

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

CONDOMINIUM PROJECT NAME:	HANA HANAI
PROJECT ADDRESS:	229 Ulana Street, Makawao, Maui, Hawaii 96768
REGISTRATION NUMBER:	6736 (Conversion)
EFFECTIVE DATE OF REPORT:	<b>November 1, 2010</b>
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input checked="" type="checkbox"/> Developer's Public Report dated <u>December 22, 2008</u> <input type="checkbox"/> Amended Report dated _____  <input type="checkbox"/> Supersedes all prior amendments: Includes all prior amendment(s) and <u>must</u> be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input type="checkbox"/> Amended Report dated _____
DEVELOPER(S):	MARION ARDOIN

**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.

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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 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:

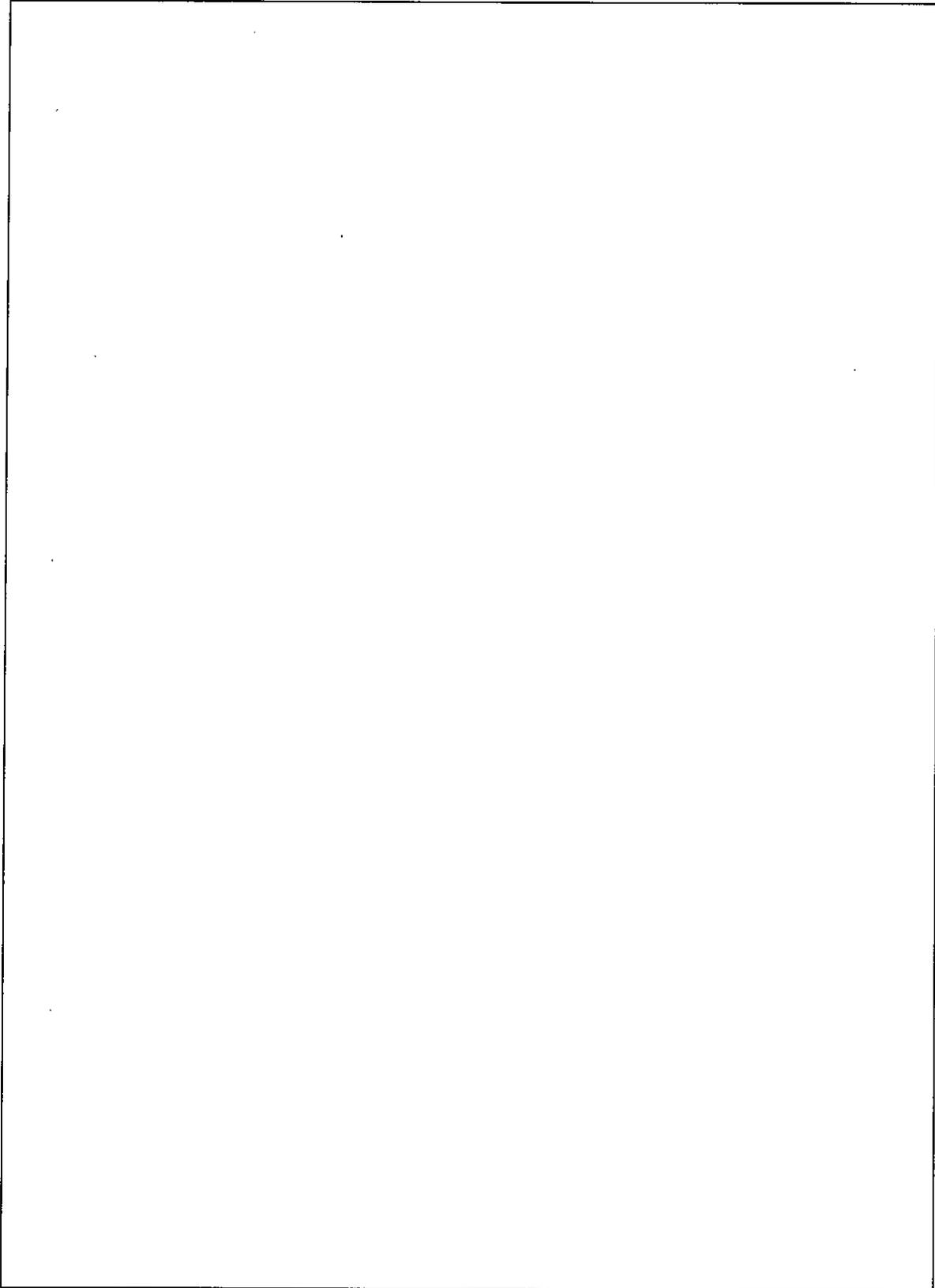
This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public 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):

- p. 5 Section 1.9 Common Elements:  
Amended on Amended Condominium Map and in Amendment No. One of Declaration to include an area of 7.50 sq. ft., more or less, for the county water meter and new sub-meters for each unit and an access pathway from the driveway to the meters. Because of sub-metering, expense for water invoice be paid by each party based on usage. Unit A will receive the periodic invoice from the Maui County Dept. of Water Supply and be responsible for payment.
- p. 5 Section 1.10 Limited Common Elements:  
Amended on Amended Condominium Map and in Amendment No. One of Declaration to include a new Limited Common Area A for underground waterline between the new sub-meter and Unit A. Reservation of right in Unit B to relocate the waterline at its sole cost and expense.
- p. 5 Section 1.12 Encumbrances Against Title:  
Date of Title Report: August 18, 2010. Issued by: First American Title Insurance Company
- p. 9, Section 2.1 Developer: Marion H. Ardoin, 67 Ululani, Kula HI, 96790. marionardoin@hawaiiantel.net, phone (808) 876-0615
- p. 9, Section 2.2 Real Estate Broker: Pacific Shores Realty, 181 Waiua Place, Kihei, HI, 96753. Keith@PacShoresRealty.com, phone (808) 298-7111, fax (866) 415-2205
- p. 9, Section 2.3 Escrow Depository: Island Title Corporation, 1325 South Kihei Road, Suite 205, Kihei, HI 96753. vsteffan@itchawaii.com, phone (808) 879-5706, fax (866) 575-4324
- p. 9, Section 2.6 Attorney for Developer: Jenkins & Jenkins, L.L.P., 2065 Main Street, Suite 101, Wailuku, HI, 96793-1693. brian@jenkinsmaui.com, phone (808) 242-5545, fax (808) 243-8293
- p. 10, Section 3.1 Amendment to Declaration of Condominium Property Regime:  
Land Court, September 28, 2010, Document Number 4003072  
Common Elements amended by Amendment No. One of the Declaration to include an area of 7.50 sq. ft., more or less, for the county water meter and new sub-meters for each unit and an access pathway from the driveway to the meters. Limited Common Elements amended by Amendment No. One of the Declaration to include a new Limited Common Area A for underground waterline between the new sub-meter and Unit A. Reservation of right in Unit B to relocate the waterline at its sole cost and expense.
- p. 10, 3.3 Dates of Recordation of Amendments to the Condominium Map: September, 28, 2010
- Exhibit "E" - Letter dated November 24, 2008, from Ralph M. Nagamine, Development Services Administrator, County of Maui, Department of Public Works, Development Services Administration, has been updated with a letter from Mr. Nagamine dated September 14, 2010, to reflect that plumbing permits for both units were located and approved.
- Exhibit "F" - Developer's Disclosure Statement - Amended to reflect changes to Developer and Real Estate Broker and to remove water from maintenance fee due to sub-metering.

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Changes continued:



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**1.9 Common Elements**

**Common Elements:** Common elements are those parts of the condominium project other than the individual units and any other real estate for the benefit of unit owners. Although the common elements are owned jointly by all unit owners, those portions of the common elements that are designated as limited common elements (see Section 1.10 below) may be used only by those units to which they are assigned. In addition to the common facilities described in Section 1.8 above, the common elements for this project, as described in the Declaration, are set forth below.

Described in Exhibit n/a \_\_\_\_\_.

Described as follows:  
Amended on Amended Condominium Map and in Amendment No. One of Declaration of Condominium Property Regime Hana Hanai to remove reference to landscaping, and to include an area of 7.50 sq. ft., more or less, for the county water meter and new sub-meters for each unit and an access pathway from the driveway to the meter. Expense for water invoice be paid by each party based on usage. Unit A will receive the periodic invoice from the Maui Dept. of Water Supply and will be responsible for payment.

Common Element	Number
Elevators	0
Stairways	0
Trash Chutes	0

**1.10 Limited Common Elements**

**Limited Common Elements:** A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.

Described in Exhibit n/a \_\_\_\_\_.

Described as follows:  
Amended on Amended Condominium Map and in Amendment No. One of Declaration of Condominium Property Regime Hana Hanai to include a new Limited Common Area A for underground waterline between the new sub-meter and Unit A. Reservation of right in Unit B to relocate the waterline at its sole cost and expense.

**1.11 Special Use Restrictions**

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include, but are not limited to, those described below.

<input type="checkbox"/>	Pets:
<input type="checkbox"/>	Number of Occupants:
<input type="checkbox"/>	Other:
<input type="checkbox"/>	There are no special use restrictions.

**1.12 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 a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit (see Section 5.3 on Blanket Liens).

Exhibit "C" \_\_\_\_\_ describes the encumbrances against title contained in the title report described below.

Date of the title report: October 18, 2010

Company that issued the title report: First American Title Insurance Company

## 2. PERSONS CONNECTED WITH THE PROJECT

<b>2.1 Developer(s)</b>	Name: Marion H. Ardoin  Business Address: 67 Ululani, Kula, HI 96790  Business Phone Number : 808-876-0615 E-mail Address: marionardoin@hawaiiantel.net
Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).	
<b>2.2 Real Estate Broker</b>	Name: Pacific Shores Realty Business Address: 181 Waiua Place, Kihei, HI 96753  Business Phone Number: 808-298-7111 E-mail Address: Keith@PacShoresRealty.com
<b>2.3 Escrow Depository</b>	Name: Island Title Corporation Business Address: 1325 South Kihei Road Kihei, HI 96753  Business Phone Number: 808-879-5706
<b>2.4 General Contractor</b>	Name: <i>N/A (self managed by the Association)</i> Business Address: <i>Association</i>  Business Phone Number:
<b>2.5 Condominium Managing Agent</b>	Name: N/A (self managed by the Association) Business Address: Association)  Business Phone Number:
<b>2.6 Attorney for Developer</b>	Name: Jenkins & Jenkins, L.L.P. Business Address: 2065 Main Street, Suite 101 Wailuku, HI 96793  Business Phone Number: 808-242-5545

### 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

#### Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	September 28, 2010	4003072

#### 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

#### 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	
Dates of Recordation of Amendments to the Condominium Map: September 28, 2010	

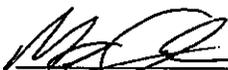
The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, 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, 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, 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 and the exhibits attached to this report 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 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 at least 30 days prior to the anniversary date of the effective date of this report.

MARION ARDOIN

Printed Name of Developer

By:   
Duly Authorized Signatory\*

October 20, 2010

Date

Marion Ardoin, Developer/100% Owner of All Units

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Maui

Planning Department, County of Maui

**\*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.**

## EXHIBIT "C"

### Encumbrances Against Title

1. Real property tax assessments for the fiscal year 2010-2011:  
Tax Map Key No.: (2) 2-4-035-092-0002  
Class No.: 2  
  
First Installment: \$503.50, PAID  
Second Installment: \$503.50, PAYABLE
2. The right of the State of Hawaii to the free flowage of the stream and surface waters (normal and storm) now, hereafter or henceforth flowing in and through all gulches, in and bordering upon and along the property as mentioned in Deed recorded August 01, 2000 as Land Court Document No. 2641411 of Official Records.
3. Terms, provisions, reservations, covenants, conditions and restrictions, but deleting any of the aforementioned indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Chapter 515 of the Hawaii Revised Statutes, as contained in the Declaration recorded October 7, 1981 as Land Court Document No. 1087756, as amended, of Official Records.
4. Terms, provisions, reservations, covenants, conditions and restrictions, but deleting any of the aforementioned indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Chapter 515 of the Hawaii Revised Statutes, as contained in the Supplementary Declaration and Amendment of Declaration of Covenants, Conditions and Restrictions for the Maui Uplands Subdivision recorded May 13, 1983 as Land Court Document No. 1167704, as amended, of Official Records.
5. Terms, provisions, reservations, covenants, conditions and restrictions, but deleting any of the aforementioned indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 604(c), of the United States Codes or Chapter 515 of the Hawaii Revised Statutes, as contained in the Deed recorded January 31, 1986 as Land Court Document No. 1350138 of Official Records.
6. Land Court Condominium Map No. 1974, as amended with Amendment Number One of Declaration of Condominium Property Regime Hana Hanai dated September 14, 2010, recorded as Land Court Document No. 4003072 of Official Records.
7. The terms and provisions contained in or incorporated by reference in the Declaration of Condominium Property Regime. Said Declaration was recorded October 10, 2008 as Land Court Document No. 3797082 of Official Records. Said Declaration of Condominium Property Regime was amended by instrument dated September 14, 2010, recorded as Document No. 4003072.
8. The terms and provisions contained in or incorporated by reference in the Condominium By-Laws, as may be amended. Said By-Laws were recorded October 10, 2008 as Land Court Document No. 3797083 of Official Records.

EXHIBIT F

**HANA HANAI**

October 20, 2010

DEVELOPER'S DISCLOSURE STATEMENT

1. **NAME OF PROJECT:** **HANA HANAI**  
229 Ulana Street  
Makawao, Maui, Hawaii 96768
2. **DEVELOPER:** **MARION ARDOIN**  
67 Ululani Street  
Kula, Maui, Hawaii 96790
3. **MANAGING AGENT:** Self-managed by the Association
4. **REAL ESTATE BROKER:** **PACIFIC SHORES REALTY**  
181 Walua Place  
Kihei, Maui, Hawaii 96753
5. **USE OF APARTMENTS:** Residential and all other lawful purposes.

The two (2) apartments in the Project may be occupied and used only for dwelling purposes and all other lawful purposes permitted by the State of Hawaii statutes and the County of Maui ordinances. The apartments are subject to additional restrictions on their use as set forth in (i) the Declaration of Condominium Property Regime of Hana Hanai, (ii) Amendment Number One of Declaration of Condominium Property Regime Hana Hanai, (iii) the By-Laws of the Association of Owners of Hana Hanai, (iv) the Apartment Deed for the individual apartments, and (v) the Purchase Contract for the individual apartments, and (vi) the House Rules and Regulations. Copies of the foregoing documents are on file with the Real Estate Commission of the State of Hawaii.

6. **WARRANTIES:**

THE DEVELOPER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, COMMON ELEMENTS OR OTHER PRODUCTS, OR ANYTHING INSTALLED IN OR UPON THE PREMISES OR USED IN CONNECTION WITH THE PROJECT IN ANY MANNER, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

**7. ESTIMATED MAINTENANCE FEES:**

See pages 4 and 5 of this exhibit.

The breakdown of estimated initial maintenance fees and maintenance fee disbursements for Hana Hanai has been prepared for the Developer as of October 20, 2010, and is subject to revision based on actual cost for the items enumerated. The Developer can make no assurances regarding the estimated maintenance fees and maintenance fee disbursements. Variables such as inflation, uninsured casualty loss or damages, increased or decreased services from those contemplated by the Developer, apartment owner delinquencies and other factors may cause the actual maintenance fees to be greater or lesser than the estimated maintenance fees.

**NOTE:** THE DEVELOPER ADVISES THAT COSTS AND EXPENSE OF MAINTENANCE AND OPERATION OF A CONDOMINIUM PROJECT ARE DIFFICULT TO ESTIMATE INITIALLY AND EVEN IF THE MAINTENANCE FEES ARE ACCURATELY ESTIMATED, SUCH FEES WILL TEND TO INCREASE IN AN INFLATIONARY ECONOMY AND AS THE IMPROVEMENTS AGE. MAINTENANCE FEES CAN VARY DEPENDING ON SERVICES DESIRED BY APARTMENT OWNERS. THE BUYERS SHOULD CHECK THE ATTACHED MAINTENANCE FEE SCHEDULE TO SEE WHAT SERVICES ARE INCLUDED THEREIN.

IN WITNESS WHEREOF, the undersigned has executed these presents the day and year first above written.



MARION ARDOIN

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

Estimate of Initial Maintenance Fees:

<u>Unit</u>	<u>Monthly x 12 months = Yearly Total</u>	
A	\$15.00	\$180.00
B	\$10.00	\$120.00
	<hr/> \$25.00	<hr/> \$300.00

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services		
Air Conditioning	\$ .00	\$ .00
Electricity	\$ .00	\$ .00
[ ] common elements only	\$ .00	\$ .00
[ ] common elements and apartments		
Refuse Collection	\$ .00	\$ .00
Telephone	\$ .00	\$ .00
Water (common area only)	*\$ .00	*\$ .00
Maintenance, Repairs and Supplies		
Building	\$ .00	\$ .00
Grounds	\$ .00	\$ .00
Miscellaneous Costs	\$ 5.00	\$ 60.00
Insurance	**\$ .00	**\$ .00
Reserves (***) (see attached)	\$ 20.00	\$ 240.00
Taxes and Government Assessments	\$ .00	\$ .00
Audit Fees	\$ .00	\$ .00
Other	\$ .00	\$ .00
<b>TOTAL</b>	<b>\$ 25.00</b>	<b>\$ 300.00</b>

\* Water: Because of sub-metering, expense for water invoice will be paid by each party based on usage. Unit A will receive the periodic invoice from the Maui County Dept. of Water Supply and be responsible for payment.

\*\* Insurance: The owner(s) of each unit shall obtain his, her or their own insurance to cover fire and casualty loss. Also each unit should be separately insured against liability risks, and each policy should name the owner(s) of the other unit as a named additional insured. The Common Element Driveway should also be included in the liability coverage of one of the units or separately insured by a joint policy as a shared common expense.

I, **MARION ARDOIN**, the developer for the HANA HANAI project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with general accepted account principles.

October 20, 2010  
Date

  
MARION ARDOIN

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.

Marion Ardoin

Printed Name of Developer



Duly Authorized Signatory\*

October 20, 2010

Date

Marion Ardoin, Developer/100% Owner of All Units

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Maui

Planning Department, County of Maui

**\*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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