

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

ON
AIRPORT INDUSTRIAL CENTER
530 & 550 Paiea Street
Honolulu, Hawaii

REGISTRATION NO. 1496 (PARTIAL CONVERSION)

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: February 18, 1983

Expires: March 18, 1984

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 APRIL 23, 1982, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF FEBRUARY 10, 1983. 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. AIRPORT INDUSTRIAL CENTER is a proposed leasehold condominium project consisting of Area I and Area II in which there are: forty-nine (49) industrial condominium units with appurtenant open areas for parking or loading. Area I contains one (1) three-story structure and Area II contains four (4) one-story structures and one (1) proposed one-story structure.

2. The Developer of the Project has submitted to the Real Estate Commission for examination all documents deemed necessary for the registration of the condominium project and issuance of this Preliminary Public Report. The Developer shall be responsible for placing this Preliminary Public Report (yellow paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed copy of the receipt therefor.

3. No advertising and promotional matter has been submitted pursuant to the Rules and Regulations promulgated by the Real Estate 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 yet been recorded in the Bureau of Conveyances 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, as amended, 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, February 18, 1983, unless a Supplementary or Final Public Report is issued or the Real Estate Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: AIRPORT INDUSTRIAL CENTER

LOCATION: 530 & 550 Paiea Street, Honolulu, Island of Oahu, State of Hawaii. The Project is to be located on approximately 844,357 square feet of land bounded by Paiea Street, Koapaka Street, and Rodgers Boulevard.

TAX MAP KEY: 1-1-15-11 for Lot 3761-A
1-1-15-12 for Lot 3761-B
1-1-15-13 for Lot 3761-C

ZONING: I-1

DEVELOPER: AIRPORT INDUSTRIAL PARK ASSOCIATES is a Hawaii limited partnership with its principal place of business and post office address at Suite 2121, 745 Fort Street, Honolulu, Hawaii 96813, Telephone No. (808) 531-4141.

The general partner is Pacific International Center Corporation whose officers are:

William H. Pruyn, President
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Honolulu, Hawaii 96813
Telephone No. (808) 531-4141

Harold Spector, Executive Vice President
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Evelyn K. Funasaki, Secretary
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Robert M. Rankin, Treasurer
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ATTORNEYS REPRESENTING DEVELOPER: Hiroshi Sakai, Attorney At Law, A Law Corporation, and Clifford I. Arinaga, Attorney At Law, A Law Corporation, Suite 602, City Bank Building, 810 Richards Street, Honolulu, Hawaii 96813, Telephone No. (808) 531-4171.

DESCRIPTION OF PROJECT: The Project is divided into two (2) freehold areas as set forth in the Condominium Map, generally described as follows:

1. Area I: Area I is comprised of Building I, an existing building to which substantial additions are being made and certain land areas adjoining said Building I. These land areas serve as loading and parking areas and landscaped areas. Building I in Area I has three (3) levels and a rooftop parking level on all of which there are forty-four (44) Units separately designated as freehold estates, described as follows:

A. First Level. The first level of Building I is the ground level of both the reinforced concrete portion and wooden portion of Building I. The wooden portion of Building I shall hereinafter be referred to as the "Wooden Building." The first level of Building I contains Unit A, Unit B and the first level of and entry to Unit C, stairwells, and an electrical panel in Unit A servicing Units A and B.

Unit A. This Unit is located on the ground or first level of Building I and contains a floor area of approximately 60,621 square feet in Building I and an appurtenant open area of 7,304 square feet, as a limited common element of Unit A, outside of Building I and adjoining the interior floor area, to be used only as a loading area and to be kept and maintained as such an open loading area. The perimeter of such area may be fenced. The height of this Unit from the unfinished surface of the ground level to the unfinished undersurface of the level above (third level) is approximately thirty feet (30') except where the second level intrudes into such space. The height from the unfinished surface of the ground level to the unfinished undersurface of the second level is approximately 15.5 feet. A space approximately four feet (4') from the unfinished undersurface of the levels above is reserved for an easement for the installation and maintenance of water pipes, drainage pipes, sewer pipes and gutters, other utility lines and conduits. There are electrical panels in Unit A servicing Units A and B, and an easement for such purpose is hereby reserved. An access easement to said

space and to the electrical panels for the maintenance and replacement of equipment and other improvements is hereby reserved. Unit A shall have vehicular rights of access to Koapaka and Paiea Streets over Area II.

Unit B. This Unit is located on the ground or first level of Building I and contains a floor area of approximately 72,154 square feet in Building I; an appurtenant open area of 8,272 square feet, as a limited common element of Unit B, outside of Building I and adjoining the interior floor area, to be used as a loading area and to be kept and maintained as such an open loading area; and four (4) appurtenant open areas aggregating 2,020 square feet, as a limited common element of Unit B, outside of Building I and connecting the interior floor area with Koapaka Street, to be used, kept and maintained as an open driveway to Koapaka Street. The perimeter of the loading area may be fenced. The height of this Unit from the unfinished surface of the ground level to the unfinished undersurface of the level above (third level) is approximately thirty feet (30') except where the second level intrudes into such space. The height from the unfinished surface of the ground level to the unfinished undersurface of the second level is approximately 15.5 feet. A space approximately four feet (4') from the unfinished undersurface of the levels above is reserved for an easement for the installation and maintenance of water pipes, drainage pipes and gutters, other utility lines, and conduits. An access easement to said space for the maintenance and replacement of equipment and other improvements is hereby reserved. Unit B shall have a vehicular right of access to Koapaka Street in such manner as are permitted under building codes and ordinances and vehicular rights of access to Koapaka and Paiea Streets over Area II.

Unit C. This Unit consists of two (2) levels, of which the entire first level and approximately one-half of the second level are contained in the Wooden Building. The remainder of the second level is constructed of steel frame/concrete masonry and intrudes into a portion of the air space of Units A and B, as more particularly shown on the Condominium Map.

The first level of Unit C contains an area of approximately 19,170 square feet. The second level of Unit C contains an area of approximately 43,799 square feet.

Appurtenant to Unit C as limited common elements are an open loading dock of approximately 1,794 square feet and an open driveway to Koapaka Street of approximately 311 square feet.

The Developer reserves the right to demolish and remove in whole or in part the Wooden Building housing Unit C (and by doing so decrease or eliminate the ownership interest of the owner of Unit C and easements therein), provided that in such event the

Developer at its cost and expense shall enclose the opening in the wall of the reinforced concrete building created by such demolition and have such closure built to the standard of a fire rated wall according to the then building codes; and further, in the event the portion of the second level of Unit C intruding into the air spaces of Unit A and Unit B is left intact and not demolished, then and in that event, said portion left intact shall continue to be designated as Unit C, and the Developer shall provide access from the exterior of Building I to said reconstituted Unit C. The land area remaining thereafter under the demolished Wooden Building and other areas such as the loading dock area, the landscaped area and entry area adjacent thereto shall revert to Area II after which the rent for Unit C and the affected Unit in Area II gaining said space shall be adjusted to account for the decrease or increase in area and the common interest for Area I and Area II shall be similarly adjusted, provided, however, that the total rent that the Lessor would be entitled to shall not be less than the rent the Lessor is entitled to under Master Lease dated April 14, 1981, filed as Land Court Document No. 1063148, noted on Transfer Certificate of Title No. 89,704.

The floor area of Unit A and Unit B shall be measured from the interior unfinished surface of the Unit's perimeter walls.

The floor area of Unit C shall be measured from the interior unfinished surface of the Unit's perimeter walls.

B. Second Level. The second level of Building I is comprised of the second level of the Wooden Building and a steel and concrete extension thereof extending into the air spaces of Unit A and Unit B. This extension uses a certain volume of air space in Unit A and Unit B, and to the extent of such utilization reduces the volume of air space in Unit A and in Unit B. The second level has access to an interior stairwell leading to the the rooftop parking level.

C. Third Level. The third level of Building I consists of forty (40) Units, loading and parking areas and driveways, restrooms, access to elevators, and a manager's office.

Units D-1 through D-40, inclusive are all located on the third level of Building I, and each Unit shall consist of an enclosed loft space and an appurtenant open area to provide vehicular parking or loading space for each Unit as indicated on the Condominium Map. The height of the loft space from the unfinished surface of the level to the unfinished underside of the floor above is approximately nineteen feet (19'). A vertical space approximately eighteen inches (18") from the unfinished surface of the rear walls and a horizontal space approximately thirty inches (30") beneath the unfinished undersurface of the

floor above each Unit on the third level of Building I are reserved for an easement for the installation and maintenance of water pipes, drainage pipes, sewer pipes, ventilation system, fire sprinkler system, gutters and other utility lines and conduits. An access easement to said spaces for the maintenance and replacement of equipment and other improvements is hereby reserved.

Each Unit's location and boundary is as shown on the Condominium Map, and, whenever any wall is constructed between Units, it shall be so designed and constructed that one-half ($\frac{1}{2}$) of the wall will encroach each Unit area. As a limited common element, the appurtenant open vehicular loading and parking area of each Unit on this level shall remain open and unobstructed, and no buildings or improvements of any kind shall be built or placed in or over such area or on the border thereof. Such area may be striped or identified on the surface in order for such area to be useful to each Unit owner, but such activity shall be subject to such regulation by the Association for the purpose of maintaining a uniform appearance.

Unit D-1 shall have an approximate enclosed loft space of 963 square feet. Unit D-1 is the only Unit on this level that has no appurtenant open vehicular loading and parking area for its exclusive use. It is designated as the manager's Unit and shall have no common interest assigned to it. The Developer, so long as it owns any interest in Area II, shall have the right to demolish this Unit as may be required in any way for the purpose of providing either a pedestrian or vehicular way from the third level of Building I to any other portion of either Area I or Area II.

Units D-2 through D-4, inclusive, Units D-7 through D-11, inclusive, Units D-30 through D-33, inclusive, and Units D-36 through D-40, inclusive (17 Units) shall each have an approximate enclosed loft space of 1,507 square feet and an appurtenant open vehicular loading and parking area for the exclusive use of each Unit of approximately 719 square feet each for an approximate total floor area of (including the limited common element) 2,226 square feet each.

Units D-5, D-6, D-34 and D-35 (4 Units) shall each have an approximate enclosed loft space of 1,543 square feet and an appurtenant open vehicular loading and parking area for the exclusive use of each Unit of approximately 736 square feet each for an approximate total floor area (including the limited common element) of 2,279 square feet each.

Units D-12, D-20, D-21 and D-29 (4 Units) shall each have an approximate enclosed loft space of 2,856 square feet and an appurtenant open vehicular loading and parking area for the exclusive use of each Unit of approximately 850 square feet each for an

approximate total floor area (including the limited common element) of 3,706 square feet each.

Units D-13, D-14, D-17, D-18, D-19, D-22, D-23, D-26, D-27 and D-28 (10 Units) shall each have an approximate enclosed loft space of 2,329 square feet and an appurtenant open vehicular loading and parking area for the exclusive use of each Unit of approximately 719 square feet each for an approximate total floor area (including the limited common element) of 3,046 square feet each.

Units D-15 and D-24 (2 Units) shall each have an approximate enclosed loft space of 2,386 square feet and an appurtenant open vehicular loading and parking area for the exclusive use of each Unit of approximately 736 square feet each for an approximate total floor area of (including the limited common element) 3,122 square feet each.

Units D-16 and D-25 (2 Units) shall each have an approximate enclosed loft space (non-mezzanine surface area only) of 1,694 square feet and an approximate enclosed loft space (mezzanine floor only) of 658 square feet and an appurtenant open vehicular loading and parking area for the exclusive use of each Unit of approximately 484 square feet each for an approximate total floor area (including limited common element) of 2,836 square feet each.

Although the walls abutting the area of the appurtenant open vehicular loading and parking area is included as a part of all of the Units on the third floor, the type of finish, color and material used on said walls shall be regulated by the Association in order to maintain an acceptable external appearance.

The floor area of Units D-1 through D-40 inclusive shall be measured from each Unit's interior unfinished surface of the Unit's installed or uninstalled perimeter walls, although the centerline between Units (whether walls are constructed between Units or not), and to the outer finished surface of walls abutting the limited common elements serving as open loading and parking areas for each Unit shall determine ownership interest.

Each of the Units above (Units A, B, C, and D-1 through D-40 inclusive) shall include the space within its boundaries as indicated on the Condominium Map and shall be deemed to include all of the nonload-bearing walls and partitions within its perimeter walls and the inner decorated or finished surfaces of all walls and floors within its perimeter walls as indicated on the Condominium Map; provided, however, as to Units on the third level, the dividing wall between Units shall be a party wall where one-half ($\frac{1}{2}$) of said wall is encroaching each Unit abutting said wall and the finished surface of said wall facing each respective Unit shall be included in each respective Unit and the exterior wall and finished surface of the

perimeter wall abutting the open vehicular loading and parking area of each Unit shall be included in each Unit. Notwithstanding the inclusion of this wall within the limit of each Unit on the third level, an easement for support and utility lines in or on said wall shall remain for the benefit of all Unit Owners in Building I.

D. Rooftop Parking Level. The rooftop of Building I is an uncovered parking area for approximately five hundred (500) parking stalls, driveways, ventilation skylights and exhausts, elevators and stairwells.

Unit E. This Unit is that part of the fourth level providing approximately 147,702 square feet of open parking space and driveways as shown on the Condominium Map. That part of the overhang of the fourth level, being that portion extending beyond the vertical plane of the exterior surface of the reinforced concrete/masonry portion of Building I, presently encroaching into the air space of other Units, are permitted easements in the air space of such Units which, however, are subject to elimination by only the owner or owners of Units in Area II affected by the overhang, at no cost and expense to the owner or owners of Units in Area II except for such costs and expenses incurred in removing such encroachment.

Appurtenant to Unit E and as a limited common element thereof is a parking area, on the ground level of approximately 15,528 square feet as shown on the Condominium Map. There is reserved unto the owner of Unit E, over said parking area, the right to construct improvements and/or structures of any type and for any use as may be permitted under the zoning and building codes so long as such structures or improvements are built at least eight feet (8') off the ground. Included in this reservation is the right to build on the parking area on the ground level set aside for the benefit of Unit E in Area I such reasonable foundations for the support of the improvements and/or structures that are placed in the air space reserved herein.

There is reserved unto the Developer and/or the owner of Unit E air rights over other Units in the Project which can be utilized for the construction of vehicular and pedestrian ways connecting Unit E to any new building or buildings constructed in Area II. This reservation of right includes the right to build such foundations or structural additions over or on Units in either Area I or Area II so as to assure the structural soundness of such vehicular and/or pedestrian ways. Any such foundations or structural additions shall be located and built where they shall create the least possible functional inconvenience to Units burdened by these easements.

The floor area of Unit E shall be measured from the interior unfinished surface of the Unit's perimeter walls and subtracting therefrom the area taken by ventilating skylights, exhaust fans, if any, vent lines, if any, elevator equipment and other

equipment serving more than Unit E, elevator shafts, and stairwells.

Included in Unit E is the finished floor surface above the water proofing membrane, the interior finish of perimeter walls and a cube of air space from the finished floor surface to a height of twenty feet (20').

2. Area II. There are five (5) Units in Area II, each of which is a separately designated freehold estate shown on said Condominium Map. The existing building and/or structure (or building and/or structure to be built) in the land area circumscribing each such building and/or structure shall constitute the Unit, and the land area circumscribing such Unit shall be a limited common element appurtenant to such Unit. All ducts, pumps, pipes, conduits, wires and other utility lines running through each Unit which do not serve or are not utilized by any other Unit, excepting easements shown on the Condominium Map or described in the Preliminary Report dated February 7, 1983, of Title Guaranty of Hawaii, Incorporated available for review at the office of the Real Estate Commission, are also included in a Unit.

All Units in Area II, except for Unit 1, are presently existing buildings or structures. Unit 1 is a building to be constructed. Although the floor area of the Units are detailed either herein or on the Condominium Map, inasmuch as the value of buildings and structures relative to the value of the land area circumscribing said Units is significantly low, for purposes of computation of the common interest and other area computation or area attribution to said Units the land area circumscribing each Unit, including the land under each Unit, shall be used.

A. Unit 1. Unit 1 is situated on a land area of approximately 373,118 square feet, which land area is presently used for surface vehicular parking and storage. The Developer shall erect a warehouse and equipment repair and maintenance structure of approximately 7,200 square feet floor area at the location indicated on the site plan for the Project, Sheet Number A-1, dated December 9, 1982. The structure will have steel trusses and columns and will be provided with metal sidings, metal roofing as well as a concrete floor. The structure will also contain toilet facilities. This structure is hereby designated to be Unit 1. The land area, both under Unit 1 and surrounding Unit 1, as shown on said Condominium Map, is hereby designated to be a limited common element appurtenant to Unit 1. Said limited common element is subject to vehicular, pedestrian and utility easements benefitting the Project.

B. Unit 2. Unit 2 is situated on a land area of approximately 14,400 square feet, which land area is presently occupied by a building of approximately 14,400 square feet utilized as a garage and as offices. Said building is at a location with almost identical boundaries as the land area circumscribing said Unit 2. Unit 2 is the building constructed of open steel frame with metal roofing and hollow tile walls. The floor is of asphaltic concrete. The land area, both under Unit 2 and surrounding Unit 2 as shown on said Condominium Map, is hereby designated to be a limited common element appurtenant to Unit 2. Unit 2 is surrounded by the land area circumscribing Unit 3, and Unit 2 has

easements for ingress and egress for vehicles and pedestrians over the land areas circumscribing Unit 3 and Unit 1 to Paiea Street and Koapaka Street as well as utility easements over, under and through said land areas circumscribing Unit 1 and Unit 3.

C. Unit 3. Unit 3 is situated on a land area of approximately 178,823 square feet. Presently located on the land area at the location indicated on the site plan for the Project, Sheet Number A-1, dated December 9, 1982, is a warehouse structure containing approximately 60,000 square feet of floor area. This structure is hereby designated to be Unit 3. The land area circumscribing Unit 3, as shown on said Condominium Map, is hereby designated to be a limited common element appurtenant to Unit 3. Said limited common element is subject to vehicular, pedestrian and utility easements benefitting the Project as well as an easement of support for the vehicular ramp leading unto the third floor Units and rooftop parking floor of Building I in Area I. Unit 3 is made of steel beams, metal sidings and asphaltic concrete floor. Unit 3 has an easement for ingress and egress to Koapaka Street for vehicles and pedestrians over the land area circumscribing Unit I.

D. Unit 4. Unit 4 is situated on a land area of approximately 5,200 square feet which land area is presently occupied by a building of approximately 5,200 square feet utilized as a garage and as offices. Said building is at a location having almost identical boundaries as the land area circumscribing said Unit 4. Unit 4 is the building constructed of steel frame with metal roofing and hollow tile walls. The land area, both under and surrounding Unit 4, as shown on the Condominium Map, is hereby designated to be a limited common element appurtenant to Unit 4. Unit 4 is surrounded by the land area circumscribing Unit 3, and Unit 4 has easements for ingress and egress for vehicles and pedestrians over the land areas circumscribing Unit 3 and Unit 1 to Paiea Street and Koapaka Street as well as utility easements over, under and through said land areas circumscribing Unit 1 and Unit 3.

E. Unit 5. Unit 5 is situated on a land area of approximately 64,222 square feet. Presently located on the land area at the location indicated on the site plan for the Project, Sheet Number A-1, dated December 9, 1982, is a building constructed of concrete block walls, reinforced concrete ceiling above which is a metal roof mounted on a metal frame. This building is 10' x 10' x 10' high mounted on a 10' x 32' concrete slab. That portion of the concrete ground slab not covered by the building is enclosed by chain link fencing. This structure is hereby designated to be Unit 5. The land area circumscribing Unit 5, as shown on the Condominium Map, is hereby designated to be a limited common element appurtenant to Unit 5. Said limited common element is subject to vehicular, pedestrian and utility easements, including an easement for the placement of electrical equipment, access thereto for their repair and maintenance, all of the above easements being for the benefit of the Project. The structure and open and closed areas within the chain link fencing contain an electrical transformer and primary circuit breakers servicing the Project.

Units 1 through 5 are without warranties of any kind whatsoever.

The Developer, so long as it is the owner of all of the Units in Area II, reserves the right to maintain or demolish all existing buildings and structures in Area II, subject, however, to rights of beneficiaries of easements (which rights can be satisfied by relocation or substitution), and to develop and construct new buildings, structures and/or improvements of any type and for any use as may be permitted under the zoning and building codes, including the right to consolidate Units, subdivide Area II and Units in Area II, to fractionalize interest in Area II, to expand or decrease the open areas (land areas circumscribing Units) hereinabove designated to be limited common elements, and, in general to develop Area II in any way permissible under the zoning and building codes and to convey interests in Units created through such development.

3. Summary. The Unit number, the approximate floor area and the level on which the Unit is located is described in Exhibit "A" attached hereto and incorporated herein by reference.

COMMON ELEMENTS. The common elements for the Project is the land and the limited common elements described below:

1. Limited common elements and expenses for Area I. The limited common elements for Area I and Building I include the following:

A. The land described in the Condominium Map as Area I.

B. The Building I exterior walls, the perimeter walls of all Units (except for the walls abutting the vehicular and parking areas of Units on the third level of Building I), the structural elements, floors, foundations, columns, girders, beams, supports, bearing walls, the roof, stairs, entrances, exits, elevators, vehicular ramp, landscaping and sprinkler system, and perimeter exterior lighting.

C. All ducts, electrical equipment, telephone, wiring, water and sewer pipes, fire sprinklers, and other central and appurtenant installations.

D. The land beneath the Wooden Building and other areas adjacent to Unit C such as the loading dock and the landscaped and entry area shall be a limited common element only during the existence of said Wooden Building; upon the removal of said Wooden Building, said land shall revert to Area II.

E. All pipes, wires, drains, conduits, or other utility lines running through a Unit which are utilized for or serve more than one Unit and all structural parts of Building I necessary for the support and the structural integrity of Building I are deemed limited common elements unless otherwise indicated, in which event an easement shall be reserved for all Unit owners for the purposes that such pipes, wires, drains, conduits, or other utility lines or structural parts serve in preserving the utility of each Unit and the utility of Building I and the support and structural integrity of Building I.

F. Expenses common to Area I. These expenses are: all exterior painting except for the painting of the walls on the third level abutting the vehicular loading and parking areas; painting of stairways; water and sewerage charges; property management; water proofing of all floors and exterior walls; maintenance and utilities for the manager's office.

2. Expenses limited and allocable by levels in Building I. Certain expenses are allocable exclusively to certain Units only or certain Units or all Units on certain levels in Building I, Area I, and these are as set forth below:

A. Unit A.

1. Electricity (separately metered)
2. Loading Dock and loading area
3. Repair and maintenance of canopy overhangs
4. Refuse collection
5. Exhaust system and electricity for its operation

B. Unit B.

1. Electricity (separately metered)
2. Loading area
3. Repair and maintenance of canopy overhangs
4. Refuse collection
5. Exhaust system and electricity for its operation

C. Unit C.

1. Air Conditioning (separately metered)
2. Maintenance of concrete walkway
3. Electricity
4. Loading Dock maintenance
5. Refuse collection
6. Conveyer lift to 2nd level
7. Window cleaning
8. Repair and maintenance of roof over Unit C

D. Third Level.

1. Electricity (check metered)

2. Air Cooling system
3. Janitorial
4. Refuse collection
5. Air Supply and exhaust system
6. Public toilets on 3rd level
7. Internal lighting (in common passageways)
8. Painting of walls abutting the vehicular loading and parking areas
9. Window cleaning
10. Maintenance and repair of driveways and parking areas on third level, including the resurfacing and waterproofing thereof

E. Rooftop Level.

1. Electricity (separately metered)
2. Refuse collection
3. Painting, striping
4. Maintenance and repair of rooftop level including the resurfacing and waterproofing thereof
5. Lighting fixtures
6. Parking rental collection and control and security of rooftop level
7. Repair and maintenance of canopy overhang (over limited common element on ground level)

3. Limited common elements and expenses for Area II. The limited common elements for Area II include the following:

A. The land described in the Condominium Map as Area II.

B. All ducts, electrical equipment, telephone, wiring, water and sewer pipes, and other central and appurtenant installations. All pipes, wires, drains, conduits, or other utility lines running through a Unit which are utilized for or serve more than one Unit.

C. Expenses: Lighting and security for Area II and the repair and maintenance of vehicular and pedestrian easements of ingress and egress, water and sewerage charges, and property management expenses.

INTEREST TO BE CONVEYED TO PURCHASER. The common interest for Area I shall total 28.438%, the individual Unit allocation being

more particularly described in Exhibit "B" next to the Unit number and area in square feet of the Unit.

The common interest for Area II shall total 71.562%, the individual Unit allocation being more particularly described in Exhibit "B" next to the Unit number and area in square feet of the Unit.

The common interest appurtenant to each Unit shall be the basis for determining its proportionate share in all common profits and expenses of the Project and for all other purposes, including voting, that the owner of each Unit shall be entitled to when such profits, expenses, voting and other purposes appertain to the entire Project; but where such purposes appertain to one Area only, the ratio of a Unit's percentage share in the common interest in said Area to the total percentage common interests for said Area shall be the basis for determining its proportionate share in the common profits and expenses of said Area and for all other purposes including voting, in said Area.

EASEMENTS. The proposed Declaration of Horizontal Property Regime provides that the units the common elements and limited common elements shall have and be subject to certain easements, including but not limited to the following which the Purchaser should note:

1. Easement appurtenant to Building I. There is a vehicular easement appurtenant to Building I, Area I, consisting of a vehicular ramp to the third floor and the rooftop of Building I. This easement burdens the air space and grounds of Area II.
2. Vehicular and pedestrian access to Building I and Area I. The owners of Units in Building I, Area I, shall have a perpetual vehicular and pedestrian access over the driveways in Area II in order to gain access to the public streets and into the entrances and exits of Building I.
3. Modification and realignment of vehicular and pedestrian access. The owners of Units in Area II shall have at all times in their sole discretion the right to modify, realign or amend the vehicular and pedestrian access as shown on the Condominium Map for Area II, provided that in any revised plan a vehicular and pedestrian access is always provided for the owners of Units in Building I, Area I.
4. Building I Easements. Each Unit in Building I shall have appurtenant thereto and be subject to nonexclusive easements in the limited common elements and the common elements designed for the purpose of ingress to or egress from, utility service for and support, maintenance and repair of each Unit, and in the other common elements and limited common elements for use according to their respective purposes. If any part of the common elements or limited common elements encroaches upon any Unit or if any Unit encroaches upon a common element or a limited common element, a valid easement for such encroachment and the maintenance thereof so long as it continues shall and does exist. In the event any portion of any Unit shall be partially or totally destroyed and then rebuilt, minor encroachments on parts of the common elements or limited common elements due to such construction shall be permitted. The Association shall have the right, to be exercised

by its Board of Directors, its Subboards, or the Managing Agent, to enter each Unit from time to time during reasonable hours as may be necessary for the safety and operation of the Project or for making emergency repairs therein necessary to prevent damage to any Unit or common element or limited common element. All common and limited common elements shall be subject to such easements as shall be required for access by persons over, across and through such elements.

5. Easements in Area II. The owners of Units in Area II shall have at all times in their sole discretion the right to create, modify, amend and eliminate any and all easements in Area II subject to the provisions of Paragraphs 1 and 2 above.

6. Easements for sale, rental and management purposes in both Areas. The Developer and its sales agents shall have the right to use in their sole discretion from time to time any Unit that they own as models, management and/or sales office and conduct sales, leasing, rental, management and/or parking operations within the Project and to place and maintain such advertising signs in any location of the Project which it deems necessary to conduct its business so long as the signs comply with governmental ordinances.

ALTERATION AND TRANSFER OF INTEREST.

1. Alteration of interests in Units in Building I. The common interest and easements appurtenant to each Unit can be altered, subdivided and/or combined by the Unit owner where a Unit is combined with other Units. Where an owner has acquired a number of Units, said owner can from time to time subdivide or recast a Unit into its original designation.

2. Alteration and transfer of Units in Area II. The Developer can change the existing Units in Area II and redesignate the Units, the common interests and easements appurtenant to the Units and also provide for the subsequent transfer, modification, amendment, consolidation, subdivision and/or cancellation of Units in Area II.

3. Partition. The common elements in Area I shall remain undivided and no right shall exist to partition or divide any part thereof except as provided in the Declaration.

4. Unused densities. The unused densities and other development rights inhering in Area I shall, upon the completion of construction of improvements in Area I, be transferred automatically to Area II to the extent that such transfer is permissible under the zoning and building codes and ordinance applicable when Area II is submitted to development. To the extent that any joinder of Unit owners of Area I is required to effectuate the above, there is reserved unto the Developer and the owner or owners of Area II an irrevocable power of attorney, coupled with an interest, to act on behalf of Unit owners of Area I, for the purpose of effectuating the above and to execute, acknowledge and deliver such further instruments as may from time to time be required in order to accomplish the purposes set forth herein.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE:

1. Area I. The Units in Building I are intended and shall be used for commercial and warehouse purposes and for parking. They

may be rented, leased or otherwise transferred by the owners thereof. Such uses, however, are subject to such limitations and restrictions set forth in Exhibit "C" attached hereto and incorporated herein by reference.

2. Area II. The use of Area II shall be such uses as are permitted under the zoning and building codes and may be subject to limitations and restrictions as to use that all of the owners of Units in Area II may impose.

OWNERSHIP OF TITLE: The Preliminary Title Report prepared by Title Guaranty of Hawaii, Incorporated, dated February 7, 1983, shows that the leasehold interest is vested in AIRPORT INDUSTRIAL PARK ASSOCIATES, a limited partnership, and that the fee simple title is vested in LOYALTY INVESTMENTS, a limited partnership.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report dated February 7, 1983, indicates that the following are encumbrances against title to the property:

1. Real Property Taxes have been fully paid up to and including August 20, 1982.

<u>Tax Key:</u> 1-1-15-11	<u>Area:</u> 305,712 square feet - covers Lot 3761-A
1-1-15-12	<u>Area:</u> 343,360 square feet - covers Lot 3761-B
1-1-15-13	<u>Area:</u> 195,285 square feet - covers Lot 3761-C

2. A 20-foot building setback line over and across Lots 3761-A and 3761-B, as shown on Maps 250 and 601, filed with Land Court Application No. 1074.

3. A building setback line over and across Lots 3761-B and 3761-C, as shown on Maps 250 and 601, filed with Land Court Application No. 1074.

4. Restriction of access rights over and across Lot 3761-A, as shown on Maps 599 and 601, as set forth by Land Court Order No. 53781, filed July 17, 1979.

Abutter's rights of access into and from Interstate Highway over and across the common boundary between Lots 3760 and 3761-A, in favor of the State of Hawaii, dated May 22, 1978, filed as Land Court Document No. 974538.

5. Easement "260" (15 feet wide) for sewer purposes, over and across Lots 3761-A and 3761-C, as shown on Maps 250 and 601, as set forth by Land Court Order No. 20794, filed December 28, 1962.

Said Easement was granted to the City and County of Honolulu, dated May 4, 1969, filed as Document No. 510963; Consent thereto given by Lewers & Cooke, Inc., a Hawaii corporation, by instrument dated June 6, 1970, filed as Document No. 510965.

6. Easement "443" (10 feet wide) for sewer purposes, over Lot 3761-C, as shown on Maps 298 and 601, as set forth by Land Court Order No. 23472, filed November 19, 1964.

7. Easement "530" (10 feet wide) for drainage purposes, over and across Lots 3761-B and 3761-C,

Easement "531" (10 feet wide) for drainage purposes, over and across Lots 3761-B and 3761-C,

Easement "532" for electrical purposes, over and across Lot 3761-B, and

Easement "533" for electrical purposes, over and across Lot 3761-A,

as shown on Maps 320 and 601, as set forth by Land Court Order No. 24997, filed December 7, 1965.

Said Easements "532" and "533" were granted to the Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, dated May 26, 1966, filed as Document No. 401466, for utility purposes.

8. Easement "581" (10 feet wide) for sewer purposes, over Lot 3761-A, as shown on Maps 362 and 601, as set forth by Land Court Order No. 26347, filed October 26, 1966.

9. -AS TO LOTS 3761-B AND 3761-C:- Grant in favor of Hawaiian Electric Company, Inc., dated August 16, 1966, filed as Document No. 403233; granting easement for utility purposes; Joinder by Lewers & Cooke Merchandise Corporation, dated August 16, 1966, filed as Document No. 403235.

10. Easement "908" (6 feet wide, 630 square feet) for sewer purposes, over Lot 3761-C, as shown on Maps 561 and 601, as set forth by Land Court Order No. 48029, filed August 25, 1977.

Amended Final Order of Condemnation, filed in Civil No. 49010, dated October 27, 1978, filed in the Circuit Court, First Circuit, State of Hawaii, on October 25, 1977, filed as Document No. 909388; re: Easement "908" was condemned for the construction, preservation and protection of a public way.

11. Easement "989" for access purposes, over Lot 3761-B, and Easement "990" for drainage purposes, over Lot 3761-C, as shown on Map 601, as set forth by Land Court Order No. 54350, filed September 13, 1979.

12. Easement "991" (10 feet wide, 3710 square feet) for drainage purposes, over and across Lot 3761-C, as shown on Map 607, as set forth by Land Court Order No. 54999, filed November 15, 1979.

13. MORTGAGE

MORTGAGOR: KAN JUNG LUKE, husband of Beatrice Lum Luke, and LILLIAN TOM LOO, unmarried, general partners of LOYALTY INVESTMENTS, a Hawaii registered limited partnership

MORTGAGEE: NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY, a Massachusetts corporation

DATED: December 13, 1979, effective as of December 17, 1979

FILED: Land Court Document No. 986177

AMOUNT: \$9,000,000.00 on the fee simple interest in and to said Lots 3761-A, 3761-B and 3761-C, besides other land

BY COLLATERAL ASSIGNMENT OF LEASE OR LEASES dated April 14, 1981, filed as Document No. 1063150, KAN JUNG LUKE, husband of Beatrice Lum Luke and LILLIAN TOM LOO, unmarried, general partners of Loyalty Investments, a Hawaii registered limited partnership, assign to NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY, A Massachusetts corporation, the entire lessor's interest in and to Lease referred to below, together with all rents, income and profits arising from said Lease, besides other leases, as security for the repayment of said above Mortgage.

14. Terms, agreements, reservations, covenants, conditions and provisions contained in Lease dated April 14, 1981, effective as of January 1, 1981, between Kan Jung Luke, husband of Beatrice Lum Luke, and Lillian Tom Loo, unmarried, general partners of Loyalty Investments, a Hawaii registered limited partnership, filed as Land Court Document No. 1063148.

15. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT dated June 16, 1981, filed as Land Court Document No. 1071821, made by AIRPORT INDUSTRIAL PARK ASSOCIATES, a duly registered Hawaii limited partnership, to HONOLULU FEDERAL SAVINGS AND LOAN ASSOCIATION, a Federal savings and loan association, to secure the repayment of the sum of \$9,500,000.00.

LESSOR'S CONSENT TO MORTGAGE; AGREEMENT; AND ESTOPPEL CERTIFICATE dated June 17, 1981, filed as Document No. 1072822, by Kan Jung Luke, husband of Beatrice Lum Luke, and Lillian Tom Loo, unmarried, General Partners of Loyalty Investments, a Hawaii registered limited partnership.

CONSENT AND NONDISTURBANCE AGREEMENT dated June 8, 1981, filed as Document No. 1072823, by New England Mutual Life Insurance Company.

PURCHASE MONEY HANDLING: A specimen Deposit, Receipt and Sales Contract and a copy of the Escrow Agreement duly executed and dated March 23, 1982, between Airport Industrial Park Associates, as Developer, and Title Guaranty Escrow Services, Inc., as Escrow, have been filed with the Real Estate Commission. On examination, the specimen Deposit, Receipt and Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended. The provision of the Deposit, Receipt and Sales Contract and the Escrow Agreement should be carefully read by the purchaser. The specimen Deposit, Receipt and Sales Contract filed as part of this 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 return of his funds and

Escrow shall pay such funds to such purchaser, without interest, if any one of the following has occurred:

1. Developer and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held by Escrow; or
2. Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescision provided therein or otherwise available to Developer; or
3. With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, there shall have been a change in the building plans subsequent to the execution of purchaser's sales contract, requiring approval of a county officer having jurisdiction over the issuance of building permits, unless such change is specifically authorized in the Declaration of Horizontal Property Regime or by the terms of the sales contract or unless a purchaser's written approval or acceptance of the specific change is obtained or ninety (90) days have elapsed since the purchaser has accepted in writing the unit or the purchaser has first occupied the unit; or
4. The Final Report differs in a material respect from the Preliminary Report, and the purchaser's written approval of such change shall not have been obtained; or
5. The Final Report shall not have been issued within one (1) year from the date of issuance of the Preliminary Report and the purchaser has not waived or has not been deemed to have waived his right to a refund.

In any of the foregoing events, Escrow shall, upon the occurrence of the event described in 1 or 2 above or upon receipt of a written request for a refund from purchaser upon the occurrence of an event described in 3, 4 or 5 above, unless the purchaser has waived or has been deemed to have waived the right to a refund, pay said funds to said purchaser (less a cancellation fee of Escrow of not less than \$25.00 per unit or a cancellation fee commensurate with the work done by Escrow prior to such cancellation, whichever fee is greater) and thereupon said sales contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer and shall be deemed no longer held hereunder; provided, however, that no refund shall be made to a purchaser at purchaser's request prior to receipt by Developer of written notice from Escrow of its intent to make such refund.

Among other provisions, the specimen Deposit, Receipt and Sales Contract provides that:

1. Purchaser acknowledges that neither Developer nor any of its representatives has made any representation or reference as to rental of the unit, income from the unit or any other economic benefit to be derived from

the rental of the unit, including, but not limited to, any reference or representation to the effect that Developer or the Managing Agent or the Project will provide, directly or indirectly, any services relating to the rental or other disposition of the units and the providing of management services for the unit is the responsibility of the Purchaser. Purchaser agrees for the sole benefit of Developer that until Developer has closed out the sale of all the units in the condominium project that Purchaser will not enter into any "rental pool" or similar agreement with any purchaser, lessee or owner of another unit in the condominium project and/or any third party under which Purchaser agrees to share expenses and/or any rentals of units in the condominium project.

2. Purchaser's unit will be conveyed to Purchaser as unimproved loft space in accordance with building plans and specifications for Airport Industrial Center, which said loft space Purchaser must furnish and improve at its sole cost and expense.

3. Seller shall have up to and including February 28, 1985, to notify Purchaser that this contract has been cancelled; provided, however that if on or before August 31, 1984, 80% of the total saleable space in the building in the Project is sold and under contract, then this right of cancellation shall no longer be in force. Upon the cancellation of this contract pursuant to the foregoing, all interest earned on Purchaser's deposits herein shall be returned to Purchaser along with said deposits, and escrow and credit report fees shall likewise be reimbursed to Purchaser.

4. PROSPECTIVE PURCHASERS SHOULD BE AWARE THAT THE DEVELOPER'S MORTGAGE LOAN FOR THE CONSTRUCTION OF THE PROJECT IMPROVEMENTS, ANY RENEWALS AND EXTENSIONS THEREOF, SHALL BE AND REMAINS AT ALL TIMES A SUPERIOR LIEN ON THE PROJECT, AND PURCHASERS INTENTIONALLY WAIVE AND SUBORDINATE THE PRIORITY OF LIEN UNDER THE SALES CONTRACT IN FAVOR OF THE MORTGAGE LOAN.

SUBSISTING SPACE LEASES. The Developer hereby acknowledges that there are certain space leases that were issued by the Developer which are still outstanding and which describe premises that are identical or overlapping with the description of certain Units under the proposed Declaration, and the Developer hereby represents that Unit owners under the proposed Declaration affected by these space leases shall have their interests subject and subordinate to the rights of owners of these space leases for so long as said space leases are valid and legally subsisting.

FINANCING OF THE PROJECT: Developer advises that financing of the Project is still pending.

MANAGEMENT AND OPERATION: The proposed By-Laws provide that the operation of the Project shall be conducted for the Association of Apartment (Unit) Owners by a responsible 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 organization of the Association may be appointed by the Developer without necessity of confirmation by the Association. The initial Managing Agent has not yet been elected.

STATUS OF THE PROJECT: The Developer estimates that construction of the Unit I in Area II will commence within eight (8) months.

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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 on April 23, 1982, and additional information subsequently filed as of February 10, 1983.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1496, filed with the Commission on April 23, 1982. This report when reproduced shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be yellow.



G. A. "RED" MORRIS, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

DISTRIBUTION:

DEPARTMENT OF FINANCE
BUREAU OF CONVEYANCES
PLANNING COMMISSION, CITY AND
COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

REGISTRATION NO. 1496

February 18, 1983

AIRPORT INDUSTRIAL CENTER
 EXHIBIT "A"
AREA I

<u>Unit No.</u>	<u>Area in Square Footage</u>	<u>Level</u>
A	60,621	1st or ground
B	72,154	1st or ground
C	62,969	1st or ground
E	147,702	and second 4th
D-01	963	3rd
D-02	1,507	3rd
D-03	1,507	3rd
D-04	1,507	3rd
D-05	1,543	3rd
D-06	1,543	3rd
D-07	1,507	3rd
D-08	1,507	3rd
D-09	1,507	3rd
D-10	1,507	3rd
D-11	1,507	3rd
D-12	2,856	3rd
D-13	2,329	3rd
D-14	2,329	3rd
D-15	2,386	3rd
D-16	2,352	3rd
D-17	2,329	3rd
D-18	2,329	3rd
D-19	2,329	3rd
D-20	2,856	3rd
D-21	2,856	3rd
D-22	2,329	3rd
D-23	2,329	3rd
D-24	2,386	3rd
D-25	2,352	3rd
D-26	2,329	3rd
D-27	2,329	3rd
D-28	2,329	3rd
D-29	2,856	3rd
D-30	1,507	3rd
D-31	1,507	3rd
D-32	1,507	3rd
D-33	1,507	3rd
D-34	1,543	3rd
D-35	1,543	3rd
D-36	1,507	3rd
D-37	1,507	3rd
D-38	1,507	3rd
D-39	1,507	3rd
D-40	1,507	3rd

AREA II

<u>Unit No.</u>	<u>Area in Square Footage</u>	<u>Level</u>
1	373,118	1st or ground
2	14,400	1st or ground
3	178,823	1st or ground
4	5,200	1st or ground
5	64,222	1st or ground

END OF EXHIBIT "A"

AIRPORT INDUSTRIAL CENTER

EXHIBIT "B"

AREA I

<u>Unit No.</u>	<u>Area in Square Footage</u>	Percentage Common Interest:	
		<u>Project</u>	<u>Area I</u>
A	60,621	.06001	.21101
B	72,154	.07106	.24988
C	62,969	.05132	.18047
E	147,702	.01975	.06942
D-01	963	None	None
D-02	1,507	.00176	.00618
D-03	1,507	.00176	.00618
D-04	1,507	.00176	.00618
D-05	1,543	.00180	.00633
D-06	1,543	.00180	.00633
D-07	1,507	.00176	.00618
D-08	1,507	.00176	.00618
D-09	1,507	.00176	.00618
D-10	1,507	.00176	.00618
D-11	1,507	.00176	.00618
D-12	2,856	.00293	.01029
D-13	2,329	.00240	.00846
D-14	2,329	.00240	.00846
D-15	2,386	.00246	.00867
D-16	2,352	.00224	.00787
D-17	2,329	.00240	.00846
D-18	2,329	.00240	.00846
D-19	2,329	.00240	.00846
D-20	2,856	.00293	.01029
D-21	2,856	.00293	.01029
D-22	2,329	.00240	.00846
D-23	2,329	.00240	.00846
D-24	2,386	.00246	.00867
D-25	2,352	.00224	.00787
D-26	2,329	.00240	.00846
D-27	2,329	.00240	.00846
D-28	2,329	.00240	.00846
D-29	2,856	.00293	.01029
D-30	1,507	.00176	.00618
D-31	1,507	.00176	.00618
D-32	1,507	.00176	.00618
D-33	1,507	.00176	.00618
D-34	1,543	.00180	.00633
D-35	1,543	.00180	.00633
D-36	1,507	.00176	.00618
D-37	1,507	.00176	.00618
D-38	1,507	.00176	.00618
D-39	1,507	.00176	.00618
D-40	1,507	.00176	.00618
		.28438	1.00000

Percentage common interest of each Unit in Area I relative to the total percentage common interest of Area I.

The percentage common interest of each Unit in Area I is determined by the relative value of each Unit in Area I (lease rent being the indicator of relative value) divided by the value ascribed to Area I (\$360,178).

Percentage common interest of each Unit in Area I relative to the total percentage common interest of the Project (Area I and Area II).

The percentage common interest of each Unit in Area I is determined by the relative value of each Unit in Area I (lease rent being the indicator of relative value) divided by the value ascribed to the Project (Area I and Area II) (\$1,266,535).

AREA II

<u>Unit No.</u>	<u>Area in Square Footage</u>	<u>Percentage Common Interest:</u>	
		<u>Project</u>	<u>Area II</u>
1	373,118	.21266	.29716
2	14,400	.06822	.09533
3	178,823	.37294	.52114
4	5,200	.02520	.03522
5	64,222	<u>.03660</u>	<u>.05115</u>
		.71562	1.00000

Percentage common interest of each Unit in Area II relative to the total percentage common interest of Area II.

The percentage common interest of each Unit in Area II is determined by the relative value of each Unit in Area II (lease rent being the indicator of relative value) divided by the value ascribed to Area II (\$906,357).

Percentage common interest of each Unit in Area II relative to the Total percentage common interest of the Project (Area I and Area II).

The percentage common interest of each Unit in Area II is determined by the relative value of each Unit in Area II (lease rent being the indicator of relative value) divided by the value ascribed to the Project (Area I and Area II) (\$1,266,535).

End of Exhibit "B"

AIRPORT INDUSTRIAL CENTER
Exhibit "C"
AREA I USE LIMITATIONS AND RESTRICTIONS

I. GENERAL RESTRICTIONS. The following use limitations and restrictions shall apply to all Units in Area I.

- A. All restrictions set forth in the Declaration.
- B. No use may be made of any Unit involving objectionable levels of noise or smell.
- C. No animals or birds are to be harbored or processed on the Premises.

II. LIMITATION ON USE OF SPECIFIC UNITS.

A. Units A and B.

1. Any use that is permitted by the Comprehensive Zoning Code (CZC), subject to the general project restrictions stated above.

2. Construction of mezzanines within a Unit shall not exceed twenty-five percent (25%) of the floor area of such Unit and shall be subject to the approval of the Owners' Association with respect to maintaining the structural integrity of the Building.

B. Unit C.

1. Use shall be restricted to general office use.

2. All use shall be subject to the observation of a floor load limit not to exceed fifty (50) pounds per square foot live load.

C. D Units on Third Level.

1. All uses permitted by the Comprehensive Zoning Code subject to the general restrictions stated above and those set forth herein.

2. Construction of mezzanines within a Unit shall not exceed twenty-five percent (25%) of the floor area of such Unit and shall be subject to the approval of the Owners' Association with respect to maintaining the structural integrity of the Building.

3. All use shall be subject to observation of a floor load limit not to exceed one hundred (100)

pounds per square foot live load, and a maximum vehicle weight of ten thousand (10,000) pounds, with a maximum wheel load of four thousand pounds.

4. There shall be no usage of water or other liquids, except for the cleaning of floors, unless adequate provision is made for their disposal through the common soil waste lines, which provision shall be subject to approval of the Owners Association.

5. Usage of water or other liquids in cleaning floors of the Unit and the open parking areas appurtenant thereto shall be subject to amounts and methods expressly approved by the Owners Association.

6. The limited common areas designated for open vehicular loading and parking, appurtenant to each Unit, shall be used only for the temporary parking of operating vehicles. No permanent parking or storage will be permitted in these areas.

D. Unit E.

1. Use shall be restricted to the parking of motor vehicles and open storage.

2. All use shall be subject to the observation of a floor load limit not to exceed fifty (50) pounds per square foot live load, and a maximum vehicle weight of five thousand (5,000) pounds with a maximum wheel load of two thousand (2,000) pounds.

END OF EXHIBIT "C"

AIRPORT INDUSTRIAL CENTER
DISCLOSURE ABSTRACT

1. Name of Project: AIRPORT INDUSTRIAL CENTER
2. Address: 530 & 550 Paiea Street
Honolulu, Hawaii 96819
3. Name of Developer: Airport Industrial Park Associates
4. Address of Developer: Suite 2121, 745 Fort Street
Honolulu, Hawaii 96813
5. Telephone Number: (808) 531-4141
6. Project Manager or Agent: William H. Pruyn
7. Address: Suite 2121, 745 Fort Street
Honolulu, Hawaii 96813
8. Maintenance Fees: Breakdown of annual maintenance fees and monthly estimated cost for each unit are certified to have been based on generally accepted accounting principles. See attached certification.
9. Commencement of Maintenance Fees: A unit owner shall become obligated for the payment of his share of the common expenses allocated to his unit at such time that the Developer advises the unit owner that the unit is complete in accordance with the plans and specifications for the Project or at such time that the Developer advises that after a certain date all units, including the Developer's retained units and/or unsold units, shall uniformly be required to pay their respective share of common expenses allocated to all units, whichever shall first occur.
10. Warranties: The Area I Building was first completed in April 22, 1968. It is being sold in an "as is" condition. The Developer does not warrant the structural quality or integrity of the Building or the mechanical or electrical soundness of any of the systems of the Building or the individual units subject to such warranties applicable to additions made to the said Building from the third floor and above. Except for such warranties made for such new construction ("additions"), as hereinafter set forth, the Developer has made no warranties whatsoever, express or implied, with respect to the units, the Project, the Building, any common element or anything installed in the Project, Building or any common element.

For new construction ("additions"), the warranties are as follows:

A. Individual Units, limited common elements and common elements: The warranty of the general contractor will be that labor, materials and equipment produced or incorporated into the Project are to be free of defects, be constructed in a workmanlike manner

and in accordance with the construction contract. The Developer makes no warranties of any kind whatsoever on the appliances and equipment incorporated into the Project or to become part of the Project as required by the plans and specifications. Warranties transferable to unit owners or the Association shall be transferred by the Developer and/or the contractor to the appropriate party concerned.

B. Initiation and expiration of any such warranties: the general contractor's warranty is to extend for one (1) year from the date of issuance of the architect's certificate of completion.

11. Description of the Project: The Project consists of Area I and Area II in which there are: a reinforced concrete, masonry, steel frame and wooden building situated in Area I, designated as Building I in the Declaration of Horizontal Property Regime, and five (5) metal and masonry buildings and open storage areas situated in Area II. Building I is an existing building to which substantial additions are being made.
12. Conversion disclosure: This is a commercial condominium project. The letter dated March 15, 1982, from Roy H. Tanji, Director and Building Superintendent of the City and County of Honolulu, states that:

"Investigation revealed that the two-story office and warehouse building with a total of 503 parking stalls met the code requirements when it was constructed.

No variances or special permits were granted to allow deviations from any applicable codes."

DATED: Honolulu, Hawaii, Jan. 3, 1983.

AIRPORT INDUSTRIAL PARK ASSOCIATES

By Wm. H. Tanji
Its Pres.

By _____
Its _____

Developer

AIRPORT INDUSTRIAL CENTER
ESTIMATED MAINTENANCE BUDGET

<u>AREA I</u>	<u>Annual</u>	<u>Monthly</u>
Unit A	\$ 44,947.00	\$ 3,746.00
Unit B	53,210.00	4,434.00
Unit C	143,961.00	11,997.00
Unit D - 2, 3, 4, 7, 8, 9, 10, 11, 30, 31, 32, 33, 36, 37, 38, 39, 40	63,923.40	5,326.95 (\$313.35 ea.)
Unit D - 5, 6, 34, 35	15,419.04	1,284.92 (\$321.23 ea.)
Unit D - 12, 20, 21, 29	25,052.64	2,087.72 (\$521.93 ea.)
Unit D - 13, 14, 17, 18, 19, 22, 23, 26, 27, 28	51,488.40	4,290.70 (\$429.07 ea.)
Unit D - 15, 24	10,582.80	881.90 (\$440.95 ea.)
Unit D - 16, 25	9,586.32	798.86 (\$399.43 ea.)
Unit E	17,966.00	1,497.00
 <u>AREA II</u>	 <u>Annual</u>	 <u>Monthly</u>
Unit 1	\$12,000.00	\$ 1,000.00
Unit 2	18,000.00	1,500.00
Unit 3	42,000.00	3,500.00
Unit 4	12,000.00	1,000.00
Unit 5	18,000.00	1,500.00