

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer HOALOHA VENTURES, INCORPORATED
Business Address 110 N. Kalaheo Ave., Kailua, HI 96734

Project Name (*): 110 NORTH KALAHEO CONDOMINIUM **
Address: 110 N. Kalaheo Ave., Kailua, HI 96734

Registration No. 5844
Effective date: November 20, 2008
Expiration date: December 20, 2009

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

X SUPPLEMENTARY: (pink) This report updates information contained in the:
[] Preliminary Public Report dated:
[X] Final Public Report dated: December 21, 2005
[] Supplementary Public Report dated:

And [] Supersedes all prior public reports.
[X] Must be read together with Final Public Report dated 12/21/05
[X] This report reactivates the Final public report(s) which expired on January 21, 2007

(*) Exactly as named in the Declaration
This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

** This Report covers only Unit H, as Unit KLLC has been sold by the Developer.

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:

1. This Supplementary Public Report reactivates Registration No. 5844 and updates the information therein.
2. Originally each Unit consisted of a temporary shed. The sheds were replaced by two single family residences with parking and other improvements, as permitted under the Declaration of Condominium Property Regime. The Condominium Map and Declaration have been amended to reflect such changes. (These changes affect Pages 6, 10, 11, 12, 15, 16, 19, 21 and Exhibit I of the Public Report.)
3. Unit KLLC has been sold by the Developer thereof. Unit H remains unsold and is the subject of this Public Report. All obligations relating to Unit H are those of Hoaloha Ventures, Incorporated.
4. Title affecting the Property has been changed reflecting (i) sale of Unit KLLC to Charles McLean Smith and Emi Kunieda Smith, husband and wife; (ii) imposition of height restrictions affecting a portion of the Dwelling Area H for the benefit of Unit KLLC and (iii) changes in the mortgage liens affecting title. An updated title report has been furnished. These changes affect Page 14 and Exhibit E of the Public Report.
5. Carvill & Company LLC has been selected as the real estate broker for Unit H. (This change affects Page 5 of the Public Report.)
6. Old Republic Title and Escrow has replaced Security Title Corporation, for escrow and title services. (This change affects Pages 5, 18, Exhibit G and Exhibit H of the Public Report.)
7. The Disclosure Abstract (Exhibit H) has been updated.

SPECIAL ATTENTION

I. PERSONS CONNECTED WITH THE PROJECT

Developer: HOALOHA VENTURES, INCORPORATED * Phone: (808) 261-1948
Name* (Business)
55 Kailuana Place
Business Address
Kailua, HI 96734

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):

* HOALOHA VENTURES INCORPORATED: Paul D. Sullivan, Pres/Treas/Director; and Karen L. Sullivan, VP/Sec/Director

* Unit KLLC is now owned by CHARLES McLEAN SMITH and EMI KUNIEDA SMITH, husband and wife

Real Estate Broker*: Carvill & Company Phone: (808) 263-5900
Name (Business)
111 Hekili St., #109
Business Address
Kailua, HI 96734

Escrow: Old Republic Title & Escrow Phone: (808) 733-0261
Name (Business)
4211 Waialae Ave., #8040
Business Address
Honolulu, HI 96816

General Contractor*: N/A Phone: _____
Name (Business)
Business Address

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

Attorney for Developer: Jeffrey S. Grad, Esq. Phone: (808) 521-4757 Name
(Business)
841 Bishop St., Suite 1800
Business Address
Honolulu, HI 96813

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

The Declaration for this condominium is:

<input type="checkbox"/> Proposed			
<input type="checkbox"/> Recorded -	Bureau of Conveyances:	Document No. _____	
		Book _____	Page _____
<input checked="" type="checkbox"/> Filed -	Land Court:	Document No. <u>3330212</u>	

The Declaration referred to above has been amended by the following instruments:

Amendment to Declaration of Condominium Property Regime and to Condominium Map No. 1740, dated May 30, 2008, filed as Land Court Document No. 3772524.

- 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:

<input type="checkbox"/> Proposed			
<input type="checkbox"/> Recorded -	Bureau of Conveyances	Condo Map No. _____	
<input checked="" type="checkbox"/> Filed -	Land Court	Condo Map No. <u>1740</u>	

The Condominium Map has been amended by the following instruments:

Amendment to Declaration of Condominium Property Regime and to Condominium Map No. 1740, dated May 30, 2008, filed as Land Court Document No. 3772524.

- 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:

<input type="checkbox"/> Proposed			
<input type="checkbox"/> Recorded -	Bureau of Conveyances:	Document No. _____	
		Book _____	Page _____
<input checked="" type="checkbox"/> Filed -	Land Court:	Document No. <u>3330213</u>	

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

HOALOHA VENTURES, INCORPORATED (Unit H)

Fee Owner: CHARLES McCLEAN SMITH and EMI KUNIEDA SMITH (Unit KLLC)
Name

Lessor: _____
Name
Business 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: 2 Floors Per Building: Unit KLLC 2 Floors
Unit H 1 Floor
 Exhibit "I" contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood
 Other wood and allied materials

4. Uses Permitted by Zoning:

	No. of Apts.	<u>Use Permitted By Zoning</u>	
<input checked="" type="checkbox"/> Residential	<u>2</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: _____

[X] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: -0- Stairways: -0- 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>Unit KLLC</u>	<u>1</u>	<u>4/3.5</u>	<u>3,731</u>	<u>471/525</u>	<u>Lanai&deck/garage</u>
<u>Unit H</u>	<u>1</u>	<u>4/4.5</u>	<u>2,731</u>	<u>1,593/496</u>	<u>Lanai&deck/garage</u>
<u>Cabana</u> <u>(part of Unit H)</u>		<u>0</u>	<u>832</u>	<u>994/283</u>	<u>Lanai&deck/garage</u>

Total Number of Apartments: 2

***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:

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

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. (This Paragraph is not applicable to the Project)

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 to said Exhibit "D" to "Dwelling Areas" 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 KLLC	-	50%
Unit H	-	50%

- 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 title report dated July 31, 2008, and issued by Old Republic Title & Escrow of Hawaii, Ltd.

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>
Mortgages	Buyer's interest may be terminated by mortgagee but Buyer shall be entitled to return of his deposit, less escrow cancellation fee.

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: None

2. Appliances:

N/A

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

Unit K LLC was constructed in 2007 (Notice of Completion filed 5/23, 5/30/2007)
Unit H was constructed in 2008 (Notice of Completion filed 5/27, 6/3/2008)

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):

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 September 10, 2008

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 or through the developer's sales agent, if any. The Condominium Property Regime Law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107), are available on line. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov

Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs

Website to access rules: www.hawaii.gov/dcca/har

This Supplementary Public Report is a part of Registration No. 5844 filed with the Real Estate Commission on November 4, 2005.

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

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 (SHL 2000) [Section 514A-1.6] (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.

HOALOHA VENTURES, INCORPORATED
Printed Name of Developer

By: 
Duly Authorized Signatory*

8-21-08
Date

PAUL D. SULLIVAN, Its 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 "B"

Section 19 of the Declaration addresses alterations to the Project made by Unit Owners. This section has been amended and it now reads as follows:

"19. ALTERATION OF PROJECT.

19.1 Changes to Units. Notwithstanding anything to the contrary contained in this Declaration, a Unit Owner, with the consent by the holder of any mortgage affecting the Owner's Unit (if required by such mortgage), shall have the right at his sole option at any time and from time to time without the consent of any other person, to improve, renovate, remodel, make additions to, enlarge, remove, replace or restore the improvements to or in his Unit or portions thereof or to make or build improvements upon the Dwelling Area appurtenant to his Unit (collectively, the foregoing are referred to "changes") subject to the following conditions:

(a) All changes shall comply with the Land Use Ordinance and other applicable City and County building, zoning laws and ordinances ("County Rules") and applicable State of Hawaii laws and regulations ("State Laws") in effect when the change is to be made.

(b) All changes to a Unit must be made within the Dwelling Area appurtenant to the Unit being changed; provided that (i) no structure (other than stairs or other nonmaterial structure) shall be constructed or placed within four(4) feet of the boundary line separating the Dwelling Areas in the Project, except that eaves or other overhanging portions of such structures may be situated up to, but no closer than eighteen (18) inches of such boundary line; and (ii) **no structures, planting or trees shall be built or placed on the Building Restrictive Area as set forth in Paragraph 7.7 above; and (iii) no structures shall be built or placed on Dwelling Area KLLC if as a result thereof, the owner or occupant of Unit KLLC shall have an unimpeded view into the courtyard area of Unit H.**

(c) No change to a Unit will be made if the effect of such change would be to exceed the Unit's proportionate share of the Lot area coverage for the Land, or number of dwelling units, as allowed and defined by the LUO in effect when the change is to be made. The "proportionate share" for each Unit for purpose hereof shall be a fraction having as its numerator the area of its appurtenant Dwelling Area and having as its denominator the total area of both Dwelling Areas in the Project.

(d) All such changes shall be at the expense of the Owner making the change and shall be expeditiously made and in a manner that will not unreasonably interfere with the other Owner's use of his Unit or its appurtenant Dwelling Area.

(e) During the course of any construction, the Dwelling Owner making such change will cause to be maintained at his expense builder's all-risk insurance in an amount not less than the estimated cost of construction. The Association shall be named as an additional insured and, upon the request of the Association, evidence of such insurance shall be deposited with the Association or its Managing Agent, if any;

(f) The Unit Owner seeking to make a change to his Unit shall have the right (aa) to seek on his own behalf and on behalf of the Association, if required, building permits and other types of approvals and permits from governmental authorities and from utility companies, in order to allow such Unit Owner to make changes to his Unit; and (bb) to utilize, relocate and realign existing and/or to develop additional, central and appurtenant installations for services to the Unit affected by such change for electricity, sewer and other utilities and services and when applicable, to add, delete, relocate, realign, designate and grant easement and rights-of-way over, under and on the common elements as necessary or desirable in connection therewith; provided that the same shall not cause any interruption in the service of such utilities to any other part of the Project or otherwise materially interfere with their use by the other Owner;

(g) If the consent to the change or joinder of another Owner is required by the Act, then each Owner hereby consents in advance to such change.

(h) Each and every conveyance, lease and mortgage or other lien made or created on any Unit and all common interests and other appurtenances thereto shall be subject to the provisions of this paragraph and any lease of a Dwelling Area shall reserve to each Owner the rights set forth in this paragraph.

(i) If required by the Act or under other law, by the Owner making the change to his Unit or the Permitting Agencies, then upon the request of the Owner making the change to his Unit, each other Owner, lien holder or other person having any interest in the Project hereby agrees in advance to join in,

consent to, or execute all instruments or documents necessary or desirable so that the Owner making the change to his Unit may effectuate his right to change his Unit.

If such Owner, lien holder or other person having any interest in the Project fails to provide such requested written joinder, consent, or take such action, as the case may be, such shall be accomplished by the Owner making the change to his Unit under an irrevocable power-of-attorney in favor of the Owner making the change to his Unit from each of the other Owners, lien holders or such other parties, the acquiring or acceptance of ownership in a Unit or of a lien covering a Unit or of any other interest in the Project being a grant of such power, and the grant being coupled with an interest, being irrevocable.

(j) Each and every conveyance, lease and mortgage or other lien made or created on any Unit and all common interests and other appurtenances thereto shall be subject to the provisions of this paragraph and any lease of a Dwelling Area shall reserve to each Owner the rights set forth in this paragraph.

19.2 Changes to Other Than Units. Except as to changes to a Unit or Project which are governed by Paragraph 19.1, all other changes to the Project different in any material respect from the Condominium Map of the Project, shall be undertaken by the Association of Unit Owners only pursuant to an amendment of this Declaration, duly executed by or pursuant to vote of all the Unit Owners and accompanied by the written consent of the holders of all liens affecting any of the Units, and in accordance with complete plans and specifications therefor first approved in writing by the Board, and promptly upon completion of such restoration, replacement or construction, the Association shall duly file such amendment in said Office, together with a complete set of the floor plans of the Project as so altered, certified as built by a registered architect or professional engineer."

End of Exhibit "B"

EXHIBIT "E"

ENCUMBRANCES AGAINST TITLE

1. Title to all minerals, and metallic mines reserved to the State of Hawaii.
2. "The said Marmion Mahinolani Magoon and his heirs covenant and agree with B. R. Banning not to construct any sewer or discharge pipes from said granted premises to the sea, or dig any cesspool or cesspools within one hundred (100) feet from mean high water tide mark", as mentioned in Deed dated April 18, 1923, filed as Land Court Document No. 4101.
3. -AS TO LOT 2-D-2 AND LOT 2-F-2 ONLY:-
 - A. As to the portion of the land herein described bordering on the ocean:

The effect of Sections 205A-41 to 205A-49, inclusive, Hawaii Revised Statutes, as now or hereafter amended, pertaining to shoreline setbacks.

Any adverse claim of the State of Hawaii based upon the contention that some portion of the land hereinafter described lies seaward of the line of vegetation, pursuant to the ruling of County vs. Sotomura (1973) 55 H. 176, 517 P. 2d 57.
4. -AS TO LOTS 2-F-1 AND 2-E ONLY:-
 - A. Right of others who may own undivided interest(s) or have easements of access rights in said parcel.
 - B. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in Grant to HAWAIIAN ELECTRIC COMPANY, LIMITED and HAWAIIAN TELEPHONE COMPANY dated February 22, 1963, filed as Land Court Document No. 315722; for easement for utility purposes over, under, across and through Lot 2-E Dated : February 22, 1963.
5. -AS TO LOTS 2-D-3, 2-F-1, 2-E AND 2-D-1 ONLY:-

FINAL ORDER OF CONDEMNATION – CIVIL NO. 19260 - FIRST CIRCUIT COURT, in favor of City and County of Honolulu, dated November 25, 1969, filed as Land Court Document No. 490062; for sanitary easement over Lots 2-D-3, 2-F-1, 2-E and portion of Lot 2-D-1.
6. -AS TO LOT D-2-1 ONLY:-

EASEMENT as shown on Map 168, as set forth by Land Court Order No. 31165, filed January 13, 1970; for sanitary sewer purposes.
7. Condominium Map No. 1740, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.
8. Declaration of Condominium Property Regime filed September 22, 2005, as Land Court Document No. 3772524, as amended by Instrument filed July 23, 2008, as Land Court Document No. 3772524.
9. By-Laws of the Association of Apartment Owners of 110 N. KALAHEO CONDOMINIUM, filed September 22, 2005, as Land Court Document No. 3330213.
10. Agreement for : ISSUANCE OF CONDITIONAL USE PERMIT UNDER SECTION 21-5.380 OF THE LAND USE ORDINANCE (LUO), dated November 9, 2005, executed by HOALOHA VENTURES, INCORPORATED, a Hawaii corporation, filed as Land Court Document No. 3356899.
11. -AS TO LOT 2-D-3 ONLY:-

An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in GRANT OF EASEMENT to HAWAIIAN ELECTRIC COMPANY, INC., a Hawaii corporation, and HAWAIIAN TELCOM, INC., a Hawaii corporation, dated December 20, 2006, filed as Land Court Document No. 3535700; granting easement for utilities purposes over, under, across and through Lot 2-D-3.

12. As to Unit H:
- (A) Mortgage dated September 17, 2007, in favor of FINANCE FACTORS, LIMITED, a Hawaii corporation, filed as Land Court Document No. 3660141.
 - (B) Mortgage dated September 17, 2007, in favor of FINANCE FACTORS, LIMITED, a Hawaii corporation, filed as Land Court Document No. 3660142.

End of Exhibit "E"

EXHIBIT "G"

SUMMARY OF THE MATERIAL PROVISIONS OF THE ESCROW AGREEMENT

Summary of the Condominium Escrow Agreement between the Developer and OLD REPUBLIC TITLE & ESCROW OF HAWAII:

1. All deposits will be paid to Escrow. A copy of each Sales Contract and all payments made to purchase an Apartment shall be turned over to the Escrow Agent.

2. Refunds. A Buyer shall be entitled to a return of his funds, and Escrow shall pay such funds to such Buyer, without interest, in accordance with the Sales Contract if any of the following has occurred:

(a) Developer and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held hereunder by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, the purchaser has exercised his right to cancel the contract pursuant to Section 514A-62, Hawaii Revised Statutes, as amended; or

(d) A purchaser has exercised his right to rescind the contract pursuant to Section 514A-63, Hawaii Revised Statutes, as amended.

Upon such refund, Escrow Agent shall be entitled to a reasonable fee not less than \$25 or a fee commensurate with the work done by Escrow prior to cancellation.

3. Requirements Prior to Disbursement of Buyer's Funds. Escrow Agent shall make no disbursements of funds held in escrow until all of the following have occurred:

(a) the Real Estate Commission shall have issued a Final Public Report on the Project or a Supplementary Public Report, if the Final Public Report has expired;

(b) Developer or Developer's attorney has given a written opinion to Escrow stating that all of the requirements of Sections 514A-39.5, 514A-62 and 514A-63 of the Hawaii Revised Statutes have been satisfied.

(c) Developer shall have given Escrow a written waiver of any option reserved in any sales contract to cancel such sales contract.

4. Purchaser's Default. Developer must notify Escrow in writing if Purchaser defaults, and must certify that Developer has canceled the Purchaser's Sales Contract. After such cancellation Escrow will treat the Purchaser's funds less Escrow's cancellation fees as belonging to the Developer.

EXHIBIT "H"

DISCLOSURE ABSTRACT

Dated: November 1, 2008

1.
 - (a) PROJECT: 110 N. KALAHEO CONDOMINIUM
110 N. Kaleheo Avenue
Kailua, Hawaii 96734
 - (b) DEVELOPER: HOALOHA VENTURES INCORPORATED (Unit H)
55 Kailuana Place
Honolulu, Hawaii 96734
Telephone: (808) 261-1948

110 KALAHEO LLC (Unit KLLC)
798 Mokapu Road
Kailua, Hawaii 96734
 - (c) MANAGING AGENT: Self-Managed by the Association
of Apartment Owners
 - (d) REAL ESTATE BROKER: Carvill & Company
111 Hekili Street, #109
Kailua, HI 96734
2. Breakdown of annual maintenance fees and monthly estimate costs for each unit are more fully described on Exhibit "1" attached hereto (revised and updated every twelve (12) months and certified to have been based on generally accepted accounting principles).

Note: Developers disclose that no reserve study was done in accordance with Chapter 514A-83.6, HRS, and replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.
3. DESCRIPTION OF ALL WARRANTIES COVERING THE DWELLINGS AND COMMON ELEMENTS:

The Developer is not giving any warranty on the materials and workmanship of the Units.
4. USE OF UNITS. The 110 N. KALAHEO CONDOMINIUM Condominium Project will consist of two (2) units which shall be occupied and used only purposes permitted by the Land Use Ordinance for the City and County of Honolulu ("LUO") then in effect

EXHIBIT "1"

ESTIMATED OPERATING EXPENSES
For Period November 1, 2008 to October 31, 2009
As Prepared by Developer

Estimated Annual Expenses

Ground Maintenance	
Water/Sewer	\$-0-
* Electricity:	\$-0-
**Fire/Liability Insurance:	\$-0-
Management Fee:	\$-0-
Miscellaneous:	\$-0-
TOTAL ANNUAL EXPENSES	\$-0-

Estimated Monthly Expenses \$-0-

Estimated Monthly Maintenance Fee
for Each Apartment: \$-0-

Note: * All utilities will be separately metered or otherwise charged, and the common elements will incur no separate utility charges.

** Section 514A-86, Hawaii Revised Statutes, requires the Association of Apartment Owners to purchase fire insurance to cover the improvements of the Project, and that premiums be common expenses. Developer anticipates that the Association may elect to permit individual apartment owners to obtain and maintain separate policies of fire insurance and name the Association as an additional insured. In such case, fire insurance premiums will be the responsibility of individual apartment owners and not common expenses.

The Developer certifies that the maintenance fees and costs as estimated by the Developer is based on generally accepted accounting principles.

HOALOHA VENTURES INCORPORATED

By 
its President

Developer

(Unit H)

EXHIBIT "I"

Description of the Unit.

Paragraph 3 of the Declaration has been amended to read as follows:

3. DESCRIPTION OF UNITS AND ADJACENT AREAS.

3.1 General. The Project consists of two (2) apartments (each is interchangeably called "Dwelling", "Apartment" or "Unit"). The apartments are identified on the Condominium Map as "Unit KLLC" and "Unit H ". An Owner of a Unit has (a) the exclusive right to use the yard area (each called a "Dwelling Area") and other areas, described in Paragraph 5 below as the Limited Common Elements appurtenant to his Unit; and (b) the right in common with other owners to use other areas described in Paragraph 4 below as Common Elements (exclusive of the Limited Common Elements).

3.2 Unit Location and Access to Public Road. Looking at the Project from the Ocean, Unit H is located nearest to the Ocean, and Unit KLLC is located behind Unit H. The location of each Unit is as shown on the Condominium Map. Unit KLLC has access over an Easement over Dwelling Area H, and then over a private roadway to N. Kalaheo Avenue. Unit H has access over the same private roadway to N. Kalaheo Avenue, as shown on the Condominium Map.

3.3 Description of Units: One (1) freehold estate is hereby designated in each of the two (2) apartment units contained in the Project. Each Unit consists of (a) all footings, floors, foundations, perimeter walls and roofs of the building and all other improvements from time to time located upon the Dwelling Area appurtenant to the Unit; (b) all of the space, fixtures, walls and other improvements located within such footings, floors, foundations, perimeter walls and roofs; (c) all exterior surfaces and finishes of such footings, floors, foundations, perimeter walls and roofs; (d) all decks, lanais, porches, steps, stairs or other improvements physically attached to any building and for the exclusive use of the Owners and occupants of any building; and (e) all portions of any carport or garage attached to any building or located on the Dwelling Area appurtenant to the Unit and for the exclusive use of the Owner and occupants of the Unit.

The foregoing, as initially established or as hereafter changed pursuant to Paragraph 19.1 of this Declaration, is referred to herein as a Unit. A Unit shall not be deemed to include any pipes, wires, ducts, conduits, or other utility or service lines running through a Unit which are utilized by or serve any other Unit.

3.3.1 Unit KLLC presently consists of a two-story residence with a garage, which was completed in 2007. The Unit contains a total of four bedrooms and 3.5 bathrooms, living room, kitchen, dining area, closets and storage areas, deck and lanais and a garage and laundry area. The total net living area of the Unit is approximately 3731 square feet. The area of decks and lanai is approximately 471 square feet, the area of the garage is approximately 525 square feet.

3.3.2 Unit H presently consists of a single story residence with an accessory cabana and two garages, which was completed in 2007. The Unit contains a total of four bedrooms and 4.5 bathrooms, living room, kitchen, dining area, closets and storage areas, deck and lanais and two garage areas and laundry area. The total net living area of the Unit is approximately 2,731 square feet in the residence and 832 square feet in the cabana. The area of decks and lanai in the residence is approximately 1,593 square feet and in the cabana is approximately 994 square feet. The area of the garage in the residence is approximately 496 square feet and in the cabana is approximately 283 square feet.

3.4 Parking. The Project presently contains five designated parking spaces. Unit H has the exclusive use of the three parking spaces located within its garages. Unit KLLC has the exclusive use of the two parking spaces located within its garage.

3.5 Measurements and Conflicts. Should the descriptions and divisions set forth in this Declaration conflict with the depictions and divisions shown on the Condominium Map, the Condominium Map shall control. The Condominium Map, however, is intended to show only the layout, location, Apartment numbers and dimensions of the Apartments and elevations of the Buildings and is not intended and shall not be deemed to contain or make any other representation or warranty. The approximate net living floor areas set forth in this Declaration or on the Condominium Map are based on measurements taken from the interior surface of all perimeter walls."

END OF EXHIBIT "I"