CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer Y.B. INVESTMENTS, INC., a Hawaii corporation
Address 2250 Kalakaua Avenue #310, Honolulu, Hawaii 96815

Project Name(*): AHUIMANU WOODS IV (Phase I-Unit B)
Address: 47-610 B Hui Ulili Street, Kaneohe, Hawaii 96744

Registration No. 4041 Effective date: February 4, 2000
Expiration date: March 4, 2001

Preparation of this Report:

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

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

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

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

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

Type of Report:

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

X **FINAL**: (white) The developer has legally created a condominium and has filed complete information with the Commission.
[ ] No prior reports have been issued.
[ ] This report supersedes all prior public reports.
[X] This report must be read together with Preliminary Public Report dated 11/25/98

__ **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

FORM: RECO-30 286/986/189/1190/892/0197

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

[ ] 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.

[X] Changes made are as follows:

See page 2A

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 governmental agency, nor does it ensure that all applicable County codes, ordinances, and subdivision requirements have necessarily been complied with.

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

Summary of Changes from Preliminary Public Report

Since the Preliminary Public Report was issued, a number of changes have occurred which affect the Project:

1. The Preliminary Public Report contemplated that the Developer would complete construction of both Units A and B, and then would convert the property to a condominium. The Developer has since completed construction of Unit B and decided to convert the property to a condominium prior to completing construction of Unit A. Construction of Unit B was substantially completed on November 20, 1999. The Developer estimates that Unit A will be completed by February 29, 2000. (See Exhibit B)

2. The floor plans and elevations for Units A and B have changed and the changes are reflected in the recorded Condominium Map.

3. An underground sewer tank and pump will be installed for each unit, within the limited common element land area appurtenant thereto. (See Exhibit F)

4. The construction warranties have changed. (See Exhibits A and H) Those changes are reflected in the Ahuimanu Woods IV Addendum 01/00 filed with this Final Public Report and described in Exhibit I, and the revised Ahuimanu Woods IV Limited Warranty Condominium Deed filed with this Final Public Report.

5. The Developer has reserved additional rights under the Declaration. (See Exhibit B)

6. A Declaration of Driveway Easement was recorded, which sets forth the terms and conditions for the use, maintenance, benefits and obligations of the driveway leading to the Project. Also, the Developer refinanced the Project and executed a Mortgage and an Assignment in favor of First Hawaiian Bank, which replaced the Negative Pledge Agreements that were previously recorded against the Project. Finally, the Declaration, By-Laws and Condominium Map for the Project were revised and recorded. (See Exhibit G)

7. As of November 1, 1999, the real estate broker for Unit A became Island Heritage Realty LLP, 1400 Kapiolani Boulevard, Suite A-1, Honolulu, Hawaii 96814 [telephone (808) 941-7773].

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EXHIBIT A: **Amended Disclosure Abstract**
EXHIBIT B: **Developer's Reserved Rights to Change Condominium Documents**
EXHIBIT C:
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EXHIBIT F: **Description of Common Elements and Limited Common Elements**
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EXHIBIT I: **Summary of Pertinent Provisions of Sales Contract**

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

[ ] Proposed
[X] Recorded - Bureau of Conveyances: Document No._____
Book_____ Page_____
[ ] Filed - Land Court: Document No. 2601278

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

N/A

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

The Condominium Map for this condominium project is:

[ ] Proposed
[X] Recorded - Bureau of Conveyances Condo Map No._____
[ ] Filed - Land Court Condo Map No. 1334

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

N/A

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

The Bylaws for this condominium are:

[ ] Proposed
[X] Recorded - Bureau of Conveyances: Document No._____
Book_____ Page_____
[ ] Filed - Land Court: Document No. 2601279

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

N/A

D. **House Rules.** The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the developer.

The House Rules for this condominium are:

[ ] Proposed [ ] Adopted [ ] Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. Apartment Owners: Minimum percentage of common interest which must vote for or give written consent to changes:

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

* 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.

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

See Exhibit B

[ ] 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:_____ Tax Map Key (TMK): (1) 4-7-056-por. 109, Lot 642-D

[ ] Address [ ] TMK is expected to change because_____

Land Area:_____ [ ] square feet [ ] acre(s) Zoning:_____

***Note: This Final Public Report only covers Unit B, whose address is 47-610 B Hui Ulili Street, and whose limited common element land area is 6,837 square feet.**

Fee Owner: _____
Name

_____
Address

_____

Lessor: N/A
Name

_____
Address

_____

C. **Buildings and Other Improvements:**

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

2. Number of Buildings:_____ Floors Per Building_____

   [ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

   [X] Concrete [ ] Hollow Tile [X] Wood

   [ ] Other_____

4. Uses Permitted by Zoning:

	No. of Apts.	Use Permitted By Zoning		No. of Apts.	Use Permitted By Zoning
[ ] Residential	___	[ ] Yes [ ] No	[ ] Ohana	___	[ ] Yes [ ] No
[ ] Commercial	___	[ ] Yes [ ] No	[ ] Industrial	___	[ ] Yes [ ] No
[ ] Mix Res/Comm	___	[ ] Yes [ ] No	[ ] Agricultural	___	[ ] Yes [ ] No
[ ] Hotel	___	[ ] Yes [ ] No	[ ] Recreational	___	[ ] Yes [ ] No
[ ] Timeshare	___	[ ] Yes [ ] No	[ ] Other:_____	___	[ ] Yes [ ] No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?
[ ] 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:_____

[ ] Number of Occupants:_____

[ ] Other:_____

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators:_____ Stairways: Unit B - 1 Trash Chutes:_____

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
Unit B	1	3/2.5	2,138	548	garage

Total Number of Apartments:_____

***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:

Permitted Alterations to Apartments:

7. Parking Stalls:

Total Parking Stalls: _____

	Regular		Compact		Tandem		
	Covered	Open	Covered	Open	Covered	Open	TOTAL
Assigned (for each unit)	_____	_____	_____	_____	_____	_____	_____
Guest	_____	_____	_____	_____	_____	_____	_____
Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra for Purchase	_____	_____	_____	_____	_____	_____	_____
Other: _____	_____	_____	_____	_____	_____	_____	_____
Total Covered & Open:		_____		_____		_____	_____

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/Enclosure(s)

[ ] Other: _____

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

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

[ ] Violations and cost to cure are listed below: [ ] Violations will be cured by _____ (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):

11. Conformance to Present Zoning Code

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

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

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

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

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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

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

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

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

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

[X] described in Exhibit F.

[ ] 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.

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

[X] described in Exhibit F*.

[ ] as follows:

***Note: Land areas referenced herein are not legally subdivided lots.**

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:

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 G describes the encumbrances against the title contained in the title report dated January 18, 2000 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

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

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

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

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

Type of Lien	Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed **Prior to Conveyance**
First Mortgage, Security Agreement and Financing Statement and Absolute Assignment of Sales Contracts, Escrow Deposits, Escrow Agreements and Net Sales Proceeds	The Mortgage and the Assignment are blanket liens on both units in the project, and they will be released as to each apartment before the Developer conveys the unit to the buyer. If the Developer defaults under the Mortgage prior to conveying any unit to a buyer, the buyer's interest could be terminated. In the event of such termination, the buyer's deposit would be returned in the manner set forth in the Sales Contract.

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:

See Exhibit H

2. Appliances:

See Exhibit H

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

Construction of Unit B was completed on November 20, 1999. Unit A is estimated to be completed by February 29, 2000.

H. **Project Phases:**

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

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

See Exhibit B

V. MISCELLANEOUS

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

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

[ ] Notice to Owner Occupants

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

[ ] Escrow Agreement dated _____
Exhibit _____ 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 issued 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. 4041 filed with the Real Estate Commission on October 12, 1998.

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

[ ] YELLOW paper stock [X] WHITE paper stock [ ] PINK paper stock

D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

Y.B. INVESTMENTS, INC., a Hawaii corporation
Printed Name of Developer

By: _____ 1/19/2000
Duly Authorized Signatory Date

Andy Yip, President
Printed Name & Title of Person Signing Above

Distribution:

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

EXHIBIT A

AMENDED DISCLOSURE ABSTRACT

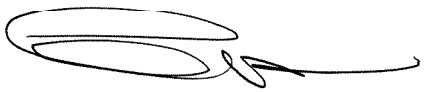
Paragraph 5 of the Disclosure Abstract attached as Exhibit A to the Preliminary Public Report is amended and restated in its entirety as follows:

"5. Warranties: Developer disclaims any warranties, either express or implied, including any implied warranty of habitability, with respect to the Project, the units or their contents. Developer will not be liable to any persons for any construction or other defects, including any latent or hidden defects in the Project, the units or anything contained therein. This means that unit owners will not have the right to file any lawsuit for damages against Developer for any defects discovered by the unit owners.

However, pursuant to the construction contract between the Developer and the Project's general contractor, the general contractor warranted that (a) the materials and equipment furnished under the contract will be new and of good quality unless otherwise required or permitted by the "Contract Documents" (as defined in the contract); (b) the "Work" (as defined in the contract) will be free from defects not inherent in the quality required or permitted; and (c) the Work will conform to the requirements of the Contract Documents; and the contractor agreed for a period of one (1) year after "Substantial Completion" (as defined in the contract) to correct work not conforming to the requirements of the Contract Documents. The Developer will assign said warranty, together with all transferable manufacturer's and dealer's warranties covering all appliances installed in the units by Developer, to the first owner of each unit. No owner will have any recourse against the Developer under any of said warranties."

Dated: Honolulu, Hawaii, January 13, 2000.

Y.B. INVESTMENTS, INC., a
Hawaii corporation



By_____
Andy Yip, President

Developer

EXHIBIT B

DEVELOPER'S RESERVED RIGHTS
TO CHANGE CONDOMINIUM DOCUMENTS

Following is a brief summary of certain provisions in the Declaration, By-Laws and the Sales Contract, as indicated, wherein the Developer has reserved the right to change the condominium documents, including the Declaration, By-Laws and the Condominium Map:

I. DECLARATION

In paragraph S of the Declaration, the Developer reserves the right, at any time prior to the conveyance of an apartment to a buyer, to amend the Declaration and the By-Laws in any manner as the Developer may deem fit.

In paragraph U of the Declaration, the Developer reserves the right for itself and its agents, until such time as all the apartments in the Project are sold, to:

A. Grant utility and access easements and quitclaim any easements in favor of the Project which are not required for the Project. Apartment owners agree, upon request, to join in and execute any and all documents designating, granting and quitclaiming any such easements.

B. Amend the Declaration, the Condominium Map and By-Laws consistent with any grants or reservations of the Developer under the Declaration.

C. Conduct sales of apartments at the Project, including, but not limited to, maintaining model apartments, operating a sales office, conducting advertising, placing signs, using parking spaces and erecting lighting in connection with such sales.

D. Amend the Declaration, the By-Laws and the Condominium Map, without the approval, consent or joinder of any purchaser or owner of an apartment, to make such amendments as may be required by law, by the Real Estate Commission of the State of Hawaii, by any title insurance company issuing a title insurance policy on the Project or any of the apartments, by any institutional lender lending funds on the security of the Project or any of the apartments, by any purchaser, insurer or guarantor of loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable it to purchase, insure or guarantee a loan made on the security of the Project or any of the apartments, or by any governmental agency.

E. Reconfigure the Project or any unit with respect to which a deed has not been recorded.

F. Amend the Declaration to record the "as-built" verified statement required by Section 514A-12 of the Condominium Property Act, when Unit A is completed.

Paragraph V of the Declaration provides that the Project consists of a total of two (2) units, but they will be constructed at different times. Unit B, being Phase I of the Project, was completed on November 20, 1999. Unit A, being Phase II of the Project, is currently under construction and is expected to be completed by February 29, 2000. The Developer has reserved the right to do all things reasonably necessary, desirable or useful for constructing, completing and selling Unit A/Phase II, including, but not limited to, the right to enter upon and use at all reasonable times all common elements (excluding the limited common elements appurtenant to the unit not under construction), and connecting Unit A/Phase II to all utility installations of the Project, all without the consent or joinder of Buyer, any other unit owner, lien holder or any other person, together with and subject to the following terms and conditions:

1. The Developer may change in any manner the plans and/or specifications for Unit A/Phase II from the plans and specifications shown on the Condominium Map, provided that such changes comply with applicable setback requirements, building codes and zoning ordinances. Without limiting the generality of the foregoing, Unit A/Phase II may be changed so as to reduce the distance between it and the other unit to less than the distance currently shown on the Condominium Map.

2. The Developer, its contractors and subcontractors, and their respective employees and agents, shall not cause any interruption other than a temporary interruption in the service of utilities to the Project, and shall use reasonable efforts (without additional costs to the Developer and consistent with maintaining the progress, design, development, construction, completion and sale of Unit A/Phase II), to minimize interference with Buyer's use and enjoyment of the Project.

3. Promptly upon completion of construction of Unit A/Phase II, the Developer shall duly record or file of record an amendment to the Declaration, together with a complete set of floor plans of the unit, certified as built by a registered architect or professional engineer. Buyer and all present and future unit owners and their mortgagees, by accepting an interest in a unit in the Project, shall be deemed to have given the Developer a power of attorney to execute such an amendment to the Declaration, which power of attorney shall be deemed coupled with each owner's interest in such owner's unit and shall be irrevocable.

4. Buyer acknowledges, accepts and agrees that construction and sales activity for the Project may continue after Buyer has taken occupancy of a unit or after Buyer has acquired buyer's interest in a unit, that such activities may result in noise, dust or other annoyances to Buyer, as well as hazards and potentially dangerous conditions, and Buyer agrees to stay out of areas that are under construction or being used for sales activities, and also waives, releases and discharges any rights, claims or actions Buyer may acquire against the Developer, its lender and contractors and their respective subcontractors and agents, and their respective successors and assigns, arising out of any such activity or any failure to stay out of such areas.

5. Buyer acknowledges and agrees that the Developer shall have the right to execute, acknowledge, process and record any and all instruments necessary or appropriate for the purpose of carrying out the provisions and exercising the rights, powers and privileges granted by the Declaration, all as the true and lawful attorney-in-fact of the respective owners of units in the Project. The foregoing right shall exist notwithstanding the lease, sale or conveyance of any or all of the units in the Project, and shall not require the consent or joinder of Buyer or any other unit owner, lien holder or any other party. Buyer and any other party acquiring an interest in a unit in the Project consent to the foregoing provisions, agree to execute such documents and take such actions as may be necessary or convenient to effect such provisions, and agree that the power-of-attorney described above is coupled with an interest, is irrevocable for the term of The Developer's reserved rights, and will not be affected by the disability of such party.

II. BY-LAWS

In Article II, Section 2 of the By-Laws, the Developer reserves the right to exercise the powers, vote and act for the Association and the Board on all matters until the first unit in the Project is conveyed to a buyer (except as to those rights reserved to the Developer in paragraph U of the Declaration, which rights are reserved until all of the activities described therein have been completed).

III. SALES CONTRACT

The Developer, as Seller, reserves the right to modify all documents related to the Project, including the Declaration, By-Laws, Condominium Map, Condominium Deed, Disclosure Abstract and any exhibits to such documents.

The Seller also reserves the right to change the configurations of, or to alter the number of rooms of or to decrease or increase the size of, or to change the location of

any apartment in accordance with complete plans and specifications therefor prepared by a licensed architect, and to make other changes in the apartments and in the common elements, and to increase or decrease the purchase price of the Apartment or any other apartment in the Project.

THIS EXHIBIT CONTAINS ONLY A BRIEF SUMMARY OF THE PROVISIONS CONTAINED IN THE DECLARATION, THE BY-LAWS AND THE SALES CONTRACT RESPECTING THE DEVELOPER'S RESERVED RIGHTS. PROSPECTIVE OWNERS SHOULD READ AND UNDERSTAND ALL OF THE PROVISIONS RELATING TO THE DEVELOPER'S RESERVED RIGHTS CONTAINED IN THE AFORESAID DOCUMENTS.

EXHIBIT F

DESCRIPTION OF COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

I. COMMON ELEMENTS

Paragraph E of the Declaration describes the common elements as all portions of the land and improvements (other than the apartments), the land on which the building is located and all common elements mentioned in the Act which are actually constructed on the land described herein. Said common elements include, but are not limited to the following:

1. The land described in Exhibit "A", including but not limited to, the area designated on the Condominium Map as "Common Element", which contains approximately 1,908 square feet.

2. All central and appurtenant installations for services such as power, lights, telephone, hot and cold water lines, television cable lines, sewage disposal and other utilities which serve more than one unit (including all pipes, ducts, wires, cables and conduits used in connection therewith, whether located in common areas or in units), and all tanks, pumps, motors, fans, ducts and other apparatus and installations existing for common use.

3. 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, and normally in common use and which are not part of any unit.

II. LIMITED COMMON ELEMENTS

Paragraph F of the Declaration describes the limited common elements as certain parts of the common elements which are set aside and reserved for the exclusive use of certain apartments, which apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside for each apartment are as follows:

1. One (1) mailbox located on the Project grounds, bearing the same number as the number of the unit.

2. The land area on which each unit is located, as shown and delineated on the Condominium Map, shall be a limited common element for the exclusive use of the unit to which it is appurtenant; provided that each unit owner shall be responsible for and shall bear the expense of installing and maintaining all landscaping within such limited common element land area, and of repairing, restoring or reinstating any walkways, stairways, fences, walls, pavement, water lines, and

other improvements located within such designated limited common element land area; provided, further, that in the event of any sewer stoppage which affects any individual unit, the owner of such unit shall be responsible for and shall bear the expense of cleaning any sewer line which connects to any main sewer line running beneath the Project. The limited common element land area appurtenant to each unit is indicated on the Condominium Map and contains the following approximate number of square feet:

Unit A	9,313 square feet
Unit B	6,837 square feet

Adjacent to each unit and located under the limited common element land area appurtenant thereto will be an underground sewer tank and pump, which are accessed by a manhole. The Developer will provide a lock and key for the manhole cover, which is visible on the ground. It will be the responsibility of each unit owner and occupant to use the lock and key at all times to ensure the safety of all persons. The Developer will not be liable to any owner, occupant or other person for any loss or injury in connection with the tank, pump, manhole, cover, lock or key. This means that no one will have the right to file any lawsuit against the Developer for any matter in connection with said items.

Notwithstanding any provision herein or in the By-Laws to the contrary all costs of every kind pertaining to each limited common element, including but not limited to, costs of landscaping, maintenance, repair, replacements, additions and improvements, shall be charged to and borne entirely by the owner(s) of the unit(s) to which it is appurtenant. Expenses which are attributable to more than one (1) mailbox or land area shall be allocated among the affected mailboxes or land areas on a per mailbox or land area basis. Any expense which cannot be separately identified or attributed to a limited common element shall be charged as a common expense.

EXHIBIT G

ENCUMBRANCES AGAINST TITLE

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

2. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT:	UNILATERAL AGREEMENT AND DECLARATION FOR CONDITIONAL ZONING
PARTIES:	AHUIMANU JOINT VENTURE, "Declarant" and CITY AND COUNTY OF HONOLULU, "Council"
DATED:	October 15, 1980
FILED:	Land Court Document No. 1036423

3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT:	DEED
DATED:	August 3, 1995
FILED:	Land Court Document No. 2253256

4. Grant to Hawaiian Electric Company, Inc. and GTE Hawaiian Telephone Company Incorporated dated June 30, 1998, filed as Land Court Document No. 2472455, granting a perpetual right and easement for utility purposes.

5. Declaration of Driveway Easement dated October 16, 1998, by Y.B. Investments, Inc., filed as Land Court Document No. 2494885.

6. First Mortgage, Security Agreement and Financing Statement dated November 10, 1998, by Y.B. Investments, Inc., as mortgagor, in favor of First Hawaiian Bank, as mortgagee, filed as Land Court Document No. 2499590.

7. Absolute Assignment of Sales Contract, Escrow Deposits, Escrow Agreements and Net Sales Proceeds dated November 10, 1998, by Y.B. Investments, Inc., as assignor, in favor of First Hawaiian Bank, as assignee, recorded as Document No. 98-170150.

8. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT:	DECLARATION OF CONDOMINIUM PROPERTY REGIME FOR THE "AHUIMANU WOODS IV" CONDOMINIUM PROJECT
DATED:	January 13, 2000
FILED:	Land Court Document No. 2601278
MAP:	1334 filed in the Office of the Assistant Registrar of the Land Court and any amendments thereto

9. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT:	BY-LAWS OF THE ASSOCIATION OF APARTMENT OWNERS OF THE "AHUIMANU WOODS IV" CONDOMINIUM PROJECT
DATED:	January 13, 2000
FILED:	Land Court Document No. 2601279

10. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land.

11. For real property taxes due and payable, refer to Director of Finance, City and County of Honolulu.

EXHIBIT H

CONSTRUCTION WARRANTIES

The Sales Contract used in connection with the Project provides as follows:

"Buyer understands and agrees that Seller is disclaiming any warranties, either express or implied, including any implied warranty of habitability, with respect to the Project, the units or their contents, and that Seller will not be liable to the unit owners for any construction or other defects, including any latent or hidden defects in the Project, the units or anything contained therein. This means that unit owners will not have the right to file any lawsuit for damages against Seller for any defects discovered by the unit owners.

However, pursuant to the construction contract between Seller and the Project's general contractor, the general contractor warranted that (a) the materials and equipment furnished under the contract will be new and of good quality unless otherwise required or permitted by the "Contract Documents" (as defined in the contract); (b) the "Work" (as defined in the contract) will be free from defects not inherent in the quality required or permitted; and (c) the Work will conform to the requirements of the Contract Documents; and the contractor agreed for a period of one (1) year after "Substantial Completion" (as defined in the contract) to correct work not conforming to the requirements of the Contract Documents. Seller is assigning said warranty, together with all transferable manufacturer's and dealer's warranties covering all appliances installed in the units, to the purchasers of the units. No purchaser will have any recourse against Seller under any of said warranties."

EXHIBIT I

SUMMARY OF PERTINENT PROVISIONS OF SALES CONTRACT

Developer has filed a specimen Ahuimanu Woods IV Addendum 01/00, with the Hawaii Real Estate Commission, which contains certain pertinent provisions summarized as follows:

1. Warranties. The construction warranties have changed (See Exhibit H of this Final Public Report).

2. Changes in Documents and Units; Reserved Rights of Seller. The Developer has reserved additional rights under the Declaration (See Exhibit B of this Final Public Report).

3. Phased Construction. The Developer will be constructing the two (2) units in the Project at different times. Unit B, being Phase I of the Project, has been completed. However, Unit A, being Phase II of the Project, is currently under construction and is expected to be completed by February 29, 2000. (See Exhibit B of this Final Public Report).

THIS EXHIBIT CONTAINS ONLY SUMMARIES OF CERTAIN PERTINENT PROVISIONS CONTAINED IN THE AHUIMANU WOODS IV ADDENDUM 01/00. PROSPECTIVE OWNERS SHOULD READ AND UNDERSTAND ALL OF THE PROVISIONS IN THEIR ENTIRETY CONTAINED IN SAID ADDENDUM.