

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer 739 Kinalau LLC
Address 745 Fort Street, Suite 202, Honolulu, Hawaii 96813

ProjectName(\*): 739 KINALAU
Address: 739 Kinalau Place, Honolulu, Hawaii 96813

Registration No. 5163 Effective date: December 16, 2003
Expiration date: January 16, 2005

Preparation of this Report:

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

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

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

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

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

Type of Report:

- PRELIMINARY: (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.
FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
[ ] No prior reports have been issued.
[ ] This report supersedes all prior public reports.
[ ] This report must be read together with
SUPPLEMENTARY: (pink) This report updates information contained in the:
[ ] Preliminary Public Report dated:
[ x ] Final Public Report dated: August 7, 2003
[ ] Supplementary Public Report dated:
And
[ ] Supersedes all prior public reports.
[ x ] Must be read together with Final Public Report dated August 7, 2003
[ ] 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. FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203

**Disclosure Abstract:** Separate Disclosure Abstract on this condominium project:

Required and attached to this report as Exhibit “\_\_\_”  Not Required - Disclosures covered in Final Public 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:

1. A Second Amendment to Declaration of Condominium Property Regime and Condominium Map of 739 Kinalau was recorded in the Bureau of Conveyances of the State of Hawaii on October 16, 2003 as Document No. 2003-226676 (“Second Amendment”). The Second Amendment amended the condominium map by increasing the living area of Unit 1 from 2,368 square feet to 2,652 square feet and amended paragraph 3.3.1 of the Declaration by increasing the living area of Unit 1 from 2,368 square feet to 2,652 square feet.

2. Attached hereto as Exhibit “1” is a new page 6 that replaces page 6 of the Final Public Report. This new page 6 adds the Second Amendment to paragraphs B and C on page 6.

3. Attached hereto as Exhibit “2” is a new page 11 that replaces page 11 of the Final Public Report. This new page 11 revises the living area of Unit 1 to 2,652 square feet.

4. Attached hereto as Exhibit “3” is a new page 14 that replaces page 14 of the Final Public Report. This new page 14 revises the date of the Preliminary to November 4, 2003.

5. Attached hereto as Exhibit “E” is a new Exhibit “E” that replaces Exhibit “E” of the Final Public Report. This new Exhibit “E” adds the Second Amendment as an encumbrance.

**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. 2003-090017  
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]:

First Amendment to Declaration of Condominium Property Regime and Condominium Map of 739 Kinalau dated July 15, 2003 and recorded in the Bureau of Conveyance as Document No. 2003-148186. . Second Amendment to Declaration of Condominium Property Regime and Condominium Map of 739 Kinalau dated October 14, 2003 and recorded in the Bureau of Conveyance as Document No. 2003-226676.

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. 3574  
 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]:

First Amendment to Declaration of Condominium Property Regime and Condominium Map of 739 Kinalau dated July 15, 2003 and recorded in the Bureau of Conveyance as Document No. 2003-148186. Second Amendment to Declaration of Condominium Property Regime and Condominium Map of 739 Kinalau dated October 14, 2003 and recorded in the Bureau of Conveyance as Document No. 2003-226676.

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. 2003-090018  
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]:

First Amendment to Bylaws of the Association of Apartment Owners of 739 Kinalau dated July 15, 2003 and recorded in the Bureau of Conveyance as Document No. 2003-148187.

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:

Dogs, cats and customary household pets permitted in reasonable number; provided no

Pets: commercial breeding or use. No livestock, poultry or other animals.

Number of Occupants: \_\_\_\_\_

Other: Please ask to see 739 Kinalau Rules & Regulations ("House Rules") adopted July 1, 2003. They contain certain prohibitions.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: -0- Stairways: 1 each Units 1,2 & 3 Trash Chutes: -0-

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
Unit 1	1	6/4	2,652	356	Garage
Unit 2	1	3/2 1/2	1,317	331	Garage
Unit 3	1	5/3	2,448	424	Garage

Total Number of Apartments: 3

\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls, excluding the Garage, Lanai and Balcony.

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:

The outside surfaces of the exterior walls and roof and the bottom surfaces of the footings and foundations of each Dwelling.

Permitted Alterations to Apartments:

See attached Exhibit "B"

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.

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   D  .

as follows:

Note: Reference in said Exhibit D to "Exclusive Use Area" does not mean 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:

Unit 1 -33.33%  
Unit 2 -33.33%  
Unit 3 -33.34%

- 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   E   describes the encumbrances against the title contained in the preliminary title report dated November 4, 2003 and issued by Island Title Corporation.

**Exhibit "3"**

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.
- 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) Conditional Use Permit (Minor), 2003/CUP-14 dated April 24, 2003.
- I) Agreement for Issuance of Conditional Use Permit Under Section 21-5.380 of the Land Use Ordinance dated April 30, 2003.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. 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, 3<sup>rd</sup> 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. 5163 filed with the Real Estate Commission on July 25, 2003.

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

YELLOW paper stock

WHITE paper stock

PINK paper stock



EXHIBIT "E"

ENCUMBRANCES AGAINST TITLE

1. Title to all minerals and metallic mines reserved to the State of Hawaii.
2. Condominium Map No. 3574, recorded in the Bureau of Conveyances of the State of Hawaii.
3. Covenants, conditions, restrictions, reservations, agreements, obligations, easements and other provisions set forth in the Declaration of Condominium Property Regime of 739 Kinalau dated May 9, 2003, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2003-090017 (Project covered by Condominium Map No. 3574), as amended by that First Amendment to Declaration of Condominium Property Regime and Condominium Map of 739 Kinalau dated July 15, 2003 and recorded with said Bureau as Document No. 2003-148186, as further amended by that Second Amendment to Declaration of Condominium Property Regime and Condominium Map of 739 Kinalau dated October 14, 2003 and recorded with said Bureau as Document No. 2003-226676.
4. Terms and provisions contained in the By-Laws of the Association of Apartment Owners of 739 Kinalau dated May 9, 2003, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2003-090018, as amended by that First Amendment to By-Laws of the Association of Apartment Owners of 739 Kinalau dated July 15, 2003, recorded in said Bureau as Document No. 2003-148187.
5. Mortgage to secure an indebtedness of \$660,000.00

Mortgagor : 739 Kinalau LLC, a Hawaii limited liability company  
Mortgagee : Bank of Hawaii, a Hawaii corporation  
Dated : January 7, 2003  
Recorded : Bureau of Conveyances, State of Hawaii, As Document  
No. 2003-004577

AMENDMENT TO MORTGAGE AND TO ASSIGNMENT

Dated : April 18, 2003  
Recorded : Document No. 2003-076234  
Re: Amount of loan has been increased by \$340,000.00

6. ASSIGNMENT OF SALES CONTRACTS AND SALES PROCEEDS  
  
Dated : January 7, 2003  
Recorded : January 10, 2003  
Document No. 2003-004578

Assignor : 739 Kinalau LLC, a Hawaii limited liability company  
Assignee : Bank of Hawaii, a Hawaii corporation

AMENDMENT TO MORTGAGE AND ASSIGNMENT

Dated : April 18, 2003  
Recorded : Document No. 2003-076234

7 Financing Statement

Debtor : 739 Kinalau LLC, a Hawaii limited liability company  
Secured  
Party : Bank of Hawaii, a Hawaii corporation  
Recorded : January 10, 2003, in the Bureau of Conveyances, State of Hawaii,  
as Document No. 2003-004579

8. Conditional Use Permit (Minor), 2003/CUP-14, issued by the City and County of Honolulu and dated April 24, 2003.

9. Agreement for Issuance of Conditional Use Permit Under Section 21-5.380 of the Land Use Ordinance (LUO) made by 739 Kinalau LLC dated April 30, 2003 and recorded in said Bureau as Document No. 2003-082931.

10. AS TO PARCEL SECOND:

GRANT OF EASEMENT, MORTGAGEE'S CONSENT, ADDITIONAL SECURITY MORTGAGE AND FINANCING STATEMENT

Dated: October 24, 2003  
Recorded: Document No. 2003-239198 thru 2003-239200  
Purpose: electrical easement, 5 feet wide, containing an area of 174 square feet  
In favor of: Verizon Hawaii Inc., a Hawaii corporation  
Consent thereto by Bank of Hawaii, a Hawaii corporation