

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer Washington T. Char, Trustee

Address 204 Makee Road, Honolulu, HI 96815

Project Name(*): SUNSET POINT CPR

Address: 59-025, 59-027, 59-031, 59-035 and 59-039 Kahauola Street, 59-037, 59-041 and 59-043 Hoalua Street, and 59-044 and 59-046 Huelo Street, Haleiwa, HI 96712

Registration No. 3785

Effective date: October 13, 1997

Expiration date: November 13, 1998

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 nor any other government agency. Neither the Commission or any other government agency has judged or approved the merits or value, if any, of the project or of purchasing of 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 any 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)

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

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

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

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report
as Exhibit F

Not Required - Disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

SPECIAL ATTENTION

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

This public report does not constitute approval of the Project by the Real Estate Commission, 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 FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

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General Information On Condominiums

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

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

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

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

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

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

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

Operation of the Condominium Project

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

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

Until there is a sufficient number of purchasers or 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: Washington T. Char, Trustee Phone: (808) 924-9641
Name (Business)
204 Makee Road
Business Address
Honolulu, HI 96815

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

Real Estate Broker: The Prudential Locations, Inc. Phone: (808) 638-9677
Name (Business)
95-720 Lanikuhana Avenue, Ste. 120
Business Address
Mililani, HI 96789

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 678-6620
Name (Business)
94-210 Pupukahi Street, Ste. 102
Business Address
Waipahu, HI 96797

General Contractor: Munden Design & Build Phone: (808) 638-8616
Name (Business)
59-748 Amaumau Place
Business Address
Haleiwa, HI 96712

Condominium Managing Agent: None. Self-managed by the Owners Association Phone: _____
Name (Business)

Business Address

Attorney for Developer: Glenn M. Adachi Phone: (808) 526-3880
Name (Business)
841 Bishop St., #1601
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. 97-081119
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, dimensions of each apartment.

The Condominium Map for this condominium project is:

Proposed
 Recorded - Bureau of Conveyances Condo Map No. 2565
 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. 97-081120
Book _____ Page _____
 Filed - Land Court: Document No. _____

The Bylaws referred to above have been amended by the following instruments [state name of document, dated 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%*	75% _____
Bylaws	65%	65% _____
House Rules	---	<u>Bd. of Directors</u>

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

2. **Developer:**

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

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

1. To amend the Declaration, By-Laws and Condominium Map at anytime prior to recording of the sale of the unit.
2. To amend the Declaration and Condominium Map to file the "as built" certificate.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

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

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

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

Lease Term Expires: _____ Rent Renegotiation Date: _____

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:

59-025, 59-027, 59-031, 59-035, 59-039 Kahauola Street, 59-037, 59-041,
Address: 59-043 Hoalua Street, 59-044, 59-046 Huelo Street Tax Map Key (TMK): (1) 5-9-001: 004, 111,
Haleiwa, HI 96712 112, 113, 114

Address TMK is expected to change because _____

Land Area: 62,089 square feet acre(s) Zoning: R-5

Lessor

(Fee Owner): Washington T. Char, Trustee
Name
204 Makee Road
Address
Honolulu, HI 96815

Sublessor:

Name

Address

C. Buildings and Other Improvements:

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

2. Number of Buildings: 10 Floors Per Building _____

Exhibit _____ contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other Pre-engineered metal, Plywood, Concrete blocks _____

4. Permitted Uses by Zoning:

	<u>No. of</u>	<u>Use Permitted</u>		<u>No. of</u>	<u>Use Determined</u>
	<u>Apts.</u>	<u>By Zoning</u>		<u>Apts.</u>	<u>By Zoning</u>
<input checked="" type="checkbox"/> Residential	_____	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Industrial	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Agricultural	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Other: <u>Utility</u>	<u>10</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
			Buildings		

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: No livestock or poultry except for animals customarily kept as pets.

Number of Occupants: _____

Other: _____

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: --- Stairways: --- Trash Chutes: ---

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
<u>Utility</u>	<u>10</u>	<u>0</u>	<u> </u>	<u>20</u>	<u>Shed</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Total Number of Apartments: 10

***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 the those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment:

1. All perimeter walls, floors, foundations and roof of each building.
2. All pipes, wires, conduits, or other utility and service lines in such building, outside such building, if the same are not utilized for more than one apartment.

Permitted Alterations to Apartments:

Apartment owner, may renovate, remodel, make additions to, remove or restore the unit.

7. Parking Stalls:

Total Parking Stalls: 0*

	<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 units)	_____	_____	_____	_____	_____	_____	_____
Guest Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra for Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	_____	_____	_____	_____	_____	_____	_____
Total Covered & Open:	<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>

Each apartment will have the exclusive use of at least _____ parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

- Commercial parking garage permitted in condominium project.
- Exhibit _____ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool Storage Area Recreation Area

Laundry Area Tennis Court Trash Chute

Other: _____

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

There are no violations. Violations will not be cured.

Violations and cost to cure are listed below. Violations will be cured by _____ (Date).

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

N/A

*There will be adequate space within the limited common element of each apartment for parking.

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>	_____	_____
Structures*	<u>X</u>	_____	_____
Lot*	<u>X</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 A.

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 _____.

as follows:

The portion of the land area beneath and adjacent to each unit as delineated on the site plan of the Condominium Map. Said land areas are NOT legally subdivided lots.

- Unit 59-025 Limited Common Area: 6,250 sq.ft.
- Unit 59-027 Limited Common Area: 6,250 sq.ft.
- Unit 59-031 Limited Common Area: 6,157 sq.ft.
- Unit 59-035 Limited Common Area: 6,150 sq.ft.
- Unit 59-037 Limited Common Area: 6,157 sq.ft.
- Unit 59-039 Limited Common Area: 6,150 sq.ft.
- Unit 59-041 Limited Common Area: 6,203 sq.ft.
- Unit 59-043 Limited Common Area: 6,297 sq.ft.
- Unit 59-044 Limited Common Area: 6,203 sq.ft.
- Unit 59-046 Limited Common Area: 6,272 sq.ft.

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

described in Exhibit _____.

as follows:

<u>Unit No.</u>	<u>Common Interest Percentage</u>
59-025	10%
59-027	10%
59-031	10%
59-035	10%
59-037	10%
59-039	10%
59-041	10%
59-043	10%
59-044	10%
59-046	10%

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 May 28, 1997 and issued by Title Guaranty of Hawaii.

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.

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. Units are to be sold in "as-is" condition.

2. Appliances: None.

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

Construction of the utility buildings will commence in October 1997 and is scheduled to be completed in January 1998.

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
- 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, a lien may be placed on your apartment and the apartment may be 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
- Gas
- Water
- Other _____
- Electricity (_____ Common Elements only _____ Common Elements & Apartments)
- Sewer
- Television Cable

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 D contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated April 16, 1997
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 developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

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

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

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

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

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

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

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

- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners, as amended.
- D) House Rules, if any.
- E) Condominium Map, as amended.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other _____

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P.O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 3785 filed with the Real Estate Commission on July 29, 1997.

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

Disclosure RE: Replacement of Utility Building. The purchaser of an apartment (utility building) shall have the right to replace the existing structure with a dwelling unit pursuant to paragraph 18 of the Declaration of Condominium Property Regime.

Disclosure RE: Septic Systems. The lots upon which the project is located do not have a sewer hook-up available. As a result waste disposal for the project will be handled by septic systems (also known as individual wastewater systems). There will be one septic system for each lot in the project, for a total of five septic systems. Each septic system will handle waste disposal for the two dwellings which will be constructed on each lot. A septic system consists of a septic tank and an absorption bed.

Under Department of Health, State of Hawaii regulations each septic system can service a maximum of five bedrooms per 10,000 square feet of land area. Based on those requirements one dwelling on each lot will be allowed to have three bedrooms and the second dwelling will be allowed to have two bedrooms. The following table sets forth the lots, the units and the number of bedrooms each unit will be allowed. The Developer will review each purchasers building plans to ensure that the unit does not exceed the maximum number of bedrooms.

<u>Unit Number</u>	<u>Lot Number</u>	<u>Maximum # of Bedrooms</u>
59-025	109-B	3
59-027	109-B	2
59-031	98-A	3
59-035	98-A	2
59-037	98-B	3
59-039	98-B	2
59-041	97-B	3
59-043	97-B	2
59-044	97-A	3
59-046	97-A	2

A copy of the Department of Health Requirements for Review Process Individual Wastewater Systems is attached as Exhibit G.

Installation of Septic System. Developer has contracted with Bill's Crane Service, Inc. to conduct tests, evaluate and design a septic system for the project. (A copy of the report is available from the Developer.) The report includes an estimate of the cost to install a septic system for the project. Purchasers will be responsible for the costs associated with installation of the septic system.

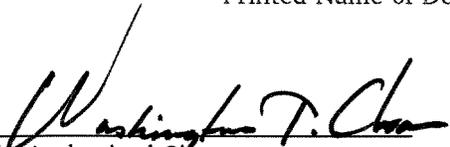
The cost of installation will be allocated to the purchasers based on the number of bedrooms their respective unit is allowed. The purchaser of a unit which can have a maximum of three bedrooms (as set forth in the table above) will pay for 3/5ths of the cost of the septic system on the lot, and the purchaser of a unit which can have a maximum of two bedrooms will pay for 2/5ths of the cost of the septic system. In order to obtain a building permit for a dwelling, the first purchaser of a unit on any given lot will need to install a septic system. The septic system will need to accommodate a total of five bedrooms. The Developer will advance the payment for the portion of the cost chargeable to the second purchaser. As an example, if the first purchaser chooses to purchase Unit 59-046, the purchaser is allowed a maximum of two bedrooms. The purchaser will pay for 2/5ths of the cost to install the septic system and the Developer will pay for 3/5ths of the cost to design and install the septic system. The purchaser of Unit 59-044 will reimburse the Developer at closing for the cost paid by Developer.

Pending Application for Park Dedication. The Developer/Owner has applied for a park dedication permit to allow the construction of one additional dwelling on each of the five lots which comprise the condominium project (for a total of five (5) additional dwellings). Presently, said application is pending with the Department of Land Utilization, City and County of Honolulu (DLU) Developer/Owner is unable to determine when the application will be approved. The Developer/Owner will pay the park dedication fee in order to comply with the Park Dedication Ordinance. As of the date of this report, the DLU has not determined the amount of the park dedication fee the Developer/Owner will pay. Prospective purchasers should contact the DLU if they need more information concerning the pending application.

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.

WASHINGTON T. CHAR, TRUSTEE

Printed Name of Developer

By:  7/17/97
Duly Authorized Signatory Date

Washington T. Char, Trustee, Developer/Owner

Print Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu
Planning Department, City and County of Honolulu

EXHIBIT A

DESCRIPTION OF COMMON ELEMENTS

1. The land in fee simple described in the Declaration of Condominium Property Regime.

2. All ducts, sewer lines, electrical equipment, pipes, wiring, and other central and appurtenant transmission facilities and installations which serve the apartments for services such as power, light, water, gas, refuse, telephone, radio, and television signal distribution.

3. Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance or safety, and normally in common use.

EXHIBIT B

LIST OF ENCUMBRANCES

1. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain trust executed by Yew Char, dated June 30, 1978.

2. As to LOTS 97-A, 97-B, 98-A and 98-B:

EASEMENT "1" for drainage purposes, being a portion of Land Patent Grant Number 7613 to Emory W. Carpenter, situate on the southeast side of Huelo Street, at Paumalu, District of Koolauloa, City and County of Honolulu, State of Hawaii, as per survey of Harry S. H. Au, Licensed Professional Land Surveyor, Certificate No. 1561, dated November 22, 1995, to-wit:

Beginning at the west corner of this easement and on the southeast side of Huelo Street, being also the west corner of Lot 97-A and running by azimuths measured clockwise from true South:

1. 222° 30' 5.00 feet along the southeast side of Huelo Street;
2. 312° 30' 5.00 feet along remainder of Lot 97-A;
3. 222° 30' 90.90 feet along remainder of Lot 97-A;
4. 132° 30' 5.00 feet along the remainder of Lot 97-A;
5. 222° 30' 16.00 feet along the southeast side of Huelo Street;
6. 357° 30' 11.31 feet along remainder of Lot 98-A;
7. 312° 30' 120.87 feet along remainders of Lots 98-A and 98-B;
8. 42° 30' 103.90 feet along remainders of Lots 98-B and 97-B;
9. 132° 30' 8.00 feet along Grant 8622 to C. M. Lightfoot;
10. 222° 30' 95.90 feet along remainder of Lot 97-A;
11. 132° 30' 112.87 feet along remainder of Lot 97-A;
12. 42° 30' 90.90 feet along remainder of Lot 97-A;
13. 312° 30' 56.87 feet along remainder of Lot 97-A;
14. 42° 30' 5.00 feet along remainder of Lot 97-A;

15. 132° 30' 64.87 feet along Grant 8622 to C. M. Lightfoot to the point of beginning and containing an area of 2,427 square feet, more or less.
3. Condominium Map No. 2565.
4. Declaration of Condominium Property Regime dated May 21, 1997, recorded in the Bureau of Conveyances as Document no. 97-081119.
5. By-Laws of the Association of Apartment Owners of Sunset Point CPR dated May 21, 1997, recorded in the Bureau of Conveyances as Document No. 97-081120.
6. Real property taxes due and payable. For more information contact City and County of Honolulu, Department of Finance, Real Property Tax Assessment as of the date of the title report, both installments were unpaid.

EXHIBIT C

“SUNSET POINT CPR” ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

DESCRIPTION OF ITEM	PAID BY ASSOCIATION OR INDIVIDUAL?	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	ASSOCIATION MONTHLY COLLECTIONS
		59-025	59-027	59-031	59-035	59-039	59-037	59-041	59-043	59-044	59-046
		KAHAUOLA	KAHAUOLA	KAHAUOLA	KAHAUOLA	HOALUA	HOALUA	HOALUA	HOALUA	HUELO	HUELO
UTILITIES & SERVICES											
Air Conditioning	Individual										
Electricity	Individual										
() Common Elements	n/a										
() Common Elements	n/a										
Gas	Individual										
Refuse Collection	Individual										
Telephone	Individual										
Water	Individual										
Sewer	n/a										
MAINTENANCE & REPAIRS											
Buildings	Individual										
Grounds	Individual										
Septic System Enzymes	Association	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 30
Annual Septic Pumping	Association	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 40
MANAGEMENT											
Management Fee	n/a										
Payroll & Payroll Taxes	n/a										
Office Expenses	n/a										
COMMON ELEMENT INSUR Association		\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 50
HOMEOWNER'S INSURANCE Association		\$ 26	\$ 26	\$ 26	\$ 26	\$ 26	\$ 26	\$ 26	\$ 26	\$ 26	\$ 260
* RESERVES FOR SEPTIC	Individual										
TAXES & GOVERNMT ASSESS	n/a										
AUDIT FEE	n/a										
TOTAL MONTHLY FEES		\$ 37	\$ 37	\$ 37	\$ 37	\$ 37	\$ 37	\$ 37	\$ 37	\$ 37	\$ 370
TOTAL ANNUAL FEES (X 12)		\$ 444	\$ 444	\$ 444	\$ 444	\$ 444	\$ 444	\$ 444	\$ 444	\$ 444	\$ 4,440

* NOTE: The reserve fund for the 5 septic systems was calculated as follows: The amount needed to replace the 5 septic systems in 1997 prices is \$6,000 each or \$30,000 total. Assuming the systems will last 20 years, and inflation is approximately 4% per year, then the Association would need approximately \$63,000 to replace all 5 systems in 20 years. Then divide \$63,000 by 20 years, then divide by 12 months, then divide by 10 units, and the reserve fund would be \$26 per unit, per month.

I/We, The Owner and Developers of "SUNSET POINT CPR", hereby certify that these estimates of initial maintenance fee assessments and disbursements were prepared in accordance with generally accepted accounting principles.

SIGNATURE: *Wendy L. Chan*
 TITLE: *Trustee Yew Chew Estate Trust*
 DATE: *2/16/97*

No reserve study was done in accordance with Sec. 514A-83.6, HRS, and the replacement reserve rules.

EXHIBIT D

SUMMARY OF SALES CONTRACT

The Seller will use the standard form Deposit, Receipt, Offer and Acceptance (DROA) agreement as the sales contract for the sale of the unit(s). The sales contract contains the price, description and location of the apartment and other terms and conditions under which a buyer will agree to buy an apartment in the Project. Among other things, the sales contract provides:

1. A section for financing to be filled in and agreed to by the parties which will set forth how the buyer will pay the purchase price.

2. Buyer's deposits will be held in escrow until the sales contract is closed or cancelled.

3. Buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

4. In the event of default:

If buyer defaults:

- (1) Seller may bring an action for breach of contract;
- (2) Seller may retain the deposits as liquidated damages;
- (3) Buyer is responsible for any costs incurred under the sales contract.

If Seller defaults:

- (1) Buyer may bring an action for breach of contract;
- (2) Buyer may bring an action for specific performance;
- (3) Seller is responsible for any costs incurred under the sales contract.

The prevailing party is entitled to recover all costs incurred including reasonable attorney's fees. Escrow fees incurred shall be deducted before disbursement to the prevailing party.

5. Addendum covering the construction of septic system and the payment of the cost of such system.

6. The sales contract may contain additional terms and conditions as the Seller and Buyer may agree to include.

The sales contract contains various other provisions which the buyer should become acquainted with.

EXHIBIT E

SUMMARY OF ESCROW AGREEMENT

The escrow agreement establishes an arrangement under which the deposits a buyer makes under a Deposit, Receipt, Offer and Acceptance ("sales contract") will be held by a neutral party ("Escrow"). Under the escrow agreement these things will or may happen:

(a) Signed copies of the sales contract will be provided to Escrow.

(b) Escrow will collect moneys due pursuant to the sales contract.

(c) Escrow will hold the moneys and make disbursements according to the escrow agreement and instructions.

(d) Under the escrow agreement buyer shall be entitled to a refund, if buyer and seller makes a written request for a refund, or either seller or buyer notify Escrow of its option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission.

(e) Escrow will arrange for and supervise the execution of all documents and promptly and diligently close the transaction.

(f) The escrow agreement states what will happen to a buyer's funds upon default under the sales contract. Seller is required to certify to Escrow in writing that buyer defaults and that Seller is terminating the contract. Escrow will treat the buyer's funds as belonging to the Seller.

(g) Escrow is relieved from all liability for acting in accordance with the agreement. Escrow is not responsible for the validity or sufficiency of any sales contract or any documents received by it.

(h) If there are any disputes or conflicting demands, Escrow shall not be responsible for determining the dispute.

(i) Seller and buyer agree to indemnify and hold harmless Escrow from and against all costs, damages, judgments, attorneys' fees, expenses, obligations and liabilities arising out of this Agreement and any escrow pursuant to this Agreement.

(j) Compensation of Escrow.

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

EXHIBIT F

DISCLOSURE ABSTRACT

1. a. PROJECT: SUNSET POINT CPR
59-025, 59-027, 59-031, 59-035, 59-039 Kahauola Street, 59-037, 59-041 and 59-043 Hoalua Street, 59-044 and 59-046 Huelo Street
Paumalu, Koolauloa, Oahu, HI
- b. DEVELOPER/OWNERS: WASHINGTON T. CHAR, Trustee
- c. MANAGING AGENT: None. Project will be self-managed.

2. Estimated Maintenance Fee Assessments and Disbursements

Maintenance Fees: The routine maintenance and repair of each apartment unit, including all utility charges, is the sole responsibility of each owner. The breakdown of annual maintenance fees and monthly estimate for each apartment has been based on generally accepted accounting principles and is attached as Exhibit C.

Individual Insurance: Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the Project's improvements. It is contemplated that the Association will elect to permit each apartment owner to purchase and maintain his own homeowner's insurance policy which will include fire and liability coverage, and name the Association as an additional insured. In such case, the premiums on said policies will be the individual responsibility of each apartment owner rather than a common expense of the Association. Purchasers should be aware that the premiums for said fire insurance will vary depending upon the insurance company and the coverage. If it is necessary for the Association to have its own public liability coverage (which could occur), this will become a common expense of the Association shared by the apartment owners.

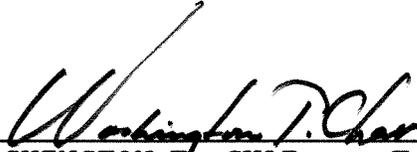
3. Description of All Warranties Covering the Apartments and Common Elements. NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO ANY UNIT.

4. Sewage Disposal. There is no sewer system available to dispose of sewage. Buyers will need to construct a septic system as described in the public report to handle sewage disposal.

5. Use of Apartments. The SUNSET POINT CPR condominium project will consist of ten (10) apartments. All the units are utility buildings. The Declaration of Condominium Property

Regime allows the developer/owners or the apartment owners to change the layout, floor plans and elevations of each of these apartments.

DATE: 7/17/97



WASHINGTON T. CHAR, as Trustee



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. BOX 3378
HONOLULU, HAWAII 96801

In reply, please refer to:
EMD / WB

REQUIREMENTS FOR REVIEW PROCESS INDIVIDUAL WASTEWATER SYSTEMS (IWS)

The following items must be submitted to the Department of Health, Wastewater Branch for the review of building permit applications:

1. Completed application form
2. Construction plans of the IWS prepared by a licensed engineer
3. Site plan
4. Floor plans for the dwelling unit(s)
5. Owner's certification form
6. Site evaluation sheet
7. Operation and maintenance manual
8. Sludge disposal plan
9. Maintenance contracts for aerobic units

The review process takes approximately two weeks. You will be informed in writing of the approval of your system.

Should you have any questions, please call the Wastewater Branch at 586-4294 and ask to speak to any of our engineers.

INDIVIDUAL WASTEWATER SYSTEM
APPLICATION INFORMATION SHEET
(Please Print or Type)

Engineer: _____

Owner: _____

Owner's Mailing Address (required): _____

Contact Person (if different from owner): _____

Contact Person's Address: _____

Project Location (Street Address, Subd. Name, and General Area):

Project TMK: () - - :

Lot Size: _____ Zoning: _____

Projected Flow or Number of Bedrooms: _____

Proposed Treatment Unit (Manufacturer, Model, Design Capacity):

Proposed Disposal System: _____

Percolation Rate: _____ min/in

Existing IWS on the lot: NO YES Type: _____

Is an existing potable drinking water well within 1,000 ft. of
the proposed disposal system? NO YES

FOR DEPARTMENT USE ONLY:

Date Received: _____

Project Engineer: _____

File No.: _____

Notes: _____



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. BOX 3378
HONOLULU, HAWAII 96801

In reply, please refer to:
EMD / WB

Subject: Individual Wastewater System for _____

TMK: _____

Mailing Address: _____

I, _____, hereby certify that I am the owner(s) of the subject property and that I have read the following and shall comply with all provisions. Failure to comply with any or all of the provisions can lead to imposition of the penalties and remedies as provided for in Administrative Rule, Title 11, Chapter 62, Section 11-62-42, Penalties and remedies.

1. I certify that as the owner of the Individual Wastewater System (IWS) serving the subject property, the IWS will be inspected, operated and maintained in accordance with the operation and maintenance manual developed by my IWS design engineer (§ 11-62-31.1(e)(2)).

Furthermore, if an aerobic unit is utilized for wastewater treatment, an active service contract for the proper operation and maintenance shall be maintained at all times (§ 11-62-33.1(b)(3)).

2. I understand and shall comply with the provision of § 11-62-08(g) which requires that the IWS be constructed by a licensed contractor.

Furthermore, the licensed contractor information form shall be completed and submitted to the Department prior to final inspection.

3. I understand and shall comply with the provisions of § 11-62-31.1(f) which states that the IWS must be inspected and approved of by the Department prior to use.

Furthermore, I shall instruct and require my contractor to leave uncovered for inspection, various parts of the IWS system. These parts include manholes/access openings, distribution boxes, ends of trenches to visually see gravel, pipe and geotextile fabrics used and/or seepage pit openings. I understand that I will be required to re-expose these areas if at the time of inspection they are not visible.

4. I understand and shall comply with the provisions of § 11-62-31.1(e)(2) which requires me to certify upon sale or transfer of the subject property, that the appropriate transfer or sales documents and provisions shall bind the new owners to the operation and maintenance provisions referenced in item 1 above.
5. I understand and shall submit any and all changes made to my IWS plans to the Department (§ 11-62-08(b) for review and approval. Changes to the approved IWS plans that need to be submitted to the Department include but are not limited to the following - changes in location of any component of the wastewater system, changes in the type of products used, changes in the disposal system methods, changes in the dwellings/buildings location or size and changes in the design engineer for the IWS.

Signed: _____ Dated: _____

SITE EVALUATION/PERCOLATION TEST

Date/Time: _____

Test performed by: _____

Owner: _____

Tax Map Key: _____

Elevation: _____ ft

Depth to Groundwater Table: _____ ft below grade

Depth to Bedrock (if observed): _____ ft below grade

Diameter of Hole: _____ in

Depth to Hole Bottom: _____ ft below grade

Depth, inches below grade	Soil Profile (color, texture, other)
_____	_____
_____	_____
_____	_____

PERCOLATION READINGS

Time 12 in of water to seep away: _____ min

Time 12 in of water to seep away: _____ min

Check one:

_____ Percolation tests in sandy soils, recorded time intervals and water drops at least every 10 minutes for at least 1 hour.

_____ Percolation tests in non-sandy soils, presoaked the test hole for at least 4 hours. Recorded time intervals and water drops at least every 10 minutes for 1 hour or if the time for the first 6 inches to seep away in greater than 30 minutes record time intervals and water drops at least every 30 minutes for 4 hours or until 2 successive drops don not vary by more than 1/16 inch.

Time interval	Drop in inches	Time interval	Drop in inches
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Percolation Rate (time/final water level drop): _____ min/in

As the engineer responsible for gathering and providing site information and percolation test results, I attest to the fact that above site information is accurate and that the site evaluation was conducted in accordance with the provisions of Chapter 11-62, "Wastewater Systems" and the results were acceptable. I also attest that three feet of suitable soil exist between the bottom of the soil absorption system and the groundwater table or any other limiting layer.

Engineer's Signature/Stamp

Falling Head Test Procedure

A. Preparing Percolation Test Hole(s)

1. Dig or bore a hole, four to twelve inches in diameter with vertical walls to the approximate depth of the soil absorption system (bottom of trench or bed).
2. Scratch the side wall and bottom to remove any smeared soil and remove loose material.
3. Place one inch of coarse sand or gravel on bottom.

B. Determine Percolation Rate

1. Place twelve inches of water in hole and determine time to seep away. Record this time on the site evaluation form.
2. Repeat step B.1. above. Also record this time on the site evaluation form.
3. If the time of the second test is less than 10 minutes go to step C, if not skip to step D.

C. Sandy (granular) Soils

1. Establish a fixed reference point, add water to six inches above gravel and measure water level drops every ten minutes for 1 hour.
2. Use a shorter time interval if first six inches seeps away in ten minutes or less.
3. Refill when necessary, do not exceed six inches of water.
4. Record time intervals and water drops on site evaluation form.
5. Use final water level drop interval to calculate percolation rate. (Step F)

D. Other soils (non-granular, e.g. silt, loams & clays)

1. Maintain at least twelve inches of water in the hole for at least four hours to presoak soil.
2. Do not remove water remaining after four hours.
3. Permit soil to swell at least 12 hours. (Dry clayey soils should be soaked and permitted to swell for longer periods to obtain stabilized percolation rates).
4. After swelling, remove loose material on top of gravel.
5. Use fixed reference point, adjust water level to six inches above gravel and measure water level drop.
6. If the first six inches of water seeps away in less than 30 minutes, measure water level drops every ten-minutes and run for one hour.
7. If the first six inches of water takes longer than 30 minutes to seeps away, use 30 minute time intervals for four hours or until two successive drops do not vary by more than one-sixteenth inch (stabilized rate).
8. Refill with water only when necessary, but no adjustment during last three readings except to the limit of the last drop. Do not exceed six inches of water.

F. Use final drop interval to calculate percolation rate and record on site evaluation form:

$$\frac{\text{Time Interval}}{\text{Water Level Drop}} = \text{Perc rate}$$