to the existence, upkeep and safety of the Condominium Property Regime.

EXHIBIT "D"

LIMITED COMMON ELEMENTS. Paragraph 6 of the Declaration, as amended and restated, designates:

1. Certain parts of the common elements as the "Limited Common Elements", which are set aside for the exclusive use of each Unit, and each Unit shall have appurtenant thereto exclusive easements for the use of such limited common elements.

2. The site of each Unit, called on the Condominium Map a "Unit", consisting of the land beneath the Unit and adjacent thereto, as shown and delineated as a "Unit" on said Condominium Map. "Unit 1" is for the exclusive use of Unit 1. "Unit 2" is for the exclusive use of Unit 2. "Unit 3" is for the exclusive use of Unit 3. "Unit 4" is the exclusive use of Unit 4. "Unit 5" is for the exclusive use of Unit 5.

3. The land designated as "For road, utility and recreational purposes" as shown on the Condominium Map, is for the exclusive use of Units 1, 2, 3, 4 and 5.

4. The two open parking stalls designated on the Condominium Map as "1 and 2" are for the exclusive use of Unit 1.

5. The two open parking stalls designated on the Condominium Map as "3 and 4" are for the exclusive use of Unit 2.

6. The two open parking stalls designated on the Condominium Map as "5 and 6" are for the exclusive use of Unit 3.

7. The two open parking stalls designated on the Condominium Map as "7 and 8" are for the exclusive use of Unit 4.

8. The two open parking stalls designated on the Condominium Map as "9 and 10" are for the exclusive use of Unit 5.

9. The two open parking stalls designated on the Condominium Map as "11 and 12" are for the exclusive use of guests of Units 1, 2, 3, 4 and 5.

EXHIBIT "E"

ENCUMBRANCES AGAINST TITLE

1. For Real Property Taxes that may be due and owing, reference is made to the Office of the Tax Assessor, City and County of Honolulu.

2. Title to all minerals and metallic mines reserved to the State of Hawaii.

3. An easement for the transmission of electricity purposes, in favor of Hawaiian Electric Company, Inc., and GTE Hawaiian Telephone Company Incorporated, dated May 4, 1953, recorded in the Bureau of Conveyances of the State of Hawaii in Book 2675, Page 95.

4. Mortgage dated June 4, 1991 in favor of CENTRAL PACIFIC BANK, a Hawaii corporation, recorded in the Bureau of Conveyances of the State of Hawaii on June 24, 1991 as Document No. 91-082349.

5. Mortgage dated June 3, 1991 in favor of LAWRENCE DAI KIN GOO, unmarried, as Trustee of that certain Revocable Living Trust dated October 10, 1985, with full powers to sell, convey, mortgage, partition and other powers more particularly set forth in said trust; ELWIN DAI HONG GOO, husband of Valerie Chun Goo, as Trustee of that certain Revocable Living Trust dated December 27, 1985, with full powers to sell, convey, mortgage, partition and powers more particularly set forth in said Trust, and VALERIE CHUN GOO, as Trustee of that certain Revocable Trust dated December 27, 1985, with full powers to sell, convey, mortgage, partition and other powers more particularly set forth in said Trust, recorded as aforesaid on June 24, 1991 as Document No. 91-082350; as the same was amended by Amendment of Second Mortgage and Note dated May 18, 1995 recorded as afresaid as Document No. 95-083945.

6. Assignment of Rents, dated June 4, 1991 executed by and between FILEMON PADRE ANCHETA and LETICIA PINGET ANCHETA, husband and wife, tenants by the entirety, as to an Undivided Fifty Per Cent (50%) Interest; and FELIX P. SORIANO and JANE R. SORIANO, husband and wife, tenants by the entirety, as to an Undivided Fifty Per Cent (50%) Interest, as tenants in common, "Assignor", and CENTRAL PACIFIC BANK, a Hawaii corporation, "Assignee", recorded as aforesaid on June 24, 1991 as Document No. 91-082351.

7. Condominium Map No. 1975, filed in the Bureau of Conveyances, State of Hawaii.

8. Covenants, conditions, restrictions reservations, agreements, obligations, provisions and easements set forth in the Declaration of Condominium Property Regime dated September 30, 1993, recorded December 20, 1993, in the Bureau of Conveyances, State of Hawaii, as Document No. 93-210694.

Said Declaration was amended and restated by an instrument dated May 18, 1995, recorded August 10, 1995 in said Bureau, as Document No. 95-103430.

9. Terms and provisions contained in the By-Laws of the Association of Apartment Owners of "87-1732 Farrington Highway CPR", dated October 8, 1993, recorded December 20, 1993, in the Bureau of Conveyances, State of Hawaii, as Document No. 93-210695.

EXHIBIT "F"

SUMMARY OF THE PROVISIONS OF THE SALES CONTRACT

The units are not presently for sale. However, should the Developer decide to offer the units for sale, a brief summary of the Sales Contract that will be used follows:

The Sales Contract contains the price and other terms and conditions under which a purchaser will agree to buy a unit in the Project. Among other things, the Sales Contract says:

(a) A buyer must obtain his own financing. Buyer acknowledges that this Sales Contract is contingent on any financing after the issuance of the final public report.

(b) That a purchaser's money will be held in escrow, under the terms of the Escrow Agreement.

(c) That interest on deposits shall belong to the Seller so long as said funds are held in escrow.

(d) That the unit will be subject to various other legal documents which the buyer certifies that he has examined.

(e) That the buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

The Sales Contract contains various other provisions with which the purchaser should become acquainted.

EXHIBIT "G"

SUMMARY OF ESCROW AGREEMENT

The apartments are not presently for sale. However, should the Developer decide to offer the apartments for sale, a brief summary of the terms of the Escrow Agreement between the Developer and DEVELOPERS ESCROW SERVICES, INC., dated June 8, 1995, follows:

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser makes under a sales contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement these things will or may happen:

(a) Developer will let purchasers know when payments are due.

(b) Escrow will arrange for purchasers to sign all necessary documents.

(c) The Escrow Agreement says under what conditions a refund will be made to a purchaser.

(d) The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract.

The Escrow Agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.

EXHIBIT "H"

87-1732 FARRINGTON HIGHWAY CPR

REGISTRATION NO. 3429

DISCLOSURE ABSTRACT

1. (A) PROJECT: 87-1732 FARRINGTON HIGHWAY CPR
Lualualei, Waianae, Oahu, HI.

- (B) DEVELOPER: FILEMON PADRE ANCHETA & LETICIA
PINGET ANCHETA, husband and wife, T/E
(50% Interest); and FELIX P. SORIANO and
JANE R. SORIANO, husband and wife, T/E
(50% Interest), as T/C
c/o 47-552 Hakuhale Street
Kaneohe, Oahu, HI. 96744

Telephone No. 239-9892 (Res.)
927-7958 (Bus.)

- (C) MANAGING
AGENT: self managed by AOA

2. Maintenance Fees: None at present. In the future as
the need and necessity arises, the maintenance fees
shall be based upon generally accepted accounting
principles.

3. Commencement of Maintenance Fees: At such time that
the Association decides to assess maintenance fees.

4. Warranties: The Project is a fee simple condominium
project and there are no warranties.

5. The "87-1732 FARRINGTON HIGHWAY CPR" Condominium
Project consists of five (5) units which will be used
for residential purposes by the respective owners
thereof, their tenants, families and domestic servants
and social guests, and for no other purpose.

DATED at Honolulu, Hawaii, May 18, 1995.


FILEMON PADRE ANCHETA

Leticia Pinget Ancheta
LETICIA PINGET ANCHETA

Subscribed and sworn to
before me this BTH day
of June, 1995.

Valerie J. Yoshimoto
Notary Public, First Judicial
Circuit, State of Hawaii.
My comm. expires: 7/21/97

d.o.

Felix P. Soriano
FELIX P. SORIANO

Jane R. Soriano
JANE R. SORIANO

Subscribed and sworn to
before me this 18 day
of MAY, 1995.

Brigido M. Padua
Notary Public, in and for the
County of Los Angeles,
State of California.
My comm. expires: 5/27/95



ESTIMATED OPERATING EXPENSES

87-1732 FARRINGTON HIGHWAY CPR

For Period July 1, 1994 to June 30, 1995
As Prepared by Developer

Estimated Annual Expenses

Ground Maintenance and	
*Water/Sewer and Electricity:	\$-0-
**Liability Insurance:	\$ 207.00
***Fire Insurance	\$1450.00
Management Fee:	\$-0-
Miscellaneous:	\$-0-
 TOTAL ANNUAL EXPENSES	 \$1657.00

Estimated Monthly Expenses

\$ -0- - 12 months \$-0-

Estimated Monthly Maintenance Fee for Each Apartment:

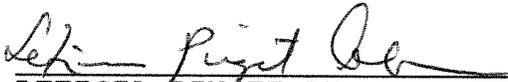
Estimated Monthly Expenses: \$-0-

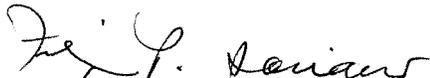
TOTAL MONTHLY MAINTENANCE
FEE FOR EACH APARTMENT: \$-0-

- Note: *
- * All utilities will be separately metered or otherwise charged, and the common elements will incur no separate utility charges.
 - ** It is contemplated that each apartment owner will purchase and maintain his own homeowner's insurance policy which will include general liability coverage, and naming the Association of Apartment Owners as an additional insured.
 - *** Each Dwelling Owner shall purchase and maintain his own fire insurance covering the contents within each Dwelling. However, the Association shall purchase and maintain fire insurance covering all buildings within the Project.

The Developer certifies that the maintenance fees and costs as estimated by the Developer is based on generally accepted accounting principles.


FILEMON PADRE ANCHETA


LETICIA PINGET ANCHETA


FELIX P. SORIANO


JANE R. SORIANO

"Developer"