

**AMENDMENT 1 TO  
DEVELOPER'S PUBLIC REPORT  
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME:	LEOKANE INDUSTRIAL COURT
PROJECT ADDRESS:	94-125 Leokane Street, Waipahu, Hawaii 96797
REGISTRATION NUMBER:	6506 (Conversion)
EFFECTIVE DATE OF REPORT:	<b>February 22, 2008</b>
MUST BE READ TOGETHER WITH DEVELOPER'S PUBLIC REPORT DATED:	January 25, 2008
DEVELOPER(S):	BCC CICO LEOKANE, LP, a Texas limited partnership

**Preparation of this Amendment**

The Developer prepared this amendment pursuant to the Condominium Property Act, Section 514B-56, Hawaii Revised Statutes (HRS), as amended from time to time. Section 514B-56, HRS, requires that after the Commission has issued an effective date for the Developer's Public Report, if there are any changes, either material or pertinent changes, or both, regarding the information contained in or omitted from the Developer's Public Report, or if the developer desires to update or change the information set forth in the Developer's Public Report, the developer shall immediately submit to the Commission an amendment to the Developer's Public Report or an amended Developer's Public Report clearly reflecting the change, together with such supporting information as may be required by the Commission, to update the information contained in the Developer's Public Report.

The law defines "material change" as used in parts IV and V of Chapter 514B, HRS means any change that directly, substantially, and adversely affects the use or value of (1) A purchaser's unit or appurtenant limited common elements; or (2) Those amenities of the project available for the purchaser's use.

The law defines "pertinent change" to mean, as determined by the commission, a change not previously disclosed in the most recent public report that renders the information contained in the public report or in any disclosure statement inaccurate, including, but not limited to (1) The size, construction materials, location, or permitted use of a unit or its appurtenant limited common element; (2) The size, use, location, or construction materials of the common elements of the project; or (3) The common interest appurtenant to the unit. A pertinent change does not necessarily constitute a material change.

The filing of an amendment to the Developer's Public Report or an amended Developer's Public Report, in and of itself, shall not be grounds for a purchaser to cancel or rescind a sales contract. A purchaser's right to cancel or rescind a sales contract shall be governed by sections 514B-86 and 514B-87, HRS, the terms and conditions of the purchaser's contract for sale, and applicable common law.

This Amendment has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this amendment to the Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts, material changes, or pertinent changes about the project have been fully or adequately disclosed; and (3) is not the

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Commission's judgment of the value or merits of the project.

The law defines "material facts" to mean any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale.

This amendment may be used by the Developer for promotional purposes only if it is used with the last Developer's Public Report in its entirety.

Prospective purchasers and purchasers are encouraged to read this amendment carefully and to seek professional advice.

Summary of Changes from Earlier Developer's Public Report are Described Beginning on the Next Page

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Summary of Changes from Earlier Developer's Public Report:

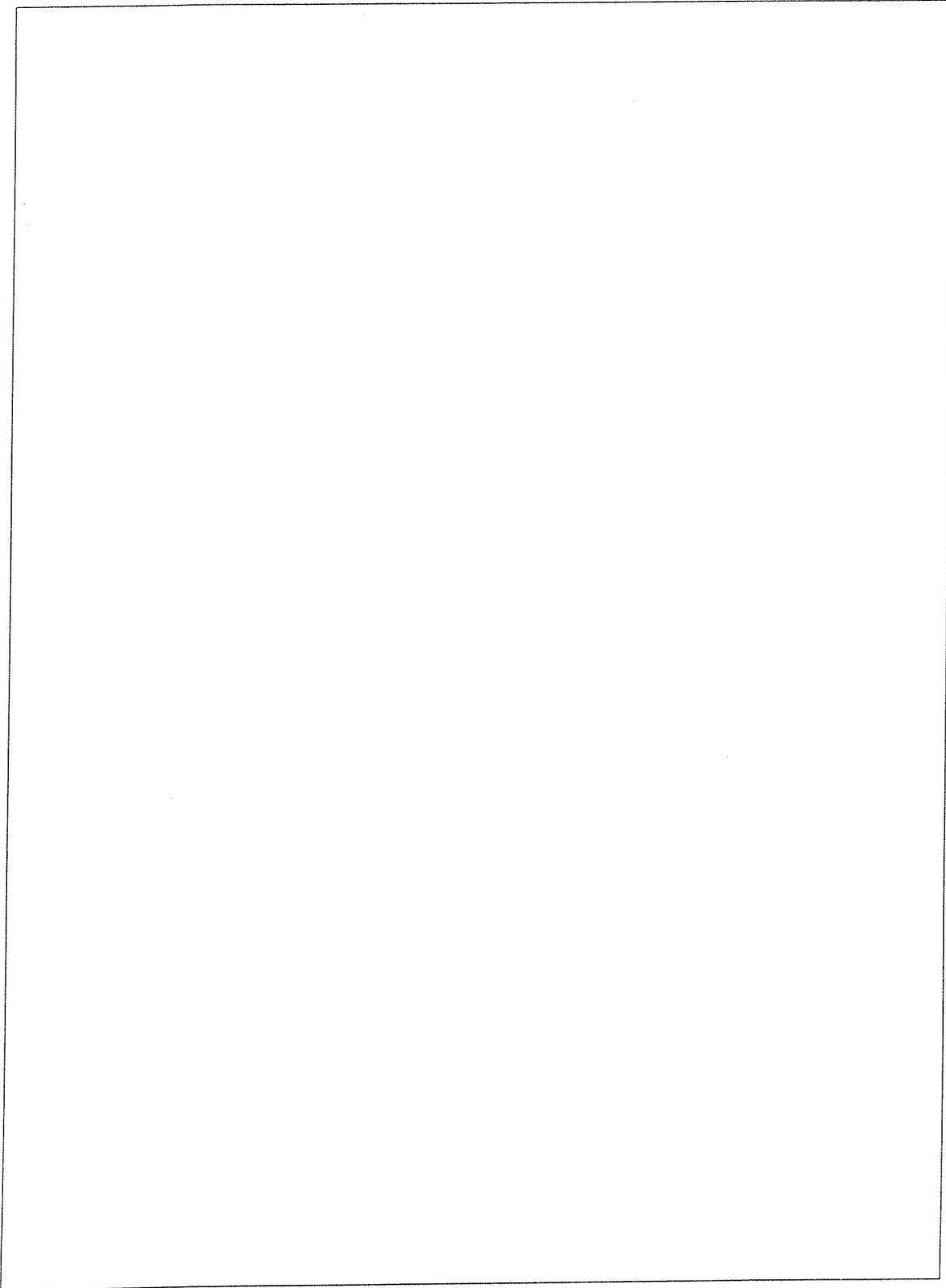
This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public Report with the effective date as noted on the top of page 1 if they wish to know the specific changes that have been made.

Changes made are as follows (include a description of what the change is and page number and or exhibit alphabet or number; additional pages may be used):

- Page 10: Add recordation information of First Amendment to Declaration of Condominium Property Regime.  
(See revised page 10 attached)
- Page 18: Item No. 1 - Water. Water service is provided to each unit. There are no separate water meters for each unit.  
(See revised page 18 attached)
- Page 18: Item No. 3 - Special Management Area (SMA). This project is located in a Special Management Area. Special Permit No. 88/SMA-94 was approved on January 11, 1989 to construct this condominium project in a Special Management Area.  
(See revised page 18 attached)
- Exhibit A: Description of Units. The common interest percentages are erroneous and are corrected.  
(See Exhibit A attached)
- Exhibit D: Summary of Sales Contract. Item No. 5 was deleted in its entirety.  
(See Exhibit D attached)
- Exhibit F: Estimated Maintenance Fee & Operating Expenses of Association. Reference to "Section 514B-143, Hawaii Revised Statutes..." regarding the purchase of fire insurance was deleted in its entirety.  
(See Exhibit F attached)

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Changes continued:



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The Developer declares subject to the penalties set forth in Section 514B-69, HRS that this project continues to conform to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a) (13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report as amended, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report as amended, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report as amended and the exhibits attached to this report (if any) as amended and all documents to be furnished by the Developer to purchasers 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. The Developer hereby agrees promptly to amend this report as amended to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report as amended at least 30 days prior to the anniversary date of the effective date of this report.

BCC CICO LEOKANE, LP

Printed Name of Developer



Duly Authorized Signatory\*

2/8/08

Date

KEITH BUCHANAN, MANAGING MEMBER OF GP, BCC LEOKANE GP, LLC

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; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

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### 3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

#### 3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	November 13, 2007	2007-205920

#### Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	February 8, 2008	2008-021422

#### 3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit 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 that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	November 15, 2007	2007-205921

#### Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number

#### 3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	
Bureau of Conveyances Map Number	4546
Dates of Recordation of Amendments to the Condominium Map:	

## 6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

1. WATER. The condominium will be served by the City and County of Honolulu by a central water meter. Water charges will be billed and paid as a common expense of the condominium.

2. SEWER. The condominium shall be served by the City and County of Honolulu's public sewer system. Sewer charges will be billed and paid as a common expense of the condominium.

3. SPECIAL MANAGEMENT AREA (SMA). The condominium is located in a Special Management Area. Special Permit No. 88/SMA-94 was approved on January 11, 1989 to construct this condominium in a Special Management Area.

4. FLOOD ZONE. The condominium is not located in a special flood hazard zone.

5. INSURANCE. The condominium association will carry casualty insurance and liability insurance on the common elements as a whole. Individual unit owners will be responsible to insure themselves against loss or damage to their internal improvements and alterations and their own contents, equipment, inventory and personal property. Also, individual unit owners will be responsible for insurance against liability claims for injuries and damages to tenants or third persons occurring within, or in connection with the owner's operation of, the unit.

6. ZONING. The Developer hereby certifies that the zoning applicable to the condominium is I-2 Intensive Industrial District.

**EXHIBIT A**

**DESCRIPTION OF UNITS**

<u>Unit Number</u>	<u>Approximate Sq. Ft. of Floor Area*</u>	<u>Percentage of Common Interest</u>	<u>Appurtenant Parking Stalls</u>
1	3,215.50	15.20	26, 27, 28
2	3,248.28	15.35	22, 23, 24
3	4,892.08	23.12	15, 16, 17, 18, 19
4	3,248.28	15.35	8, 11, 12, 13, 14
5	6,555.55	30.98	1, 2, 3, 4, 5, 6, 7
<b>Total:</b>	<b>21,159.69</b>	<b>100.00</b>	

\*Calculation of floor area excludes mezzanines

Unassigned Stalls—9, 10, 20, 21, 25, 29

Loading Area located within Unit 1 shall constitute a part of Unit 1

Loading Area located within Unit 4 shall constitute a part of Unit 4

Loading Area located outside of Unit 5 is assigned to Unit 5

## **EXHIBIT D**

### **SUMMARY OF SALES CONTRACT**

1. Seller may terminate Sales Contract and refund to Buyer all money Buyer has paid without interest, if Seller determines that Buyer's ability to make payments or if the financial ability of Buyer has decreased at the time the credit report is updated.
2. Risk of loss to the unit and percentage interest in the common elements will be borne by Seller until the date of final closing at which time risk of loss will be borne by Buyer.
3. Seller reserves the right to modify the Declaration, By-Laws, House Rules, Escrow Agreement and Unit Deed, provided that these modifications do not increase the Buyer's share of common expenses, reduce the obligations of Seller for common expenses on unsold units, reduce the size of the units, increase the cost of the units, or impair or modify any obligations given or undertaken by Seller. Seller also reserves the right to make minor changes that may improve the unit.
4. Buyer may have the right to rescind the Sales Contract and obtain a refund of all money paid by Buyer without interest if there is any material change in the Condominium (other than any additions, deletions, modifications and reservations including, without limitation, the merger of increments accomplished pursuant to the terms of the Condominium Declaration) which directly, substantially, and adversely affects the use or value of the unit or the limited common elements appurtenant thereto.

**EXHIBIT F**

**ESTIMATED MAINTENANCE FEE & OPERATING EXPENSES OF ASSOCIATION  
(For Period January 1, 2008 to December 31, 2008)  
As Prepared by Developer**

Estimated Annual Expenses

Ground Maintenance	\$0.03 psf per month or \$658 per month
Water/Sewer	\$0.04 psf per month or \$875 per month
*Electricity:	\$0.015 psf per month or \$300 per month
Fire/Liability Insurance:	\$0.10 psf per month or \$2,192 per month
Management Fee:	\$0.05 psf per month or \$1100 per month
Miscellaneous	
Annual Property Taxes	\$32,783.12 (\$2,731.93 per month)
<b>TOTAL ANNUAL EXPENSES:</b>	<b>\$94,283.12</b>

Estimated Monthly Expenses \$7,857

Estimated Monthly Maintenance Fee  
For Each Apartment \$ \*See below (includes property taxes)

\*All utilities will be separately metered or otherwise charged, although the common elements will incur separate utility charges.

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

\* Unit A - \$1,194.00  
Unit B - \$1,206.00  
Unit C - \$1,817.00  
Unit D - \$1,206.00  
Unit E - \$2,434.00

**BCC CICO LEOKANE, LP**

By

Name: KEITH BUCHANAN

Title: MANAGING MEMBER OF GP, BCCLEOKANE GP, LLC

“Developer”