

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

CONDOMINIUM PROJECT NAME:	54-071 & 54-071A WAIKULAMA STREET
PROJECT ADDRESS:	54-071 Waikulama Street Hauula, Hawaii 96717
REGISTRATION NUMBER:	6930 (Conversion)
EFFECTIVE DATE OF REPORT:	August 22, 2011
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input checked="" type="checkbox"/> Developer's Public Report dated <u>March 9, 2010</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):	PENELOPE KOSIOREK and DAVID E. KOSIOREK, Co-Trustees as hereinafter stated, and DAVID E. KOSIOREK, Trustee as hereinafter stated

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 material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (808) 586-2643 to submit your request.

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):

A. Changes made as follows:

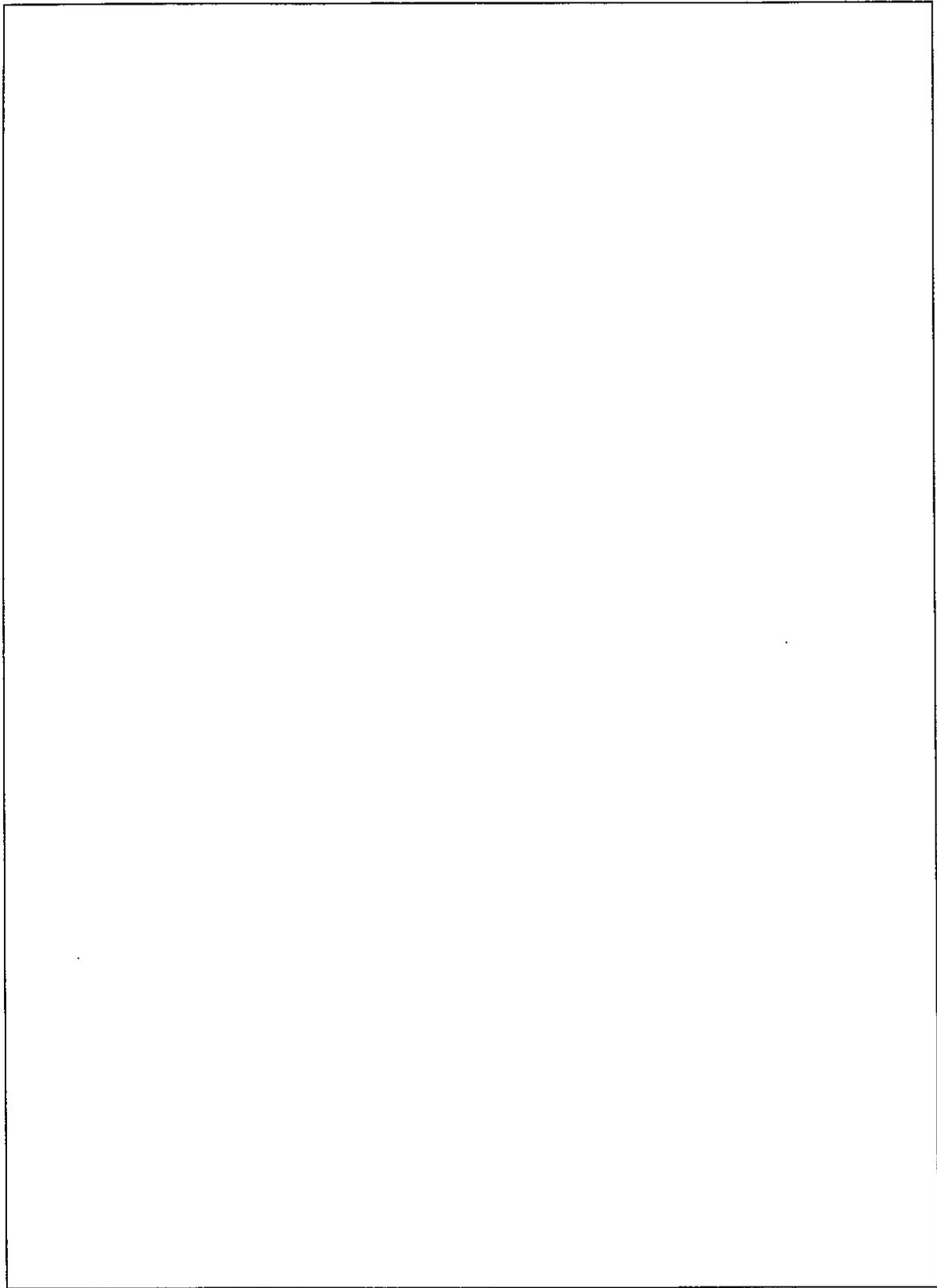
1. Pursuant to the rights of Developer under the Declaration of Condominium Property Regime ("Declaration"), an amendment to the Declaration (the "Amendment") was recorded on August 11, 2011 in the Bureau of Conveyances of the State of Hawaii as Document No. 2011-127752. The Amendment clarifies that the Exclusive Area for Unit 54-071 is subject to the cesspool and any and all lines, parts, and equipment appurtenant thereto, belonging to Unit 54-071A. Also, the Amendment amends paragraph 19.1(ix) of the Declaration by removing the limitation on bedrooms and instead clarifies that an owner who is redesigning or replacing his or her Unit must comply with the rules and regulations set forth in Hawaii Administrative Rules, Title 11, Chapter 62, and any other rules and regulations governing wastewater systems, and the owner may be required to upgrade the owner's individual wastewater system from the existing cesspool(s) to a septic tank or similar system at the owner's sole cost and expense.

B. This resulted in changes to the following pages and Exhibits of the Public Report:

1. Pages 5, 10, 18a and 18b, and Exhibits "E" and "F" have been revised to reflect (a) the recording of the above referenced amendment, and (b) the clarifications described above regarding the location of Unit 54-071A's cesspool and the obligation of an owner to comply with the rules and regulations governing wastewater systems in connection with a modification of the owner's Unit.

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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.

PENELOPE KOSIOREK and DAVID E. KOSIOERK , Co-Trustees of
under the Penelope Kosiorek Revocable Trust, dated December 20,
2007, and DAVID E. KOSIOREK, Trustee under that certain unrecorded
David E. Kosiorek, D.M.D., P.C. 401(K) Profit Sharing Plan dated January
1, 2004

Printed Name of Developer

 7-18-11
Duly Authorized Signatory* Date

PENELOPE KOSIOREK, Co-Trustee / DAVID E. KOSIOERK , Co-Trustee & Trustee

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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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 "D".

Described as follows:

Common Element	Number
Elevators	None
Stairways	None
Trash Chutes	None

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 "E".

Described as follows:

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 checked="" 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 "F" describes the encumbrances against title contained in the title report described below.

Date of the title report: July 6, 2011

Company that issued the title report: Old Republic Title & Escrow of Hawaii, Ltd.

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	February 16, 2010	2010-023312

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	July 19, 2011	2011-127752

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	February 16, 2010	2010-023313

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	4878

Dates of Recordation of Amendments to the Condominium Map:

6. LEAD WARNING STATEMENT. Pursuant to federal law, 42, U.S.C 4852(d), the Residential Lead-Based Paint Reduction Act, "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase."

7. DISCLOSURE REGARDING "AS-IS" SALE. Both Unit 54-071 and Unit 54-071A (the "Unit", or collectively, the "Units") will be conveyed in their present "as is" condition. As used in this paragraph, the terms "Unit", "Units", and/or "subject property" mean all of the property to be conveyed to the Purchaser by the Condominium Unit Deed, including, as applicable, the land and improvements (including, but not limited to, the roof, walls, foundations, soils, plumbing, electrical and mechanical systems, etc.), real property, and personal property (if any). The Purchaser acknowledges, accepts, and agrees that: (1) there may be material facts about the subject property of which the Developer is not aware which qualified experts may be able to discover, and that there may be latent defects, hidden defects, or defects which time may reveal; (2) the Developer shall not be responsible for such material facts (of which the Developer is not aware), or such latent defects, hidden defects, or defects which time may reveal; and (3) that the improvements on the subject property may not conform to current building codes and/or may not have all required building permits. With knowledge of all of the above, and of the conditions disclosed by the Developer, and/or discovered during inspection(s) of the subject property, the Purchaser acknowledges and agrees that the subject property shall be conveyed in its EXISTING "AS IS" CONDITION, WITHOUT WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED (except as to title). WITHOUT LIMITATION, THE DEVELOPER MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, AS TO CONDITION, QUALITY, LATENT DEFECTS, HIDDEN DEFECTS, OR DEFECTS WHICH TIME MAY REVEAL, CONFORMANCE TO BUILDING CODES, EXISTENCE OF REQUIRED BUILDING PERMITS, OR FITNESS FOR ANY USE OR PURPOSE WHATSOEVER. The Purchaser will have the opportunity to inspect the subject property, and shall accept the subject property "AS IS". The Purchaser understands and agrees to give up, waive and relinquish all rights to assert any claim, demand, proceeding or lawsuit of any kind against the Developer and/or real estate agents involved with respect to the condition of the subject property, except for claims which are based upon the Developer's and/or real estate agents concealment of material facts and defects, which those parties are required to disclose by law.

8. CESSPOOL SYSTEM(S). The Project is not serviced by a public sewer system. Instead, Unit 54-071 uses two cesspools located within the limited common element Exclusive Area appurtenant to Unit 54-071, and Unit 54-071A uses a cesspool located within the limited common element Exclusive Area appurtenant to Unit 54-071. Unit 54-071A has an appurtenant perpetual, nonexclusive easements over, under and across the Exclusive Area appurtenant to Unit 54-071 for sewer purposes pursuant to Paragraph 7.1 of the Declaration. The location of the three cesspools is shown on the Condominium Map. Each owner is responsible for maintaining his or her own cesspool.

An owner who is redesigning or replacing his or her Unit as permitted under Section 19.1 of the Declaration (the "Building Owner") must comply with the rules and regulations set forth in Hawaii Administrative Rules, Title 11, Chapter 62, and any other rules and regulations governing wastewater systems, and may be required to upgrade the Building Owner's individual wastewater system ("IWS") from the existing cesspool(s) to a septic tank or similar system at the Building Owner's sole cost and expense.

If the installation of a new IWS is required as a condition to obtain County and State approval for the modification of the Building Owner's Unit, the Building Owner shall install the new IWS within the Exclusive Area of the Building Owner's Unit, if possible; or, if not possible, within (i) the Exclusive Area of the Unit of the other Unit Owner (the "Non-Building Owner"), or (ii) partially within both Exclusive Areas, whichever way is the most feasible as determined by an appropriately licensed professional. In the event that the IWS needs to be installed within the Exclusive Area of the Non-Building Owner's Unit or partially within both Exclusive Areas, then the Building Owner shall repair any and all damage to the Non-Building Owner's Exclusive Area caused by the Building Owner's entry and activities in connection with the installation of the IWS.

EXHIBIT "E"

Description of Limited Common Elements

The limited common elements include the following located within the Project:

1. The limited common elements so set aside and reserved for the exclusive use of Unit 54-071 are as follows:

(a) The site on which Unit 54-071 is located, consisting of the land beneath and immediately adjacent to Unit 54-071 (including any yard areas, landscaping, driveways, parking stalls, cesspools, walkways, access areas, and fences and/or walls surrounding said portion of land), as shown and delineated on the Condominium Map (including the airspace above such site), is for the exclusive benefit of Unit 54-071. Said site is referred to in the Declaration as the Exclusive Area, and the Exclusive Area for Unit 54-071 contains an area of 5,000 square feet.

As set forth in paragraph 2(b) below, the Exclusive Area for Unit 54-071 is subject to the cesspool and any and all lines, parts, and equipment appurtenant thereto, belonging to Unit 54-071A.

2. The limited common elements so set aside and reserved for the exclusive use of Unit 54-071A are as follows:

(a) The site on which Unit 54-071A is located, consisting of the land beneath and immediately adjacent to Unit 54-071A (including any yard areas, landscaping, driveways, parking stalls, cesspools, walkways, access areas, and fences and/or walls surrounding said portion of land), as shown and delineated on the Condominium Map (including the airspace above such site), is for the exclusive benefit of Unit 54-071A. Said site is referred to in the Declaration as the Exclusive Area, and the Exclusive Area for Unit 54-071A contains an area of 5,449 square feet.

(b) The cesspool and any and all lines, parts, and equipment appurtenant thereto, situated within the Exclusive Area for Unit 54-071 as more particularly shown on the Condominium Map.

3. Any other common element of the Project which is rationally related to fewer than all the Units shall be deemed a limited common element appurtenant to and for the exclusive use of such Unit to which it is rationally related.

END OF EXHIBIT "E"

EXHIBIT "F"

List of Encumbrances Against Title

Encumbrances against the title as contained in the Preliminary Report dated July 6, 2011, and issued by Old Republic Title & Escrow of Hawaii, Ltd. are as follows:

1. Real property taxes due and payable. For more information contact the City and County of Honolulu, Department of Finance, Real Property Tax Assessment.
2. Title to all minerals, and metallic mines reserved to the State of Hawaii.
3. Those certain Encroachment(s) as shown on the survey map prepared by Jaime F. Alimboyoguen, Land Surveyor, with Jaime F. Alimboyoguen, LLC, dated April 13, 2009, including, but not limited to:
 - (a) Utility pole on subject Lot 80; and
 - (b) Guy wire anchor on subject Lot 80.

As shown in that certain Warranty Deed recorded July 16, 2009 in said Bureau of Conveyances as Document No. 2009-109263.

4. Mortgage dated July 9, 2009, in favor of Metlife Home Loans, a Division of MetLife Bank, N.A., a National Bank, recorded in said Bureau of Conveyances as Document No. 2009-109264.
5. Condominium Map No. 4878 filed in said Bureau of Conveyances.
6. Declaration of Condominium Property Regime dated February 16, 2010, recorded in said Bureau of Conveyances as Document No. 2010-023312.

NOTE: THE DEVELOPER ADVISES THAT THE FOLLOWING DOCUMENT WAS RECORDED FOLLOWING THE ISSUANCE OF THE ABOVE REFERENCED PRELIMINARY REPORT:

Amendment of Declaration of Condominium Property Regime dated July 19, 2011, recorded in said Bureau of Conveyances as Document No. 2011-127752.

7. By-Laws of the Association of Unit Owners dated February 16, 2010, recorded in said Bureau of Conveyances as Document No. 2010-023313.

END OF EXHIBIT "F"