



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

CONDOMINIUM PUBLIC REPORT

on

MAKAKILO CLIFFS
 Makakilo, Oahu, Hawaii

Registration No. 2220

Issued: July 10, 1991
 Expires: August 10, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of May 14, 1991, 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:**
(yellow)
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.
- FINAL:**
(white)
The developer has legally created a condominium and has filed complete information with the Commission.
 - No prior reports have been issued
 - Supersedes all prior public reports
 - Must be read together with _____
- SUPPLEMENTARY:**
(pink)
Updates information contained in the
 - 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.

Changes made are as follows:

1. Malama Development Corp. is no longer the general partner of Makakilo Cliffs Joint Venture (the Developer). Malama Development Corp. has assigned its right, title and interest in the Partnership and Joint Venture Agreement to Malama Makakilo Corp.
2. The Developer has reserved its right to withdraw a portion of the underlying land from the Project. See page 8 of this report for further explanation.
3. The Schedule of Maintenance Fees and Operating Budget has been revised.
4. The parking stalls assignment has been revised for certain apartments in Buildings 19 to 22.
5. Two more guest parking stalls (C650, C651) are added to the Project.
6. The floor areas of the apartment have been revised.
7. Apartment owners of this Project will also be members of the Palehua Community Association. See Page 18 of this Report for further explanation.
8. Parking stalls will not be covered; however, they will be trellised.

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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.

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.

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.

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 Ohana
 Mixed Residential and Commercial Agricultural
 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>
A	12	2/1.5	698.51	75
AR	12	2/1.5	698.51	75
B	108	2/2	717.47	71
BR	108	2/2	717.47	71
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 240

**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)	480
Guest Stalls	77
Unassigned Stalls	0
Extra Stalls Available for Purchase	0
Other: _____	_____
Total Parking Stalls	557

- 7. Recreational amenities: The Project does not have any recreational facilities, except barbecue/picnic benches located throughout the Project.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Makakilo Cliffs Joint Venture
Name
900 Fort Street, Suite 805
Business Address
Honolulu, Hawaii 96813

Phone: 524-4065
(Business)

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

J.G.L. Enterprises, Inc.
Malama Makakilo Corp.

Real Estate
Broker: J.G.L. Enterprises, Inc.
Name
900 Fort Street, Suite 805
Business Address
Honolulu, Hawaii 96813

Phone: 524-4065
(Business)

Escrow: Island Title Corporation
Name
1001 Bishop Street, 320 Pauahi Tower
Business Address
Honolulu, Hawaii 96813

Phone: 526-9171
(Business)

General
Contractor: Hawaiian Dredging & Construction Co.
Name
614 Kapahulu Avenue
Business Address
Honolulu, Hawaii 96815

Phone: 735-3211
(Business)

Condominium
Managing
Agent: Chaney Brooks & Company
Name
606 Coral Street
Business Address
Honolulu, Hawaii 96813

Phone: 544-1600
(Business)

Attorney for
Developer: James A. Stubenberg
Name
Stubenberg & Durrett
Business Address
1001 Bishop Street, 1250 Pauahi Tower
Honolulu, HAWAII 96813

Phone: 526-0892
(Business)

**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 - Document No. _____
Book _____ Page _____
 Filed - Land Court - Document No. 1813683

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. 839

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 - Document No. _____
Book _____ Page _____
 Filed - Land Court - Document No. 1813684

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>65%</u>

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

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

The Developer may amend the Declaration (a) to make any changes, including but not limited to the size, floor plan, location or assignment of parking stalls affecting any apartment which is not yet constructed, (b) to file an "as built" verified statement, so long as this statement is only a verified statement of a registered architect or professional engineer and will state that the final plans that were filed represent the layout, location, apartment numbers and dimensions of the apartments as built, or so long as the plans involve only immaterial changes to the layout, location, apartment numbers, or the dimensions of the apartments as built.

The Developer has also reserved the right at any time prior to seven years from the date of recordation of the Declaration of Condominium Property Regime, (i) to subdivide the underlying land so that a portion of said land may be subdivided into a separate lot, and (ii) to grant easements over and across the Project in favor of the separate lot for roadway or utility purposes. The Developer may, at any time, withdraw said separate lot from the Project by way of an amendment to the Declaration of Condominium Property Regime.

The Developer will be responsible for maintenance and expenses directly associated with that portion of the land that may be subdivided (see Exhibit J for map of the proposed subdivision).

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
<input type="checkbox"/> Commercial	_____	_____	<input type="checkbox"/> Industrial	_____	_____
<input checked="" type="checkbox"/> Residential	<u>240</u>	<u>Residential</u>	<input type="checkbox"/> Agricultural	_____	_____
<input type="checkbox"/> Timeshare/Hotel	_____	_____	<input type="checkbox"/> Recreational	_____	_____
<input type="checkbox"/> Other: _____				_____	_____

Is/Are this/these use(s) specifically permitted by the project's declaration or bylaws?

Yes No

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: Dogs, cats and other household pets in a reasonable number. (Exhibit "A" contains further explanations.)

Number of Occupants: _____

Other: There are special use restrictions in the Declaration. (Exhibit "B" contains further explanations.)

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators No Exterior Stairways Yes Trash Chutes No

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
A	12	2/1.5	698.51	75
AR	12	2/1.5	698.51	75
B	108	2/2	717.47	71
BR	108	2/2	717.47	71
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 240 residential apartments

**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:

The spaces within the perimeter walls, floors and ceilings of each of the apartment units. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of perimeter walls or interior load-bearing walls, the unfinished surfaces of the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed as common elements as herein provided. Each apartment shall include the adjacent lanai, if any, as shown on the Condominium Map. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and the fixtures originally installed therein.

Permitted Alterations to Apartments:

Any alterations or additions within an apartment or within a limited common element appurtenant to and for the exclusive use of such apartment shall require only the prior written approval of the Board and filing of an amendment to the Declaration or filing of a set of floor plans of the Project as so altered, if required by the Condominium Property Regime Act.

7. Parking Stalls:

Total Parking Stalls: 557

	Regular		Compact		Tandem		TOTAL
	Trellised covered	open	Trellised covered	open	covered	open	
Assigned (for individual units)	250		230				480
Guest	19		58				77
Unassigned							
Extra Available for Purchase							
Other:							
Total							
Trellised Covered & Open	<u>269</u>		<u>288</u>				

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.

8. Recreational and Other Common Facilities:

- There are no recreational or common facilities.
- Swimming pool
- Storage Area
- Recreation Area
- Laundry Area
- Tennis Court
- Trash Chute
- Other: Car wash facilities, barbecue/picnic benches

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

N/A

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

N/A

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 "D"

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 "E" describes the common interests for each apartment.

As follows:

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

Exhibit "F" describes the encumbrances against the title contained in the title report dated May 7, 1991 and issued by Island Title Corporation.

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.

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>
1. Mortgage in favor of First Hawaiian Bank.	Buyer entitled to return of deposits without interest.
2. Mortgage in favor of Finance Holdings, Ltd.	

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:

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 "G" 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:

Not applicable

Electricity (Common area only)

Television Cable

Gas

Water & Sewer

Other _____

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 execution, delivery and recordation of the Apartment Deed shall constitute the assignment by Developer to Buyer of any and all warranties given Developer by the general contractor for the Project and by any subcontractors or materialmen, including but not limited to said contractor's guarantee of materials and workmanship against faulty or deficient materials and installation for a period of one (1) year after "substantial completion" of the Apartment, as that term is defined in the construction contract for the Project, and the benefit of such warranties shall accrue to Buyer on closing without further instruments or documents.

2. Appliances:

Buyer shall also have the direct benefit of any manufacturer's or dealer's warranties covering the appliances in the Apartment.

3. Warranty Exclusions:

The Developer makes no warranties, express or implied, with respect to the Apartment, the common elements, the Project, fixtures, or consumer products contained or installed in the Apartment.

J. Status of Construction and Estimated Completion Date:

Construction will start in March 1991, and barring unforeseen events, is expected to be completed by December 1991.

K. Project Phases:

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

Summary of Developer's Present Plans for Future Development:

N/A

L. 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 "H" contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated February 6, 1990

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

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

MEMBERSHIP IN PALEHUA COMMUNITY ASSOCIATION:

Each apartment owner of this Project is a member of Palehua Community Association, and each apartment owner shall remain a member thereof until such time as his ownership of such apartment ceases for any reason, at which time his membership in said association shall automatically cease. Such membership shall be appurtenant to and may not be separate from ownership of an apartment and shall be deemed to be conveyed or encumbered with such apartment even though such membership is not expressly mentioned or described in the conveyance or other instrument.

Purchaser should expect that in addition to the maintenance fees for the Project, there will be an additional monthly payment to the Palehua Community Association.

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

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, 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, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is a part of Registration No. 2220 filed with the Real Estate Commission on April 2, 1990.

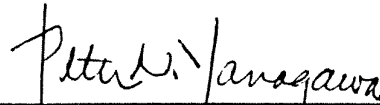
Reproduction of Report. When reproduced, this report must be on:

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 N. YANAGAWA, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

EXHIBIT "A"

USE OF PROJECT

No livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the Project except that dogs or cats, or other household pets in reasonable number may be kept by an apartment owner or occupant in his respective apartment but shall not be kept, bred or used therein for any commercial purposes nor allowed on any common elements except in transit when carried or on leash, provided that any such pet causing a nuisance or unreasonable disturbance to any other occupant of the Project shall be permanently removed therefrom promptly upon notice given by the Board of Directors.

EXHIBIT "B"

SPECIAL USE RESTRICTIONS

The apartments shall be occupied and used only as private dwellings by the respective owners, their tenants, families, domestic servants and social guests, and for no other purposes. The apartments or any interest therein shall not be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license", "travel club membership" or "time-interval ownership" arrangement. The term "time sharing" as used herein shall be deemed to include, but is not limited to, any plan, program or arrangement under which the right to use, occupy, own or possess an apartment or apartments in the project rotates among various persons on a periodically recurring basis according to a fixed or floating interval or period of time, whether by way of deed, lease, association or club membership, license, rental or use agreement, co-tenancy agreement, partnership or otherwise. The apartments shall not be rented for transient or hotel purposes, which are defined as (i) rental in which the occupants of the apartment are provided customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service. Except for such transient or hotel purposes the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of this Declaration.

Notwithstanding the foregoing, the Developer shall have the unconditional right to set aside, occupy and use two (2) apartments as sales models and/or sales office for the Project until such time as all apartments in the Project have been sold. The Developer shall also have the right to post signs and banners on or about the Project for the purposes of advertising the sale of the Project or assisting prospective buyers in locating the sales model apartment. Upon the termination of the use of said apartment as a sales model or an office, said apartment shall be fully subject to the terms of this Exhibit B and of the By-Laws regarding residential use.

The parking stalls appurtenant to any apartment and guest parking stalls shall be used only for the purpose of parking motor vehicles and shall not be used for parking boats, truck campers or trailers.

EXHIBIT "C"

DESCRIPTION OF COMMON ELEMENTS

The "common elements" shall include, but not be limited to, the following:

- (a) Said land in fee simple;
- (b) All foundations, floor slabs, columns, beams, supports, unfinished perimeter and load-bearing walls, roofs, stairs, stairways, bridges, rails, fire escapes, and walkways around and between the buildings;
- (c) All unenclosed yards, grounds, landscaping, garden areas, roads, curbs, trash enclosures and like facilities;
- (d) All storage areas for the benefit of maintenance personnel, maintenance sheds, fire hoses, and alarm boxes, if any;
- (e) All driveways, loading zone and parking areas including seventy-seven (77) guest parking stalls;
- (f) All car wash and barbecue/picnic facilities;
- (g) All ducts, sewer lines, electrical equipment, pipes, wiring, compressors, tanks, motors, fans, and other central and appurtenant transmission facilities over, under and across the Project which serve more than one apartment for services such as power, light, water, air conditioning, refuse, sewer, telephone and radio and television signal distribution; and
- (h) 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.

Additional common elements or areas subject to common expenses may be designated upon the approval of ninety percent (90%) of the apartment owners and the filing of an amendment hereto.

EXHIBIT "D"

DESCRIPTION OF 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 certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common element so set aside and reserved are as follows:

(a) The automobile parking stall(s) assigned to each apartment shall be appurtenant to and for the exclusive use of such apartment. The parking stall numbers for the parking stall or stalls appurtenant to each apartment are as set forth in Exhibit "E" attached hereto and as shown on the Condominium Map.

(b) The enclosed yard and interior of the yard enclosure for ground level apartments, if any, shall be for the exclusive use of the apartment to which said yard is appurtenant.

(c) Any walkway, stairway, or corridor which connects the apartment or apartments adjoining it to the exterior of the Project shall be appurtenant to and for the exclusive use of the apartment and said adjoining apartment or apartments.

(d) The mailbox assigned to each apartment.

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

EXHIBIT "E"

APARTMENTS AND COMMON INTERESTS

Apt. No.	Parking Stall Nos.	Apt. Type	No. of Rooms	No. of Stories	Sq. Ft. Living Area	Approx. Sq. Ft. Lanai	Approx. Total Sq. Ft.	% Common Int.
1-101*	96 C189	B	7	1	756	71	827	.41666
1-102	97 C188	BR	7	1	756	71	827	.41666
1-103	100 C186	B	7	1	756	71	827	.41666
1-104	101 C180	BR	7	1	756	71	827	.41666
1-105	106 C178	B	7	1	756	71	827	.41666
1-106	105 C175	BR	7	1	756	71	827	.41666
1-201	95 C191	B	7	1	756	71	827	.41826
1-202	98 C187	BR	7	1	756	71	827	.41666
1-203	99 C185	B	7	1	756	71	827	.41666
1-204	102 C181	BR	7	1	756	71	827	.41666
1-205	103 C179	B	7	1	756	71	827	.41666
1-206	104 C176	BR	7	1	756	71	827	.41666

*The number before the hyphen refers to the building number. The first number after the hyphen refers to the floor upon which the apartment unit is located. "1" stands for ground floor and "2" stands for second floor.

2-101	112 C171	B	7	1	756	71	827	.41666
2-102	111 C169	BR	7	1	756	71	827	.41666
2-103	113 C167	B	7	1	756	71	827	.41666
2-104	116 C165	BR	7	1	756	71	827	.41666
2-201	110 C174	B	7	1	756	71	827	.41666
2-202	109 C170	BR	7	1	756	71	827	.41666
2-203	114 C168	B	7	1	756	71	827	.41666
2-204	115 C164	BR	7	1	756	71	827	.41666
3-101	132 134	B	7	1	756	71	827	.41666
3-102	C126 136	BR	7	1	756	71	827	.41666
3-103	128 138	B	7	1	756	71	827	.41666
3-104	139 146	BR	7	1	756	71	827	.41666
3-105	141 147	B	7	1	756	71	827	.41666
3-106	143 151	BR	7	1	756	71	827	.41666
3-201	131 135	B	7	1	756	71	827	.41666
3-202	129 133	BR	7	1	756	71	827	.41666
3-203	127 137	B	7	1	756	71	827	.41666

3-204	140 148	BR	7	1	756	71	827	.41666
3-205	144 149	B	7	1	756	71	827	.41666
3-206	142 145	BR	7	1	756	71	827	.41666
4-101	C159 C163	A	7	1	750	75	825	.41666
4-102	C158 C162	AR	7	1	750	75	825	.41666
4-103	C152 C156	A	7	1	750	75	825	.41666
4-104	C153 C157	AR	7	1	750	75	825	.41666
4-201	C120 C161	A	7	1	750	75	825	.41666
4-202	C117 C160	AR	7	1	750	75	825	.41666
4-203	C119 C155	A	7	1	750	75	825	.41666
4-204	C118 C154	AR	7	1	750	75	825	.41666
5-101	C361 364	B	7	1	756	71	827	.41666
5-102	C360 365	BR	7	1	756	71	827	.41666
5-103	C359 367	B	7	1	756	71	827	.41666
5-104	C358 368	BR	7	1	756	71	827	.41666
5-105	C351 371	B	7	1	756	71	827	.41666
5-106	C350 372	BR	7	1	756	71	827	.41666

5-201	C357 366	B	7	1	756	71	827	.41666
5-202	C356 C363	BR	7	1	756	71	827	.41666
5-203	C355 C362	B	7	1	756	71	827	.41666
5-204	C354 369	BR	7	1	756	71	827	.41666
5-205	C352 370	B	7	1	756	71	827	.41666
5-206	C349 373	BR	7	1	756	71	827	.41666
6-101	C338 379	B	7	1	756	71	827	.41666
6-102	C342 378	BR	7	1	756	71	827	.41666
6-103	C339 382	B	7	1	756	71	827	.41666
6-104	384 386	BR	7	1	756	71	827	.41666
6-201	C340 380	B	7	1	756	71	827	.41666
6-202	C343 381	BR	7	1	756	71	827	.41666
6-203	C341 385	B	7	1	756	71	827	.41666
6-204	383 387	BR	7	1	756	71	827	.41666
7-101	389 C411	B	7	1	756	71	827	.41666
7-102	391 C409	BR	7	1	756	71	827	.41666
7-103	393 C405	B	7	1	756	71	827	.41666

7-104	394 C404	BR	7	1	756	71	827	.41666
7-105	396 C402	B	7	1	756	71	827	.41666
7-106	397 C400	BR	7	1	756	71	827	.41666
7-201	390 C410	B	7	1	756	71	827	.41666
7-202	388 C408	BR	7	1	756	71	827	.41666
7-203	392 C407	B	7	1	756	71	827	.41666
7-204	395 C406	BR	7	1	756	71	827	.41666
7-205	C399 C403	B	7	1	756	71	827	.41666
7-206	C398 C401	BR	7	1	756	71	827	.41666
8-101	598 603	B	7	1	756	71	827	.41666
8-102	C592 604	BR	7	1	756	71	827	.41666
8-103	C591 607	B	7	1	756	71	827	.41666
8-104	C588 608	BR	7	1	756	71	827	.41666
8-105	C586 613	B	7	1	756	71	827	.41666
8-106	C584 612	BR	7	1	756	71	827	.41666
8-201	C597 602	B	7	1	756	71	827	.41666
8-202	C593 601	BR	7	1	756	71	827	.41666

8-203	C590 606	B	7	1	756	71	827	.41666
8-204	C589 609	BR	7	1	756	71	827	.41666
8-205	C587 610	B	7	1	756	71	827	.41666
8-206	C585 611	BR	7	1	756	71	827	.41666
9-101	C573 617	B	7	1	756	71	827	.41666
9-102	C572 619	BR	7	1	756	71	827	.41666
9-103	C571 621	B	7	1	756	71	827	.41666
9-104	C570 622	BR	7	1	756	71	827	.41666
9-105	C568 624	B	7	1	756	71	827	.41666
9-106	626 628	BR	7	1	756	71	827	.41666
9-201	C574 618	B	7	1	756	71	827	.41666
9-202	614 616	BR	7	1	756	71	827	.41666
9-203	615 620	B	7	1	756	71	827	.41666
9-204	C569 623	BR	7	1	756	71	827	.41666
9-205	C567 627	B	7	1	756	71	827	.41666
9-206	C566 625	BR	7	1	756	71	827	.41666
10-101	633 C647	B	7	1	756	71	827	.41666

10-102	C648 C649	BR	7	1	756	71	827	.41666
10-103	637 C643	B	7	1	756	71	827	.41666
10-104	638 C641	BR	7	1	756	71	827	.41666
10-201	634 C646	B	7	1	756	71	827	.41666
10-202	635 C645	BR	7	1	756	71	827	.41666
10-203	636 C640	B	7	1	756	71	827	.41666
10-204	639 C642	BR	7	1	756	71	827	.41666
11-101	274 C277	B	7	1	756	71	827	.41666
11-102	273 C278	BR	7	1	756	71	827	.41666
11-103	271 C279	B	7	1	756	71	827	.41666
11-104	270 C280	BR	7	1	756	71	827	.41666
11-105	267 C285	B	7	1	756	71	827	.41666
11-106	264 266	BR	7	1	756	71	827	.41666
11-201	272 C281	B	7	1	756	71	827	.41666
11-202	C275 C282	BR	7	1	756	71	827	.41666
11-203	C276 C283	B	7	1	756	71	827	.41666
11-204	269 C284	BR	7	1	756	71	827	.41666

11-205	268 C286	B	7	1	756	71	827	.41666
11-206	263 265	BR	7	1	756	71	827	.41666
12-101	260 C288	B	7	1	756	71	827	.41666
12-102	259 C290	BR	7	1	756	71	827	.41666
12-103	256 C293	B	7	1	756	71	827	.41666
12-104	255 C296	BR	7	1	756	71	827	.41666
12-105	250 C298	B	7	1	756	71	827	.41666
12-106	248 251	BR	7	1	756	71	827	.41666
12-201	261 C289	B	7	1	756	71	827	.41666
12-202	258 C291	BR	7	1	756	71	827	.41666
12-203	257 C294	B	7	1	756	71	827	.41666
12-204	254 C295	BR	7	1	756	71	827	.41666
12-205	253 C297	B	7	1	756	71	827	.41666
12-206	252 C299	BR	7	1	756	71	827	.41666
13-101	195 C247	B	7	1	756	71	827	.41666
13-102	193 197	BR	7	1	756	71	827	.41666
13-103	199 C246	B	7	1	756	71	827	.41666

13-104	200 C244	BR	7	1	756	71	827	.41666
13-105	202 C242	B	7	1	756	71	827	.41666
13-106	204 C240	BR	7	1	756	71	827	.41666
13-201	192 196	B	7	1	756	71	827	.41666
13-202	194 C245	BR	7	1	756	71	827	.41666
13-203	198 C243	B	7	1	756	71	827	.41666
13-204	201 C241	BR	7	1	756	71	827	.41666
13-205	205 C239	B	7	1	756	71	827	.41666
13-206	203 C238	BR	7	1	756	71	827	.41666
14-101	211 C230	B	7	1	756	71	827	.41666
14-102	209 C228	BR	7	1	756	71	827	.41666
14-103	215 C226	B	7	1	756	71	827	.41666
14-104	216 C224	BR	7	1	756	71	827	.41666
14-105	217 C222	B	7	1	756	71	827	.41666
14-106	219 C220	BR	7	1	756	71	827	.41666
14-201	212 C231	B	7	1	756	71	827	.41666
14-202	208 C229	BR	7	1	756	71	827	.41666

14-203	210 C227	B	7	1	756	71	827	.41666
14-204	213 C225	BR	7	1	756	71	827	.41666
14-205	214 C223	B	7	1	756	71	827	.41666
14-206	218 C221	BR	7	1	756	71	827	.41666
15-101	C324 326	B	7	1	756	71	827	.41666
15-102	C319 327	BR	7	1	756	71	827	.41666
15-103	C316 330	B	7	1	756	71	827	.41666
15-104	C315 332	BR	7	1	756	71	827	.41666
15-105	C309 337	B	7	1	756	71	827	.41666
15-106	C307 335	BR	7	1	756	71	827	.41666
15-201	C323 325	B	7	1	756	71	827	.41666
15-202	C318 328	BR	7	1	756	71	827	.41666
15-203	C317 331	B	7	1	756	71	827	.41666
15-204	C314 333	BR	7	1	756	71	827	.41666
15-205	C310 336	B	7	1	756	71	827	.41666
15-206	C308 334	BR	7	1	756	71	827	.41666
16-101	412 C465	B	7	1	756	71	827	.41666

16-102	416 C462	BR	7	1	756	71	827	.41666
16-103	414 C461	B	7	1	756	71	827	.41666
16-104	418 C457	BR	7	1	756	71	827	.41666
16-105	420 C455	B	7	1	756	71	827	.41666
16-106	422 C453	BR	7	1	756	71	827	.41666
16-201	413 C464	B	7	1	756	71	827	.41666
16-202	C459 C463	BR	7	1	756	71	827	.41666
16-203	415 C460	B	7	1	756	71	827	.41666
16-204	417 C458	BR	7	1	756	71	827	.41666
16-205	419 C456	B	7	1	756	71	827	.41666
16-206	421 C454	BR	7	1	756	71	827	.41666
17-101	425 431	B	7	1	756	71	827	.41666
17-102	428 C447	BR	7	1	756	71	827	.41666
17-103	426 434	B	7	1	756	71	827	.41666
17-104	435 C441	BR	7	1	756	71	827	.41666
17-105	436 C443	B	7	1	756	71	827	.41666
17-106	438 C439	BR	7	1	756	71	827	.41666

17-201	424 430	B	7	1	756	71	827	.41666
17-202	427 C446	BR	7	1	756	71	827	.41666
17-203	429 C445	B	7	1	756	71	827	.41666
17-204	432 C442	BR	7	1	756	71	827	.41666
17-205	433 C444	B	7	1	756	71	827	.41666
17-206	437 C440	BR	7	1	756	71	827	.41666
18-101	C576 C579	A	7	1	750	75	825	.41666
18-102	C578 629	AR	7	1	750	75	825	.41666
18-103	C562 631	A	7	1	750	75	825	.41666
18-104	C565 C581	AR	7	1	750	75	825	.41666
18-201	C577 C580	A	7	1	750	75	825	.41666
18-202	C575 630	AR	7	1	750	75	825	.41666
18-203	C563 632	A	7	1	750	75	825	.41666
18-204	C564 C582	AR	7	1	750	75	825	.41666
19-101	510 C515	B	7	1	756	71	827	.41666
19-102	496 509	BR	7	1	756	71	827	.41666
19-103	495 503	B	7	1	756	71	827	.41666

19-104	494 502	BR	7	1	756	71	827	.41666
19-105	501 C516	B	7	1	756	71	827	.41666
19-106	500 C517	BR	7	1	756	71	827	.41666
19-201	497 C511	B	7	1	756	71	827	.41666
19-202	C512 C518	BR	7	1	756	71	827	.41666
19-203	C513 C519	B	7	1	756	71	827	.41666
19-204	C514 C520	BR	7	1	756	71	827	.41666
19-205	498 C521	B	7	1	756	71	827	.41666
19-206	499 C522	BR	7	1	756	71	827	.41666
20-101	492 C523	B	7	1	756	71	827	.41666
20-102	490 526	BR	7	1	756	71	827	.41666
20-103	488 531	B	7	1	756	71	827	.41666
20-104	487 532	BR	7	1	756	71	827	.41666
20-105	C479 485	B	7	1	756	71	827	.41666
20-106	C478 C483	BR	7	1	756	71	827	.41666
20-201	491 527	B	7	1	756	71	827	.41666
20-202	493 528	BR	7	1	756	71	827	.41666

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

1. Title to all minerals and metallic mines reserved to the State of Hawaii.
2. Terms, provisions, covenants and conditions of that certain unrecorded Development Rights Agreement dated October 26, 1960, made by and between the Trustees under the Will and of the Estate of James Campbell, Deceased, and Finance Realty Company, Limited, as disclosed by instrument dated May 5, 1966, filed May 18, 1966, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 391241, as amended by unrecorded instruments dated September 9, 1960 and February 25, 1963, and further amended by unrecorded instrument dated December 22, 1976, a short-form of which is dated January 12, 1977, filed January 18, 1977, in said Office, as Document No. 801573; as further amended and restated by unrecorded instrument dated December 24, 1984, a short-form of which is dated and filed January 15, 1985, in said Office, as Document No. 1277747, and as further amended by that certain unrecorded First Amendment to Second Amendment and Restatement of Makakilo Exchange Agreement dated effective as of October 1, 1987.
3. An easement for flowage purposes, in favor of Finance Realty, for and on behalf of The Association of Apartment Owners of Makakilo Hale II, an unincorporated association, dated November 19, 1974, filed November 25, 1974, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 703183.
4. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Declaration, dated January 14, 1977, filed January 18, 1977, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 801577, as amended and/or supplemented.
5. An easement for utility purposes, in favor of Hawaiian Electric Company, Inc., a Hawaii corporation, dated June 1, 1977, filed October 21, 1977, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 841709.

The foregoing Grant was clarified by that certain Land Court Order No. 51826, filed November 29, 1978.
6. Easement 869, as shown on Map 286, as set forth by Land Court Order No. 48686, filed November 14, 1977.

7. Easement 965, as shown on Map 292, as set forth by Land Court Order No. 50886, filed August 9, 1978.
8. Easement 966, as shown on Map 292, as set forth by Land Court Order No. 50886, filed August 9, 1978.
9. Easement 967, as shown on Map 292, as set forth by Land Court Order No. 50886, filed August 9, 1978.
10. An easement for flowage purposes, in favor of Finance Realty Company, Limited, a Hawaii corporation, dated March 20, 1979, filed April 2, 1979, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 930332.
11. An easement for drainage purposes, in favor of Palehua Vista Association, a Hawaii nonprofit corporation, dated March 19, 1979, filed April 2, 1979, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 930334.
12. An easement for flowage purposes, in favor of Finance Realty Company, Limited, a Hawaii corporation, dated March 23, 1979, filed April 2, 1979, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 930338.
13. Easement 1172, as shown on Map 303, as set forth by Land Court Order No. 53894, filed July 26, 1979.
14. An easement for drainage purposes across Easement 869, in favor of The City and County of Honolulu, a municipal corporation of the State of Hawaii, dated June 4, 1979, filed September 11, 1981, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1084145.
15. An easement for sewer purposes across Easement 966, in favor of The City and County of Honolulu, a municipal corporation of the State of Hawaii, dated May 10, 1979, filed September 15, 1981, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1084521.
16. An easement for sewer purposes across Easement 967, in favor of The City and County of Honolulu, a municipal corporation of the State of Hawaii, dated June 4, 1979, filed September 15, 1981, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1084527.

17. An easement for sewer purposes across Easement 1172, in favor of The City and County of Honolulu, a municipal corporation of the State of Hawaii, dated December 12, 1979, filed November 6, 1981, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1093016.
18. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Declaration, dated March 11, 1982, filed March 16, 1982, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1109105.
19. The terms and provisions of that certain Unilateral Agreement and Declaration for Conditional Zoning dated July 21, 1983, recorded July 22, 1983, in the Bureau of Conveyances, State of Hawaii, in Book 17200, Page 107.
(Not noted on Transfer Certificate of Title No. 364,230)
20. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Deed, dated and filed September 25, 1985, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1324103.
21. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Deed, dated May 26, 1988, filed August 17, 1988, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1573089.
22. Easement 2259, as shown on Map 485, as set forth by Land Court Order No. 95070, filed September 15, 1989.
23. Easement 2265, as shown on Map 491, as set forth by Land Court Order No. 95381, filed October 6, 1989.
24. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Deed, dated and filed December 22, 1989, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1693447.
25. That certain Agreement dated and filed December 22, 1989, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1693448 to Annex Property to the Declaration of Covenants, Conditions and Restrictions of the Palehua Community dated January 14, 1977, filed January 18, 1977, in said Office, as Document No. 801577.

26. That certain Agreement dated and filed December 22, 1989, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1693450, as set forth by Land Court Order No. 99511, filed September 25, 1990, to Annex Property to the Declaration of Covenants, Conditions and Restrictions of the Palehua Community dated January 14, 1977, filed January 18, 1977, in said Office, as Document No. 801577.
27. An easement for transformer vault purposes, being within Easement 2265, in favor of Hawaiian Electric Company, Inc., a Hawaii corporation, and GTE Hawaiian Telephone Company Incorporated, a Hawaii corporation, dated December 19, 1989, filed January 30, 1990, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1702579.
28. Easement 2344, as shown on Map 508, as set forth by Land Court Order No. 97415, filed April 2, 1990.
29. Easement 2345, as shown on Map 508, as set forth by Land Court Order No. 97415, filed April 2, 1990.
30. Easement 2419, as shown on Map 517, as set forth by Land Court Order No. 97632, filed April 23, 1990.
31. Easement 2420, as shown on Map 517, as set forth by Land Court Order No. 97632, filed April 23, 1990.
32. Easement 2440, for access purposes, as shown on Map 527, as set forth by Land Court Order No. 98535, filed July 3, 1990.
33. Easements 2440 and 2259, in favor of Lot 5627, as set forth by Land Court Order No. 98535, filed July 3, 1990.
34. Reserving unto Finance Realty Company, Limited, a Hawaii corporation, an easement over Easement 2259, as shown on Map 485, for access and utilities purpose, as set forth by Land Court Order No. 98535, filed July 3, 1990.
35. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Declaration of Minimum Building Design Requirements, dated and filed December 31, 1990, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1792597.
36. That certain Agreement dated and filed December 31, 1990, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1792598, to Annex Property to the Declaration of Covenants, Conditions and Restrictions of the Palehua Community dated January 14, 1977, filed January 18, 1977, in said Office, as Document No. 801577.

37. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Deed, dated and filed December 31, 1990, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1792599.
38. Mortgage dated and filed December 31, 1990, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1792601, to secure the repayment of \$31,687,000.00, and any additional advances and other amounts secured thereby, under the terms and provisions thereof,
Mortgagor: Makakilo Cliffs Joint Venture, a joint venture registered as a Hawaii general partnership
Mortgagee: First Hawaiian Bank, a Hawaii corporation

The terms and provisions of that certain Consent and Agreement dated December 31, 1990, made by and between Makakilo Cliffs Joint Venture, a joint venture registered as a Hawaii general partnership, and First Hawaiian Bank, a Hawaii corporation, filed in said Office, as Document No. 1795809.

39. A Financing Statement covering certain personal property and/or fixtures as therein described, recorded in the Bureau of Conveyances, State of Hawaii, as Document No. 90-200045.
Date Recorded: December 31, 1990
Debtor: Makakilo Cliffs Joint Venture
Secured Party: First Hawaiian Bank
40. Memorandum of Deposit Receipt, Offer and Acceptance dated and filed December 31, 1990, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1792602.
41. Mortgage dated and filed December 31, 1990, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1792603, to secure the repayment of \$1,540,000.00, and any additional advances and other amounts secured thereby, under the terms and provisions thereof,
Mortgagor: Makakilo Cliffs Joint Venture, a Hawaii general partnership
Mortgagee: Finance Holdings, Ltd., a Hawaii corporation

Consent and Agreement dated December 31, 1990, filed January 18, 1991, in said Office, as Document No. 1795809.

42. A Financing Statement covering certain personal property and/or fixtures as therein described, recorded in the Bureau of Conveyances, State of Hawaii, as Document No. 90-200046.
Date Recorded: December 31, 1990
Debtor: Makakilo Cliffs Joint Venture
Secured Party: Finance Holdings, Ltd.
43. Condominium Map No. 839, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii.
44. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions and easements set forth in the Declaration of Condominium Property Regime dated February 26, 1991, filed April 18, 1991, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1813683.
45. Terms and provisions contained in the By-Laws of the Association of the Apartment Owners of Makakilo Cliffs, dated February 26, 1991, filed April 18, 1991, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1813684.

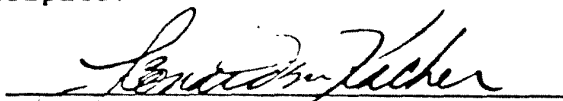


**MAKAKILO CLIFFS
(240 - UNITS FEE SIMPLE CONDOMINIUM)**

Estimate of Maintenance Fee Disbursements:

	<u>Monthly x 12 months =</u>	<u>Yearly Total</u>
Utilities and Services		
Air Conditioning	n/a	-0-
Electricity		
(X) common elements only	150	1,800
() common elements and apartments		
Gas	n/a	-0-
Refuse Collection	2,000	24,000
Telephone	40	480
Water & Sewer	5,000	60,000
Maintenance, Repairs and Supplies		
Building	200	2,400
Grounds	3,300	39,600
Management		
Management Fee (Physical/Fiscal Service)	2,570	30,840
Payroll & Payroll Taxes	2,900	34,800
Office Expenses	400	4,800
Insurance	3,500	42,000
Reserves	500	6,000
Taxes & Government Assessments	10	120
Audit Fees	130	1,560
Other		
TOTAL	\$20,700 =====	\$248,400 =====

We, Chaney, Brooks and 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.



 Leonard M. Kacher
 Senior Vice President
 Central Oahu Branch Office

EXHIBIT "G" 4-20-90 DATE

MAKAKILO CLIFFS

Estimate of Initial Maintenance Fees

<u>Apartment Model</u>	<u>Common Interest</u>	<u>Monthly Fee x 12 Months -</u>	<u>Yearly Total</u>
A (24 Units)	.41666	\$86.25 (\$ 2,070.00)	\$ 24,840.00
B (215 Units)	.41666	\$86.25 (\$18,543.75)	\$222,525.00
Sales Office (1 Unit)	.41826	\$86.98 (\$ 86.98)	\$ 1,043.76
	TOTAL	\$20,700.73 *****	\$248,408.76 *****

EXHIBIT "H"

SUMMARY OF SALES CONTRACT

1. The sales agreement contains the price and other terms and conditions under which a buyer will agree to buy an apartment in the Project.
2. The contract provides for the buyer to get a copy of certain legal documents that buyer should closely examine.
3. The contract provides for severe penalties if buyer fails to comply with the terms and conditions of the contract.
4. The buyer must complete the sale and purchase of the apartment by a certain date and pay closing costs, in addition to the purchase price.
5. The buyer will not receive interest on deposits made under the sales agreement.
6. The buyer's money will be held in escrow under the terms of the Escrow Agreement for the project.
7. The Project will be subject to ongoing construction and sales activities which will result in certain annoyances to the buyer.
8. The Developer is making no warranties or representations in connection with the sale of any of the apartments.

This is merely a highlighted summary of certain of the terms and conditions of the sales contract, and any buyer should review all the terms and conditions of the sales agreement before signing.

EXHIBIT "I"

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement sets up an arrangement under which the payments which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement these things will or may happen:

(a) Escrow will let purchasers know when payments are due.

(b) Escrow will arrange for purchasers to sign all necessary documents.

(c) The Escrow Agreement says under what conditions a refund will be made to a purchaser.

(d) The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract.

The Escrow Agreement contains many other provisions and establishes certain charges that may be incurred by the purchaser, and the purchaser should carefully read the entire Escrow Agreement.

