

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
KUHIO VILLAGE I
2463 Kuhio Avenue
Honolulu, Hawaii

REGISTRATION NO. 1120

IMPORTANT — Read This Report Before Buying

This Report Is Not an Approval or Disapproval of This Condominium Project

It reflects information obtained by the Real Estate Commission in its investigation of the project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project but may only take reservations therefore after

- (1) A copy of this Report has been given to the prospective purchaser,
- (2) The latter has been given an opportunity to read same, and,
- (3) His receipt taken therefor.

Issued: August 15, 1979

Expires: September 15, 1980

SPECIAL ATTENTION

A comprehensive reading of this report is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the purchaser or prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED April 6, 1979, AND INFORMATION SUBSEQUENTLY FILED AS OF August 8, 1979. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514A, HAWAII REVISED STATUTES.

1. KUHIO VILLAGE I is a proposed leasehold condominium project consisting of an existing twelve-story building containing one hundred twelve (112) separate condominium units consisting of one hundred eight (108) residential apartments and four (4) Commercial Units. There are twenty-one (21) covered parking stalls.
2. The Developer of the Project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of the Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the Floor Plans) have not been filed in the Office of the Recording Officer.
4. The Developer has advised the Commission that advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public exposure.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, and the Rules and Regulations promulgated thereunder which relate to Horizontal Property Regimes.
6. This Preliminary Public Report is made a part of the registration of KUHIO VILLAGE I condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed copy of the receipt therefor from each such person.
7. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, August 15, 1979, unless a Final or Supplementary Public Report issues or the Commission upon review of the registration issues an order extending the effective period of this report.

NAME OF PROJECT: KUHIO VILLAGE I

LOCATION: The site, comprising approximately 8,140 square feet is located at 2463 Kuhio Avenue, Honolulu, Hawaii.

TAX MAP KEY: 2-6-23:50 (1st Division)

ZONING: Apartment Precinct under Waikiki Special Design District.

DEVELOPER: M. S. Development Company, a Hawaii general partnership, Suite 302, 700 Bishop Street, Honolulu, Hawaii, Phone: 524-3877. The General Partners are as follows:

Clarence O. Furuya - 2875 S. King Street, Honolulu, Hawaii
Lynn W. Donaldson - Suite 1525 Davies Pacific Center, Honolulu,
Hawaii
Lee W. Erwin - Suite 1525 Davies Pacific Center, Honolulu,
Hawaii
Patrick Y. K. Lum - 1822 Mott Smith Drive, Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: Mukai, Ichiki, Raffetto & MacMillan (Attention: Richard G. MacMillan), Suite 800, 345 Queen Street, Honolulu, Hawaii. Phone No. 531-6277.

DESCRIPTION:

1. Building. The proposed Declaration of Horizontal Property Regime and the plans submitted by the Developer reflect that the Project consists of an existing twelve story building with a basement, containing one hundred twelve (112) condominium units, consisting of one hundred eight (108) residential apartment units (hereinafter called "Apartments" or "Residential Apartments") and four (4) commercial apartment units (hereinafter referred to as the "Commercial Units"), together with integrated parking areas and recreational facilities.

2. Location of Units and Project Facilities.

The Basement Parking Level of the Project contains one (1) commercial unit (D-I) consisting of the driveways, turn-around areas and all of the twenty-one (21) parking stalls located therein. Said Parking Level also contains various areas and facilities designated hereinbelow as common elements, including entry and exit ramps, transformer vault, pump room, elevator pit, stairway, and a trash bin area.

The second or Ground Floor Level of the Project contains Commercial Units A-I, B-I, and C-I, the main lobby, elevator foyer, a trash chute, stairway, and garden and planting areas.

Each of the second through the eleventh floors, inclusive, contains ten (10) apartments, exterior access corridors, trash chute, stairways and elevator foyer.

The twelfth (12th) floor of the building contains eight (8) Apartments, exterior access corridors, trash chute, stairways and elevator foyer.

The roof of the building contains a multi-purpose room, mechanical and elevator equipment rooms, decking and stairways.

3. Division of Property. The Project is divided into one hundred twelve (112) separate condominium units consisting of one hundred eight (108) Residential Apartments and four (4) Commercial Units. The condominium units are more particularly

described in Exhibit "A" which is attached hereto and made a part hereof, and on the proposed Condominium File Plan.

4. Access. The Commercial Units on the Ground Floor have direct access to the lobby and street entrance of the Project. The Commercial Unit in the Basement Parking Level also has direct access to the street and lobby by way of ramps and stairways. Each of the Apartments above the Ground Floor has immediate access to its entry after travel by passenger elevator or stairway to its designated floor by the walkways, driveways, and ramps connecting the building to the street entrances to the Project. The building shall be serviced by two (2) elevators and two (2) stairways.

5. Limits of Apartments. Each condominium unit, whether commercial or residential, shall include: (i) All the walls and partitions within its perimeter walls; (ii) all glass windows, louvres, doors, panels and railings along its perimeter; (iii) the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls; (iv) the interior finished surfaces of the floors and ceilings; (v) all built-in fixtures and appliances originally installed therein; (vi) the adjacent lanai, if any, as shown on the Condominium File Plan; (vii) any utility system or component thereof which is located within any apartment designed for the exclusive use of such apartments; and, (viii) all of the air space encompassed within the condominium unit.

Notwithstanding the foregoing, the condominium units shall not include: (i) that portion of any load-bearing living or perimeter wall within or surrounding any unit which, (except for the inner finished surfaces of any such wall) shall be a common element; (ii) the floors and ceilings of any apartment which shall be common elements, except for their inner finished surfaces; and (iii) any pipes, shafts, chases, ducts or any other enclosed spaces for wiring, plumbing, air exhaust or ventilation, serving or being utilized by more than one condominium unit, the same being deemed common elements as provided hereinbelow.

Notwithstanding the designation the limits of the respective apartments hereinabove, the approximate gross area of each unit, as set forth in Exhibit "A" attached hereto, is computed by measuring from the center line of exterior walls and from the center line of interior party walls, and no reduction has been made to account for interior walls, ducts, vents, shafts, and the like located within the perimeter walls.

COMMON ELEMENTS: The common elements of the Project will include the limited common elements described below and all portions of the Project other than the condominium units, including specifically, but not limited to:

(a) All the land of the project;

(b) All foundations, columns, girders, beams, floor slabs, supports, unfinished perimeter and load-bearing walls (except for the inner decorated surface within each unit);

(c) all structural elements, stairways, walkways, retaining walls, fences, and railings;

(d) All pedestrian walkways, ramps, and entrances and exits to the building, the main lobby, all yards, grounds and landscaped areas (except any which are contained within any Commercial Unit as shown on said Condominium File Plan);

(e) The central water heater, rooms, stairwells, and all ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities, installations which serve all condominium units for service such as power, light, water, gas, air conditioning, refuse, telephone and radio and television signal distribution; and

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

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called and designated "limited common elements", are set aside and reserved for the exclusive use of certain condominium units, and such units shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are listed below. Unless otherwise provided herein, all costs of every kind pertaining to each limited common element, including but not limited to costs of security, maintenance, repair, replacement, additions and improvements, shall be borne entirely by the unit or units to which they are appurtenant. If any cost is charged to more than one unit, each such unit shall bear that portion of the total cost equal to the ratio which its common interest bears to the total common interest of all units responsible for said cost.

(a) The following limited common elements are appurtenant to and for the exclusive use of the Commercial Units: (i) all ducts, waterlines, electrical equipment, pipes, wiring, or other utility system or components thereof serving more than one Commercial Unit, but excluding any portion of such facilities serving the Residential Apartments or the limited common elements for the Project which are rationally related to only the Commercial Units.

(b) The following limited common elements are appurtenant to and for the exclusive use of all Residential Apartments: (i) all recreational areas and facilities of the Project; and (ii) the trash chute and all components of the hot and cold water circulation system serving only the Residential Apartments, including heaters, pumps, wastelines, conduits and pipes.

(c) The elevators and their appurtenant housings and machinery are appurtenant to and for exclusive use of all of the Residential Apartments and Commercial Unit C-I.

(d) All electrical, plumbing, telephone, cable, television, or

other utility systems, or any component thereof, serving or for the exclusive use of only one unit or one or more limited common elements appurtenant to only one unit, to the extent such system is located outside the boundaries of such unit as described herein, shall be a limited common element appurtenant to such unit; and

(e) All of the vehicular entrance and exit ramps of the Project shall be appurtenant to and for the exclusive use of Commercial Unit D-I, and the owner of said unit shall have the right to control vehicular ingress and egress by installing, at his sole cost and expense and without the consent or joinder of any other person, signs, coin boxes, gates, and other traffic control devices. Any equipment so installed shall be the sole property of the owner of said Commercial Unit.

(f) The multi-purpose room on the roof of the building and the storage and utility rooms located in the elevator lobby on each of the floors above the Ground Floor shall be appurtenant to and for the exclusive use of Commercial Unit C-I.

EASEMENTS: The Ground Floor Lobby and walkways shall be subject to a non-exclusive easement in favor of the owners of Residential Apartments of the KUHIO VILLAGE II Project for the use by said owners of said facilities; subject, however, to uniformly applicable rules and regulations governing the use of said facilities which may be enacted from time to time, and subject further to the payment by said residential apartment owners of KUHIO VILLAGE II of one-half (1/2) of all capital expenditures hereafter incurred for said Ground Floor Lobby and walkways.

Each Residential Apartment shall have appurtenant thereto a non-exclusive easement for the use of the swimming pool and jacuzzi bath located in said KUHIO VILLAGE II Project, together with a non-exclusive easement for ingress to and egress from said facilities over and across the ground floor level of KUHIO VILLAGE II; subject, however, to uniformly applicable rules and regulations governing the use of said facilities which may be enacted from time to time, and subject to the payment by the Residential Apartment owners of KUHIO VILLAGE I of an amount equal to one-half of all maintenance and repair costs and capital expenditures attributable to said facilities, which amount shall be borne by each Residential Apartment owner in the same proportion as the common interest appurtenant to each respective Residential Apartment bears to the total of the common interests appurtenant to all Residential Apartments, and which amount shall be assessed by the Association and collected in the same manner as common expenses.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto an undivided interest in the common elements of the Project as set forth herein, for all purposes, including voting and representation in the Association of Apartment Owners, and shall have the same proportionate share in all common profits and expenses of the Project. The undivided percentage interest appurtenant to each apartment shall be as more particularly set forth in Exhibit "A" attached

hereto. It is proposed that all of the individual apartment leases will be initially issued to Developer who will sell the apartments to the ultimate purchasers by way of Agreement of Sale.

RESTRICTIONS AS TO USE: The Residential Apartments shall be occupied and used only as permanent or temporary residences by the respective owners thereof, their tenants, families, domestic servants and social guests, and may be utilized for hotel purposes or long-term or transient rentals. The Commercial Units may be used for any purposes which may from time to time be permitted by law; provided that no Commercial Unit shall be operated as a massage parlor or for the sale or display of pornographic goods, publications or films, or for any other obscene or offensive purposes. The owners of the respective apartments shall have the absolute right to rent or lease such apartments subject to all provisions of the proposed Declaration.

The By-Laws provide, in part, that no livestock, poultry, rabbits, or other pets whatsoever shall be allowed or kept in any part of the Project.

OWNERSHIP OF LAND: A Preliminary Title Public Report dated May 22, 1979, issued by Long & Melone, Ltd. indicates that fee simple title to the land of the Project is vested in Takeo Minatoya and Gertrude Minatoya, husband and wife. Said fee owners have entered into a master lease for the property as described below, which lease is presently held by Kuhio West II Venture, a Hawaii joint venture. By Option Agreement dated May 25, 1979, M.S. Development Company obtained the exclusive option to purchase all of the joint venture interests of Kuhio West II. A copy of the executed option agreement has been furnished the Commission.

ENCUMBRANCES: Said Preliminary Title Report reflects the following encumbrances on the property:

1. For any Real Property Taxes that may be due and owing, reference is made to the Office of the Tax Assessor, First Division.
2. Terms, covenants, conditions, reservations and restrictions contained in Lease dated October 19, 1973 recorded in the Bureau of Conveyances in Book 9593, Page 410. Said Lease assigned to KUHIO WEST II VENTURE and recorded in Book 10455, Page 26. Consent to Assignment recorded in Book 10455, Page 30.
3. Restrictive Covenants as contained in Deeds dated September 29, 1919 and December 17, 1919, recorded in the Bureau of Conveyances in Book 525, Page 258 and in Book 593, Page 375, respectively, to-wit:

"That no malt, vinous, spirituous or intoxicating liquors of any kind shall ever be sold or exposed for sale or manufactured on the granted premises, or any part thereof."

4. MORTGAGE

Mortgagor(s): Glenn K. Okada, husband of Irene T. Okada; Clarence O. Furuya, husband of Lona L. Furuya; Jay H. Shidler, husband of Walette Sue Shidler; and Ronald A. Petty, husband of Shirley A. Petty, doing business as Kuhio West, a Joint Venture.

Mortgagee(s): Amfac Financial Corp. dated March 13, 1974 recorded in the Bureau of Conveyances in Book 9786, Page 122 to secure \$1,500,000.00. Mortgage leasehold interest in said premises and other premises. (Wives release their respective dower.) As amended by instrument dated September 20, 1978, recorded in Book 13152, Page 656.

5. FINANCING STATEMENT

Debtor(s): Glenn K. Okada; Clarence O. Furuya; Jay H. Shidler and Ronald A. Petty.

Secured Party: Amfac Financial Corp. recorded March 19, 1974 in the Bureau of Conveyances in Book 9786, Page 134. As amended by instrument dated September 20, 1978, recorded in Book 13152, Page 656.

6. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

Mortgagor(s): Kuhio West II Venture, a joint venture

Mortgagee(s): Amfac Financial Corp. dated September 20, 1978 recorded in the Bureau of Conveyances in Book 13152, Page 733 to secure \$250,000.00.

7. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

Mortgagor(s): Kuhio West II Venture, a joint venture, recorded in Book 13152, Page 733.

Mortgagee(s): Go Financial Corp., a Hawaii corporation dated September 20, 1978 recorded in the Bureau of Conveyances in Book 13152, Page 777 to secure \$55,000.00.

8. Terms, covenants, conditions, reservations and restrictions contained in unrecorded Trust Agreement made to Leslie Stephen Litwin, as Trustee dated July 29, 1978.

9. Title to all mineral and metallic mines reserved to the State of Hawaii.

10. ASSIGNMENT OF INTEREST AS SECURITY dated August 2, 1978, recorded in the Bureau of Conveyances in Book 13153, Page 1, Leslie Stephen Litwin, as Trustee under Trust Agreement dated July 29, 1978 to Go Financial Corp. assigns all right, title and interest in Kuhio West I and Kuhio West II Joint Ventures for the repayment of Promissory Note dated September 20, 1978 in the amount of \$55,000.00.

11. FINANCING STATEMENT

Debtor(s): Leslie Stephen Litwin, as Trustee under Trust Agreement dated July 29, 1978.

Secured Party: Go Financial Corp. recorded September 21, 1978 in said Bureau of Conveyances in Book 13153, Page 11.

12. ASSIGNMENT OF PROMISSORY NOTES AND MORTGAGES AS SECURITY dated September 1, 1978, recorded in the Bureau of Conveyances in Book 13153, Page 12, Go Financial Corp. to Amfac Financial Corp. assigns all its estate, right, title and interest in various Promissory Notes and Mortgages.

13. FINANCING STATEMENT

Debtor(s): Go Financial Corp.

Secured Party: Amfac Financial Corp. recorded September 21, 1978 in said Bureau of Conveyances in Book 13153, Page 20.

14. MORTGAGE

Mortgagor(s): M.S. Development Company, a Hawaii general partnership, Kuhio West I Venture and Kuhio West II Venture, both registered joint ventures.

Mortgagee(s): American Security Bank dated May 16, 1979 recorded in the Bureau in Book 13702, Page 786 to secure \$750,000.00.

15. ASSIGNMENT OF INTEREST IN JOINT VENTURE dated August 28, 1978 recorded in Book 13152, Page 616, GO Financial Corp., a Hawaii corporation, to Leslie Stephen Litwin, as Trustee under Trust Agreement dated July 29, 1978. Assigns an undivided fifty percent (50%) interest in Kuhio West II Venture, subject to the terms of the unrecorded Joint Venture Agreement, dated November 1, 1973.

PURCHASE MONEY HANDLING: An executed Escrow Agreement dated May 23, 1979, identifies Bank of Hawaii as the escrow. Upon examination of the Escrow Agreement it is found to be in consonance with Chapter 514A, Hawaii Revised Statutes.

Among other provisions, the Escrow Agreement provides that a purchaser under a Sales Contract shall be entitled to a return of his funds, without interest and less the \$25.00 escrow cancellation fee, after purchaser has requested such return and if Escrow shall have received from Developer a written notice that any one of the following has occurred:

(a) Developer shall have requested Escrow to return to purchaser the funds of purchaser then being held by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, there shall have been a change in the building plans of the Project which change requires the approval of a county officer having jurisdiction over the issuance of building permits except such changes as are specifically authorized in the Declaration of Horizontal Property Regime or by terms of the Sales Contract or to which said purchaser has otherwise consented in writing; or

(d) The Final Report differs in a material respect from this Preliminary Report unless and purchaser's written approval of such change shall not have been obtained; or

(e) The Final Report shall not have been issued within one (1) year from the date of issuance of this Preliminary Report.

The specimen Deposit Receipt and Sales Contract states in part: (1) all of Buyer's right, title and interest under the Sales Contract are and shall be subject and subordinate to the lien of any mortgage encumbering the Project and executed prior to Buyer's execution of the Sales Contract; and (2) Buyer acknowledges that neither the apartment nor the appliances and fixtures therein are in a new condition and that the same are being purchased "as is". It is understood that Developer makes no warranties or representations, either express or implied, regarding the condition of the building, the common elements, the apartment, or any appliances or furnishings contained therein; (3) sales of apartments are limited to bona fide residents of the State of Hawaii; and (4) Sellers have right to cancel the sales contract if less than seventy (70) units are not sold by December 31, 1979.

It is incumbent upon the purchaser or prospective purchaser to read and understand the Escrow Agreement before executing the Deposit Receipt and Sales Contract, since the Escrow Agreement describes the procedure for receiving and disbursing purchasers' funds, and the Deposit Receipt and Sales Contract specifically provides that the purchaser approves that Escrow Agreement and assumes the benefit and obligations therein provided.

MANAGEMENT OF PROJECT: The By-Laws, which are incorporated in the Declaration, provide that the operation of the Project shall be conducted for the Association by a responsible corporate Managing Agent who shall be appointed by the Association in accordance with the By-Laws. The initial managing agent is Certified Management, 98-1238 Kaahumanu Street, Pearl City, Hawaii.

FINANCING OF PURCHASE: The sale of individual units in the Project is financed through the Sellers by way of a three (3) years Agreement of Sale Contract, 9-7/8% interest per annum on the unpaid balance, monthly payments based on a 25-year amortization schedule with a balloon payment of all principal and accrued interest thereon on or before the third anniversary date of closing.

STATUS OF PROJECT: The Project was completed in January of 1975 and has been used and occupied since completion as an apartment-hotel building. The hotel operation is expected to continue although no hotel management contract has been entered into or has been proposed to be entered into by the current hotel managers and the Developer acting on behalf of the Association. The hotel is currently being operated by CONDOMINIUM RESORTS HAWAII, LTD. under an interim management contract which will terminate upon the first conveyance of an apartment.

The current hotel operators have made certain advanced bookings which it is expected that the hotel will honor in order to protect its reputation in the tourist industry. The proceeds of such bookings (and any other bookings which are made prior to instructions from the Association or the apartment owners), if in fact they materialize, will be the property of apartment owners whose apartments are actually rented. The current hotel operators are expected to endeavor to rent the rooms in an equitable manner in order to distribute the rental income fairly among the apartment owners who wish to have their rooms rented. Such funds, if any, which are in excess of hotel operating expenses and ordinary reserves for expenses will be deposited by the operators into a trust account for the apartment owners. Until the Association or the apartment owners determine a plan of action, each apartment owner who is credited with income may withdraw such income if he so elects.

The Project is expected to be owned virtually exclusively by investors and it is anticipated that few, if any, of the apartments will be owner-occupied. Because of the hotel usage, the Project may not be deemed desirable by some purchasers for residential use. Maintenance costs are expected to be higher than they would be expected to be for a comparable project which is not subjected to hotel usage.

The Developer will not be actively involved in the organization or operation of the Association or participate in any way in the operation of the hotel itself, except to the degree that it may have ownership rights appurtenant to its ownership of unsold units.

The Project has in the past been utilized in conjunction with Kuhio Village II as part of single, integrated hotel operation under the name "Kuhio Village Hotel". Kuhio Village II is located on a separate but adjoining parcel, and is connected to Kuhio Village I at the common property boundary by a covered breeze way. The Developer has also acquired an exclusive option to purchase the interests of the joint venture which owns Kuhio Village II, and has concurrently applied to the Commission for the registration of Kuhio Village II as a separate condominium project.

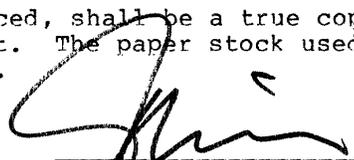
Due to the past relationship and proximity of the two projects, and to certain economics and functional benefits which can be achieved from their joint use, it is likely that Kuhio Village I and Kuhio Village II will continue to share certain common aspects of operation, although the Developer has not made

arrangements for such joint use. In any event, the proposed Declarations of Horizontal Property Regime for Kuhio Village I and Kuhio Village II establish various reciprocal easements permitting the owners and guests of apartments in each project to use certain facilities and common areas located in the other project.

NOTE: The existing buildings are non-conforming structures as defined under Section 21-110 Revised Ordinances, meaning "any structure which was previously lawful but which does not comply with the bulk, yard, set-back or height regulations of the district in which it is located, either on the effective date of Chapter 21 Revised Ordinances, or as a result of any subsequent amendment thereto".

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted April 6, 1979 and information subsequently submitted as of August 8, 1979.

This report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be yellow.

 . (for)

AH KAU YOUNG, Chairman
Real Estate Commission
State of Hawaii

Distribution:

Department of Taxation
Bureau of Conveyances
Department of Land Utilization,
City and County of Honolulu
Federal Housing Administration
Escrow Agent

Registration No. 1120

August 15, 1979

EXHIBIT "A"

1. Description of Commercial Unit.

With the exception of Commercial Unit No. C-I, which consists of two offices and a desk and registration area, each Commercial Unit shall contain a single unpartitioned room. Commercial Units A-I, B-I and C-I are located on the Ground Floor. Commercial Unit D-I is located in the Basement Parking level and consists of twenty one (21) parking stalls located on said level and all driveways and turn-around areas therein.

2. Description of Residential Apartments.

a) Each Residential Apartment has been given a three or four digit numerical designation by which its location can be determined. The numerical designation of each apartment begins with its respective floor number. The last two digits in the numerical designation indicate the location of the Apartment on the floor. The lowest numbered apartment on each floor, ending in 01, is located on the Ewa/Makai corner of the building. The numbering sequence then progressively ascends in a clockwise fashion around the periphery of the building.

b) Subject to variations in their respective floor areas and layout, all of the Residential Apartments, except for apartment numbers 1201 and 1207, are studio units and contain two (2) rooms, consisting of a general purpose room and a bathroom, with an adjoining lanai. All studio units are equipped with a kitchenette and a wall air-conditioning unit.

c) Apartment Numbers 1201 and 1207, will each contain five (5) rooms, consisting specifically of an entry, living/dining room, kitchen, bedroom, two (2) bathrooms, and adjoining lanai. Each of said units shall also be equipped with a kitchenette and wall air-conditioning unit.

d) The location, unit designation, approximate area, and undivided percentage common interest of the Commercial Units and the Residential Apartments are as follows:

<u>Unit Designation</u>	<u>Approx. Area In Square Feet</u>			<u>Undivided Percentage Interest*</u>
	<u>Interior</u>	<u>Lanai</u>	<u>Gross</u>	
<u>COMMERCIAL</u>				
<u>UNITS</u>				
A-I	1,343	--	1,343	4.40039
B-I	385	--	385	1.26147
C-I	812	--	812	2.66055
D-I	6,314	--	6,314	5.11134
<u>Second Floor</u>				
01,10	236	69	305	.77326
02	264	78	342	.86500
03	254	48	302	.83224
04,05,07	264	48	312	.86500
06	276	48	324	.90432
08	236	48	284	.77326
09	240	78	318	.78637
<u>Third through Tenth Floors</u>				
01,03,08,09	286	89	375	.93709
02,04,07,10	206	37	243	.67497
05,06	255	37	292	.83552
<u>Eleventh Floor</u>				
01,08	275	90	365	.90105
02,09	240	125	365	.78637
03,10	155	88	243	.50786
04,07	200	38	238	.65531
05,06	208	38	246	.68152
<u>Twelfth Floor</u>				
01,07	433	138	571	1.41874
02,04,05,06	200	50	250	.65531
03,08	120	88	208	.39318

* Percentage interests have been generally computed on the basis of approximate apartment interior areas, with the exception of Commercial Unit D-I, the parking apartment. The common interest established for said apartment, because of its limited use and lower appraised value per square foot in relation to other apartments, is approximately one-third of what its common interest would be if it were based solely on square footage. The common interests set forth above shall be valid and effective for all purposes whether or not they have been consistently computed in accordance with the foregoing or are mathematically correct.