



**REAL ESTATE COMMISSION
STATE OF HAWAII**
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
1010 Richards Street
P. O. Box 3469
Honolulu, Hawaii 96801

CONDOMINIUM PUBLIC REPORT

on

CROSSPOINTE, INCREMENT E, PHASE E-1

Mananai Place
Halawa, Ewa District, Hawaii

Registration No. 1821

Issued: February 13, 1987
Expires: March 13, 1988

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of February 2, 19 87 and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

- PRELIMINARY:** The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
(yellow)
- FINAL:** The developer has legally created a condominium and has filed complete information with the Commission.
(white)
[] Supersedes all prior public reports
[] Must be read together with N/A
- SUPPLEMENTARY:** Updates information contained in the
(pink)
[] Prelim. Public Report dated _____
[] Final Public Report dated _____
[] Supp. Public Report dated _____
- And [] Supersedes all prior public reports
[] Must be read together with _____
- [] This report reactivates the _____
public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[] Required [X] Not Required -- disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued.

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GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Horizontal Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Some condominium projects are leasehold. This means that the land or the land, building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessee (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessee either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessee; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: GENTRY-HALAWA PARK, a Hawaii limited partnership Phone: (808)671-6411
Name (Business)
94-539 Puahi Street
Business Address
Waipahu, Hawaii 96797

Names of officers or general partners of developers who are corporations or partnerships:
Halawa Park Development, Ltd., a Hawaii corporation, is the general partner.
The officers and directors of Halawa Park Development, Ltd. are 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 Asst. Secretary and Harvey Jay Migdal, Assistant Vice President and
Secretary and Director.

Real Estate Sales Agent: Gentry Realty, Ltd. Phone: (808)671-6411
Name (Business)
94-539 Puahi Street Crosspointe Office:
Business Address (808)488-1711
Waipahu, Hawaii 96797

Escrow: Security Title Corporation Phone: (808)521-9511
Name (Business)
1001 Bishop Street, 1200 Pacific Tower Pearlridge Office:
Business Address (808)488-7733
Honolulu, Hawaii 96813

Managing Agent: Chaney, Brooks & Company Phone: (808)488-1600
Name (Business)
606 Coral Street
Business Address
Honolulu, Hawaii 96813

Attorney for Developer: Harvey Jay Migdal
Name
94-539 Puahi Street
Business Address
Waipahu, Hawaii 96797

**II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Horizontal Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. Declaration of Horizontal Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

- Proposed
- Recorded — Bureau of Conveyances — Book _____ Page _____
- Filed — Land Court — Document Number 1435358

Amendment date(s) and recording/filing information:

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

- Proposed
- Recorded — Bureau of Conveyance Condo Map No. _____
- Filed — Land Court Condo Map No. 626

Amendment date(s) and recording/filing information:

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed
- Recorded — Bureau of Conveyances — Book _____ Page _____
- Filed — Land Court — Document Number 1435359

Amendment date(s) and recording/filing information:

D. House Rules. The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:

Proposed Adopted

Developer does not plan to adopt house rules.

E. Changes to Condominium Documents

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. Apartment Owners: Minimum percentage of apartment owners who must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	75%
Bylaws	65%	65%
House Rules	—	_____

The percentages for individual condominium projects may be more than the minimum set by law.

2. Developer: The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules: The Developer has reserved the right to make any changes to said documents, and any other documents affecting the project, as may be required by law, any title insurance company, or as Developer decides is necessary, all without the consent or approval of the Purchaser, provided that the changes do not substantially impair the prospective use and enjoyment of the apartment, materially alter the arrangement of the rooms or reduce the useable space within the apartment; render unenforceable the Purchaser's mortgage loan commitment; increase Purchaser's share of common expense or reduce the obligations of the Seller for common expenses on unsold apartments. Developer also reserves the right to file the as-built verified statement required by Section 514A-12 of the Hawaii Revised Statutes and also to make any changes to the documents necessary in connection with the merger of this Project as set forth in paragraph K below.

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

Fee Simple: Individual apartments and the underlying land will be in fee simple.

Leasehold or Subleasehold: Individual apartments and the underlying land will be leasehold.

The leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit NA contains further explanations.

Lease Term Expires: December 31, 2043

Rent Renegotiation Date(s): January 1, 2019; January 1, 2029 and January 1, 2039;

LEASE RENTS ALSO INCREASE FROM THEIR PRESENT RATE ON January 1, 1999 and January 1, 2009.

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit B contains a schedule of the lease rent for each apartment per Month Year.

Individual Apartments in Fee Simple, Underlying Land in Leasehold or Subleasehold:

The leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners - tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations.

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per Month Year.

Other:

For Subleaseholds:

Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is Cancelled Foreclosed.

As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is cancelled or foreclosed.

B. Underlying Land:

Address: Mananai Place, Honolulu, Hawaii Tax Map Key: 9-9-76-28
(TMK)

Address TMK is expected to change because _____

Land Area: 1.884 square feet acre(s) Zoning: A-1

Fee Owner: THE QUEEN EMMA FOUNDATION
name
c/o Hawaiian Trust Company
address
195 S. King Street, Honolulu, HI

Sublessor: _____
name

address

C. Buildings and Other Improvements:

1. New Building(s) Conversion of Existing Building(s)
 Both New Building(s) and Conversion

2. Buildings: five Floors Per Building: two

Exhibit _____ contains further explanations.

3. Principal Construction Material:

Concrete (foundations) Hollow Tile Wood

Other asphalt shingles; composition siding

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Industrial	_____
<input checked="" type="checkbox"/> Residential	<u>44</u>	<input type="checkbox"/> Agricultural	_____
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input checked="" type="checkbox"/> Other: <u>One Parking Apartment</u>	_____		_____

5. Special Use Restrictions:

The Declaration, Bylaws, and House Rules may contain restrictions on the use and occupancy of apartments. Restrictions for this condominium project include but are not limited to:

- Dogs, cats and other household pets limited to two in number and subject
- [X] Pets: to compliance with provision of the House Rules.
 No more than two per bedroom, excluding children under
- [X] Number of Occupants: five, except no more than three per bedroom under any
 circumstances, inclusive of children under five.
- [] Other: _____
- [] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 44 residential No more than
 (plus 1 parking apartment) 2 apts. per
 Elevators _____ Stairways stairway Trash Chutes None

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
<u>414</u>	<u>4</u>	<u>Studio</u>	<u>414</u>	<u>**</u>
<u>484/485</u>	<u>8</u>	<u>1/1</u>	<u>484 /485</u>	<u>**</u>
<u>547</u>	<u>8</u>	<u>1/1</u>	<u>547</u>	<u>**</u>
<u>716/717</u>	<u>16</u>	<u>2/1</u>	<u>716 /717</u>	<u>**</u>
<u>810</u>	<u>8</u>	<u>2/2</u>	<u>810</u>	<u>**</u>
Parking Apt	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>

*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

**Lanai sizes vary even between the same apartment types.

Other documents and maps may give floor area figures which differ from those above because a different method of determining floor area may have been used.

Boundaries of Each Apartment: Each apartment includes the walls and partitions which are not load bearing within its perimeter or party walls; glass windows or panels; doors (except for exterior surface of any door located on perimeter walls); inner decorated or finished surfaces of all walls, floors and ceilings, door frames and window frames; air space within the perimeter and any fixtures and appliances originally installed. The apartment does not include undecorated or unfinished surfaces or perimeter or party walls or interior load-bearing walls, floors and ceilings; any pipes, wires, or other utility lines running through the apartment and utilized for more than one apartment. The apartment also does not include the adjacent lanai which is considered a limited common element.

Permitted Alterations to Apartments: Additions, alterations or improvements solely within an apartment or within a limited common element appurtenant to and for the exclusive use of the apartment may be made by the apartment owner with only the approval of the Board of Directors and any other apartment owner directly affected.

7. Parking Stalls:

Total Parking Stalls: 54

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	<u>-</u>	<u>44</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44</u>
Guest Unassigned	<u>-</u>	<u>0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0</u>
Extra Available for Purchase	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other:	<u>-</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0</u>
Total Covered & Open	<u>54</u>		<u>-</u>		<u>-</u>		

Each apartment will have the exclusive use of at least one parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

Commercial parking garage permitted in condominium project.

Exhibit C contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute

Other: _____

As discussed in Paragraph 7 on Page 5, there are no recreational amenities within this Project; however, there will be two recreational areas within the Crosspointe Community Area available for the use of all owners and residents of Crosspointe. One of the recreation areas will consist of a recreation building and swimming pool and the other will be a Tot Lot for children under the age of 12. None of these amenities will be available for use by the time this Project is ready for occupancy. The completion date for the swimming pool and recreation building is Summer, 1987. The Tot Lot will be completed by late Summer, 1987. The foregoing dates are subject to delays due to weather, strikes, labor shortages, all acts of God and events beyond the control of Developer.

9. Present Condition of Improvements

(For conversions of residential apartments in existence for five years):

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

b. Compliance with Building Code and Municipal Regulations; Cost to Cure Violations

10. Conformance to Present Zoning Code

a. No variances to zoning code have been granted. However the City and County of Honolulu granted the Developer a Special Use Permit (see Ex.E, Item 7) which allows Variance(s) to zoning code was/were granted as follows: phased projects on separate parcels of land to be developed as one integral project.

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	_____	_____	_____
Structures	_____	_____	_____
Lot	_____	_____	_____

If a variance has been granted or if uses, improvements, or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project intended to be used by all apartment owners. They are owned jointly by all apartment owners.

Exhibit D describes the common elements.

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

[] There are no limited common elements in this project.

[] The limited common elements and the apartments which may use them are:

[] described in Exhibit _____

[X] as follows:

- (a) The mailbox bearing the same designation as the apartment;
- (b) Residential Apartments on the ground floor have the exclusive use and enjoyment of the fenced yard area adjoining the apartment;
- (c) Residential Apartments on the second floor have the exclusive use and enjoyment of the lanai immediately adjacent to the apartment;
- (d) The exterior stairways and railings which serve the second story apartments and the fences which surround the fenced courtyard areas and serve the first story residential apartments
- (e) All other common elements that rationally relate to less than all of the Residential Apartments shall be limited to the use of such Apartments.

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

[X] Exhibit C describes the common interests for each apartment. *

[] as follows:

*Upon merger of this Project with Crosspointe Increment E-2, as more fully set forth in Paragraph K on Page 17 herein, the common interest for each apartment will change as set forth in Exhibit C.

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property.

Exhibit E describes the encumbrances against the title contained in the title report dated January 27, 1987.

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[] There are no blanket liens affecting title to the individual apartments.

[X] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Blanket Mortgage (see Items <u>9</u> and <u>10</u> of Exhibit E)	Lender has priority over Purchaser's rights under the Contract. In the event of a default by Developer under the mortgage and a foreclosure ensues before construction of this Phase, Purchasers are entitled to terminate their contracts and obtain a refund of their deposits.

F. Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

Initial Managing Agent: When the developer or the developer's affiliate is the initial managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial managing agent for this condominium is:

[x] not affiliated with the Developer.

[] the Developer or the Developer's affiliate.

[] other _____

G. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

Exhibit F contains a schedule of maintenance fees and maintenance fee disbursements.

*Exhibit F is an estimate only

H. Utility Charges for Apartments:

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

- | | |
|--------------------------------------|---|
| <input type="checkbox"/> Electricity | <input type="checkbox"/> Television Cable |
| <input type="checkbox"/> Gas | <input checked="" type="checkbox"/> Water & Sewer |
| <input type="checkbox"/> Other _____ | |

I. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. **Building and Other Improvements:** The Developer warrants against defects in the apartment due to faulty material or workmanship which are discovered and brought to the attention of Developer within one year from the date of conveyance of title to the apartment owner or the date of occupancy, whichever occurs first. In addition, the Developer warrants the common elements against all defects for a period of two 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 this warranty, the Developer 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.
2. **Appliances:** Warranties on appliances furnished with an apartment are not provided by the Developer. The execution and delivery of the apartment lease will operate as an assignment from the Developer to the purchaser of the respective manufacturers' or dealers' warranties, if any.

J. Status of Construction and Estimated Completion Date: Construction on the Project will commence in February, 1987, and is estimated to be completed by May, 1987.

K. Project Phases:

The developer has has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's Present Plans for Future Development: The Developer has reserved the option to merge this Phase E-1 with Phase E-2, consisting of apartments and common elements to be constructed on land adjacent to this Project. Increment E, Phase E-2 is planned to consist of 5 buildings containing a total of 44 apartments, all of which buildings and apartments are similar in architectural style and size to one or more of the types of buildings and apartments in this Project. At the time of merger, the percentage common interest for each apartment will change in accordance with a formula set forth in paragraph 6 of the Declaration. Upon merger of Phases E-1 and E-2, the merged phases will become one condominium project and will be governed by one Declaration and By-Laws. All apartment owners in the phases will be entitled to use the common elements of the other phases.

In addition, the Developer has reserved the right to administratively merge all of the projects in the Crosspointe Community Area for purposes of administration and use only. This administrative merger will not affect the percentage common interests of the owners in their respective phases.

L. Sales Documents Filed with the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

Notice to Owner Occupants

Specimen Sales Contract

Exhibit G contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated June 26, 1984

Exhibit H contains a summary of the pertinent provisions of the escrow agreement.

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

RESTRICTIVE COVENANTS

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.

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.

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

Preliminary Report: Sales made by the Developer are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

1. The Developer delivers to the buyer a copy of:
 - a. Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report;
AND
 - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
 - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - c. The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

B. Rights Under the Sales Contract:

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Horizontal Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other _____

If these documents are not in final form, the buyer should ask to see the most recent draft.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS and Hawaii Administrative Rules Chapter 16-107) are available at the Department of Commerce and Consumer Affairs.

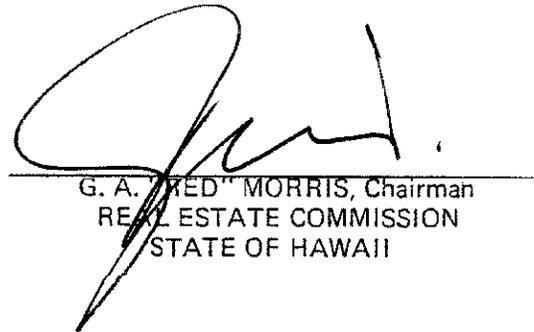
This Public Report is a part of Registration No. 1821 filed with the Real Estate Commission on January 23, 1987.

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Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary Public Report is issued or unless the Commission issues an order extending the effective period for the report.

Supplementary Public Reports expire on the expiration date given on the front of the report.



G. A. FRED MORRIS, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

EXHIBIT "B"

SCHEDULE OF LEASE RENTS

<u>Apartment Type</u>	<u>Commencement of Lease through December 31, 1998</u>	<u>January 1, 1999 through December 31, 2008</u>	<u>January 1, 2009 through December 31, 2018</u>
414	173	259	389
484	202	302	454
485	202	302	454
547	360	540	810
716	408	612	918
717	408	612	918
810	420	630	945

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.

EXHIBIT "C"

<u>Building and Apartment No.</u>	<u>Apartment Type</u>	<u>Net Interior Living Area</u>
38-A	810	810
38-B	547	547
38-C	547	547
38-D	810	810
38-R	810	810
38-S	547	547
38-T	547	547
38-U	810	810
39-A	717	717
39-B	716	716
39-C	717	717
39-D	716	716
39-R	717	717
39-S	716	716
39-T	717	717
39-U	716	716
40-A	414	414
40-B	485	485
40-C	484	484
40-D	414	414
40-E	485	485
40-F	484	484
40-R	414	414
40-S	485	485
40-T	484	484
40-U	414	414
40-V	485	485
40-W	484	484
41-A	717	717
41-B	716	716
41-C	717	717
41-D	716	716
41-R	717	717
41-S	716	716
41-T	717	717
41-U	716	716

42-A	810	810
42-B	547	547
42-C	547	547
42-D	810	810
42-R	810	810
42-S	547	547
42-T	547	547
42-U	810	810

BREAKDOWN OF MODEL TYPES AND
PERCENTAGE INTEREST FOR INCREMENT E, PHASE E-1

<u>Model</u>	<u>Percentage Common Interest</u>		<u>Total Number in Project</u>	<u>Percentage Common Interest</u>
414	1.486%	x	4	5.944%
484	1.738	x	4	6.952
485	1.741	x	4	6.964
547	1.964	x	8	15.712
716	2.570	x	8	20.560
717	2.574	x	8	20.592
810	2.908	x	8	23.264
Pkg. Apt.	012	x	<u>1</u> 45	<u>.012</u> 100.000%

SCHEDULE OF COMMON INTERESTS
UPON MERGER OF PHASES E-1 AND E-2

<u>Model</u>	<u>Approximate Percentage Common Interest Upon Merger of Phases E-1 and E-2</u>
Type 414	.778%
484	.910
485	.912
547	1.029
716	1.347
717	1.348
810	1.523
Parking Apartment	.017

BREAKDOWN OF PARKING STALL ASSIGNMENTS

<u>Apt. No.</u>	<u>Parking Stall Assignments</u>
38-A	59
38-B	57
38-C	64
38-D	61
38-R	60
38-S	58
38-T	62
38-U	63
39-A	55
39-B	49
39-C	48
39-D	56
39-R	53
39-S	51
39-T	50
39-U	54
40-A	47
40-B	46
40-C	42
40-D	37
40-E	40
40-F	39
40-R	45
40-S	44
40-T	43
40-U	36
40-V	38
40-W	41
41-A	67
41-B	65
41-C	72
41-D	71
41-R	68
41-S	66
41-T	70
41-U	69
42-A	73
42-B	82
42-C	79
42-D	74
42-R	75
42-S	80
42-T	81
42-U	76

EXHIBIT "D" - COMMON ELEMENTS

1. The land of the Project in fee simple;
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.

EXHIBIT "E" - ENCUMBRANCES

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. 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)

3. Grant dated February 6, 1951, filed in said Office of the Assistant Registrar 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)

4. 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.

5. Restriction of access rights, as shown on Map 139, as set forth by Land Court Order No. 49042, filed December 20, 1977.

6. 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.)

7. 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, made by The Queen Emma Foundation, a Hawaii eleemosynary corporation, and CENTRY-HALAWA PARK, a Hawaii registered limited partnership, as "Declarant".

"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.

8. 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.

9. 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.

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.

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.

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.

By instrument dated March 7, 1986, filed in said Office of the Assistant Registrar as Document No. 1359239 the foregoing mortgage was amended and reconfirmed.

Lessor's Consent dated March 7, 1986, filed in said Office of the Assistant Registrar as Document No. 1359240.

10. 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.

11. 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.

12. Designation of restriction of access rights, as shown on Map 190, as set forth by Land Court Order No. 75633, filed October 10, 1985. (also affects other property)

13. The covenants, agreements, obligations, conditions and other provisions set forth in that certain Declaration of Horizontal of Horizontal Property Regime of Crosspointe, Increment E, Phase E-1, dated January 16, 1987, filed in said Office of the Assistant Registrar as Document No. 1435358.

14. By-Laws of the Association of Apartment Owners of Crosspointe, Increment E, Phase E-1, dated January 16, 1987, filed in said Office of the Assistant Registrar as Document No. 1435359.

15. Condominium Map No. 626, filed in said Office of the Assistant Registrar on January 27, 1987.

END OF EXHIBIT "E"

EXHIBIT F

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> x 12 months =	<u>Yearly Total</u>
Type: 414	\$27.40	\$328.80
484	32.00	384.00
485	32.00	384.00
547	36.20	434.40
716	47.35	568.20
717	47.40	568.80
810	53.55	642.60

Parking Apt.*

Estimate of Total of Initial Condominium Maintenance Fees and Crosspointe Community Association Dues.

<u>Apartment</u>	<u>Monthly Crosspointe Community Association Dues</u>	<u>Monthly Condominium Association Mainte- nance Fees</u>	<u>TOTAL DUES \$ FEES</u>
Type 414	\$62.00	\$27.40	\$ 89.40
484	62.00	32.00	94.00
485	62.00	32.00	94.00
547	62.00	36.20	98.20
716	62.00	47.35	109.35
717	62.00	47.40	109.40
810	62.00	53.55	115.55
Parking Apt.*	None		

*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 Crosspointe Community Association. Provision for ordinary maintenance of the Parking Apartment has been made in the budgets for the Community Association which are included with this Exhibit F. The interim operating budget is the current budget for the Community Association. The Final Operating Budget is the projected budget for the Community Association after all of the increments and recreational facilities in the Crosspointe Community have been completed.

[] Revised on _____

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning		
Electricity		
[] common elements only	*	
[] common elements and apartments		
Gas		
Refuse Collection	\$ 156	\$1,872
Telephone		
Water and Sewer	*	

Maintenance, Repairs and Supplies

Building	50	600
Grounds	*	
Equipment	25	300
Management		
Management Fee	580	6,960 (Fiscal Svc Only)
Payroll and Payroll Taxes	*	
Office Expenses	50	600
Insurance (Package)	458**	5,496
(Liability)	230**	2,760
Reserves (D & U)	84**	1,008
	175	2,100
Taxes and Government Assessments	20	240
Other		
Tax Filing Fee	13	156
Crosspointe Community Assn Dues	<u>2,728</u>	<u>32,736</u>
	<u>4,569</u>	<u>54,828</u>

*The costs for these services are included in the Crosspointe Community Association Dues.

**Insurance Costs are subject to wide fluctuations.

***Dues for the Community Association are based on 400 total units; when the recreational facilities are completed and as the number of units in the area increases, the maintenance fees will be adjusted accordingly.

I/We, Chaney, Brooks and Company, as managing agents for the condominium, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Kenneth Jones
Date: 1-7-87

PROPOSED OPERATING BUDGET

CROSSPOINTE E-1
(44 Units)

	<u>Monthly</u>	<u>Annually</u>	<u>Remarks</u>
<u>RECEIPTS</u>			
Maintenance Fees	\$ 1,841	\$ 22,092	
Association Dues	2,728	32,736	
TOTAL RECEIPTS	\$ 4,569	\$ 54,828	
<u>DISBURSEMENTS</u>			
Tax Fees	\$ 15	\$ 156	Tax Filing
Insurance Package	458	5,496	
Insurance Liability	230	2,760	
Insurance Other	84	1,008	D & O
Management & Acctg. Services Only	580	6,960	Fiscal Svc.
Misc. & Project Office Expenses	50	600	
Refuse Service	156	1,872	2 Bins
Maintenance & Repair - Other Equip.	25	300	
Supplies, Building & Other	50	600	
Taxes, Corporate Income	20	240	
Association Dues	2,728	32,736	
SUBTOTAL DISBURSEMENTS	4,394	52,728	
TRANSFER TO RESERVES	175	2,100	
TOTAL DISBURSEMENTS	\$ 4,569	\$ 54,828	

The operating budget (prorated on a monthly basis) and estimated monthly cost for each unit until the end of the year 1987. 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.

6 January 1987



 Kenneth Jones
 Property Manager
 Chaney, Brooks & Company

KJ/shs

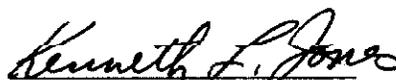
**PROPOSED OPERATING BUDGET
CROSSPOINTE COMMUNITY ASSOCIATION
INTERIM**

	<u>Monthly</u>	<u>Annually</u>	<u>Remarks</u>
<u>RECEIPTS</u>			
Start-Up Fees	\$ 3,017	\$ 36,204	
Interest Income	52	624	
Association Dues	24,800	297,600	
TOTAL RECEIPTS	\$27,869	\$334,428	
<u>DISBURSEMENTS</u>			
Audit & Tax Fees	163	1,956	
Insurance - D & O	223	2,676	
Insurance - Medical	381	4,572	
Insurance - Workers' Compensation	741	8,892	
Legal Fees	50	600	
Management & Accounting Services	816	9,792	Full Service
Miscellaneous Office Expense	50	600	
Petty Cash Reimbursement	50	600	
Maintenance/Repair - Building	20	240	
Maintenance/Repair - Other	54	648	
Maintenance/Repair - Ground	20	240	
Payroll - Maintenance	4,679	56,148	
Payroll - Resident Manager	1,598	19,176	
Lodging - Resident Manager	850	10,200	
Security Service	4,992	59,904	
Supplies - Grounds	200	2,400	
Supplies - Janitoria	25	300	
Supplies - Pool	20	240	
Supplies - Electrical/Lighting	100	1,200	
Supplies - Building/Other	20	240	
Taxes - Gross Income	20	240	
Taxes - Payroll	898	10,776	
Electricity	2,000	24,000	
Gas/Propane	25	300	
Telephones	150	1,800	
Water/Sewer	4,600	55,200	
Start-Up Expenses or Transfer to Reserves	3,017	36,204	
Sub-Total	\$25,762	\$309,144	
Transfer to Reserves			
General Oper	357	4,284	
Road	925	11,100	
Pool	425	5,100	
Paint	250	3,000	
Roof	150	1,800	
Sub-Total	\$ 2,107	\$ 25,284	
TOTAL	\$27,869	\$334,428	

The operating budget is predicated on 400 Units (prorated on a monthly basis) and the estimated monthly cost for each unit is for one year commencing January 1987. The information contained herein is based on data available to us at this time.

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

1 January 1987


Kenneth L. Jones, GRP
Property Manager

**PROPOSED OPERATING BUDGET
CROSSPOINTE COMMUNITY ASSOCIATION
FINAL**

	<u>Monthly</u>	<u>Annually</u>	<u>Remarks</u>
Interest Income	\$ 346	\$ 4,152	
Association Dues	33,852	406,224	
Total Receipts	\$34,198	\$410,376	
 <u>DISBURSEMENTS</u>			
Audit & Tax Fees	163	1,956	
Insurance - Package	1,000	12,000	
Insurance - Liability	400	4,800	
Insurance - Other	223	2,676	TDI/D&O
Insurance - Medical	574	6,888	
Insurance - Workers' Compensation	1,088	13,056	
Legal Fees	50	600	
Management & Accounting Services	1,092	13,104	Fiscal/Physical
Miscellaneous Office Expense	200	2,400	
Petty Cash Reimbursement	50	600	
Refuse Service	100	1,200	
Maintenance/Repair - Building	50	600	
Maintenance/Repair - Other	100	1,200	
Maintenance/Repair - Ground	40	480	
Maintenance/Repair - Pool	50	600	
Payroll - Maintenance	6,821	81,852	
Payroll - Resident Manager	1,500	18,000	
Lodging - Resident Manager	1,100	13,200	
Security Service	4,992	59,904	
Supplies - Ground	250	3,000	
Supplies - Janitorial	100	1,200	
Supplies - Pool	100	1,200	
Supplies - Electrical/Lighting	150	1,800	
Supplies - Building/Other	150	1,800	
Taxes - Gross Income	20	240	
Taxes - Payroll	1,093	13,116	
Electricity	3,800	45,600	
Gas - Propane	150	1,800	
Telephones	150	1,800	
Water/Sewer	5,800	69,600	
Other Expenses: Non-Budget	400	4,800	
Sub-Total Disbursements	\$31,756	\$381,072	
Transfer General Oper	692	8,304	
To Reserves Road	925	11,100	
Pool	425	5,100	
Paint	250	3,000	
Roof	150	1,800	
Sub-Total	\$ 2,442	\$ 29,304	
TOTAL	\$34,198	\$410,376	

The operating budget (prorated on a monthly basis) and the estimated monthly cost for each unit is for six months of operation following completion of all phases (estimated to be July 1987). The information contained herein is based upon data available to us at this time.

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

1 January 1987

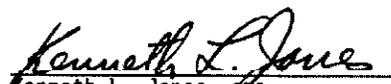

Kenneth L. Jones, P.E.
Property Manager
Chaney, Brooks & Company

EXHIBIT G - SUMMARY OF SALES CONTRACT

The Sales Contract contains the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Project. Among other things, the Sales Contract says:

1. What a purchaser must do to qualify for a loan if the purchaser wants a mortgage loan to cover part of the purchase price.

2. That a purchaser's money will be held in escrow, under the terms of the Escrow Agreement.

3. That a purchaser will not receive interest on deposits made under the Sales Contract.

4. That the apartment will be subject to various other legal documents which the purchaser should examine.

5. That the Project will be subject to ongoing construction and sales activities which may result in certain annoyances to purchaser.

6. That the Developer has reserved the right to legally merge the two phases of Crosspointe, Increment E and to administratively merge all increments of the Crosspointe project.

EXHIBIT H - SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement these things will or may happen:

1. Escrow will let purchasers know when payments are due.
2. Escrow will arrange for purchasers to sign all necessary documents.
3. The Escrow Agreement says under what conditions a refund will be made to a purchaser.
4. The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract.
5. The Escrow Agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.