

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

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

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
WAIKIKI MALIA
2211 Kuhio Avenue
Honolulu, Hawaii

REGISTRATION NO. 1241

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 until

- (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: May 1, 1981
Expires: June 1, 1982

SPECIAL ATTENTION

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

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED FEBRUARY 8, 1980, AND INFORMATION SUBSEQUENTLY FILED AS OF APRIL 24, 1981. DEVELOPER IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. The WAIKIKI MALIA is a leasehold condominium hotel project consisting of 328 Residential Apartments, and 5 Commercial Apartments located in an existing 18-story building built in 1959 and added to in 1979. One of the commercial apartments consists of 118 parking stalls. It is contemplated that all 5 commercial apartments will be retained by the Developer and will not be offered for sale.
2. The Developer of the Project has submitted to the Commission for its examination all documents deemed necessary for the registration of this condominium project and the issuance of this Final Public Report.
3. The Developer will submit to the Commission all advertising and promotional matter to be utilized in connection with the Project prior to public exposure pursuant to the rules and regulations promulgated by the Commission.
4. The basic documents (Declaration of Horizontal Property Regime, Bylaws of Association of Apartment Owners, and a copy of the approved floor plans) have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii. The Declaration of Horizontal Property Regime, dated January 8, 1980, together with the Bylaws of the Association of Apartment Owners, was filed in said Office as Document No. 999824. A First Amendment and Restatement of the Declaration, dated March 30, 1981, was filed in said Office as Document No. 1063927. The condominium plans have been designated as Condominium Map No. 408.
5. This Final Public Report expires thirteen (13) months after issuance, May 1, 1981, unless a Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective date of this report.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the rules and regulations promulgated thereunder which relate to Horizontal Property Regimes.
7. This Final Public Report is made a part of the registration of the WAIKIKI MALIA condominium project. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed receipt therefor.

NAME OF PROJECT: WAIKIKI MALIA

LOCATION: The Project is located in Waikiki, Honolulu, Hawaii at 2211 Kuhio Avenue and has a land area of approximately 23,354 square feet.

TAX KEY: 2-6-19-21,26 and 49

ZONING: The property was zoned H-2 at the time the original building permit was issued for the Project in 1959. Purchasers should be aware that this zoning classification imposes, among other things, a requirement of 24-hour front desk service and facilities for the registration and keeping of records relating to hotel guests and security for the Project. Moreover, at least fifty percent (50%) or more of the apartments must be maintained as "lodging units" under the Comprehensive Zoning Code (defined as units without a full kitchen). The property is now zoned Resort Commercial within the Waikiki Special Design District.

DEVELOPER: AINA LUANA APARTMENT-HOTEL, LIMITED, a Hawaii corporation, 2211 Kuhio Avenue, Honolulu, Hawaii, Telephone No. 923-7261.

The following are officers of the corporation:

President: Francis J. Tom

Vice Presidents: Joanna Leong and Kenton Tom

Secretary: Mary A. Tom

Treasurer: Joanna Leong

ATTORNEYS REPRESENTING DEVELOPER: MUKAI, ICHIKI, RAFFETTO & MACMILLAN (Attention: Richard G. MacMillan or Russell L. Ching), 345 Queen Street, Suite 800, Honolulu, Hawaii 96813, Telephone No. (808) 531-6277.

DESCRIPTION OF PROJECT:

a. General Description. The Project consists of an existing building with a basement containing two (2) wings sharing a common ground floor, which wings are designated herein and on said Condominium Map as the "Luana" wing and the "Malia" wing. The Luana wing has ten (10) stories (including the common ground floor), and contains fifty two (52) Residential Apartments (hereinafter referred to as "Residential Apartments"). The Malia wing is eighteen (18) stories in height (including the common ground floor and basement) and contains two hundred seventy six (276) Residential Apartments and five (5) Commercial Apartments (hereinafter referred to as "Commercial Units"). Commercial Unit No. C-5 contains a total of one hundred eighteen (118) parking stalls. The project also contains recreational facilities, including a jacuzzi and sundeck on the ground floor and a recreation deck with a tennis court on the roof of the Malia wing.

b. Construction Materials. The building is constructed principally of reinforced concrete floor slabs, reinforced concrete and block bearing walls, steel, aluminum, glass and allied building materials.

c. Description of Building. The Basement Level of the Project contains a maintenance workshop, employee's lounge, locker rooms, housekeeping area, supply and storage room, fan rooms, laundry room, storage room, air conditioning room, transformer vault, switchroom, elevators, access corridors, stairways, entry and exit ramps, driveways and turn-around areas, all of which areas and facilities are designated as common elements or limited common elements.

The Ground Floor is the main entry level of the Project and contains Commercial Unit No. C-1 (consisting of the office areas, reservation and registration desks, baggage storage room and loading area adjacent to Commercial Unit No. C-3), Commercial Unit No. C-2 (including those areas designated on said Condominium Map as "Restaurant", "Bar", "Lounge", "Service" and "Restrooms"), Commercial Unit Nos. C-3 and C-4, vehicular entry and exit ramps which are a portion of Commercial Unit No. C-5, and various areas and facilities designated as common elements or limited common elements, including, without limitation, entries, lobbies, jacuzzi, a loading dock, elevators, restrooms and stairways.

The second through the tenth floors, inclusive, of the Luana wing are residential floors, with six (6) Residential Apartments on each of the second through ninth floors and four (4) Residential Apartments on the tenth floor. Each of said floors also contains a service room, elevator foyer, access corridors and stairways. The second floor of the Malia wing is designated on said Map as Second Level Parking and includes a portion of Commercial Unit No. C-5 consisting of all of the twenty eight (28) parking stalls on said level and the driveways and turn-around areas therein. The second level parking floor also contains various areas and facilities designated herein as common elements or limited common elements, including an equipment room, chill water riser, stairways, trash and laundry chutes and elevators.

The third and fourth floors of the Malia wing are designated as Third and Fourth Level Parking and contain portions of Commercial Unit No. C-5, consisting of the thirty one (31) parking stalls located on each of said levels and the driveways and turn-around areas therein. Said levels also contain various areas and facilities designated hereinbelow as common elements, including mechanical and equipment rooms, elevators, chill water riser and stairways. The fifth level of the Malia wing also contains a portion of Commercial Unit No. C-5, consisting of all of the twenty eight (28) parking stalls on said level and the driveways and turn-around areas therein. Said level also includes a laundry room, service area, chiller room, heater room, elevators, chill water riser and stairways, all of which areas and facilities are common elements or limited common elements, as designated hereinbelow.

Each of the sixth through seventeenth floors, inclusive, of the Malia wing is a residential floor containing twenty three (23) Residential Apartments. Each of said floors also includes an internal access corridor, service area, elevator lobby, elevators, trash and laundry chutes, chill water riser and other areas and facilities designated herein as common elements or limited common elements.

A sundeck is located on the roof of the Luana Wing and the roof of the Malia wing contains a recreation deck with a tennis court, cooling tower, fan room and stairways.

d. Access. The Commercial Units on the Ground Floor have direct access to the lobbies and street entrances of the Project. The portions of the Commercial Units located in the Basement Parking Level also have direct access to the street and lobby by way of elevators, 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 Luana wing is serviced by one (1) elevator and one (1) stairway, and the Malia wing is serviced by four (4) elevators and two (2) stairways.

e. Apartments. The Project is divided into three hundred thirty three (333) separate condominium units consisting of three hundred twenty eight (328) Residential Apartments and five (5) Commercial Units. The apartments are more particularly described in Exhibit "A" which is attached hereto and made a part hereof.

f. Limits of Apartments. Each apartment, whether commercial or residential, shall include: (i) all the walls and partitions which are not load-bearing within its perimeter walls; (ii) all glass windows, louvres, doors, panels and railings along its perimeter; (iii) the inner decorated or finished 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 originally installed therein; (vi) the adjacent lanai, if any, as shown on the Condominium Map; (vii) any utility system or component thereof which is located within any apartment designed for the exclusive use of such apartment; and (viii) all of the air space encompassed within the condominium unit. The vertical boundaries and dimensions of any Commercial Unit, or any portion thereof, without perimeter walls are shown on and defined by the Condominium Map.

Notwithstanding the foregoing, the apartments shall not include: (i) that portion of any load-bearing interior 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 of 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 painted interior surfaces of the non-party perimeter walls to the centerline 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 apartments, including specifically, but not limited to:

- (a) All the land of the Project.
- (b) All foundations, columns, girders, beams, floor slabs, roofs, supports and load-bearing walls (except for the inner finished surfaces within each unit).
- (c) All structural elements, stairways, walkways, retaining walls, fences and railings.
- (d) All pedestrian walkways and entrances and exits to the building, all yards, grounds and landscaped areas (except any which are contained within any Commercial Unit as shown on said Condominium Map).
- (e) The transformer vault, switchroom and designated access areas on the basement level, the entries and lobbies on the ground floor, the equipment rooms on the second, third and fourth parking levels, the heater and chiller rooms on the fifth parking level, the fan rooms, cooling towers and other mechanical rooms and installations on the roofs of the building, and all other mechanical and equipment rooms, ducts, shafts, sewer lines, electrical equipment, pipes, wiring, and other central and appurtenant transmission facilities and installations which serve all condominium units for service such as power, light, water, gas, refuse, telephone and radio and television signal distribution.
- (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 and safety, or normally in common use.

LIMITED COMMON ELEMENTS: Certain designated parts of the common elements are set aside and reserved for the exclusive use of certain apartments. The limited common elements so set aside and reserved are as follows:

- (a) The following limited common elements are appurtenant to and for the exclusive use of all 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 appurtenant thereto; and (ii) all other 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 excepting the tennis court and recreation deck on the roof of the Malia wing; (ii) all components of the hot and cold water circulation system serving only the Residential Apartments, including heaters, pumps, wastelines, conduits and pipes; and (iii) all other common elements of the Project which are rationally related to only the Residential Units.

(c) 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.

(d) The following are limited common elements appurtenant only to Commercial Unit No. C-1:

(i) the maintenance workshop, employee's lounge, locker rooms, housekeeping area, supply and storage room, fan room and laundry room on the Basement Level, as shown and delineated on said Condominium Map;

(ii) all designated service areas above the ground floor;

(iii) the laundry room on the Fifth Parking Level; and

(iv) the recreation deck and tennis court on the roof of the Malia wing.

(e) The following are limited common elements appurtenant only to Commercial Unit No. C-2: (i) the storage room and adjacent locker rooms, fan room and air conditioning room on the Basement Level as shown and delineated on said Condominium Map; and (ii) the exhaust vent which extends from the second through the eighteenth floors of the Malia wing.

(f) The elevators and their appurtenant housings and machinery and the trash and laundry chutes are appurtenant to and for the exclusive use of all of the Residential Apartments and Commercial Unit No. C-1.

(g) The following are limited common elements appurtenant only to Commercial Units Nos. C-1 and C-2: (i) the access corridor on the basement level, as designated on said Condominium Map; (ii) the loading dock on the first floor adjacent to the area designated "Restaurant", as shown on said

Condominium Map; and (iii) Elevator No. 4 and its appurtenant housing and machinery.

(h) The subroof area fronting the Residential Apartments on the tenth floor of the Luana wing shall be a limited common element for the exclusive use of the apartments located on said floor.

(i) Unenclosed areas "A" and "B" located adjacent to the lobby on the ground floor, as shown and designated on said Condominium Map, shall be limited common elements for the exclusive use of Commercial Unit No. C-3.

PERCENTAGE OF UNDIVIDED OWNERSHIP TO BE CONVEYED: The undivided percentage common interest in the common elements appurtenant to each apartment is as set forth in Exhibit "A" attached hereto. Each apartment shall have such percentage in all common profits and expenses of the project and for all other purposes including voting.

RESTRICTIONS AS TO USE:

The recorded Declaration imposes the following specific restrictions and limitations as to the use of the Apartments:

a. Each Residential Apartment shall be used and occupied solely for residential purposes, including short-term or transient rentals.

b. The Commercial Units may be used for any purposes which may from time to time be permitted by law; provided, however, 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 which are inconsistent with the nature of the Project.

c. Commercial Unit No. C-5 (the parking apartment) shall at all times be used to park motor vehicles and for any other purpose permitted by the applicable zoning laws, and the owner of said Commercial Unit shall have the right to establish a system of control by gate, guard, parking cards, stickers, validations, rules and regulations, or otherwise for vehicular access to, from and through Commercial Unit No. C-5, to redesignate, eliminate or create parking stalls, and to charge such rates for the parking of vehicles as the owner of said Commercial Unit shall determine in its sole discretion.

d. Only the forty eight (48) one-bedroom apartments of the Project (being all of the units on the second through the ninth floors of the Luana Wing) may be established as time share units or submitted to a time share plan, as defined in Chapter 514E of the Hawaii Revised Statutes. Any such plan must first be registered pursuant to law. Except with respect to said one-bedroom apartments, time sharing in the Project is prohibited.

ALTERATION OF APARTMENTS: The recorded Declaration contains the following provisions pertaining to alterations of the apartments:

a. The owner of any Commercial Unit may from time to time install, maintain and rearrange partitions and other improvements within his unit and the appurtenant limited common elements as appropriate for their commercial utilization so long as the structural integrity or soundness of the Project is not impaired.

b. The owner of any Commercial Unit may from time to time cause the subdivision of his unit into two or more units upon the terms and conditions provided in the Declaration.

MERGER OF PROJECT: The recorded Declaration provides that the Developer shall have the right at any time and from time to time up to and including December 31, 1995 to require the Project to be merged with another condominium development which may be hereafter constructed by the Developer on property adjoining the land of the Project. The procedures for effecting such merger and the consequences thereof are more particularly set forth in the Declaration, to which reference is hereby made.

OWNERSHIP OF TITLE: A Preliminary Title Report dated March 10, 1981, issued by Title Guaranty of Hawaii, Inc. states that fee simple title to the land is held by the Developer.

ENCUMBRANCES: The Preliminary Title Report states that the title to the property is subject to the following encumbrances:

a. For real property taxes that may be due and owing, reference should be made to the Office of the Tax Assessor, First Division.

b. Easement (1,309 square feet) and Easement (454 square feet), over and across Lot 269, as shown on Map 115, as set forth by Land Court Order No. 55114, filed November 29, 1979.

c. Reservation as set forth in Deed dated December 22, 1936, filed as Land Court Document No. 38231, made by Alexander Young Estate, Limited, to Joych Tinley Flynn and Gladys Gingery Flynn, husband and wife.

d. Reservations in Deed dated December 31, 1927, filed as Document No. 14698, made by Alexander Young Estate, Limited, to William Herbert Wynn and Alice Wynn, husband and wife.

e. Reservation in Deed dated September 16, 1927, filed as Document No. 14219, made by Alexander Young Estate, Limited, to Town and Country Homes, Limited.

f. Mortgage dated November 21, 1977, made by Aina Luana Apartment-Hotel, Limited in favor of First Hawaiian Bank, filed as Land Court Document No. 847754, to secure a loan in

the principal amount of \$8,400,000.00, as amended by Loan Modification Agreement dated October 29, 1980, filed as aforesaid as Document No. 1039546.

PURCHASE MONEY HANDLING:

An executed Escrow Agreement dated April 3, 1981, identifies Aloha Title Company, Inc. 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.

The specimen Deposit Receipt, Sales Contract and Subscription Agreement ("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) Developer has the right to cancel the Sales Contract if less than two-hundred fifty (250) units are sold by March 1, 1982.

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

MANAGEMENT OF PROJECT: The Bylaws, 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 Bylaws. The Developer, on April 1, 1981, hired The Great American Management Group of Hawaii, Inc., Suite 1900, Waikiki Trade Center, Honolulu, Hawaii 96815, as the initial Managing Agent for a period of

three years. A copy of the contract is available for inspection at the Commission office.

FINANCING OF PURCHASE: The sale of individual units in the Project will be financed through the Developer by way of a seven (7) year Agreement of Sale Contract providing for a variable rate of interest per annum on the unpaid balance (which interest rate will be 8 1/2% for the first year, 9 1/2% for the second year, 10 1/2% for the third year, and 11 1/2% for the fourth through seventh years) with monthly payments of interest only, and a balloon payment of all principal and accrued interest thereon on or before the seventh anniversary date of closing.

NOTE: Developer shall have absolutely no obligation to procure or arrange for permanent financing for apartment purchasers upon the expiration of the Agreements of Sale. Each purchaser shall be solely responsible for obtaining any mortgage or refinancing necessary to satisfy his Agreement of Sale on or before the maturity date thereof, and the inability of any purchaser to obtain such financing shall not excuse the performance by the purchaser of any of his obligations under the Agreement of Sale.

STATUS OF PROJECT:

The Luana wing has been in existence since 1959 and the Malia wing was completed in May of 1979. A letter from the City Building Department, dated April 24, 1980 states that the Project met code requirements when it was constructed and that no variances or special permits were granted. Both wings have been used and occupied since completion as part of a hotel operation. In view of the nature of the Project, said hotel operation is expected to continue, although neither the Developer nor any of its agents and affiliates will be arranging or involved in any respect with any hotel operation after the conveyance of the apartments. The hotel is currently being operated by Island Holidays, Ltd.; however, the management contract with said company will be terminated on or about June 31, 1981. Thereafter, and until the apartments are conveyed, the Project will be managed by the Developer, or by the management company designated by the Developer, under an interim management contract which will terminate as to each apartment upon the closing of the sale of such apartment. After closing, the rental or other use or disposition of the apartments will be in the sole discretion of the apartment purchasers.

The current hotel operators have made certain advance bookings covering periods after the expected closing date of the apartment sales which it may be necessary to honor in order to protect the Project's 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. Every effort will be made to rent the units 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.

NOTE: This 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 probable 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 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 Project as a hotel, except to the degree that it may have ownership rights appurtenant to its ownership of unsold units or the Commercial Units being retained by the Developer.

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 February 8, 1980, and information subsequently submitted as of April 24, 1981.

This Final Horizontal Property Regime (Condominium) Public Report is made a part of Registration No. 1241, filed with the Commission on February 8, 1980.

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


G. A. "RED" MORRIS, 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. 1241

May 1, 1981

EXHIBIT "A"

DESCRIPTION OF APARTMENTS

A. Commercial Units

The five (5) Commercial Units are each of a different floor plan and type and are described as follows:

1) Commercial Unit No. C-1. Commercial Unit No. C-1 shall consist of those areas on the Ground Floor of the Project which are more particularly delineated on said Condominium Map and identified as being part of said Commercial unit. Specifically, Commercial Unit No. C-1 shall consist of the hotel offices, reservation and registration desks, baggage storage room and adjacent loading area on the Ground Floor. Commercial Unit No. C-1 shall at all times include a clerk's desk or counter with twenty-four hour clerk services and facilities for registration and keeping of records relating to hotel guests.

2) Commercial Unit No C-2. Commercial Unit No. C-2 shall consist of those areas on the Ground Floor which are more particularly delineated on said Condominium Map and identified as being part of said Commercial Unit. Specifically, Commercial Unit No. C-2 shall consist of those areas designated as "Lounge", "Bar", "Restaurant", "Restaurant Office", "Service", and "Restrooms" on the Ground Floor of the Project.

3) Commercial Unit No. C-3. This Unit consists of a single enclosed room located on the Diamond Head end of the Ground Floor of the Project.

4) Commercial Unit No. C-4. This Unit also consists of a single enclosed room located adjacent to Commercial Unit No. C-3 on the Diamond Head end of the Ground Floor of the Project.

5) Commercial Unit No. C-5. Commercial Unit No. C-5 shall consist of those areas on the Basement Level, Ground Floor and second through fifth levels of the Project more particularly delineated on said Condominium Map and identified as being a part of said Commercial Unit. Specifically, but without limiting the generality of the foregoing, Commercial Unit No. C-5 consists of all vehicular entries and exit ramps serving the Project, all driveways and turn-around areas therein and 118 regular and compact parking stalls.

The designation herein or on said Condominium Map of the intended use or purpose of any Commercial Unit, or any portion thereof, shall not be deemed to define or limit the use of said Unit and the Commercial Units may be used for any purpose permitted by law, the Declaration or the Bylaws.

B. RESIDENTIAL APARTMENTS.

The Project contains five (5) basic types of Residential Apartments. The Luana wing contains four (4)

separate model types, described herein and on said Condominium Map as "Luana 01 Type", "Luana 02 Type", "Luana 03 Type", and "Luana Tenth Floor Type". All of the apartments in the Malia wing are of the same model type, which is designated herein and on said Condominium Map as the "Malia Type". Said model types are more particularly described as follows:

1) Subject to minor variations in their respective sizes and floor plans, each of the forty-eight (48) apartments designated as a Luana 01, 02, or 03 type is located in the Luana wing and is a one-bedroom unit consisting of a living/dining room, kitchen, bathroom, bedroom and adjacent lanai. Each of said units is furnished with a wall-mounted air conditioner and under-counter refrigerator. Each of the units contains two (2) sinks with the exception of the Luana 02 type units which contain a single sink.

2) Each of the four (4) Luana Tenth Floor type apartments of the Project is a studio apartment located on the tenth floor of the Luana wing, consisting of a multi-purpose room and a bathroom. Said units do not have a private lanai; provided, however, that said apartments shall have the exclusive use of the subroof on said floor as a limited common element, as provided hereinabove. Each of said apartments is furnished with a wall-mounted air conditioner and an under-counter refrigerator.

3) Each of the two-hundred seventy-six (276) Residential Apartments designated herein and on said Condominium Map as a "Malia Type" unit is a studio located in the Malia wing consisting of a multi-purpose room, bathroom and lanai. The floor plan and layout of the bathroom of certain Malia Type Units on the sixth floor (Apartment Nos. 607, 609, 611, 615, 617, and 619) are atypical, and have been designed for use for handicapped persons. Each "Malia Type" apartment are centrally air-conditioned and equipped with an under-counter refrigerator.

Each Residential apartment has been given a three or four digit numerical designation by which its location in the Project can be determined. The first number, in the case of a three-digit apartment number, or the first two numbers, in the case of a four-digit apartment number, designates the floor upon which the apartment is located. The last two digits of each apartment number are indicative of the wing within which said apartment is located and its location on the floor. All apartments in the Luana wing have numbers ending in "01" through "06", inclusive, while all apartments ending in "07" through "30" are located in the Malia wing. In the Malia wing, the odd numbered apartments are located on the Makai end of each floor, and the even numbered apartments are located on the Mauka end of the building. In the Luana wing, the lowest numbered apartment on each floor is located at the Mauka end of the floor and the highest numbered apartment is located on the Makai end of the building.

The number designation, number of rooms, approximate area, and undivided percentage interests of the Commercial Units and the Residential Apartments are as follows:

Units Designation	No. Of Rooms	Approx. Area In Square Feet			No. of Units	Undivided Percentage Interest*
		Interior	Lanai	Gross		
<u>COMMERCIAL</u>						
<u>UNITS</u>						
C-1	5	5,012	--	5,012	1	5.69049
C-2	6	6,869	--	6,869	1	4.93597
C-3	1	712	--	712	1	.51263
C-4	1	924	--	924	1	.66497
C-5	3	57,376	--	57,376	1	4.12418
<u>LUAMA WING</u>						
2nd through						
9th floors 01	3	445	81	526	8	.37797
02	3	435	81	516	8	.37079
03,04,05,06	3	465	81	546	32	.39234
10th floor 01,02,03,04	2	304	--	304	4	.21845
<u>MALIA WING</u>						
5th through						
17th floor 07,08,09,10, 11,12,13,14, 15,16,17,18, 19,20,21,22, 23,24,25,26, 27,28,29,30	2	306	20	326	276	.23425

* Percentage interests have been generally computed on the basis of approximate apartment interior areas, with the following exceptions:

(1) the common interest established for Commercial Unit No. C-5, because of said units limited use and lower appraised value per square foot in relation to other apartments, is approximately one-tenth of what it would be if it were based solely on square footage; and

(2) approximately 20% of the area of the limited common elements appurtenant exclusively to Commercial Unit No. C-1 was added to the actual area of said unit in calculating its percentage interest. 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.