

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer: Emerald Plaza, LLC
Address: 205 Kala'ihl Place, Lahaina, Hawaii 96761

Project Name(*): Emerald Plaza Condominium
Address: Lahaina Business Park, Lahaina, Hawaii 96761

Registration No. 4800

Effective date: February 14, 2002
Expiration date: March 14, 2003

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 governmental 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.
[X] No prior reports have been issued.
[] This report supersedes all prior public reports.
[] This report must be read together with

SUPPLEMENTARY: (pink) This report updates information contained in the:
[] Preliminary Pubic 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

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2644 to submit your request.

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 Pubic Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

SPECIAL ATTENTION

This Public Report does not constitute an approval of the Project by the Real Estate Commission or any other government agency, nor does it ensure that all County codes, ordinances and subdivision have necessarily been complied with.

1. Facilities and improvements normally associated with County-approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owners and emergency traffic, drainage facilities, etc., may not be provided, and services such as County street maintenance and trash collection may not be available for interior roads and driveways.

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

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General Information On Condominiums

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

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

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

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

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

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

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

Operation of the Condominium Project

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

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

Until there is a sufficient number of purchasers 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: Emerald Plaza, LLC Phone: (808) 661-5290
205 Kala'ihl Place (Business)
Lahaina, Hawaii 96761
Name*
Same
Business Address

Name 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):

Members: Gerald E. Vickers, Debra Sue Vickers, Lon L. Briggs, Sandra J. Briggs

Real Estate Broker*: John M. Kean dba Kean Realty Phone: (808) 879-3779
Name (Business)
P.O. Box 1449
Business Address
Kihel, Hawaii 96753

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 244-7924
Name (Business)
2103 Wells Street Suite C
Wailuku, Hawaii 96793
Business Address

General Contractor*: Kirk W. Hunt dba Kirk Hunt Construction Phone: (808) 661-8395
Name (Business)
1328 Kahoma Street
Business Address
Lahaina, Hawaii 96761

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

Attorney for Developer: Thomas D. Welch, Jr. Phone: (808) 871-8351
Mancini, Rowland & Welch (Business)
Name
33 Lono Avenue, Suite 470
Business Address
Kahului, Hawaii 96732

* For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

**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 interest, and other information relating to the condominium project.

The Declaration for this condominium is:

Proposed
 Recorded - Bureau of Conveyances: Document No. 2001-194486
Book _____ Page _____
 Filed - Land Court Document No. _____

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

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

The Condominium Map for this condominium project is:

Proposed
 Recorded - Bureau of Conveyances Condo Map No. 3379
 Filed - Land Court Condo Map No. _____

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

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

The Bylaws for this condominium are:

Proposed
 Recorded - Bureau of Conveyances: Document No. 2001-194487
Book _____ Page _____
 Filed - Land Court: Document No. _____

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

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

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents**

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

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

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75% *	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	___	<u>Majority of Board of Directors</u>

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

2. **Developer:**

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

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

Developer has reserved the right to amend the Declaration and Condominium Map in any manner prior to the recording of the first apartment sale. After said recording, the Declarant may amend the Declaration and Condominium Map to satisfy the requirements of law, lenders, insurers or others provided that the design, size, location or common interest of any apartment shall not be changed without the consent of the owner 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 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 buildings(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

[X] Other: Note: The County has not approved the subdivision of the units and their limited common elements into individual subdivided lots. They are being sold as condominiums only.

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 the 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: Lahaina Business Park Tax Map Key (TMK): (2) 4-5-10:7
Lahaina, Hawaii 96761

[] Address [] TMK is expected to change because N/A

Land Area: 77,643 [X] square feet [] acre(s) Zoning: M-1

* Under M-1 zoning, light industrial uses are permitted on this property as set forth in Maui County Code Section 19.24.020.

Fee Owner: Emerald Plaza, LLC
 Name
205 Kala'ihl Place
Lahaina, Hawaii 96761
 Address

Lessor: N/A
 Name

 Address

C. **Buildings and Other Improvements:**

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

2. Number of Buildings: 4 Floors Per Building One
 Exhibit A contains further explanations.

3. Principal Construction Material:
 Concrete Hollow Tile Wood
 Other metal, masonry, glass and related materials

4. Uses Permitted by Zoning:

	No. of Apts.	<u>Use Permitted By Zoning</u>	
<input type="checkbox"/> Residential	<u>0</u>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input checked="" type="checkbox"/> Commercial	<u>28</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	<u>0</u>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Hotel	<u>0</u>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Timeshare	<u>0</u>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Ohana	<u>0</u>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input checked="" type="checkbox"/> Industrial*	<u>0</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Agricultural	<u>0</u>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Recreational	<u>0</u>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Other:	<u>0</u>	<input type="checkbox"/> Yes	<input type="checkbox"/> No

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

*Industrial uses are limited to certain light industrial use. Refer to Maui County Code Chapter 19.24.

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: _____

[X] Other: The Declaration contains restrictions on use, storage and production of hazardous materials, industrial liquids and emissions; and requirements for design approval for all signs and alterations to the building.

[] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: * Trash Chutes: 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf) *</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
<u>A-1 & A-2</u>	<u> 2 </u>	<u> _____ </u>	<u> 1128 </u>	<u> _____ </u>	<u> open bay </u>
<u>A-7</u>	<u> 1 </u>	<u> _____ </u>	<u> 1647 </u>	<u> _____ </u>	<u> open bay </u>
<u>A-3 to A-6</u>	<u> 4 </u>	<u> _____ </u>	<u> 1135 </u>	<u> _____ </u>	<u> open bay </u>
<u>B-1 & B-7</u>	<u> 2 </u>	<u> _____ </u>	<u> 1127 </u>	<u> _____ </u>	<u> open bay </u>
<u>B-2 to B-6</u>	<u> 5 </u>	<u> _____ </u>	<u> 1143 </u>	<u> _____ </u>	<u> open bay </u>
<u>C-1 & C-7</u>	<u> 2 </u>	<u> _____ </u>	<u> 1127 </u>	<u> _____ </u>	<u> open bay </u>
<u>C-2 to C-6</u>	<u> 5 </u>	<u> _____ </u>	<u> 1143 </u>	<u> _____ </u>	<u> open bay </u>
<u>D-1 & D-7</u>	<u> 2 </u>	<u> _____ </u>	<u> 1119 </u>	<u> _____ </u>	<u> open bay </u>
<u>D-2 to D-6</u>	<u> 5 </u>	<u> _____ </u>	<u> 1135 </u>	<u> _____ </u>	<u> open bay </u>

Total Number of Apartments: 28 (See Exhibit A)

*Net Living Area is the floor area at 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 undecorated surfaces of perimeter, perimeter walls, the interior half of all party walls, lower limit of concrete floor slab, lower unfinished surfaces of roof: Interior structural elements of each building located within each apartment are common elements.

Permitted Alterations to Apartments: Apartments are sold as open bays. Owners may make interior alterations, provided that building structure shall not be affected.

Apartments Designated for Owner-Occupants Only: N/A

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 NOT elected to provide the information in a published announcement or advertisement.

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>all</u>	_____	_____
Structures	<u>all</u>	_____	_____
Lot	<u>yes</u>	_____	_____

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

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

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

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

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

described in Exhibit A.

as follows:

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

There are no limited common elements in this project.

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

described in Exhibit A*.

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: Each apartment will have a 1/28 common interest and will pay 1/28 of all common expenses (and an equal vote on all condominium matters).

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

Exhibit B describes the encumbrances against the title contained in the title report dated

December 18, 2001 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

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

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

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

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

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

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

1. Building and Other Improvements:

There are no warranties.

2. Appliances:

There are no warranties.

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

All apartments have been completed.

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 the 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 C contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

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

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

None Electricity (Common Elements only _____ Common Elements and Apartments)
 Gas (____ Common Elements only _____ Common Elements & Apartments)
 Water Sewer Television Cable
 Other Refuse collection

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 D contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated December 24, 2001

Exhibit E contains a summary of the pertinent provisions of the escrow agreement.

[] Other _____

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by 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 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 (i) Declaration of Protective Covenants, Conditions and Restrictions for the Lahaina Business Park recorded in the State of Hawaii Bureau of Conveyances on December 17, 1999 as Document No. 99-198569; (ii) Notice of Imposition of Conditions by the Land Use Commission recorded in the State of Hawaii Bureau of Conveyances on September 7, 1995 as Document No. 95-115382; (iii) Quitclaim Deed dated November 15, 1993, recorded in the State of Hawaii Bureau of Conveyances as Document No. 93-188009..

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

This Public Report is a part of Registration No. 4800 filed with the Real Estate Commission on January 15, 2002.

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

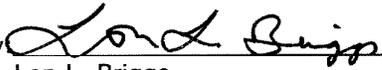
1. Water. The condominium is served by four separate water meters, one for each building. Cost of water service to each apartment shall be assessed to each apartment by the Emerald Plaza Association based upon actual use as measured by submeters, or upon some other allocation method which shall be reasonably determined by the Board of Directors to be fair and equitable.
2. Sewer. The condominium shall be served by the County's public sewer system. Sewer fees shall be assessed with the water use charges discussed above.
3. Lahaina Business Park. Emerald Plaza is a member of the Lahaina Business Park Association, which is the association formed for the Lahaina Business Park as a whole for the purpose of holding, maintaining, operating and managing all of the common areas and facilities of the land. These consist of roadways, drainage areas and other common facilities. The subdivision has been registered with the State of Hawaii Department of Commerce and Consumer Affairs under Hawaii Revised Statutes Chapter 484, and a Public Offering Statement for the subdivision has been issued. IT IS RECOMMENDED THAT THE BUYER OF EACH CONDOMINIUM UNIT OBTAIN A COPY OF THE MOST RECENT PUBLIC OFFERING STATEMENT FOR THE SUBDIVISION. THE STATEMENT CONTAINS MANY IMPORTANT DESCRIPTIONS ABOUT THE SUBDIVISION AS A WHOLE, AS WELL AS THE OPERATIONS AND MANAGEMENT OF THE HOMEOWNERS ASSOCIATION, ITS BUDGETS AND RESERVES.

Each condominium owner will be a co-member of said Association along with all the other owners of condominiums in Emerald Plaza. Each owner will pay its share of Association assessments as administered by the Association of this condominium acting on behalf of all apartment owners, all as provided in Section 5A of the Declaration and as provided in the Declaration of Protective Covenants, Conditions and Restrictions for Lahaina Business Park, dated December 13, 1999, recorded in the State of Hawaii Bureau of Conveyances as Document No. 99-198569, as amended.

- 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.

Lon L. Briggs, Member of Emerald Plaza, LLC
Printed Name of Developers

EMERALD PLAZA, LLC

By 
Lon L. Briggs
Its: Member

Date: December 31, 2001

Distribution:

Department of Finance, County of Maui
Planning Department, County of Maui

***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"
EMERALD PLAZA CONDOMINIUM

DESCRIPTION OF BUILDINGS:

The project contains four separate buildings, each with no basement. Each building is constructed primarily of concrete, masonry, metal, wood, glass and related materials.

DESCRIPTION OF APARTMENTS:

The project contains twenty-eight (28) commercial/industrial apartments. Each ground floor apartment has immediate access to the driveway and parking areas of the project which in turn provides a driveway area providing egress and ingress to easements over Keawe Street Extension, Kupohi Street and Ulupono Street which in turn provide access to the public highway.

The floor areas of the Apartments are as follows:

Apartment A-7:	1647 square feet
Apartments A-1 & A-2:	1128 square feet
Apartments A-3 to A-6:	1135 square feet
Apartments D-2 to D-6:	1135 square feet
Apartments B-1 & B-7:	1127 square feet
Apartments C-1 & C-7:	1127 square feet
Apartments D-1 & D-7:	1119 square feet
Apartments B-2 to B-6:	1143 square feet
Apartments C-2 to C-6:	1143 square feet

Each apartment has a single open room or bay, and no interior partitions, drop ceilings or mezzanines. All interior improvements shall be the responsibility of each Apartment Owner.

LOCATION AND NUMBERING OF APARTMENTS AND BUILDINGS:

The apartments are located in four buildings, designated Building A, Building B, Building C and Building D, lettered consecutively from west to east. Building A contains apartments numbered A-1 through A-7, consecutively from north to south. Buildings B and C are attached by a common wall. Building B contains apartments numbered B-1 through B-7, consecutively from north to south. Building C contains apartments numbered C-1 through C-7, consecutively from north to south. Building D, the easternmost building, contains apartments numbered D-1 through D-7, consecutively, from north to south.

Buildings A, B, C and D are located on Lots numbered 12, 13, 14 and 15 respectively, as described on the condominium map. The lots comprising the condominium land abut each other consecutively from west to east. The Declarant may at its option consolidate some or all of said lots and may in its discretion amend the Declaration unilaterally to substitute the new, consolidated description for the four descriptions of the subdivided lots.

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS:

The common elements and limited common elements of the condominium are defined in the body of the Declaration. The common elements include all land, underground drainage structures, above-ground structures and elements of the condominium which are not included within the definition of any Apartment (subject to the special uses of and other provisions relating to the limited common elements as defined in the body of the declaration), and within each building include all party and perimeter walls, all structural elements and all utilities serving more than one apartment.

Certain parts of the common elements, referred to as the "limited common elements", are hereby designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant, exclusive easements for the use of such limited common elements. The limited common elements are shown on the Condominium File Plan and are described as follows:

(a) Buildings. All structural portions, exterior walls, roof and common utilities within or comprising the building containing Apartments A-1 through A-7 ("Building A") are a limited common element appurtenant only to said Apartments A-1 through A-7. All structural portions, exterior walls, roof and common utilities within or comprising the building containing Apartments B-1 through B-7 ("Building B") are a limited common element appurtenant to said Apartments B-1 through B-7. All structural portions, exterior walls, roof and common utilities within or comprising the building containing Apartments C-1 through C-7 ("Building C") are a limited common element appurtenant only to said Apartments C-1 through C-7. All structural portions, exterior walls, roof and common utilities within or comprising the building containing Apartments D-1 through D-7 ("Building D") are a limited common element appurtenant to said Apartments D-1 through D-7.

Apartments A-1 through A-7 as a group will have full control of and management responsibility for the limited common elements of Building A, and all common expenses properly and reasonably attributable to said limited common element shall be allocated to and paid by said Apartments A-1 through A-7, each apartment paying 1/7 of said common expenses.

Apartments B-1 through B-7 as a group will have full control of and management responsibility for the limited common elements of Building B, and all common expenses properly and reasonably attributable to said limited common element shall be allocated to and paid by said Apartments B-1 through B-7, each apartment paying 1/7 of said common expenses.

Apartments C-1 through C-7 as a group will have full control of and management responsibility for the limited common elements of Building C, and all common expenses properly and reasonably attributable to said limited common element shall be allocated to and paid by said Apartments C-1 through C-7, each apartment paying 1/7 of said common expenses.

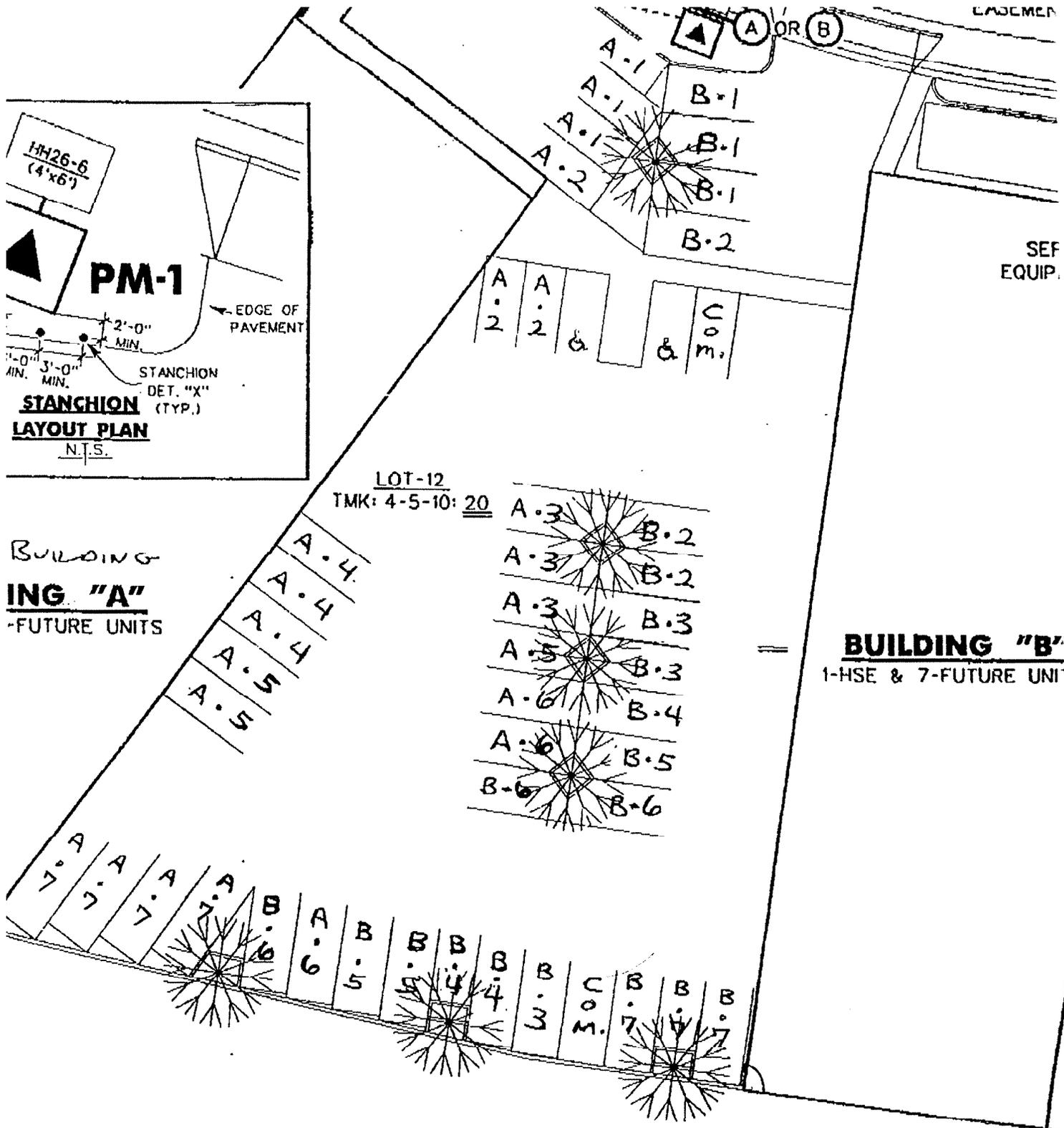
Apartments D-1 through D-7 as a group will have full control of and management responsibility for the limited common elements of Building D, and all common expenses properly and reasonably attributable to said limited common element shall be allocated to and paid by said Apartments D-1 through D-7, each apartment paying 1/7 of said common expenses.

The Association, through the Board of Directors, shall act as the agent of the owners of all of the apartments in each building to manage and supervise the day-to-day maintenance, repair and operation of said building for the benefit of the apartments therein. All costs relating to each building shall be allocated to and paid by only those apartments within said building. If the owners of a majority of apartments in any building shall desire to exercise their right of management and control with respect to the building in which they are located as provided above, they may do so. Similarly, said owners, acting through a majority, shall have the right to direct the management, repair and operational decisions of the Association acting as their agent concerning their building.

(b) Water Meters. Each building has a single water meter which (together with the water distribution lines providing service to each apartment) shall be a limited common element appurtenant to those apartments located in said building. All charges for water use and sewer fees which are charged to each building shall be allocated among and paid by the apartments in said building based on a fair and equitable method of allocation reasonably determined by the Board of Directors of the Association from time to time, including but not limited to submeters to measure water use by individual apartments.

PARKING:

Three parking spaces per apartment are specifically assigned, as set forth on the map attached to this Exhibit as Schedule 1. The general driveway and parking areas are common areas and are subject to the reasonable regulation of the Association, through the Board of Directors. Any designated parking space appurtenant to an apartment may be exchanged with that of another by mutual written agreement between the respective apartment owners filed with the official records of the Association; provided that each apartment shall always have not less than three parking spaces allocated and appurtenant to it.



BUILDING
ING "A"
 -FUTURE UNITS

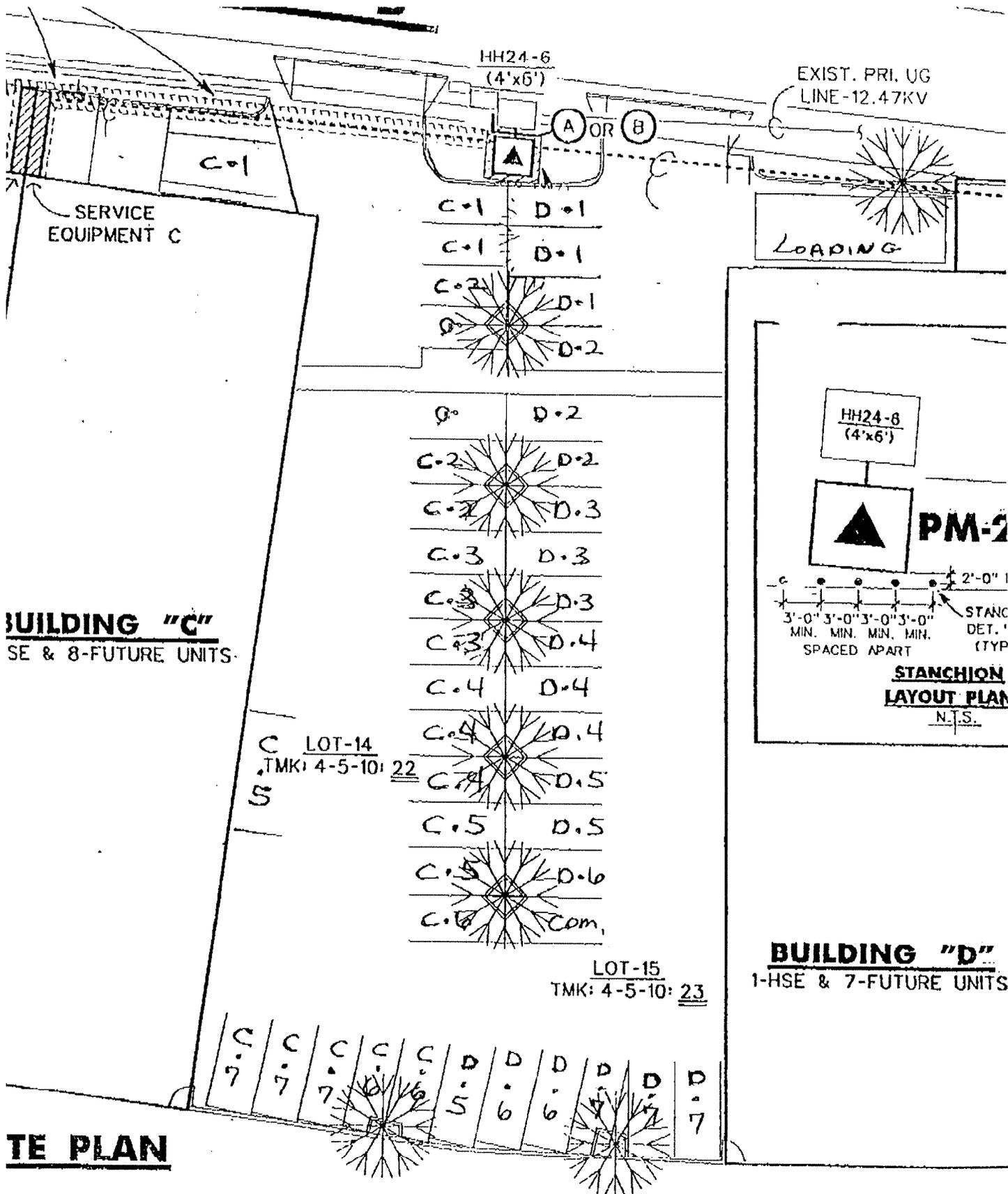
BUILDING "B"
 1-HSE & 7-FUTURE UNI

LOT-12
 TMK: 4-5-10: 20

ELECTRICAL

PARKING STALL A/B
 DESIGNATION

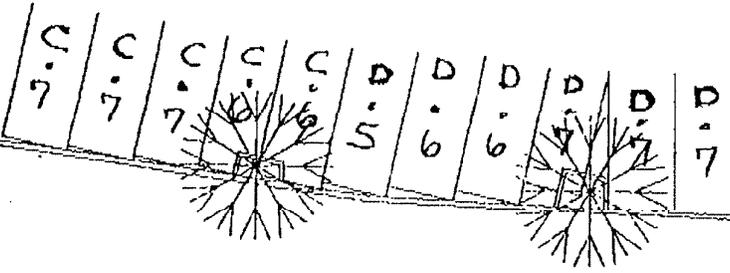
SCHEDULE 1



BUILDING "C"
SE & 8-FUTURE UNITS.

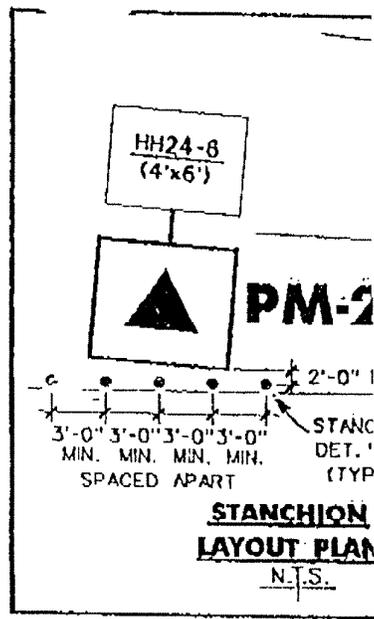
C LOT-14
TMK: 4-5-10: 22

LOT-15
TMK: 4-5-10: 23



TE PLAN

**PARKING STALL - C/D
DESIGNATION**



BUILDING "D"
1-HSE & 7-FUTURE UNITS

EXHIBIT B

ENCUMBRANCES AGAINST TITLE

1. Real Property Taxes which may be due and owing. Reference is made to the Tax Assessor's Office, County of Maui.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Lease in favor of Maui Electric Company, Limited and Hawaiian Telephone Company, dated October 13, 1967, recorded in Liber 5893 on Page 226; leasing and demising rights-of-way, each twenty-five (25) feet in width, over, across and under all lands owned and held by Pioneer Mill Company, Limited, situate in the District of Lahaina on the Island of Maui in the State of Hawaii, for a term of 35 years from the date hereof, and thereafter from year to year until terminated.
4. The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in the following:

INSTRUMENT : QUITCLAIM DEED
DATED : November 15, 1993
RECORDED : Document No. 93-188009

Above Deed was confirmed by FINAL JUDGMENT QUIETING TITLE AND DECREE dated ---, filed in the Circuit Court of the Second Circuit, State of Hawaii, Civil No. 95-0473(1), on September 24, 1996, recorded as Document No. 96-140978 on October 1, 1996.

5. NOTICE OF IMPOSITION OF CONDITIONS BY THE LAND USE COMMISSION dated September 6, 1995, recorded as Document No. 95-115382, re: for reclassification of 37.742 acres from State Land Use Agricultural District to State Land Use Urban District. These conditions relate to the development of the Lahaina Business Park as a whole and, in general, have been satisfied by the Park developer. Certain specific conditions relating to environmental matters affecting individual properties within the Park have been incorporated into the Declaration of Condominium Property Regime and the House Rules of this condominium.
6. The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in the following:

INSTRUMENT : CONDITIONS APPLICABLE TO AN AMENDMENT OF DISTRICT BOUNDARY FROM AGRICULTURAL TO URBAN
DATED : December 21, 1995
RECORDED : Document No. 95-169817
PARTIES : WEST MAUI VENTURE GROUP, a Hawaii limited partnership

Said instrument was amended by instrument dated January 15, 1996, recorded as Document No. 96-006257. These conditions relate to the development of the Lahaina Business Park as a whole and, in general, have been satisfied by the Park developer. Certain specific conditions relating to environmental matters affecting individual properties within the Park have been incorporated into the Declaration of Condominium Property Regime and the House Rules of this condominium.

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

INSTRUMENT : UNILATERAL AGREEMENT AND DECLARATION OF
CONDITIONAL ZONING

DATED : April 19, 1996

RECORDED : Document No. 96-062320

PARTIES : WEST MAUI VENTURE GROUP, a Hawaii limited
partnership, and the COUNTY OF MAUI

These conditions relate to the development of the Lahaina Business Park as a whole and, in general, have been satisfied by the Park developer. Certain specific conditions relating to environmental matters affecting individual properties within the Park have been incorporated into the Declaration of Condominium Property Regime and the House Rules of this condominium.

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

INSTRUMENT : FINAL JUDGMENT QUIETING TITLE AND DECREE

DATED : - - - - -

RECORDED : Document No. 96-140978

The foregoing includes, but is not limited to the matters relating to the following:

- (A) All mineral and metallic mines are reserved in favor of the State of Hawaii.
- (B) The rights of native tenants are reserved.
- (C) All historic and archaeological sites are reserved in favor of the State of Hawaii.
- (D) All water having its source upon or flowing over, under or through the real property is reserved in favor of the State of Hawaii.
- (E) The right to a continuous or uninterrupted flow of waters through, over, under and across the real property is reserved in favor of the State of Hawaii.

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

INSTRUMENT : HOLD-HARMLESS AGREEMENT
DATED : November 17, 1999
RECORDED : Document No. 99-191882
PARTIES : COUNTY OF MAUI and WEST MAUI VENTURE GROUP,
a Hawaii limited partnership

These conditions relate to the development of the Lahaina Business Park as a whole and, in general, have been satisfied by the Park developer. Certain specific conditions relating to environmental matters affecting individual properties within the Park have been incorporated into the Declaration of Condominium Property Regime and the House Rules of this condominium.

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

INSTRUMENT : DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS FOR THE LAHAINA
BUSINESS PARK
DATED : December 13, 1999
RECORDED : Document No. 99-198569

11. -AS TO PARCEL FIRST (LOT 12) :-

(A) DESIGNATION OF EASEMENT "E-7"

PURPOSE : electrical
SHOWN : on File Plan No. 2266

(B) GRANT

TO : MAUI ELECTRIC COMPANY, LIMITED and GTE HAWAIIAN
TELEPHONE COMPANY INCORPORATED
DATED : January 7, 2000
RECORDED : Document No. 2000-053546
GRANTING : a perpetual, non-exclusive right and easement over said
Easement "E-7"

12. -AS TO PARCEL SECOND (LOT 14): -

(A) DESIGNATION OF EASEMENT "E-8"

PURPOSE : electrical
SHOWN : on File Plan No. 2266

(B) GRANT

TO : MAUI ELECTRIC COMPANY, LIMITED and GTE HAWAIIAN
TELEPHONE COMPANY INCORPORATED

DATED : January 7, 2000
RECORDED : Document No. 2000-053546
GRANTING : a perpetual, non-exclusive right and easement over said
Easement "E-8"

13. 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 "EMERALD PLAZA CONDOMINIUM" CONDOMINIUM
PROJECT

DATED : November 8, 2001
RECORDED : Document No. 2001-194486
MAP : 3379 and any amendments thereto

14. 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

DATED : November 8, 2001
RECORDED : Document No. 2001-194487

EXHIBIT C

**ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

Estimate of Initial Maintenance Fees:

Apartment

Monthly Fee x 12 months = Yearly Total

Each apartment

\$186.61 per month x 12 = \$2239.29 per year

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

- common elements only
- common elements and apartments

\$280.00 \$3360.00

Elevator

Gas

- common elements only
- common elements and apartments

Refuse Collection

\$400.00 \$4800.00

Telephone

Water

for water service

\$1500.00 \$18000.00

Maintenance, Repairs and Supplies

Building

\$250.00 \$3000.00

Grounds

\$250.00 \$3000.00

Water lines

\$150.00 \$1800.00

Common Elements

Management

Management Fee

\$420.00 \$5040.00

Payroll and Payroll Taxes

Office Expenses

Insurance (liability for common elements)

\$1100.00 \$13200.00

Reserves(*)

\$350.00 \$4200.00

Taxes and Government Assessments

Audit Fees

\$25.00 \$300.00

Other: **Lahaina Business Park Association Dues**

\$500.00 \$6000.00

TOTAL \$5525.00 per month x 12 = \$62,700 per year

We, the undersigned condominium developers for the Emerald Plaza 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.

EMERALD PLAZA, LLC

By Lon L. Briggs
Lon L. Briggs
Its: Member

December 31, 2001
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.

(**) This reserve amount is not based on a reserve study required by Hawaii law. The reserve study will be performed by the Association of Apartment Owners.

**ATTACHMENT 1 TO ESTIMATE OF
MAINTENANCE FEE DISBURSEMENTS**

The Developer, in arriving at the figure for "Reserves" in the attached estimate, has not conducted a reserve study in accordance with HRS §514A-83.6 and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

EXHIBIT D

SUMMARY OF DEPOSIT RECEIPT AND SALES CONTRACT

The Deposit Receipt and Sales Contract contains the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Project. Among other things, the Deposit Receipt and Sales Contract states:

(a) The total purchase price, method of payment and additional sums which must be paid in connection with the purchase of an apartment.

(b) That the purchaser acknowledges having received and read a public report (either preliminary or final) for the Project prior to signing the Deposit Receipt and Sales Contract.

(c) That the Developer makes no representations concerning rental of an apartment, income or profit from an apartment, or any other economic benefit to be derived from the purchase of an apartment.

(d) That the purchaser's money will be held in escrow, under the terms of the Escrow Agreement.

(e) Requirements relating to the purchaser's financing of the purchase of an apartment.

(f) That the apartment and the Project will be subject to various other legal documents which the purchaser should examine, and that the Developer may change these documents under certain circumstances.

(g) That the Developer makes no warranties regarding the apartment, the Project or anything installed or contained in the apartment or the Project.

(h) That the Project may be subject to ongoing sales activities which may result in certain annoyances to the purchaser.

(i) That the purchaser must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

The Deposit Receipt and Sales Contract contains various other important provisions relating to the purchase of an apartment in the Project. It is incumbent upon purchasers and prospective purchasers to read with care the specimen Deposit Receipt and Sales Contract on file with the Real Estate Commission.

EXHIBIT E

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement sets up an arrangement under which the deposits a purchaser makes pursuant to a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement, these things will or may happen:

- (a) Escrow will let the purchaser know when payments are due.
- (b) Escrow will arrange for the purchaser to sign all necessary documents.
- (c) The purchaser will be entitled to a refund of his or her funds only under certain circumstances as set forth in the Sales Contract.

The Escrow Agreement also establishes the procedures for the retention and disbursement of a purchaser's funds and says what will happen to the funds upon a default under the Sales Contract. The Escrow Agreement contains various other important provisions and establishes certain charges with which a purchaser should be familiar. It is incumbent upon purchasers and prospective purchasers to read with care the executed Escrow Agreement on file with the Real Estate Commission.