

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by:

Developer Schuler Homes, Inc.

Address 828 Fort Street Mall, 4th Floor, Honolulu, Hawaii 96813

Project Name(*): The Tropics at Waikele Phase 2

Address: Paiwa Street, Waikele, Hawaii 96797

Registration No. 3507

Effective date: April 29, 1996

Expiration date: May 29, 1997

Preparation of this Report:

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

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

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

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

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

Type of Report:

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

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

 X **SUPPLEMENTARY:** This report updates information contained in the:
 (pink)
 [] Preliminary Public Report dated: _____
 [X] Final Public Report dated: January 31, 1996
 [] Supplementary Public Report dated: _____

And [] Supersedes all prior public reports
 [X] Must be read together with Final Public Report dated January 31, 1996
 [] This report reactivates the _____
 public report(s) which expired on _____

(*) Exactly as named in the Declaration
FORM: RECO-30 286/986/189/1190/892

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

1. Revisions to model types were made to fourteen (14) condominium homes located in the Community. The changes made are further described in Exhibit "A", attached hereto and are identified as follows:

Condominium Home

<u>No.</u>	<u>From</u>	<u>To</u>
61	C-VI	C-III
69	C-VI	C-III
70	C-VI	C-III
73	C-VI	C-III
74	C-I	C-III
75	C-V	C-IV
84	C-I	C-III
85	C-V	C-IV
89	C-I	C-III
90	C-V	C-IV
95	C-V	C-IV
98	C-V	C-IV
102	C-I	C-III
103	C-V	C-IV

2. The Developer has amended the common area percentages to conform with the model type revisions described above. Amended common area percentages are shown and described in Exhibit "D", attached hereto.

IMPORTANT NOTE:

Prospective buyers should be aware that due to the introduction of the new model types in the Community, the allocation of common expenses and interests among Condominium Homes have slightly changed. Although the Estimate of Initial Maintenance Fees prepared by Chaney Brooks & Company remains unchanged, the allocation of maintenance fees among the Condominium Homes have changed by approximately \$1 or less. Prospective buyers are encouraged to review Exhibit "G" (page 1 of 3) Estimate of Initial Maintenance Fees.

**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. 96-017157
Book _____ Page _____
 Filed - Land Court Document Number 2289034

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

First Amendment to Declaration of Condominium Property Regime of Country Club Village Phase 2 (Building 5), dated April 2, 1996, filed as Bureau of Conveyances Document No. 96-048016, and Land Court Document No. 2300828.

- 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. 2355
 Filed - Land Court Condo Map No. 1140

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

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

The Bylaws for this condominium are:

Proposed
 Recorded - Bureau of Conveyances Document No. 96-017158
Book _____ Page _____
 Filed - Land Court Document No. 2289035

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

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: Reasonable number of common household pets, such as small dogs, cats, aquarium fish and birds. No livestock or poultry, and no animals classified as "pests" or prohibited from importation under state statutes.

Number of Occupants: No more than 2 persons per bedroom, not including children under 5 years old; no more than 3 persons per bedroom including children under 5 years old; and otherwise only in accordance with any limitations imposed by state or municipal law or ordinance.

Other: Condominium Homes shall be used for residential purposes only; no "time-sharing" permitted.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: C-II/III/IV/V/VI:1 Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area(s)*	Entry	Garage	Lanai/Patio(s)
C-I	7	2/2	886	36	416	56
C-II	9	3/2- 1/2	1101	49	370	39
C-III	22	3/2-1/2	1122	41	409	40
C-IV	25	3/2-1/2	1309	35	371	N/A
C-V	7	4/2-1/2	1375	38	409	76
C-VI	3	4/2-1/2	1319	41	398	40

Total Apartments 73

**Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls. Other documents and maps (including the Condominium Map) may give floor area figures which differ from those above because a different method of determining the floor area may have been used.*

Limits of Condominium Homes. Each Condominium Home includes all walls, columns and partitions (both load bearing and not load bearing) which are within the Condominium Home's perimeter walls including without limitation the Condominium Home's perimeter walls, the Condominium Home's foundation, all floors, ceilings, doors, windows, sliding glass doors, screen doors, door frames and window frames, the air space within the Condominium Home, the garage including its floor, foundation, ceiling, doors and perimeter walls, the lanais, if any, shown on the Condominium Map to the exterior edge of the exterior railings or other boundaries of such lanais, all rollers, locks, handles, tracks, and appurtenant hardware associated with all windows, doors and exterior automobile garage doors and all sliding or swinging screen doors and all glass window screens and all fixtures originally installed in the Condominium Home, and all pipes, plumbing (including water heaters), wires, conduits and other utility or service lines and facilities servicing only the Condominium Home. The Condominium Homes shall also include all load-bearing columns, girders, beams, building components and other elements included within each Condominium Home. The Condominium Home shall not include any pipes, shafts, wires, conduits or other utility or service lines running through a Condominium Home which are utilized for or serve more than one Condominium Home, all of which are deemed common elements as provided in the Declaration.

Permitted Alterations to Condominium Homes: Alterations or additions solely within a Condominium Home or within a limited common element appurtenant to and for the exclusive use of a Condominium Home shall require the written approval of the Board of Directors and all Condominium Home owners directly affected, as determined by the Board of Directors. Any alteration or addition different in any material respect from the Condominium Map shall be commenced only pursuant to an amendment to the Declaration, as provided in Section M of the Declaration.

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: Master Declaration of Covenants, Conditions and Restrictions of the Waikele Community dated December 28, 1990, recorded as Land Court Document No. 1791991, Eleventh Supplemental Master Declaration of Covenants, Conditions and Restrictions for the Waikele Community, dated April 20, 1993, Land Court Document No. 2016125 and Document No. 93-061696.

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, Hawaii 96809, at a nominal cost.

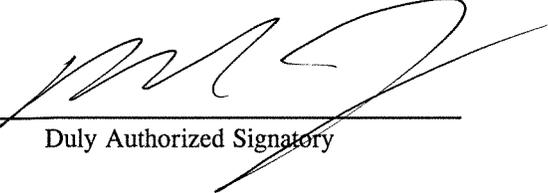
This Public Report is a part of Registration No. 3507 filed with the Real Estate Commission on 2/13/96.

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

yellow paper stock white paper stock pink paper stock

- 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.

Schuler Homes, Inc.
Name of Developer

By:  April 11, 1996
Duly Authorized Signatory Date

Michael T. Jones, Executive Vice President
print name & title of person signing above

Distribution:

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

EXHIBIT "A"

DESCRIPTION OF BUILDINGS

The Community shall contain seventy-three (73) single-family detached Condominium Homes (7 of which shall each contain two bedrooms, 56 of which shall each contain three bedrooms, and 10 of which shall each contain four bedrooms). None of the Condominium Homes have a basement. The Condominium Homes shall be constructed principally of metal, wood, glass and related building materials.

There shall be six (6) different model types in the Community, designated as Model Types C-I, C-II, C-III, C-IV, C-V, and C-VI. Each of the models include, without limitation, all components, roof, exterior walls and the foundation. A description of each model type is as follows:

Model Type C-I

Model Type C-I is a one story Condominium Home containing two bedrooms, two bathrooms, living/dining room, kitchen, nook, lanai, entry, attached two car garage and other improvements as shown on the Condominium Map. Each Model Type C-I contains a net living area of approximately 886 square feet, entry area of approximately 36 square feet, garage area of approximately 416 square feet, and lanai area of approximately 56 square feet. There are seven (7) Model Type C-1 Condominium Homes in the Community.

Model Type C-II

Model Type C-II is a two story Condominium Home containing three bedrooms, two and one half bathrooms, living/dining room, kitchen, lanai, entry, attached two car garage and other improvements as shown on the Condominium Map. Each Model Type C-II contains a net living area of approximately 1101 square feet, entry area of approximately 49 square feet, garage area of approximately 370 square feet, and lanai area of approximately 39 square feet. Model Type C-II has a den option. There are nine (9) Model Type C-II Condominium Homes in the Community.

Model Type C-III

Model Type C-III is a two story Condominium Home containing three bedrooms, two and one half bathrooms, living/dining room, kitchen, lanai, entry, attached two car garage and other improvements as shown on the Condominium Map. Each Model Type C-III contains a net living area of approximately 1122 square feet, entry area of approximately 41 square feet, garage area of approximately 409 square feet, and lanai area of approximately 40 square feet. Model Type C-III has a den option. There are twenty-two (22) Model Type C-III Condominium Homes in the Community.

Model Type C-IV

Model Type C-IV is a two story Condominium Home containing three bedrooms, two and one half bathrooms, living/dining room, family room, kitchen, entry, attached two car garage and other improvements as shown on the Condominium Map. Each Model Type C-IV contains a net living area of approximately 1309 square feet, entry area of approximately 35 square feet, and garage area of approximately 371 square feet. Model Type C-IV has a den option. There are twenty-five (25) Model Type C-IV Condominium Homes in the Community.

Model Type C-V

Model Type C-V is a two story Condominium Home containing four bedrooms, two and one half bathrooms, living/dining room, family room, kitchen, lanai, entry, attached two car garage and other improvements as shown on the Condominium Map. Each Model Type C-V contains a net living area of approximately 1375 square feet, entry area of approximately 38 square feet, garage area of approximately 409 square feet, and lanai area of approximately 76 square feet. Model Type C-V has a den option. There are seven (7) Model Type C-V Condominium Homes in the Community.

Model Type C-VI

Model Type C-VI is a two story Condominium Home containing four bedrooms, two and one half bathrooms, living/dining room, kitchen, lanai, entry, attached two car garage and other improvements as shown on the Condominium Map. Each Model Type C-VI contains a net living area of approximately 1319 square feet, entry area of approximately 41 square feet, garage area of approximately 398 square feet, and lanai area of approximately 40 square feet. There are three (3) Model Type C-VI Condominium Homes in the Community.

A separate street address will be assigned to each condominium home.

EXHIBIT "D"

COMMON INTERESTS

Building Type	Condominium Home (Unit) Number	Undivided Common Interest of Each Building
C-I (7)	34, 40, 47, 52, 57, 62, 71	0.011546 (1.1546%)
C-II (9)	44, 49, 54, 64, 81, 91, 96, 99, 104	0.012906 (1.2906%)
C-III (22)	46, 51, 56, 59, 61, 66, 67, 69, 70, 73, 74, 76, 78, 79, 83, 84, 86, 88, 89, 92, 102, 106	0.013340 (1.3340%)
C-IV (25)	37, 41, 42, 45, 50, 55, 60, 65, 68, 75, 77, 80, 82, 85, 87, 90, 93, 94, 95, 97, 98, 100, 101, 103, 105	0.014195 (1.4195%)
C-V (7)	35, 43, 48, 53, 58, 63, 72	0.015712 (1.5712%)
C-VI (3)	36, 38, 39	0.014895 (1.4895%)

EXHIBIT "G"

ESTIMATE OF INITIAL MAINTENANCE FEES

Apartment Type	Monthly Fee (per apt.) prior to model type revisions	Yearly Total (per apt.) prior to model type revisions	Monthly Fee (per apt.) after model type revisions	Yearly Total (per apt.) after model type revisions
C-I	\$49.83	\$597.96	\$50.24	\$602.88
C-II	\$55.70	\$668.40	\$56.15	\$673.80
C-III	\$57.58	\$690.96	\$58.04	\$696.48
C-IV	\$61.28	\$735.36	\$61.76	\$741.12
C-V	\$67.81	\$813.72	\$68.36	\$820.32
C-VI	\$64.24	\$770.88	\$64.81	\$777.72

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

EXHIBIT "G"
TROPICS AT WAIKELE
Phase 2
73 Units

Estimated Annual Common Expense

	<u>Monthly x 12</u>	<u>Annually</u>
<u>MAINTENANCE, REPAIR & SUPPLIES</u>		
Roads	950	11,400
<u>MANAGEMENT</u>		
Management Fee	913	10,956
Office Expense	219	2,628
<u>INSURANCE</u>		
	1,629	19,548
<u>RESERVES</u>		
	406	4,872
<u>TAXES AND GOVERNMENT ASSESSMENTS</u>		
	9	108
<u>OTHER</u>		
	100	1,200
<u>AUDIT AND TAX PREPARATION</u>		
	<u>125</u>	<u>1,500</u>
TOTAL	4,351	52,212

We, Chaney, Brooks & Company as managing agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and the monthly cash operating costs were prepared in accordance with generally accepted accounting principals. The information contained herein is based on the data available to us at this time.


Linda T. Alexander
Vice President

Date: 1-31-96

EXHIBIT "G"
TROPICS AT WAIKELE
Phase 2
(73 Units)

BUDGET ASSUMPTIONS

Maintenance/Roads - Allowance for miscellaneous repairs based on square footage.

Management Fee - Based on number of units in project. Includes coupon billing, semi-annual Board meetings and quarterly inspections.

Office Expense - Includes quarterly mailouts to all owners, coupons, condominium registration fee and miscellaneous expenses.

Insurance - Includes Fire \$12,000, General Liability \$4,300 Directors and Officers at \$1,200, Umbrella Liability \$1,500 and Fidelity Bond at \$550

Reserves - Includes road repaving. Reserve schedule will re-evaluated and adjusted accordingly by the Board of Directors based on a Reserve Study.

Audit and Tax Preparation - Based on current prices for similar properties plus inflation factor.