

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer Schuler Homes, Inc.
Address 828 Fort Street Mall, 4th Floor, Honolulu, Hawaii 96813

Project Name(*): Country Club Village Phase 2 (Building 5)
Address: 3075 Ala Poha Place, Honolulu, Hawaii 96818

Registration No. 3524

Effective date: April 10, 1996
Expiration date: May 10, 1997

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports: Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

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 by the developer when complete information is filed.

X FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission. [X] No prior reports have been issued. [] This report supersedes all prior public reports. [] This report must be read together with

SUPPLEMENTARY: (pink) This report updates information contained in the: [] Preliminary Public Report dated: [] Final Public Report dated: [] Supplementary Public Report dated: And [] Supersedes all prior public reports [] Must be read together with [] This report reactivates the public report(s) which expired on

(*) Exactly as named in the Declaration
FORM: RECO-30 286/986/189/1190/892

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

General Information On Condominiums

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

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

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

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

In some condominium projects, some common elements are reserved for the exclusive use of the owners of 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 project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

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

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

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

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Schuler Homes, Inc. Phone: (808) 521-5661
Name (Business)
828 Fort Street Mall, 4th Floor
Business Address
Honolulu, HI 96813

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

- James K. Schuler, President, Secretary, Treasurer
Michael T. Jones, Executive Vice President
Pamela S. Jones, Vice President of Finance
Harvey L. Goth, Senior Vice President
Thomas A. Bevilacqua, Assistant Secretary

Real Estate Broker: Schuler Realty/Oahu, Inc. Phone: (808) 526-3588
Name (Business)
828 Fort Street Mall, 4th Floor
Business Address
Honolulu, HI 96813

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 521-0211
Name (Business)
235 Queen Street
Business Address
Honolulu, HI 96813

General Contractor: Daewoo Hawaii Corporation Phone: (808) 536-2399
Name (Business)
677 Ala Moana, Suite 705
Business Address
Honolulu, HI 96813

Condominium Managing Agent: Chaney, Brooks & Company Phone: (808) 544-1631
Name (Business)
606 Coral Street
Business Address
Honolulu, HI 96813

Attorney for Developer: Case Myrdal Bigelow & Lombardi Phone: (808) 547-5400
(Dennis M. Lombardi & Scott D. Radovich) (Business)
Grosvenor Center, Mauka Tower
737 Bishop Street, Suite 2600
Business Address
Honolulu, HI 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. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

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

The Declaration for this condominium is:

Proposed
 Recorded - Bureau of Conveyances Document No. _____
Book _____ Page _____
 Filed - Land Court Document Number 2293472

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]: First Amendment to Declaration of Condominium Property Regime of Country Club Village Phase 2 (Building 5) filed as Document No. 2297454, on March 22, 1996.

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

The Condominium Map for this condominium project is:

Proposed
 Recorded - Bureau of Conveyances Condo Map No. _____
 Filed - Land Court Condo Map No. 1145

The Condominium Map has been amended by the following instruments [state name of document, date 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 manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

Proposed
 Recorded - Bureau of Conveyances Document No. _____
Book _____ Page _____
 Filed - Land Court Document No. 2293473

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

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

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents**

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

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

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

* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. **Developer:**

- No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.
- Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:
 - A. Upon completion of the Project, the Developer may amend the Declaration and the Condominium Map (if necessary) to file the "as built" verified statement required by Section 514A-12 of the Condominium Property Act.
 - B. Until all of the apartments have been sold, the Developer may amend the Declaration, the Bylaws and/or the Condominium Map to make such amendments as may be required by law, by the Real Estate Commission, by the title insurance company, by a mortgage lender, or by any governmental agency (including the VA, HUD, FNMA and/or FHLMC), provided that no such amendments change the common interest appurtenant to an apartment or substantially change the design, location or size of an apartment.
 - C. Until all of the apartments have been sold and the "as built" verified statement is filed, the Developer may amend the Declaration and the Condominium Map to (i) reflect alterations in any apartment which has not been sold; and (ii) reflect minor changes in any apartment or in the common elements which do not affect the physical location, design or size of any apartment which has been sold.
 - D. The Developer may amend the Declaration to effect an ownership merger of this Project with other condominium projects adjacent to or in the vicinity of this Project. Such merger rights are more particularly described on page 16 of this Public Report.

- E. The Developer reserves the right for itself and its successors and assigns to designate any parking stall in the Project, not otherwise assigned as a limited common element appurtenant to an Apartment in the Project, as a limited common element appurtenant to any Apartment in a later phase of the Merged Project. Any such assignment shall be made by the Developer in the Declaration of Condominium Property Regime covering the apartment which the parking stall is assigned, and shall be effective upon the ownership merger of the Project with such later phase in which the apartment is located.
- F. The Developer also reserves the right for itself and its successors and assigns to reassign temporarily any parking stall appurtenant to Apartments to an alternate parking stall designated by the Declarant for a period not to exceed 180 days from and after the recordation of the conveyance of such Apartment. During such period, the affected Apartments will have access to only the alternate parking stall(s) and not the parking stall(s) appurtenant to the Apartment.
- G. The Developer also reserves the right for itself and its successors and assigns to retrofit guest parking stalls (which include parking stalls 1024G through 1041G, inclusive), so they are suited for use by persons with disabilities and to assign such stalls as appurtenant limited common elements to any one or more of the apartments intended for use by persons with disabilities upon substitution therefor of alternate guest parking stall(s). Notwithstanding the foregoing, the Developer has reserved the right to interchange guest parking stalls and the handicap guest parking stall to accommodate apartment owners in need of such.

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.

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

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

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: [] Monthly [] Quarterly
[] Semi-Annually [] Annually

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

For Subleaseholds:

[] Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is:
[] Canceled [] Foreclosed

[] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

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

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

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

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: [] Monthly [] Quarterly
[] Semi-Annually [] Annually

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

[] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

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

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

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

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

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

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

B. Underlying Land:

Address: 3075 Ala Poha Place Tax Map Key: (1)1-1-065:041
Honolulu, Hawaii 96818 (TMK)

[] Address [] TMK is expected to change because _____

Land Area: 84,264 [X] square feet [] acre(s) Zoning: A-2/A-3

Fee Owner: Schuler Homes, Inc.
Name

828 Fort Street Mall, 4th Floor
Address

Honolulu, HI 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. Number of Buildings: 1 Floors Per Building 20

Exhibit A contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other metal, glass and other building materials

4. Permitted Uses by Zoning:

	No. of <u>Apts.</u>	Use Determined <u>By Zoning</u>		No. of <u>Apts.</u>	Use Determined <u>By Zoning</u>
<input checked="" type="checkbox"/> Residential	<u>239</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Industrial	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Agricultural	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other: _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No

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

Yes No

5. Special Use Restrictions:

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

Pets: Reasonable number of common household pets, such as small dogs, cats, aquarium fish and birds. No livestock or poultry, and no animals classified as "pests" or prohibited from importation under state statutes.

Number of Occupants: No more than 2 persons per bedroom, not including children under 5 years old; no more than 3 persons per bedroom including children under 5 years old; and otherwise only in accordance with any limitations imposed by state or municipal law or ordinance.

Other: Apartments shall be used for residential purposes only; no "time-sharing" permitted. No water beds permitted in project.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: <u>3</u>		Stairways: <u>3</u>		Trash Chutes: <u>1</u>	
Apt.		Net			
Type	Quantity	BR/Bath	Living Area(sf)*	Lanai/Patio(sf)	Extended Lanai (sf)
A, Ar (1st Fl.)	6	2/2	823	66	N/A
A/Ar	114	2/2	823	61	N/A
B, Br (1st Fl.)	2	2/2	823	66	N/A
B, Br	38	2/2	823	61	N/A
D (1st Fl.)	1	3/2	1044	78	93
D (#01 units)	19	3/2	1044	73	N/A
D (#09 units)	19	3/2	1044	73	93
Dr (1st Flr.)	2	3/2	1044	78	N/A
Dr (#08 units)	19	3/2	1044	73	117
Dr (#12 units)	19	3/2	1044	73	N/A

Total Apartments 239

*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: Each apartment includes all walls, columns and partitions which are not load-bearing within the apartment's perimeter walls, the inner decorated or finished surfaces of all walls, floors, ceilings, doors, door frames and window frames along the perimeters, all windows along the perimeters, the air space within the perimeter, the lanais, if any, shown on the Condominium Map to the inner decorated or finished surfaces of the perimeter walls of such lanais and to the interior edge of the exterior railings or other boundaries of such lanais, all fixtures originally installed in the apartment, and all pipes, plumbing (including water heaters), wires, conduits and other utility or service lines and facilities servicing only the apartment. The apartments shall not include the undecorated or unfinished surfaces of the perimeter party or non-party walls, the undecorated or unfinished surfaces of the doors, door frames and window frames along the perimeters, the interior load-bearing columns, girders, beams and walls, the undecorated or unfinished surfaces of the floors and ceiling surrounding each apartment, the exterior edge of the exterior railings or other exterior boundaries of the lanais, if any, shown on the Condominium Map, or any pipes, shafts, wires, conduits or other utility or service lines running through an apartment which are utilized for or serve more than one apartment, all of which are deemed common elements as provided in the Declaration.

Permitted Alterations to Apartments: Alterations or additions solely within an apartment or within a limited common element appurtenant to and for the exclusive use of an apartment shall require the written approval of the Board of Directors and all apartment owners directly affected, as determined by the Board of Directors. Any alteration or addition different in any material respect from the Condominium Map shall be commenced only pursuant to an amendment to the Declaration, as provided in Section L of the Declaration.

7. Parking Stalls:

Total Parking Stalls: 514

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for each unit)	<u>24</u>	<u> </u>	<u>164</u>	<u>63</u>	<u>164</u>	<u>63</u>	<u>478</u>
Guest	<u>18</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>18</u>
Unassigned	<u>1</u>	<u>7</u>	<u> </u>	<u>5</u>	<u> </u>	<u>5</u>	<u>18</u>
Extra for Purchase	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other:	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Covered & Open	<u>50</u>	<u> </u>	<u>232</u>	<u> </u>	<u>232</u>	<u> </u>	<u> </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.

* There is one guest parking stall (Parking stall no. 1039) in the Community suited for use by persons with disabilities, as shown on the Condominium Map.

** There are three parking stalls in the Community suited for use by persons with disabilities. These stalls are 1083 (appurtenant to Apt. No. 1501), 1085 (appurtenant to Apt. No. 1612) and 3194 (appurtenant to Apt. No. 1111), as shown on the Condominium Map.

*** Each tandem parking stall is located in conjunction with one compact stall, as shown on the condominium map.

Commercial parking garage permitted in condominium project.

Exhibit B 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: Trash room; center courtyard; lobby area

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

There are no violations. Violations will not be cured.

Violations and cost to cure are listed below. Violations will be cured by _____

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

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

(Not applicable)

11. Conformance to Present Zoning Code

- a. No variances to zoning code have been granted.
 Variance(s) to zoning code was/were granted as follows:

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

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

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

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

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

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

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

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

described in Exhibit C .

as follows:

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

There are no limited common elements in this project.

The limited common elements and the apartments which may use them, as described in the Declaration 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 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. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibits E .

as follows:

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

Exhibit F describes the encumbrances against the title contained in the title report dated February 28, 1996 and issued by Title Guaranty of Hawaii Incorporated.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit If Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgages (for construction purposes) in favor of First Hawaiian Bank, in the principal amount Seventy-One Million Five Hundred Thousand and No/100 Dollars (\$71,500,000) recorded as Land Court Document Nos. 2016141, 2153099, and 2247416. Subordinate Mortgages recorded as Land Court Document Nos. 2149634, 2021523, 2153100, 2225385, and 2247417.	The Buyer's contract will be subject to cancellation and the Buyer may not be able to purchase the apartment, but all deposits made by the Buyer will be refunded.

These construction mortgages have priority over any interest arising under the Buyer's contract. Pursuant to Article IV, Section 3 of the specimen sales contract (entitled "No Present Transfer and Subordination to Construction Loan"), the Buyer relinquishes and subordinates any lien or interest arising under the Buyer's contract to the priority of the construction mortgages.

F. Construction Warranties:

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

1. Building and Other Improvements:

The Developer's sole warranty will be provided in the forms attached to this Public Report as Exhibit G.

2. Appliances:

The Developer makes no warranty as to appliances or other consumer products installed in any apartment or in the common elements. If there are any applicable manufacturer's or dealer's warranties relating to such appliances or other consumer products, the Developer will endeavor to assign and pass on to each apartment owner the benefit of such warranties.

G. Status of Construction and Estimated Completion Date:

Construction of the Project commenced in October, 1995, and the Developer estimates that construction will be completed in August, 1996.

H. Project Phases:

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

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

Merger: The Developer has reserved the right, in its sole and absolute discretion, to merge this Project with other condominium projects for purposes of use, administration and ownership. However, the Developer does not represent or warrant that any such other condominium projects will be developed, or, if developed, will be merged with this Project. See the Declaration of Merger of Condominium Phases on file with the Real Estate Commission for the details of any such merger. The Buyer should also note Section O of the Declaration for easements reserved to the Developer with respect to the construction, maintenance, operation and merger of any such other condominium projects. Merger for ownership purposes may include a legal consolidation of the land underlying and included in this Project with any parcel(s) of land underlying and included in such other condominium projects to be merged.

IV. CONDOMINIUM MANAGEMENT

- A. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

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

The initial condominium managing agent for this project, named on page five (5) of this report, is:

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

- B. **Estimate of Initial Maintenance Fees:**

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

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

Exhibits H, H-1, H-2, H-3 and H-4 contain schedules of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

NOTE: The developer intends to pay all of the actual common expenses for the project until SEPTEMBER 30, 1996. Accordingly, apartment owners shall not be obligated for the payment of their respective shares of the common expenses until OCTOBER 1, 1996. From and after OCTOBER 1, 1996, apartment owners will be obligated to pay their respective shares of the common expenses allocated to their apartments, beginning with the budgeted monthly maintenance fees for the month of November, 1996.

EXHIBIT H-1 contains a schedule of Estimated Maintenance Fee Disbursements for this project (Building 5) only.

EXHIBIT H-2 contains a schedule of Estimated Maintenance Fee Disbursements in the event the Developer merges the first increment of the project (Building 4) with this project.

EXHIBIT H-3 contains a schedule of Estimated Maintenance Fee Disbursements in the event the Developer develops the intended third increment of the project (Building 6) and merges the first and third increments (Building 4 and Building 6) with this project.

EXHIBIT H-4 contains a schedule of Estimated Maintenance Fee Disbursements as described in Exhibit H-3 above and also includes the recreation center.

EXHIBIT H contains a schedule of Estimated Initial Maintenance Fees for apartments in this project based on each of the above assumptions (i.e. no merger; merger with Building 4; merger with Buildings 4 and 6). However, the Developer does not represent or warrant that Building 6 will be developed, or, if developed, will be merged with this project. The Developer further does not represent or warrant that Building 4 will be merged with Building 6, if developed or with this community or both.

Note: The Developer advises that costs and expenses of maintenance and operation of a condominium community are very difficult to estimate initially and even if such maintenance charges have been accurately estimated, such charges will tend to increase in an inflationary economy and as the improvements age. Maintenance charges can vary depending on services desired by apartment owners and may increase significantly depending on the level of services eventually selected by the Association's Board of Directors. The Buyer should examine the maintenance charges schedule to see what services are included in the schedule and address these issues with its Board upon its formation. Buyers should also be aware that the estimates provided are as of the date reflected in the Managing Agent's certification and do not reflect the actual charges that may be incurred upon the formation of the Association and the actual contracting for such services such as insurance and maintenance, etc.

C. **Utility Charges for Apartments:**

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

None
 Sewer

Electricity
 Television Cable
(Basic service only)

Gas
 Other Refuse collection, Telephone
and Common Area Electricity

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

[X] Notice to Owner Occupants

[X] Specimen Sales Contract

Exhibit I contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated February 1, 1996

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

[X] Other Exhibit K is a copy of the Affidavit of Intent to Purchase and Reside in an Owner-Occupant Designated Condominium Residential Unit, to be signed by "owner-occupant" purchasers.

B. Buyer's Right to Cancel Sales Contract:

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

Preliminary Report: Sales made by the developer are not binding on the prospective buyers. 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:

A) The Developer delivers to the buyer a copy of:

1) Either the Final Report **OR** the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;

AND

2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;

B) The buyer is given an opportunity to read the report(s); AND

C) One of the following has occurred:

1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or

2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or

3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

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

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

B) The buyer has not waived the right to rescind.

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

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
 - B) Declaration of Condominium Property Regime, as amended.
 - C) Bylaws of the Association of Apartment Owners.
 - D) House Rules.
 - E) Condominium Map.
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
 - H) Other: Declaration of Merger of Condominium Phases, as amended; Declaration of Merger of Condominium Phases Country Club Village Phase 2; Declaration Regarding Community Area; Amended and Restated Declaration Regarding Community Area.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P.O. Box 541, Honolulu, Hawaii 96809, at a nominal cost.

This Public Report is a part of Registration No. 3524 filed with the Real Estate Commission on 3/6/96.

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C. **Additional Information Not Covered Above**

None.

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

Schuler Homes, Inc.
Name of Developer

By:  FEB 23 1996
Duly Authorized Signatory Date

Michael T. Jones , Executive Vice President
print name & title of person signing above

Distribution:

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

EXHIBIT "A"

DESCRIPTION OF BUILDINGS

The Community shall contain one building containing 239 apartments. The building shall have 20 floors, identified and numbered as Floor 1 to 12, inclusive, and Floor 14 to 21, inclusive, and an adjacent parking structure. The building shall be constructed principally of concrete, metal, glass and related building materials.

The apartments are constructed according to four (4) different basis floor plans, as follows:

Apartment Types A/Ar

Apartment containing 2 bedrooms, 2 bathrooms, a living room, a combined kitchen/dining room, exterior and interior storage closets, and a lanai. Each Type A and Type Ar apartment contains a net interior living area of approximately 823 square feet. The lanai area for each Type A and Type Ar apartment located on the 1st floor is approximately 66 square feet. The lanai area for each Type A and Type Ar apartment located on the 2nd through 21st floor (no 13th floor) is approximately 61 square feet. Apartment Types A and Ar are the reverse or mirror images of each other. There are 60 Type A and 60 Type Ar apartments in the Community.

Apartment Types B/Br

Apartment containing 2 bedrooms, 2 bathrooms, a living room, a dining room, a kitchen, exterior and interior storage closets, and a lanai. Each Type B and Type Br apartment contains a net interior living area of approximately 823 square feet. The lanai area for each Type B and Type Br apartment located on the 1st floor is approximately 66 square feet. The lanai area for each Type B and Type Br apartment located on the 2nd through 21st floor (no 13th floor) is approximately 61 square feet. Apartment Types B and Br are the reverse or mirror images of each other. There are 20 Type B apartments and 20 Type Br apartments in the Community.

Apartment Type D

Apartment containing 3 bedrooms, 2 bathrooms, a living room, a combined kitchen/dining room, exterior and interior storage closets, and a lanai. Each Type D apartment contains a net interior living area of approximately 1,044 square feet. The lanai area for each Type D apartment located on the 1st floor is approximately 78 square feet. The lanai area for each Type D apartment located on the 2nd through 21st floor (no 13th floor) is approximately 73 square feet. The extended lanai area for each Type D apartment located on the 1st floor and each Type D-09 apartment located on the 2nd through 21st floor (no 13th floor) is approximately 93 square feet. Apartment Type D is the reverse or mirror image of the Type Dr apartment. There are 39 Type D apartments in the Community.

Apartment Type Dr

Apartment containing 3 bedrooms, 2 bathrooms, a living room, a combined kitchen/dining room, exterior and interior storage closets, and a lanai. Each Type Dr apartment contains a net interior living area of approximately 1,044 square feet. The lanai area for each Type Dr apartment located on the 1st floor is approximately 78 square feet. The lanai area for each Type Dr apartment located on the 2nd through 21st floor (no 13th floor) is approximately 73 square feet. The extended lanai area for each Type Dr-08 apartment located on the 2nd through 21st floor (no 13th floor) is approximately 117 square feet. Apartment Type Dr is the reverse or mirror image of the Type D apartment. There are 40 Type Dr apartments in the Community.

EXHIBIT "B"
PARKING STALLS

Each apartment shall have appurtenant to it the exclusive right to use the parking stall(s) designated below, located in the building in which the apartment is located as shown on the Condominium Map.

APT. NO.	STALL #1	STALL #2	APT. NO.	STALL #1	STALL #2	APT. NO.	STALL #1	STALL #2	APT. NO.	STALL #1	STALL #2
*101	5204T	5205C	602	5047T	5048C	1102	3200T	3201C	1702	4061T	4062C
102	5202T	5203C	603	5045T	5046C	1103	3202T	3203C	1703	4192T	4193C
103	5200T	5201C	604	5043T	5044C	1104	3204T	3205C	1704	4190T	4191C
104	5143T	5144C	605	5041T	5042C	1105	4047T	4048C	1705	4188T	4189C
105	5141T	5142C	606	5039T	5040C	1106	4045T	4046C	1706	4186T	4187C
106	5139T	5140C	607	5037T	5038C	1107	4043T	4044C	1707	4184T	4185C
107	3061T	3062C	608	2113T	2114C	1108	2162	2163	1708	1046T	1047C
108	3192T	3193C	609	2111T	2112C	1109	2051T	2052C	1709	1044T	1045C
109	5137T	5138C	610	5113T	5114C	1110	2204T	2205C	1710	4170T	4171C
110	5135T	5136C	611	5111T	5112C	1111	3194T	3195C	1711	4168T	4169C
111	3190T	3191C	612	2109T	2110C	1112	2053T	2054C	1712	1042T	1043C
201	3053T	3054C	701	2176T	2177C	1201	1095T	1096C	1801	1167T	1168C
202	5198T	5199C	702	5097T	5098C	1202	3031T	3032C	1802	3119T	3120C
203	5196T	5197C	703	5061T	5062C	1203	3029T	3030C	1803	3117T	3118C
204	5194T	5195C	704	5059T	5060C	1204	3027T	3028C	1804	3115T	3116C
205	5115T	5116C	705	5057T	5058C	1205	3025T	3026C	1805	4049T	4050C
206	5117T	5118C	706	5055T	5056C	1206	3198T	3199C	1806	4051T	4052C
207	5119T	5120C	707	5053T	5054C	1207	3196T	3197C	1807	4053T	4054C
208	3055T	3056C	708	2174T	2175C	1208	1093T	1094C	1808	1169T	1170C
209	3057T	3058C	709	2172T	2173C	1209	2166	2167	1809	1052T	1053C
210	5121T	5122C	710	5035T	5036C	1210	2200T	2201C	1810	4057T	4058C
211	5123T	5124C	711	5033T	5034C	1211	2202T	2203C	1811	4059T	4060C
212	3059T	3060C	712	2170T	2171C	1212	2164	2165	1812	1050T	1051C
301	2073T	2074C	801	2184T	2185C	1401	1181T	1182C	1901	1159T	1160C
302	5071T	5072C	802	4204T	4205C	1402	4119T	4120C	1902	2025T	2026C
303	5087T	5088C	803	5107T	5108C	1403	3047T	3048C	1903	2027T	2028C
304	5089T	5090C	804	5105T	5106C	1404	3045T	3046C	1904	2029T	2030C
305	5091T	5092C	805	5103T	5104C	1405	3043T	3044C	1905	3172T	3173C
306	5093T	5094C	806	5101T	5102C	1406	3041T	3042C	1906	3170T	3171C
307	5095T	5096C	807	5099T	5100C	1407	3039T	3040C	1907	3168T	3169C
308	2041T	2042C	808	2182T	2183C	1408	1179T	1180C	1908	1161T	1162C
309	3049T	3050C	809	2180T	2181C	1409	1177T	1178C	1909	1163T	1164C
310	5170T	5171C	810	5051T	5052C	1410	2196T	2197C	1910	2035T	2036C
311	5168T	5169C	811	5049T	5050C	1411	2194T	2195C	1911	4055T	4056C
312	3051T	3052C	812	2178T	2179C	1412	1097T	1098C	1912	1165T	1166C
401	2045T	2046C	901	2192T	2193C	1501	1083HT	1084C	2001	1153T	1154C
402	5109T	5110C	902	4029T	4030C	1502	4166	4167	2002	3188T	3189C
403	5031T	5032C	903	4027T	4028C	1503	4164	4165	2003	3186T	3187C
404	5029T	5030C	904	4025T	4026C	1504	4162	4163	2004	3184T	3185C
405	5027T	5028C	905	4115T	4116C	1505	4113T	4114C	2005	3182T	3183C
406	5025T	5026C	906	4117T	4118C	1506	4111T	4112C	2006	3180T	3181C
407	5180T	5181C	907	4194T	4195C	1507	4109T	4110C	2007	3178T	3179C
408	2043T	2044C	908	2190T	2191C	1508	1175T	1176C	2008	1149T	1150C
409	2037T	2038C	909	2188T	2189C	1509	1173T	1174C	2009	1151T	1152C
410	5174T	5175C	910	4200T	4201C	1510	3037T	3038C	2010	2031T	2032C
411	5172T	5173C	911	4202T	4203C	1511	2198T	2199C	2011	2033T	2034C
412	2039T	2040C	912	2186T	2187C	1512	1171T	1172C	2012	1157T	1158C
501	2119T	2120C	1001	2055T	2056C	1601	1091T	1092C	2101	1143	1144
502	5192T	5193C	1002	4041T	4042C	1602	4182T	4183C	2102	3166	3167
503	5190T	5191C	1003	4039T	4040C	1603	4180T	4181C	2103	3164	3165
504	5188T	5189C	1004	4037T	4038C	1604	4178T	4179C	2104	3162	3163
505	5186T	5187C	1005	4035T	4036C	1605	4176T	4177C	2105	3113T	3114C
506	5184T	5185C	1006	4033T	4034C	1606	4174T	4175C	2106	3111T	3112C
507	5182T	5183C	1007	4031T	4032C	1607	4172T	4173C	2107	3109T	3110C
508	2117T	2118C	1008	2057T	2058C	1608	1089T	1090C	2108	1147	1148
509	2115T	2116C	1009	2059T	2060C	1609	1087T	1088C	2109	1145	1146
510	5178T	5179C	1010	4198T	4199C	1610	3035T	3036C	2110	3176T	3177C
511	5176T	5177C	1011	4196T	4197C	1611	3033T	3034C	2111	3174T	3175C
512	2047T	2048C	1012	2061T	2062C	1612	1085HT	1086C	2112	1155T	1156C
601	2168T	2169C	1101	2049T	2050C	1701	1048T	1049C			

The Community contains 18 "guest" parking stalls numbered 1024G, 1025G, 1026, 1027G, 1028G, 1029G, 1030G, 1031G, 1032G, 1033G, 1034G, 1035G, 1036G, 1037G, 1038G, 1039HG, 1040G, and 1041G located as shown on the Condominium Map. Note: Guest parking stall 1039HG is suited for use by persons with disabilities.

Note: A parking stall marked with a "C", as shown on the list above, indicates a parking stall that is "compact" in size. A parking stall marked with a "T", as shown on the list above, indicates a "tandem" parking stall. A parking stall marked with an "H", as shown on the list above, indicates a parking stall that is oversized and suited for use by persons with disabilities. The additional "C", "T" and "H" or other markings appearing on the list above and/or the Condominium Map are for informational purposes only and do not constitute part of the legal identification of a parking stall, the sole mean of legal identification being the numerical designation of the parking stall.

*Apartment No. 306 (Building 4) shall have appurtenant to it 12 total additional parking stalls (11 parking stalls on Level 5 and 1 parking stall on Level 1). Apartment No. 2002 (Building 5) shall have appurtenant to it 6 total additional parking stalls, all of which are located on Level 5. The foregoing 18 total additional parking stalls are reserved by the Declarant for use and assignment to apartment owners, and are identified below:

1138	5126C	5129T	5132C	5162	5165
5151	5127T	5130C	5133T	5163	5166
5125T	5128C	5131T	5134C	5164	5167

EXHIBIT "C"

COMMON ELEMENTS

The common elements of the Community shall specifically include, but are not limited to, the following:

1. The land, in fee simple, described in Exhibit "A" attached to the Declaration of Condominium Property Regime.
2. All structural components, such as foundations, girders, columns, beams, floor slabs, supports, main walls, load-bearing walls, floors, ceilings (except the inner or decorated surfaces of such walls, floors and ceilings), roofs, exterior stairs and stairways, landings, railings (except lanai railings), entrances and exits of the building and/or apartments, and other building appurtenances.
3. All grounds, gardens, planters, plants, landscaping, refuse facilities, barbecue areas, designated children's play areas and recreational facilities, if any.
4. All sidewalks, pathways, driveways, roads, parking areas and parking stalls (including, without limitation, the 18 guest parking stalls numbered 1024G, 1025G, 1026G, 1027G, 1028G, 1029G, 1030G, 1031G, 1032G, 1033G, 1034G, 1035G, 1036G, 1037G, 1038G, 1039HG, 1040G, and 1041G within the Community, all as shown on the Condominium Map. Note: Guest parking stall 1039HG is suited for use by persons with disabilities.
5. All ducts, electrical equipment, transformers, wiring, pipes and other central and appurtenant transmissions facilities and installations over, under and across the Community which are utilized by or serve more than one apartment for services such as power, light, water, gas, sewer, telephone and radio and television signal distribution, if any.
6. All areas, rooms, spaces, structures, housings, chutes, shafts or facilities of the Community within or outside of the building, which are for common use or which serve more than one apartment, such as lobbies and elevators, elevator shafts, electrical, maintenance, service, security, machine, mechanical, trash, mail, and equipment facilities' shafts or corridors and the equipment, machinery and facilities in of the foregoing.
7. All the benefits, if any, inuring to the land or to the Community from all easements shown on the Condominium Map or listed in Exhibit "A" attached to the Declaration of Condominium Property Regime.
8. Any and all apparatus and installations of common use and all other parts of the Community necessary or convenient to its existence, maintenance and safety, or normally in common use.
9. All of the interest of the Association of Apartment Owners of the Community in the "community facilities," as referenced in and pursuant to that certain Declaration of Covenants, Conditions and Restrictions for the Country Club Village Community Area described in this Declaration.
10. All other parts of the Community which are not included in the definition of an apartment.

EXHIBIT "D"

LIMITED COMMON ELEMENTS

Certain apartments shall have appurtenant thereto easements for the exclusive use of certain limited common elements as follows:

1. Parking Stalls:

Each apartment shall have appurtenant to it, as a limited common element, the exclusive right to use such parking stall(s) as designated on Exhibit "B" to this public report.

2. Mailboxes:

Each mailbox bearing the same identification as an apartment is a limited common element appurtenant to that apartment.

3. Garden Yard Areas:

Each fenced-in yard area, as shown on the Condominium Map, is a limited common element appurtenant to the first floor apartment which such yard area adjoins. The outer limit of each such yard area is deemed to be the interior surface of the fence (i.e. the surface facing the apartment) enclosing the yard area.

EXHIBIT "E"

COMMON INTERESTS

Apartment Type	Apartment Number	Undivided Common Interest of Each Apartment
A/Ar (1st floor) (6)	101, 102, 105, 106, 109, 110	0.003802 (0.3802%)
A/Ar (114)	202, 203, 206, 207, 210, 211, 302, 303, 306, 307, 310, 311, 402, 403, 406, 407, 410, 411, 502, 503, 506, 507, 510, 511, 602, 603, 606, 607, 610, 611, 702, 703, 706, 707, 710, 711, 802, 803, 806, 807, 810, 811, 902, 903, 906, 907, 910, 911, 1002, 1003, 1006, 1007, 1010, 1011, 1102, 1103, 1106, 1107, 1110, 1111, 1202, 1203, 1206, 1207, 1210, 1211, 1402, 1403, 1406, 1407, 1410, 1411, 1502, 1503, 1506, 1507, 1510, 1511, 1602, 1603, 1606, 1607, 1610, 1611, 1702, 1703, 1706, 1707, 1710, 1711, 1802, 1803, 1806, 1807, 1810, 1811, 1902, 1903, 1906, 1907, 1910, 1911, 2002, 2003, 2006, 2007, 2010, 2011, 2102, 2103, 2106, 2107, 2110, 2111	0.003780 (0.3780%)
B (1st floor) (2)	103, 104	0.003802 (0.3802%)
B/Br (38)	204, 205, 304, 305, 404, 405, 504, 505, 604, 605, 704, 705, 804, 805, 904, 905, 1004, 1005, 1104, 1105, 1204, 1205, 1404, 1405, 1504, 1505, 1604, 1605, 1704, 1705, 1804, 1805, 1904, 1905, 2004, 2005, 2104, 2105	0.003780 (0.3780%)
D (1st floor) (1)	108	0.005333 (0.5333%)
D (#01 units) (19)	201, 301, 401, 501, 601, 701, 801, 901, 1001, 1101, 1201, 1401, 1501, 1601, 1701, 1801, 1901, 2001, 2101	0.004777 (0.4777%)
D (#09 units) (19)	209, 309, 409, 509, 609, 709, 809, 909, 1009, 1109, 1209, 1409, 1509, 1609, 1709, 1809, 1909, 2009, 2109	0.005174 (0.5174%)
Dr (1st floor) (2)	107, 111	0.004798 (0.4798%)
Dr (#08 units) (19)	208, 308, 408, 508, 608, 708, 808, 908, 1008, 1108, 1208, 1408, 1508, 1608, 1708, 1808, 1908, 2008, 2108	0.005277 (0.5277%)
Dr (#12 units) (19)	212, 312, 412, 512, 612, 712, 812, 912, 1012, 1112, 1212, 1412, 1512, 1612, 1712, 1812, 1912, 2012, 2112	0.004777 (0.4777%)

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

1. For real property taxes that may be due and owing, reference is made to the Director of Finance, City and County of Honolulu.
2. Exception and reservation in favor of the Trustees under the Will and of the Estate of Samuel M. Damon, deceased, of all artesian and other underground water and rights appurtenant to the land described herein, as excepted and reserved in Deed dated October 7, 1965, filed as Land Court Document No. 372554, recorded in Liber 5163 at Page 496, said Trustees having released all right to enter upon the surface of said land to exercise said exception and reservation, including any rights of ingress and egress upon said land, by Release dated October 12, 1965, filed as Land Court Document No. 372562, recorded in Liber 5163 at Page 572.
3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Declaration dated January 8, 1988, filed as Land Court Document No. 1599284.
4. Amendment to Agreement for Issuance of Conditional Use Permit Under Section 4.40-21 of the Land Use Ordinance (LUO) dated April 11, 1994, filed as Land Court Document No. 2153098. The foregoing Amendment to Agreement supersedes that certain Agreement for Issuance of Conditional Use Permit (ao/cup1-9), under Section 4.40-21 of the LUO, as amended, dated March 15, 1990, filed as Land Court Document No. 1731525.
5. Mortgage, Security Agreement, Assignment of Rents and Financing Statement by Mortgagor Schuler Homes, Inc., a Delaware corporation, and Mortgagee First Hawaiian Bank, a Hawaii corporation, dated April 20, 1993, filed as Land Court Document No. 2016141.
6. Additional Charge Mortgage; Restatement of Real Property Mortgage; Security Agreement Assignment of Rents; and Financing Statement by Mortgagor Schuler Homes, Inc., a Delaware corporation, and Mortgagee First Hawaiian Bank, a Hawaii corporation, dated June 8, 1994, filed as Land Court Document No. 2153099.
7. Second Additional Charge Mortgage; Restatement of Additional Charge Mortgage and Restatement of Real Property Mortgage; Security Agreement; Assignment of Rents; and Financing Statement by Mortgagor Schuler Homes, Inc., a Delaware corporation, and Mortgagee First Hawaiian Bank, a Hawaii corporation, dated July 5, 1995, filed as Land Court Document No. 2247416.
8. Subordinate Mortgage, Security Agreement and Financing Statement by Mortgagor Schuler Homes, Inc., a Delaware corporation, and Mortgagee Itoman Hawaii, Inc., a Hawaii corporation, dated February 9, 1993, filed as Land Court Document No. 1996140, as wholly amended and restated by instrument dated April 7, 1994, filed as Land Court Document No. 2149634.
9. Subordination Agreement acknowledged April 20, 1993 and April 28, 1993, filed as Land Court Document No. 2021523.
10. Subordination Agreement acknowledged April 15, 1994 and May 11, 1994, filed as Land Court Document No. 2153100.

11. Assignment to HCI (America) Inc., a New York corporation, dated February 27, 1995, filed as Land Court Document No. 2225385.
12. Second Additional Subordination Agreement, dated July 5, 1995, filed as Land Court Document No. 2247417.
13. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Declaration dated June 27, 1994, filed as Land Court Document No. 2160554, as wholly amended and restated by instrument dated July 25, 1994, filed as Land Court Document No. 2170588.
14. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Declaration of Merger of Condominium Phases Country Club Village dated June 27, 1994, filed as Land Court Document No. 2160555, as amended by Amendment to Declaration of Merger of Condominium Phases Country Club Village dated July 20, 1995, filed as Land Court Document No. 2258653.
15. Grant of Easement in favor of Hawaiian Electric Company, Inc. and GTE Hawaiian Telephone Company Incorporated dated May 6, 1994, filed as Land Court Document No. 2169088, granting a perpetual right and easement to construct, reconstruct, operate, maintain, repair and remove transformer pad sites, etc., for the transmission and distribution of electricity.
16. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Declaration of Merger of Condominium Phases Country Club Village Phase 2, dated July 20, 1995, filed as Land Court Document No. 2258654.
17. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions as contained in the Declaration of Condominium Property Regime of Country Club Village Phase 2 (Building 5), as the same may be amended, dated February 23, 1996, filed with the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2293472.
18. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions as contained in the Bylaws of the Association of Apartments of Country Club Village Phase 2 (Building 5) as the same may be amended, dated February 23, 1996, filed with the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2293473.

Warranty of Completion of Construction

EXHIBIT G
U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No 2502-0059 (rev 3-77)
FHA/VA Case Number

Lender's Name, Address & Phone No:

Name(s) of Purchaser/Owner:

Property Address:

For good and valuable consideration, and in accordance with Section 801 of the Housing Act of 1954, and Public Law 85-857 (38 U.S.C. 372) the undersigned Warrantor hereby warrants to the Purchaser(s) or Owner(s) identified in the caption hereof, and to his/her successors or transferees, that:

The dwelling located on the property identified in the caption hereof is constructed in substantial conformity with the plans and specifications (including any amendments thereof, or changes and variations therein) which have been approved in writing by the Federal Housing Commissioner or the Secretary of Veterans Affairs on which the Federal Housing Commissioner or the Secretary of Veterans Affairs based the valuation of the dwelling: Provided, however, That this warranty shall apply only to such instances of substantial nonconformity as to which the Purchaser(s)/ Owner(s) or his/her (their) successors or transferees shall have given written notice to the Warrantor at any time or times within one year from the date of original conveyance of title to such Purchaser(s)/Owner(s) or the date of initial occupancy, whichever first occurs: Provided further, however, That in the event

(1) the Purchaser(s)/Owner(s) acquired title to the captioned property prior to the completion of construction of the dwelling thereon, such notice of nonconformity to the Warrantor may be given any time within one year from the date of completion or initial occupancy of such dwelling, whichever first occurs, or (2) where it has been necessary to postpone improvements such notice of nonconformity to the Warrantor as to such incomplete items may be given at any time within one year from the date of full completion of each of such items.

The term "dwelling" as used herein shall be deemed to include improvements or appurtenances set forth in the plans and specifications upon which the Federal Housing Commissioner or the Secretary of Veterans Affairs has based the valuation of the property, except those constructed by a municipality or other government authority.

The undersigned Warrantor further warrants to the Purchaser(s)/ Owner(s) or his/her (their) successors or transferees, the property against defects in equipment, material, or workmanship and materials supplied or performed by the Warrantor or any subcontractor or supplier at any time or times within one year from the date of original conveyance of title to such Purchaser(s) or from the date of full completion of each of any items completed after conveyance of title. The Warrantor shall remedy, at the Warrantor's expense, any defect(s) of equipment, material, or workmanship furnished by the Warrantor. Warrantor shall restore any work damaged in fulfilling the terms and conditions of this warranty.

If a manufactured (mobile) home was erected on this property, the Warrantor further warrants that (1) the property (other than the manufactured unit itself) complies with the submitted construction exhibits; (2) the manufactured home sustained no hidden damage during transportation and erection; and (3) if the home was manufactured in separate sections, the sections were properly joined and sealed.

Manufacturer's Name, Address & Phone No:

This warranty shall be in addition to, and not in derogation of, all other rights and privileges which such Purchaser(s)/ Owner(s) or his/her (their) successors or transferees may have under any other law or instrument, and shall survive the conveyance of title, delivery of possession of the property, or other final settlement made by the Purchaser(s)/ Owner(s), and shall be binding on the Warrantor notwithstanding any provision to the contrary contained in the contract of purchase or other writing executed by the Purchaser(s)/ Owner(s) or his/her (their) successors or transferees heretofore or contemporaneously with the execution of this agreement or prior to final settlement.

This warranty is executed for the purpose of inducing the Federal Housing Commissioner or the Secretary of Veterans Affairs to make a guarantee or to insure a mortgage on the captioned property, and the person signing for the Warrantor represents and certifies that he/she is authorized to execute the same by the warrantor and by his/her signature the Warrantor is duly bound under the terms and conditions of this warranty. The FHA Commissioner or the Secretary of Veterans Affairs reserves the right to make a final determination as to whether a defect exists and whether the builder must remedy the defect.

Warrantor's Title, Signature & Date:

Purchaser(s)' acknowledgement
Signature(s) of Purchaser(s) & Date:

X

X

Builder's Name, Address & Phone No:

X

Purchaser Note: Any notice of nonconformity must be delivered to the warrantor within the period or periods set forth above.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012, 31 U.S.C. 3729)

**COUNTRY CLUB VILLAGE
LIMITED WARRANTY FOR MAJOR CONSTRUCTION DEFECTS,
FAULTY WORKMANSHIP AND MATERIALS**

Schuler Homes, Inc., a Delaware Corporation (sometimes the "Seller"), provides this Limited Warranty to you, and your heirs, devisees, successors and assigns (collectively the "Purchaser"), in connection with your purchase of Apartment No. _____ (the "Apartment") in the Country Club Village condominium project (the "Project").

Schuler Homes, Inc., warrants to the Purchaser that the Apartment shall be free from "faulty workmanship and material and major construction defects" for a period of one (1) year from the Recorded Notice of Completion, or otherwise as stated on the attached documents. For purposes of this Limited Warranty, "faulty workmanship and materials and major construction defects" shall mean and only include actual damages to the structural components of the Apartment resulting from: (a) negligent or faulty design and/or installation, (b) the installation of defective materials and/or (c) the failure to install the necessary materials.

To the extent that the Seller has the right and power to make such an assignment, the execution, delivery and recordation of your Apartment Deed will constitute Seller's assignment, without recourse, to the Purchaser of all contractor, manufacturer and dealer warranties, if any, covering any appliances or other consumer products included in the Apartment, or other aspect of or material incorporated into its construction, including but not limited to those covering roofing materials and exterior siding, for the unexpired term thereof. For your convenience we have attached a list of all the contractors who are directly providing a warranty for certain aspects of construction, and to the extent that a written warranty covering an appliance or consumer product exists, a copy of that warranty will be provided to you on your request. The Purchaser acknowledges and understands that the Seller is not stating that any such warranties exist, or that such an assignment will be effective, nor is the Seller adopting any such contractor's, manufacturer's or dealer's warranties or acting as a co-warrantor, but the Seller is merely attempting to pass through to the Purchaser the benefits of such warranties, if any exist.

This Limited Warranty shall not apply to the following situations:

1. Defective design or materials supplied by the Purchaser or installed under the Purchaser's direction.
2. Normal wear and tear or deterioration of the apartment such as, but not limited to, minor cracks in concrete or plaster resulting from the normal expansion or contraction of the material or underlying soil, weathering or discoloration of painted wood and stucco surfaces and normal shrinkage and expansion or wood components.
3. Dampness or condensation due to failure of the Purchaser to maintain adequate ventilation or reasonable and proper use of maintenance of the apartment.
4. Negligence, improper maintenance or operation or alteration by parties other than the Seller, or the Seller's subcontractors or agents, with respect to the apartment, its systems, appliances, equipment and fixtures.
5. Landscaping, if any, including plants, trees, and landscaping irrigation systems.

OTHER THAN A "WARRANTY OF COMPLETION OF CONSTRUCTION" (FORM HUD-92544), IF APPLICABLE, THIS LIMITED WARRANTY IS THE ONLY WARRANTY THAT WE ARE PROVIDING TO YOU GIVE IN CONNECTION WITH THE PURCHASE OF THE APARTMENT. THE SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, THE PROJECT OR CONSUMER PRODUCTS OR OTHER THINGS WHICH MAY BE INSTALLED OR WHICH ARE CONTAINED IN THE APARTMENT OR THE PROJECT, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR USE.

SCHULER HOMES, INC.,

Dated: _____

By: _____
Seller

MY SIGNATURE BELOW INDICATES THAT I HAVE RECEIVED AND UNDERSTAND THIS LIMITED WARRANTY AND THAT I (WE) ACCEPT THIS LIMITED WARRANTY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Dated: _____

By: _____
By: _____
Purchaser

EXHIBIT "H"

ESTIMATE OF INITIAL MAINTENANCE FEES

Building 5 - (239 apartments*)
(no merger)

Apartment Type	Monthly fee (per apt.)	Yearly Total (per apt.)
A/Ar (1st Floor)	\$163.93	\$1,967.12
A/Ar	\$162.98	\$1,955.74
B/Br (1st Floor)	\$163.93	\$1,967.12
B/Br	\$162.98	\$1,955.74
D (1st Floor)	\$229.94	\$2,759.25
D (#01 units)	\$205.96	\$2,471.58
D (#09 units)	\$223.08	\$2,676.98
Dr (1st Floor)	\$206.87	\$2,482.44
Dr (#08 units)	\$227.52	\$2,730.27
Dr (#12 units)	\$205.96	\$2,471.58

*This exhibit contains a schedule of estimated initial maintenance fees for apartments in the community (assuming no merger with other increments). The corresponding schedule of estimated maintenance fee disbursements is contained in Exhibit H-1.

**In the event the Developer merges the first increment of the community with this community, the corresponding estimated maintenance fee disbursements is contained in Exhibit H-2.

***In the event the Developer develops the third increment of the community (Building 6) and merges the first and third increments with this community, the corresponding estimated maintenance fee disbursements is contained in Exhibit H-3.

****Exhibit H-4 contains a schedule of Estimated Maintenance Fee Disbursements as described in Exhibit H-3 above and also includes the recreation center.

These alternative assumptions are provided for the purchaser's information only. The Developer does not represent or warrant that either or both of Building 4 and 6 will be merged with this community.

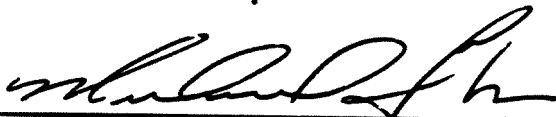
The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

EXHIBIT "H-1"
COUNTRY CLUB VILLAGE
 239 UNITS
BUILDING # 5 (STAND ALONE)

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS:

	<u>MONTHLY</u>	* 12 MONTHS	<u>=ANNUAL TOTAL</u>
UTILITIES AND SERVICES			
ELECTRICITY (COMMON ELEMENTS ONLY)	\$ 6,896.31		\$ 80,355.78
REFUSE SERVICE	\$ 1,962.61		\$ 23,551.30
WATER / SEWER	\$ 7,866.35		\$ 94,396.17
TELEPHONE	\$ 250.00		\$ 3,000.00
MAINTENANCE & REPAIR			
BUILDINGS	\$ 2,015.65		\$ 24,187.83
GROUNDS (INCLUDING LIKINI PARK)	\$ 1,823.26		\$ 21,879.16
MANAGEMENT			
MANAGEMENT FEE	\$ 2,923.76		\$ 35,085.08
PAYROLL AND PAYROLL TAX	\$ 4,900.07		\$ 58,800.84
OFFICE EXPENSES	\$ 106.09		\$ 1,273.04
BUILDING SUPPLIES	\$ 1,283.59		\$ 15,403.06
INSURANCE	\$ 5,077.16		\$ 60,925.95
RESERVES	\$ 4,922.43		\$ 59,069.22
AUDIT AND TAX PREPARATION	\$ 176.82		\$ 2,121.78
TAXES AND GOVERNMENT ASSESSMENTS			
OTHER			
TV SIGNAL	\$ 2,645.88		\$ 31,750.60
LODGING RES MGR	\$ 359.88		\$ 4,318.58
LEGAL ALLOWANCE	\$ 106.09		\$ 1,273.04
TOTAL	\$43,115.95		\$ 517,391.44

We, Chaney, Brooks & Company, as Managing Agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and the monthly cash operating costs were prepared in accordance with generally accepted accounting principals. The information contained herein is based on the data available to us at this time.



 Michael Gordon
 Senior Property Manager

2-9-96

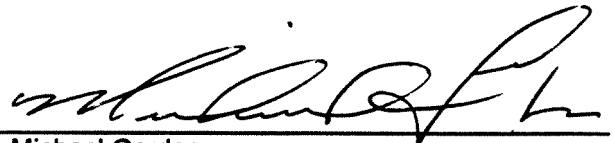
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**COUNTRY CLUB VILLAGE
474 UNITS
BUILDING # 4 & # 5 (COMBINED)**

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS:

	<u>MONTHLY</u>	* 12 MONTHS	<u>=ANNUAL TOTAL</u>
UTILITIES AND SERVICES			
ELECTRICITY (COMMON ELEMENTS ONLY)	\$ 13,008.41		\$ 156,100.98
REFUSE SERVICE	\$ 3,812.61		\$ 45,751.30
WATER / SEWER	\$ 15,281.35		\$ 183,376.17
TELEPHONE	\$ 500.00		\$ 6,000.00
MAINTENANCE & REPAIR			
BUILDINGS	\$ 3,915.65		\$ 46,987.83
GROUND (INCLUDING LIKINI PARK)	\$ 3,541.91		\$ 42,502.95
MANAGEMENT			
MANAGEMENT FEE	\$ 5,679.76		\$ 68,157.08
PAYROLL AND PAYROLL TAX	\$ 9,153.35		\$ 109,840.14
OFFICE EXPENSES	\$ 206.09		\$ 2,473.04
BUILDING SUPPLIES	\$ 2,493.53		\$ 29,922.34
INSURANCE	\$ 9,863.01		\$ 118,356.15
RESERVES	\$ 9,562.43		\$ 114,749.22
AUDIT AND TAX PREPARATION	\$ 343.49		\$ 4,121.82
TAXES AND GOVERNMENT ASSESSMENTS			
OTHER			
TV SIGNAL	\$ 5,139.95		\$ 61,679.44
LODGING RES MGR	\$ 699.12		\$ 8,389.38
LEGAL ALLOWANCE	\$ 206.09		\$ 2,473.04
TOTAL	\$ 83,406.74		\$ 1,000,880.89

We, Chaney, Brooks & Company, as Managing Agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and the monthly cash operating costs were prepared in accordance with generally accepted accounting principals. The information contained herein is based on the data available to us at this time.



Michael Gordon
Senior Property Manager

2-9-96

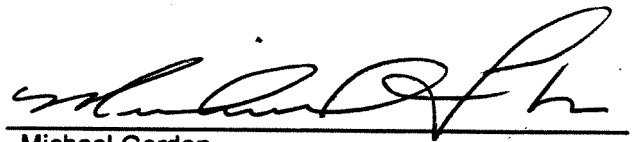
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EXHIBIT "H-3"
COUNTRY CLUB VILLAGE
626 UNITS
BUILDING #4, #5 & #6 (COMBINED)

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS:

	<u>MONTHLY</u>	* 12 MONTHS	<u>=ANNUAL TOTAL</u>
UTILITIES AND SERVICES			
ELECTRICITY (COMMON ELEMENTS ONLY)	\$ 17,179.89		\$ 206,158.67
REFUSE SERVICE	\$ 5,035.22		\$ 60,422.61
WATER / SEWER	\$ 20,181.70		\$ 242,180.35
TELEPHONE	\$ 750.00		\$ 9,000.00
MAINTENANCE & REPAIR			
BUILDINGS	\$ 5,171.30		\$ 62,055.65
GROUNDS (INCLUDING LIKINI PARK)	\$ 4,677.72		\$ 56,132.59
MANAGEMENT			
MANAGEMENT FEE	\$ 7,501.11		\$ 90,013.36
PAYROLL AND PAYROLL TAX	\$ 13,633.49		\$ 163,601.93
OFFICE EXPENSES	\$ 272.17		\$ 3,266.09
BUILDING SUPPLIES	\$ 3,293.14		\$ 39,517.69
INSURANCE	\$ 13,025.84		\$ 156,310.02
RESERVES	\$ 12,628.87		\$ 151,546.43
AUDIT AND TAX PREPARATION	\$ 453.63		\$ 5,443.59
TAXES AND GOVERNMENT ASSESSMENTS			
OTHER			
TV SIGNAL	\$ 6,788.21		\$ 81,458.49
LODGING RES MGR	\$ 754.22		\$ 9,050.60
LEGAL ALLOWANCE	\$ 272.17		\$ 3,266.09
TOTAL	\$111,618.68		\$ 1,339,424.17

We, Chaney, Brooks & Company, as Managing Agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and the monthly cash operating costs were prepared in accordance with generally accepted accounting principals. The information contained herein is based on the data available to us at this time.


 Michael Gordon
 Senior Property Manager

2-9-96

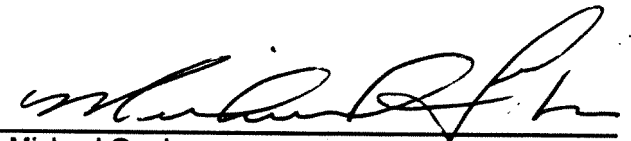
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EXHIBIT "H-4"
COUNTRY CLUB VILLAGE
626 UNITS PLUS REC. CENTER
BUILDING #4, #5 & #6 PLUS REC. CENTER (COMBINED)

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS:

	<u>MONTHLY</u>	* 12 MONTHS	<u>=ANNUAL TOTAL</u>
UTILITIES AND SERVICES			
ELECTRICITY (COMMON ELEMENTS ONLY)	\$ 17,179.89		\$ 206,158.67
REFUSE SERVICE	\$ 5,035.22		\$ 60,422.61
WATER / SEWER	\$ 20,181.70		\$ 242,180.35
TELEPHONE	\$ 750.00		\$ 9,000.00
MAINTENANCE & REPAIR			
BUILDINGS	\$ 5,171.30		\$ 62,055.65
GROUND (INCLUDING LIKINI PARK)	\$ 4,677.72		\$ 56,132.59
MANAGEMENT			
MANAGEMENT FEE	\$ 7,501.11		\$ 90,013.36
PAYROLL AND PAYROLL TAX	\$ 13,633.49		\$ 163,601.93
OFFICE EXPENSES	\$ 272.17		\$ 3,266.09
BUILDING SUPPLIES	\$ 3,293.14		\$ 39,517.69
INSURANCE	\$ 13,025.84		\$ 156,310.02
RESERVES	\$ 12,628.87		\$ 151,546.43
AUDIT AND TAX PREPARATION	\$ 453.63		\$ 5,443.59
TAXES AND GOVERNMENT ASSESSMENTS			
OTHER			
TV SIGNAL	\$ 6,788.21		\$ 81,458.49
LODGING RES MGR	\$ -		\$ -
LEGAL ALLOWANCE	\$ 272.17		\$ 3,266.09
REC. CTR. EXPENSES	\$ 3,130.00		\$ 37,560.00
TOTAL	\$110,864.46		\$ 1,330,373.56

We, Chaney, Brooks & Company, as Managing Agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and the monthly cash operating costs were prepared in accordance with generally accepted accounting principals. The information contained herein is based on the data available to us at this time.



Michael Gordon
Senior Property Manager

2-9-96

DATE

EXHIBIT "I"

SUMMARY OF SALES CONTRACT

The Deposit Receipt, Reservation and Sales Agreement (the "Sales Contract") contains the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Community. Among other things, the Sales Contract states:

- (a) The total purchase price, method of payment and additional sums which must be paid in connection with the purchase of an apartment.
- (b) That the purchaser acknowledges having received and read a public report (either preliminary or final) for the Community prior to signing the Sales Contract.
- (c) That the Developer makes no representations concerning rental of an apartment , income or profit from an apartment, or any other economic benefit to be derived from the purchase of an apartment.
- (d) That the Sales Contract may be subordinate to the lien of construction lender.
- (e) That the purchaser's money will be held in escrow, under the terms of the Escrow Agreement.
- (f) Requirements relating to the purchaser's financing of the purchase of an apartment.
- (g) That the apartment and the Community will be subject to various other legal documents which the purchaser should examine, and that the Developer may change these documents under certain circumstances.
- (h) That, except to the extent of a limited warranty in the form attached as Exhibit "G" to this Public Report, the Developer makes no warranties regarding the apartment, the Community or anything installed or contained in the apartment or the Community.
- (i) That the Community will be subject to ongoing construction and sales activities which may result in certain annoyances to the purchaser.
- (j) That the purchaser must close the purchase at a certain date and pay closing costs, in addition to the purchase price.
- (k) That the Developer has reserved certain rights and powers relating to the Community and the purchaser acknowledges and consents to the exercise of such rights and powers.
- (l) That except under certain circumstances, as set forth in the Sales Contract, all interest on deposits toward the purchase price shall be the property of the Developer.
- (m) If purchaser defaults, Developer may retain purchaser's deposits and bring on action against purchaser.

The Sales Contract contains various other important provision relating to the purchase of an apartment in the Community. Purchasers and prospective purchasers should carefully read the specimen Sales Contract on file with the Real Estate Commission.

EXHIBIT "J"

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement sets up an arrangement under which the deposits a purchaser makes pursuant to 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 the purchaser know when payments are due.
- (b) Escrow will arrange for the purchaser to sign all necessary documents.
- (c) Except under certain circumstances as set forth in the Sales Contract, all deposits toward the purchase price shall be the property of the Developer.
- (d) The purchaser will be entitled to a refund of his or her funds only under certain circumstances as set forth in the Sales Contract.

The Escrow Agreement also establishes the procedures for the retention and disbursement of a purchaser's funds and says what will happen to the funds upon a default under the Sales Contract. The Escrow Agreement contains various other important provisions and establishes certain charges with which a purchaser should be familiar. Purchasers and prospective purchasers should carefully read the signed Escrow Agreement on file with the Real Estate Commission.

EXHIBIT "K"

**COUNTRY CLUB VILLAGE PHASE 2 (Building 5)
a fee simple condominium project**

FOR DEVELOPER'S USE (lottery system):	
COMPLETED AFFIDAVIT SUBMITTED	DATE : _____ TIME : _____
EARNEST MONEY DEPOSIT SUBMITTED	DATE : _____ TIME : _____
PRELIMINARY RESERVATION (LOTTERY) # :	_____
APARTMENT # :	_____
CONDOMINIUM MAP # :	_____
DECLARATION OF CONDOMINIUM PROPERTY REGIME RECORDED AS DOCUMENT # :	_____

NOTICE TO ALL PERSONS SIGNING THE AFFIDAVIT

This Affidavit is being provided to you pursuant to Part VI of the Condominium Property Act (Chapter 514A of the Hawaii Revised Statutes). Part VI is referred to as the "Owner-Occupant Law" in this Affidavit, and various Sections of Part VI are referenced in this Affidavit. This Affidavit is a legal document that contains promises which are binding on you. If these promises are broken you could be subject to various penalties that are described in the Owner-Occupant Law and in this Affidavit. Therefore, it is strongly recommended that you seek the advice of an attorney or the Developer's representatives if you do not understand anything contained in the Affidavit, or have questions about anything contained in the Affidavit, or do not understand the references to the Owner-Occupant Law or other provisions of the Condominium Property Act which are contained in this Affidavit.

**AFFIDAVIT OF INTENT TO PURCHASE AND RESIDE IN AN OWNER-OCCUPANT
DESIGNATED CONDOMINIUM RESIDENTIAL UNIT**

We, the undersigned "owner-occupants," on this ____ day of _____, 19____, do hereby declare that it is our intention to purchase and reside in a condominium residential unit designated for an "owner-occupant" in the Country Club Village Phase 2 (Building 5) condominium project ("Project") proposed by Schuler Homes, Inc. ("the Developer").

We understand, affirm, represent and agree by signing this Affidavit that:

1. It is our intent to reserve and purchase an owner-occupant designated residential unit ("designated unit") pursuant to section 514A-103 of the Owner-Occupant Law, and upon closing escrow, to reside in the designated unit as our principal residence for 365 consecutive days.

2. The term "owner-occupant" as used herein is defined in section 514A-101 of the Owner-Occupant Law as:

"...any individual in whose name sole or joint legal title is held in a residential unit which, simultaneous to such ownership, serves as the individual's principal residence, as defined by the state department of taxation, for a period of not less than three hundred and sixty-five consecutive days, provided that the individual retains complete possessory control of the premises of the residential unit during this period. An individual shall not be deemed to have complete possessory control of the premises if the individual rents, leases or assigns the premises for any period of time to any other person in whose name legal title is not held." (Emphasis added).

3. We understand that if two or more prospective owner-occupants intend to reside jointly in the same designated unit, only one owner-occupant's name shall be placed on the reservation list for either the chronological system or the lottery system.

4. Should we require financing from a financial institution to purchase the designated unit, the financing shall be an owner-occupant mortgage loan. The financial institution is required to take all reasonable steps necessary to determine whether the borrower intends to become an owner-occupant.

5. At any time after obtaining adequate financing or a commitment for adequate financing up until the expiration of this Affidavit (365 days after recordation of the instrument conveying the designated unit to us), we shall notify the Real Estate Commission immediately upon any decision to cease being an owner-occupant of the designated unit.

6. At closing of escrow, we shall file a claim for and secure an owner-occupant property tax exemption with the appropriate county office for the designated unit.

7. We have personally executed this Affidavit and we are all of the prospective owner-occupants for the designated unit. This Affidavit shall not be executed by an attorney-in-fact.

8. This Affidavit shall be reaffirmed by us no earlier than our receipt for the Project's Final Public Report and no later than the closing of escrow for the unit. The Developer shall cancel our sales contract or reservation if we fail to make the reaffirmation. If the sales contract has become binding pursuant to

section 514A-62 of the Condominium Property Act, we may be considered to be in default under our sales contract, and the Developer may exercise the default or other remedies provided for in the sales contract and any other remedies provided by law.

9. We shall not sell or offer to sell, lease or offer to lease, rent or offer to rent, assign or offer to assign, convey or otherwise transfer any interest in the designated unit until at least 365 consecutive days have elapsed since the recordation of the instrument conveying title to the designated unit to us. Furthermore, we understand that we have the burden of proving our compliance with the law.

10. We understand that it is the affirmative duty of any developer, employee or agent of a developer, and real estate licensee, to report immediately to the Real Estate Commission any person who violates or attempts to violate the Owner-Occupant Law. No developer, employee or agent of a developer, or real estate licensee shall violate or aid any person in violating the Owner-Occupant Law.

11. The Real Estate Commission may require verification of our owner-occupant status and if we fail to submit such verification, we may be subject to a fine in an amount equal to the profit made from the sale, assignment or transfer of the designated unit.

12. Any false statement in this Affidavit or violation of the Owner-Occupant Law shall subject us to a misdemeanor charge with a fine not to exceed \$2,000, or by imprisonment of up to a year or both. We further understand that if we violate or fail to comply with the Owner-Occupant Law, we shall be subject to a civil penalty of up to \$10,000, or fifty per cent of the net proceeds received or to be received from the sale, lease, rental, assignment or other transfer of the designated unit, whichever is greater.

13. When required by context, each pronoun reference shall include all numbers (singular or plural) and each gender shall include all genders.

By signing this affidavit we represent and affirm that we have read, understand and agree to the above statements.

1) _____ Purchaser's signature	_____ Print Name	_____ date
2) _____ Purchaser's signature	_____ Print Name	_____ date
3) _____ Purchaser's signature	_____ Print Name	_____ date

STATE OF HAWAII)
) SS.
COUNTY OF _____)

On this _____ day of _____, 19 ____, before me personally appeared _
_____ and _____ and _____
_____ to me known to be the person(s) described in and who executed the foregoing
instrument and acknowledged that they executed the same as their free act and deed as owner-occupants.

Notary Public, State of Hawaii

My commission expires: _____

REAFFIRMATION

(Leave Section Blank Until After Receipt for the Final Public Report)

We represent and affirm that we have received the Final Public Report for the condominium project identified on page one of the attached Affidavit.

By signing this Reaffirmation we represent, warrant and confirm that we have read, understand, agree to and reaffirm all the statements set forth in the attached Affidavit. We reaffirm that we are and will be the owner-occupants of the designated unit, and that the designated unit will be our principal residence for 365 consecutive days after recordation of the instrument conveying the designated unit to us.

REAFFIRMATION OF OWNER-OCCUPANTS:

1) _____
Purchaser's signature Print Name date

2) _____
Purchaser's signature Print Name date

3) _____
Purchaser's signature Print Name date

STATE OF HAWAII)
) SS.
COUNTY OF _____)

On this _____ day of _____, 19 ____, before me personally appeared _____ and _____ and _____ to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed as owner-occupants.

Notary Public, State of Hawaii

My commission expires: _____