

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

WAIKIKI PACIFIC ISLES PLAZA
1850 Ala Moana Boulevard
Honolulu, Hawaii

Registration No. 1340

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: September 12, 1980
Expires: October 12, 1981

SPECIAL ATTENTION

A comprehensive reading of this report by prospective purchasers 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:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED ON AUGUST 14, 1980, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF AUGUST 25, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. WAIKIKI PACIFIC ISLES PLAZA is a proposed leasehold condominium project consisting of one hundred forty-two (142) residential apartments, sixteen (16) commercial apartments and one hundred and sixty-one (161) parking apartments, arranged throughout an existing building containing fifteen (15) floors plus a mezzanine. The Developer advises that construction of the building and other improvements was completed on or about April 1971, and that the property has been operated and used as a hotel since that time.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and issuance of this Preliminary Public Report. The Developer shall be responsible for placing this 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.
3. Advertising and promotional matter has been or will shortly be submitted pursuant to the rules and regulations promulgated by the Commission.
4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners, and a copy of the Condominium Map) have not been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A of the Hawaii Revised Statutes, and the Rules and Regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, September 12, 1980, unless a Supplementary or Final Public Report is issued or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: WAIKIKI PACIFIC ISLES PLAZA

LOCATION: The project is located at 1850 Ala Moana Boulevard, City and County of Honolulu, State of Hawaii and consists of approximately 20,617 square feet.

TAX KEY: First Division, 2-6-12:3

ZONING: Apartment Precinct

DEVELOPER: International Condoresorts - Pacific Ventures, a registered Hawaii general partnership, with its principal place of business and post office address at 900 Fort Street, Suite 1200, Honolulu, Hawaii 96813 (telephone no. 524-8505). The general partners of the partnership are:

American Pacific Properties Corporation
900 Fort Street, Suite 1200
Honolulu, Hawaii 96813

Continental Properties, Inc.
900 Fort Street, Suite 1200
Honolulu, Hawaii 96813

ATTORNEY REPRESENTING DEVELOPER: Carlsmith & Dwyer,
Suite 2102, Davies Pacific Center, 841 Bishop Street, Honolulu,
Hawaii 96813 (Attention: Mitchell A. Imanaka, Charles Edward
Pear, Jr. or Curtis W. Carlsmith), Telephone No. 524-7200.

DESCRIPTION OF THE PROJECT:

A. Description of the Building. The property includes one (1) building, without basement, containing fifteen (15) floors plus a mezzanine between the first and second floors. The building is constructed primarily of concrete, glass, concrete block, steel, aluminum, gypsum board, and allied building materials.

The first floor contains an entrance lobby, foyer, telephone equipment room, manager's office, men's and women's bathrooms, mechanical equipment room, five (5) commercial apartments, eight (8) parking apartments, maintenance shop, and various planters. The mezzanine contains eight (8) commercial apartments, a reception area, and men's and women's bathrooms. The second, third and fourth floors contain fifty-one (51), fifty-three (53), and forty-nine (49) parking apartments respectively and a storage area. The fourth floor also contains a laundry room and an additional storage area. The fifth floor contains a swimming pool, pool deck, two commercial apartments, and twelve (12) residential apartments. The sixth through fourteenth floors each contain fourteen (14) residential apartments. The fifteenth floor contains four (4) residential apartments, a commercial apartment, and a mechanical room. The roof contains an elevator equipment room. The fifth through fifteenth floors (the "residential floors") each contain an access corridor and a trash room. All floors contain an elevator foyer and two (2) stairways.

B. Description of the Residential and Commercial Apartments: The proposed Declaration of Horizontal Property Regime provides one hundred forty-two (142) residential apartments and sixteen (16) commercial apartments designated in the spaces within the perimeter and party walls, windows, doors, floors and ceilings of each of the respective residential and commercial apartment units of the property, which spaces together with the appurtenant lanai air spaces, if any, are referred to respectively as "residential apartments" or "commercial apartments" and are designated on the condominium map and described as follows:

(1) Residential Apartment Numbers and Location: The residential apartment units on each residential floor are located on either side of a double-loaded access corridor running makai to mauka along the width of the building. The apartment units on each floor are numbered with

consecutive odd numbers for apartments located along the Ewa side of the corridor (beginning with 01 from the makai corner), and consecutive even numbers for apartments located along the Diamond Head side of the corridor (beginning with 02 from the makai corner). The residential apartments are numbered as follows:

(a) From the fifth through the ninth floors, each apartment will have a three digit number with the first number being the number of the floor on which the apartment is located, followed by the number indicating the number of the apartment unit on each floor;

(b) The apartments on the tenth through the twelfth floors shall be numbered as in (a) above, except that each apartment will have a four digit number with the first two numbers being the number of the floor on which the apartment is located;

(c) The apartments on the thirteenth through the fifteenth floors shall be similarly numbered as in (b) above, except that the first two numbers will not designate the floor on which the apartment is located. The first two numbers of the apartments on said floors shall be as follows: thirteenth floor, 14; fourteenth floor, 15; and fifteenth floor, 16.

(2) Commercial Apartment Numbers and Location: The commercial apartments are numbered serially from C-1 to C-16. Apartments C-1 through C-5 are numbered from the north corner of the first floor and proceeding clockwise along the outer perimeter of the floor. Apartments C-6 through C-13 are numbered from the south corner of the mezzanine floor and proceeding counter-clockwise along the outer perimeter of the floor. Apartment C-14 is located immediately mauka of the elevators on the Diamond Head side of the fifth floor. Apartment C-15 is located in the mauka-ewa corner of the fifth floor. Apartment C-16 is located in the north corner of the fifteenth floor.

(3) Numbers of Rooms and Area of Individual Apartments: The residential apartments are constructed according to nineteen (19) different floor plans and the commercial apartments are constructed according to twelve (12) different floor plans described as follows:

Residential Apartments:

1. Apartment 501 is the only type A apartment. It consists of a bathroom, bedroom, living room, dining room, kitchen, and two lanais. It has a total approximate area of 978 square feet including the two lanais of approximately 61 square feet apiece.

2. Each type B apartment consists of one bedroom, one bathroom, dressing room, living room with wet bar, and a lanai, and has a total approximate area of 600 square feet including the lanai of approximately 61 square feet. Apartments 804 and 904 are type B apartments.

3. Apartment 1601 is the only type C apartment. It consists of two bedrooms, two bathrooms, two dressing rooms, kitchen, living/dining room, and a lanai. It has a total approximate area of 1,386 square feet including the lanai of approximately 241 square feet.

4. Apartment 1602 is the only type D apartment. It consists of one bedroom, two bathrooms, dressing room, living room with wet bar and a lanai. It has a total approximate area of 1,031 square feet including the lanai of approximately 172 square feet.

5. Apartment 1603 is the only type E apartment. It contains one bedroom, one bathroom, dressing area, living room with wet bar, and a lanai. It has a total approximate area of 840 square feet including the lanai of approximately 138 square feet.

6. Apartment 1604 is the only type F apartment. It contains one bedroom, one bathroom, dressing room, living room, and a lanai. It has a total approximate area of 838 square feet including lanai of approximately 138 square feet.

7. Each type GK apartment consists of one bedroom, two bathrooms, dressing room, living room and a lanai, and has a total approximate area of 617 square feet including the lanai of approximately 61 square feet. The following nine (9) apartments are type GK apartments: 601, 701, 801, 901, 1001, 1101, 1201, 1401, 1501.

8. Each type HK apartment consists of one bedroom, two bathrooms, dressing room, living room and a lanai, and has a total approximate area of 614 square feet including the lanai of approximately 61 square feet. The following eleven (11) apartments are type HK apartments: 503, 509, 607, 707, 807, 907, 1009, 1109, 1209, 1409, 1509.

9. Each type KH apartment consists of one bedroom, two bathrooms, dressing room, living room and a lanai, and has a total approximate area of 614 square feet including the lanai of approximately 61 square feet. The following nineteen (19) apartments are type KH apartments: 507, 605, 611, 705, 711, 805, 811, 905, 911, 1005, 1013, 1105, 1113, 1205, 1213, 1405, 1413, 1505, 1513.

10. Each type HH apartment consists of one bedroom, two bathrooms, dressing room, living room and two lanais, and has a total approximate area of 684 square feet including two lanais of approximately 61 square feet apiece. The following ten (10) apartments are type HH apartments: 505, 609, 709, 809, 909, 1011, 1111, 1211, 1411, 1511.

11. Each type JH apartment consists of one bedroom, two bathrooms, dressing room, living room

and two lanais, and has a total approximate area of 537 square feet including the two lanais of approximately 61 square feet apiece. The following nine (9) apartments are type JH apartments: 603, 703, 803, 903, 1003, 1103, 1203, 1403, 1503.

12. Each type HL apartment consists of one bedroom, two bathrooms, dressing room, living room and a lanai, and has a total approximate area of 639 square feet including the lanai of approximately 61 square feet. The following nine (9) apartments are type HL apartments: 613, 713, 813, 913, 1015, 1115, 1215, 1415, 1515.

13. Each type MQ apartment consists of one bedroom, two bathrooms, dressing room, living room and a lanai, and has a total approximate area of 774 square feet including the lanai of approximately 61 square feet. The following ten (10) apartments are type MQ apartments: 502, 602, 702, 802, 902, 1002, 1102, 1202, 1402, 1502.

14. Each type NR apartment consists of one bedroom, two bathrooms, dressing room, living room and a lanai, and has a total approximate area of 714 square feet including the lanai of approximately 61 square feet. The following ten (10) apartments are type NR apartments: 506, 608, 708, 808, 908, 1008, 1108, 1208, 1408, 1508.

15. Each type RN apartment consists of one bedroom, two bathrooms, dressing room, living room and a lanai, and has a total approximate area of 714 square feet including the lanai of approximately 61 square feet. The following eleven (11) apartments are type RN apartments: 504, 510, 612, 712, 812, 912, 1012, 1112, 1212, 1412, 1512.

16. Each type NN apartment consists of one bedroom, two bathrooms, dressing room, living room and two lanais, and has a total approximate area of 784 square feet including two lanais of approximately 61 square feet apiece. The following ten (10) apartments are type NN apartments: 508, 610, 710, 810, 910, 1010, 1110, 1210, 1410, 1510.

17. Each type PR apartment consists of one bedroom, two bathrooms, dressing room, living room and a lanai, and has a total approximate area of 714 square feet including the lanai of approximately 61 square feet. The following seven (7) apartments are type PR apartments: 604, 704, 1004, 1104, 1204, 1404, 1504.

18. Apartment 511 is the only type H apartment. It consists of a studio apartment with a bathroom and lanai, and has a total approximate area of 342 square feet including the lanai of approximately 61 square feet.

19. Each type N apartment, consists of a studio apartment with a bathroom and lanai, and has a total approximate area of 392 square feet including the lanai of approximately 61 square feet. The following nineteen (19) apartments are type N apartments: 512, 606, 614, 706, 714, 806, 814, 906, 914, 1006, 1014, 1106, 1114, 1206, 1214, 1406, 1414, 1506, 1514.

Commercial Apartments:

1. Apartment C-1 is presently employed as a restaurant and consists of an equipment room, trash room, men's and women's bathrooms, freezer, office, two storage rooms, kitchen, and two dining areas. It has a total approximate area of 5,461 square feet.

2. Apartment C-2 is presently employed as a cocktail lounge consisting of a single room having a total approximate area of 1,089 square feet.

3. Apartment C-3 is presently employed as an office consisting of a single room having a total approximate area of 336 square feet.

4. Apartment C-4 is presently employed as an office space consisting of three rooms plus a bathroom and having a total approximate area of 465 square feet.

5. Apartment C-5 is presently employed as a sundry shop consisting of a single room with a storage closet, and having a total approximate area of 138 square feet.

6. Apartments C-6 through C-13 are presently employed as separate offices each consisting of a single room. The total approximate areas of these apartments are as follows: C-6: 235 square feet; C-7, C-8, C-9 and C-10: 216 square feet; C-11: 160 square feet; C-12: 186 square feet; C-13: 151 square feet.

7. Apartment C-14 is presently employed as a bar consisting of a single room with no lanai and having a total approximate area of 223 square feet.

8. Apartment C-15 is presently employed as a laundry room and consists of a single room with three sinks, no bathroom and a lanai. It has a total approximate area of 671 square feet including the lanai of approximately 61 square feet. The lanai is decorative only and is not immediately accessible.

9. Apartment C-16 is presently employed as a banquet room consisting of a kitchen, men's and women's bathrooms, and a meeting room. It has a total approximate area of 1,697 square feet.

NOTE: In accordance with local architectural practice, the approximate floor area of each apartment as set forth above includes all of the walls and partitions within its perimeter walls, the entirety of its perimeter non-party walls, and the interior half of its perimeter

party walls, whether load-bearing or non-load bearing. THE AREAS SHOWN ABOVE ARE APPROXIMATE ONLY, AND DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE AREAS OF ANY PARTICULAR APARTMENT.

(4) Access to Common Elements: Each residential and commercial apartment has immediate access to a corridor which leads to two (2) stairways and three (3) elevators, each stairway and elevator leading to the grounds of the property or common elements leading to the grounds and to Ala Moana Boulevard.

(5) Other Data Identifying and Defining the Apartments: The respective residential and commercial apartments shall not be deemed to include the perimeter or party walls or the undecorated or unfinished surfaces thereof; the exterior surfaces of all perimeter walls, doors, door frames, windows and window frames; the interior load-bearing walls, awnings, if any, the floor and ceiling surrounding each apartment or any pipes, wires, conduits or other utility or service lines which are utilized for or serve more than one apartment, the same being common elements as hereinafter provided. Each residential and commercial apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls, the inner decorated or finished surfaces of all walls, floors and ceilings, doors and door frames, windows and window frames, the lanai air space (if any), and all fixtures originally installed in the apartment.

C. Description of the Parking Apartments: The proposed Declaration of Horizontal Property Regime provides for one hundred and sixty-one (161) parking apartments designated in the spaces bounded by the main walls and demarcation lines, floor and ceiling of each of the one hundred and sixty-one (161) parking spaces located on the first, second, third, and fourth floors of the building, which spaces are referred to herein as "parking apartments", and are designated on said Condominium Map and described as follows:

(1) Apartment Numbers and Locations: The second, third and fourth floors are "split level" floors with the lower portion on the Ewa side and the upper portion on the Diamond Head side. The apartments are numbered clockwise and consecutively from the northwest corner of each level, beginning with 1 on the first floor, 9 on the lower level of the second floor, 34 on the upper level of the second floor, 60 on the lower level of the third floor, 87 on the upper level of the third floor, 113 on the lower level of the fourth floor, and 140 on the upper level of the fourth floor. Apartments 1-8, 9-24, 34-43, 60-75, 87-96, 113-128, and 140-149 are arranged along the Ewa side of the level upon which they are located. Apartments 76, 77, 129 and 130 are arranged along the mauka side of the level upon which they are located. Apartments 25-33, 44-59, 78-86, 97-112, 131-139 and 150-161 are arranged along the Diamond Head side of the level upon which they are located.

(2) Layout and Area of Individual Apartments: Each parking apartment has a basically rectangular floor except

as necessary to accommodate the building superstructure, and are described as follows:

Full Size Stalls: There are one hundred forty-seven (147) full size parking apartments (Apt. Nos. 2-8, 10-55, 61-75, 78-108 and 114-161), all of which are approximately nineteen (19) feet deep and approximately eight and one-half (8.5) feet wide or wider, with some variations due to the design and construction of the building superstructure. While some of the stalls may be substantially wider or deeper, this may be attributed to the design and construction of the building superstructure. Accordingly, for purposes of computing the common interest appurtenant to full size parking apartments, a rough average floor area of 162 square feet was attributed to such apartments.

Compact Size Stalls: There are thirteen (13) compact size parking apartments (Apt. Nos. 9, 56-60, 76, 77 and 109-113), all of which are at least sixteen (16) feet deep and which range from eight (8) feet to eight and one-half (8.5) feet in width. For purposes of computing the common interest appurtenant to compact size parking apartments, a rough average floor area of 136 square feet was attributed to such apartments.

Sub-Compact Size Stalls: There is one (1) sub-compact size parking apartment (Apt. No. 1), which is fourteen (14) feet deep and eight and one-half (8.5) feet wide. For purposes of computing the common interest appurtenant to that apartment, a floor area of 119 square feet was attributed to such apartment.

(3) **Access to Common Elements:** Each parking apartment has immediate access to two (2) stairways, three (3) elevators, and access lanes and ramps, all leading to the grounds of the property or common elements leading to the grounds and to Ala Moana Boulevard.

(4) **Other Data Identifying and Defining the Apartments:** The respective parking apartments shall not be deemed to include the decorated or undecorated or finished or unfinished surfaces of the perimeter or party walls or demarcation lines or interior load-bearing walls and the columns, the floor and ceiling surrounding each apartment or any pipes, wires, conduits or other utility or service lines which are utilized for or serve more than one apartment, the same being common elements as hereinafter provided.

COMMON ELEMENTS: One freehold estate is hereby designated in all of the remaining portions of the property, herein called the "common elements", including specifically but not limited to:

(1) Said land in fee simple;

(2) All structural components, such as foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, exterior stairs, stairways and fire

escapes, entrances, exits, floor slabs, unfinished perimeter, party and load-bearing walls, awnings, and walkways of said buildings;

(3) All common spaces such as planting areas, swimming pool, pool deck, other recreational facilities, and trash collection areas;

(4) All common premises such as the lobby, telephone equipment room, electrical rooms, elevator equipment room, mechanical room, manager's office, maintenance shop and other premises for the use of janitors or other persons employed for operation of the property, if any;

(5) Installations for services such as pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under, or across the property which serve more than one apartment for services such as power, light, gas, water, sewage, telephone, air conditioning, radio and television signal distribution, if any;

(6) Any apparatus and installations existing for common use, such as elevators, tanks, pumps, motors, fans, compressors, ducts, vents, and other such installations and apparatus; and

(7) All other parts of the property necessary or convenient to its existence, maintenance, and safety or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called the "limited common elements", are hereby designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements as follows:

(1) The corridors, elevator foyers, trash rooms, and all other areas (except stairways, elevator doorways and shafts) on each residential floor shall be limited common elements appurtenant to all the apartments located on such floor;

(2) The men's and women's bathrooms located on the first floor shall be limited common elements appurtenant to apartments C-1 through C-5;

(3) The waiting room and foyer on the first floor shall be limited common elements appurtenant to apartments C-1 and C-2;

(4) The storage room adjacent to apartment C-2 on the first floor shall be a limited common element appurtenant to apartment C-2;

(5) The men's and women's bathrooms and the reception area and corridor located on the mezzanine floor shall be limited common elements appurtenant to apartments C-6 through C-13;

(6) The storage room adjacent to apartment C-11 on the mezzanine floor shall be a limited common element appurtenant to apartment C-11;

(7) Each storage room on the second and third floor and the two (2) storage rooms on the fourth floor shall be limited common elements appurtenant to apartment C-11;

(8) The laundry room on the fourth floor shall be a limited common element appurtenant to all residential apartments;

(9) The pool and pool deck shall be a limited common element appurtenant to all residential apartments and apartments C-14 and C-15;

(10) The decorated or finished surfaces of the perimeter, party and load-bearing walls and columns surrounding the parking apartments, and the driveways, access lanes, ramps and stairways leading to the parking apartments shall be limited common elements appurtenant to the parking apartments;

(11) All installations for services such as pipes, cables, conduits, ducts electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under, or across the property which serve only the residential apartments for services such as power, light, gas, hot water, cold water, air conditioning, sewage, telephone and radio and television signal distribution, if any, shall be limited common elements appurtenant to all residential apartments unless such installations serve only a single residential apartment. Similarly, all such installations which serve only the commercial apartments (except those that serve only a single commercial apartment) shall be limited common elements appurtenant to all commercial apartments. All such installations which serve only the parking apartments (except those that serve only a single parking apartment) shall be limited common elements appurtenant to all parking apartments.

COMMON INTEREST: Each apartment shall have appurtenant thereto an undivided percentage interest in all common elements of the property (herein called the "common interest"), and the same proportionate share in all common profits and expenses of the property and for all other purposes, including voting, as set forth hereinbelow:

I. RESIDENTIAL APARTMENTS

<u>APARTMENT TYPE</u>	<u>COMMON INTEREST</u>	<u>NUMBER OF APARTMENTS</u>	<u>TOTAL COMMON INTEREST</u>
A	.75517	1	.75517
B	.46329	2	.92658
C	1.07021	1	1.07021
D	.79609	1	.79609
E	.64861	1	.64861
F	.64706	1	.64706
GK	.47642	9	4.28778
HK	.4741	11	5.2151
KH	.4741	19	9.0079
HH	.52815	10	5.2815
JH	.50885	9	4.57965
HL	.4934	9	4.4406
MQ	.59765	10	5.9765
NR	.55132	10	5.5132

RN	.55132	11	6.06452
NN	.60537	10	6.0537
PR	.55132	7	3.85924
H	.26407	1	.26407
N	.30268	19	5.75092

II. COMMERCIAL APARTMENTS

<u>APARTMENT TYPE</u>	<u>COMMON INTEREST</u>	<u>NUMBER OF APARTMENTS</u>	<u>TOTAL COMMON INTEREST</u>
C-1	4.21699	1	4.21699
C-2	.84101	1	.84101
C-3	.25957	1	.25957
C-4	.35918	1	.35918
C-5	.10668	1	.10668
C-6	.18158	1	.18158
C-7 to C-10	.16691	4	.66764
C-11	.12367	1	.12367
C-12	.14375	1	.14375
C-13	.11672	1	.11672
C-14	.17232	1	.17232
C-15	.51824	1	.51824
C-16	1.31048	1	1.31048

III. PARKING APARTMENTS

<u>APARTMENT TYPE</u>	<u>COMMON INTEREST</u>	<u>NUMBER OF APARTMENTS</u>	<u>TOTAL COMMON INTEREST</u>
Regular Size Stalls	.12508	147	18.38676
Compact Stalls	.10501	13	1.36513
Sub-Compact Stalls	.09188	1	.09188

IV. TOTAL COMMON INTEREST

All Apartments	100%
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EASEMENTS: The proposed Declaration of Horizontal Property regime provides that the apartments and common elements (including limited common elements) shall have and be subject to a number of easements including but not limited to the following which purchaser should note:

(1) The Developer shall have the right to conduct extensive sales activities on the property, including the use of model apartments, sales and management offices, and extensive sales displays and activities until the earlier to occur of (a) forty-eight (48) months from the date of the filing in the Office of the Assistant Registrar of the Land Court of the State of Hawaii of the first condominium conveyance document conveying an apartment or (b) the closing of the sale of the last unsold apartment in the property. In the event that the Developer is unable to sell all of the apartments within the forty-eight (48) month period, the Developer shall have the right to conduct sales activities on the property until the closing of the sale of the last unsold apartment in the property provided that such sales activities are conducted in an unobtrusive manner which will not unreasonably interfere with the use, possession and aesthetic

enjoyment of the property by the other apartment owners. In the event that the Developer's mortgage lender or any successor to or assignee of the Developer's mortgage lender shall acquire any portion of the property in the course of any foreclosure or other legal proceeding or in the exercise of the mortgage remedies or by an assignment in lieu of foreclosure, such mortgage lender, its successors and assigns shall have the right to conduct such extensive sales activities on the property until at least ninety-five percent (95%) of all of the apartments have been sold and filed, notwithstanding the foregoing.

(2) The Developer, its agents, employees, contractors, licensees, successors and assigns shall have an easement over, under and upon the property as may be reasonably necessary for the completion of improvements to and correction of defects in the property or in the new increment. Such easement shall terminate twenty-four (24) months after the later of (i) the date of the filing in the Office of the Assistant Registrar of the Land Court of the State of Hawaii of the first condominium conveyance document conveying an apartment in the precinct, or (ii) "substantial completion" (as that term is used in Chapter 507, Part II, Hawaii Revised Statutes) of the improvement to be completed or corrected. Such period shall be extended for such additional period (not to exceed twenty-four (24) months) as may be reasonably necessary for the completion of such improvements in the exercise of due diligence or such additional period as may become necessary if such completion is delayed by reason of force majeure.

(3) The Developer, its agents, employees, contractors, licensees, successors and assigns shall have an easement over and upon the property as may be reasonably necessary for the purpose of constructing improvements to the property with respect to the provision of kitchen facilities in the apartments and the provision of related installations for services. Such easement shall terminate twenty-four (24) months from the date of the filing in the Office of the Assistant Registrar of the Land Court of the first condominium conveyance document, provided that such period shall be extended for such additional period (not to exceed twenty-four (24) months) as may be reasonably necessary for the completion of such improvements in the exercise of due diligence or such additional period as may become necessary if such completion is delayed by reason of force majeure.

(4) The Developer, its agents, employees, contractors, licensees, successors and assigns shall have an easement over and upon the property as may be reasonably necessary for the purpose of constructing improvements to the property with respect to the creation of a commercial apartment or commercial apartments on the fourth floor parking level, including an easement to create and cause noise, dust and other nuisances resulting from any work connected with or incidental to the development and construction of said commercial apartment or commercial apartments. Such easement shall terminate upon the conveyance of a parking apartment on the fourth floor parking level, or on December 31, 1986, whichever shall first occur.

(5) The Association, acting through or under the Board and/or Managing Agent, and their respective agents, employees,

contractors and licensees, shall have an easement across the driveways and access lanes leading to the parking apartments on the first floor for the purpose of trash collection and for the purpose of moving apartment owner's or tenant's household goods, furniture, or other large or bulky property into or out of the building.

(6) The commercial apartments shall have an easement, from 7:30 a.m. until 5:00 p.m. daily except Sundays, across the driveways and access lanes leading to the parking apartments on the first floor for delivery and pick-up purposes.

(7) The Association, acting through or under the Board and/or the Managing Agent, and their respective agents, employees, contractors and licensees, shall have an easement over, upon, and through the common elements for the construction, operation and maintenance of installations for services necessary or appropriate for the operation of one or more commercial apartments and/or any commercial enterprise operating in one or more commercial apartments and approved by a majority of the Board. Any such installations shall be limited common elements appurtenant to the apartments which they serve, and the cost of the construction, operation and maintenance thereof shall be charged to and divided among the owners of the apartments to which such limited common element is appurtenant in the manner provided herein and in the By-Laws. The common elements and each apartment and its limited common elements shall be subject to an easement for access during reasonable hours for the construction and maintenance of any such installations.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration of Horizontal Property Regime provides:

(1) Except when the holder of the first mortgage on an apartment has entered into possession of the apartment following (i) a default under its first mortgage, (ii) a foreclosure proceeding, or (iii) a conveyance in lieu of foreclosure, the residential apartments shall be occupied and used only as dwelling or lodging units to provide temporary or permanent quarters for the respective owners thereof, their tenants, families, domestic servants and personal guests. The residential apartments may not be used for any other purpose without the prior written consent of the Board of Directors of the Association, and any governmental agencies whose approval is necessary.

The parking apartments may be used only as a parking space for a motor vehicle; provided, however, that parking apartments 1, 77 and 130 shall not be used for parking a truck or automobile, but may be used for parking a motorcycle or bicycles.

The commercial apartments and the limited common elements appurtenant thereto may be used for any purpose which may from time to time be permitted by law (notwithstanding the designated use set forth in the Condominium Map), except that apartments C-1 to C-13 may not be used as dwelling or lodging units. Without limiting the generality of the foregoing, the owners of the commercial apartments may alter the layout of the spaces within the commercial apartments and may add additional

commercial operations by further partitioning the commercial apartments or otherwise so long as such changes to the interior of the commercial apartments do not materially and adversely affect the structural integrity of the building.

The Association shall have the power to enact resolutions, rules and regulations, and have the power to amend and repeal the same from time to time, reasonably restricting and regulating the use of the apartments and the common elements; provided, that any such resolutions, rules or regulations shall be consistent with the terms of this Declaration, and the By-Laws.

(2) The owners of the respective apartments shall have the absolute right to sell, lease, rent or otherwise transfer such apartments subject to all provisions of the Horizontal Property Act, this Declaration and the By-Laws attached hereto; provided, however, that no apartment owner may sell, lease, rent or otherwise transfer less than the entire apartment.

(3) No apartment owner shall use his apartment or appurtenant limited common elements for any purpose which will injure the reputation of the property, or suffer anything to be done or kept in his apartment or elsewhere on the property which will (a) jeopardize the soundness of the property, or (b) interfere with or unreasonably disturb the rights of other owners and occupants, or (c) obstruct the corridors or stairways of the building, or (d) reduce the value of the property, or (e) increase the rate (unless such owner pays such increase) or result in the cancellation of fire insurance on the apartments or the contents thereof.

The proposed House Rules provide, in part: (1) No waterbeds shall be permitted in the apartments; (2) No livestock, poultry, rabbits or other animals shall be allowed on the premises except that household pets in reasonable number may be kept by the owners and occupants of residential apartments. All pets must be registered immediately with the Managing Agent. And, occupancy is limited to not more than two persons per bedroom contained in each apartment (a studio shall be considered as a one-bedroom apartment), excluding children under the age of five (5), except that in no event and under no circumstances shall the number of occupants per bedroom contained in each apartment exceed three (3) per bedroom, inclusive of children under the age of five (5).

RIGHTS RESERVED TO THE DEVELOPER AND GRANTED TO PARTICULAR APARTMENT OWNERS WITH RESPECT TO THE CONSOLIDATION OF PARTICULAR RESIDENTIAL AND/OR COMMERCIAL APARTMENTS.

Notwithstanding anything herein provided to the contrary or from which a contrary intent may be inferred, until such time as Developer has conveyed all of the apartments on any particular floor or floors, as appropriate, or until December 31, 1986, whichever is the earlier to occur, Developer reserves the right, without having to gain the consent or approval of the Association, the Board or any apartment owner, to consolidate any two or more adjacent and adjoining apartments which have not as yet been conveyed, by not constructing or by removing all or portions of any intervening wall or floor, provided that the structural integrity of the building is not thereby materially and adversely affected, and

provided further, in the instance where an intervening wall or floor is being removed, that the substance and finish of any common element there remaining is restored to a condition substantially comparable to and compatible with that of the common element prior to such alteration.

Further, from time to time, and all times, and notwithstanding any provision in the Declaration or in the By-laws, two or more adjacent and adjoining apartments which are under common ownership whether on the same floor or on different floors, may be consolidated to form one apartment by removing all or portions of any intervening wall or floor, provided that the structural integrity of the building is not thereby materially and adversely affected, and provided further that the substance and finish of any common element there remaining is restored to a condition substantially comparable to and compatible with that of the common element prior to such alteration.

Any such consolidation or consolidations of apartments as provided above shall be effective provided that:

(1) Developer or apartment owner, as appropriate, shall file or cause to be filed an amendment to the Declaration consolidating the apartments in question and setting forth at least:

(i) a description of the newly consolidated apartment, including a statement if necessary or appropriate, as to what limited common elements are appurtenant thereto;

(ii) the undivided percentage interest appurtenant to the newly consolidated apartment, which shall consist of the total of the undivided percentage interests of the apartments consolidated;

(iii) any easements relevant to the consolidated apartments not already provided for in the Declaration; and

(iv) such other matters as may be required by law to effectuate the consolidation of the apartments;

(2) Developer or apartment owner, as appropriate, shall file or cause to be filed an amendment to the Condominium Map for the apartments being consolidated to show an amended floor plan, as necessary, together with a verified statement of registered architect or professional engineer, in the manner required by Section 514A-12 of the Act, that said Condominium Map, as so amended, is an accurate copy of portions of the plans of the consolidated apartment as filed with and approved by the county officer having jurisdiction over the issuance of permits for the construction of buildings;

(3) Any such consolidation shall comply in all respects with all applicable governmental codes, statutes, ordinances and rules and regulations;

(4) In the instance where the consolidation is to be effected by an apartment owner, such consolidation shall be done under terms and conditions and in accordance with plans

and specifications satisfactory to the Board of Directors and only with Board approval of the same, which approval shall not be unreasonably withheld;

(5) In the instance where the consolidation is to be effected by an apartment owner, any such consolidation shall be done only with the prior written approval of the holders of liens affecting any of the apartments to be consolidated (if the lien holders require such approval);

(6) Any construction activity involved in effecting any such consolidation of apartments shall be at the Developer's or the apartment owner's sole expense, as appropriate, and shall be completed within six (6) months of commencement thereof, subject to delays beyond the control of Developer or said apartment owner, or their contractors, in which case any such construction activity shall be completed in the exercise of due diligence and the time for completion shall be extended only for a period equal to the delay caused by such matters beyond the control of Developer or the apartment owner;

(7) In the instance where the consolidation is to be effected by an apartment owner, during the entire period of any such construction, said apartment owner will cause to be maintained at his expense builder's all-risk insurance in an amount not less than the estimated cost of construction. The Association shall be named as an additional insured and evidence of such insurance shall be deposited with the Managing Agent; and

(8) In the instance where the consolidation is to be effected by an apartment owner, prior to the commencement of any such construction, and as a condition thereto, the apartment owner shall deposit with the Association satisfactory evidence of a payment and performance bond, or any irrevocable letter of credit issued by a bank authorized to do business in the State of Hawaii guaranteeing performance of such construction free and clear of all mechanics and materialmen's liens and liens arising under Section 514A-16 of the Hawaii Revised Statutes, naming the Lessor, the apartment owners collectively and their respective mortgagees, as their interests may appear, as co-obligees, in an amount not less than 100% of the cost of any such construction as estimated by the apartment owner's general contractor or such other person or persons able to render an accurate estimate.

The Developer expressly reserves the right to amend the aforesaid Declaration and Condominium Map to effect any consolidation of apartments at any time or times prior to the conveyance of all of the apartments on the floor or floors on which such apartments to be consolidated are located, and Developer may, without being required to obtain the consent or joinder of any apartment owner, lien holder or other persons, execute and file amendments to the Declaration and Condominium Map and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the rights, powers or privileges therein reserved to Developer. Any such action shall be deemed taken by Developer as the true and lawful attorney-in-fact of the respective apartment owners.

Any apartment owner owning two or more adjacent and adjoining apartments shall have the right to amend the aforesaid Declaration and Condominium Map to effect the consolidation of apartments, provided that he shall have obtained the written consent of the holders of all liens affecting any of the apartments being consolidated and the written approval of the Board of Directors of the Association as to the same; and further provided that said apartment owner, upon gaining the consent of lien holders and the approval of the Board as aforesaid shall not be required to gain the consent or joinder of any apartment owner or other persons to execute and file amendments to the Declaration and Condominium Map and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the rights, powers or privileges therein granted to said apartment owner. Any such action as may be necessary shall be deemed taken by said apartment owner as the true and lawful attorney-in-fact of the respective apartment owners.

Except as provided above with respect to lienholders' consents and Board approval in the instance where the apartment owner is the party effecting any consolidation of apartments, each and every party acquiring an interest in the property, by such acquisition, consents to any such consolidation or consolidations of apartments in accordance with the provisions hereinabove stated, and to the amendment or amendments of the Declaration and the Condominium Map to effect the same; agrees to execute such documents and do such other things as may be necessary or convenient to effect the same; and appoints the Developer or the apartment owner in question and their respective assigns, as the case may be, as his attorney-in-fact, with power of substitution, to execute such documents and do such other things on his behalf, which grant of such power, being coupled with an interest, is irrevocable and shall not be affected by disability of such party. Each and every person also acknowledges, accepts and agrees that construction activity may occur and/or continue on the property submitted to the Declaration after he has taken occupancy in the property in order that the consolidation of apartments as aforesaid may be effected, and that such activity or activities may result in noise, dust or other annoyances to him, and said persons waive any rights, claims or actions which they may have or acquire against Developer or the apartment owner in question, its/his contractors, subcontractors and their respective agents or employees, as a result of such activity or activities.

RIGHTS RESERVED TO THE DEVELOPER WITH RESPECT TO THE SUBDIVISION OF PARTICULAR RESIDENTIAL AND/OR COMMERCIAL APARTMENTS AND GRANTED TO PARTICULAR APARTMENT OWNERS WITH RESPECT TO THE RESUBDIVISION OF PARTICULAR RESIDENTIAL AND/OR COMMERCIAL APARTMENTS. Notwithstanding anything herein provided to the contrary or from which a contrary intent may be inferred, until such time as the Developer has conveyed all of the apartments on any particular floor or floors, as appropriate, or until December 31, 1986, whichever is the earlier to occur, Developer reserves the right, without having to gain the consent or approval of the Association, the Board or any apartment owner, to subdivide any apartment which has not as yet been conveyed, thereby creating two or more apartments, provided that the structural integrity of the building is not

thereby materially and adversely affected, and provided further, that the substance and finish of any common element affected by such subdivision is restored to a condition substantially comparable to and compatible with that of the common element prior to such alteration.

Further, from time to time and at all times, any new apartment created by consolidation under the provisions of the foregoing paragraph may be resubdivided by the owner of the new apartment, provided that the structural integrity of the building is not thereby materially and adversely affected, and provided further, that the substance and finish of any common element affected by such resubdivision is restored to a condition substantially comparable to and compatible with that of the common element prior to such alteration.

Any such subdivision or resubdivision of an apartment as provided above shall be effective provided that:

(1) Developer or apartment owner, as appropriate, shall file or cause to be filed an amendment to the Declaration subdividing or resubdividing the apartment in question and setting forth at least:

(i) a description of the newly subdivided or resubdivided apartments, including a statement, if necessary or appropriate, as to what limited common elements are appurtenant thereto;

(ii) the undivided percentage interest appurtenant to each of the newly subdivided or resubdivided apartments, which shall be calculated for each subdivided or resubdivided apartment by multiplying the undivided percentage interest for the apartment by the proportion that the gross floor area of each newly subdivided or resubdivided apartment bears to the total gross floor area of the apartment existing prior to subdivision or resubdivision, provided that the sum of the undivided percentage interests assigned to each subdivided or resubdivided apartment shall be calculated in such a manner that the total of the undivided percentage interests assigned to each newly subdivided or resubdivided apartment shall be equal to the undivided percentage interest of the apartment prior to subdivision or resubdivision, and provided further that said undivided percentage interests shall be calculated and adjusted and/or rounded off in such a manner that each percentage interest will be reflected as a number having no more than five digits following the decimal point;

(iii) any easements relevant to the subdivided or resubdivided apartments not already provided for in this Declaration; and

(iv) such other matters as may be required by law to effectuate the subdivision or resubdivision of the apartment;

(2) Developer or the apartment owner seeking resubdivision shall file or cause to be filed an amendment to the Condominium Map for the apartment being subdivided or resubdivided to show

an amended floor plan, as necessary, together with a verified statement of registered architect or professional engineer, in the manner required by Section 514A-12 of the Act, that said Condominium Map, as so amended, is an accurate copy of portions of the plans of the subdivided or resubdivided apartments as filed with and approved by the county officer having jurisdiction over the issuance of permits for the completion of buildings;

(3) Any such subdivision or resubdivision shall comply in all respects with all applicable governmental codes, statutes, ordinances and rules and regulations;

(4) In the instance where an apartment owner is seeking resubdivision of an apartment, such resubdivision shall be done under terms and conditions and in accordance with plans and specifications satisfactory to the Board of Directors and only with Board approval of the same, which approval shall not be unreasonably withheld;

(5) In the instance where an apartment owner is seeking resubdivision of an apartment, such resubdivision shall be done only with the prior written approval of the holders of liens affecting the apartments being resubdivided (if the lienholders require such approval);

(6) Any construction activity involved in effecting any such subdivision or resubdivision of apartments shall be at the Declarant's or the apartment owner's sole expense, and shall be completed within six (6) months of commencement thereof, subject to delays beyond the control of Developer or said apartment owner, or their contractors, in which case any such construction activity shall be completed in the exercise of due diligence and the time for completion shall be extended only for a period equal to the delay caused by such matters beyond the control of Developer or the apartment owner;

(7) In the instance where an apartment owner is seeking resubdivision of an apartment, during the entire period of any such construction, apartment owner will cause to be maintained at his expense builder's all-risk insurance in an amount not less than the estimated cost of construction. The Association shall be named as an additional insured and evidence of such insurance shall be deposited with the Managing Agent; and

(8) In the instance where an apartment owner is seeking resubdivision of an apartment, prior to the commencement of any such construction, and as a condition thereto, apartment owner shall deposit with the Association satisfactory evidence of a payment and performance bond or any irrevocable letter of credit issued by a bank authorized to do business in the State of Hawaii guaranteeing performance of such construction free and clear of all mechanic's and materialmen's liens and liens arising under Section 514A-16 of the Hawaii Revised Statutes, naming the Lessor, the apartment owners collectively and their respective mortgagees, as their interests may appear as co-obligees, in an amount not less than 100% of the cost of any such construction as estimated by the apartment owner's general contractor or other person or persons able to render an accurate estimate.

The Developer expressly reserves the right to amend the aforesaid Declaration and Condominium Map to effect any subdivision of apartments at any time or times prior to the conveyance of all of the apartments on the floor or floors on which such apartments to be subdivided are located, and Declarant may, without being required to obtain the consent or joinder of any apartment owner, lien holder or other persons, execute and file amendments to the Declaration and Condominium Map and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the rights, powers or privileges herein reserved to Declarant. Any such action shall be deemed taken by Declarant as the true and lawful attorney-in-fact of the respective apartment owners.

Any apartment owner seeking a resubdivision of his apartment shall have the right to so amend the aforesaid Declaration and Condominium Map to effect said resubdivision of the apartment, provided that he shall have obtained the written consent of the holders of all liens affecting the apartment being resubdivided and the written approval of the Board of Directors of the Association as to the same; and further provided that said apartment owner, upon gaining the consent of lien holders and the approval of the Board as aforesaid shall not be required to gain the consent or joinder of any apartment owner or other persons to execute and file amendments to the Declaration and Condominium Map and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the rights, powers or privileges herein granted to said apartment owner. Any such action as may be necessary shall be deemed taken by said apartment owner as the true and lawful attorney-in-fact of the respective apartment owners.

Except as provided above with respect to lienholder's consents and Board approval of any resubdivision contemplated by this section, each and every party acquiring an interest in the property, by such acquisition, consents to any such resubdivision of apartments in accordance with the provisions hereinabove stated, and to the amendment or amendments of the Declaration and the Condominium Map to effect the same; agrees to execute such documents and do such other things as may be necessary or convenient to effect the same; and appoints the Developer or the apartment owner in question and their respective assigns as his attorney in fact, with power of substitution, to execute such documents and do such things on his behalf, which grant of such power, being coupled with an interest, is irrevocable and shall not be affected by disability of such party. Each and every person also acknowledges, accepts and agrees that construction activity may occur and/or continue on the property submitted to the Declaration after he has taken occupancy in the property in order that the subdivision or resubdivision of apartments as aforesaid may be effected, and that such activity or activities may result in noise, dust or other annoyances to him, and said persons waive any rights, claims or actions which they may have or acquire against the Developer or the apartment owner in question, their contractors, subcontractors and their other respective agents or employees as a result of such activity or activities.

RIGHTS RESERVED TO THE DEVELOPER WITH RESPECT TO THE CONVERSION OF THE FOURTH FLOOR PARKING LEVEL TO A COMMERCIAL APARTMENT OR COMMERCIAL APARTMENTS. Notwithstanding anything herein

provided to the contrary or from which a contrary intent may be inferred, until such time as the Developer has conveyed a parking apartment on the fourth floor, or until December 31, 1986, whichever is the earlier to occur, Developer reserves the right, without having to gain the consent or approval of the Association, the Board or any apartment owner, to convert the fourth floor parking level or any portion thereof into a commercial apartment or commercial apartments, by constructing walls, floors, ceilings and all other things necessary or appropriate to create said commercial apartment or commercial apartments, provided that the structural integrity of the building is not thereby materially and adversely affected, and provided further that, to the extent applicable, the substance and finish of any common element there remaining is restored to a condition substantially comparable to and compatible with that of the common element prior to such alteration.

Any such conversion of the fourth floor parking level or any portion thereof shall be effective provided that:

(1) Developer shall file or cause to be filed an amendment to the Declaration eliminating the particular parking apartments affected, if any, and creating the commercial apartment or commercial apartments, and setting forth at least:

(i) a description of the newly created commercial apartment or commercial apartments, including a statement if necessary or appropriate, as to what limited common elements are appurtenant thereto;

(ii) the undivided percentage interest appurtenant to the newly created commercial apartment or commercial apartments, the total of which shall consist of the total of the undivided percentage interests of the parking apartments eliminated;

(iii) any easements relevant to the newly created commercial apartment or commercial apartments not already provided for in the Declaration; and

(iv) such other matters as may be required by law to effectuate the creation of the commercial apartment or commercial apartments.

(2) Developer shall file or cause to be filed an amendment to the Condominium Map for the newly created commercial apartment or commercial apartments to show an amended floor plan, as necessary, together with a verified statement of registered architect or professional engineer, in the manner required by Section 514A-12 of the Act, that said Condominium Map, as so amended, is an accurate copy of portions of the plans of the newly created commercial apartment or commercial apartments as filed with and approved by the county officer having jurisdiction over the issuance of permits for the construction of buildings;

(3) Any such creation of a commercial apartment or commercial apartments shall comply in all respects with all

applicable governmental codes, statutes, ordinances and rules and regulations; and

(4) Any construction activity involved in effecting any such creation of a commercial apartment or commercial apartments shall be at the Developer's sole expense, and shall be completed within one (1) year of the commencement thereof, subject to delays beyond the control of Developer or its contractors, in which case any such construction activity shall be completed in the exercise of due diligence and the time for completion shall be extended only for a period equal to the delay caused by such matters beyond the control of Developer.

The Developer expressly reserves the right to amend the aforesaid Declaration and Condominium Map to effect the creation of a commercial apartment or commercial apartments at any time or times prior to the conveyance of a parking apartment on the fourth floor parking level, and Developer may, without being required to obtain the consent or joinder of any apartment owner, lien holder or other persons, execute and file amendments to the Declaration and Condominium Map and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the rights, powers or privileges herein reserved to Developer. Any such action shall be deemed taken by Developer as the true and lawful attorney-in-fact of the respective apartment owners.

Each and every party acquiring an interest in the property, by such acquisition, consents to any such creation of a commercial apartment or commercial apartments in accordance with the provisions hereinabove stated, and to the amendment or amendments of the Declaration and the Condominium Map to effect the same; agrees to execute such documents and do such other things as may be necessary or convenient to effect the same; and appoints the Developer and its assigns as his attorney-in-fact, with power of substitution, to execute such documents and do such other things on his behalf, which grant of such power, being coupled with an interest, is irrevocable and shall not be affected by disability of such party. Each and every person also acknowledges, accepts and agrees that construction activity may occur and/or continue on the property submitted to the Declaration after he has taken occupancy in the property in order that a commercial apartment or commercial apartments may be created as aforesaid, and that such activity or activities may result in noise, dust or other annoyances to him, and said persons waive any rights, claims or actions which they may have or acquire against Developer, its contractors, subcontractors and their respective agents or employees, as a result of such activity or activities.

OWNERSHIP OF TITLE: A Preliminary Title Report issued by Title Guaranty of Hawaii, Incorporated, dated July 25, 1980, reflects that fee simple title to Lot 52-A-1, area 7,718 square feet and 52-B-1, area 12 square feet, as shown on Map 36 filed with Land Court Application No. 852, is held in the names of Wataru Watanabe and Violet Takiko Watanabe, husband and wife, as tenants by the entirety; TCT No. 40,003. Lot 48-A-1, area 6,383 square feet and 50-A-1, area 6,444 square feet as shown on Map 38, filed with Land Court Application No. 852, is held in the names of Orison Oi Sun Pang and Esther Lee Pang, husband and wife, as tenants by the entirety; TCT No. 40,299.

The land is leased by said owners to The Travelodge Corporation, a California corporation, pursuant to that certain unrecorded Lease dated October 14, 1968. A short form of the Lease is dated October 14, 1968 and filed in the Office of the Assistant Registrar of the Land Court as Document No. 457507. Land Court Order No. 34458, filed January 12, 1972, sets forth the change of name of the Travelodge Corporation, to Travelodge International, Inc. By an unrecorded agreement dated October 4, 1978, Travelodge International, Inc. agreed to sell its interest in the lease of the land and the improvements constructed thereon to Continental Properties, Inc., a co-venturer of the International Condoresorts - Pacific Ventures. By an unrecorded agreement dated June 16, 1980, said owners have agreed to sell their fee simple interest in the land to said Continental Properties, Inc.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report issued by Title Guaranty of Hawaii, Incorporated, dated July 25, 1980, states that title to the land is subject to the following encumbrances:

1. As to Lots 52-A-1 and 52-B-1:

A. A Notice of Lis Pendens by and between Continental Properties, Inc., a Hawaii corporation (attorneys Ronald S. Adelman, John R. Dwyer, Jr., Curtis W. Carlsmith, and Anthony H. Yuci), as Plaintiffs, and Travelodge International, Inc., aka The Travelodge Corporation, a California corporation, as Defendant, by instrument dated January 22, 1979, filed in the United States District Court for the District of Hawaii, Civil No. 79-0032 on January 22, 1979; also filed as Land Court Document No. 919714 on January 22, 1979, and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13433 at Page 466, re: to enforce the performance of three certain Hawaii realtor's standard form of Deposit Receipt, Offer and Acceptance forms (DROAs) entered into by and between Plaintiff and Defendant affecting Lots 52-A-1 and 52-B-1, besides other lands, and to have decree issued directing said Defendant to perform on terms of DROAs.

B. A Notice of Lis Pendens by and between Travelodge International, Inc., as Plaintiff, and Island Cable Contractors, Inc. (attorney Charles B. Dwight and Cuyler E. Shaw), as Defendant, by instrument dated March 9, 1979, filed in the United States District Court for the District of Hawaii, Civil No. 78-0444 on March 9, 1979; also filed as Land Court Document No. 927596 on March 15, 1979, re: action for declaratory judgment concerning the terms of an unrecorded Lease between Travelodge International, Inc., aka The Travelodge Corporation, a California corporation, Plaintiff, and Island Cable Contractors, Inc. on said Lots 52-A-1 and 52-B-1. Defendant claims that the Lease is for a term of 25 years and Plaintiff claims the Lease is for a month-to-month tenancy.

C. A Notice of Pendency of Action by and between Continental Properties, Inc., a Hawaii corporation (attorneys John R. Dwyer, Jr. and Louise K. Y. Ing), as Plaintiffs, and Orison Oi Sun Pang, Esther Lee Pang, Wataru Watanabe, Violet Takiko Watanabe, M & Associates, Inc., Frederick D. Muir, Jr., Beverly Player Muir, Blackfield Hawaii Corporation, and Travelodge International, Inc., as Defendants, by instrument

dated March 18, 1980, filed in the Circuit Court of the First Circuit, State of Hawaii, Civil No. 60899 on March 24, 1980; also filed as Land Court Document No. 1003563 on March 25, 1980, and also recorded in Liber 14602 at Page 243, re: suit to seek specific performance of three certain Hawaii realtor's standard form Deposit Receipts, Offer and Acceptance forms (DROAs) by and between Plaintiff, and Travelodge International, Inc. on or about October 3, 1978, affecting Lots 52-A-1 and 52-B-1, besides other land.

2. As to Lots 48-A-1 and 50-A-1: A Grant in favor of the Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, granting easement for utility purposes over and across the within premises, dated May 17, 1948 and filed as Land Court Document No. 103509.

3. As to all Lots (52-A-1, 52-B-1, 48-A-1 and 50-A-1):

A. Terms, agreements, reservations, covenants, conditions and provisions contained in that certain unrecorded Lease dated October 14, 1968 of which a short form Lease is dated October 14, 1968 and filed as Land Court Document No. 457507, as amended.

B. Real Property Mortgage and Security Agreement dated January 12, 1972, by and between Travelodge International, Inc., a California corporation, as Mortgagor, and First Hawaiian Bank, a Hawaii corporation, as Mortgagee, filed as Land Court Document No. 565664.

C. Additional Security Mortgage and Consent to Mortgage dated January 12, 1972, by and between Orison Oi Sun Pang and Esther Lee Pang, husband and wife, and Wataru Watanabe and Violet Takiko Watanabe, husband and wife, as Mortgagor, and First Hawaiian Bank, a Hawaii corporation, as Mortgagee, filed as Land Court Document No. 565665, re: the fee interest of said Mortgagors in land under search was assigned to said Mortgagee, as additional security to secure the payment of that certain Promissory Note dated January 12, 1972.

-NOTE-

1. Land Court Order No. 34458, filed January 12, 1972, sets forth the change of name of The Travelodge Corporation, to Travelodge International, Inc.

2. Parking License Agreement dated March 15, 1978, made by and between Island Cable Contractors, Inc., a Hawaii corporation, as Licensor, and 1910 Partners, a Hawaii partnership, as Licensee, recorded in Liber 12786 at Page 181, re: Licensor shall rent to Licensee forty parking spaces at the Waikiki Pacific Isle Hotel premises for the use of Licensee and its customers in the operation of Licensee's restaurant business at the Canterbury Place. (not noted on Transfer Certificate of Title Nos. 40,003 and 40,299)

PURCHASE MONEY HANDLING: A specimen Condominium Reservation Agreement, Deposit Receipt and Sales Agreement (hereinafter called "Reservation and Sales Agreement") and the Escrow Agreement have been submitted to the Real Estate Commission as part of the registration. The Escrow Agreement dated July 16,

1980 identifies King Escrow Services Corporation as the escrow agent. Upon examination, the specimen Reservation and Sales Agreement and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, and particularly with Section 514A-40, Section 514A-39 and Section 514A-63 through Section 514A-67. The provisions of the Reservation and Sales Agreement and the Escrow Agreement should be carefully read by the purchasers. The specimen Reservation and Sales Agreement filed as part of the registration recites the conditions under which the purchaser acknowledges receipt of the Public Report.

Among other provisions, the Escrow Agreement provides that the purchaser shall be entitled to a refund of his funds only if (a) seller asks Escrow to refund the purchaser's funds or (b) seller notifies Escrow of seller's rescission of the Reservation and Sales Agreement or (c) the conditions provided in Sections 514A-63, 514A-64 or 514A-66 of the Horizontal Property Act (as amended on the date the Reservation and Sales Agreement becomes binding and effective) have been met and written notice thereof has been provided to the seller.

Among other provisions, the specimen Reservation and Sales Agreement provides that:

(1) Reservation and Sales Agreements executed prior to the issuance of a Final Public Report for the project shall constitute a "reservation" and not a "binding contract" for the purchase of an apartment. Accordingly, the reservation may be cancelled and terminated at any time at the option of either party (and purchaser shall receive a refund) until such time as the purchaser and seller execute a confirmation letter agreeing to render the Reservation and Sales Agreement a binding contract. Therefore, the purchaser should be aware that the execution of a Reservation and Sales Agreement prior to the issuance of a Final Public Report does not necessarily mean that the purchaser will be able to purchase the apartment reserved for the price stated or on the other terms stated in the Reservation and Sales Agreement, or on any terms at all.

(2) The purchaser expressly acknowledges and agrees that the project consists of fully constructed and existing buildings (a Certificate of Occupancy having been issued on April 2, 1971), and that the purchaser has been offered an adequate opportunity to examine and approves the plans for the project (as set forth in the Condominium Map) and the actual project and apartment. The purchaser further acknowledges and agrees that the property is being sold by the seller in its present condition, "as is," and that the seller makes no warranties, express or implied, with respect to the apartment, the property, the project or consumer products installed or contained in any of them, including but not limited to warranties of merchantability, habitability, workmanlike construction or fitness for a particular use.

(3) The seller may cancel the Reservation and Sales Agreement and hold the purchaser in default if any material discrepancies are discovered between the financial information furnished by the purchaser and the purchaser's actual financial status. Seller may also cancel if the purchaser's application or eligibility for a mortgage loan is rejected or not given

unqualified approval within sixty (60) days after application or, in the instance where seller is required to offer apartments to prospective owner-occupants pursuant to Section 514A-105 H.R.S., within thirty (30) days after application. If purchaser proposes to pay the purchase price in cash and seller, in its sole discretion, after reviewing the written evidence submitted to it by purchaser, determines that seller is not satisfied as to purchaser's ability to make such cash payments, then seller may cancel the Reservation and Sales Agreement. Seller may also cancel the Reservation and Sales Agreement if the purchaser should die.

(4) The seller's mortgage loan (interim, renewals and extensions, used for acquiring the land and/or the leasehold interest therein, and associated costs) shall be and remain at all times a lien or charge on the project, including the individual apartments prior to and superior to any and all other liens or charges on the project, and purchasers intentionally waive, relinquish and subordinate the priority or superiority of any lien or other legal or equitable interest they may have under the Reservation and Sales Agreement in favor of the lien or charge on the project of the security interest of the lender. The purchasers also consent to the assignment for security of seller's interest in the Reservation and Sales Agreement and purchasers' escrow deposits to lender. The purchasers also irrevocably appoint the Managing Agent to receive and accept service of process on behalf of the purchasers.

(5) The seller makes no representations with respect to the possibility or probability of rental or other income from the apartment or other economical benefits to be derived from the rental of the apartment, including but not limited to, any representations to the effect that seller or the Managing Agent of the project or a third party will provide services relating to the rental or sale of the apartment nor representations as to possible advantages from the rental of the apartment under federal or state tax laws. If purchaser wishes to rent the apartment to third persons, purchaser must make his own arrangements. Purchaser further agrees and acknowledges that in the event that the offer to sell and the purchase of the apartment or the activities of purchaser with respect to the apartment are determined to be or alleged to give rise to any violation of any federal or state securities laws or regulations, and seller may in addition pursue any other remedies and purchaser shall pay the seller's cost and attorneys' fees in connection therewith. In the event that the purchaser or anyone claiming by or through him or his apartment alleges that the offer to sell or the purchase of the apartment gives rise to any violation of federal or state disclosure laws or regulations, the purchaser covenants not to sue for any remedy other than to sue for a refund of the purchase price and actual closing costs plus interest at 8% per annum from the date of closing to the date of repayment. The purchaser agrees to absorb any additional charges incurred with respect to the apartment as the reasonable use value of the apartment. The terms of this paragraph will survive the closing, occupancy, and delivery of the apartment deed to the purchaser.

(6) The purchaser will pay all closing costs, including but not limited to, the escrow fee, conveyance taxes,

all acknowledgment fees, all appraisal fees, all recording costs, charges for purchaser's credit report, costs for drafting of the mortgage and notes, and any assignment thereof, and costs for any title insurance. All applicable mortgage costs shall be paid by purchaser, and purchaser shall pay the nonrefundable start-up fee for commencement of the operations of the project by the Managing Agent and the Association of Apartment Owners. Real property taxes, maintenance costs and other prorations shall be made, and risk of loss shall transfer from seller to purchaser on the scheduled Closing Date as defined in the specimen Reservation Sales Agreement. Purchaser shall execute all documents necessary for closing and deposit with escrow all funds other than proceeds of purchaser's first mortgage loan within ten (10) days after receiving written notice to pre-close. Pre-closing may commence at any time after the effective date of the Reservation and Sales Agreement.

If by December 31, 1981, less than 210 residential apartments have been sold to qualified purchasers, Seller, at its option, may cancel the Sales Agreement upon written notice to purchaser, in which event all sums paid by purchaser shall be refunded, without interest, less escrow cancellation fees and items specified in Section B.2(b) of the Sales Agreement.

Further, if for any reason Seller does not become vested with title to the project and the property which is the subject of the Sales Agreement, on or before the closing date or any extension thereof, Seller, at its option, may cancel the Sales Agreement upon written notice to purchaser, in which event all sums paid by purchaser shall be refunded to purchaser, without interest, less escrow cancellation fee and the items specified in Section B.2(b) of the Sales Agreement.

It is incumbent upon purchasers and prospective purchasers that they read with care the specimen Reservation and Sales Agreement and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of the condominium apartments are placed in trust, as well as the retention and disbursement of funds.

MANAGEMENT AND OPERATION: The proposed By-Laws provide that the operation of the project shall be conducted for the Association of Apartment Owners by a responsible corporate Managing Agent. The Managing Agent shall be appointed by the Association, in accordance with the By-Laws, except that the Managing Agent for the initial period following the date of the organization of the Association of Apartment Owners may be appointed by the Developer without necessity of confirmation by the Association. Hawaiian Certified Property Management, Inc. has been selected as the initial managing agent.

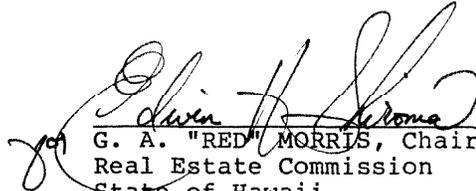
LAND TRUST. In the event title to any apartment and its appurtenant common interest is transferred to a trustee under a land title holding trust under which substantially all powers of management, operation and control of the apartment remain vested in the trust beneficiary or beneficiaries, the trust estate and the beneficiaries thereunder from time to time shall be liable for and shall pay all common expenses and all other charges, costs and expenses assessed against such apartment or the owner thereof pursuant to the Declaration, the By-Laws, the Rules and Regulations (House Rules) or the Horizontal Property

Act. No claim for payment of common expenses or other charges, costs or expenses shall be made against any such trustee personally and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against any such lien or assessment, but the amount thereof shall constitute a lien on the apartment as provided in the Declaration, the By-Laws, and the Horizontal Property Act, notwithstanding any transfer of beneficial interest under such trust.

STATUS OF THE PROJECT: The Developer advises that construction of the project was completed on or about April 2, 1971.

The purchaser or respective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the Notice of Intention submitted on August 14, 1980, and information subsequently filed as of August 25, 1980.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 1340 filed with the Commission's Public Report. The paper stock used in making facsimiles must be yellow.


G. A. "RED" MORRIS, Chairman
Real Estate Commission
State of Hawaii

DISTRIBUTION:

Department of Taxation
Bureau of Conveyances
Planning Department
City and County of Honolulu
Federal Housing Administration
Escrow Agent

Registration No. 1340

September 12, 1980