



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

CONDOMINIUM PUBLIC REPORT

on

MAKIKI PARKSIDE
 1432 Keeaumoku Street
 Honolulu, Hawaii

Registration No. 2420

Issued: May 22, 1991
 Expires: June 22, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of April 22, 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:

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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.

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

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

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

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

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

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

Operation of the Condominium Project

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

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

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

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

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

Types of Project:

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

5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
A	2	2/2	599.87	----
B	2	2/2	599.64	----
BR	2	2/2	599.64	----
AR	2	2/2	599.87	----

Total Apartments: 8

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

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

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>8</u>
Guest Stalls	<u>1</u>
Unassigned Stalls	<u>0</u>
Extra Stalls Available for Purchase	<u>0</u>
Other: _____	<u>--</u>
Total Parking Stalls	<u>9</u>

7. Recreational amenities: None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Makiki Parkside Limited Partnership Phone: 524-4024
Name (Business)
745 Fort Street, Suite 618
Business Address
Honolulu, Hawaii 96813

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

Makiki Parkside, Inc., a Hawaii corporation--General Partner

Real Estate Sales Agent: Howard Bilkiss, Ltd. Phone: 524-4024
Name (Business)
745 Fort Street, Suite 618
Business Address
Honolulu, Hawaii 96813

Escrow: Bank of Hawaii Phone: 537-8837
Name (Business)
Financial Plaza of the Pacific
Business Address
Honolulu, Hawaii 96813

Managing Agent: REP Management, Inc. Phone: 523-5933
Name (Business)
1281 South King Street, Room A
Business Address
Honolulu, Hawaii 96813

Attorney for Developer: Kobayashi, Sugita & Goda
Name
745 Fort Street, 8th Floor
Business Address
Honolulu, Hawaii 96813

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

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

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

The Declaration for this condominium is:

<input type="checkbox"/>	Proposed	Document Number	91-014445
<input checked="" type="checkbox"/>	Recorded - Bureau of Conveyances	Book _____	Page _____
<input type="checkbox"/>	Filed - Land Court	Document Number	_____

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:

<input type="checkbox"/>	Proposed	
<input checked="" type="checkbox"/>	Recorded - Bureau of Conveyance Condo Map No.	1447
<input type="checkbox"/>	Filed - Land Court Condo Map No.	_____

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:

<input type="checkbox"/>	Proposed	Document Number	91-019446
<input checked="" type="checkbox"/>	Recorded - Bureau of Conveyances	Book _____	Page _____
<input type="checkbox"/>	Filed - Land Court	Document Number	_____

Amendment date(s) and recording/filing information:

The Condominium Statute (Chapter 14A, 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>67%</u>
House Rules	---	<u>Action by Board of Directors</u>

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

2. **Developer:** The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules:

Developer has expressly reserved the right to successively amend the Declaration without the consent or joinder of persons then owning or leasing the apartments, (i) as may be necessary to redesignate any or all of the parking stalls as limited common elements appurtenant to certain apartments other than the apartment to which it is assigned as hereinbefore set forth, provided that no conveyance shall have previously been issued conveying such stall; or (ii) as may be required by law, the Real Estate Commission of the State of Hawaii, any title insurance company issuing a title insurance policy on the project, or any institutional lender lending funds on the security of the project or any of the apartments thereof; provided, however, that no such amendment (other than an amendment redesignating any or all of the parking stalls as limited common elements appurtenant to certain apartments) which would change the common interest appurtenant to an apartment or substantially change the design, location or size of an apartment shall be made without the consent to and joinder in such amendment by the owner of such apartment and all others, if any, having any interest therein.

Developer has expressly reserved the right to amend the By-Laws before the Association has been duly organized and before any apartment in the Project has been conveyed.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

[X] Fee Simple: Individual apartments and the common elements which includes the underlying land will be in fee simple.

[] Leasehold or Subleasehold: Individual apartments and the common elements which includes the underlying land will be leasehold.

The leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (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.

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.

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

The 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; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations.

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:

For Subleaseholds:

[] Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is [] Cancelled [] 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 cancelled or foreclosed.

B. Underlying Land:

Address: 1432 Keeaumoku Street Tax Map Key: 2-2-021-063
Honolulu, Hawaii (TMK)

Address TMK is expected to change because _____

Land Area: 6,611 square feet acre(s) Zoning: A-2

Fee Owner: Makiki Parkside Limited Partnership
Name
745 Fort Street, Suite 618
Address
Honolulu, Hawaii 96813

Sublessor: _____
Name

Address

C Buildings and Other Improvements:

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

2. Buildings: 1 Floors Per Building 2
 Exhibit _____ contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood
 Other _____

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Industrial	_____
<input checked="" type="checkbox"/> Residential	<u>8</u>	<input type="checkbox"/> Agricultural	_____
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input type="checkbox"/> Other: _____			_____

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:

- [X] Pets Only diminutive household pets are permitted (See Rules & Regs, 5 occupants per two bedroom Apartment) 2.0
- [X] Number of Occupants: (See Declaration, 9.03)
- [X] Other: Residential use only; no water beds.
- [] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 8

Elevators None Stairways 2 Trash Chutes None

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
A	2	2/2	599.87	----
B	2	2/2	599.64	----
BR	2	2/2	599.64	----
AR	2	2/2	599.87	----

**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:

Eight (8) freehold estates have been established in the spaces within the perimeter walls, floors and ceilings of the 8 apartments in said building. Each apartment shall include the walls and partitions which are not load-bearing and which are within its perimeter walls; doors and door frames; windows and window frames; the inner decorated or finished surfaces of walls, floors and ceilings, adjoining and connected thereto; the inner perimeter of the lanai; and all fixtures originally installed therein. The eight (8) apartments shall not include the undecorated or unfinished surfaces of the perimeter walls or of the interior load-bearing walls, the floors and perimeter ceilings surrounding each apartment, or any pipes, wires, ducts, conduits, or other utility or service lines running through such apartments which are utilized for or serve more than one apartment, all of which are common elements.

Permitted Alterations to Apartments: None

7. Parking Stalls:

Total Parking Stalls: 9

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	5		3				8
Guest Unassigned			1				1
Extra Available for Purchase							0
Other:							0
Total Covered & Open	5		4		0		

Each apartment will have the exclusive use of at least one (1) 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 A 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: _____

9. Present Condition of Improvements Not applicable.
 (For conversions of residential apartments in existence for at least five years):

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

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

10. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

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

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

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

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

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 B describes the common elements.

As follows:

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

There are no limited common elements in this project.

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

described in Exhibit C

as follows:

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

Exhibit D 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 E describes the encumbrances against the title contained in the title report dated February 13, 1991 and issued by Title Guaranty of Hawaii, Incorporated.

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>
Mortgage dated May 3, 1990	Buyer's interest may be terminated, but in such event, Buyer will be entitled to a return of all deposits, less a nominal escrow cancellation fee.
Mortgage dated October 24, 1990	

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 F contains a schedule of maintenance fees and maintenance fee disbursements.

H. Utility Charges for Apartments:

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

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

I. Construction Warranties:

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

1. Building and Other Improvements:

Developer makes no warranties or promises of any kind, express or implied, about the Apartment or the Project (including the common elements of the Project), or about any furnishings, fixtures, appliances or other consumer products or anything else installed, attached, affixed or otherwise contained in the Apartment or the Project (including the common elements of the Project), including any warranties or promises of "merchantability", "Workmanlike Construction" or "Fitness for a particular use or purpose". In other words, Developer makes no warranties or promises at all, except to complete the construction of the Project by September 1, 1991, as provided in Paragraph J.6.g of the Sales Contract.

If, within one year after the date of substantial completion of the work or designated portion thereof or within one year after acceptance by Developer of designated equipment, any of the work is found to be defective or not in accordance with the contract documents, the contractor has agreed to correct it promptly after receipt of written notice from Developer to do so unless Developer has previously given the contractor a written acceptance of such condition.

2. Appliances:

The Developer will transfer to Buyer any manufacturer's or dealer's warranties which can be transferred, covering, any furnishings, fixtures, appliances or consumer products in the Apartment. The Developer is not adopting any contractor's, manufacturer's or dealer's warranties, or acting as co-warrantor, but is only attempting to pass on to Buyer the benefit of any such warranties.

J. **Status of Construction and Estimated Completion Date:**

The completion of the building is estimated to be September 1, 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:

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 F contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated March 19, 1991

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

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Disclosure regarding use of a nonsurety bond by the Developer and restrictions on the Developer's use of Buyer's funds.

Makiki Parkside Limited Partnership ("Developer") submitted a nonsurety performance bond for \$787,949.80, which is one hundred percent of the Developer's verified estimate of the cost of construction of this condominium project. The surety for the performance bond is Oahu Lumber & Hardware Co., Ltd. A copy of the bond was included in the filing submitted to the Real Estate Commission, State of Hawaii ("Commission"). Before signing the sales contract, a prospective purchaser may review this bond and the entire filing by the Developer at the Commission's offices.

First Hawaiian Creditcorp, Inc., which is the interim construction lender for this Project, issued a letter dated April 18, 1991, stating, in part, that the lender reviewed the construction bond by Oahu Lumber & Hardware Co., Ltd. and approved the loan using Oahu Lumber & Hardware Co., Ltd. to bond the Project.

The Developer submitted an Escrow Agreement which was signed by the Developer and Bank of Hawaii, Escrow Department. A summary of that escrow agreement is attached to this public report as Exhibit H. Section 5.b(2) of the Escrow Agreement, provides, in pertinent part, that a purchaser's funds shall not be disbursed from Escrow to pay for construction costs until both the completion of the apartment to be conveyed and the closing of the sale. Section 5.b(3) provides, in pertinent part, that where closing is to occur prior to the escrow company receiving satisfactory evidence that all mechanics' and materialmen's liens have been cleared, if liens are filed, or prior to the expiration of the forty-five (45) day period commencing after publication of notice of completion, then the escrow company shall not release any of the purchaser's funds until the escrow company receives satisfactory evidence that the Developer has (1) provided the purchaser with an owner's title insurance policy with appropriate mechanics' lien endorsement, protecting the purchaser against all future mechanics' and materialmen's liens; and (2) provided the Commission with a release by Developer's general contractor of the general contractor's lien rights.

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

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

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

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

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

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

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

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

B. Rights Under the Sales Contract:

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

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

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

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

This Public Report is a part of Registration No. 2420 filed with the Real Estate Commission on April 10, 1991.

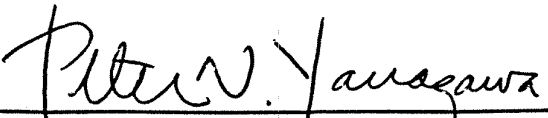
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Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary Public Report is issued or unless the Commission issues an order extending the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



PETER N. YANAGAWA, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

EXHIBIT A
APARTMENT DATA

<u>Apartment No.</u>	<u>Type</u>	<u>Percentage Interest</u>	<u>Parking Stall Number and Size</u>	
201	A	1/8th (12.5%)	1	regular
202	B	1/8th (12.5%)	3	compact
203	BR	1/8th (12.5%)	8	compact
204	AR	1/8th (12.5%)	6	regular
301	A	1/8th (12.5%)	4	regular
302	B	1/8th (12.5%)	5	regular
303	BR	1/8th (12.5%)	9	compact
304	AR	1/8th (12.5%)	7	regular
Guest Parking Stall			2	compact

EXHIBIT B

COMMON ELEMENTS

One freehold estate is designated in all of the portions and appurtenances of the project remaining after excluding the Apartments, including specifically, but not limited to:

(1) The land in fee simple.

(2) All foundations, floor supports, floor slabs, columns, girders, beams, supports, main walls, open hallways and corridors, stairs, stairways, roof, unfinished perimeter, party and load-bearing walls (except for the inner finished surfaces within each apartment), entries, entrances and exits of the building.

(3) All yards, grounds and landscaping, roads, walkways, parking areas, loading areas, driveways, all trash enclosures, and mailboxes.

(4) All ducts, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities, installations over, under and across the project which serve more than one apartment for services such as power, light, water, gas, sewer, telephone and radio and television signal distribution.

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

EXHIBIT C

LIMITED COMMON ELEMENTS

Certain parts of the common elements, herein called and designated "limited common elements", are 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 elements. The limited common elements so set aside and reserved are as follows:

(1) There are nine (9) parking stalls located in the project, numbered 1 through 9. One parking stall for each apartment, all as shown on said Condominium Map and in EXHIBIT A, attached to this Condominium Public Report, is a limited common element appurtenant to and reserved for the exclusive use of the designated apartment.

(2) There are eight (8) mailboxes located in the project, numbered identically with the apartment numbers. The mailbox bearing the same number as the apartment number is a limited common element appurtenant to and reserved for the exclusive use of the designated apartment.

(3) All other common elements of the project which are rationally related to less than all of said apartments are limited to the use of such apartments.

EXHIBIT D

COMMON INTEREST TO BE CONVEYED TO BUYER

Each apartment has appurtenant to it an undivided percentage interest in all the common elements of the project (the "common interests") and the same proportionate share in all common profits and expenses of the project and for all other purposes, including voting. The common interest for each apartment is a 1/8th (12.5%) interest in all all the common elements of the project.

The common interest for each apartment is set forth in EXHIBIT A of this Condominium Public Report.

The common interest is based upon the ratio each apartment bears to the total number of all apartments in the project.

EXHIBIT E

ENCUMBRANCES AGAINST TITLE

A Preliminary Report prepared by Title Guaranty of Hawaii, Incorporated, dated February 13, 1991, indicates that the title to the land is subject to the following:

1. Reservation in favor of the State of Hawaii of all minerals and metallic mines.
2. AS TO AN UNDIVIDED 1/3 INTEREST IN 12' RIGHT-OF-WAY ONLY: Grant to Hawaiian Electric Company, Limited and GTE Hawaiian Telephone Company Incorporated, dated November 25, 1946, recorded as aforesaid in Book 2004, at Page 7, granting an easement for underground pipeline purposes.
3. Mortgage dated May 3, 1990, from Makiki Parkside Limited Partnership, a Hawaii limited partnership, as Mortgagor, to First Hawaiian Creditcorp, Inc., a Hawaii corporation, as Mortgagee, recorded as aforesaid as Document No. 90-067800, to secure the payment of \$424,000.00.
4. Mortgage, Security Agreement and Financing Statement dated October 24, 1990, from Makiki Parkside Limited Partnership, a Hawaii limited partnership, as Mortgagor, to First Hawaiian Creditcorp, Inc., a Hawaii corporation, as Mortgagee, recorded as aforesaid as Document No. 90-167529, to secure the payment of \$1,344,000.00.
5. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Condominium Property Regime dated January 28, 1991, recorded as aforesaid as Document No. 91-019445, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1447.)
6. By-Laws of the Association of Apartment Owners of the Condominium Project known as "MAKIKI PARKSIDE" dated January 28, 1991, recorded as aforesaid as Document No. 91-019446, as the same may hereafter be amended.

EXHIBIT F

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment No.</u>	<u>Type</u>	<u>Monthly Fee x 12 months</u>	<u>= Yearly Total</u>
201	A	\$115.00 x 12	= \$1,380.00
202	B	\$115.00 x 12	= \$1,380.00
203	BR	\$115.00 x 12	= \$1,380.00
204	AR	\$115.00 x 12	= \$1,380.00
301	A	\$115.00 x 12	= \$1,380.00
302	B	\$115.00 x 12	= \$1,380.00
303	BR	\$115.00 x 12	= \$1,380.00
304	AR	\$115.00 x 12	= \$1,380.00

Initial Start-Up Fee:

Two month's maintenance fee = \$230.00.

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

MAKIKI PARKSIDE

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

common elements only

common elements
and apartments

\$ 50.00 x 12 = \$ 600.00

Gas

Refuse Collection

Telephone

Water and Sewer

225.00 x 12 = 2,700.00

Maintenance, Repairs and Supplies

Building

100.00 x 12 = \$ 1,200.00

Grounds

200.00 x 12 = 2,400.00

Miscellaneous

15.00 x 12 = 180.00

Management

Management Fee

300.00 x 12 = 3,600.00

Payroll and Payroll Taxes

25.00 x 12 = 300.00

Office Expenses

Insurance

Fire/General Liability/Directors

208.33 x 12 = 2,500.00

Fidelity Bond

37.50 x 12 = 450.00

Reserves

200.00 x 12 = 2,400.00

Taxes and Government Assessments

Audit Fees


62.50 x 12 = 750.00

Other

TOTAL

1,423.33 x 12 = \$17,080.00

I/We, REP Management, Inc., 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.



Its President WALLACE J. CKI
Date: August 31, 1990

EXHIBIT G

SALES CONTRACT PERTINENT PROVISIONS

1. The Sales Contract identifies the apartment, the common interest, the Purchase Price, the method of payment, the initial maintenance fees.

2. The Sales Contract provides the following for sales not covered by Chapter 514A, Part VI, Hawaii Revised Statutes, relating to sales to owner-occupants:

a. If the Buyer wishes a mortgage loan on the Apartment for the payment of a portion of the purchase price, the Buyer shall, within five (5) working days after acceptance of the Sales Contract by Developer, apply to Bank of Hawaii, a Hawaii corporation (the "Lender") for a loan and apply for eligibility and credit approval. Buyer must have the Lender inform Developer that application for loan has been made. After the application has been made, Buyer must, on request, promptly execute and deliver all documents and take all steps necessary to complete the loan. If Buyer does not make said loan application within said five (5) working day period, Buyer's deposit will be forfeited and the Sales Contract shall be cancelled.

b. Within thirty (30) calendar days after acceptance of the Sales Contract by Developer, Buyer shall secure a preliminary approval from the Lender.

c. Within forty-five (45) calendar days after acceptance of the Sales Contract by Developer, Buyer shall secure an irrevocable loan commitment from the Lender.

d. Within ten (10) working days after the date of the irrevocable loan commitment, Buyer shall close the purchase of the Apartment.

e. If the application for such loan or eligibility and credit approval therefor is rejected by the Lender at any time, or not approved, or an irrevocable commitment is not issued by such Lender in a form satisfactory to Developer, within forty-five (45) calendar days after acceptance of this offer by Developer, Developer has the option to terminate the Sales Contract and cause Escrow Agent to refund to Buyer all monies previously paid without interest less the cost of any credit reports and all other costs including but not limited to escrow charges incurred by Developer. Developer shall give written notice of such termination, and a copy thereof shall be given to Escrow Agent.

3. The Sales Contract provides the following for sales covered by Chapter 514A, Part VI, Hawaii Revised Statutes, relating to sales to owner-occupants:

a. If the Buyer wishes a mortgage loan on the Apartment for the payment of a portion of the purchase price, Buyer shall apply to HonFed Bank, a federal savings bank (the "Lender"), for such loan and for eligibility and credit approval necessary therefor. Buyer shall have the Lender inform

Developer that application for loan has been made. After the application is made, Buyer will, upon the Lender's request, promptly execute and deliver all documents and take all steps necessary to complete such loan.

b. Developer agrees to cancel the Sales Contract and shall cause Escrow to refund to purchaser all moneys previously paid without interest less the cost of any credit reports and all other costs, including but not limited to, escrow charges incurred by Developer, upon the occurrence of the following events:

(1) Buyer shall not secure adequate financing, or a commitment for adequate financing by the later of (i) fifty-five (55) calendar days following the issuance of the first public report for the Project or forty-five (45) calendar days from the date of the Sales Contract; or

(2) Buyer desires to cancel the Sales Contract on account of hardship circumstances (such as serious illness of the Buyer or of a member of the Buyer's family, job or military transfer, unforeseeable change in marital status, or the birth of a child), occurring after Buyer's execution of the Sales Contract, causes the Buyer to be unable to occupy the Apartment; or

(3) Buyer indicates an intent not to become an owner-occupant of the Apartment.

Developer shall give written notice of such termination, and a copy thereof shall be given to Escrow Agent.

4. The Sales Contract provides that the Buyer has the right to cancel the Sales Contract at any time prior to the earlier of (1) the conveyance of the apartment to Buyer or (2) midnight of the thirtieth (30th) day following the date of execution of the Sales Contract unless Buyer waives Buyer's right to cancel in writing prior to such time. Should Buyer cancel the Sales Contract within such time, the amounts paid by Buyer, less any escrow cancellation fee and other costs associated with the purchase up to maximum of \$250.00, will be returned to Buyer and all rights and liabilities of Buyer under the Sales Contract will cease and terminate. Upon expiration of the time upon which Buyer may cancel, the Sales Contract shall be binding upon Buyer.

5. The Sales Contract provides that the Buyer shall pay, at the time of pre-closing, all closing fees and costs, including, but not limited to, the cost of preparing the Apartment Deed, all notary fees, the conveyance tax, recording fees, cost of credit report, cost of preparing note(s) and mortgage(s), if any, loan finance fees, the cost of a certificate of title, the cost of any title insurance required by the Lender, all of the escrow fee, and Buyer's share of maintenance fees payable to the Association of Apartment Owners (the "Association") including the first month's fee and start-up fee equal to two months' maintenance fees.

6. The Sales Contract provides that any interest payable on monies deposited with Escrow Agent shall belong to and be payable to Developer.

7. The Sales Contract provides that all of the Buyer's rights, title and interest in the Sales Contract are subject and subordinate to the lien of any mortgage or mortgages now or later made in acquiring the fee simple interest in the land and other associated costs of the Project and to all advances made thereon.

8. The Sales Contract provides that the Buyer's funds may be disbursed from the Trust Fund only after the following have happened:

(1) Buyer's funds may be disbursed only after the following have happened:

(a) the Real Estate Commission has issued a final public report (the "Final Report") on the Project,

(b) the Buyer has received a copy and given the Seller a receipt for it,

(c) two full working days have gone by since Seller notifies Escrow that Buyer has received the receipt,

(d) Seller notifies Escrow in writing that all of the requirements of Section 514A-39 and 514A-63, Hawaii Revised Statutes, then applicable to the Project, have been satisfied,

(e) Seller notifies Escrow in writing that the Sales Contract for the Buyer has become a binding sales contract and that the Seller's and Buyer's rights of cancellation as provided in Section D.23 of the Sales Contracts have lapsed or have become void;

(2) Buyer's funds shall not be disbursed from Escrow to pay for construction costs until both the completion of the Apartment to be conveyed and the Closing of the sale.

(3) Where Closing is to occur prior to the Escrow receiving satisfactory evidence that all mechanics' and materialmen's liens have been cleared, if liens are filed, or prior to the expiration of the forty-five (45) day period commencing after publication of notice of completion, then the Escrow shall not release any of the purchaser's funds until the Escrow receives satisfactory evidence that the Developer has:

(a) provided the Buyer with an owner's title insurance policy with appropriate mechanics' lien endorsement, protecting the purchaser against all future mechanics' and materialmen's liens; and

(b) provided the Commission with a release by Developer's general contractor of the general contractor's lien rights.

EXHIBIT H

ESCROW AGREEMENT PERTINENT PROVISIONS

1. The Escrow Agreement by and between the Seller (the Developer of the condominium project) and Bank of Hawaii dated March 19, 1991, establishes how proceeds from sales of apartments and all sums received from any source are placed in escrow, as well as the methods of disbursement of said funds.

2. The Escrow Agreement provides that Buyer shall be entitled to a refund of Buyer's funds, and Escrow shall pay said funds to said Buyer, without interest, if Buyer shall in writing request refund of Buyer's funds and any one of the following shall have occurred:

a. When Will Refunds be Made. The Sales Contract explains when Buyers may obtain refunds of their Escrow deposits. Escrow agrees to make the refunds promptly if Seller tells Escrow in writing that a refund should be made according to the Sales Contract. No refund is to be made at a Buyer's request unless Escrow receives written approval from the Seller.

b. Interest. The refunds will be made without any interest as stated in the Sales Contract.

c. Deduct Cancellation Fees. Under the Sales Contracts there are times when Escrow is to deduct cancellation fees from the refund amount. Escrow will deduct the cancellation fees from the refund unless Seller instructs Escrow not to do so. The words "cancellation fees" mean Escrow's cancellation fees which are defined in Paragraph 11.b of this Agreement and any cancellation fees of the lender from whom the Buyer has arranged a loan to buy the apartment.

d. Notice of Refunds. Escrow shall give each Buyer entitled to a refund notice of the refund by registered mail. It will be addressed to such Buyer at Buyer's address shown on Buyer's Sales Contract. If Buyer gives Escrow another address, then Escrow will send the notice to that address.

e. Owner/Occupant Refunds. Escrow will also refund a Buyer's deposits as required by Part IV of the Condominium Law, if the Buyer and the Seller request it in writing and if the Buyer is on the Developer's reservation list as an intended owner/occupant under Section 514A-104 of the Condominium Law and

i. the Developer does not offer such Buyer a Sales Contract; or

ii. the Buyer fails to obtain financing satisfactory to Developer within the time required by Part VI of the Condominium Law; or

iii. the Buyer asks to cancel because of hardship circumstances as described in Section 514A-104(1) of the Condominium Law; or

iv. the Buyer does not plan to occupy the unit Buyer is buying.

Except for the refunds under subparagraph (i) above, Escrow will first deduct cancellation fees from the refund.

3. The Escrow Agreement provides that Escrow may disburse the Buyer's funds under the following terms and conditions:

b. When Buyer's Funds May be Removed from the Trust Fund.

(1) Buyer's funds may be disbursed only after the following have happened:

(a) the Real Estate Commission has issued a final public report (the "Final Report") on the Project,

(b) the Buyer has received a copy and given the Seller a receipt for it,

(c) two full working days have gone by since Seller notifies Escrow that Buyer has received the receipt,

(d) Seller notifies Escrow in writing that all of the requirements of Section 514A-39 and 514A-63, Hawaii Revised Statutes, then applicable to the Project, have been satisfied,

(e) Seller notifies Escrow in writing that the Sales Contract for the Buyer has become a binding sales contract and that the Seller's and Buyer's rights of cancellation as provided in Section D.23 of the Sales Contracts have lapsed or have become void;

(2) Buyer's funds shall not be disbursed from Escrow to pay for construction costs until both the completion of the Apartment to be conveyed and the Closing of the sale.

(3) Where Closing is to occur prior to the Escrow receiving satisfactory evidence that all mechanics' and materialmen's liens have been cleared, if liens are filed, or prior to the expiration of the forty-five (45) day period commencing after publication of notice of completion, then the Escrow shall not release any of the purchaser's funds until the Escrow receives satisfactory evidence that the Developer has:

(a) provided the Buyer with an owner's title insurance policy with appropriate mechanics' lien endorsement, protecting the purchaser against all future mechanics' and materialmen's liens; and

(b) provided the Commission with a release by Developer's general contractor of the general contractor's lien rights.