CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer HOWARD KAZUO OKUMURA and MAE MEIKO OKUMURA
Address P.O. Box 208, Makawao, Maui, Hawaii 96768

Project Name(*): 24 MAHA
Address: 24 Maha Road, Makawao, Maui, Hawaii 96768

Registration No. 3463 (Conversion) Effective date: **January 23, 1996**
Expiration date: **February 23, 1997**

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

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

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

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

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

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[X] Required and attached to this report as Exhibit C

[ ] Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

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

[ ] Changes made are as follows:

SPECIAL ATTENTION

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

This public report does not constitute approval of the Project by the Real Estate Commission, or any other government agency, nor does it ensure that all applicable 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 THEIR INFORMATION WITH REGARD TO THE FOREGOING.

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EXHIBIT A: Land Description
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eneral Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the ondominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain :quirements 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 re leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment wners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that he lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for y the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments ften require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any mprovements 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 our 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 wned 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:
HOWARD KAZUO OKUMURA &
MAE MEIKO OKUMURA
Name
P.O. Box 208
Business Address
Makawao, Hawaii 96768
Phone: (808) 572-8108 (Business)

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

N/A

Real Estate Broker:
DANIEL CRETTON
Name
P. O. Box 562
Business Address
Haiku, HI 96708
Phone: (808) 575-9595 (Business)

Escrow:
TITLE GUARANTY ESCROW SERVICES, INC.
Name
2103 Wells Street
Business Address
Wailuku, Hawaii 96793
Phone: (808) 244-7924 (Business)

General Contractor:
RCL CONTRACTING (Ron Loftin)
Name
208 Wahelani
Business Address
Kula, Hawaii 96790
Phone: (808) 878-6214 (Business)
BC- 09286

Condominium Managing Agent:
SELF-MANAGED BY ASSOCIATION OF
Name APARTMENT OWNERS
Business Address
Phone: (Business)

Attorney for Developer:
LAWRENCE N. C. ING (ING, IGE & HORIKAWA)
Name
2145 Wells St., Ste. 204
Business Address
Wailuku, HI 96793
Phone: (808) 242-4555 (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

[X] Recorded - Bureau of Conveyances: Document No. 95-111000
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]: n/a

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

[X] Recorded - Bureau of Conveyances Condo Map No. 2268

[ ] 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]: n/a

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

[X] Recorded - Bureau of Conveyances: Document No. 95-111001
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]: n/a

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 [X] 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:

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

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

2. Developer:

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

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

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

[X] Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.

[ ] Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires:_____

Rent Renegotiation Date(s):_____

_____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

Exhibit _____contains a schedule of the lease rent for each apartment per [ ] Month [ ] Year

For Subleaseholds:

[ ] Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
[ ] Canceled [ ] Foreclosed

[ ] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

[ ] Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires:_____
Rent Renegotiation Date(s):_____

_____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

Exhibit _____contains a schedule of the lease rent for each apartment per [ ] Month [ ] Year

[ ] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. **Underlying Land:**

Address: 24 Maha Road
Makawao, Maui, Hawaii

Tax Map Key: (2) 2-4-24-04 (TMK)

[ ] Address [ ] TMK is expected to change because N/A

Land Area: 23,959 [X] square feet [ ] acre(s) Zoning: County Interim

Fee Owner : HOWARD KAZUO OKUMURA & MAE MEIKO OKUMURA
Name
c/o P.O. Box 208
Address
Makawao, Hawaii 96768

Sublessor: N/A
Name

Address

C. Buildings and Other Improvements:

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

2. Number of Buildings: 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
[X] Residential	3	[X] Yes [ ] No	[ ] Ohana	____	[ ] Yes [ ] No
[ ] Commercial	____	[ ] Yes [ ] No	[ ] Industrial	____	[ ] Yes [ ] No
[ ] Mix Res/Comm	____	[ ] Yes [ ] No	[ ] Agricultural	____	[ ] Yes [ ] No
[ ] Hotel	____	[ ] Yes [ ] No	[ ] Recreational	____	[ ] Yes [ ] No
[ ] Timeshare	____	[ ] Yes [ ] No	[ ] Other:_____	____	[ ] Yes [ ] No

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

5. Special Use Restrictions:

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

[X] Pets: Domestic only permitted.

[X] Number of Occupants: Per County and State codes.

[ ] 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)*	Deck Lanai/Patio (sf)
A (all)	3	3/2	1,080	72

Total Apartments: 3

*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:

Each apartment shall be deemed to include the entire building including walls, partitions, floors, roof, ceilings, windows, doors, fixtures and appliances originally installed therein.

Permitted Alterations to Apartments:

The owner of each apartment may make any alterations or additions within any apartment.

7. Parking Stalls:

Total Parking Stalls: 6

	Regular		Compact		Tandem		
	covered	open	covered	open	covered	open	TOTAL
Assigned (for each unit)	2						6
Guest							
Unassigned							
Extra for Purchase							
Other:							
Total Covered & Open	6		0		0		

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:

[X] 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

[X] There are no violations. [ ] Violations will not be cured.

[ ] Violations and cost to cure are listed below. [ ] Violations will be cured by _____

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

The present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of each apartment are in sound and good condition and the seller makes no representations as to the expected useful life of said apartment.

11. Conformance to Present Zoning Code

a. [X] No variances to zoning code have been granted.

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

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

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

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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

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

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

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

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

[ ] described in Exhibit _____.

[X] as follows:

(a) The land described in Exhibit "A".
(b) The trash areas.
(c) A portion of the driveway into the project.
(d) The central and appurtenant installations for services such as power, light and water.
(e) All of the parts of the project existing for the common use and are necessary to the existence, maintenance and safety of the project.

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

[ ] There are no limited common elements in this project.

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

[ ] described in Exhibit _____.

[X] as follows:

The land area and portion of driveway reserved for the exclusive use of the particular apartment as shown on the Condominium Map and mailbox assigned to that particular apartment.

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

[ ] described in Exhibit _____.

[X] as follows: Apartment Type "A" = 1/3 x 3 = 1.00

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 "B" describes the encumbrances against the title contained in the title report dated September 8, 1995 and issued by Title Guaranty of Hawaii Incorporated.

Blanket Liens:

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

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

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

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

Type of Lien	Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Adjustable Rate Mortgage: Howard Kazuo Okamura, aka Howard K. Okumura, and Mae Meiko Okumura, aka Mae M. Okumura, husband and wife, as Mortgagor, and Finance Factors, Limited, a Hawaii corporation, as Mortgagee, dated August 24, 1990, recorded as Document No. 90-089556, in the amount of $240,000.00. Judgment against Howard Okumura and Mae M. Okumura in favor of Mililani Town Association, a Hawaii non-profit corporation, dated April 4, 1995, in the amount of $4,003.99, recorded as Document No. 95-107065.	Present mortgage lien will be released and judgment lien will be satisfied prior to conveyance of first apartment to Buyer. If said mortgage lien and judgment lien be foreclosed prior to conveyance to Buyer, all of Buyer's deposits will be refunded immediately by escrow.

F. Construction Warranties:

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

1. Building and Other Improvements: None.

2. Appliances: None.

G. **Status of Construction and Estimated Completion Date:**

Units were completed on February 5, 1988.

H. **Project Phases:**

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

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

IV. CONDOMINIUM MANAGEMENT

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

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

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

[ ] not affiliated with the Developer
[X] 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 "C" contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. Utility Charges for Apartments:

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

[ ] None [ ] Electricity [ ] Gas [X] Water

[ ] Sewer [ ] Television Cable [ ] Other_____

V. MISCELLANEOUS

A. **Sales Documents Filed With the Real Estate Commission:**

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

[ ] Notice to Owner Occupants

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

[X] Escrow Agreement dated July 21, 1995
Exhibit "E" contains a summary of the pertinent provisions of the escrow agreement.

[ ] Other_____

B. **Buyer's Right to Cancel Sales Contract:**

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

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

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

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

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

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

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

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

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

A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
B) Declaration of Condominium Property Regime.
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. 3463 filed with the Real Estate Commission on 12/20/95.

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C. **Additional Information Not Covered Above**

NONE

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.

HOWARD KAZUO OKUMURA and MAE MEIKO OKUMURA
Name of Developer

By: Kazuma Okumura
Duly Authorized Signatory

JUL 21 1995
Date

KAZUMA OKUMURA, Attorney-in-Fact for Developer
print name & title of person signing above

Distribution:

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

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EXHIBIT "A"

All of that certain parcel of land being portion(s) of the land(s) described in and covered by Royal Patent Grant Number 64 to William A. McLane) situate, lying and being approximately 12 feet northeasterly from Maha Road at Makawao, Hamakuapoko, Island and County of Maui, State of Hawaii, being LOT 1-A of the "KUSUMOTO TRACT", same being a portion of Lot 1 and thus bounded and described as per survey of Patrick M. Cummins, Registered Professional Land Surveyor dated October 29, 1986, to-wit:

Beginning at the west corner of this piece of land, being also the south corner of roadway Lot 1-E and on the northeasterly side of roadwidening Lot 1-D, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PIIHOLO" being 113.51 feet south and 7,212.35 feet west and running by true azimuths measured clockwise from South:

Along roadway Lot 1-E on a curve to the right with a radius of 15.00 feet, the chord azimuth and distance being:

1. 189° 15′ 22.17 feet;

2. 236° 53′ 118.65 feet along roadway Lot 1-E;

3. 321° 57′ 179.66 feet along Lots 1-B and 1-C;

4. 56° 53′ 120.37 feet along roadway Lot 1-F;

Thence along roadway Lot 1-F on a curve to the right with a radius of 15.00 feet, the chord azimuth and distance being:

5. 99° 15′ 20.22 feet;

6. 141° 37′ 149.62 feet along the northeasterly side of roadwidening Lot 1-D to the point of beginning and containing an area of 23,959 square feet, more or less.

Being the same premises conveyed to HOWARD KAZUO OKUMURA, also known as Howard K. Okumura, and MAE MEIKO OKUMURA, also known as Mae M. Okumura, husband and wife, by Limited Warranty Deed dated June 8, 1990, recorded as Document No. 90-089556.

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EXHIBIT "B"

1. For real property taxes that may be due and owing, reference is made to the Director of Finance, County of Maui.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. Covenants, conditions and reservations, contained in Agreement dated March 19, 1987, recorded in the Bureau of Conveyances of the State of Hawaii by Robert L. Horcajo, a married person, and Tanji Yamamura and Kaneko Yamamura, husband and wife, with the County of Maui, regarding subdivision.

4. No vehicular access permitted along Lot 1-A fronting Roadway Lots 1-E and 1-F as set forth on subdivision map dated May 30, 1986, revised on September 23, 1986, and on October 29, 1986, prepared by Patrick M. Cummins, Registered Professional Land Surveyor No. 5078 S.

5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Declaration of Condominium Property Regime for "24 MAHA" Condominium Project dated June 21, 1995, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 95-111000, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 2268).

6. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the By-Laws of the Association of Apartment Owners of said Condominium Project dated June 21, 1995, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 95-111001, as the same may hereafter be amended.

7. Adjustable Rate Mortgage between Howard Kazuo Okumura, also known as Howard K. Okumura, and Mae Meiko Okumura, also known as Mae M. Okumura, husband and wife, as Mortgagor, and Finance Factors, Limited, a Hawaii corporation, as Mortgagee, dated August 24, 1990, recorded in the said Bureau of Conveyances as Document No. 90-089556, in the original amount of $240,000.00.

8. Judgment against Howard Okumura and Mae M. Okumura and in favor of Mililani Town Association, a Hawaii non-profit corporation (Attorney(s) - Joyce Y. Neeley and Gisela Iglesias), dated April 4, 1995, in the amount of $4,003.99, and filed in the Circuit Court of the First Circuit, State of Hawaii, Case No. 93-2327-06, on April 4, 1995, and recorded in said Bureau of Conveyances as Document No. 95-107065.

EXHIBIT "C"

24 MAHA

September 15, 1995

DISCLOSURE ABSTRACT

1. **NAME OF PROJECT:** 24 MAHA
24 Maha Road
Makawao, Hawaii 96768

2. **DEVELOPER:** HOWARD KAZUO OKUMURA &
MAE MEIKO OKUMURA
c/o P.O. Box 208
Makawao, Hawaii 96768

3. **MANAGING AGENT:** KAZUMA OKUMURA
P.O. Box 208
Makawao, Hawaii 96768

4. **USE OF APARTMENTS:** Residential

The three (3) apartments in the Project may be occupied and used only for residential purposes. No apartment may be used for commercial purposes. The apartments are subject to additional restrictions on their use as set forth in (i) the Declaration of Condominium Property Regime of 24 Maha (ii) the By-Laws of the Association of Apartment Owners of 24 Maha, (iii) the Apartment Deed for the individual apartments, (iv) the Reservation, Deposit Receipt and Sales Contract for the individual apartments, and (v) the House Rules. Copies of the foregoing documents are on file with the Real Estate Commission of the State of Hawaii.

5. **WARRANTIES:**

THE DEVELOPER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, COMMON ELEMENTS, APPLIANCES, FURNISHINGS OR OTHER PRODUCTS, OR ANYTHING INSTALLED IN OR UPON THE PREMISES OR USED IN CONNECTION WITH THE PROJECT IN ANY MANNER, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

The Developer makes no warranties; however, the execution, delivery and recordation of the Buyer's Apartment Deed shall constitute the assignment by the Developer to the Buyer of any and all warranties given the Developer by any subcontractors or materialmen, and the benefit of such warranties shall accrue to the Buyer on closing without further instruments or documents. The Developer agrees to cooperate with the Buyer during the effective period of any such warranties in asserting any claims based on such warranties. The Buyer shall also have the direct benefit of any manufacturer's or dealer's warranties covering the appliances in the apartment. The Developer does not adopt the contractor's or manufacturer's warranties, if any, and the Developer is not acting as co-warrantor, but is merely attempting to pass to the Buyer the benefit of such warranties, if any, and the Buyer expressly acknowledges and agrees to this. The Buyer acknowledges that the Developer has made no other warranties, express or implied, with respect to the property or any common element or anything installed therein.

6. **ESTIMATED MAINTENANCE FEES:**

See attached pages 4 and 5 of this exhibit.

The breakdown of estimated initial maintenance fees and maintenance fee disbursements for 24 Maha has been prepared by the Developer as of September 15, 1995, and is subject to revision based on actual cost for the items enumerated. The Developer can make no assurances regarding the estimated maintenance fees and maintenance fee disbursements. Variables such as inflation, uninsured casualty loss or damages, increased or decreased services from those contemplated by the Developer, apartment owner delinquencies and other factors may cause the actual maintenance fees to be greater or lesser than the estimated maintenance fees.

NOTE: THE DEVELOPER ADVISES THAT COSTS AND EXPENSES OF MAINTENANCE AND OPERATION OF A CONDOMINIUM PROJECT ARE DIFFICULT TO ESTIMATE INITIALLY AND EVEN IF THE MAINTENANCE FEES ARE ACCURATELY ESTIMATED, SUCH FEES WILL TEND TO INCREASE IN AN INFLATIONARY ECONOMY AND AS THE IMPROVEMENTS AGE. MAINTENANCE FEES CAN VARY DEPENDING ON SERVICES DESIRED BY APARTMENT OWNERS. THE BUYERS SHOULD CHECK THE ATTACHED MAINTENANCE FEE SCHEDULE TO SEE WHAT SERVICES ARE INCLUDED THEREIN. THE INITIAL ESTIMATES HAVE BEEN MADE WELL IN ADVANCE OF THE COMPLETION OF THE PROJECT AND MAY BE SUBJECT TO SUBSTANTIAL REVISION PRIOR TO OR UPON COMPLETION.

IN WITNESS WHEREOF, the undersigned has executed these presents the day and year first above written.

HOWARD KAZUO OKUMURA and
MAE MEIKO OKUMURA

By Kazuma Okumura
KAZUMA OKUMURA
Their Attorney-in-Fact

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ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Apartment	Monthly Fee x 12 months =	Yearly Total
Per Unit	$86.67 x 12	
3 Units		$3,120

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

Estimate of Maintenance Fee Disbursements:

	Monthly	x 12 months =	Yearly Total
Utilities and Services			
Air Conditioning			
Electricity			
[ ] common elements only	0		0
[ ] common elements and apartments	0		0
Elevator	0		0
Gas	0		0
Refuse Collection	0		0
Telephone	0		0
Water	$50		$600
Maintenance, Repairs and Supplies			
Building	0		0
Grounds	$50		$600
Management			
Management Fee	$ 0		$ 0
Payroll and Payroll Taxes	0		0
Office Expenses	0		0
Insurance			
Liability	$100		$1200
Reserves(*)	$50		$600
Taxes and Government Assessments	0		0
Audit Fees	0		0
Other Tax Filing	$10		$120
TOTAL	$260		$3,120

I, MARIA A. UNEMORI, CPA, a certified public accounant, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Maria A. Unemori

Date: Sept. 15, 1995

(*) Mandatory reserves in effect January 1, 1993

EXHIBIT "D"

SUMMARY OF SALES CONTRACT

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

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

3. The sales agreement provides for severe penalties if buyer fails to comply with the terms and conditions of the agreement.

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

5. The buyer's money will be held in escrow under the terms of the Escrow Agreement for the project.

6. The sales agreement and the rights of the buyer under the sales agreement is subordinate to the lien of mortgages on the property.

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

This is merely a summary of a few of the terms and conditions of the sales agreement, and the buyer should carefully read and review all the terms and conditions of the sales agreement before signing.

EXHIBIT "E"

SUMMARY OF ESCROW AGREEMENT

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

(a) Escrow will let buyers know when payments are due.

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

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

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

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