

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer KPP, LLC
Address 1287 Kalani Street, #104, Honolulu, Hawaii 96817-4960

Project Name (\*): KAOFA PARK PLACE
Address: Kahako Street, Kailua, Hawaii 96734

Registration No. 4885
Effective date: January 3, 2003
Expiration date: February 3, 2004

Preparation of this Report:

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

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

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

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

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

Type of Report:

- PRELIMINARY: (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report.
FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
[X] SUPPLEMENTARY: (pink) This report updates information contained in the:
[X] Final Public Report dated: June 21, 2002

(\* ) 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.
FORM: RECO-30286/9561189/1190/89210197/1098/Q800

**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:

An Addendum to Reservation Agreement and Sales Contract will be attached to the Sales Contract for the following twelve (12) apartments: 16-B, 17-A, 17-B, 18-A, 18-B, 19-A, 19-B, 20-A, 20-B, 21-A, 21-B, and 22-B.

**Exhibit G** (Summary of Addendum to Reservation Agreement and Sales Contract) to this Supplementary Public Report summarizes this Addendum and the modifications that it makes to the Sales Contract for these twelve units. The Addendum will not be attached to the Sales Contract for any other units.

## 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 \_\_\_\_\_ contains a summary of the pertinent provisions of the sales contract.
  - Escrow Agreement dated  
Exhibit \_\_\_\_\_ contains a summary of the pertinent provisions of the escrow agreement.
  - Other Exhibit "G" contains a summary of the pertinent provisions of the Addendum to Reservation Agreement and Sales Contract.
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### 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 16-1 07, 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 16-1 07, 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. 4885 filed with the Real Estate Commission on June 24, 2002.

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- YELLOW paper stock                       WHITE paper stock                       PINK paper stock

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.

KPP, LLC  
Printed Name of Developer

By:  Duly Authorized Signatory\*      December 24, 2002 Date

G. Russell Lambing, Vice President  
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, \_\_\_\_\_ City and County of Honolulu \_\_\_\_\_

Planning Department, \_\_\_\_\_ 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 "G"**

**SUMMARY OF ADDENDUM  
TO RESERVATION AGREEMENT AND SALES CONTRACT  
FEE SIMPLE CONDOMINIUM APARTMENT  
"KAOPA PARK PLACE"**

An Addendum to Reservation Agreement and Sales Contract (the "Addendum") will be attached to the Sales Contract for the following Apartments: 16-B, 17-A, 17-B, 18-A, 18-B, 19-A, 19-B, 20-A, 20-B, 21-A, 21-B, and 22-B. A copy of this Addendum has been filed with the Commission. The Addendum modifies the Sales Contracts for these Apartments to provide as follows:

1. Prior to the Closing, Seller shall convey the Apartment to RLambing, LLC, subject to the terms and conditions contained in the Reservation Agreement and Sales Contract ("Sales Contract"). RLambing, LLC shall then convey the Apartment to Purchaser by an Apartment Deed as part of an exchange which is tax deferred under Section 1031 of the Internal Revenue Code. Purchaser shall cooperate in such exchange provided such exchange is at no expense to Purchaser.
2. Seller acknowledges and agrees that, notwithstanding the fact that title to the Apartment is conveyed to Purchaser via an intermediary, all representations, warranties, covenants and conditions contained in the Apartment Deed from RLambing, LLC to Purchaser to be observed and/or performed on the part of Grantor shall be binding upon Seller, its successors and assigns, and shall be deemed to have the same force and effect as if made by Seller in favor of Purchaser at Closing.
3. This arrangement shall not release Seller from any of Seller's obligations to Purchaser contained in the Sales Contract and the Addendum. Seller and Purchaser further agree that all covenants and agreements contained in the Addendum shall survive the Closing.
4. Seller shall indemnify, defend and hold harmless Purchaser from and against any and all obligations, liabilities, claims, losses, damages, liens or encumbrances related to any actions, suits or judgements incident thereto, arising out of, with respect to, or based on the arrangement set forth in the Addendum.
5. In all other respects not inconsistent herewith, Seller and Purchaser confirm and ratify the Sales Contract.

The foregoing is a summary of some of the key terms of the Addendum. It is incumbent upon a prospective Purchaser to read the full text of the Addendum with care.