

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS

STATE OF HAWAII

1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT on

CROSSPOINTE, INCREMENT C, PHASE C-1
Kahuapaani Street
Halawa, Ewa District, Hawaii

Registration No. 1655

IMPORTANT — Read This Report Before Buying

This Report Is Not an Approval or Disapproval of This Condominium Project

It reflects information obtained by the Real Estate Commission in its investigation of the project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project but may only take reservations therefore after

- (1) A copy of this Report has been given to the prospective purchaser,
- (2) The latter has been given an opportunity to read same, and,
- (3) His receipt taken therefor.

Issued: February 14, 1985
Expires: March 14, 1986

SPECIAL ATTENTION

A comprehensive reading of this report by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 21, 1984, AND INFORMATION SUBSEQUENTLY FILED AS OF FEBRUARY 7, 1985. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON THE PROJECT IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIME LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. CROSSPOINTE, INCREMENT C, PHASE C-1 is a proposed leasehold condominium project consisting of a total of fifty-six (56) residential apartment units in five (5) buildings plus a parking apartment with 132 stalls (34 are for compact cars and 12 are for guests) comprised of a separate two-level parking structure, on-grade parking and driveway areas.

2. The developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and issuance of this Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and approved floor plans) for the Project have not been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.
4. Advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to the Horizontal Property Regime.
6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, February 14, 1985, unless a Supplementary or Final Public Report is issued, or the Commission, upon review of the registration, issues an order extending the effective period of this Report.
7. This Preliminary Public Report is made a part of the registration of the CROSSPOINTE, INCREMENT C, PHASE C-1 condominium project. The Developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) and attached Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed receipt therefor.

NAME OF PROJECT: CROSSPOINTE, INCREMENT C, PHASE C-1

LOCATION: The Project is located at Kahuapaani Street, Honolulu, State of Hawaii. The land consists of 2.688 acres comprising Lot 411, as shown on Map 186 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 966 (amended).

TAX KEY: First Division, 9-9-02-por.16.

ZONING: A-1 (apartment)

DEVELOPER: Gentry-Halawa Park, a Hawaii registered limited partnership, whose principal place of business and post office address is at 94-539 Puahi Street, Waipahu, Hawaii 96797. The general partner of Gentry-Halawa Park is Halawa Park Development, Ltd., a Hawaii corporation, whose principal place of business and post office address 94-539 Puahi Street, Waipahu, Hawaii 96797 (Telephone: 641-6411). The officers and directors of Halawa Park Development, Ltd. are as follows:

Thomas Henry Gentry, President and Director
 Joseph J. Ramia, Vice President and Director
 A. J. Fadrowsky, III, Vice President and Director
 Harry D. Huffman, Treasurer and Assistant Secretary
 Harvey Jay Migdal, Secretary and Director

ATTORNEY REPRESENTING DEVELOPER: Harvey Jay Migdal, 94-539 Puahi Street, Waipahu, Hawaii 96797, Telephone No. 671-6411.

DESCRIPTION OF PROJECT: The proposed Declaration of Horizontal Property Regime describes the Project as follows:

A. Description of Buildings. The Project shall consist of five (5) one and two-story buildings with no basements designated as Buildings 19, 25, 26, 27 and 28 (hereinafter referred to as the "Residential Buildings") and one (1) two-level parking structure. The construction of the five Residential Buildings will be wood frame on concrete slab foundations with interior walls constructed of wood studding and gypsum board, exterior walls covered with composition siding and roofs constructed of wood and asphalt shingles. The parking structure will be constructed principally of concrete and steel. Residential Buildings "25," "26" and "28" will each be two stories in height and shall each contain twelve (12) apartments; Building "27" will be two stories in height and shall contain fourteen (14) apartments; and Building "19" will be one story in height and shall contain six (6) apartments, all as more fully described herein and as shown on the proposed Condominium Map.

B. Description of Apartments.

(1) Residential Apartments. Freehold estates will be established within the perimeter and party walls, floors and ceilings of each of the fifty-six (56) residential apartments distributed among the five (5) Residential Buildings of the Project, as shown on the proposed Condominium Map and as set forth in Exhibit "A" attached hereto and incorporated herein by reference.

(2) Parking Apartment. One separate freehold estate consisting of the one (1) two-level parking structure, the on-grade parking, access driveways and turnaround areas, as shown on the proposed Condominium Map, is also established and is designated the Parking Apartment.

(3) Residential Apartment Numbers and Locations. The residential apartments are numbered and located as shown on the proposed Condominium Map, with apartment designations in each Residential Building being composed of the respective building number followed by an alphabetic designation. Whether a particular Residential Building is one or two stories, the apartment designation sequence always begins with apartments located on the first floor. Beginning with the apartment designated by the number and letter combination of the building number followed by the letter "A" and progressing in a counterclockwise direction, first floor apartments in a particular Residential Building are consecutively designated by changing the letter designation in alphabetic order. The designation sequence for second story apartments begins with the apartment located directly over apartment "A" on the first floor and always begins with the alphabetic designation "R." Thus, for example, Building 25 is numbered as follows: Starting at the southwesterly corner of the first floor with Apartment 25-A and progressing counterclockwise, the first floor apartments are consecutively designated 25-B, 25-C, 25-D, 25-E and 25-F. On the second story of the building, the apartment designations begin with 25-R in the southwesterly corner and progress counterclockwise to 25-W so that Apartment 25-R is directly over 25-A, Apartment 25-S is directly over 25-B, Apartment 25-T is directly over 25-C, Apartment 25-U is directly over 25-D, Apartment 25-V is directly over 25-E and Apartment 25-W is directly over 25-F.

(4) Layout and Area of Individual Residential Apartments.

As shown on the proposed Condominium Map, there are five (5) residential apartment unit types: Type 577, Type 813, Type 848, Type 874 and Type 1005. Type 577 is a one-bedroom, one-bath apartment; Type 813 is a two bedroom, one and one-quarter bath apartment; Type 848 is a one bedroom, one and one-half bath apartment with a loft; Type 874 is a two bedroom, two bath apartment; and Type 1005 is a two bedroom two and one-half bath apartment. The Apartment Number, Unit Type, Net Living Area and Lanai area for each of the residential apartments are as set forth in Exhibit "A" attached hereto.

(5) Limits of Residential Apartments. The proposed Declaration states that each residential apartment shall be deemed to include all the walls and partitions within its perimeter or party walls which are not load bearing, the inner decorated or finished surfaces of all walls, floors and ceilings, any doors, door frames, windows and window frames along the perimeters, the airspace within the perimeters, and all the fixtures and appliances originally installed in the apartment. The respective apartments shall not be deemed to include the perimeter or party walls or the undecorated or unfinished surfaces thereof; the exterior surfaces of all doors, door frames, windows and window frames; the interior load-bearing walls; awnings (if any); the undecorated or unfinished surfaces of the floors and ceilings surrounding each apartment; any pipes, wires, conduits or other utility or service lines which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided.

(6) Limits of Parking Apartment. The proposed Declaration states that the Parking Apartment shall be deemed to include all of the area and all of the structures designated as the "Parking Apartment" on the Condominium Map, including all walls, roofs, gutters, curbs and all other structures and improvements located therein or thereon, and fixtures attached to such structures and improvements.

(7) Access to Common Elements. Each first story residential apartment has access to the grounds of the Project through a private courtyard and each second story residential apartment has access to the grounds of the Project by means of a separate exterior lanai and stairway.

Should the descriptions and divisions of the buildings set forth in the Declaration of Horizontal Property Regime conflict with the depictions and divisions shown on the Condominium Map, the Condominium Map shall control; provided, however, that the Condominium Map is intended only to show the approximate layout, location, apartment numbers and dimensions of the apartments and elevations of the buildings and is not intended and shall not be deemed to contain or constitute any other representation or warranty.

PARKING APARTMENT AND PARKING STALLS.

(1) Division of the Parking Apartment. As shown on the proposed Condominium Map, there are delineated within the boundaries of the parking apartment one hundred thirty-two (132) separate parking stalls which are numbered 1-82 and 131-180. Parking Stalls 139-172 are designated as compact parking stalls.

(2) Easements for Use of Parking Stalls. The proposed Declaration provides that each residential apartment in the Project shall have reserved as appurtenant thereto the exclusive right in the

nature of an easement to use one or more parking stalls in the parking apartment. The parking stall easements shall have a permanent character, subject only to such conditions, limitations, restrictions and reservations of right and use as are set forth in the proposed Declaration. The initial assignments of parking stalls, the exclusive use of which are reserved as appurtenant to the respective residential apartments in the Project, shall be as set forth in Exhibit "A" attached hereto.

(3) Visitor Parking Stalls. Parking stalls 26 through 37, inclusive, are reserved as visitor parking stalls for the nonexclusive use of all owners of residential apartments in the Project, their tenants, employees, invitees and guests.

NOTE: The Declaration provides that no parking stall or the right to use the same shall be leased, rented or permitted to be used on a regular or continuing basis for or by any person other than an owner or occupant of a residential apartment in the Project or an employee of the owner of the parking apartment.

It is the Developer's intention that the Parking Apartment will be conveyed to the Crosspointe Community Area Association subject to the easements for use described above.

COMMON ELEMENTS. The proposed Declaration states that one freehold estate is designated in all of the remaining portions of the Project called the "common elements," including specifically, but not limited to:

- (1) The land on which the Project is situate;
- (2) All structural components, such as foundations, girders, beams, supports, main walls, roofs, entrances, exits, floor slabs, unfinished perimeter, party and load-bearing walls of said residential buildings;
- (3) All yards, grounds, walkways and landscaping areas;
- (4) Installations for services such as pipes, cables, conduits, ducts, electrical equipment, wiring and other central appurtenant transmission facilities and installations over, under or across the Project which serve more than one apartment for services such as power, light, gas, hot water, cold water, sewage, telephone, radio and television signal distribution, if any;
- (5) Any apparatus and installations existing for common use, such as tanks, pumps, motors, fans, compressors, ducts, vents and other such installations and apparatus;
- (6) All other parts of the Project necessary or convenient to its existence, maintenance and safety or normally in common use.

LIMITED COMMON ELEMENTS. The proposed Declaration sets aside certain parts of the common elements, called the "limited common elements", to be reserved for the exclusive use of certain apartments, and such apartment shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

- (1) Each residential apartment shall have for its exclusive use the mailbox bearing the same designation as such apartment;

(2) Each ground floor residential apartment shall have for its exclusive use and enjoyment the fenced yard area which adjoins it;

(3) Each second floor residential apartment shall have for its exclusive use and enjoyment the lanai immediately adjacent to such apartment;

(4) The exterior stairways and railings which serve the various second story residential apartments and the fences which surround the fenced courtyard areas and serve the first story residential apartments shall be limited common elements respectively appurtenant to and for the exclusive use of the apartment which they serve.

(5) All other common elements of the Project which are rationally related to less than all of such residential apartments shall be limited to the use of such apartments.

INTEREST TO BE CONVEYED TO PURCHASER. The residential apartments shall be conveyed to purchasers by means of an apartment lease along with an appurtenant undivided percentage interest in the common elements. The percentage interest appurtenant to each apartment is set forth in Page 3 of Exhibit "A" attached hereto and shall be the same proportionate share in all common profits and expenses of the Project, including voting, except that the owner of the parking apartment shall not have any right to vote in the affairs of the Association of Apartment Owners for the Project. Each purchaser of an apartment will be issued an Apartment Lease by the Trustees of the Queen Emma Foundation ("Lessor").

Upon merger of Crosspointe, Increment C, Phase C-2, the common interest for each apartment shall change in accordance with the proposed Declaration and the paragraph herein with respect to Merger of Increments in Crosspointe, Increment C, Phase C-1 and Crosspointe, Increment C, Phase C-2.

PURPOSES OF AND RESTRICTIONS ON USE OF BUILDINGS AND INDIVIDUAL APARTMENTS: The purposes for which said buildings and other improvements and each of the apartments (other than the parking apartment) are intended and shall be restricted as to use are as follows:

1. A residential apartment shall be occupied and used only for residential purposes.

2. The residential apartments in the Project or any interest therein shall not be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license," "travel club membership" or "time-interval ownership" arrangement.

NOTE: Purchasers and prospective purchasers of apartments are hereby specifically informed that all apartment owners, their tenants, families, servants and guests, and any other persons who may in any manner use the Project, shall be bound by and strictly comply with the provisions of the Declaration of Horizontal Property Regime, the By-Laws of the Association, and all agreements, decisions and determinations of the

Association. Purchasers and prospective purchasers are therefore advised to read and fully understand the Declaration of Horizontal Property Regime and the By-Laws of the Association of Apartment Owners, prior to executing any Sales Contract for the Project.

EASEMENTS: The proposed Declaration of Horizontal Property Regime provides that the owners of apartments shall have the following easements:

1. Non-exclusive rights of access and use in and of all areas and facilities of the parking apartment, including the parking stalls set aside and reserved as visitor parking stalls, but excepting the parking stalls designated as private parking stalls, the exclusive use of which has been reserved, or may be reserved, as appurtenant to the residential apartments.

2. The apartment owners shall have a non-exclusive easement shared with all members of the Crosspointe Community Association to use those certain common areas of the Crosspointe Community Area as such areas shall be established from time to time pursuant to Article IX of the proposed Master Declaration of Covenants, Conditions and Restrictions for Crosspointe, subject to those certain specific uses and restrictions set forth in Section 9.03 of said Master Declaration.

RESTRICTIVE COVENANTS; PHASING OF DEVELOPMENT AND MERGER OF INCREMENTS:

The Developer intends to place on record a Master Declaration of Covenants, Conditions and Restrictions for Crosspointe (referred to herein as the "Master Declaration"), which will affect the Project and all other residential projects and common areas which are planned to be developed on approximately twenty-two (22) acres of additional property and which together will be known as the CROSSPOINTE COMMUNITY AREA.

The proposed Master Declaration provides, among other things, that each purchaser will automatically become a member of the Crosspointe Community Association, which Association will be primarily responsible for the management, maintenance, protection, preservation, architectural control and development of the common areas of the Crosspointe Community Area, but will also provide water, sewer, general maintenance and administrative services to all residential projects to be developed in the Crosspointe Community Area.

The proposed Master Declaration and the proposed Declaration of Horizontal Property Regime also provide that the Lessor and Developer shall have the right at their sole option to expand this Project by developing on an adjoining parcel of land a second project to be known as CROSSPOINTE, INCREMENT C, PHASE C-2, which will consist of either (a) five (5) buildings containing fifty-eight (58) apartments, or (b) one building containing six (6) apartments, together with a parking apartment no later than January 1, 1990, and supporting and servicing common elements, and by merging said Phase C-2 with this Project. Upon merger, the two phases will be legally combined into a single overall project to be known as CROSSPOINTE, INCREMENT C, and as a result, the common interest appurtenant to each apartment in this Project will change and will be

calculated pursuant to a formula in which the denominator is the total square footage of all of the residential apartments in both phases, and the numerator is the square footage of the purchaser's apartment (the same formula used to calculate the percentage interest appurtenant to the apartment before merger).

In addition, the proposed Master Declaration and Declaration of Horizontal Property Regime provide that any two or more of the condominium projects in the Crosspointe Community Area may be administratively merged such that the use of the respective common elements, the respective common expenses and the management of the respective affairs of the projects so merged will be shared, and such that the administration of the merged projects will be unified under one association of apartment owners. In the event of an administrative merger of projects, the ownership interests of the apartment owners in the respective condominium projects (including appurtenant common interests) will not be altered or affected.

Prospective purchasers are advised to carefully examine the proposed Master Declaration of Covenants, Conditions and Restrictions for Crosspointe, copies of which are available for inspection at the sales office of Developer and copies of which are filed with the Real Estate Commission, so that they may familiarize themselves with this Project, and what restrictions and obligations will apply to all purchasers in each project.

OWNERSHIP OF TITLE: A Preliminary Title Report issued November 23, 1984, by Security Title Corporation reports that leasehold title to the land is vested in GENTRY-HALAWA PARK, a Hawaii registered limited partnership, pursuant to that certain unrecorded Lease dated July 1, 1984, made by and between THE QUEEN EMMA FOUNDATION, a Hawaii eleemosynary corporation as Lessor and GENTRY-HALAWA PARK as Lessee.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report issued by Security Title Corporation reflects that the land is subject to the following encumbrances:

- A. Real Property Taxes as may be due and owing; reference is made to the Office of the Finance Director, City and County of Honolulu.
- B. Designation of Easement 6, as shown on Map 14, as set forth by Land Court Order No. 3639, filed August 8, 1939.
- C. Designation of Easement 215, as shown on Map 93, as set forth by Land Court Order No. 27104, filed May 31, 1967.
- D. Grant dated June 14, 1967, filed in said Office of the Assistant Registrar as Document No. 430007, in favor of The City and County of Honolulu, across Easement 215, to discharge storm waters etc. Consent thereto filed as Document No. 430008.
- E. Restriction of access rights, as shown on Map 139, as set forth by Land Court Order No. 49042, filed December 20, 1977.
- F. Abutter's rights of vehicle access in favor of the State of Hawaii, as set forth by Final Order of Condemnation dated June 4, 1974, filed in said Office of the Assistant

Registrar as Document No. 688927, under Civil No. 31504; as amended by instrument dated December 26, 1974, filed in said Office of the Assistant Registrar as Document No. 711816.

G. Designation of Restriction of Access Rights affecting Lot 296, as shown on Map 174, as set forth by Land Court Order No. 63270, filed July 21, 1982.

H. Unilateral Agreement and Declaration of Conditional Zoning dated October 19, 1982, recorded in the Bureau of Conveyances of the State of Hawaii in Book 16649 Page 107. (Not noted on Transfer Certificate of Title No. 220,615)

I. Conditions and agreements contained in that certain "Agreement for Issuance of Special Use Permit Under Section 21-2.71, Revised Ordinances of Honolulu, 1978, as Amended," dated August 22, 1984, filed in said Office of the Assistant Registrar as Document No. 1254140.

J. Unrecorded and unregistered Construction Lease dated July 1, 1984, and effective as of July 1, 1984, as disclosed by that certain Memorandum of Lease filed in said Office of the Assistant Registrar as Document No. 1263551.

K. The terms and provisions of that certain Memorandum of Lease filed as aforesaid as Document No. 1263551.

L. The terms and provisions of that certain unrecorded Halawa Low Density Apartment Sub-Development Agreement, dated and effective December 30, 1983, made by and between 745 FORT STREET CORP., a Hawaii corporation, and GENTRY-HALAWA PARK, a Hawaii limited partnership, consented thereto by unrecorded Consent and Agreement dated December 30, 1983, of which a Memorandum of Agreement dated June 25, 1984, filed in said Office of the Assistant Registrar as Document No. 1267819.

M. A concrete ditch along the southwesterly side of the lot fronting Kahuapaani Street encroaches into the lot a distance of 27.25 feet along the north edge of the ditch and 27.50 feet along the property line, as per survey of Harry K. Matsuo, Registered Professional Land Surveyor No. 2717-S, Hawaii.

N. The terms and provisions of that certain Memorandum of Agreement filed in said Office of the Assistant Registrar as Document No. 1267819

O. Real Property Mortgage and Financing Statement dated November 15, 1984, filed in said Office of the Assistant Registrar as Document No. 1267820, made by GENTRY-HALAWA PARK, a duly registered Hawaii limited partnership, as Mortgagor(s), to FIRST HAWAIIAN BANK, a Hawaii corporation, as Mortgagee(s), to secure the repayment of the sum of \$5,600,000.00 (the "Development Loan") and \$6,000,000.00 (the "Construction Loan"), all interest thereon, any additional advances made thereunder and all other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor(s) therein referred to.

Lessor's Consent to Mortgage, Estoppel Certificate and Agreements dated November 14, 1984, filed in said Office of the Assistant Registrar as Document No. 1267821.

P. Financing Statement dated November 15, 1984, covering certain fixtures located on the real property, given as security by GENTRY-HALAWA PARK in favor of FIRST HAWAIIAN BANK, recorded on November 16, 1984 in the Bureau of Conveyances of the State of Hawaii in Book 18272 Page 781.

NOTE: The Developer also proposes to record, besides the Declaration and By-Laws for this Project, the Master Declaration of Covenants, Conditions and Restrictions for the Crosspointe Community Area mentioned on Page 7 of this Report.

PURCHASE MONEY HANDLING: A copy of the Specimen Sales Contract and the executed Escrow Agreement dated June 26, 1984, with Security Title Corporation have been submitted to the Commission as a part of this registration. Upon examination, the Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended.

The Escrow Agreement establishes how proceeds from the sale of apartments and all sums received from any source are placed in escrow, as well as the methods of disbursement of said funds. The Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds if one of the following occurs:

(a) the Developer asks Escrow to refund the purchaser's funds;

(b) the Developer notifies Escrow of Developer's exercise of option to rescind the Reservation and Sales Agreement;

(c) the conditions provided in Sections 514A-62 or 514A-63 of the Horizontal Property Act, as amended, have been met and written notice thereof has been provided to the Developer.

In addition, the specimen sales contract provides, in part, that:

A. A purchaser may elect to cancel his contract to purchase a unit by giving written notice of such election to Developer at any time prior to the earlier of (1) the conveyance of the apartment to the Purchaser; or (2) midnight of the thirtieth (30th) day following the date of delivery of the final public report to the Purchaser. Upon such cancellation, purchaser shall be entitled to a prompt and full refund of all monies paid, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.

B. The seller may cancel the Reservation and Sales Agreement and hold the purchaser in default if any material discrepancies are discovered between the financial information furnished by the purchaser and the purchaser's actual financial status. Seller may also cancel if the purchaser's application or eligibility for a mortgage loan is reject or not given unqualified approval within sixty (60) days after application.

C. The seller's mortgage loan (interim, renewals and extensions used for acquiring the land, constructing the Project, and associated costs) shall be and remain at all times a lien prior to and superior to any and all other liens or charges on the Project, and purchasers intentionally waive,

relinquish and subordinate the priority or superiority of any lien or other legal or equitable interest they may have under the Reservation and Sales Agreement in favor of the lien or charge on the Project of the security interest of the lender.

D. Seller and its agent have no program at this time nor is any program planned or contemplated to offer a rental service of any kind to the owners of apartments in the Project, either individually or in any form of pooling arrangement, or by a third party designated or arranged for by seller or its agent as to the feasibility of renting the apartment, or otherwise generating income or deriving any other economic benefit from ownership of the apartment.

E. The purchaser will pay the following closing costs: (1) one-half of all escrow fees; (2) acknowledgment fees for purchaser; (3) appraisal fees; (4) recording fees; (5) fees for purchaser's credit report; (6) costs for drafting of the mortgage and note and any assignment thereof; and (7) costs of any title insurance. All applicable mortgage costs shall be paid by purchaser, and purchaser shall pay the nonrefundable start-up fee for commencement of the operations of the Project by the Managing Agent and the Association of Apartments Owners.

Notwithstanding the provisions of paragraph E hereinabove, a purchaser whose mortgage is guaranteed by the Veterans Administration shall only be responsible for the following closing costs: (1) costs of title insurance; (2) credit report fees; and (3) recording fees for the purchaser's mortgage.

It is incumbent upon prospective purchasers that they read with care the specimen Reservation and Sales Agreement and the Executed Escrow Agreement since the Escrow Agreement establishes the procedures for receiving and disbursing purchaser's funds, and the Reservation and Sales Agreement specifically provides that the Purchaser approves the Escrow Agreement and assumes the benefit and obligations therein provided.

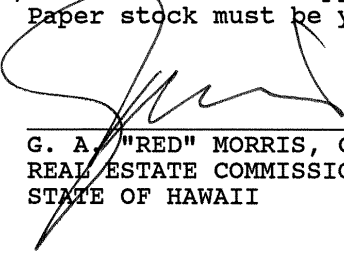
MANAGEMENT AND OPERATIONS: The proposed By-Laws of the Association of Apartment owners provide that the operation of the project shall be conducted for the Association by a responsible Managing Agent who shall be appointed by the Association. The Developer intends to designate Chaney, Brooks & Company as its initial managing agent.

STATUS OF THE PROJECT. Construction of the Project has not yet commenced, however, the Developer reports that construction of the Project will commence in June 1985, and will be completed in approximately October 1985.

The purchaser or prospective purchaser should be cognizant of the fact that this published Preliminary Public Report represents information disclosed by the Developer in the Notice of Intention submitted on December 21, 1984, and information subsequently filed as of February 7, 1985.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT is made a part of Registration No. 1655 filed with
the Commission on December 21, 1984.

This Report, when reproduced, shall be a true copy of the
Commission's Public Report. Paper stock must be yellow in
color.



G. A. "RED" MORRIS, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

DISTRIBUTION:

Department of Finance, City and County of Honolulu
Office of the Assistant Registrar of
the Land Court
Planning Department, City and County of Honolulu
Federal Housing Administration
Escrow Agent

Registration No. 1655

February 14, 1985

EXHIBIT "A"

<u>Bldg. and Apt.</u>	<u>Apt. Type</u>	<u>Net Living Area</u>	<u>Lanai/ Courtyard Area</u>	<u>Initial Parking Stall Assignment</u>
19-A	874	874	300	71*
19-B	848	848	195	38
19-C	874	874	300	49*
19-D	874	874	300	47*
19-E	848	848	195	25
19-F	874	874	300	75*
25-A	874	874	300	65*
25-B	577	577	195	21*
25-C	874	874	300	53*
25-D	874	874	300	56*
25-E	577	577	195	23
25-F	874	874	300	59*
25-R	874	874	160	66*
25-S	848	848	100	22
25-T	874	874	160	54*
25-U	874	874	160	55*
25-V	848	848	100	24
25-W	874	874	160	60*
26-A	874	874	300	57*
26-B	577	577	195	19
26-C	874	874	300	58*
26-D	874	874	300	74*
26-E	577	577	195	17
26-F	874	874	300	70*
26-R	874	874	160	64*
26-S	848	848	100	20
26-T	874	874	160	63*
26-U	874	874	160	48*
26-V	848	848	100	18
26-W	874	874	160	52*
27-A	1005	1005	210	78*
27-B	813	813	310	76*
27-C	577	577	195	16
27-D	874	874	300	51*
27-E	874	874	300	73*
27-F	577	577	195	11
27-G	813	813	310	44*
27-H	1005	1005	210	81*
27-R	813	813	190	46*
27-S	848	848	100	15
27-T	874	874	160	72*
27-U	874	874	160	50*
27-V	848	848	100	10
27-W	813	813	190	43*
28-A	874	874	300	77*
28-B	577	577	195	8
28-C	874	874	300	42*
28-D	874	874	300	40*
28-E	577	577	195	2
28-F	874	874	300	79*

<u>Bldg. and Apt.</u>	<u>Apt. Type</u>	<u>Net Living Area</u>	<u>Lanai/ Courtyard Area</u>	<u>Initial Parking Stall Assignment</u>
28-R	874	874	160	45*
28-S	848	848	100	9
28-T	874	874	160	41*
28-U	874	874	160	39*
28-V	848	848	100	1
28-W	874	874	160	80*

Note: * indicates covered parking

DESCRIPTION OF APARTMENT TYPES:

Type 577

One bedroom, one bath apartment located on the first level of a two-story twelve-plex building consisting of a living room/dining room, kitchen, one bedroom and one bath. All Type 577 apartments contain 577 square feet of NET LIVING AREA and, additionally, a limited common element courtyard of 195 square feet enclosed with a privacy fence.

Type 848

One bedroom, one and one-half bath apartment located on either the first or second level of a two-story eight-plex building consisting of a living room/dining room, kitchen, one bedroom, one and one-half bathrooms and a loft. All Type 848 apartments contain 848 square feet of NET LIVING AREA. In addition, first story apartments have a limited common element courtyard of 195 square feet enclosed with a privacy fence and second story apartments have a limited common element lanai of 100 square feet.

Type 813

Two bedroom, one and one-quarter bath apartment located on the first or second level of a two-story fourteen-plex building consisting of a living room/dining room, kitchen, two bedrooms and one and one-quarter bathrooms. All Type 813 apartments contain 813 square feet of NET LIVING AREA. In addition, Type 813 first story apartments have a limited common element courtyard of 310 square feet enclosed with a privacy fence and second story apartments have a limited common element lanai of 190 square feet.

Type 874

Two bedroom, two bath apartment located on either the first or second level of a two-story twelve-plex building consisting of a living room/dining room, kitchen, two bedrooms and two bathrooms. All Type 874 apartments contain 874 square feet of NET LIVING AREA. In addition, first story apartments have a limited common element courtyard of 300 square feet enclosed with a privacy fence and second story apartments have a limited common element lanai of 160 square feet.

Type 1005

Two bedroom, two and one-half bath apartment located on both first and second level of a two-story fourteen-plex building consisting of a living room/dining room, kitchen, two bedrooms and two and one-half bathrooms. All Type 1005 apartments contain 1005 square feet of NET LIVING AREA. In addition, all type 1005 apartments have a limited common element courtyard of 210 square feet enclosed with a privacy fence.

SCHEDULE OF COMMON INTERESTS

<u>Model</u>	<u>Phase C-1</u>	<u>Upon Merger of Phases of C-1 and C-2</u>
Type 577	1.26	*
848	1.83	*
813	1.75	*
874	1.88	*
1005	2.18	*
Parking Apartment	.10	*

Total Number of Models in Phase C-1

<u>Model</u>		<u>Percentage Common Interest for Phase C-1</u>	<u>Total Percentage Common Interest</u>
Type 577	8 x	1.26	10.08
848	10 x	1.83	18.30
813	4 x	1.75	7.00
874	32 x	1.88	60.16
1005	2 x	2.18	4.36
Parking Apt.	<u>1</u>	<u>.10</u>	<u>.10</u>
	57		100.00%

*TO BE DETERMINED BASED ON THE FORMULA SET FORTH IN THE PARAGRAPH WITH RESPECT TO MERGER ON PAGES 7 AND 8 OF THIS REPORT BEFORE THE DEVELOPER SUBMITS FOR THE REAL ESTATE COMMISSION'S FINAL PUBLIC REPORT.