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

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

CROSSPOINTE, INCREMENT C, PHASE C-2
Mananai Place
Halawa, Ewa District, Hawaii

Registration No. 1761

IMPORTANT — Read This Report Before Buying

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

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

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project until

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

Issued: June 30, 1986
Expires: July 30, 1987

SPECIAL ATTENTION

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

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MAY 2, 1986, AND INFORMATION SUBSEQUENTLY FILED AS OF JUNE 24, 1986. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON THE PROJECT IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIME LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. CROSSPOINTE, INCREMENT C, PHASE C-2 is a proposed leasehold condominium project consisting of a total of fifty-eight (58) residential apartment units in six (6) two-story buildings plus a parking apartment containing a total of one hundred (100) stalls.

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 Final Public Report.

3. The Developer reports that the Declaration of Horizontal Property Regime and By-Laws of Association of Apartment Owners for the Project have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1378833 and Document No. 1378834, respectively, and also recorded in the Bureau of Conveyances of the State of Hawaii in Liber 19591 at Page 375 and Liber 19591 at Page 413, respectively. Condominium Map No.596 and Condominium File Plan No. 1010 (collectively referred to herein as the "Condominium Map") have been assigned to the Project.

4. Advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to the Horizontal Property Regime.

6. This Final Public Report automatically expires thirteen (13) months after the date of issuance, June 30, 1986, unless a Supplementary Public Report is issued, or the Commission, upon review of the registration, issues an order extending the effective period of this Report.

7. This Final Public Report is made a part of the registration of the CROSSPOINTE, INCREMENT C, PHASE C-2 condominium project. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock) and attached Disclosure Abstract dated April 16, 1986, in the hands of all purchasers and prospective purchasers and securing a signed receipt therefor.

NAME OF PROJECT: CROSSPOINTE, INCREMENT C, PHASE C-2

LOCATION: The Project is located at Mananai Place, Honolulu, State of Hawaii. The land consists of 2.022 acres comprising Lot 484, as shown on Map 192, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 966 (amended), and 2,517 square feet comprising Lot A, which is a portion of Exclusion 2, Map 1 of Land Court Application 966.

TAX KEY: First Division, 9-9-76-19.

ZONING: A-1 (apartment).

DEVELOPER: Gentry-Halawa Park, a Hawaii registered limited partnership, whose principal place of business and post office address is at 94-539 Puahi Street, Waipahu, Hawaii 96797. The general partner of Gentry-Halawa Park is Halawa Park Development, Ltd., a Hawaii corporation, whose principal place

of business and post office address 94-539 Puahi Street, Waipahu, Hawaii 96797 (Telephone: 671-6411). The officers and directors of Halawa Park Development, Ltd. are as follows:

Thomas Henry Gentry, President and Director
Joseph J. Ramia, Vice President and Director
A. J. Fadrowsky, III, Vice President and Director
Harry D. Huffman, Treasurer and Director
Harvey Jay Migdal, Secretary, Asst. Vice President and Director

ATTORNEY REPRESENTING DEVELOPER: Harvey Jay Migdal, 94-539 Puahi Street, Waipahu, Hawaii 96797, Telephone No. 671-6411.

DESCRIPTION OF PROJECT: The Declaration of Horizontal Property Regime describes the Project as follows:

A. Description of Buildings. The Project consists of six (6) two-story buildings with no basements designated as Buildings 20, 21, 22, 23A, 23B and 24 (hereinafter referred to as the "Residential Buildings") and one (1) two-level parking structure. The construction of the six (6) Residential Buildings will be wood frame on concrete slab foundations with interior walls constructed of wood studding and gypsum board, exterior walls covered with composition siding and roofs constructed of wood and asphalt shingles. The parking structure will be constructed principally of concrete and steel. Residential Building 20 will be two stories in height and contain 14 apartments. Residential Building 21 will be two stories in height and contain 12 apartments. Residential Buildings 22, 23A, 23B and 24 will each be two stories in height and shall each contain eight (8) apartments, all as more fully described in the Declaration of Horizontal Property Regime and as shown on the Condominium Map.

B. Description of Apartments.

(1) Residential Apartments. The Declaration has established freehold estates within the perimeter and party walls, floors and ceilings of each of the fifty-eight (58) residential apartments distributed among the six (6) Residential Buildings of the Project, as shown on the Condominium Map and as set forth in Exhibit "A" attached hereto and incorporated herein by reference.

(2) Parking Apartment. One separate freehold estate consisting of the one (1) two-level parking structure, the on-grade parking, access driveways and turnaround areas, as shown on the Condominium Map, is also established and is designated the Parking Apartment.

(3) Residential Apartment Numbers and Locations. The residential apartments are numbered and located as shown on the Condominium Map, with apartment designations in each Residential Building being composed of the respective building number followed by an alphabetic designation. The apartment designation sequence always begins with apartments located on the first floor. Beginning with the apartment designated by the number and letter combination of the building number followed by the letter "A" and progressing in a counterclockwise direction, first floor apartments in a particular Residential Building are consecutively designated by changing the letter designation in

alphabetic order. The designation sequence for second story story apartments begins with the apartment located directly over apartment "A" on the first floor and always begins with the alphabetic designation "R." Thus, for example, Building 21 is numbered as follows: Starting at the northeasterly corner of the first floor with Apartment 21-A and progressing counterclockwise, the first floor apartments are consecutively designated 21-B, 21-C, 21-D, 21-E and 21-F. On the second story of the building, the apartment designations begin with 21-R in the northeasterly corner and progress counterclockwise to 21-W so that Apartment 21-R is directly over 21-A, Apartment 21-S is directly over 21-B, Apartment 21-T is directly over 21-C, Apartment 21-U is directly over 21-D, Apartment 21-V is directly over 21-E and Apartment 21-W is directly over 21-F.

(4) Layout and Area of Individual Residential Apartments. As shown on the Condominium Map, there are nine (9) residential apartment unit types: Type 547, Type 577, Type 716, Type 717, Type 810, Type 813, Type 848, Type 874 and Type 1005. Type 547 is a one-bedroom, one-bath apartment; Type 577 is a one-bedroom, one-bath apartment; Type 716 is a two-bedroom, one-bath apartment; Type 717 is a two-bedroom, one-bath apartment; and Type 810 is a two-bedroom, two-bath apartment; type 813 is a two-bedroom, one and one-quarter bath apartment; Type 848 is a one-bedroom, two-bath apartment with a loft; Type 874 is a two-bedroom, two-bath apartment; and Type 1005 is a two-bedroom, two and one-half bath apartment. The location and net interior floor area for each of the residential apartments are as shown on Exhibit "A" hereto.

(5) Limits of Residential Apartments. The Declaration states that respective apartments shall not be deemed to include (a) the undecorated or unfinished surfaces of the perimeter or party walls or the interior load bearing walls; (b) the exterior surfaces of all perimeter doors, door frames and window frames; (c) the undecorated or unfinished surfaces of the floors and ceilings surrounding each apartment; or (d) any pipes, wires, conduits or other utility lines running through such apartment which are utilized for or serve more than one apartment; all of the same being deemed common elements as are hereinafter provided. The respective apartments shall also not be deemed to include the adjacent lanai, the same being deemed a limited common element as provided below. Subject to the foregoing, each apartment shall be deemed to include (i) all of the walls and partitions which are not load-bearing within its perimeter or party walls; (ii) glass windows or panels; (iii) doors (except for the exterior surface of any door located on perimeter walls); (iv) the inner decorated or finished surfaces of all walls, floors and ceilings, door frames and window frames; (v) the air space within the perimeters; and (vi) any fixtures and appliances originally installed therein.

(6) The Declaration states that the Parking Apartment shall be deemed to include all of the area and all of the structures designated as the "Parking Apartment" on the Condominium Map, including all walls, roofs, gutters, curbs and all other structures and improvements located therein or thereon, as shown on the Condominium Map, and fixtures attached to such structures and improvements.

(7) Access to Common Elements. Each first story residential apartment has access to the grounds of the Project

through a private courtyard and each second story residential apartment has access to the grounds of the Project by means of an exterior lanai and stairway.

PARKING APARTMENT AND PARKING STALLS.

(1) Division of the Parking Apartment. As shown on the Condominium Map, there are delineated within the boundaries of the Parking Apartment one hundred (100) separate parking stalls which are numbered 83-130 and 181-232. Parking stalls 189-231 are designated as compact parking stalls.

(2) Easements of Use of Parking Stalls. The Declaration provides that each residential apartment in the Project shall have reserved as appurtenant thereto the exclusive right in the nature of an easement to use one or more parking stalls in the Parking Apartment. The parking stall easements shall have a permanent character, subject only to such conditions, limitations, restrictions and reservations of right and use as are set forth in the Declaration. The initial assignments of parking stalls, the exclusive use of which are reserved as appurtenant to the respective residential apartments in the Project, shall be as set forth in Exhibit "A" attached hereto.

NOTE: It is the Developer's intention that the Parking Apartment will be conveyed to the Crosspointe Community Area Association subject to the easements of use described above.

COMMON ELEMENTS. The Declaration states that one freehold estate is designated in all of the remaining portions of the Project called the "common elements," including specifically, but not limited to:

(1) The land on which the Project is situate;

(2) All structural components, such as foundations, girders, beams, supports, main walls, roofs, entrances, exits, floor slabs, unfinished perimeter, party and load-bearing walls of said residential buildings;

(3) All yards, grounds, walkways and landscaping areas;

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

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

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

LIMITED COMMON ELEMENTS. The Declaration sets aside certain parts of the common elements, called the "limited common elements", to be reserved for the exclusive use of certain apartments, and such apartment shall have appurtenant thereto

exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

(1) Each residential apartment shall have for its exclusive use the mailbox bearing the same designation as such apartment;

(2) Each ground floor residential apartment shall have for its exclusive use and enjoyment the fenced yard area which adjoins it;

(3) Each second floor residential apartment shall have for its exclusive use and enjoyment the lanai immediately adjacent to such apartment;

(4) The exterior stairways and railings which serve the various second story residential apartments and the fences which surround the fenced courtyard areas and serve the first story residential apartments shall be limited common elements respectively appurtenant to and for the exclusive use of the apartment which they serve.

(5) All other common elements of the Project which are rationally related to less than all of such residential apartments shall be limited to the use of such apartments.

INTEREST TO BE CONVEYED TO PURCHASER. The residential apartments shall be conveyed to purchasers by means of an apartment lease along with an appurtenant undivided percentage interest in the common elements. The percentage interest appurtenant to each apartment is set forth in Exhibit "A" attached hereto and shall be the same proportionate share in all common profits and expenses of the Project, including voting, except that the owner of the Parking Apartment shall not have any right to vote in the affairs of the Association of Apartment Owners for the Project. Each purchaser of an apartment will be issued an Apartment Lease by the Trustees of The Queen Emma Foundation (Lessor).

Upon merger with Crosspointe, Increment C, Phase C-1, the common interest for each apartment shall change in accordance with the Declaration and the paragraph herein with respect to Merger of Increments in Crosspointe, Increment C, Phase C-1 and Crosspointe, Increment C, Phase C-2.

PURPOSES OF AND RESTRICTIONS ON USE OF BUILDINGS AND INDIVIDUAL APARTMENTS: The purposes for which said buildings and other improvements and each of the apartments (other than the parking apartment) are intended and shall be restricted as to use are as follows:

1. A residential apartment shall be occupied and used only for residential purposes.

2. The residential apartments in the Project or any interest therein shall not be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license," "travel club membership" or "time-interval ownership" arrangement.

3. Among other provisions, the House Rules provide that: (1) no livestock, poultry, rabbits or other animals shall be allowed on the premises except that dogs, cats and other household pets limited to a total of two (2) in number may be kept by the owners and occupants of residential apartments; (2) all pets must be registered immediately with the Managing Agent; and (3) occupancy is limited to no more than two persons per bedroom in each apartment, excluding children under the age of five, except that in no event shall the number of occupants per bedroom contained in each apartment exceed three (3) per bedroom, inclusive of children under the age of five.

NOTE: Purchasers and prospective purchasers of apartments are hereby specifically informed that all apartment owners, their tenants, families, servants and guests, and any other persons who may in any manner use the Project, shall be bound by and strictly comply with the provisions of the Declaration of Horizontal Property Regime, the By-Laws of the Association, and all agreements, decisions and determinations of the Association. Purchasers and prospective purchasers are therefore advised to read and fully understand the Declaration of Horizontal Property Regime and the By-Laws of the Association of Apartment Owners, prior to executing any Sales Contract for the Project.

EASEMENTS: The Declaration of Horizontal Property Regime provides that the owners of apartments shall have the following easements:

1. Non-exclusive rights of access and use in and of all areas and facilities of the parking apartment, excepting the parking stalls designated as private parking stalls, the exclusive use of which has been reserved, or may be reserved, as appurtenant to the residential apartments.

2. The apartment owners shall have a non-exclusive easement shared with all members of the Crosspointe Community Association to use those certain common areas of the Crosspointe Community Area as such areas shall be established from time to time pursuant to Article IX of the Master Declaration of Covenants, Conditions and Restrictions for Crosspointe, subject to those certain specific uses and restrictions set forth in Section 9.03 of said Master Declaration.

RESTRICTIVE COVENANTS; PHASING OF DEVELOPMENT AND MERGER OF INCREMENTS:

The Developer has placed on the record a Master Declaration of Covenants, Conditions and Restrictions for Crosspointe and Declaration of Annexation to the Crosspointe Community Area (collectively referred to herein as the "Master Declaration"), which affect the Project and all other residential projects and common areas which are planned to be developed on approximately twenty-five (25) acres of additional property and which together will be known as the CROSSPOINTE COMMUNITY AREA.

The Master Declaration provides, among other things, that each purchaser will automatically become a member of the Crosspointe Community Association, which Association will be primarily responsible for the management, maintenance, protection, preservation, architectural control and development of the common areas of the Crosspointe Community Area, but will

also provide water, sewer, general maintenance and administrative services to all residential projects to be developed in the Crosspointe Community Area.

The Master Declaration and the Declaration of Horizontal Property Regime also provide that the Lessor and Developer shall have the right at their sole option to expand this Project by merging it with a project on an adjoining parcel of land known as CROSSPOINTE, INCREMENT C, PHASE C-1, which consists of five buildings containing fifty-six (56) apartments, together with a parking apartment and supporting and servicing common elements, no later than January 1, 1990, and by merging said Phase C-1 with this Project. Upon merger, the two phases will be combined into a single overall project to be known as CROSSPOINTE, INCREMENT C, and as a result, the common interest appurtenant to each apartment in this Project will change and will be calculated pursuant to a formula in which the denominator is the total square footage of all of the residential apartments in both phases, and the numerator is the square footage of the purchaser's apartment (the same formula used to calculate the percentage interest appurtenant to the apartment before merger).

The approximate percentage interest which will be appurtenant to the respective apartment types after merger of Phases C-1 and C-2 are set forth in Exhibit "A" attached hereto.

In addition, the Master Declaration and the Declaration of Horizontal Property Regime provide that any two or more of the condominium projects in the Crosspointe Community Area may be administratively merged such that the use of the respective common elements, the respective common expenses and the management of the respective affairs of the projects so merged will be shared, and such that the administration of the merged projects will be unified under one association of apartment owners. In the event of an administrative merger of projects, the ownership interests of the apartment owners in the respective condominium projects (including appurtenant common interests) will not be altered or affected.

Prospective purchasers are advised to carefully examine the Master Declaration, copies of which are available for inspection at the sales office of Developer and copies of which are filed with the Real Estate Commission, so that they may familiarize themselves with this Project, and what restrictions and obligations will apply to all purchasers in each project.

OWNERSHIP OF TITLE: A Preliminary Title Report issued April 11, 1986, by Security Title Corporation (and as updated on June 18, 1986) reports that leasehold title to the land on which the Project is constructed is vested in GENTRY-HALAWA PARK, a Hawaii limited partnership, pursuant to that certain unrecorded Lease dated July 1, 1984, as amended, with THE QUEEN EMMA FOUNDATION, a Hawaii eleemosynary corporation.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report issued by Security Title Corporation, as updated on June 18, 1986, reflects that the land currently is subject to the following encumbrances:

AS TO LOT 484:

1. Grant dated September 1, 1941, filed in said Office of the Assistant Registrar as Document No. 109971, in favor of the United States of America, granting an underground right of way, 40-feet wide, to install, etc., underground tunnel and oil pipe line and appurtenances necessary under said premises, reserving full use of the surface of the ground above said easement for all purposes (also affects other property).

2. Grant dated February 6, 1951, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 126580, in favor of the United States of America, granting a right of way and easement and the right of ingress and egress thereto for the purpose of laying, operating, maintaining, etc., an underground communication cable (also affects other property).

3. Abutter's rights of vehicle access in favor of the State of Hawaii, as set forth by Final Order of Condemnation dated June 4, 1974, filed in said Office of the Assistant Registrar as Document No. 688927, under Civil No. 31504; as amended by instrument dated December 26, 1974, filed in said Office of the Assistant Registrar as Document No. 711816.

4. Designation of Restriction of Access Rights as shown on Map 139, Land Court Application 966 (amended) as set forth by Land Court Order No. 49042 filed December 20, 1977.

5. Unilateral Agreement and Declaration of Conditional Zoning dated October 19, 1982, recorded in the Bureau of Conveyances of the State of Hawaii in Book 16649 Page 107. (Not noted on Transfer Certificate of Title No. 278,180.)

6. Designation of restriction of access rights, as shown on Map 190, as set forth by Land Court Order No. 75633, filed October 10, 1985.

7. Designation of restriction of access rights, as shown on Map 191, as set forth by Land Court Order No. 75634, filed October 10, 1985.

8. Reservations unto the State of Hawaii, its successors and assigns, as set forth in that certain Quitclaim Deed dated October 22, 1985, filed in said Office of the Assistant Registrar as Document No. 1330155.

9. Covenants as set forth in that certain Quitclaim Deed dated October 22, 1985, filed in said Office of the Assistant Registrar as Document No. 1330155.

10. Grant dated March 19, 1986, filed in the Office of said Assistant Registrar as Document No. 1363220, in favor of Hawaiian Electric Company, Inc., and Hawaiian Telephone Company, both Hawaii corporations, granting a perpetual right and easement to construct, etc., pull boxes, handholes, transformer vaults and underground power lines. (Also affects other property).

NOTE: The Developer advises that the United States of America has agreed to a cancellation of the grant for a communication line and underground tunnel described in Items 1 and 2 above.

The Developer anticipates that these cancellations will be filed before the first apartment unit is conveyed. In any event, the Lessor and Developer have reserved the right to grant and realign easements pursuant and subject to the terms of paragraph 23 of the Declaration.

AS TO LOT A:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent No. 6717.

2. Reservation contained in that certain Quitclaim Deed dated February 16, 1954, recorded on March 22, 1954, in said Bureau of Conveyances in Book 2804 at Page 296.

3. Any abutter's rights of access, into and from Interstate Route H-1 - Halawa Interchange, Halawa Heights Road, F.A.P. No. I-H1-1 (95) over and across Course 1 of the land herein described will be taken, as per survey of Community Planning, Inc., by Harry K. Matsuo, Registered Professional Surveyor, Certificate Number 2717, Honolulu, Hawaii, dated November 5, 1984.

4. Designation of restriction of access rights affecting Lot A, as per survey map of Community Planning, Inc., by Harry K. Matsuo, Registered Professional Surveyor, Certificate Number 2717, Honolulu, Hawaii, dated November 1, 1984.

5. Reservation unto the State of Hawaii, its successors and assigns, as contained in that certain Quitclaim Deed dated October 23, 1985, recorded on October 24, 1985, in said Bureau of Conveyances in Liber 19029 at Page 105.

6. Covenants as contained in that certain Quitclaim Deed dated October 23, 1985, recorded on October 24, 1985, in said Bureau of Conveyances in Liber 19029 at Page 105.

AS TO LOT 484 AND LOT A:

1. Real Property Taxes as may be due and owing; reference is made to the Office of the Finance Director, City and County of Honolulu.

2. Conditions and agreements contained in that certain "Agreement for Issuance of Special Use Permit Under Section 21-2.71, Revised Ordinances of Honolulu, 1978, as Amended," dated August 22, 1984, filed in said Office of the Assistant Registrar as Document No. 1254140.

Supplemental Agreement with Respect to Special Permit--Joint Development Agreement for Crosspointe and Agreement for Issuance of Special Use Permit Under Section 21-2.71, Revised Ordinances of Honolulu, 1978, as amended, dated November 19, 1985, filed in said Office of the Assistant Registrar as Document No. 1335996 and also recorded in Liber 19095 at Page 719.

3. The terms and provisions of that certain unrecorded and unregistered construction lease dated July 1, 1984, and effective July 1, 1984, of which a Memorandum of Lease dated July 1, 1984, is filed in the said Office of the Assistant Registrar as Document No. 1263551, as amended by unrecorded

First Amendment of Lease dated October 25, 1985, of which a Memorandum of Amendment to Lease is dated October 25, 1985, and filed in said Office of the Assistant Registrar as Document No. 1333064, and also recorded on November 7, 1985, in the Bureau of Conveyances of the State of Hawaii in Liber 19063 at Page 316.

4. Real Property Mortgage and Financing Statement dated November 15, 1984, filed in said Office of the Assistant Registrar as Document No. 1267820, made by Gentry-Halawa Park, as Mortgagor, to First Hawaiian Bank, a Hawaii corporation, as Mortgagee, to secure the repayment of the sum of $5,600,000 (the "Development Loan") and $6,000,000 (the "Construction Loan"), all interest thereon, any additional advances made thereunder and all other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to.

1) Lessor's Consent to Mortgage, Estoppel Certificate and Agreements dated November 14, 1984, filed in said Office of the Assistant Registrar as Document No. 1267821.

2) 745's Consent to Mortgage and Estoppel Certificate dated January 7, 1985, filed in said Office of the Assistant Registrar as Document No. 1277149.

Amendment to Real Property Mortgage and Financing Statement dated June 24, 1985, filed in said Office of the Assistant Registrar as Document No. 1306780, increasing the Construction Loan by $4,000,000.00.

1) Lessor's Consent to Mortgage, Estoppel Certificate and Agreements dated June 26, 1985, filed in said Office of the Assistant Registrar as Document No. 1306781.

2) 745's Consent to Mortgage and Estoppel Certificate dated June 25, 1985, filed in said Office of the Assistant Registrar as Document No. 1306782.

By instrument dated March 7, 1986, filed in said Office of the Assistant Registrar as Document No. 1359239, and also recorded on March 18, 1986, in said Bureau of Conveyances in Liber 19359 at Page 303, the foregoing mortgage was amended and reconfirmed.

1) Lessor's Consent dated March 7, 1986, filed in said Office of the Assistant Registrar as Document No. 1359240, and also recorded on March 18, 1986, in said Bureau of Conveyances in Liber 19359 at Page 323.

2) 745's Consent dated March 7, 1986, filed in said Office of the Assistant Registrar as Document No. 1359241 and also recorded on March 18, 1986, in said Bureau of Conveyances in Liber 19359 at Page 332.

5. Financing Statement dated November 15, 1984, covering certain fixtures located on the real property, given as security by Gentry-Halawa Park in favor of First Hawaiian Bank, recorded on November 16, 1984, in the Bureau of Conveyances of the State of Hawaii in Book 18272 at Page 781.

By undated instrument recorded on March 18, 1986, in said Bureau of Conveyances in Book 19359 at Page 342, the foregoing Financing Statement was amended.

6. Declaration of Covenants, Conditions and Restrictions for Crosspointe dated May 9, 1985, filed in said Office of the Assistant Registrar as Document No. 1299083, as amended by undated Declaration of Annexation to the Crosspointe Community Area, filed in said Office of the Assistant Registrar as Document No. 1360446, and also recorded on March 24, 1986, in said Bureau of Conveyances in Liber 19372 at Page 169.

7. The covenants, agreements, obligations, conditions and other provisions set forth in that certain Declaration of Horizontal of Horizontal Property Regime of Crosspointe, Increment C, Phase C-2, dated April 24, 1986, filed in said Office of the Assistant Registrar as Document No. 1378833, and also recorded on June 18, 1986 in said Bureau of Conveyances in Liber 19591 at Page 375.

8. By-Laws of the Association of Apartment Owners of Crosspointe, Increment C, Phase C-2, dated April 24, 1986, filed in said Office of the Assistant Registrar as Document No. 1378834, and also recorded on June 18, 1986 in said Bureau of Conveyances in Book 19591 at Page 413.

9. Condominium Map No. 596, filed in said Office of the Assistant Registrar on June 18, 1986, and Condominium File Plan 1010, filed in said Bureau of Conveyances on June 18, 1986.

PURCHASE MONEY HANDLING: A copy of the Specimen Sales Contract and the executed Escrow Agreement dated June 26, 1984, with Security Title Corporation have been submitted to the Commission as a part of this registration. Upon examination, the Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended.

The Escrow Agreement establishes how proceeds from the sale of apartments and all sums received from any source are placed in stcrow, as well as the methods of disbursement of said funds. The Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds if one of the following occurs:

(a) the Developer asks Escrow to refund the purchaser's funds;

(b) the Developer notifies Escrow of Developer's exercise of option to rescind the Reservation and Sales Agreement;

(c) the conditions provided in Sections 514A-62 or 514A-63 of the Horizontal Property Act, as amended, have been met and written notice thereof has been provided to the Developer.

In addition, the specimen sales contract provides, in part, that:

A. A purchaser may elect to cancel his contract to purchase a unit by giving written notice of such election to Developer at any time prior to the earlier of (1) the conveyance of the apartment to the Purchaser; or (2) midnight of the thirtieth (30th) day following the date of delivery of the final public report to the Purchaser. Upon such cancellation, purchaser shall be entitled to a prompt and full refund of all monies paid, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.

B. 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.

C. The seller's mortgage loan (interim, renewals and extensions used for acquiring the land, constructing the Project, and associated costs) shall be and remain at all times a lien 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.

D. Seller and its agent have no program at this time nor is any program planned or contemplated to offer a rental service of any kind to the owners of apartments in the Project, either individually or in any form of pooling arrangement, or by a third party designated or arranged for by seller or its agent as to the feasibility of renting the apartment, or otherwise generating income or deriving any other economic benefit from ownership of the apartment.

E. The purchaser will pay the following closing costs: (1) one-half of all escrow fees; (2) acknowledgment fees for purchaser; (3) appraisal fees; (4) recording fees; (5) fees for purchaser's credit report; (6) costs for drafting of the mortgage and note and any assignment thereof; and (7) costs of 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 Apartments Owners.

Notwithstanding the provisions of paragraph E hereinabove, a purchaser whose mortgage is guaranteed by the Veterans Administration shall only be responsible for the following closing costs: (1) costs of title insurance; (2) credit report fees; and (3) recording fees for the purchaser's mortgage.

It is incumbent upon prospective purchasers that they read with care the specimen Reservation and Sales Agreement and the executed Escrow Agreement since the Escrow Agreement establishes the procedures for receiving and disbursing purchaser's funds, and the Reservation and Sales Agreement specifically provides that the Purchaser approves the Escrow Agreement and assumes the benefit and obligations therein provided.

PROGRAM OF FINANCING: The Developer reports that an interim loan for the construction of the Project has been arranged with First Hawaiian Bank. The Contractor, Gentry Homes, Ltd., has obtained a master performance bond from United Pacific Insurance covering this Project as well as other projects in the Crosspointe Community Area.

MANAGEMENT AND OPERATIONS: The By-Laws of the Association of Apartment Owners provide that the operation of the project shall be conducted for the Association by a responsible Managing Agent who shall be appointed by the Association. The Developer has appointed Chaney, Brooks & Company, 606 Coral Street, Honolulu, Hawaii 96813 (Phone: 544-1600) as the initial managing agent. A copy of the Management Agreement dated April 17, 1986, has been submitted to the Commission and is available for inspection.

STATUS OF THE PROJECT. Construction of the Project commenced in March, 1986, and will be completed in July, 1986.

The purchaser or prospective purchaser should be cognizant of the fact that this published Final Public Report represents information disclosed by the Developer in the Notice of Intention submitted on May 2, 1986, and information subsequently filed as of June 24, 1986.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 1761 filed with the Commission on May 2, 1986.

This Report, when reproduced, shall be a true copy of the Commission's Public Report. Paper stock must be white in color.

Peter N. Yanagawa for

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

DISTRIBUTION:
- Department of Finance, City and County of Honolulu
- Office of the Assistant Registrar of the Land Court
- Bureau of Conveyances
- Planning Department, City and County of Honolulu
- Federal Housing Administration
- Escrow Agent

Registration No. 1761

June 30, 1986

EXHIBIT "A"

Bldg. and Apt.	Apt. Type	Net Interior Floor Area	Initial Parking Stall Assignment
20-A	1005	1005	129*
20-B	813	813	130*
20-C	577	577	181
20-D	874	874	85*
20-E	874	874	128*
20-F	577	577	232
20-G	813	813	83*
20-H	1005	1005	84*
20-R	813	813	87*
20-S	848	848	182
20-T	874	874	127*
20-U	874	874	86*
20-V	848	848	183
20-W	813	813	126*
21-A	874	874	120*
21-B	577	577	186
21-C	874	874	125*
21-D	874	874	124*
21-E	577	577	185
21-F	874	874	121*
21-R	874	874	88*
21-S	848	848	184
21-T	874	874	122*
21-U	874	874	123*
21-V	848	848	187
21-W	874	874	89*
22-A	717	717	90*
22-B	716	716	119*
22-C	717	717	118*
22-D	716	716	91*
22-R	717	717	92*
22-S	716	716	117*
22-T	717	717	94*
22-U	716	716	93*
23A-A	810	810	106*
23A-B	547	547	116*
23A-C	547	547	206c
23A-D	810	810	107*
23A-R	810	810	102*
23A-S	547	547	115*
23A-T	547	547	188
23A-U	810	810	103*
23B-A	810	810	105*
23B-B	547	547	114*
23B-C	547	547	96*
23B-D	810	810	104*
23B-R	810	810	108*
23B-S	547	547	95*
23B-T	547	547	97*
23B-U	810	810	109*

Bldg. and Apt.	Apt. Type	Net Interior Floor Area	Initial Parking Stall Assignment
24-A	717	717	101*
24-B	716	716	110*
24-C	717	717	99*
24-D	716	716	112*
24-R	717	717	111*
24-S	716	716	100*
24-T	717	717	113*
24-U	716	716	98*

*=covered stall

DESCRIPTION OF APARTMENT TYPES:

Type 547 (1 Bedroom/1 Bath) (547 sq. ft.)

One bedroom, one bath apartment containing a living room/dining room, kitchen, bathroom and one bedroom. All Type 547 apartments contain 547 square feet of NET LIVING AREA. In addition, first story apartments have a limited common element courtyard enclosed with a privacy fence and second story apartments have a limited common element lanai.

Type 577

One bedroom, one bath apartment located on the first level of a two-story twelve-plex building consisting of a living room/dining room, kitchen, one bedroom and one bath. All Type 577 apartments contain 577 square feet of NET LIVING AREA and, additionally, a limited common element courtyard enclosed with a privacy fence.

Type 716 (2 Bedroom/1 Bath) (716 sq. ft.)

Two bedroom, one bath apartment containing a living room/dining room, kitchen, bathroom and two bedrooms. All Type 716 apartments contain 716 square feet of NET LIVING AREA. In addition, first story apartments have a limited common element courtyard enclosed with a privacy fence and second story apartments have a limited common element lanai.

Type 717 (2 Bedroom/1 Bath) (717 sq. ft.)

Two bedroom, one bath apartment containing a living room/dining room, kitchen, bathroom and two bedrooms. All Type 717 apartments contain 717 square feet of NET LIVING AREA. In addition, first story apartments have a limited common element courtyard enclosed with a privacy fence and second story apartments have a limited common element lanai.

Type 810 (2 Bedroom/2 Bath) (810 sq. ft.)

Two bedroom, two bath apartment containing a living room/dining room, kitchen, two bathrooms and two bedrooms. All Type 810 apartments contain 810 square feet of NET LIVING AREA. In addition, first story apartments have a limited common element courtyard enclosed with a privacy fence and second story apartments have a limited common element lanai.

Type 813

Two bedroom, one and one-quarter bath apartment located on the first or second level of a two-story fourteen-plex building consisting of a living room/dining room, kitchen, two bedrooms and one and one-quarter bathrooms. All Type 813 apartments contain 813 square feet of NET LIVING AREA. In addition, Type 813 first story apartments have a limited common element courtyard enclosed with a privacy fence and second story apartments have a limited common element lanai.

Type 848

One bedroom, two bath apartment located on either the first or second level of a two-story eight-plex building consisting of a living room/dining room, kitchen, one bedroom, two bathrooms and a loft. All Type 848 apartments contain 848 square feet of NET LIVING AREA. In addition, first story apartments have a limited common element courtyard enclosed with a privacy fence and second story apartments have a limited common element lanai.

Type 874

Two bedroom, two bath apartment located on either the first or second level of a two-story twelve-plex building consisting of a living room/dining room, kitchen, two bedrooms and two bathrooms. All Type 874 apartments contain 874 square feet of NET LIVING AREA. In addition, first story apartments have a limited common element courtyard enclosed with a privacy fence and second story apartments have a limited common element lanai.

Type 1005

Two bedroom, two and one-half bath apartment located on both first and second level of a two-story fourteen-plex building consisting of a living room/dining room, kitchen, two bedrooms and two and one-half bathrooms. All Type 1005 apartments contain 1005 square feet of NET LIVING AREA. In addition, all type 1005 apartments have a limited common element courtyard enclosed with a privacy fence.

SCHEDULE OF COMMON INTERESTS

Model	Phase C-2	Approximate Percentage Common Interest Upon Merger of Phases of C-1 and C-2
Type 547	1.25	.607%
577	1.31	.640
716	1.64	.794
717	1.64	.796
810	1.85	.900
813	1.86	.902
848	1.94	941
874	1.99	.970
1005	2.30	1.110
Parking Apartment	.04	.034

Total Number of Models in Phase C-2

Model				Percentage Common Interest for Phase C-2	Total Percentage Common Interest
Type	547	8	x	1.25	10.00%
	577	4	x	1.31	5.24
	716	8	x	1.64	13.12
	717	8	x	1.64	13.12
	810	8	x	1.85	14.80
	813	4	x	1.86	7.44
	848	4	x	1.94	7.76
	874	12	x	1.99	23.88
	1005	2	x	2.30	4.60
Parking Apartment		1	x	.04	.04
		59			100.00%

As nearly as practicable, the percentage of common interest for each residential apartment is determined by calculating what percentage of the total interior net floor area of all of the residential apartments is represented by the net floor area of the particular apartment and multiplying the percentage thus obtained by one hundred percent (100%). A nominal percentage common interest has been assigned to the parking apartment to meet the requirements of the Horizontal Property Act, Chapter 514A-13, Hawaii Revised Statutes, as amended, that each apartment have appurtenant thereto a common interest.

CROSSPOINTE, Increment C, Phase C-2
DISCLOSURE ABSTRACT
as of April 16, 1986
Registration No. 1761

1. NAME AND ADDRESS OF PROJECT: CROSSPOINTE, Increment C, Phase C-2, Mananai Place, Honolulu, Hawaii.

2. NAME AND ADDRESS OF DEVELOPER Gentry-Halawa Park, a Hawaii limited partnership, 94-539 Puahi Street, Waipahu, Hawaii 96797, TELEPHONE: (808) 671-6411.

3. MANAGING AGENT OF PROJECT. Chaney, Brooks & Company, 606 Coral Street, Honolulu, Hawaii, TELEPHONE: (808) 544-1600.

4. MAINTENANCE FEES. The breakdown of the annual maintenance fees and the monthly estimated costs for each dwelling, which is hereby certified to be based on generally accepted accounting principles, is more particularly set forth in Exhibit "A" attached hereto and made a part hereof. The Developer advises that the maintenance fees of a condominium project are difficult to estimate prior to actual operation of the project, and even if maintenance fees have been accurately estimated, such fees will tend to increase in an inflationary economy and as the improvements age. The estimated maintenance fees and monthly fees for each apartment are based on the latest information available to the Developer and Managing Agent and are subject to revision based on actual costs for items enumerated. Maintenance fees can vary depending on services desired by apartment owners. Each Buyer should check the attached maintenance fee schedule to see what services are included therein.

5. WARRANTIES. Except for defects in any appliance or other consumer product (for which no warranty, express or implied, is given by the Developer and which shall be covered only by the respective manufacturers' or dealers' warranties, if any), Developer shall remedy all defects in the apartment due to faulty material or workmanship which are discovered and brought to the attention of Developer within one (1) year from the date of closing of purchaser's loan to purchase the apartment or the date of occupancy whichever shall first occur; Developer also warrants and shall remedy all defects in the common elements of the Project for a period of two (2) years from the date of completion of the common elements or two years from the date the first apartment is conveyed to a purchaser other than the Developer, whichever is later. For purposes of the foregoing apartment warranty and common elements warranty, Seller agrees to repair, renovate, restore or replace any defective material or workmanship within the respective warranty periods. Routine maintenance work is not covered by any warranty. Except for the foregoing warranties, THE DEVELOPER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, THE PROJECT, OR CONSUMER PRODUCTS CONTAINED IN THE APARTMENT OR THE PROJECT, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY OR WORKMANLIKE CONSTRUCTION. The execution and delivery of the lease demising the apartment from the Lessor to purchaser shall operate as an assignment from the Developer to purchaser of manufacturers' or dealers' warranties, if any, covering any appliance and other

consumer products for the unexpired term thereof, to the extent that Developer has the right and power to make such an assignment. Purchaser acknowledges and agrees that Developer is not stating that any such warranties exist, or that such an assignment will be effective, is not adopting any such manufacturers' or dealers' warranties, and is not acting as a co-warrantor, but is merely attempting to pass through to the purchaser the benefits of such warranties, if any. The terms of the manufacturers' or dealers' written warranties, if any, are available for purchaser's examination at Developer's office.

6. USE. The Project shall consist of one parking apartment for the exclusive use of residents in the Project and fifty-eight (58) one and two bedroom apartments which shall be utilized for residential purposes only.

7. EXTENT OF NON-RESIDENTIAL DEVELOPMENT. Except for the Parking Apartment which IS reserved for the exclusive use of residents of the Project, the Declaration and By-Laws do not authorize any commercial or non-residential use of the Project.

GENTRY-HALAWA PARK
By Its General Partner
HALAWA PARK DEVELOPMENT, LTD.

By Harvey Jay Ingbal
Its Assistant Vice President

EXHIBIT "A"

Monthly Estimated Maintenance Cost for Each Apartment

1. Total Estimated Monthly Cost
See Exhibit "B" and "B-1" attached $ 2,009.00

2. Estimated Monthly Cost Per Apartment: See Breakdown Below

Apt. Type	Percentage Common Interest	Maintenance Fee	Crosspointe Community Assn. Dues*	Total
547	1.25%	$25.15	$59.60	$ 84.75
577	1.31%	$26.35	$59.60	$ 85.95
716	1.64%	$32.95	$59.60	$ 92.55
717	1.64%	$32.95	$59.60	$ 92.55
810	1.85%	$37.15	$59.60	$ 93.75
813	1.86%	$37.35	$59.60	$ 93.95
848	1.94%	$39.00	$59.60	$ 98.60
874	1.99%	$40.00	$59.60	$ 99.60
1005	2.30%	$46.20	$59.60	$105.80
Parking Apt.**	.04%	--	--	--

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* Based on 400 total units in the Community Area; when the recreational facilities are completed and as the number of units in the Community Area increases, the maintenance fees will be adjusted accordingly. Exhibit B-2 shows the estimated monthly budget for the Community Association after all of the increments and recreational facilities in the Crosspointe project have been completed.

** No maintenance fees have been assigned to the Parking Apartment as the owner of the Parking Apartment is solely responsible for all expenses associated with said apartment. Initially the Developer will own the Parking Apartment, but will convey the Apartment to the Community Association. Provision for ordinary maintenance of the Parking Apartment has been made in the attached Community Association budgets.

The above breakdown of maintenance fees for apartments does not include the purchaser's obligation for the payment of real property taxes or lease rent. An estimate of real property taxes will be provided by the Developer upon request by the purchaser. The annual lease schedule for the apartments is as follows:

Apartment Type	Commencement of Lease through December 31, 1998	January 1, 1999 through December 31, 2008	January 1, 2009 through December 31, 2018
547	$360	$540	$ 810
577	360	540	810
716/717	408	612	918
810	420	630	945
813	420	630	945
848	420	630	945
874	420	630	945
1005	456	684	1,026

Thereafter, for the remainder of the 55 year term, the amount of lease rental shall be determined by renegotiation, as provided in the Apartment Lease.

PROPOSED OPERATING BUDGET

CROSSPOINTE C-2
(58 Units)

	Monthly	Annually	Remarks
RECEIPTS			
Maintenance Fees	$ 2,009	$ 24,108	
Association Dues	3,457	41,484	
TOTAL RECEIPTS	$ 5,466	$ 65,592	
DISBURSEMENTS			
Tax Fees	$ 13	156	Tax Filing
Insurance Package	527	6,324	
Insurance Liability	275	3,300	
Insurance Other	84	1,008	D & O
Management & Acctg. Services	622	7,464	Fiscal Svc. Only
Misc. & Project Office Expenses	50	600	
Refuse Service	160	1,920	2 Bins
Maintenance & Repair - Other Equip.	25	300	
Supplies, Building & Other	50	600	
Taxes, Corporate Income	20	240	
Association Dues	3,457	41,484	
SUBTOTAL DISBURSEMENTS	5,283	63,396	
TRANSFER TO RESERVES	183	2,196	
TOTAL DISBURSEMENTS	$ 5,466	$ 65,592	

The operating budget (prorated on a monthly basis) and estimated monthly cost for each unit is for one year commencing November 1985. The information contained herein is based on data available to us at this time.

We certify that the monthly maintenance fees and monthly operating costs have been based on generally accepted accounting principles.
November 1, 1985

Kenneth Jones

Kenneth Jones
Property Manager
Chaney, Brooks & Company

KJ/shs

Exhibit "B"

PROPOSED OPERATING BUDGET

CROSSPOINTE COMMUNITY ASSOCIATION
INTERIM

	Monthly	Annually	Remarks
RECEIPTS			
Association Dues	$23,839	$286,068	
TOTAL RECEIPTS	$23,839	$286,068	
DISBURSEMENTS			
Audit and Tax Fees	$ 125	$ 1,500	
Insurance - Liability	25	300	
Insurance - Other	65	780	
Insurance - Medical	320	3,840	
Insurance - Workmen's Compensation	492	5,904	
Management & Accounting Service	809	9,708	Full Service
Payroll - Maintenance	2,600	31,200	
Payroll - Resident Manager	1,500	18,000	
Lodging - Resident Manager	800	9,600	
Security Service	4,426	53,112	
Supplies - Grounds	644	7,728	
Supplies - Electric & Lighting	444	5,328	
Taxes - Payroll	513	6,156	
Electricity	5,717	68,604	
Gas	20	240	
Telephone	45	540	
Water/Sewer	4,200	50,400	
SUBTOTAL DISBURSEMENTS	$22,745	$272,940	
Transfer to Reserve	1,094	13,128	
TOTAL DISBURSEMENTS	$23,839	$286,068	

The operating budget (prorated on a monthly basis) and the estimated monthly cost for each unit is for one year commencing July 1985. The information contained herein is based on data available to us at this time.

We certify that the monthly maintenance fees and the monthly operating costs have been based on generally accepted accounting principles.

July 23, 1985

Kenneth Jones
Property Manager
Chaney, Brooks & Company

EXHIBIT "B-1"

CROSSPOINTE COMMUNITY ASSOCIATION
FINAL

	Monthly	Annually	Remarks
RECEIPTS			
Association Dues	$34,822	$417,864	
TOTAL RECEIPTS	$34,822	$417,864	
DISBURSEMENTS			
Audit and Tax Fees	$ 125	$ 1,500	
Insurance Package	100	1,200	
Insurance - Fire	84	1,008	
Insurance - Other	65	780	
Insurance - Medical	640	7,680	
Insurance - Workmen's Compensation	928	11,136	
Management & Accounting Service	809	9,708	Fiscal/Physical Svc.
Misc. & Project Office Expenses	100	1,200	
Petty Cash Reimbursement	100	1,200	
Refuse Service	140	1,680	
Maintenance & Repair - Other Equip	100	1,200	
Payroll - Maintenance	6,228	74,736	
Payroll - Resident Manager	1,500	18,000	
Lodging - Resident Manager	800	9,600	
Security Service	4,426	53,112	
Supplies - Grounds	770	9,240	
Supplies - Janitorial	50	600	
Supplies - Painting	50	600	
Supplies - Pool	200	2,400	
Supplies - Electric & Lighting	570	6,840	
Supplies - Building & Other	75	900	
Taxes - Payroll	928	11,136	
Electricity	6,969	83,628	
Gas	20	240	
Telephone	45	540	
Water/Sewer	5,660	67,920	
Other Disbursements	250	3,000	
SUBTOTAL DISBURSEMENTS	$31,732	$380,784	
Transfer to Reserve	3,090	37,080	
TOTAL DISBURSEMENTS	$34,822	$417,864	

The operating budget (Prorated on a monthly basis)and the estimated monthly cost for each unit is for the first year of operation following completion of all phases. The information contained herein is based upon data available to us at this time.

We certify that the monthly maintenance fees and the monthly operating costs have been based on generally accepted accounting principles.

July 23, 1985

Kenneth Jones
Property Manager
Chaney, Brooks and Company

EXHIBIT "B-2"