



**Disclosure Abstract:** Separate Disclosure Abstract on this condominium project:

Required and attached to this report as Exhibit "G"       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:

## 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: DESCRIPTION OF BUILDING AND OTHER IMPROVEMENTS	
EXHIBIT B: ADDITIONAL INFORMATION ON PARKING STALLS	
EXHIBIT C: DESCRIPTION OF COMMON ELEMENTS, LIMITED COMMON ELEMENTS AND COMMON INTEREST	
EXHIBIT D: LIEN AND ENCUMBRANCES	
EXHIBIT E: SUMMARY OF PERTINENT PROVISION OF SALES CONTRACT	
EXHIBIT F: SUMMARY OF PERTINENT PROVISION OF ESCROW AGREEMENT	
EXHIBIT G: DISCLOSURE ABSTRACT	
EXHIBIT H:	
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

Developer: REVOCABLE LIVING TRUST OF ROSE KALAHIKI Phone: (808) 523-5030 (Business) Name 47-080 LAENANI DRIVE Business Address KANEOHE, HAWAII 96744

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

N/A

Real Estate Broker: The Prudential Locations, Inc. Phone: (808) 488-7700 (Business) Name 98-199 Kamehameha Hwy., Suite H-9 Business Address Aiea, Hawaii 96701

Escrow: Attn: Russell Nishimoto Old Republic Title & Escrow of Hawaii Phone: (808) 566-0100 (Business) Name 55 Merchant St., 16th Floor Business Address Honolulu, HI 96813

General Contractor: N/A Phone: (Business) Name Business Address

Condominium Managing Agent: Self-managed by Association of Apartment Owners Phone: (Business) Name Business Address

Attorney for Developer: Pitluck Kido Sato & Stone Phone: (808) 523-5030 (Business) Name 701 Bishop Street Business Address Honolulu, HI 96813

**II. CREATION OF THE CONDOMINIUM;  
CONDOMINIUM DOCUMENTS**

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

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

The Declaration for this condominium is:

- Proposed  
 Recorded - Bureau of Conveyances: Document No. 96-137859  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. \_\_\_\_\_

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

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

The Condominium Map for this condominium project is:

- Proposed  
 Recorded - Bureau of Conveyances Condo Map No. 2465  
 Filed - Land Court Condo Map No. \_\_\_\_\_

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

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

The Bylaws for this condominium are:

- Proposed  
 Recorded - Bureau of Conveyances: Document No. 96-137860  
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>100 %</u>
Bylaws	65%	<u>100 %</u>
House Rules	---	<u>---</u> (Majority of the Board of Directors)

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

2. **Developer:**

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

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

Developer reserves the right to change or modify the Declaration, Bylaws, Exhibits, Condominium Map, Apartment Deed and House Rules as may be required by law, any title insurance company, institutional mortgage lender or governmental agency, provided that such change shall not constitute a material change, render unenforceable a Purchaser's mortgage loan commitment, increase a Purchaser's percentage share of common expenses or increase the total purchase price.

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:     N/A    

Rent Renegotiation Date(s):     N/A    

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:     N/A    

Rent Renegotiation Date(s):     N/A    

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: 47-080 Laenani Drive Tax Map Key: (Oahu) 4-7-009-012  
Kaneohe, Hawaii 96744 (TMK)

Address  TMK is expected to change because N/A

Land Area: 11,835  square feet  acre(s) Zoning: R-5

Fee Owner : Revocable Living Trust of Rose Kalahiki

Name  
47-080 Laenani Drive

Address  
Kaneohe, Hawaii 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

2. Number of Buildings: Two (2) Floors Per Building Unit A : 2 ; Unit B : 1

Exhibit A contains further explanations.

3. Principal Construction Material:

Concrete  Hollow Tile  Wood

Other glass and allied building materials

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning		No. of Apts.	Use Determined By Zoning
<input checked="" type="checkbox"/> Residential	<u>2</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Ohana	<u>    </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	<u>    </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Industrial	<u>    </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	<u>    </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Agricultural	<u>    </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	<u>    </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Recreational	<u>    </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	<u>    </u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other: <u>            </u>	<u>    </u>	<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: Dogs, cats and other small animals in reasonable numbers. (House Rules p.1)
- Number of Occupants: See House Rules p.2 - #5 (Limited to not more than 2 unrelated families per unit.)
- Other: Units shall be used only for residential purposes (See generally Bylaws, Section 3, pp.19-21)
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0                      Stairways: A: 1                      Trash Chutes: 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
Unit A	<u>1</u>	<u>6/2</u>	<u>2304</u>	<u>208 (Deck)</u>
Unit B	<u>1</u>	<u>2/1</u>	<u>1120</u>	<u>310/310 (Porch)/135 (Deck)</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: Two (2)

\*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:                      exterior surface of improvement

**Permitted Alterations to Apartments:** No homeowner or occupant shall, without the written approval of the Board of Directors, install any wiring for electrical or telephone installations, machines or air conditioning units, or other equipment or appurtenances whatsoever on the exterior of any building of the Project or protruding through the walls, windows or roof thereof.

7. Parking Stalls:

Total Parking Stalls: Two (2)

	<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>1</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2</u>
Guest	<u>0</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>0</u>
Unassigned	<u>0</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>0</u>
Extra for Purchase	<u>0</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>0</u>
Other:	<u>0</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>0</u>
Total Covered & Open	<u>2</u>	<u>—</u>	<u>0</u>	<u>—</u>	<u>0</u>	<u>—</u>	

Each apartment will have the exclusive use of at least 1 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 B 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): Per Registered Architect, Edward A. Resh (Reg. No. 3239), the expected useful life of Structural Components, Mechanical and Electrical Installations of Units A & B is 30 years. (See Tab #19 for Statement from Architect regarding Condition of Structural Components, Mechanical and Electrical Installations.)

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 C.

as follows:

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

described in Exhibit C.

as follows:

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

Exhibit D describes the encumbrances against the title contained in the title report dated Sept. 23, 1996 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.

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

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

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

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

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

1. Building and Other Improvements: None.

2. Appliances: None.

G. Status of Construction and Estimated Completion Date:

Unit A construction was completed in 1979.

Unit B construction was completed in 1961.

H. Project Phases:

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

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



V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

- Notice to Owner Occupants
- Specimen Sales Contract  
Exhibit   E   contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated   October 1, 1996    
Exhibit   F   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. 3630 filed with the Real Estate Commission on Oct. 1, 1996.

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

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.

REVOCABLE LIVING TRUST OF ROSE KALAHIKI

Name of Developer

By: Cecelia C. Cypher  
Duly Authorized Signatory

10/1/96

Date

CECELIA CYPHER, as attorney in fact of Rose Kalahiki, Trustee

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 PROJECT

The Project is described in the Condominium Map and consists of two (2) buildings comprising two (2) separate fee-simple residential home units. The buildings and other improvements are constructed principally of wood, concrete, glass, aluminum, masonry, and allied building materials.

### DESCRIPTION OF THE APARTMENTS

Two (2) separate condominium home units are hereby designated in the Condominium Map, which spaces are referred to herein as "units". The location of the units are further described and numbered in Exhibit "C" below. Each apartment has a different floor plan, Unit #A and Unit #B. Unit #A is a six (6) bedroom/two (2) bathroom dwelling unit with a dining room, living rooms, a family room, a kitchen, carport and 2 decks. Unit #B is a two (2) bedroom/one (1) bathroom dwelling unit with a dining room, living room, family room, kitchen, garage, porch, patio, storage area and deck area.

### INTERIOR AREA OF EACH APARTMENT

Unit #A has approximately 1152 square feet of living area with no lanai or patio.

Unit #B has approximately 1120 square feet of living area with porch, deck, storage area and covered patio.

EXHIBIT "B"

PARKING STALL DESIGNATIONS

<u>Unit No.</u>	<u>Parking Stall No.</u>
A	A
B	B

## EXHIBIT "C"

### DESCRIPTION OF COMMON ELEMENTS.

One (1) freehold estate is hereby designated in all remaining portions of the Project, herein called the "common elements", including specifically but not limited to:

- a. driveway from the street boundary to the individual home garages;
- b. All yards, grounds and landscaping and refuse and service areas not designated as limited common elements herein;
- c. All pipes, cables, conduits, ducts, electrical equipment, wiring, and other central and appurtenant transmission facilities and installations over, under, and across the Project which serve more than one (1) home for services such as power, light, gas, water, sewer, telephone, and television signal distribution, if any;
- d. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance, and safety, or normally in common use.

### DESCRIPTION OF LIMITED COMMON ELEMENTS.

Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of certain units, and such units shall have appurtenant thereto exclusive easement for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

- a. That certain portion of the property of the Project which includes the real property upon which Unit #A is situated and approximately 5,569 square feet, more or less, which adjoins said Unit #A, as is more particularly shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit #A. This area shall not include the driveway area described as a common element in Paragraph 2 above.
- b. That certain portion of the property which includes the real property upon which Unit #B is situated and approximately 5568 square feet, more or less, which adjoins said Unit #B as is more particularly shown on said Condominium Map, shall constitute a limited common element appurtenant to and for the exclusive use of Unit #B. This area shall not include the driveway area described as a common element in Paragraph 2 above.
- c. Each home shall have appurtenant to it as a limited common element one (1) mailbox.
- d. All pipes, wires, conduits, and other utility and service lines not contained within a

home but used exclusively by and servicing only such home, shall be appurtenant to and for exclusive use of that home.

DESCRIPTION OF COMMON INTEREST.

Each home shall have appurtenant thereto an undivided percentage interest in all common elements of the Project (hereinafter referred to as the "common interest"), and the same proportionate share in all common profits and expenses of the Project and for all other purposes including voting, as set forth below.

COMMON INTEREST FOR EACH UNIT

The location, approximate square footage and percentage common interest for each Unit (and patio, deck or porch) are described and numbered as follows:

<u>Unit Number</u>	<u>Unit Living Area (sq.ft)</u>	<u>Patio/Porch Deck Area (sq.ft)</u>	<u>Percentage Common Int.</u>
A	2,304.00	208.00	50%
B	1,120.00	755.00	50%
Total Percentage Common Interest:			100%

EXHIBIT "D"

LIENS AND ENCUMBRANCES.

The property is subject to the following:

1. For real property taxes due and owing, reference is made to the Office of the Tax Assesor, City and County of Honolulu.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Terms and provisions of that certain unrecorded Revocable Living Trust of Rose Kalahiki dated June 26, 1991.
4. An easement for sewer pipeline purposes, in favor of City and County of Honolulu, a municipal corporation of the State of Hawaii, dated August 8, 1991, recorded October 24, 1991, in the Bureau of Conveyances, State of Hawaii, as Document No. 91-146142.
5. An action commenced June 9, 1993 in the Circuit Court of the First Circuit, State of Hawaii, Civil No. 93-2341-06. Notice of pendency of said action was recorded June 15, 1993, in the Bureau of Conveyances, State of Hawaii, as Document No. 93-094918, for condemnation of Parcel 79 (Sewer Easement).
6. An easement for sewer pipeline purposes, in favor of City and County of Honolulu, a municipal corporation of the State of Hawaii, dated July 9, 1993, recorded August 23, 1993, in the Bureau of Conveyances, State of Hawaii, as Document No. 93-136910.
7. Declaration of Condominium of Property Regime recorded September 25, 1996, in the Bureau of Conveyances, State of Hawaii, as Document No. 96-137859, Condominium Map No. 2465.
8. Bylaws of the Association of Home Owners of 47-080 Laenani recorded September 25, 1996, in the Bureau of Conveyances, State of Hawaii, as Document No. 96-137860.

## EXHIBIT "E"

### Summary of the Pertinent Provisions of Sales Contract

1. **Reservation Agreement.** The Sales Contract shall not constitute a binding contract until such time as (a) a true copy of the Final Public Report is delivered to Buyer, (b) Buyer has an opportunity to read the Final Public Report, and (c) Buyer has signed the receipt for the Final Public Report.
2. **Escrow.** All monies paid by Buyer shall be deposited with Old Republic Title and Escrow of Hawaii, as escrow agent, and held pursuant to the terms and conditions set forth in the Escrow Agreement.
3. **Closing Costs.** Except as otherwise agreed upon by Seller and Buyer, all costs and expenses connected with the sale are to be paid by Buyer.
4. **Closing.** Closing shall be the date of filing of the conveyance instrument, which shall occur within a reasonable time after escrow is notified that Buyer's mortgage lender(s) is read to fund the purchase.
5. **Prepayment of Costs.** In addition to payment of closing costs, Buyer may be required to prepay maintenance fees for a period of up to two (2) months, prepay real property taxes for the tax year and pay a nonrefundable startup fee.
6. **Possession.** Delivery of actual possession of the unit shall be prior to the date of closing.
7. **Risk of Loss.** Buyer bears the risk of loss from the date Buyer takes actual possession.
8. **Seller's Right to Make Minor Changes.** Seller reserves the right to modify the Declaration, Bylaws and Exhibits, Condominium Map, conveyance instrument and escrow agreement, as necessary, as long as such modification does not (a) increase Buyer's percentage of common expenses, (b) increase the cost of the unit, (c) require a substantial physical change of the unit, (d) substantially impair or modify any obligation given by Seller, or (e) increase Buyer's obligation under the conveyance instrument.
9. **Seller's Warranties.** Seller makes no warranties, express or implied, with respect to the property or any of the common elements or anything installed therein, except Seller assigns any warranties that have been given to Seller by the general contractor, subcontractors or materialmen.
10. **Time is of the Essence.** Time is of the essence in the sales contract and Buyer timely performance of all obligations are necessary to avoid default, termination of the

sales contract and other damages which may be suffered by Seller.

11. **Seller's Right to Purchase Unit.** Seller reserves the right to retain or acquire the ownership of units in the project.

12. **Buyers Deposit.** Buyers deposit will be treated as liquidated damages to be kept by Seller in the event Buyer defaults.

EXHIBIT "F"

Summary of Escrow Agreement

After the Deposit Receipt and Sales Contract (the "Agreement") is executed by Seller and Purchaser, an executed copy of the sales contract will be delivered to Old Republic Title and Escrow of Hawaii (the "Escrow Agent").

The Seller shall pay over to Escrow Agent any monies received by Seller from purchaser under the sales contract and Escrow Agent shall, within a reasonable time, deposit all funds it receives in an interest-bearing account in a federally insured financial institution. All interest earned shall be payable to the Seller.

The Escrow Agent shall, from time to time upon written request of Seller or its designated agent, release from escrow and pay from Purchaser's funds, up to twenty-five percent (25%) of the purchase price of a residential unit received from the Purchaser, for the following purposes:

1. to pay for construction costs of improvements in proportion to work completed, upon bills approved or certified for payment by Seller or its designated agent, if applicable;
2. to persons for expenses related to architectural, engineering, financing, accounting, escrow, and legal services, taxes and assessments, and other incidental expenses approved by Seller or its designated agent, if applicable;
3. for the total or partial release of the master mortgage or other lien and the removal of any other encumbrance, if applicable; and
4. for required title reports and recordation costs.

The Escrow Agent shall not release Purchaser's funds until the Real Estate Commission has issued an effective Final Public Report and the sales contract is binding.

By acting within the scope of the escrow agreement, the Escrow Agent is relieved of and from all liability to Seller and Purchaser, and is not responsible for the validity or sufficiency of the sales contract. The Escrow Agent shall not be required to determine or resolve any disputes between or among the Purchaser, Seller and others and may await a resolution of the dispute or file a suit in interpleader with the court.

Upon receipt of the deed, purchase price and any mortgage, the Escrow Agent will act with diligence and dispatch to close the sale.

A Purchaser shall be entitled to a return of funds if (a) Seller and Purchaser request such return in writing, (b) Seller notifies Escrow Agent of the exercise of the option to cancel or rescind the sales contract, (c) Purchaser exercises the right to cancel the sales contract pursuant to either Section 514A-62 or Section 514A-63, Hawaii Revised Statutes, or (d) Purchaser exercises right to void the sales contract pursuant to Section 514A-69, Hawaii Revised Statutes.

EXHIBIT "G"

**47-080 LAENANI**  
**DEVELOPER'S DISCLOSURE ABSTRACT**

Name and Address Project:           **47-080 LAENANI**  
47-080 Laenani Drive  
Kane'ohe, Hawai'i 96744

Name, Address and Telephone Number of Owner/Developer:

Rose Kalahiki, Trustee of the Revocable Living  
Trust of Rose Kalahiki dated June 26, 1991  
47-080 Laenani Drive  
Kane'ohe, Hawai'i 96744  
Telephone: (808) 523-5030 (c/o Dana K.N. Sato, Esq.)

The Revocable Trust of Rose Kalahiki dated June 26, 1991 is the owner and developer of the condominium, and the easements and interests in the common elements appurtenant thereto, described in Exhibit "A" attached hereto and incorporated herein by reference. By separate agreement, the Trust and Mr. & Mrs. Kenneth Kalahiki have agreed to develop the property as a two (2) unit residential condominium with each party acquiring one of the designated units.

Name, Address and Telephone Number of Managing Agent:

47-080 Laenani will be a self-managed project. Management will be by the Board of Directors. Initial communications will be through the project attorneys:

ASSOCIATION OF HOME OWNERS  
OF 47-080 LAENANI  
c/o Pitluck Kido Sato & Stone  
701 Bishop Street  
Honolulu, Hawai'i 96813  
Telephone: (808) 523-5030  
(Attention: Dana K.N. Sato, Esq.)

Estimated Annual Maintenance Fees and Monthly Estimated Cost for Each Apartment:

See attached Exhibit "A".

The estimated budget is subject to review and revision annually. The estimated budget and monthly maintenance fees for each apartment unit (the "common expenses") is an estimated budget prepared on the basis of generally accepted accounting principles. The actual budget and actual expenses will vary depending on various factors such as inflation, casualty loss or damages, apartment owner delinquencies, changes in types and quantity of service and other such factors.

**THE FIGURES CONTAINED HEREIN ARE ESTIMATES AND ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY REPRESENTATION OR WARRANTY BY OWNERS, INCLUDING, BUT NOT LIMITED TO, ANY REPRESENTATION AS TO THE ACCURACY OF SUCH ESTIMATES.**

Description of Warranties for the Units:

Seller shall assign to Buyer any and all warranties given to Seller by the general contractor, subcontractors or materialmen, if any. Seller agrees to cooperate with Buyer during the effective period of such warranties in asserting any claims. Buyer shall have direct benefit of any manufacturer's or dealer's warranties covering the appliances in the unit, if any. Seller gives no other warranties, express or implied.

**EXCEPT FOR THE WARRANTIES SET FORTH ABOVE, THE SELLER MAKES NO EXPRESS WARRANTIES. SELLER DISCLAIMS ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE, ANY IMPLIED WARRANTY OF WORKMANSHIP AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE UNIT, THE PROPERTY, THE COMMON ELEMENTS OR THE PROJECT.**

Number of Units to be used for Residential Purposes:

The project contains two (2) fee-simple residential units.

Please sign this Disclosure Abstract and return the yellow copy to the undersigned. Your signature acknowledges your receipt of this Disclosure Abstract.

DATED: Honolulu, Hawai'i, October 1, 1996.



CECELIA CYPHER, as attorney-in-fact for  
ROSE KALAHIKI, Trustee aforesaid

Owner/Developer

UNIT NO. B  
Receipt is hereby acknowledged this  
\_\_\_\_ day of \_\_\_\_\_, 1996.

\_\_\_\_\_  
Kenneth Kalahiki

\_\_\_\_\_  
Helen Kalahiki

EXHIBIT "A"

47-080 LAENANI

PROPOSED BUDGET

	<u>Monthly</u>	<u>Annual</u>
1. Insurance (fire and liability)	\$ 0	\$ 0
2. Management Fee	\$ 0	\$ 0
3. Utilities		
a. electricity	\$ 0	\$ 0
b. water	\$ 0	\$ 0
5. Refuse Service	\$ 0	\$ 0
6. Building Reserve/Miscellaneous	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	\$ 0	\$ 0

Based on two (2) residential apartment units maintaining separate utilities and maintenance responsibilities and the above budget, there will be no initial monthly common area maintenance fee per apartment.

The above budget will be reviewed and updated every twelve months. The budget figures have been prepared based on generally accepted accounting principles.