

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[] Required and attached to this report [X] 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 developer.

[X] Changes made are as follows:

1. There has been a delay in the project's completion date.
2. The developer has decided to make four (4) additional types of apartment models available in the project. Previously, there were only seven (7) types of apartment models. Now there are eleven (11).
3. Exhibits "A", "B", "D", "E", "F", "H" and "I" have been revised and Exhibit "K" (Description of Apt. Plans) has been added.

SPECIAL ATTENTION

This is CONDOMINIUM PROJECT, not a subdivision. The "Private Land Areas" beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and is not a legally subdivided lot. The dotted lines on the Condominium Map bounding the designated number of square feet in each limited common element land area are for illustrative purposes only and should not be construed to be the property lines of legally subdivided lots.

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.

This public report does not constitute approval of the Project by the Real Estate Commission, or any other government agency, nor does it ensure that all applicable County codes, ordinances, and subdivision requirements have necessarily been complied with.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

TABLE OF CONTENTS

	page
Preparation of this Report	1
Expiration Date of Reports	1
Type of Report	1
Disclosure Abstract	2
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Operation of the Condominium Project	4
PERSONS CONNECTED WITH THE PROJECT	5
Developer Attorney for Developer General Contractor	
Real Estate Broker Escrow Company Condominium Managing Agent	
I. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	6
B. Condominium Map (File Plan)	6
C. Bylaws	6
D. House Rules	7
E. Changes to Condominium Documents	7
II. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	8
B. Underlying Land	9
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	13
E. Encumbrances Against Title	14
F. Construction Warranties	15
G. Status of Construction	16
H. Project Phases	16
IV. CONDOMINIUM MANAGEMENT	
A. Management of the Common Elements	17
B. Estimate of Initial Maintenance Fees	17
C. Utility Charges for Apartments	17
V. MISCELLANEOUS	
A. Sales Documents Filed with the Real Estate Commission	18
B. Buyer's Right to Cancel Sales Contract	18
C. Additional Information Not Covered Above	20
D. Signature of Developer	21
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	
EXHIBIT K: Description of Apartment Plans	

General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land 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 owners/tenants) 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 at the lessee's expense. 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.

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 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 project's 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.

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 the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the 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 important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Manoa Hillside Corp. Phone: 955-8800
Name (Business)
1541 S. Beretania, Ste. 306
Business Address
Honolulu, Hawaii 96826

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
Broker: See Exhibit "B" attached hereto Phone: _____
Name (Business)
Business Address

Escrow: First Hawaiian Bank Phone: 525-7185
Name (Business)
1132 Bishop St., 16th Flr.
Business Address
Honolulu, HI 96813

General
Contractor: **Kokea Construction & Consultants, Inc Phone: 842-4454
Name (Business)
1602 Auiki, Bldg. A
Business Address
Honolulu, HI 96819

Condominium
Managing
Agent: Century 21 Realty Specialists Co.,
dba Management Specialists Company Phone: 949-7611
Name (Business)
1585 Kapiolani Blvd., Ste. 1530
Business Address
Honolulu, HI 96814

Attorney for
Developer: Reuben S. F. Wong Phone: 531-3526
Name (Business)
Suite 1902, Pacific Tower
1001 Bishop Street
Business Address
Honolulu, HI 96813

**Under certain circumstances Buyers
are permitted to use their own
contractors to construct their
apartments. See Exhibit "F". 5

**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. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and 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.

- 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: Document No. _____
Book _____ Page _____
 Filed - Land Court: Document No. 1719149

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]: 1. **Amendment to Declaration of Condominium Property Regime of Manoa Hillside Estates dated November 27, 1990, filed as Land Court Document No. 1786885.**

- 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 Conveyances Condo Map No. _____
 Filed - Land Court Condo Map No. 771

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]: **Amendment to Declaration of Condominium Property Regime of Manoa Hillside Estates dated November 27, 1990, filed as Land Court Document No. 1786885.**

- 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 manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed
 Recorded - Bureau of Conveyances: Document No. _____
Book _____ Page _____
 Filed - Land Court: Document No. 1719150

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]:

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

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 for projects with five or fewer apartments.

2. Developer:

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

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.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per Month Year

For Subleaseholds:

- Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 - Canceled Foreclosed
- As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per Month Year

[] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

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

[X] Address [] TMK is expected to change because Each individual apartment in the Project has been assigned an address, including apartments that have not yet been constructed.

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

Lessor

(Fee Owner): Manoa Hillside Corp.
Name
1541 South Beretania, Suite 306
Address
Honolulu, Hawaii 96826

Sublessor:

Name

Address

2. Buildings and Other Improvements:

1. New Building(s) Conversion of Existing Building(s) Both New Building(s) and Conversion

2. Number of Buildings: 63 Floors Per Building 2 or 3 or 4 - Apartments
 Exhibit _____ contains further explanations. 1 Floor - Recreation Pavilion

3. Principal Construction Material:

Concrete Hollow Tile Wood
 Other _____

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning		No. of Apts.	Use Determined By Zoning
<input checked="" type="checkbox"/> Residential	<u>62</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Ohana	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Industrial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Agricultural	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Recreational	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Other: <u>Rec Pavilion</u>		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?
 Yes No

5. Special Use Restrictions:

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

[X] Pets: Permitted and Owner responsible for cleanup, shall indemnify Association, etc. See House Rules
 [] Number of Occupants: _____

[X] Other: Declaration of Restrictive Covenants (See Summary attached as Exh. J)
 [] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

In individual

Elevators: 0 Stairways: apartments Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
<u>See Exhibits "A" & "K" attached hereto</u>				
<u>There are 11 different plans with living areas of 1750 to 2,668 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.

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.

11. 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.

12. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit "C".

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 use them, as described in the Declaration, 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 used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit _____.

as follows: Apt. 1 = 1.6131%
Apt. 2 - 62 = 1.6129%

Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit "D" describes the encumbrances against the title contained in the title report dated June 10, 1993 and issued by T.I. of Hawaii, Inc.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien 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 that have already been sold.
- [X] There are blanket liens which may affect title to the individual apartments which have not yet been sold.

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</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. 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.

G. 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.

Approximately twenty-nine (29) of the sixty-two (62) apartments have already been constructed or are in the process of being constructed. Construction of the remaining apartments is expected to take place from August 1993 through December 1995.

H. Project Phases:

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

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

IV. CONDOMINIUM MANAGEMENT

A. 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 condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium 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 condominium managing agent for this project, named on page five (5) of this report, is:

- not affiliated with the Developer the Developer or the Developer's affiliate.
- self-managed by the Association of Apartment Owners other _____

B. 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.

Exhibit "E" contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. 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:

- None **(common elements only)**
- Electricity Gas Water
- Sewer Television Cable Other Telephone for entry way, other common facilities and usage

V. MISCELLANEOUS

Sales Documents Filed With the Real Estate Commission:

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

- Notice to Owner Occupants
- Specimen Sales Contract
Exhibit "F" contains a summary of the pertinent provisions of the ^{revised} sales contract.
- Escrow Agreement dated October 28, 1988
Exhibit "G" contains a summary of the pertinent provisions of the ^{revised} escrow agreement.
- Other _____

1. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales 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 or Supplementary Report to a Final Report: Sales made by the developer are binding if:

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

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND
- B) 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.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime.
- C) Bylaws of the Association of Apartment Owners.
- D) House Rules.
- E) Condominium Map.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other Declarations of Restrictive Covenants

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 Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 1676 filed with the Real Estate Commission on May 7, 1985

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C. 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 mechanics' and materialmans' 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 mechanics' and materialmans' liens. 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 mechanics' and materialmans' bond and ensure that such apartment is completed free of any mechanics' and materialmans' liens 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 have been given by December 30, 1990 for the contract price stated in the contracts with Kokea Construction and Consultants, Inc., to be binding.

6. The Developer obtained a Grant of Easement dated April 2, 1990 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 paid for all costs of 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 has amended 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 approved the placement of another drainage easement on a part of the common elements of the Project. This easement is identified as Easement 18 on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990, and on the Condominium Map No. 771, as amended and is located approximately nine (9) feet from the east boundary of the Project and runs in to the Manoa Stream on the north side of the Project. This drainage easement was previously 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. The easement has been renumbered as Easement 18.

8. With respect to the easements mentioned in paragraphs 6 & 7, 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.

- D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

Manoa Hillside Corp.

Name of Developer

By:

Michael Tsutsumi
Duly Authorized Signatory

August 17, 1993
Date

Michael Tsutsumi, Vice President

print name & title of person signing above

Distribution:

Department of Finance, City & County of Honolulu
Planning Department, City & County of Honolulu
Federal Housing Administration

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</u>		<u>Net</u>	
			<u>Bedrooms/Baths</u>	<u>Baths</u>	<u>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 "B"

The Real Estate Agents are:

1. Locations, Inc.
Seven Waterfront Plaza
500 Ala Moana Blvd., Suite 210
Honolulu, Hawaii 96813
Phone No. 545-8800

2. Pacific Island Properties, Inc.
1750 Kalakaua Avenue, Suite 4000
Honolulu, Hawaii 96826
Phone No. 949-2522

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. For real property taxes due and owing, reference is made to the Director of Finance, City and County of Honolulu.
Tax Key: (1)2-9-24-1 - Assessed under HPR Nos. 1 through 62
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. Declaration of Restrictive Covenants (Private Park) dated July 9, 1986, filed as Land Court Document No. 1442782.
7. 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.
8. 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.
9. Declaration of Covenants dated November 20, 1989, filed on November 28, 1989 as Land Court Document No. 1685792.

10. 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 directed to the provisions of Section 172-13 of the Hawaii Revised Statutes, relative to the destruction, defacing or removal of survey monuments.
11. The Terms and Provisions of Grant of Easement dated March 20, 1990, filed as Land Court Document No. 1715330.
12. Declaration of Restrictive Covenants dated February 8, 1990, filed as Land Court Document No. 1719148.
13. Designation of Easement 2, for sewer purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
14. Designation of Easement 3, for drainage purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
15. Designation of Easement 4, for sewer purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
16. Designation of Easement 5, for sewer purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.

17. Designation of Easement 6, for drainage purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
18. Designation of Easement 7, for sewer and drainage purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
19. Designation of Easement 8, for drainage purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
20. Designation of Easement 9, for sewer purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
21. Designation of Easement 10, for drainage purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
22. Designation of Easement 11, for road and utility purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
23. Designation of Easement 12, for electric transformer site purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
24. Designation of Easement 13, for electric transformer site purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.

25. Designation of Easement 14, for electric transformer site purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
26. Designation of Easement 15, for electric transformer site purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
27. Designation of Easement 16, for electric transformer site purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
28. Designation of Easement 17, for electric transformer site purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
29. Designation of Easement 18, for drainage purposes, as shown on Map 32, as set forth by Land Court Order No. 99140, filed August 27, 1990.
30. The terms and provisions of Grant of Easement dated April 2, 1990, filed on October 17, 1990 as Land Court Document No. 1773704 in favor of MANOA HILLSIDE CORPORATION, a Hawaii corporation, granting an perpetual easement for sanitary sewer purposes under and across a portion of Kalawao Street; as amended by Land Court Document No. 1797724.
31. Grant of Easement dated June 7, 1991, filed as Land Court Document No. 1834522, in favor of HAWAIIAN ELECTRIC COMPANY, INC., a Hawaii corporation, and GTE HAWAIIAN TELEPHONE COMPANY INCORPORATED, a Hawaii corporation, granting an easement for utility purposes.

32. Condominium Map No. 771 filed on April 4, 1990; as amended.

33. 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, as amended by Amendment filed as Land Court Document No. 1786885, and the By-Laws of the Association of Apartment Owners dated March 27, 1990, filed April 4, 1990 as Land Court Document No. 1719150.

34. MORTGAGE (also affects other property)

Mortgagor : MANOA HILLSIDE CORP., a Hawaii corporation
Mortgagee : FIRST HAWAIIAN BANK, a Hawaii corporation
Dated : September 14, 1990
Filed : September 14, 1990
Land Court Document No. 1763768
Consideration : \$10,000,000.00

35. FINANCING STATEMENT (also affects other property)

Debtor : MANOA HILLSIDE CORP.
Secured Party : FIRST HAWAIIAN BANK
Recorded : September 14, 1990 as Document No. 90-142624

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		
<input checked="" type="checkbox"/> common elements only	\$ 555.00/mo.	\$ 6,660.00
<input type="checkbox"/> common elements and apartments		
Elevator		
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	50.00/mo.	600.00
Office Expenses	575.00/mo.	6,900.00

Insurance

355.00/mo. 4,260.00

Reserves(*)

100.00/mo. 1,200.00

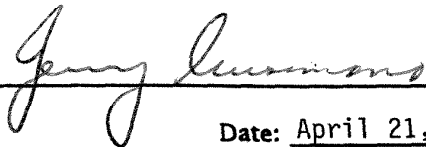
Taxes and Government Assessments

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, Jerry Cusimano, as agent and employed by Company Management Specialists, the condominium managing agent or the developer, for the condominium project Maona Hillside Estates, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



(*) Mandatory reserves in effect January 1, 1993

Date: April 21, 1993

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. 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 risk.

8. If Purchaser hires a construction contract 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 mechanic's 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. If Developer certifies in writing to Escrow (i) that Developer has elected to terminate the Sales Contract and has notified the Purchaser, or (ii) that Purchaser is otherwise in default and provides Escrow with a copy of the default notice, then, in either event, Escrow shall thereafter treat all funds of

the Purchaser paid under such Sales Contract, or any portion thereof as may be allowed by said Sales Contract, less a cancellation fee for Escrow, as funds of Developer and not of the Purchaser.

9. 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.

10. 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 rescission, then Escrow may require joint instructions from Seller and Purchaser.

Exhibit "H"

Roadway Easement and Retaining Wall. The Developer has obtained a roadway easement to widen the entry way to the Project and to construct a retaining wall thereon. The Developer has constructed the retaining wall, but the Association of Owners of the Project must pay the cost to upkeep, maintain and repair the roadway easement and the retaining wall. The aforesaid roadway is set forth in Grant of Easement dated March 20, 1990, filed as Land Court Document No. 1715330.

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, 3, 4
2	C	A, C, F, T, 2, 3, 4
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, 2, 3, 4
8	F	A, C, F, T, 2, 3, 4
9	F	A, C, F, T
10	F	A, C, F, T
11	A	A, C, F, T
12	F	A, C, F, T, 2
13	F	A, C, F, T, 2
14	F	A, C, F, T, 2
15	T	A, C, F, T
16	T	A, C, F, T
17	C	A, C, F, T, 2, 3, 4
18	T	A, C, F, T, 2, 3, 4
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, 2, 3, 4
29	A	A, C, F, T
30	T	A, C, F, T
31	A	A, C, F, T
32	F	A, C, F, T, 2, 3, 4
33	A	A, C, F, T, 2, 3, 4
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, 1
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

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G, H, K
G, H, K
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G, H, K, 1
G, H, K
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G, H, K
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G, H, 1
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G, H, K, 1
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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 filed in the Land Court of the State of Hawaii a number of covenants that are binding on all Apartment Owners in the Project through the Association of Apartment Owners. These covenants are dated November 20, 1989 (Land Court Document No. 1685792) and February 8, 1990 (Land Court Document No. 1719148) and are summarized in part below. 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 has filed in the Land Court of the State of Hawaii are binding on all Apartment Owners (present and future), their heirs, personal representatives, successors, or assigns.

THE FOREGOING REPRESENTS A SUMMARY OF SOME OF THE MORE IMPORTANT COVENANTS. PROSPECTIVE BUYERS ARE URGED TO EXAMINE THE DOCUMENTS THEMSELVES, COPIES OF WHICH ARE ON FILE WITH THE REAL ESTATE COMMISSION.

EXHIBIT "K"DESCRIPTION OF APARTMENT PLANS

- MODEL A: Model A is a two-story structure consisting of 4 bedrooms, 3 bathrooms, laundry area, living room, dining area, kitchen, breakfast area, study/den and a two-car carport. Model A has approximately 2,300 square feet of net living area, approximately 1,360 square feet of deck and total carport area of 440 square feet.
- MODEL C: Model C is a two-story structure consisting of 4 bedrooms, 3 bathrooms, laundry room, living room, dining room, kitchen, study/den and a two-car carport. Model C has approximately 2,170 square feet of net living area, approximately 940 square feet of deck, and total carport area of 450 square feet.
- MODEL F: Model F is a two-story structure consisting of 3 bedrooms, 3 bathrooms, living room, dining area, kitchen, study/den and two-car carport. Model F has approximately 2,040 square feet of net living area, approximately 875 square feet of deck, and total carport area of 400 square feet.
- MODEL G: Model G is a three-story structure consisting of 4 bedrooms, 4 bathrooms, living room, dining area, kitchen, and a three-car carport. Model G has approximately 1,750 square feet of net living area, approximately 630 square feet of deck, and total carport area of 1,150 square feet.
- MODEL H: Model H is a four-story structure consisting of 5 bedrooms, 4 bathrooms, living/dining area, study/den, kitchen, laundry area and a two-car carport. Model H has approximately 2,075 square feet of net living area, approximately 230 square feet of deck, and total carport area of 520 square feet.
- MODEL K: Model K is a three-story structure consisting of 3 bedrooms, 4 bathrooms, living/dining area, study/den, kitchen, laundry room and a two-car carport. Model K has approximately 2,020 square feet of net living area, approximately 275 square feet of deck, and carport area of 400 square feet.
- MODEL T: Model T is a two-story structure consisting of 4 bedrooms, 3 bathrooms, laundry room, living room, dining area, kitchen, and two-car carport. Model T has approximately 1,850 square feet of net living area, approximately 1,220 square feet of deck, and total carport area of 400 square feet.

- MODEL 1: Model 1 is a four-story structure consisting of 3 bedrooms, 2 1/2 bathrooms, living room, dining area, kitchen, den and a two-car carport. Model 1 has approximately 2,226 square feet of net living area, approximately 259 square feet of deck and total carport area of 373 square feet.
- MODEL 2: Model 2 is a two-story structure consisting of 3 bedrooms, 2 1/2 bathrooms, living room, dining room, kitchen, study/den and a two-car carport. Model 2 has approximately 2,055 square feet of net living area, approximately 1,295 square feet of deck, and total carport area of 360 square feet.
- MODEL 3: Model 3 is a two-story structure consisting of 4 bedrooms, 4 bathrooms, laundry area, living room, dining area, kitchen and a two-car carport. Model 3 has approximately 2,668 square feet of net living area, approximately 1,056 square feet of deck and total carport area of 364 square feet.
- MODEL 4: Model 4 is a two-story structure consisting of 3 bedrooms, 3 bathrooms, living room, dining room, kitchen, study/den and a two car carport. Model 4 has approximately 2,604 square feet of net living area, approximately 1,191 square feet of deck and total carport area of 333 square feet.

The approximate net living areas of each model were taken from the interior surface of apartment perimeter walls without reduction for closet walls, railings, posts, stairways, and the like. The net living areas have been rounded to the next lowest full square foot.