AMENDED
DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM

CONDOMINIUM PROJECT NAME	5375 & 5375-A KALANIANAOLE HIGHWAY
Project Address	5375 Kalanianaole Highway and 5375-A Kalanianaole Highway, Honolulu, HI 96821
Registration Number	7097 (partial conversion)
Effective Date of Report	**February 11, 2013**
Developer(s)	Gregg Ryuji Kashiwa and Gail Suda Kashiwa

Preparation of this Report

The Developer prepared this report to disclose relevant information, including "material facts", that are reasonably known to the Developer about the condominium project covered by this report. This report has been prepared pursuant to the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, as amended from time to time. 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 report 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 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 or all pertinent changes, or both, 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.

This report may be used by the Developer for promotional purposes only if it is used in its entirety. No person shall advertise or represent that the Commission has approved or recommended the project, this report or any of the documents submitted with Developer's application for registration of this project.

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, including any omitted material facts, together with such supporting information as may be required by the Commission. In addition, the Developer may choose at any time to change or update the information in this report. Annually, at least thirty days prior to the anniversary date of the Effective Date of this report, the Developer shall file an annual report to update the material contained in this report. If there are no changes, the Developer is required to state that there are no changes. The Developer's obligation to amend this report or to file annual reports ends when the initial sales of all units in the project have been completed.

Purchasers are encouraged to read this report carefully and to seek professional advice before signing a sales contract for the purchase of a unit in the project.

Signing a sales contract may legally bind a purchaser to purchase a unit in the project, though a purchaser may have rights to cancel or rescind a sales contract under particular circumstances that may arise.

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

SPECIAL ATTENTION

[Use this page for special or significant matters which should be brought to the purchaser's attention and that are not covered elsewhere in this report.]

1. Subsequent to the issuance of an Effective Date of this Public Report, the Units were conveyed by the Developer (Gregg R. Kashiwa, as Successor Trustee of the Shiro Kashiwa Trust and Gregg R. Kashiwa, as Successor Trustee of the Mildred A. Kashiwa Trust) to Gregg Ryuji Kashiwa, individually. The Units were then subsequently conveyed to Gregg Ryuji Kashiwa and Gail Suda Kashiwa, husband and wife. The Developer is now Gregg Ryuji Kashiwa and Gail Suda Kashiwa, husband and wife.

2. This is a Condominium Project that should not be confused with a subdivision. A purchaser of a Unit will be conveyed a Unit together with an "undivided" percentage interest in the Common Elements of the Project. The entire parcel of land upon which the Project is situated is designated as a Common Element. The portion of the Common Element that each purchaser has the exclusive right to use is called a Limited Common Element. The land under and surrounding each Unit, as shown on the Condominium Map, is designated as a Limited Common Element and does not represent a legally subdivided lot. The dotted lines on the Condominium Map bounding the Limited Common Elements and the designated number of acres in each Limited Common Element land area are for illustrative purposes only and should not be construed to be the property lines of legally divided lots.

3. Unit 2 is a "spatial unit" consisting of a cube of air space that is bounded by the metes and bounds descriptions set forth in the Declaration as the horizontal boundaries and the elevations above the finished grade set forth in the Condominium Map as the vertical boundaries. It is anticipated that this spatial unit will be replaced by a single-family residence in accordance with Paragraph N of the Declaration. Prospective purchasers are advised that the location of the spatial cube as depicted on the Condominium Map is not necessarily a representation as to where a residential structure can or will be built and/or the size or layout of such structure. Pursuant to Paragraph N of the Declaration, any new residential structure must be built in accordance with applicable City and County building, zoning laws and ordinances (including, but not limited to setback requirements) and applicable State law. Prospective purchasers are cautioned to review carefully the condominium documents referenced in this report for further information with regard to the foregoing.

4. A purchaser of a Unit 2 shall be responsible for constructing any vertical improvements within such Unit at its sole cost and expense.

5. Access and utility rights in favor of the Project over an adjacent driveway lot (Lot 3-B-4-A) to Kalanianaole Highway is provided pursuant to that certain Grant of Access and Utility Easement dated May 23, 2011 by and between Gregg R. Kashiwa, as Successor Trustee of the Shiro Kashiwa Trust and Gregg R. Kashiwa, as Successor Trustee of the Mildred A. Kashiwa Trust and the Association of Unit Owners of 5375 & 5375-A Kalanianaole Highway, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 4075109.

6. Issuance of an effective date for a Developer's Public Report does not constitute approval of the project by the Real Estate Commission, or any other government agency, nor does it ensure that all applicable County codes, ordinances and subdivision requirements have been complied with.

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General Information On Condominiums

A condominium is a special form of ownership of real property. To create a condominium in Hawaii after July 1, 2006, the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, must be followed. In addition, certain requirements and approvals of the county in which the project is located must be satisfied and obtained

Some condominium projects are leasehold. This means that the land and/or the building(s) and other improvements are leased to the purchaser. The lease for the land usually requires that at the end of the lease term, the lessees (unit owners) deliver their interest in the land to the lessor (fee property owner).

If you are a typical condominium unit owner, you will have two kinds of ownership: (1) ownership in your individual unit; and (2) a percentage interest in the common elements.

You will be entitled to exclusive ownership and possession of your unit. Subject to the documents governing them, condominium units may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift or operation of law.

Your unit will, however, be part of the group of units that comprise the condominium project. Study the project's Declaration of Condominium Property Regime, Bylaws of the Association of Unit Owners, Condominium Map and House Rules, if any, which are being concurrently delivered to you with this report. These documents contain important information on the use and occupancy of the units and the common elements of the project, as well as the rules and regulations of conduct for unit owners, tenants and guests.

Operation of the Condominium Project

The Association of Unit Owners is the entity through which unit owners may take action with regard to the administration, management and operation of the condominium project. Each unit owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as a unit owner. The Board and officers can take certain actions without the vote of the unit owners. For example, the Board may hire and fire employees, increase or decrease maintenance fees, adopt budgets for revenues, expenses and reserves and regulate the use, maintenance, repair and replacement of common elements. Some of these actions may significantly impact the unit owners.

Until there is a sufficient number of purchasers of units to elect a majority of the Board, it is likely at first that the Developer will effectively control the affairs of the Association. It is frequently necessary for the Developer to do so during the early stages of development and the Developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective purchasers should understand that it is important to all unit owners that the transition of control from the Developer to the unit owners be accomplished in an orderly manner and in a spirit of cooperation.

1. THE CONDOMINIUM PROJECT

1.1 The Underlying Land

Fee Simple or Leasehold Project	X	Fee Simple		Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	X	Yes		No
Fee Owner's Name if Developer is not the Fee Owner	N/A			
Address of Project	5375 Kalanianaole Highway., 5375-A Kalanianaole Highway., Honolulu, HI 96721			
Address of Project is expected to change because	Not Applicable			
Tax Map Key (TMK)	(1) 3-6-003-008			
Tax Map Key is expected to change because	Not Applicable			
Land Area	0.528 acre			
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	Not Applicable			

1.2 Buildings and Other Improvements

Number of Buildings	2
Floors Per Building	1
Number of New Building(s)	0
Number of Converted Building(s)	2 (Unit 1)
Principal Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	wood

1.3 Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc.)	Total Area
1	1	3/3	2,134 sq. ft.	922 sq. ft.	porch/garage/deck	3,056 sq. ft.
2	1	3/3	1,800 sq. ft.	N/A	N/A	1,800 sq. ft.
See Exhibit ___.						

2	**Total Number of Units**

Note: Net Living Area is the floor area of the unit measured from the interior surface of the perimeter walls of the unit. Other documents and maps may give floor area figures that differ from those above because a different method of determining floor area may have been used.

1.4 Parking Stalls

Total Parking Stall in the Project:	* see below
Number of Guest Stalls in the Project:	* see below
Number of Parking Stalls Assigned to Each Unit:	* see below
Attach Exhibit ___ specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact or tandem and indicate whether covered or open).	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights. *Each Unit has ample area within its limited common element area for parking purposes. In addition, Unit 1 has a detached garage.	

1.5 Boundaries of the Units

Boundaries of the unit:

See **Exhibit A.**

1.6 Permitted Alterations to the Units

Permitted alterations to the unit (if the unit is defined as a non-physical or spatial portion of the project, also describe what can be built within such portion of the project):

Each Unit Owner shall have the right at his sole option at any time and from time to time, as set forth in the Declaration, to improve, renovate, remodel, make additions to, remove, replace, alter or restore the interior improvements to or in his Unit or portions thereof or upon the Limited Common Elements appurtenant to his Unit (collectively, the foregoing are referred to as "alterations"). See **Paragraph N** of the Declaration for additional requirements and restrictions.

1.7 Common Interest

Common Interest: Each unit will have a percentage interest in the common elements appurtenant to each unit. This interest is called the "common interest". It is used to determine each unit'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 unit owners. The common interest for each unit in this project, as described in Declaration, is:

Described in Exhibit ___

As follows:
Unit1 65.0%; Unit 2 35.0%

1.8 Recreational and Other Common Facilities (Check if applicable):

	☐		Swimming pool
	☐		Laundry Area
	☐		Storage Area
	☐		Tennis Court
	☐		Recreation Area
	☐		Trash Chute/Enclosure(s)
	☐		Exercise Room
	☐		Security Gate
	☐		Playground
	☒		Other (describe): driveway, utility meters

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 B.
Described as follows:

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 B
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.

	☐		Pets:
	☐		Number of Occupants:
	☒		Other: Residential use only; no timeshare use allowed
	☐		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: November 9, 2012 (Unit 1); November 2, 2012 (Unit 2)
Company that issued the title report: Title Guaranty of Hawaii, Incorporated

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
☒	Residential	1	☒ Yes ☐ No	R-10
☐	Commercial		☐ Yes ☐ No	
☐	Mix Residential/Commercial		☐ Yes ☐ No	
☐	Hotel		☐ Yes ☐ No	
☐	Timeshare		☐ Yes ☐ No	
☐	Ohana		☐ Yes ☐ No	
☐	Industrial		☐ Yes ☐ No	
☐	Agricultural		☐ Yes ☐ No	
☐	Recreational		☐ Yes ☐ No	
☐	Other(specify) spatial	1	☒ Yes ☐ No	R-10
Is/Are this/these use(s) specifically permitted by the project's Declarations or Bylaws?			☒ Yes ☐ No	
Variances to zoning code have been granted.			☐ Yes ☒ No	
Describe any variances that have been granted to zoning code.			Not Applicable	

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots

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.

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,

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.

	Conforming	Non-Conforming	Illegal
Uses	☒	☐	☐
Structures	☒	☐	☐
Lot	☒	☐	☐

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:

Not Applicable

1.15 Conversions

Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more. AS TO UNIT 1 ONLY	☒ **Applicable** ☐ **Not Applicable**

Developer's statement, based upon a report prepared by a Hawaii-licensed architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units:

Unit 1 is more than 5 years old.

Based on a report dated November 16, 2008, by Nancy Peacock, an independent, registered Hawaii Architect attached as **Exhibit H**, the Developer states that:

1. All of the structural components and mechanical and electrical installations material to the use and enjoyment of the single family dwelling and garage on Unit1 are in good condition, each with an expected useful life of forty (40) years.

Developer's statement of the expected useful life of each item reported above:

See above and **Exhibit H**.

List of any outstanding notices of uncured violations of any building code or other county regulations:

Not Applicable.

Estimated cost of curing any violations described above:

Not Applicable.

Verified Statement from a County Official

Regarding any converted structures in the project, attached as Exhibit G is a verified statement signed by an appropriate county official which states that either:

(A) The structures are in compliance with all zoning and building ordinances and codes applicable to the project at the time it was built, and specifying, if applicable:

(i) Any variances or other permits that have been granted to achieve compliance;

(ii) Whether the project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes; and

(iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the structure into compliance;

or

(B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.

Other disclosures and information:

Not Applicable.

1.16 Project In Agricultural District

Is the project in an agricultural district as designated by the land use laws of the State of Hawaii? **If answer is "Yes", provide information below.**	☐ **Yes** ☒ **No**
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable state and county land use laws? ☐ Yes ☐ No If the answer is "No", provide explanation.	
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable county real property tax laws? ☐ Yes ☐ No If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.	
Other disclosures and information:	

1.17 Project with Assisted Living Facility

Does the project contain any assisted living facility units subject to Section 321-11(10), HRS? **If answer is "Yes", complete information below.**	☐ **Yes** ☒ **No**
Licensing requirements and the impact of the requirements on the costs, operations, management and governance of the project:	
The nature and the scope of services to be provided:	
Additional costs, directly attributable to the services, to be included in the association's common expenses:	
The duration of the provision of the services:	
Other possible impacts on the project resulting from the provision of the services:	
Other disclosures and information:	

2. PERSONS CONNECTED WITH THE PROJECT

2.1 Developer(s)	Name: Gregg Ryuji Kashiwa and Gail Suda Kashiwa Business Address: 5375 Kalanianaole Hwy. Honolulu, HI 96821 Business Phone Number: 808 373-2080 E-mail Address: pph@hawaii.rr.com
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)	Not Applicable
2.2 Real Estate Broker	Name: Choi International Business Address: 1215 Hunakai Street, Suite 200 Honolulu, Hawaii 96816 Business Phone Number: 255-7143 E-mail Address: hawaii@choi-realty.com
2.3 Escrow Depository	Name: Title Guaranty Escrow Services, Inc. Business Address: 235 Queen Street, 1st Floor Honolulu, Hawaii 96813 Business Phone Number: 808-521-0211
2.4 General Contractor	Name: Not Applicable Business Address: Business Phone Number:
2.5 Condominium Managing Agent	Name: Self Managed Business Address: Business Phone Number:
2.6 Attorney for Developer	Name: Robert D. Triantos, Esq. Business Address: Carlsmith Ball LLP, 75-1000 Henry Street, Suite 209 Kailua-Kona, Hawaii 96740 Business Phone Number: 808.329.6464

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	April 1, 2011	4061852

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	April 18, 2011	4066286
Land Court	May 5, 2011	4070876
Land Court	November 1, 2012	8347262

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	April 1, 2011	4061853

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	April 19, 2011	4066287

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	2101
Bureau of Conveyances Map Number	

Dates of Recordation of Amendments to the Condominium Map:

May 5, 2011

3.4 House Rules

The Board of Directors may adopt rules and regulations (commonly called "House Rules") to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the Developer. Changes to House Rules do not need to be recorded to be effective.

The House Rules for this project:		
Are Proposed	☒	
Have Been Adopted and Date of Adoption	☐	
Developer does not plan to adopt House Rules	☐	

3.5 Changes to the Condominium Documents

Changes to Condominium Documents: Changes to the Declaration, Bylaws and Condominium Map are effective only if they are duly adopted and recorded. Where permitted, the minimum percentages of the common interest that must vote for or give written consent to changes to the Declaration, Bylaws and Condominium Map are set forth below. The percentages for any individual condominium project may be more than the minimum set by law if the Declaration or Bylaws for the project so provide.		
Document	Minimum Set by Law	This Condominium
Declaration	67%	67%
Bylaws	67%	67%

3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents

☐	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
☒	Developer has reserved the right to change the Declaration, Bylaws, Condominium Map and House Rules (if any) and to add to or merge the project or to develop the project in one or more phases, and such rights are summarized as follows: 1. Granting of Easements. The Developer has reserved the right to grant easements and rights of way within the Common Elements as set forth in Section O.3 of the Declaration. 2. Develop Incrementally. The Developer has reserved the right to develop and convey the Units incrementally as set forth in Section O.4 of the Declaration. 3. Change in Floor Plans. The Developer has reserved the right to change Unit floor plans or create new Unit floor plans as set forth in Section O.5 of the Declaration. 4. Amendment. All in accordance with Section P.1 of the Declaration, the Developer may amend the Declaration to file the "as builts" of the Units and until the first recording of a conveyance or transfer of a Unit to a party not a signatory to the Declaration, the Developer may amend the Declaration, other Project Documents and/or the Condominium Map in any manner without the approval or consent of any Unit purchaser.

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

Management of the Common Elements: The Association of Unit Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

The Initial Condominium Managing Agent for this project is (check one):	
☐	Not affiliated with the Developer
☒	None (self-managed by the Association)
☐	The Developer or an affiliate of the Developer
☐	Other (explain)

4.2 Estimate of the Initial Maintenance Fees

Estimate of the Initial Maintenance Fees: The Association will make assessments against your unit to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your unit and the unit may be sold through a foreclosure proceeding. Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.
Exhibit D contains a breakdown of the estimated annual maintenance fees and the monthly estimated maintenance fee for each unit, certified to have been based on generally accepted accounting principles, with the Developer's statement as to when a unit owner shall become obligated to start paying the unit owner's share of the common expenses.

4.3 Utility Charges to be Included in the Maintenance Fee

If checked, the following utilities are included in the maintenance fee:	
☐	Electricity for the common elements
☐	Gas for the common elements
☒	Water
☐	Sewer
☐	TV cable
☐	Other (specify)

4.4 Utilities to be Separately Billed to Unit Owner

If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:	
☒	Electricity for the Unit only
☒	Gas for the Unit only
☐	Water
☒	Sewer
☒	TV cable
☒	Other (specify) Each Unit Owner is responsible for contracting all utilities other than water

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

☒	Specimen Sales Contract Exhibit E contains a summary of the pertinent provisions of the draft sales contract, including but not limited to any rights reserved by the Developer.
☒	Escrow Agreement dated: March 30, 2011 Name of Escrow Company: Title Guaranty Escrow Services, Inc. Exhibit F contains a summary of the pertinent provisions of the escrow agreement.
☐	Other:

5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants. Not Applicable

☐	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
☐	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit ____.
☐	Developer has or will designate the units for sale to Owner-Occupants by publication.

5.3 Blanket Liens

Blanket Liens: A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the Developer conveys the unit to a purchaser. The purchaser's interest will be affected if the Developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.

☐	There are no blanket liens affecting title to the individual units.
☒	There are blanket liens that may affect title to the individual units.

Type of Lien	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Real Property Mortgage and Financing Statement, dated August 4, 2003 in favor of Mortgage Electronic Registration Systems, Inc. (Land Court Document No. 2974287) Second Mortgage and Financing Statement, dated February 22, 2008 in favor of Goodsill Anderson Quinn & Stifel, LLLP (Land Court Document No. 3788882) Tax liens (Land Court Document Nos. 2009-101533 and 2010-025250)	If the existing mortgage(s) and/or lien(s) are foreclosed upon prior to the conveyance to the Purchaser, the Purchaser will be entitled to a refund of deposits held in escrow, if any, and to exercise the Purchaser's rights in the purchase contract against the Developer.

5.4 Construction Warranties

Construction Warranties: Warranties for individual units and the common elements, including the beginning and ending dates for each warranty (or the method of calculating them), are as set forth below:
Building and Other Improvements: None.
Appliances: None.

5.5 Status of Construction, Date of Completion or Estimated Date of Completion

Status of Construction: Unit 1 was constructed in 1952.
Completion Deadline: If a sales contract for a unit is signed before the construction of the unit has been completed, or, in the case of a conversion, completion of any repairs does not occur by the completion deadline set forth below, one of the remedies available to a purchaser is a cancellation of the purchaser's sales contract. The sales contract may include a right of the Developer to extend the completion deadline for force majeure as defined in the sales contract. The sales contract may also provide additional remedies for the purchaser.
Completion Deadline for any unit not yet constructed, as set forth in the sales contract: Not Applicable
Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract: Not Applicable

5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance

The Developer is required to deposit all moneys paid by purchasers in trust under a written escrow agreement with a Hawaii licensed escrow depository. Escrow shall not disburse purchaser deposits to the Developer or on behalf of the Developer prior to closing, except if a sales contract is canceled or if Developer has met certain requirements, which are described below.

5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance

☐	The Developer hereby declares by checking the box to the left that it shall use its own funds to complete the construction of the condominium project by the date indicated in Section 5.5 of this report, and the Developer, pursuant to its own analysis and calculations, certifies that it has sufficient funds to complete the construction of the condominium project. *If the box to the left is checked, Section 5.6.2, which follows below, will not be applicable to the project.*

5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

Hawaii law provides that, if certain statutory requirements are met, purchaser deposits in escrow under a binding sales contract may be used before closing to pay for certain project costs. For this project, the Developer indicates that purchaser deposits may be used for the following purposes (check applicable box):	
☐	For new construction: to pay for project construction costs described in the Developer's budget and approved by the Developer's lender or an otherwise qualified, financially disinterested person; or
☐	For conversions: to pay for repairs necessary to cure violations of county zoning and building ordinances and codes, for architectural, engineering, finance and legal fees, and for other incidental expenses.

In connection with the use of purchaser deposits (check Box A or Box B):

Box A ☐	The Developer has submitted all information and documents required by law and the Commission prior to the disbursement of purchaser deposits before closing. This means that the Developer may use such deposits before closing. If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. If Box A is checked, you should read and carefully consider the following notice, which is required by law: **Important Notice Regarding Your Deposits: Deposits that you make under your sales contract for the purchase of the unit may be disbursed before closing of your purchase to pay for project costs, construction costs, project architectural, engineering, finance, and legal fees, and other incidental expenses of the project. While the developer has submitted satisfactory evidence that the project should be completed, it is possible that the project may not be completed. If your deposits are disbursed to pay project costs and the project is not completed, there is a risk that your deposits will not be refunded to you. You should carefully consider this risk in deciding whether to proceed with your purchase.**
Box B ☐	The Developer has **not** submitted all information and documents required by law and the Commission, and, until all such information and documents are submitted, thus, the Developer cannot use purchaser deposits. If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the **Important Notice Regarding Your Deposits** set forth immediately above will apply to all purchasers and will be restated in the amendment to this report or an amended developer's public report. When an effective date for such an amendment or an amended developer's public report is issued, **you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment**. (This, however, does not affect your right to rescind for material changes or any other right you may have to rescind or cancel the sales contract, as described in Section 5.8 below.) If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. You should understand that, although the **Important Notice Regarding Your Deposits** set forth above does not currently apply to you, it might apply to you in the future, and, therefore, you should read and carefully consider it now to ensure that you understand the risk involved in deciding whether to proceed with your purchase.

Material House Bond. If the Developer has submitted to the Commission a completion or performance bond issued by a material house instead of a surety as part of the information provided prior to the use of purchaser deposits prior to closing or conveyance of a unit, the Developer shall disclose the same below and disclose the impact of any restrictions on the Developer's use of purchaser deposits.

5.7 Rights Under the Sales Contract

Before signing the sales contract prospective purchasers should carefully review all documents relating to the project. These include but are not limited to the documents listed below. Items 2, 3 and 4 are made a part of this public report, as well as Item 5, if any, and are being delivered to you with this report.	
1.	**Developer's Public Report**
2.	**Declaration of Condominium Property Regime (and any amendments)**
3.	**Bylaws of the Association of Unit Owners (and any amendments)**
4.	**Condominium Map (and any amendments)**
5.	House Rules, if any
6.	Escrow Agreement
7.	Hawaii's Condominium Property Act (Chapter 514B, HRS, as amended) and Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), provided that rules and regulations under Chapter 514B have not yet been adopted.
8.	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 514B, HRS) and the Administrative Rules (Chapter 107, HAR), are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov
Website to access rules: www.hawaii.gov/dcca/har

5.8 Purchaser's Right to Cancel or Rescind a Sales Contract

A purchaser's right to cancel a sales contract or to rescind a sales contract may arise under varying circumstances. In the sections below, some circumstances that will give rise to a purchaser's right to cancel or rescind are described, together with what a purchaser must do if the purchaser wishes to exercise any of the rights.

5.8.1 When a Sales Contract becomes Binding and Purchaser's 30-Day Right to Cancel a Sales Contract

A sales contract signed by a purchaser and the developer will not become binding on a purchaser or the Developer until the following events have taken place:

(1) The purchaser has signed the sales contract.

(2) The Developer has delivered to the purchaser a true copy of the developer's public report with an effective date issued by the Commission, together with all amendments to the report as of the date of delivery, and the project's recorded Declaration and Bylaws, House Rules (if any), the Condominium Map and any amendments to them to date (all of which are a part of the developer's public report). If it is impracticable to include a letter-sized Condominium Map, the Developer must provide written notice of an opportunity to examine the Condominium Map.

(3) The Developer has delivered to the purchaser a notice of the purchaser's 30-day cancellation right on a form prescribed by the Commission.

(4) The purchaser does at least one of the following:

(a) Waives the purchaser's right to cancel the sales contract within 30 days from receipt of the notice of the purchaser's 30-day cancellation right; or

(b) Allows the 30-day cancellation period to expire without exercising the right to cancel; or

(c) Closes the purchase of the unit before the 30-day cancellation period expires.

The purchaser or the Developer may cancel the sales contract at any time during the 30-day cancellation period, and the sales contract will be canceled and the purchaser's deposits returned to the purchaser, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.

5.8.2 Right to Cancel a Sales Contract if Completion Deadline Is Missed

In addition to the purchaser's 30-day cancellation right described in Section 5.8.1 above, when a sales contract is signed before completion of construction of a project, the purchaser will have the right to cancel if the unit is not completed by certain deadlines. In conversion projects, there must be a deadline for completion of any required repairs. Every sales contract shall contain an agreement of the Developer that the completion of construction shall occur on or before the completion deadline, and that completion deadline is set forth in this report in Section 5.5. The sales contract shall provide that the purchaser may cancel the sales contract at any time after the specified completion deadline, if completion of construction does not occur on or before the completion deadline, as the same may have been extended. Upon a cancellation, the purchaser's deposits shall be refunded, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.00.

5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change

If a "material change" in a project occurs after a purchaser has signed a sales contract that has become binding, the purchaser will have a 30-day right to rescind after notification and description of the material change. A material change is defined in the Condominium Property Act to be 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 purchaser will be informed of the material change by the developer on a form prescribed by the Commission containing a description of the material change.

After notice of the material change, the purchaser may waive the right to rescind by:

(1) Checking the waiver box on the rescission form; or

(2) Letting the 30-day rescission period expire, without taking any action to rescind; or

(3) Closing the purchase of the unit before the 30-day rescission period expires.

The rescission form must be signed by all purchasers of the affected unit and delivered to the developer no later than midnight of the 30th calendar day after the purchasers received the rescission form from the developer. Purchasers who validly exercise the right of rescission shall be entitled to a prompt and full refund of any moneys paid.

A rescission right shall not apply in the event of any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of a project, made pursuant to the terms of the project's Declaration.

These provisions shall not preclude a purchaser from exercising any rescission rights pursuant to a contract for the sale of a unit or any applicable common law remedies.

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

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.

Gregg Ryuji Kashiwa and Gail Suda Kashiwa
Printed Name of Developer

By _____ 11/1/12
Duly Authorized Signatory* Date

Gregg Ryuji Kashiwa
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.**

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.

Gregg Ryuji Kashiwa and Gail Suda Kashiwa
Printed Name of Developer

By Gail Suda Kashiwa 11/1/12
Duly Authorized Signatory* Date

Gail Suda Kashiwa
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.**

EXHIBIT A

BOUNDARIES OF UNITS

Unit 1

Unit 1 consists of an existing dwelling with 3 bedrooms, 3 bathrooms with a net living area of approximately 2,134 square feet and a detached garage. Unit 1 shall be deemed to include the perimeter walls and any doors, windows, floors, roofs, concrete footings, slab foundations, garages or other Improvements now existing or hereafter constructed on or within the appurtenant Limited Common Elements.

Notwithstanding the areas set forth in **Exhibit B** of the Declaration and the manner in which such areas are measured, Unit 1 shall not be deemed to include any pipes, cables, conduits, chutes, flues, ducts, wires, vents, shafts, or other utility or service lines or any other fixture running through or otherwise located within such Unit which are utilized for or serve more than one Unit, all of which are deemed Common Elements.

Notwithstanding the limits of Unit 1 and each Owner's rights to make alterations to the Unit, within the Unit or to modify the Unit as provided in Section N (Alteration of Project) or in any other section of the Declaration, any Improvements installed within the Unit must comply with all zoning and building ordinances and codes and all applicable permitting requirements adopted by the City and County of Honolulu, and it may not be possible to install buildings or other improvements within the entire space within the Unit. No more than one (1) dwelling may be constructed upon or within Unit 1 and/or its appurtenant Limited Common Element; provided that such prohibition shall not restrict the Owner of Unit 1 from making additions or alterations to such dwelling pursuant to such Owner's rights under the Declaration. The right to secure the building permit(s) for and construct said Improvements vests solely with the Owner of the Unit, and the costs and expenses of any such future construction shall be borne solely by such Owner of Unit 1. There is an existing structure in Unit 1 makai of the first existing dwelling which extends into the Unit 2 which will be torn down.

Subject to the provisions of Article N (Alteration of Project) and in any other section of the Declaration, the approximate net floor areas set forth in **Exhibit B** of the Declaration are based on measurements taken from the interior surface of the perimeter walls of Unit 1. All floor areas set forth in **Exhibit B** of the Declaration are not exact but are approximations based on the floor plans of the Unit.

Unit 2

Unit 2 includes no structures and consists of the spatial area within the Limited Common Area appurtenant to Unit 2 as shown on the Condominium Map. The lower boundary of Unit 2 consists of an invisible horizontal plane at grade and consists of the area as depicted on the Condominium Map. The upper boundary of Unit 2 consists of an invisible horizontal plane at that height above the lower boundary of the Unit, as depicted on the Condominium Map. The sides of each Unit consist of invisible vertical planes perpendicular to the upper boundary of Unit 2 and the lower boundary of the Unit, as depicted on the Condominium Map.

Unit 2 shall each include and contain all of the space within the upper boundary, lower boundary and sides of the Unit, as shown on the Condominium Map. The perimeter of the Unit at grade is more particularly depicted on the Condominium Map.

Without limiting the generality of the foregoing, Unit 2 shall include the building or buildings located within the Unit, any other Improvements located or installed within the Unit, and any parking stalls located within the Unit. Any Improvements that exist below grade shall be deemed to be a part of the Unit to which the land area in which such Improvements are located is appurtenant as a Limited Common Element.

Notwithstanding the areas set forth in **Exhibit B** of the Declaration and the manner in which such areas are measured, the respective Units shall not be deemed to include any pipes, cables, conduits, chutes, flues, ducts, wires, vents, shafts, or other utility or service lines or any other fixture running through or otherwise located within such Unit which are utilized for or serve more than one Unit, all of which are deemed Common Elements.

Notwithstanding the limits of Unit 2 and each Owner's rights to make alterations to the Unit, within the Unit or to modify the Unit as provided in Section N (Alteration of Project) or in any other section of the Declaration, any Improvements installed within the Unit must comply with all zoning and building ordinances and codes and all applicable permitting

requirements adopted by the City and County of Honolulu, and it may not be possible to install buildings or other improvements within the entire space within the Unit. No more than one (1) dwelling may be constructed upon or within Unit 2 and/or its appurtenant Limited Common Element; provided that such prohibition shall not restrict the Owner of Unit 2 from making additions or alterations to such dwelling pursuant to such Owner's rights under the Declaration. The right to secure the building permit(s) for and construct said improvements vests solely with the Owner of the Unit 2, and the costs and expenses of any such future construction shall be borne solely by such Owner. Within sixty (60) days of the completion of construction of a dwelling by the Owner of Unit 2, the Association shall repave adjacent driveway lot (Lot 3-B-4-A) with asphalt, the cost of which, notwithstanding anything contained herein or the Bylaws to the contrary, shall be shared equally between the Owners of Units 1 and 2r.

Subject to the provisions of Article N (Alteration of Project) and in any other section of the Declaration, the approximate net floor areas set forth in **Exhibit B** of the Declaration are based on measurements taken from the interior surface of the imaginary vertical planes which consists of the perimeter walls of Unit 2. All floor areas set forth in **Exhibit B** of the Declaration are not exact but are approximations based on the floor plans of each Unit.

EXHIBIT B

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

COMMON ELEMENTS

One freehold estate is hereby designated in all remaining portions of the Project, herein called the "Common Elements," including specifically but not limited to:

1. The Land, in fee simple.

2. All driveways, sidewalks, yards, gardens, grounds and landscaping, if any.

3. All utility lines, sewer lines, electrical equipment, wiring, pipes and other appurtenant transmission facilities over, under and across the Project which serve more than one Unit for services such as power, light, water, gas, sewer, refuse, telephone and radio and television signal distribution.

4. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

5. Any area labeled common area or limited common area on the Condominium Map.

LIMITED COMMON ELEMENTS

Certain parts of the Common Elements, herein called and designated the "Limited Common Elements", are hereby set aside and reserved for the exclusive use of certain Units, and such Units shall have appurtenant thereto easements for the use of such Limited Common Elements. The Limited Common Elements so set aside and reserved are as follows:

Unit No.	Limited Common Element (Approximate Land Area)
1	0.312 acre (as shown on the Condominium Map)
2	0.184 acre (as shown on the Condominium Map)

EXHIBIT C

ENCUMBRANCES AGAINST TITLE

The following are the encumbrances against title to the Project that are contained in the title reports dated November 9, 2012 (Unit 1) and November 2, 2012 (Unit 2) and issued by Title Guaranty of Hawaii, Inc.

1. Real Property Taxes due and payable. For more information, contact the Real Property Assessment Office, City and County of Honolulu.

2. Mineral and water rights of any nature in favor of the State of Hawaii.

3. Location of the seaward boundary in accordance with the laws of the State of Hawaii and shoreline setback line in accordance with County regulation and/or ordinance.

4. The terms and provisions contained in the following:

INSTRUMENT : DEED

DATED : September 23, 1933

FILED : Land Court Document No. 29163

The foregoing includes, but is not limited to, matters relating to a right of way for foot passage

5. A four (4) foot right of way for foot passage over and across Lot 3-B-3, as shown on Map 49 of said Application No. 656 in favor or Lot 3-B-1-A, as set forth in that certain Deed made by Catherine Jones Thompson to Shiro Kashiwa and Mildred Aiko Kashiwa, husband and wife, dated January 31, 1952, filed as Land Court Document No. 135766.

6. A four (4) foot right of way for foot passage over and across Lot 3-B-3, as shown on Map 49 of said Application No. 656 in favor of Lot 3-B-2, as set forth in that certain Deed made by Catherine Jones Thompson to Shiro Kashiwa and Mildred Aiko Kashiwa, husband and wife, dated January 31, 1952, filed as Land Court Document No. 135767.

7. GRANT

TO: THE HAWAIIAN ELECTRIC COMPANY, LIMITED and MUTUAL TELEPHONE COMPANY, now known as HAWAIIAN TELCOM, INC.

DATED : December 24, 1952

FILED : Land Court Document No. 145495

GRANTING : a perpetual right and easement for utility purposes

8. REAL PROPERTY MORTGAGE AND FINANCING STATEMENT

LOAN/ACCOUNT NO. 1400985

MORTGAGOR : MILDRED A. KASHIWA, also known as MILDRED AIKO KASHIWA, as Successor Trustee under that certain unrecorded Shiro Kashiwa Trust dated May 13, 1993, and MILDRED A. KASHIWA, also known as MILDRED AIKO KASHIWA, as Trustee under that certain unrecorded Mildred A. Kashiwa Trust dated May 13, 1993

MORTGAGEE : MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., solely as nominee for FIRST HAWAIIAN BANK, a Hawaii corporation

DATED: August 4, 2003

FILED: Land Court Document No. 2974287

AMOUNT: $484,000.00 - covers the land described herein, besides other land

9. SECOND MORTGAGE AND FINANCING STATEMENT

LOAN/ACCOUNT NO. 2025466.2

MORTGAGOR : GREGG R. KASHIWA, as Successor Trustee of the Shiro Kashiwa Trust dated May 13, 1993, and as Successor Trustee of the Mildred A. Kashiwa Trust dated May 13, 1993, as amended

MORTGAGEE : GOODSILL ANDERSON QUINN & STIFEL, LLLP, a Hawaii limited liability law partnership

DATED : February 22, 2008

FILED : Land Court Document No. 3788882

AMOUNT : $144,583.24

10. DECLARATION OF CONDOMINIUM PROPERTY REGIME FOR "5375 & 5375-A KALANIANAOLE HIGHWAY" CONDOMINIUM PROJECT

DATED : April 1, 2011

FILED : Land Court Document No. 4061852

MAP : 2101 and any amendments thereto

First Amendment to Declaration of Condominium Property Regime dated effective as of April 18, 2011, filed as Land Court Document No. 4066286, and Second Amendment to Declaration of Condominium Property Regime dated effective as of May 5, 2011, filed as Land Court Document No. 4070876.

11. BY-LAWS OF THE ASSOCIATION OF UNIT OWNERS

DATED : April 1, 2011

FILED : Land Court Document No. 4061853

Amendment to ByLaws dated effective as of April 19, 2011, filed as Land Court Document No. 4066287.

12. GRANT

TO : THE ASSOCIATION OF UNIT OWNERS OF 5375 & 5375-A KALANIANAOLE HIGHWAY

DATED : May 23, 2011

FILED : Land Court Document No. 4075109

GRANTING : a perpetual, non-exclusive easement for access and underground utility purposes over Lot 3-B-4-A.

13. TAX LIEN

BY : UNITED STATES OF AMERICA, DEPARTMENT OF THE TREASURY, INTERNAL REVENUE SERVICE

AGAINST : GREGG KASHIWA

DATED : June 17, 2009

RECORDED : Document No. 2009-101533

AMOUNT : $161,116.68

14. TAX LIEN

BY : DEPARTMENT OF TAXATION, STATE OF HAWAII

AGAINST : GREGG R. KASHIWA, ET AL.

DATED : February 22, 2010

RECORDED : Document No. 2010-025250

AMOUNT : $11,567.90

EXHIBIT D

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Unit No.	Monthly Maint Fee	Annual Maint Fee
1	$390.00	$4,680.00
2	$210.00	$2,520.00
TOTAL	$600.00	$7,200.00

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

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

	Monthly Fee	x 12 months = Yearly Total(**)
Utilities and Services		
Air Conditioning	$0.00	$0.00
Electricity	$0.00	$0.00
[ ] common elements only	$0.00	$0.00
[ ] common element and units	$0.00	$0.00
Elevator	$0.00	$0.00
Gas	$0.00	$0.00
[ ] common elements only	$0.00	$0.00
[ ] common element and units	$0.00	$0.00
Refuse Collection	$0.00	$0.00
Telephone	$0.00	$0.00
Water and Sewer	$600.00	$7,200.00
Maintenance, Repairs and Supplies		
Building	$0.00	$0.00
Grounds	$0.00	$0.00
Management		
Management Fee	$0.00	$0.00
Payroll and Payroll Taxes	$0.00	$0.00
Office Expenses	$0.00	$0.00
Insurance	$0.00	$0.00
Reserves(*)	$0.00	$0.00
Taxes and Government Assessments		
Audit Fees	$0.00	$0.00
Other (Legal/Professional)	$0.00	$0.00
TOTAL	$600.00	$7,200.00

I, Gregg Ryuji Kashiwa, as the Developer for the 5375 & 5375-A Kalanianaole Highway condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Gregg Ryuji Kashiwa
Signature

11/1/12
Date

Signature

Date

(*) Mandatory reserves assessment and collection in effect beginning 1994 budget year. Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves", Developer has conducted a reserve study in accordance with §514B-148, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. Developer discloses that no reserve study has been conducted in accordance with §514B-148, HRS, and replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules.

** Yearly totals may appear inconsistent with monthly fees due to rounding.

Pursuant to §514B-148, HRS, a new association need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

	Monthly Fee	x 12 months = Yearly Total(**)
Utilities and Services		
Air Conditioning	$0.00	$0.00
Electricity	$0.00	$0.00
[ ] common elements only	$0.00	$0.00
[ ] common element and units	$0.00	$0.00
Elevator	$0.00	$0.00
Gas	$0.00	$0.00
[ ] common elements only	$0.00	$0.00
[ ] common element and units	$0.00	$0.00
Refuse Collection	$0.00	$0.00
Telephone	$0.00	$0.00
Water and Sewer	$600.00	$7,200.00
Maintenance, Repairs and Supplies		
Building	$0.00	$0.00
Grounds	$0.00	$0.00
Management		
Management Fee	$0.00	$0.00
Payroll and Payroll Taxes	$0.00	$0.00
Office Expenses	$0.00	$0.00
Insurance	$0.00	$0.00
Reserves(*)	$0.00	$0.00
Taxes and Government Assessments		
Audit Fees	$0.00	$0.00
Other (Legal/Professional)	$0.00	$0.00
TOTAL	$600.00	$7,200.00

I, Gail Suda Kashiwa, as the Developer for the 5375 & 5375-A Kalanianaole Highway condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Gail Suda Kashiwa
Signature

11/1/12
Date

Signature

Date

(*) Mandatory reserves assessment and collection in effect beginning 1994 budget year. Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves", Developer has conducted a reserve study in accordance with §514B-148, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. Developer discloses that no reserve study has been conducted in accordance with §514B-148, HRS, and replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules.

** Yearly totals may appear inconsistent with monthly fees due to rounding.

Pursuant to §514B-148, HRS, a new association need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

EXHIBIT E

SUMMARY OF SALES CONTRACT

The sales contract that will be used will state, in addition to the price, description and location of the Unit, and other terms and conditions under which a purchaser will agree to purchase a Unit in the Project, the following:

(a) What a purchaser must do to qualify for a loan if the purchaser wants a mortgage loan to cover part of the purchase price.

(b) That a purchaser's money will be held in escrow, under the terms of the escrow agreement.

(c) That the purchaser must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

(d) That in the event purchaser fails to perform purchaser's obligations under the sales contract (seller not being in default), seller may (1) bring an action for damages for breach of contract, (2) retain the initial deposit and all additional deposits provided for herein as liquidated damages, and (3) purchaser shall be responsible for any costs incurred in accordance with the sales contract.

(e) That in the event seller fails to perform seller's obligations under the sales contract (purchaser not being in default), purchaser may (1) bring an action for damages for breach of contract, (2) seek specific performance of the sales contract, and (3) seller shall be responsible for any costs incurred in accordance with the sales contract.

The sales contract will contain various other provisions which the purchaser should become acquainted with.

IT IS INCUMBENT ON THE PURCHASER TO READ THE FULL TEXT OF THE SALES CONTRACT.

EXHIBIT F

SUMMARY OF ESCROW AGREEMENT

A copy of the executed Escrow Agreement for the Project between Title Guaranty Escrow Services, Inc. ("Escrow") and Developer has been filed with the Commission. The Escrow Agreement provides for the deposit of the funds of a purchaser of the Condominium Unit (a "Purchaser") pursuant to the Sales Contract and also provides for the retention or disbursement of the funds. The Escrow Agreement specifically permits the disbursement of Purchaser's funds under a Sales Contract prior to closing, subject to certain conditions, including the Developer's satisfaction of the requirements set forth in HRS § 514B-92 or § 514B-93, to pay for certain Project costs, including costs of constructing the Project's buildings, fixtures and other improvements, Developer's architectural, engineering, finance and legal fees, and other incidental expenses of the Project (excluding marketing expenses and brokerage fees relating to the sales of units).

In the event that Hawaii Revised Statutes Chapter 514B entitles a Purchaser to a refund of Purchaser's Deposits held by Escrow, Escrow, upon instruction from Purchaser, will refund Purchaser's deposits.

Purchasers will compensate Escrow based on each unit bought in the Project. Escrow can arrange for the issuance of title insurance policies. A fee schedule is contained in the Escrow Agreement which purchasers may review.

By law the total amount of such cancellation fees shall not exceed Two Hundred Fifty and No/100 Dollars ($250.00) after the time the Sales Contract becomes effective. Under the Escrow Agreement, no disbursement of funds can be made to Developer until the Sales Contract becomes effective under the provisions of Chapter 514B, Hawaii Revised Statutes.

It is incumbent upon a prospective Purchaser to read the executed Escrow Agreement with care.

EXHIBIT G

VERIFIED STATEMENTS FROM COUNTY OFFICIALS REGARDING CONVERTED STRUCTURES

Purchasers should familiarize themselves with the condition of the Project by reading the attached report with care

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
TELEPHONE: (808) 768-8000 • FAX: (808) 527-6743
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MUFI HANNEMANN
MAYOR

HENRY ENG, FAICP
DIRECTOR

DAVID K. TANOUE
DEPUTY DIRECTOR

2008/ELOG-869 (RLK)

June 20, 2008

Robert D. Triantos, Esq.
Carlsmith Ball LLP
A Limited Law Partnership
75-1000 Henry Street, Suite 209
P.O. Box 1720
Kailua-Kona, Hawaii 96745-1720

Dear Mr. Triantos:

Subject: Condominium Conversion Project
5375 and 5375 A Kalanianaole Hwy
Tax Map Key: 3-6-003: 008

This is in response to your letter dated April 8, 2008, requesting verification that the structures on the above-referenced property met all applicable code requirements at the time of construction.

Investigation revealed that the two (2) one-story single-family detached dwellings with four (4) all-weather-surface off-street parking space met all applicable code requirements when they were constructed in 1952, and 1999, on this 23,000-square-feet R-10 Residential-District-zoned lot.

For your information, the Department of Planning and Permitting cannot determine all legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes.

No variances or other permits were granted to allow deviation from any applicable codes.

Conversion to a condominium property regime (CPR) is not recognized by the City and County as an approved subdivision. CPR delineates ownership; it does not create a separate lot of record for subdivision and zoning purposes.

If you have any questions regarding this matter, please contact Mr. Ivan Matsumoto, of our Commercial & Multi-Family Code Enforcement Branch, at 768-8151.

Very truly yours,

Henry Eng, FAICP, Director
Department of Planning and Permitting

HE:dkk

doc626202

EXHIBIT H

ARCHITECT REPORT

Purchasers should familiarize themselves with the condition of the Project by reading the attached report with care.

ARCHITECT/ENGINEER'S REPORT

TMK No. (1) 3-6-003-008, Honolulu, Hawaii

Pursuant to the requirements of Hawaii Revised Statutes Chapter 514B, the undersigned hereby certifies with respect to the condominium project located at TMK No. (1) 3-6-003-008, known as 5375 Kalanianaole Hwy. (the "Premises") that:

1. I inspected Unit 1 of the Premises on 16 NOV, 2008.

2. The present conditions and expected useful life of structural components and mechanical and electrical installations material to the use and enjoyment of the single-family dwelling and garage on Unit 1 are as follows:

	Condition	Expected Useful Life*
Structural Components	GOOD	40 years
Mechanical Installation	GOOD	40 years
Electrical Installation	GOOD	40 years

* Estimate only; not a warranty or representation, but only a current estimate based upon physical inspection

DATED: 16 NOV, 2008.

Norman Peacock

PRINT NAME:

Licensed Architect/Engineer

Hawaii License No. AR5408

4844-7700-9410.1.060049-00001