



REAL ESTATE COMMISSION
 STATE OF HAWAII
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
 PROFESSIONAL AND VOCATIONAL LICENSING DIVISION
 1010 Richards Street - P. O. Box 3469
 Honolulu, Hawaii 96801

CONDOMINIUM PUBLIC REPORT

on

MANOA HILLSIDE ESTATES
 Kalawao Street
 Honolulu, Hawaii

Registration No. 1676

Issued: July 18, 1990
 Expires: August 18, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of July 9, 1990, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

- PRELIMINARY:** The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
(yellow)
- FINAL:** The developer has legally created a condominium and has filed complete information with the Commission.
(white)
- No prior reports have been issued
 Supersedes all prior public reports
 Must be read together with _____
-
- SUPPLEMENTARY:** Updates information contained in the
(pink)
- Prelim. Public Report dated _____
 Final Public Report dated _____
 Supp. Public Report dated _____
- And Supersedes all prior public reports
 Must be read together with _____
- This report reactivates the _____
 public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

[] No prior reports have been issued by the Commission.

[x] Changes made are as follows:

1. There has been a delay in the project's start and completion dates.
2. There has been a change in the property management company and an increase in maintenance fees.
3. There have been many changes to the condominium documents, including the Declaration, By-Laws, Condominium Map, Site Plan and Reservation Agreement and Sales Contract. Some changes were requested by the project lender. Exhibits "A", "E" and "F" have been revised. Exhibits "I" and "J" have been added.

```
*****
*
*           SPECIAL ATTENTION:
*
*   The developer has disclosed the following:
*
*       1)  The properties offered for sale are
*           not legally subdivided lots but
*           condominium units.
*
*       2)  The developer makes no warranties
*           with respect to any building,
*           fixtures, site conditions of any
*           apartment, or the common elements.
*           No warranties are given as to the
*           appliances except the manufacturers
*           warranties that are passed on by
*           the developer.
*
*   The prospective purchaser is cautioned to
*   carefully review the documents for further
*   information with respect to the foregoing.
*
*****
```

TABLE OF CONTENTS

	page
Report Purpose	1
Type of Report	1
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Summary of the Condominium Project	5
I. PEOPLE CONNECTED WITH THE PROJECT	6
Developer	Managing Agent
Real Estate Sales Agent	Attorney for Developer
Escrow Company	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	7
B. Condominium Map (File Plan)	7
C. Bylaws	7
D. House Rules	8
E. Changes to Condominium Documents	8
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	9
B. Underlying Land	10
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	14
E. Encumbrances Against Title	15
F. Management of the Common Elements	15
G. Maintenance Fees	16
H. Utility Charges	16
I. Construction Warranties	16
J. Status of Construction	17
K. Project Phases	17
L. Sales Documents Filed with the Real Estate Commission	17
IV. ADDITIONAL INFORMATION NOT COVERED ABOVE	18
Buyer's Right to Cancel Sales Contract	19
Signature of Real Estate Commission Chairman	20
EXHIBIT A: Apartment Type, Floor Area, Common Interests	
EXHIBIT B: Real Estate Sales Agents	
EXHIBIT C: Common Elements, Limited Common Elements	
EXHIBIT D: Encumbrances Against Title	
EXHIBIT E: Maintenance Fees	
EXHIBIT F: Summary of Sales Contract	
EXHIBIT G: Summary of Escrow Agreement	
EXHIBIT H: Retaining Wall Easement	
EXHIBIT I: Assigned Models and Available Models	
EXHIBIT J: Summary of Restrictive Covenants	

GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "*Condominium Property Act*" (Chapter 514A, Hawaii Revised Statutes) must be followed.

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

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment 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 an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely 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 buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

Types of Project:

1. New Building(s) Conversion
 Both New Building(s) and Conversion
2. Residential Commercial
 Mixed Residential and Commercial
 Other _____
3. High Rise (5 stories or more) Low Rise
4. Single or Multiple Buildings
5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>See Exhibit "A" attached hereto.</u>				
<u>There are 7 different plans with living areas of 1,750 to 2,300</u>				
<u>sq. ft.</u>	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 62

**Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>130 (See Note on p.12)</u>
Guest Stalls	<u>62</u>
Unassigned Stalls	<u>0</u>
Extra Stalls Available for Purchase	<u>0</u>
Other: _____	_____
Total Parking Stalls	<u>192</u>

7. Recreational amenities: Recreation Area and Pavilion.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Manoa Hillside Corp.
Name
720 Iwilei Road, Suite 230
Business Address
Honolulu, Hawaii 96817

Phone: 545-1945
(Business)

Names of officers or general partners of developers who are corporations or partnerships:

President - David Hulihee
Vice President - Michael Tsutsumi
Treas/Secretary - Leonard Leong

Real Estate Sales Agent: See Exhibit "B" attached hereto.
Name

Phone: _____
(Business)

Business Address

Escrow: First Hawaiian Bank
Name
165 South King Street
Business Address
Honolulu, Hawaii 96813

Phone: 525-7154
(Business)

Managing Agent: Century 21 Realty Specialists Co., dba Management Specialists Company
Name

Phone: 949-7611
(Business)

1585 Kapiolani Blvd., Ste. 1530
Business Address
Honolulu, Hawaii 96814

Attorney for Developer: Reuben S. F. Wong
Name
1001 Bishop Street, 1630 Pacific Tower
Business Address
Honolulu, Hawaii 96813

**II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. **Declaration of Condominium Property Regime** contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

Proposed
 Recorded - Bureau of Conveyances - Book _____ Page _____
 Filed - Land Court - Document Number 1719149

Amendment date(s) and recording/filing information:

- B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

Proposed
 Recorded - Bureau of Conveyance Condo Map No. _____
 Filed - Land Court Condo Map No. 771

Amendment date(s) and recording/filing information:

- C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

Proposed
 Recorded - Bureau of Conveyances - Book _____ Page _____
 Filed - Land Court - Document Number 179150

Amendment date(s) and recording/filing information:

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- D. **House Rules.** The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. 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.

The House Rules for this condominium are:

- Proposed Adopted
- Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>Board of Directors</u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:** The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules:
- a. To file "as built" amendments following completion of construction of apartments.
 - b. To amend, replace, modify or revise plans of an apartment so long as the total number of apartments in the Project and common interest assigned to an apartment is not changed, and revised plans conform to Design Requirements set forth in Exhibit "C" of the Declaration.
 - c. To alter size or configuration of a Private Land Area of an unsold apartment so long as the total number of apartments and common interests are not changed.

B. Underlying Land:

Address: Kalawao Street Tax Map Key: 1st Div. 2-9-24-1
Honolulu, Hawaii (TMK)

Address TMK is expected to change because each unit will later be assigned
an address.

Land Area: 52.753 square feet acre(s) Zoning: R-7.5 Residential
District

Fee Owner: Manoa Hillside Corp.
Name
720 Iwilei Road, Suite 230
Address
Honolulu, Hawaii 96817

Sublessor:
Name
Address

C Buildings and Other Improvements:

- 1. New Building(s) Conversion of Existing Building(s)
 Both New Building(s) and Conversion
- 2. Buildings: 63 Floors Per Building 2 or 3 or 4 - Apartment
 Exhibit _____ contains further explanations. 1 Floor - Recreation Pavilion

3. Principal Construction Material:
 Concrete Hollow Tile Wood
 Other _____

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Industrial	_____
<input checked="" type="checkbox"/> Residential	<u>62</u>	<input type="checkbox"/> Agricultural	_____
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input checked="" type="checkbox"/> Other: <u>Recreation Pavilion</u>	_____		_____

5. Special Use Restrictions:

The Declaration, Bylaws, and House Rules may contain restrictions on the use and occupancy of apartments. Restrictions for this condominium project include but are not limited to:

- Pets Owner responsible for cleanup, shall indemnify Association, etc. See House Rules
- Number of Occupants: _____
- Other: _____
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 62

Elevators 0 Stairways In Individual Apartment Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanal/Patio (sf)</u>
<u>See Exhibit "A" attached hereto.</u>				
<u>There are 7 different plans with living areas of 1,750 to 2,300 sq. ft.</u>				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

**Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment: An apartment consists of the apartment building and all other improvements located within each Private Land Area designated on the Condominium Map. The apartments are numbered 1 through 62 inclusive and are located as shown on the Condominium Map.

Permitted Alterations to Apartments; Prior to completion of the initial construction of an apartment, an apartment owner may modify or alter the plans of his apartment so long as such alterations conform to the Design Requirements contained in Exhibit "C" of the Declaration by submitting all plans for alteration to the Developer for its review and approval.

After the initial construction of an apartment, any alterations affecting the exterior appearance, size or elevation of an apartment must be approved by the Board of Directors and Director of Land Utilization of the City and County of Honolulu and conform with the Design Requirements set forth in Exhibit "C" of the Declaration. An owner may design or decorate the interior of his apartment at his sole discretion.

7. Parking Stalls:

Total Parking Stalls: 192

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	130						
Guest Unassigned		62					
Extra Available for Purchase							
Other:							
Total Covered & Open		192					

Each apartment will have the exclusive use of at least 2 parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

Commercial parking garage permitted in condominium project.

Exhibit _____ contains additional information on parking stalls for this condominium project.

NOTE: Except for Plan G apartments, each apartment includes a two-car carport and ownership of such parking spaces are included with ownership of an apartment. Plan G has a three-car carport.

8. Recreational and Other Common Facilities.

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area and Pavilion

Laundry Area

Tennis Court

Trash Chute

Other: _____

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least five years):

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

b. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

10. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u> X </u>	<u> </u>	<u> </u>
Structures	<u> X </u>	<u> </u>	<u> </u>
Lot	<u> X </u>	<u> </u>	<u> </u>

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. **Common Elements:** Common Elements are those parts of the condominium project intended to be used by all apartment owners. They are owned jointly by all apartment owners.

Exhibit "C" describes the common elements.

As follows:

2. **Limited Common Elements:** Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

There are no limited common elements in this project.

The limited common elements and the apartments which may use them are:

described in Exhibit "C"

as follows:

3. **Common Interest:** Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

Exhibit _____ describes the common interests for each apartment.

As follows:

Apt. 1 = 1.6131%
Apt. 2-62 = 1.6129%

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property.

Exhibit "D" describes the encumbrances against the title contained in the title report dated April 5, 1990 and issued by T.I. of Hawaii, Inc.

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[] There are no blanket liens affecting title to the individual apartments.

[X] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Interim Development Loan secured by mortgage in favor of First Hawaiian Bank	Sales Contract may be terminated but Buyer will be entitled to return of deposits paid. If the Buyer's deposits have been used for construction, Buyer will not receive a refund from Escrow or from the lender and Buyer must make his claim against the Developer.

F. Management of the Common Elements: The Association of Apartment 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 managing agent to assist the Association in managing the condominium project.

Initial Managing Agent: When the developer or the developer's affiliate is the initial managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial managing agent for this condominium is:

[X] not affiliated with the Developer.

[] the Developer or the Developer's affiliate.

[] self-managed by the Association of Apartment Owners.

[] other _____

G. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and 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 to each apartment.

Exhibit "E" contains a schedule of maintenance fees and maintenance fee disbursements.

H. Utility Charges for Apartments:

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

- | | |
|--|---|
| <input type="checkbox"/> Electricity | <input type="checkbox"/> Television Cable |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Water & Sewer |
| <input type="checkbox"/> Other _____ | |
| <input checked="" type="checkbox"/> Not applicable | |

I. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

The Developer makes no warranties whatsoever with respect to any buildings, fixtures, or site conditions of any apartment or the common elements. Construction warranties on houses must be obtained by each apartment owner from his/her respective contractor or, in the case of a construction contract assigned by the Developer, from the contractor designated therein.

2. Appliances:

None given, except that Developer will pass on any manufacturer's warranties as to appliances installed pursuant to the original plans and specifications for such installation prepared by the Developer's architect. In all other circumstances, purchasers must obtain their own warranties from their respective appliance sellers, manufacturers, and/or contractors.

J. Status of Construction and Estimated Completion Date:

Construction of apartments by Buyers will commence within 9 months after final closing of the sale of the Buyer's apartment, and shall be completed within 18 months after such closing. While construction deadlines shall be extended for delays caused by unforeseeable or uncontrollable circumstances described in the Sales Contract, there will be substantial penalties for failure to otherwise commence or complete construction on time.

The Developer anticipates that barring unforeseen circumstances, Buyers should be able to commence construction of their improvements about

K. Project Phases: June 3, 1990 for the first apartments to be constructed and March 12, 1991 for the last apartments to be constructed in the Project.

The developer [] has [X] has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's Present Plans for Future Development:

L. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

[X] Notice to Owner Occupants

[X] Specimen Sales Contract

Exhibit "F" contains a summary of the pertinent provisions of the revised sales contract.

[X] Escrow Agreement dated October 28, 1988

Exhibit "G" contains a summary of the pertinent provisions of the revised escrow contract.

[] Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

1. Buyers should be aware that they are not purchasing "just the land" but also one of the model apartments made available by Seller, as shown in the Condominium Map, and its appurtenant limited common elements. The land, designated (model) apartment and its appurtenant limited common elements are sometimes referred to in the documentation as "private land area". This is true even though a Buyer under certain circumstances may substitute the model apartment with his own plans.

2. Although the Reservation Agreement and Sales Contract allows a Buyer (such as a cash Buyer) nine (9) months to commence construction of his apartment building, Buyers should be aware that the primary lender, First Hawaiian Bank, will not close any apartment loans with a Buyer (Borrower) unless the Buyer is ready to commence construction immediately upon loan closing.

3. Buyers should read paragraph O, Alteration of Apartments of the proposed Declaration carefully. Among other things, it requires that upon completion of construction of an altered apartment, the Declaration and Condominium Map shall be amended by the Owner and Developer to reflect that apartment "as built". The cost thereof shall be borne by each apartment owner.

4. The Developer has provided performance bonds for 100% of the value of all common elements and limited common elements in the project, including the project's sitework and recreational pavilion. The Developer has also provided a 100% performance bond on each Apartment based on the assumption that the models now contemplated on each limited common area will be built by the Developer. The bonds for both the recreational pavilion and all apartments are material-house bonds. The Commission has accepted the Developer's use thereof based on a letter signed by the lender and escrow agreeing that in the event the Developer constructs an apartment, then prior to the close of escrow, the purchaser's funds in escrow shall not be released to the Developer until expiration of the mechanic's and materialman's lien period as set forth in Chapter 507, Part II, Hawaii Revised Statutes. In the event that a purchaser assumes the construction contract for the construction of the apartment dwelling, such purchaser shall also be assigned the contractor's bond for the construction of the apartment dwelling and the purchaser shall be responsible for ensuring that the contractor completes the apartment dwelling free of any mechanic's and materialman's lien. In the event that a purchaser substitutes his own plans for the apartment and engages his own contractor to build the apartment dwelling, it will be the responsibility of such purchaser to cause his contractor to furnish a mechanic's and materialman's bond and ensure that such apartment is completed free of any mechanic's and materialman's lien, or purchaser must contract with a builder pursuant to paragraph 8 in Exhibit "F" of this Public Report.

5. Buyers should be aware that although they have nine months within which to commence construction of their apartment buildings, the Notice to Proceed must be given by December 30, 1990 for the contract price stated in the contracts with Kokea Construction and Consultants, Inc., to be binding. Accordingly, for a buyer who waits the permitted nine months to begin construction of his apartment, there is a risk that the fixed contract price date will expire.

6. The Developer has negotiated the acquisition of an easement from the City and County of Honolulu for sewer purposes under Lot 84 of the City's property to connect the Project sewer lines to the City's sewer system. The developer will bear all costs for installation and construction of the sewer line; however, the Association of Owners of the Project will bear all costs of maintenance, operation, and if necessary, removal of this sewer easement. Accordingly, the Developer will be revising the Declaration of Condominium Property Regime and the Condominium Map to reflect the sewer easement and the obligation of the Association of Owners to bear the costs of maintaining, operating, and if necessary, removing the sewer easement.

7. The Department of Land Utilization of the City and County of Honolulu recently approved the placement of another drainage easement on a part of the common elements of the Project. This easement will be identified as Easement 17 on the survey map of Sam Hirota, Inc. as approved by the Department of Land Utilization of the City and County of Honolulu on April 26, 1990 and will be located approximately nine (9) feet from the east boundary of the Project and will run into the Manoa Stream on the north side of the Project. Accordingly, the Developer will be revising the Condominium Map to reflect this drainage easement.

8. With respect to the easements mentioned in paragraphs 7 & 8, prospective purchasers are invited to make inquiries of the Developer or its agent regarding such matters as the location, economic impact and other effect of the easements before waiving their right to cancel pursuant to HRS 514A. Once the right to cancel has been waived, a Purchaser's approval of the easements and document changes shall be conclusively presumed.

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

Preliminary Report: Sales made by the Developer are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

1. The Developer delivers to the buyer a copy of:
 - a. Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report;
AND
 - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
 - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - c. The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

B. Rights Under the Sales Contract:

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Condominium Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other _____

If these documents are not in final form, the buyer should ask to see the most recent draft.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs.

This Public Report is a part of Registration No. 1676 filed with the Real Estate Commission on May 17, 1985.

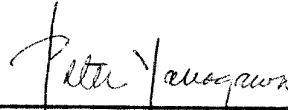
Reproduction of Report. When reproduced, this report must be on:

yellow paper stock

white paper stock

pink paper stock

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary Public Report is issued or unless the Commission issues an order extending the effective period for the report.



PETER YANAGAWA, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Bureau of Conveyances
Department of Finance, City and County of Honolulu
Planning Department, City and County of Honolulu
Federal Housing Administration
Escrow Agent

3111

EXHIBIT "A"

APARTMENT TYPE, FLOOR AREA, COMMON INTEREST

<u>Apt. No.</u>	<u>Plan</u>	<u>No. of Floors</u>	<u>No. of Bedrooms/Baths</u>		<u>Net Living Area*</u>	<u>Decks & Balconies*</u>
1	F	2	3**	3	2040	875
2	C	2	4**	3	2170	940
3	A	2	4**	3	2300	1360
4	A	2	4**	3	2300	1360
5	A	2	4**	3	2300	1360
6	A	2	4**	3	2300	1360
7	F	2	3**	3	2040	875
8	F	2	3**	3	2040	875
9	F	2	3**	3	2040	875
10	F	2	3**	3	2040	875
11	A	2	4**	3	2300	1360
12	F	2	3**	3	2040	875
13	F	2	3**	3	2040	875
14	F	2	3**	3	2040	875
15	T	2	4	3	1850	1220
16	T	2	4	3	1850	1220
17	C	2	4**	3	2170	940
18	T	2	4	3	1850	1220
19	A	2	4**	3	2300	1360
20	A	2	4**	3	2300	1360
21	A	2	4**	3	2300	1360
22	F	2	3**	3	2040	875

<u>Apt. No.</u>	<u>Plan</u>	<u>No. of Floors</u>	<u>No. of Bedrooms/Baths</u>		<u>Net Living Area*</u>	<u>Decks & Balconies*</u>
23	A	2	4**	3	2300	1360
24	C	2	4**	3	2170	940
25	T	2	4	3	1850	1220
26	T	2	4	3	1850	1220
27	C	2	4**	3	2170	940
28	A	2	4**	3	2300	1360
29	A	2	4**	3	2300	1360
30	T	2	4	3	1850	1220
31	A	2	4**	3	2300	1360
32	F	2	3**	3	2040	875
33	A	2	4**	3	2300	1360
34	C	2	4**	3	2170	940
35	K	3	3**	4	2020	275
36	H	4	5**	4	2075	230
37	G	3	4	4	1750	630
38	H	4	5**	4	2075	230
39	H	4	5**	4	2075	230
40	H	4	5**	4	2075	230
41	K	3	3**	4	2020	275
42	H	4	5**	4	2075	230
43	H	4	5**	4	2075	230
44	H	4	5**	4	2075	230

<u>Apt. No.</u>	<u>Plan</u>	<u>No. of Floors</u>	<u>No. of Bedrooms/Baths</u>		<u>Net Living Area*</u>	<u>Decks & Balconies*</u>
45	G	3	4	4	1750	630
46	G	3	4	4	1750	630
47	K	3	3**	4	2020	275
48	K	3	3**	4	2020	275
49	H	4	5**	4	2075	230
50	H	4	5**	4	2075	230
51	G	3	4	4	1750	630
52	H	4	5**	4	2075	230
53	K	3	3**	4	2020	275
54	K	3	3**	4	2020	275
55	G	3	4	4	1750	630
56	G	3	4	4	1750	630
57	H	4	5**	4	2075	230
58	H	4	5**	4	2075	230
59	H	4	5**	4	2075	230
60	K	3	3**	4	2020	275
61	K	3	3**	4	2020	275
62	K	3	3**	4	2020	275

*Approximate square feet

**Also contains a bedroom/den or study/den

Common Interest %

1. Apartment No. 1 has a common interest of 1.6131%.
2. Apartment Nos. 2 to 62 each has a common interest of 1.6129%

EXHIBIT "C"

Common Elements.

The common elements include all of the portions and appurtenances of the Project not otherwise designated as an apartment, including specifically, but not limited to:

- (1) land in fee simple;
- (2) all entry features, landscaped areas, grounds, recreational pavilion and recreational facilities;
- (3) all ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities and installations over, under and across the Project which serve more than one apartment for services such as power, light, water, gas, refuse, telephone and radio and television signal distribution;
- (4) all roadways, gates, ramps, walkways, curbs, walls, fences, loading areas, and guest parking stalls designated as stalls numbers 1 to 62, inclusive;
- (5) all fixtures, furnishings, equipment, decorations, tools and appliances used in connection with the recreational facilities or other common elements;

(6) any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance or safety or normally in common use.

Limited Common Elements.

Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of an apartment or certain apartments and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are the Private Land Area beneath and surrounding an apartment, as designated on the Condominium Map, which shall be appurtenant to and for the exclusive use of such apartment.

NOTE: The land area beneath and adjacent to each unit (Private Land Area) is not a legally subdivided lot.

EXHIBIT "D"

ENCUMBRANCES AGAINST TITLE

1. Tax Key: (1)2-9-24-1 - Area Assessed: 52.753 Acres
Taxes for the Fiscal Year 1988-1989 in the amount of \$5,023.22 have been paid in full.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. The free flowage of water in Manoa Stream as shown on Map 8 of Land Court Application No. 775.
4. Unrecorded Grant of easement in favor of HAWAIIAN TELEPHONE COMPANY, as set forth in instrument dated January 23, 1976, recorded January 28, 1976 in Book 11196 Page 384.
5. Perpetual covenant in Deed dated December 31, 1943, filed as Land Court Document No. 71147.

6. REAL PROPERTY MORTGAGE AND FINANCING STATEMENT

Mortgagor : MANOA HILLSIDE CORP., a Hawaii corporation
Mortgagee : FIRST HAWAIIAN BANK
Dated : April 18, 1986
Filed : Land Court Document No. 1366352
Consideration : \$1,800,000.00

ASSUMPTION, AMENDMENT AND RELEASE

Dated : January 30, 1987
Filed : Land Court Document No. 1438242

7. FINANCING STATEMENT

Debtor : MANOA HILLSIDE CORP.
Secured Party : FIRST HAWAIIAN BANK
Recorded : April 22, 1986 in Book 19443 Page 30

8. Declaration of Restrictive Covenants (Private Park) dated July 9, 1986, filed as Land Court Document No. 1442782.
9. The terms and provisions of Agreement dated July 9, 1986, recorded on February 26, 1987 in Book 20404 Page 475, made by and between Manoa Hillside Corporation and the City and County of Honolulu.
10. Grant of Easement dated March 12, 1987, filed as Land Court Document No. 1451755, in favor of HAWAIIAN ELECTRIC COMPANY, INC., a Hawaii corporation, granting an easement for utility purposes.
11. Declaration of Covenants dated November 20, 1989, filed on November 28, 1989, as Land Court Document No. 1685792.
12. Government Triangulation Survey Station "WAAHILA" situated on a portion of the southeast side of Lot A-1-A-1, as shown on survey dated December 11, 1989 of Kazutaka Saiki, Registered Professional Land Surveyor, Certificate No. 740-S, and the Tax Map prepared by the Taxation Maps Bureau, City and County of Honolulu. Attention is invited to the provisions of Section 172-13 of the Hawaii Revised Statutes, relative to the destruction, defacing or removal of survey monuments.

13. The Terms and Provisions of Grant of Easement dated March 20, 1990, filed as Land Court Document No. 1715330.
14. Declaration of Restrictive Covenants dated February 8, 1990, filed as Land Court Document No. 1719148.
15. Condominium Map No. 771 filed on April 4, 1990.
16. The covenants, agreements, obligations, conditions and other provisions set forth in Condominium Property Regime entitled "MANOA HILLSIDE ESTATES" dated March 27, 1990, filed April 4, 1990 as Land Court Document No. 1719149, and the By-Laws of the Association of Apartment Owners dated March 27, 1990, Filed April 4, 1990 as Land Court Document No. 1719150.

EXHIBIT "E"

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
PER UNIT	\$ 85.00/mo.	\$ 1,020.00
MULTIPLIED BY 62 UNITS	X62	X62
	<hr/>	<hr/>
	\$5,270.00	\$63,240.00

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 x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

common elements only

\$ 555.00/mo.

\$ 6,660.00

common elements
and apartments

Gas

Refuse Collection

Telephone

150.00/mo.

1,800.00

Water and Sewer

150.00/mo.

1,800.00

Maintenance, Repairs and Supplies

Building

Grounds

1,600.00/mo.

19,200.00

Management

Management Fee

1,200.00/mo.

14,400.00

Payroll and Payroll Taxes

Office Expenses

50.00/mo.

600.00

Insurance

575.00/mo.

6,900.00

Reserves

355.00/mo.

4,260.00

Taxes and Government Assessments

100.00/mo.

1,200.00

Audit Fees

Other

Professional & Legal

85.00/mo.

1,020.00

Security

250.00/mo.

3,000.00

Equip. Service

200.00/mo.

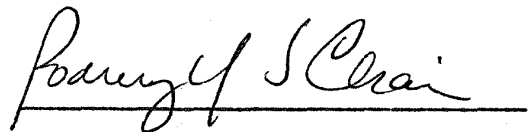
2,400.00

TOTAL

\$5,270.00

\$63,240.00

I/We, MANAGEMENT SPECIALISTS COMPANY, as
managing agents for the 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.



Date: JUNE 1, 1990

EXHIBIT "F"SUMMARY OF SALES CONTRACT

1. The Purchaser shall purchase an apartment by paying for the Private Land Area at closing and submitting a loan commitment or other evidence of ability to pay for the cost of constructing his dwelling unit at Closing.

2. The Purchaser shall assume the Seller's construction and architectural contracts for the apartment, thereby becoming solely responsible for construction of his dwelling unit. The costs of the apartment dwelling is "paid" by the purchaser's assumption of these contracts.

3. If a Purchaser plans to pay for construction out of his own funds, such money shall be paid by Escrow and returned to the Purchaser during the course of construction in such amounts, dates and conditions as the same are set forth in Article 5 entitled "Progress Payments" in the Construction Contract. If Purchaser has a mortgage lender, such lender can supervise payment of construction costs instead of Escrow.

4. Closing will take place when the Private Land Area is ready for construction of the apartment dwelling. In addition to the purchase price, the Purchaser must pay various closing costs, condominium maintenance fees in advance for three (3) months, real property taxes for the remainder of the tax year, and special assessments and "start up" fees for the operation of the condominium project.

5. Purchaser must commence construction of his apartment within nine (9) months after Closing and complete construction eighteen (18) months after Closing. There are substantial penalties for failure to commence or complete construction in a timely manner.

6. Each Private Land Area has assigned to it a Model apartment to be built thereon. However, under certain circumstances, a Purchaser may choose another apartment plan that Seller has made available for Purchaser's particular Private Land Area. Accordingly, the assigned model and the available apartment plans for each Private Land Area are set forth on Exhibit "I". In addition, under certain circumstances a Purchaser may substitute his own plans instead of the Model assigned to the Private Land Area or instead of the other apartment plans available for that Private Land Area. However after July 28, 1989, due to the complexity of administering the substitution of a Purchaser's own plan, a new Purchaser may no longer substitute his own apartment plans. If a Purchaser who was allowed to use his own plans fully complies with the Reservation Agreement and Sales Contract, he shall receive from the Seller an allowance which will be deducted from the total purchase price and the Seller will not be required to excavate the Private Land Area. In addition, a Purchaser using substituted plans must comply with the provisions of paragraph 17(a) and 17(b) of the Reservation Agreement and Sales Contract; provided, however, if such Purchaser fails to comply with such provisions, then such

Purchaser must construct the apartment based upon the Model assigned to that particular Private Land Area.

7. Purchaser may modify the interior design of his apartment and/or carport by satisfying all of the provisions in Paragraph 17(a) of the Reservation Agreement and Sales Contract. Compliance with Paragraph 17(a) in the Sales Contract is Purchaser's Responsibility and this risk.

8. If Purchaser hires a construction contractor to construct his apartment or modify the interior design of his apartment including carport, then each such construction contract must contain (1) a waiver by the contractor of all mechanics' and materialmen's lien rights against the Project and the common elements (other than on the Purchaser's apartment and its appurtenant common interest and limited common elements), and (b) an agreement by the construction contractor to indemnify the title insurance company for the Project from all such liens asserted against any other apartments and the common elements of the Project. As to the few Purchasers who were permitted to use their own apartment plans (substituted plans), such Purchasers shall cause their construction contract to likewise contain the waiver and indemnity provisions set forth in (a) and (b) above.

9. Seller shall have the right to coordinate construction of the various apartments and other parts of the Project. Seller reserves the right to enter into a purchaser's Private Land Area to install, repair and maintain utility lines and perform other activities in order to complete the Project.

10. The rights and obligations of Seller and Purchaser shall continue and extend beyond the date of Closing until such time as the purchaser's apartment is complete.

11. Purchaser's assumption of architectural and construction contracts means that should either the architect or contractor breach its contract and Purchaser is damaged, Purchaser's recourse shall be limited to the breaching party and not the Seller. Also, Purchaser is aware the common elements may not be completed at the time of Purchaser's apartment completion.

12. Any prior Reservation Agreement and Sales Contract entered into by Seller and Purchaser is cancelled. Any interest earned on any escrow account related thereto shall be returned to Purchaser, and all of Purchaser's payments shall be applied to the new Reservation Agreement and Sales Contract.

13. Purchaser and Seller must confirm that both parties have disclosed their respective real estate brokers and sales persons prior to signing the Reservation Agreement and Sales Contract.

14. Purchaser shall acknowledge that Seller has made available to Purchaser the architectural and construction contracts for the Model apartment together with all documents related thereto, and that Purchaser approves of the architectural and construction contracts together with all documents related thereto, and that Purchaser shall pay the architect's fee at closing.

EXHIBIT "G"

SUMMARY OF ESCROW AGREEMENT

1. All funds paid to Escrow (FIRST HAWAIIAN BANK, Escrow Department) shall be deposited into interest-bearing accounts. All interest earned on such deposits belongs to the Seller.

2. If a Purchaser is permitted to cancel a reservation to purchase an apartment as a proposed owner-occupant, his deposit shall be refunded.

3. If a Purchaser is permitted to cancel a Sales Contract, his money will be refunded except for escrow's cancellation fee.

4. Escrow will perform all necessary and customary escrow functions to close the sales.

5. If a Purchaser does not have a mortgage lender to administer the disbursement of funds during construction of the apartment, Escrow shall hold such funds and release them to the Purchaser according to the schedule contained in Paragraph 4(b) of the Sales Contract.

6. If refunds are not claimed by the Purchaser within sixty (60) days, Escrow shall treat such money as Seller's property.

7. Escrow shall give Purchasers notice of any default that is brought to their attention or authorized by Seller.

8. As long as Escrow abides by the terms of the Escrow Agreement, it shall have no liability to Seller, the Purchaser, or any other person.

9. If Escrow receives a demand from Seller or Purchaser to terminate the Sales Contract or to pay funds because of a default, forfeiture, termination or rescision, then Escrow may require joint instructions from Seller and Purchaser.

EXHIBIT "H"

Roadway Easement and Retaining Wall. The Developer has negotiated a roadway easement to widen the entry way to the Project and to construct a retaining wall thereon. It is contemplated that the Developer will initially construct the retaining wall but that the Association of Owners of the Project will pay the cost to upkeep, maintain and repair the roadway easement and the retaining wall.

EXHIBIT "I"ASSIGNED MODELS AND AVAILABLE MODELS (Apartment Plans)

<u>APT. NO.</u>	<u>ASSIGNED MODEL</u>	<u>AVAILABLE MODELS</u>
1	F	A, C, F, T
2	C	A, C, F, T
3	A	A, C, F, T
4	A	A, C, F, T
5	A	A, C, F, T
6	A	A, C, F, T
7	F	A, C, F, T
8	F	A, C, F, T
9	F	A, C, F, T
10	F	A, C, F, T
11	A	A, C, F, T
12	F	A, C, F, T
13	F	A, C, F, T
14	F	A, C, F, T
15	T	A, C, F, T
16	T	A, C, F, T
17	C	A, C, F, T
18	T	A, C, F, T
19	A	A, C, F, T
20	A	A, C, F, T
21	A	A, C, F, T
22	F	A, C, F, T
23	A	A, C, F, T
24	C	A, C, F, T
25	T	A, C, F, T
26	T	A, C, F, T
27	C	A, C, F, T
28	A	A, C, F, T
29	A	A, C, F, T
30	T	A, C, F, T
31	A	A, C, F, T
32	F	A, C, F, T
33	A	A, C, F, T
34	C	A, C, F, T
35	K	G, H, K
36	H	G, H, K
37	G	G, H, K
38	H	G, H, K
39	H	G, H, K
40	H	G, H, K
41	K	G, H, K
42	H	G, H, K
43	H	G, H, K
44	H	G, H, K
45	G	G, H, K
46	G	G, H, K

47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62

K
K
H
H
G
H
K
K
K
G
G
H
H
H
H
K
K
K

G, H, K
G, H, K
G, H, K
G, H, K
G, H, K
G, H, K
G, H, K
G, H, K
G, H, K
G, H, K
G, H
G, H
G, H
G, H
G, H, K
G, H, K
G, H, K
G, H, K

EXHIBIT "J"

SUMMARY OF RESTRICTIVE COVENANTS

1. The Department of Land Utilization ("DLU") of the City and County of Honolulu approved the Project as a Cluster Housing Development on July 7, 1987 subject to a number of conditions contained in a "Report, Conclusions, Decision and Order" issued by the DLU.

2. The Department of Land and Natural Resources ("DLNR") approved the Developer's Conservation District Use Application ("CDUA") for a permit to construct a drainage bench and ditch on the Project on August 25, 1989, subject to a number of conditions.

3. In order to comply with the conditions of the Cluster Permit issued by the DLU and the CDUA permit issued by the DLNR, the Developer will record in the Bureau of Conveyances of the State of Hawaii a number of covenants that shall be binding on all Apartment Owners in the Project through the Association of Apartment Owners. Any future Apartment Owners are also bound to abide by these covenants.

4. In connection with the granting of the CDUA permit, the Association must do the following:

a. Indemnify, defend and hold the State of Hawaii harmless from any loss or liability resulting from any type of personal injury, death or property damage caused by use, maintenance or construction of a drainage bench and ditch

located in the Project, or any such injury arising out of any acts or omissions of anyone acting under the CDUA permit or in connection with the granting of the permit.

b. Perpetually maintain, repair, clean and keep in good order and condition the drainage bench and ditch located in the Project.

5. In connection with the granting of the Cluster Permit from the DLU, the Association must do the following:

a. After completion of the Project, secure approval from the DLU for any future additions or alterations to the common elements of the Project, any future additions or alterations to individual apartment units in the Project, and all final landscaping plans for the Project.

b. Comply with all site plan, building design, roadway and landscaping requirements as more specifically set forth in that certain "Report, Conclusions, Decision and Order" issued on July 7, 1987 by the DLU.

c. Provide for stream embankment stabilization, and erosion and maintenance controls for parts of Manoa Stream that run through the Project or are immediately adjacent to the Project.

d. Suspend any and all construction or digging work in the Project areas immediately and contact the State DLNR Historic Sites Office upon finding any historically significant sites or remains, such as artifacts, bones, human remains, shells, charcoal remains, fossils, or rock or coral alignments, pavings or walls.

e. Enforce and maintain rules regarding the placement and collection of trash in the Project.

f. Perpetually maintain, repair, clean and keep in good order and condition all the common elements of the Project (excluding limited common elements) including roadways, the Private Park and Recreation Pavilion, designated trash collection and storage sites, guest parking stalls, walkways, and landscaped common element areas.

g. The Restrictive Covenants that Developer will be filing in the Bureau of Conveyances of the State of Hawaii are binding on all Apartment Owners (present and future), their heirs, personal representatives, successors, or assigns.