

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

Summary of Changes from Earlier Public Reports:

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

- No prior reports have been issued by the developer.
- Changes made are as follows:

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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 of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: H. K. Development, Corporation Phone: (808) 676-5777
Name (Business)
94-1024 Waipio Uka Street, Suite 207
Business Address
Waipahu, Hawaii 96797

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):

Angie Kim, President, Secretary and Treasurer
Bruce H.S. Kim, Vice President
Harry Kim, III, Vice President

Real Estate Broker: H. K. Development, Corporation, dba
H. K. Development, Realty Phone: (808) 676-5777
Name (Business)
94-1024 Waipio Uka Street, Suite 207
Business Address
Waipahu, Hawaii 96797

Real Estate Broker: Island Heritage Realty, Inc. Phone: (808) 941-7773
Name (Business)
1400 Kapiolani Blvd., Suite A-1
Business Address
Honolulu, Hawaii 96814

Escrow: First American Long & Melone Title Company, Ltd. Phone: (808) 536-3866
Name (Business)
333 Queen Street, Suite 700
Business Address
Honolulu, Hawaii 96813

General Contractor: HK Builders, Inc. Phone: (808) 676-5777
Name (Business)
94-1024 Waipio Uka Street, Suite 207
Business Address
Waipahu, Hawaii 96797

Condominium Managing Agent: Equity Properties, Inc. Phone: (808) 847-2173
Name (Business)
905 Umi Street, Suite 301
Business Address
Honolulu, Hawaii 96819

Attorney for Developer: Ken Harimoto Phone: (808) 526-9546
Name (Business)
1188 Bishop Street, Suite 3302
Business Address
Honolulu, Hawaii 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. _____
Book _____ Page _____
- Filed - Land Court: Document No. 2686774

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

First Amendment of Declaration of Condominium Property Regime, dated March 20, 2001, filed as Land Court Document No. 2691057.

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

The Condominium Map for this condominium project is:

- Proposed
- Recorded - Bureau of Conveyances Condo Map No. _____
- Filed - Land Court Condo Map No. 1400

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

First Amendment of Declaration of Condominium Property Regime, dated March 20, 2001, filed as Land Court Document No. 2691057.

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. _____
Book _____ Page _____
- Filed - Land Court: Document No. 2866775

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

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

The House Rules for this condominium are:

- Proposed Adopted Developer does not plan to adopt House Rules

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

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

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u> </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:

The Declaration provides that:

Notwithstanding any other provisions hereof, Developer expressly reserves the right to successively amend this Declaration without the consent or joinder of persons then owning or leasing the apartments, (i) by filing an amendment to this Declaration pursuant to the provisions of Section 514A-12 of the Act after completion of the improvements described herein, by attaching to such amendment a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed or being filed simultaneously with such amendment fully and accurately depict the layout, location, apartment numbers and dimensions of the apartments as built; (ii) as may be required by law, the Real Estate Commission of the State of Hawaii, any title insurance company issuing a title insurance policy on the project, or any institutional lender lending funds on the security of the project or any of the apartments thereof.

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 Sub-leasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

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

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

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

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

Exhibit ____ contains a schedule of the lease rent for each apartment per: [] Month [] Year

For Sub-leaseholds:

- 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 Sub-leasehold:

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

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

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

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

Exhibit ____ contains a schedule of the lease rent for each apartment per: [] Month [] Year

Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

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

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

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

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

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

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

B. Underlying Land:

Address: 1914 Fern Street Tax Map Key (TMK): (1) 2-3-030-013
Honolulu, Hawaii 96826

Address TMK is expected to change because _____

Land Area: 4,000 square feet acre(s) Zoning: A-2 Apartment

Fee Owner: H.K. Development, Corporation
 Name
94-1024 Waipio Uka Street, Suite 207
 Address
Waipahu, Hawaii 96797

Lessor: Not Applicable
 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: 1 Floors Per Building: 3
 Exhibit A contains further explanations.
3. Principal Construction Material:
 Concrete Hollow Tile Wood
 Other _____
4. Uses Permitted by Zoning:

	No. of <u>Apts.</u>	Use Permitted By Zoning	
<input checked="" type="checkbox"/> Residential	<u>4</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<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"/> Hotel	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Industrial	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Agricultural	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Other	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No

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

5. Special Use Restrictions:

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

Pets: _____

Number of Occupants: _____

Other: The apartments may be rented for residential purposes but they may not be used for transient or vacation rentals.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: _____ Stairways: _____ Trash Chutes: _____

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf) (Identify)
100	1	2/1	735	-0-
101	1	2/1	735	-0-
200	1	2/1	735	-0-
201	1	2/1	735	-0-

Total Number of Apartments: 4

*** 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:

Interior surfaces of perimeter walls, floors, roofs and stairways of the four (4) apartments.

Permitted Alterations to Apartments:

As set forth in Paragraph 17.02 of the Declaration.

Apartments Designated for Owner-Occupants Only:

Fifty percent (50%) of residential apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by section 514A-102, HRS; or include the information here in this public report and in the announcement (see attachment 11a). Developer has elected to provide the information in a published announcement or advertisement.

7. Parking Stalls:

Total Parking Stalls: 6

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		TOTAL
	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	
Assigned (Apt. 100)	<u>1</u>	<u> </u>	<u>1</u>				
Assigned (Apt. 101)	<u>1</u>	<u> </u>	<u>1</u>				
Assigned (Apt. 200)	<u>2</u>	<u> </u>	<u>2</u>				
Assigned (Apt. 201)	<u>2</u>	<u> </u>	<u>2</u>				
Guest	<u> </u>						
Unassigned	<u> </u>						
Extra for Purchase	<u> </u>						
Other:	<u> </u>						
Total Covered & Open:	<u>6</u>	<u> </u>	<u>0</u>	<u> </u>	<u>0</u>	<u> </u>	<u>6</u>

Each apartment will have the exclusive use of at least 1 parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

Commercial parking garage permitted in condominium project.

Exhibit 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: Holding Tank Facilities and appurtenant pumps and other apparatus.

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):

Not Applicable

11. Conformance to Present Zoning Code

- a. No variances to zoning code have been granted.
 Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non Conforming Uses, Structures, Lot

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

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u> X </u>	<u> </u>	<u> </u>
Structures	<u> X </u>	<u> </u>	<u> </u>
Lot	<u> X </u>	<u> </u>	<u> </u>

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

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

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

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

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

- described in Exhibit B .
 as follows:

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

There are no limited common elements in this project.

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

described in Exhibit C*.

as follows:

*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:

<u>Apartment</u>	<u>Common Interest</u>
100	25%
101	25%
200	25%
201	25%

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

Exhibit D describes the encumbrances against the title contained in the title report dated January 17, 2001 and issued by First American Title Insurance Company.

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>
First Mortgage	The buyer would be unable to complete the purchase of the apartment. Any deposit would be refunded to the buyer by escrow, less escrow cancellation fees.

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:

The general contractor's warranty against defects in materials and workmanship will be assigned to buyer.

2. Appliances:

Manufacturer's warranties will be assigned to the buyer.

IN ALL OTHER RESPECTS, THE PROPERTY IS BEING SOLD ON AN "AS IS" BASIS, WITH DEVELOPER MAKING NO WARRANTY OF ITS OWN.

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

The estimated date of completion is six (6) calendar months after issuance of an effective date for this Final Public Report.

H. Project Phases:

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

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

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 the Developer or Developer's affiliate
 self-managed by the Association of Apartment Owners 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 E contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

- C. **Utility Charges for Apartments:**

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

- None Electricity (X Common Elements only ___ Common Elements & Apartments)
 Gas (___ Common Elements only ___ Common Elements & Apartments)
 Water Sewer Television Cable
 Other _____

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

- Notice to Owner Occupants
- Specimen Sales Contract
Exhibit F contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated February 22, 2001
Exhibit G 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. 4583 filed with the Real Estate Commission on February 23, 2001.

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**

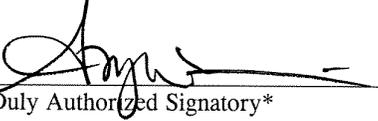
- (1) Pursuant to sections 16-99-3(g) and 16-99-11(d), Hawaii Administrative Rules ("HAR"), prospective purchasers are hereby advised that one of the project brokers is H. K. Development Realty, a division of the Developer. This means that the Developer, itself, is one of the project brokers, along with Island Heritage Realty, Inc., which is not related to the Developer. Pursuant to section 16-99-11(c), HAR, "(n)o licensee shall be allowed to advertise 'For Sale by Owner', 'For Rent by Owner', 'For Lease by Owner', 'For Exchange by Owner'."
- (2) The Performance Bond provided by the Contractor is a "Material House Bond". Purchaser's funds will not be used for construction of the project.

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. 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.

H. K. DEVELOPMENT, CORPORATION

Printed Name of Developer

By:


Duly Authorized Signatory*

March 28, 2001

Date

Angie Kim, President

Printed Name & Title of Person Signing Above

Distribution:

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

***Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership(LLP) by the general partner; Limited Liability Company(LLC) by the manager or member; and for an individual by the individual.**

EXHIBIT A

The project is comprised of one (1) three (3) story building, without a basement.

Apartments 100 and 101 are located on the second floor of the building and Apartments 200 and 201 are located on the third floor of the building. Each of Apartments 100, 101, 200 and 201 contains two (2) bedrooms, one (1) bathroom, a dining area, kitchen, and a living area, and contains a net living area of approximately 735 square feet. The layout of Apartments 100 and 200 are identical and are the reverse of Apartments 101 and 201.

The apartments shall have appurtenant thereto the following common interests:

Apartment	Common Interest
100	25%
101	25%
200	25%
201	25%

EXHIBIT B

The Declaration provides that:

One freehold estate is hereby designated in all of the remaining portions and appurtenances of the project, herein called the "common elements," which, except as expressly made part of an apartment, includes:

(5.01) The land in fee simple;

(5.0.2) All pipes, wires, conduits, holding tank facilities and, generally, all equipment, apparatus, installations and personal property existing for common use located in the buildings of the project or located on the property.

(5.0.3) All stairways, parking areas, driveways, easements and other common ways.

(5.04) Any and all apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

(5.05) The Holding Tank Facility located on the grounds of the Project, as shown on the Condominium Map.

EXHIBIT C

The Declaration provides that:

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

(a) Each apartment shall have an exclusive easement to use one or more parking stalls within the Project, as designated in Exhibit "C" attached thereto and incorporated herein by reference, appurtenant to said apartment. Any automobile parking space may, if assigned to a residential apartment as a limited common element, be transferred from residential apartment to residential apartment in the Project by amendment of Exhibit "C" of the Declaration and the Apartment Deeds affected thereby, and such transfer of parking spaces between apartments shall be effective only upon filing of the same of record setting forth such transfer and executed by the apartment owners affected and Mortgagee, if any.

(b) All common elements of the Project which are rationally related to less than all of said apartments or buildings shall be limited to the use of such apartments or buildings.

EXHIBIT D

The property underlying the project is subject to the following encumbrances:

1. For real property taxes due and owing, reference is made to the Director of Finance, City and County of Honolulu.
2. That certain Declaration for Holding Tank Facilities dated October 4, 2000, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2000-154097.
3. Mortgage in favor of Finance Factors, Ltd., a Hawaii corporation, in an amount not exceeding \$525,000.00.

EXHIBIT E
Estimate of Initial Maintenance Fees

and

Estimate of Maintenance Fee Disbursements

See Exhibit "E-1" attached hereto.

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

I, Wayne N. Kirito, as agent for/and/or employed by Equity Properties, Inc., the condominium managing agent for the 1914 Fern Street condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Wayne N. Kirito
Signature

2-23-01
Date

(*) Mandatory reserves assessment and collection in effect beginning 1994 budget year. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves", the Developer has conducted a reserve study in accordance with '514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

Pursuant to '514A-83.6, HRS, a new association created after January 1, 1993, need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

1914 FERN STREET
 PROPOSED OPERATING BUDGET (REVISED)
 PERIOD JANUARY 1, 2001 THROUGH DECEMBER 31, 2001

ACCOUNT CODE	TITLE	DESCRIPTION	PROPOSED	APPROVED
			MONTHLY BUDGET	MONTHLY BUDGET
RECEIPTS:			100% FUND	50% FUND
402	MAINTENANCE FEES	Monthly Maint. Fee x 4 units	1511	1038
407	Interest Income		0	
408	LATE FEE		0	
	TOTAL		1511	1038
DISBURSEMENTS:				
INSURANCE:				
512	D & O INSURANCE	Inclusive in SMP Policy	0	0
515	SMP/FIRE INSURANCE	\$1300.00/yr. estimated	108	108
518	UMBRELLA/LIABILITY	\$250.00/yr. estimated	21	21
519	HURRICANE PREMIUM	Inclusive in smp	0	0
520	BONDING	\$250.00/yr. estimated	21	21
PROFESS.FEES:				
542	MANAGEMENT FEES	Equity Properties, Inc.	250	250
548	MISC.FEE-CONDO/ELE	Bi-annual renewal until 2001	3	3
OTHER ADMN. EXP.				
596	BANK SVS. CHGS.	Bank mo. svcs. fees	25	25
CONTRACT SERVICE:				
699.2	GROUNDS	Monthly ground maintenance	75	75
699.3	JANITORIAL	Monthly janitorial service	75	75
SUPPLIES:				
740	SUPPLIES - OFFICE	Based on average	25	25
TAXES:				
810	G.E. TAX	4% on interest/income	10	10
UTILITIES:				
910	ELECTRICITY	Average + 5%	75	75
930	WATER	eff. 7/1/2001 increase	69	69
940	SEWAGE	eff. 7/1/2001 increase	90	90
999	OTHER NON-BUDGETED			
	TOTAL EXPENDITURE		847	847
	TRANS. TO RESERVE	Monthly Res. Alloc.	382	191
	TOTAL MAINT./RESER.		1229	1038

1914 FERN STREET
 PROPOSED OPERATING BUDGET
 PERIOD JANUARY 1, 2001 THROUGH DECEMBER 31, 2001

UNIT TYPE	% INTEREST	NEW MONTHLY MAINT. FEES
Two Bedroom	0.25	(50% FUNDING) \$259.50 (75% FUNDING) \$283.50 (100% FUNDING) \$307.25

EXHIBIT E-1

REMARKS: APPROVED MAINTENANCE FEES FOR 4 UNITS

DATED PREPARED: REVISED AS OF SEPTEMBER 28, 2000

1914 FERN STREET
 FOR THE YEAR 2001 100% RESERVE FUNDING
 REPLACEMENT RESERVE SCHEDULE REPORT

A	B	C	D	E	F	G	H	I	J	K	L
CALCULATION FORMULA	CURRENT REPLACEMENT COST	NORMAL LIFE	CURRENT AGE	REMAINING LIFE	100% ANNUAL TRANSFER	100% (B/C)YD FUNDING BALANCE	CURRENT BALANCE	SHORTAGE	100% ANNUAL RECOMMEND	% ALLOCATION	APPROVED RESERVE
PAINTING	15000	7	0	7	2143	0	0	15000	2143	47%	
ROOFING	10000	50	0	50	200	0	0	10000	200	4%	
GUTTERS	3000	35	0	35	86	0	0	3000	86	2%	
HURRICANE DEDUCT.	7000	10	0	10	700	0	0	7000	700	15%	
RAILING RENOVATION	4000	40	0	40	100	0	0	4000	100	2%	
PLUMBING: RENOVATIONS	14000	40	0	40	350	0	0	14000	350	8%	
GENERAL RESERVES	5000	5	0	5	1000	0	0	5000	1000	22%	
TOTALS	58000				4579	0	0	58000	4579	100%	

REPLACEMENT COST \$ 58000
 PRESENT RESERVE BALANCE AS OF 12/00 \$ 0
 ANNUAL CONTRIBUTION \$ 4579
 MONTHLY CONTRIBUTION \$ 382

NOTES:
 The State requires funding towards the indicated reserve balance begin in 1994.
 Although statute requires only 50% funding to the reserves, Equity Properties, Inc., recommends that the reserves be funded at 100%.
 Please note that the above figures are only estimates and Equity Properties, Inc., has made every effort to prepare these figures in good faith. Since these estimates are not supported by any professional group, the Board may at any time and at the Association's expense, secure the services of a professional, independent company to prepare a capital improvement cost analysis.

BOARD APPROVED MONTHLY TRANSFER \$
 APPROVED BY _____
 SIGNATURE _____ 1914 FERN STREET
 DATE _____

1914 FERN STREET
7 YEAR RESERVE ALLOCATION FOR 2001

DESCRIPTION	2000	2001	2002	2003	2004	2005	2006	2007	
PAINTING								15000	2050 @ \$10000
REROOFING									2035 @ 3000
GUTTERS									2010 @ \$7000
HURRICANE DEDUCTIBLE									2040 @ \$4000
RAILING RENOVATIONS									2040 @ \$14000
PLUMBING RENOVATION:									
GENERAL RESERVES						5000			
TOTAL	0	0	0	0	0	5000	0	15000	
TRANSFER TO RESERVE 100%		4584	4584	4584	4584	4584	4584	4584	
RESERVE/CASH ACCT. BAL.	0	4584	9168	13752	18336	17920	22504	12088	
		2292	2292	2292	2292	2292	2292	2292	
RESERVE/CASH ACCT. BAL.	0	2292	4584	6876	9168	5460	8752	-3956	
		3438	3438	3438	3438	3438	3438	3438	
RESERVE/CASH ACCT. BAL.	0	3438	6876	10314	13752	12190	15628	4066	
		3438	3438	3438	3438	3438	3438	3438	
RESERVE/CASH ACCT. BAL.	0	3438	6876	10314	13752	12190	15628	4066	

Explanation of Reserves

The Managing Agent for the Project has conducted a reserve study in accordance with Section 514A-83.6, Hawaii Revised Statutes, as amended, and replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules. See Exhibit "E-1" attached hereto.

The project architect has certified that the Holding Tank Facility has a useful life in excess of ten (10) years. However, it is anticipated that the project will be connected directly to the City's sewer system in approximately five (5) years, at which time the Holding Tank Facility will be abandoned and removed, as set forth in the Declaration for Holding Tank Facility referred to in the Declaration.

EXHIBIT F
Summary of Terms of Sales Contract

Binding Effect. The sales contract will become binding after buyer has received the Final Public Report for the project, buyer has signed a receipt for that report, or buyer has signed a written waiver of his or her rights to rescind the purchase. The sales contract will also become binding if the buyer does not execute a receipt and waiver within thirty days after receipt of the Final Public Report and has not notified the seller of the decision to cancel in a timely fashion as provided by law.

Payments. The sales contract provides for three payments. Payment 1 is the deposit payable upon the execution of the contract. Payment 2, becomes payable within fifteen (15) days after the buyer has been given notice of seller's acceptance of the contract. Payment 3 is payable upon approval of Buyer's financing, or together with Payment 2 if Buyer is not financing the purchase of the apartment. Payment 4 is the balance of the purchase price and is payable at closing.

Closing. If seller accepts the sales contract more than forty-five days before the project architect has certified that the apartment is ready for occupancy, the closing date will be selected by seller. The date selected will be within sixty days after the certificate of occupancy is issued. Buyer will be given written notice of that date of closing. By mutual agreement of the seller and buyer, a different closing date may be chosen, but in no event more than ninety days after seller accepts the contract.

Preclosing. The sales contract allows the seller to "pre-close," sixty days before the estimated date of closing. Pre-closing entails execution of the documents needed to close the sale and making that portion of Payment C that is not being financed through a mortgage lender.

Other Matters.

The risk of loss passes to the buyer upon closing.

The seller makes no warranties, express or implied, with respect to the apartment, common elements, or anything installed in or upon the premises. In particular, the seller makes no warranties of merchantability or fitness for particular purpose. Nevertheless, standard contractors' and manufacturers' warranties will be assigned without recourse to the buyer.

Remedies.

In the event of default by the buyer or seller, the non-defaulting party will have the rights available under general contract principles for breach of contract. The sales contract also expressly states that seller's remedies may include (1) termination of the contract, (2) retention of all payments then to date by the buyer, plus interest, as liquidated damages, and (3) damages as provided by law in lieu of liquidated damages.

THIS IS MERELY A BRIEF SUMMARY OF THE TERMS OF THE SALES CONTRACT. YOU ARE ADVISED TO READ THE SALES CONTRACT FOR FULL DETAILS.

EXHIBIT G
Summary of Terms of Escrow Agreement

Under the terms of the escrow agreement First American Long & Melone, Ltd., 333 Queen Street, Suite 700, Honolulu, Hawaii 96813, will serve as escrow agent for the sales transaction.

As the escrow agreement indicates, the buyer's funds will not be used to finance construction.

The buyer's funds will be held by escrow and no interest will accrue on those funds.

Sections 4 and 6 of the escrow agreement govern the disbursement of funds to the developer. Section 4 provides that unless a refund is due the buyer under Section 8 of the escrow agreement, the buyer's funds will be disbursed to the seller either at closing or upon the seller's certification in writing that the buyer has defaulted under the terms of the sales contract and failed to cure such default after five (5) days of receipt of written notice of default. Section 6 sets forth the conditions that must be satisfied before the seller is entitled to disbursements out of escrow. Those conditions include, but are not limited to, receipt by escrow of a copy of the final public report issued by the Real Estate Commission and of a receipt and notice signed by the buyer more than 48 hours beforehand.

Section 8 sets forth the conditions under which a refund of the buyer's funds must be made. Only one of the conditions in the escrow agreement (condition (a)) can apply because the final public report will issue without any prior preliminary report and because no funds will be solicited until after the final public report has issued. Under condition (a) a refund must be made if the buyer has so requested and the seller authorizes the refund.

THIS IS MERELY A BRIEF SUMMARY OF THE TERMS OF THE ESCROW AGREEMENT. YOU ARE ADVISED TO READ THE ESCROW AGREEMENT FOR FULL DETAILS.

EXHIBIT H

DISCLOSURE ABSTRACT

NAME OF PROJECT: 1914 Fern Street
DEVELOPER: H. K. Development, Corporation, a Hawaii corporation
Address: 94-1024 Waipio Uka Street, Suite 207
Waipahu, Hawaii 96797
Telephone: (808) 676-5777
Project Manager: Angie Kim, President

ANNUAL MAINTENANCE FEES: A breakdown of the annual maintenance fees and the monthly estimated cost for each apartment, is as set forth in Exhibit "A" attached hereto and incorporated herein by reference.

WARRANTIES: Initial purchasers of apartments of the Project shall have a one (1) year warranty against defects in construction.

Warranties of the respective manufacturers of appliances and fixtures originally installed shall be assigned to purchasers by the Developer.

USE: All of the apartments shall be used for residential purposes, only. There shall be no commercial or nonresidential uses.

H. K. Development, Corporation

By Angie Kim
ANGIE KIM
Its President

Subscribed and sworn to before me
this 14th day of February, 2001

Synthia Y. Hernandez
Name: SYNTHIA Y. HERNANDEZ
Notary Public, State of Hawaii

My commission expires: FEB. 8, 2003

1914 FERN STREET
 PROPOSED OPERATING BUDGET (REVISED)
 PERIOD JANUARY 1, 2001 THROUGH DECEMBER 31, 2001

ACCOUNT CODE	TITLE	DESCRIPTION	PROPOSED MONTHLY BUDGET	APPROVED MONTHLY BUDGET
RECEIPTS:				
402	MAINTENANCE FEES	Monthly Maint. Fee x 4 units	1511	1038
407	Interest Income		0	
408	LATE FEE		0	
	TOTAL		1511	1038
DISBURSEMENTS:				
INSURANCE:				
512	D & O INSURANCE	Inclusive in SMP Policy	0	0
515	SMP/FIRE INSURANCE	\$1300.00/yr. estimated	108	108
518	UMBRELLA/LIABILITY	\$250.00/yr. estimated	21	21
519	HURRICANE PREMIUM	inclusive in smp	0	0
520	BONDING	\$250.00/yr. estimated	21	21
PROFESS.FEES:				
542	MANAGEMENT FEES	Equity Properties, Inc.	250	250
548	MISC.FEE-CONDO/ELE	Bi-annual renewal until 2001	3	3
OTHER ADMN. EXP.				
596	BANK SVS. CHGS.	Bank mo. svcs. fees	25	25
CONTRACT SERVICE:				
699.2	GROUNDS	Monthly ground maintenance	75	75
699.3	JANITORIAL	Monthly janitorial service	75	75
SUPPLIES:				
740	SUPPLIES - OFFICE	Based on average	25	25
TAXES:				
810	G.E. TAX	4% on interest/income	10	10
UTILITIES:				
910	ELECTRICITY	Average + 5%	75	75
930	WATER	eff. 7/1/2001 increase	69	69
940	SEWAGE	eff. 7/1/2001 increase	90	90
999	OTHER NON-BUDGETED			
	TOTAL EXPENDITURE		847	847
	TRANS. TO RESERVE	Monthly Res. Alloc.	382	191
	TOTAL MAINT./RESER.		1229	1038

1914 FERN STREET
 PROPOSED OPERATING BUDGET
 PERIOD JANUARY 1, 2001 THROUGH DECEMBER 31, 2001

UNIT TYPE	% INTEREST	NEW MONTHLY MAINT. FEES
Two Bedroom	0.25	(50% FUNDING) \$259.50 (75% FUNDING) \$283.50 (100% FUNDING) \$307.25

EXHIBIT "A"

REMARKS: APPROVED MAINTENANCE FEES FOR 4 UNITS

DATED PREPARED: REVISED AS OF SEPTEMBER 28, 2000

1914 FERN STREET
 FOR THE YEAR 2001 100% RESERVE FUNDING
 REPLACEMENT RESERVE SCHEDULE REPORT

A	B	C	D	E	F	G	H	I	J	K	L
CALCULATION FORMULA	CURRENT REPLACEMENT COST	NORMAL LIFE	CURRENT AGE	REMAINING LIFE	100% ANNUAL TRANSFER	100% (B/C)*D FUNDING BALANCE	CURRENT BALANCE	SHORTAGE	100% RECOMMEND ANNUAL	% ALLOCATION	APPROVED RESERVE
PAINTING	15000	7	0	7	2143	0	0	15000	2143	47%	
ROOFING	10000	50	0	50	200	0	0	10000	200	4%	
GUTTERS	3000	35	0	35	86	0	0	3000	86	2%	
HURRICANE DEDUCT.	7000	10	0	10	700	0	0	7000	700	15%	
RAILING RENOVATION	4000	40	0	40	100	0	0	4000	100	2%	
PLUMBING: RENOVATIONS	14000	40	0	40	350	0	0	14000	350	8%	
GENERAL RESERVES	5000	5	0	5	1000	0	0	5000	1000	22%	
TOTALS	58000				4579	0	0	58000	4579	100%	

NOTES:
 The State requires funding towards the indicated reserve balance begin in 1994.
 Although statute requires only 50% funding to the reserves, Equity Properties, Inc., recommends that the reserves be funded at 100%.

Please note that the above figures are only estimates and Equity Properties, Inc., has made every effort to prepare these figures in good faith. Since these estimates are not supported by any professional group, the Board may at any time and at the Association's expense, secure the services of a professional, independent company to prepare a capital improvement cost analysis.

REPLACEMENT COST \$ 58000
 PRESENT RESERVE BALANCE AS OF 12/00 \$ 0
 ANNUAL CONTRIBUTION \$ 4579
 MONTHLY CONTRIBUTION \$ 382

APPROVED BY _____
 SIGNATURE 1914 FERN STREET
 DATE _____

BOARD APPROVED MONTHLY TRANSFER \$

1914 FERN STREET
 7 YEAR RESERVE ALLOCATION FOR 2001

DESCRIPTION	2000	2001	2002	2003	2004	2005	2006	2007
PAINTING								15000
REEROOFING								
GUTTERS								
HURRICANE DEDUCTIBLE								
RAILING RENOVATIONS								
PLUMBING RENOVATION:								
GENERAL RESERVES						5000		
TOTAL	0	0	0	0	0	5000	0	15000
TRANSFER TO RESERVE 100%		4584	4584	4584	4584	4584	4584	4584
RESERVE/CASH ACCT. BAL.	0	4584	9168	13752	18336	17920	22504	12088
50%		2292	2292	2292	2292	2292	2292	2292
RESERVE/CASH ACCT. BAL.	0	2292	4584	6876	9168	6460	8752	-3956
75%		3438	3438	3438	3438	3438	3438	3438
RESERVE/CASH ACCT. BAL.	0	3438	6876	10314	13752	12190	15628	4066

2050 @ \$10000
 2035 @ 3000
 2010 @ \$7000
 2040 @ \$4000
 2040 @ \$14000