

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

CONDOMINIUM PROJECT NAME:	"KEANIANI CONDOMINIUM"
PROJECT ADDRESS:	418-420 Keaniani Street, Kailua, Hawaii 96734
REGISTRATION NUMBER:	7073
EFFECTIVE DATE OF REPORT:	October 7, 2011
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input checked="" type="checkbox"/> Developer's Public Report dated <u>April 11, 2011</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):	TERRY KWOK WAN CHEUNG, unmarried, and OI HING CHEUNG, unmarried

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

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):

AMENDED TO THE FOLLOWING:

➤ **THIRD AMENDMENT OF DECLARATION:**

A. Said Declaration is further amended, as follows:

I. By amending paragraph 7 entitled, "Percentage of Undivided Interest", to read, as follows:

"7. Percentage of Undivided Interest; Sharing of Costs. Each unit shall have appurtenant thereto an undivided percentage interest in all common elements of the Project, and the same percentage of contributions in all costs and expenses of the Project, and for all other purposes, including, but not limited to, voting, maintenance of the common elements, and shared water/sewer lines, and any charges accruing under the "Roadway Maintenance Agreement" and "Encroachment Agreement and License" dated October 2, 1998 filed as Land Court Document No. 2495547."; provided, however, that any damage to a shared item caused by a unit owner, its invitees or authorized agents shall be repaired or replaced by such owner, at such owner's sole cost and expense."

➤ **DEVELOPER'S PUBLIC REPORT:** Amended, as follows:

1.14 "Other Zoning Compliance Matters"

It was left blank because it deals with **existing** conversion of a structure and **not** with newly built structures. The newly built units were completed in September 27, 2010 and are considered a new structure for only one year (until September 27, 2011); after that, it becomes an existing unit. Since this is a new unit, this would not apply as to Section 1.14.

An investigative report is required for any existing structures (owner/developer intention to convert existing unit into a CPR) in order for a building inspector to note any code violation(s); this is where we need to input the information on page 6, Section 1.14.

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Changes continued:

2. PERSONS CONNECTED WITH THE PROJECT

2.2 Change of Real Estate Broker:

Margaret Murchie
Coldwell Banker Pacific Properties
4211 Waialae Avenue
Honolulu, Hawaii 96816
Tel No. (808) 738-3911
E-mail Address: MargaretM@cbpacific.com

2.3 Change of Escrow Company, as follows:

Diana S. Kanagawa, Escrow Officer
Title Guaranty Escrow Services, Inc
Kahala Office
4211 Waialae Avenue, Suite 104
Honolulu, Hawaii 96816
Tel No. (808) 733-0628

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

3.1 Declaration of Condominium Property Regime

Amendments to Declaration of Condominium Property Regime		
Land Court or Bureau of Conveyances	Date of Document	Document Number
FIRST Amendment – Land Court System	February 07, 2011	4048856
SECOND Amendment – Land Court System	March 20, 2011	4060803
THIRD Amendment – Land Court System	August 09, 2011	4096006

➤ **HOUSE RULES:** Amended as follows:

A. The House Rules of "KEANIANI CONDOMINIUM" dated December 17, 2010, are hereby amended as follows:

1. By amending paragraph 9.0 thereof, in its entirety to read, as follows:

"9.0 Pets. A unit owner may keep any animal, as a pet, except those that are prohibited within the State of Hawaii."

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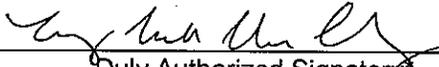
The Developer declares subject to the penalties set forth in Section 514B-69, HRS that this project continues to conform to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project 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.

TERRY KWOK WAN CHEUNG

Printed Name of Developer


Duly Authorized Signatory

8-9-11

Date

TERRY KWOK WAN CHEUNG, Owner/Developer

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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1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning				
	Type of Use	No. of Units	Use Permitted by Zoning	Zoning
<input checked="" type="checkbox"/>	Residential	2	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	R-5
<input type="checkbox"/>	Commercial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Mix Residential/Commercial		<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 (specify)		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Is/Are this/these use(s) specifically permitted by the project's Declarations or Bylaws?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Variances to zoning code have been granted.			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Describe any variances that have been granted to zoning code.			N/A	

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots
<p>In general, a non-conforming use, structure or lot is a use, structure or lot that was lawful at one time but that does not now conform to present zoning requirements. Under present zoning requirements, limitations may apply to extending, enlarging or continuing the non-conformity and to altering and repairing non-conforming structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.</p> <p>If a variance has been granted or if uses, structures or lots are either non-conforming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above.</p> <p>A purchaser may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure or lot.</p>

	Conforming	Non-Conforming	Illegal
Uses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Structures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lot	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<p>If a non-conforming use, structure or lot exists in this project, this is what will happen under existing laws or codes if the structure is damaged or destroyed:</p> <p>N/A</p>

2. PERSONS CONNECTED WITH THE PROJECT

<p>2.1 Developer(s)</p>	<p>Name: TERRY KWOK WAN CHEUNG, unmarried, and OI HING CHEUNG, unmarried</p> <p>Business Address: 99-053 Kinoole Place Aiea, Hawaii 96701</p> <p>Business Phone Number: (808) 381-8821 E-mail address: N/A</p>
<p>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).</p>	<p align="center">N/A</p>
<p>2.2 Real Estate Broker</p>	<p>Name: Kathie Wells, R CBS VP</p> <p>Business Address: Coldwell Banker Pacific Properties 970 North Kalaheo, Suite C215 Kailua, Hawaii 96734</p> <p>Business Phone Number: (808) 261-3314 E-mail Address: <u>kathiewells@hawaii.rr.com</u></p>
<p>2.3 Escrow Depository</p>	<p>Name: Diana S. Kanagawa, Escrow Officer Title Guaranty Escrow Services, Inc. Kahala Office</p> <p>Business Address: 4211 Waiialae Avenue, Suite 104 Honolulu, Hawaii 96818</p> <p>Business Phone Number: (808) 737-5481</p>
<p>2.4 General Contractor</p>	<p>Name: New City Construction, LLC</p> <p>Business Address: 3436 Keanu Street Honolulu, Hawaii 96813</p> <p>Business Phone Number: (808) 381-8821</p>
<p>2.5 Condominium Managing Agent</p>	<p>Name: Self-Managed by the Association</p> <p>Business Address:</p> <p>Business Phone Number:</p>
<p>2.6 Attorney for Developer</p>	<p>Name: VERNON T. TASHIMA, ESQ.</p> <p>Business Address: 220 South King Street, Suite 888 Honolulu, Hawaii 96813</p> <p>Business Phone Number: (808) 521-2951</p>

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
Land Court System	December 17, 2010	4033010

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
FIRST Amendment – Land Court System	February 07, 2011	4048856
SECOND Amendment – Land Court System	March 20, 2011	4060803
THIRD Amendment – Land Court System	August 09, 2011	4096006

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
Land Court System	December 17, 2010	4033011

Amendments to Declaration of Condominium Property Regime

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	2087
Bureau of Conveyances Map Number	
Dates of Recordation of Amendments to the Condominium Map:	