



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

CONDOMINIUM PUBLIC REPORT

on

THE IMPERIAL PLAZA
 725 Kapiolani Boulevard
 Honolulu, Hawaii 96813

Registration No. 2110 (PARTIAL CONVERSION)

Issued: January 19, 1990

Expires: July 19, 1990

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of December 29, 1989, 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)

No prior reports have been issued
 Supersedes all prior public reports
 Must be read together with _____

SUPPLEMENTARY: Updates information contained in the
(pink)

Prelim. Public Report dated August 24, 1989
 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 _____

A copy of the Preliminary Public Report dated August 24, 1989, is available from the **Disclosure Abstract:** Separate Disclosure Abstract on this condominium project: developer's agents on request.

Required 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 by the Commission.

[X] Changes made are as follows:

Except for the information under the topical headings which follow, the information in the Preliminary Public Report issued on August 24, 1989, has not changed.

SUMMARY OF THE CONDOMINIUM PROJECT

5. Apartment Description (see page 5): The number of commercial apartments has been increased from 7 commercial apartments to 55 commercial apartments. The number of residential apartments in the 34-story tower has been decreased from 174 residential apartments to 173 residential apartments. The types of residential apartments in the 34-story tower has been increased from 22 different types to 27 different types. The types of residential apartments in the multi-story building has been increased from 10 different types to 12 different types.

The total number of apartments has been increased from 214 apartments to 261 apartments.

The developer and the fee owner may convert any commercial apartment into two or more commercial apartments and/or two or more commercial apartments into one or more commercial apartments.

6. Parking (see page 5): The number of parking stalls has been reduced from 698 parking stalls to 681 parking stalls.

7. Recreational Amenities (see page 5): The sun deck will not be on the roof of the existing 4-story building.

III. THE CONDOMINIUM PROJECT

C. Buildings and Other Improvements:

6. Interior (see page 11). See "Apartment Description" above in this summary.

7. Parking Stalls (see page 12). See "Parking" above in this summary. The number of regular covered parking stalls has been reduced from 360 parking stalls to 342 parking stalls, and the number of compact covered parking stalls has been increased from 338 parking stalls to 339 parking stalls.

8. Recreational and Other Common Facilities (see page 12). See "Recreational Amenities" above in this summary.

10. Conformance to Present Zoning Code (see page 13). The name of the existing 4-story building has been changed from "The Grand Gallery" to "The Galerie."

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

2. Limited Common Elements (see page 14). Exhibit C has been revised to designate certain separate men's and women's restrooms as the limited common elements of the commercial apartments located on the same floor as such restrooms.

3. Common Interest (see page 14). Exhibit A has been revised to describe the common interests for each commercial apartment.

E. Encumbrances Against Title (see page 15): Exhibit D has been revised to show that the Title Insurance Commitments issued by Security Title Corporation describe the additional encumbrances on the land.

G. Estimate of Initial Maintenance Fees (see page 16): Exhibit E has been revised to show the estimate of initial maintenance fees for the commercial and residential apartments.

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

B. Permitted Alterations to Apartments:

3. Conversion by the Developer and the Fee Owner of any Commercial Apartment into Two or More Commercial Apartments and/or Two or More Commercial Apartments into One or More Commercial Apartments (see pages 18a and 18b). In addition to converting any commercial apartment into two or more commercial apartments, the developer and the fee owner reserve the right to convert two or more commercial apartments into one or more commercial apartments.

D. Residential Apartment Numbering and Location:

1. The 34-Story Tower (see pages 18b and 18c). The residential apartment numbering for the 36th, 38th and 39th floors has been revised.

 *
 * SPECIAL ATTENTION *
 *
 * Prospective buyers should be aware this is a mixed-use condominium *
 * project (commercial and residential) and is a partial conversion *
 * (i.e., one building is an existing structure that is being converted *
 * from single ownership to multiownership). There are certain implica- *
 * tions regarding this, such as but not limited to use, governance, *
 * maintenance and warranty, that may affect one's expectations. *
 *
 * The developer has disclosed that it makes no warranties itself *
 * but will assign the warranties given by the contractor and manufac- *
 * turer or dealer, if any, to buyers. *
 *
 * Prospective buyers are cautioned to carefully review all relevant *
 * documents for further information with regard to the foregoing factors. *
 *

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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 "*Condominium 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 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 lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; 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.

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

Types of Project:

1. New Building(s) Conversion The Project will consist of an existing 4-story building and a 5-story platform with a 34-story tower on the mauka side of the platform and a multi-story building ranging from 2 to 8 stories on the makai side of the platform.
- Both New Building(s) and Conversion
2. Residential Commercial
- Mixed Residential and Commercial
- Other _____
3. High Rise (5 stories or more) Low Rise
4. Single or Multiple Buildings
5. Apartment Description See Exhibit A for additional information.

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
The existing 4-story building will contain 32 commercial apartments. The 5-story platform will contain 18 commercial apartments on the ground floor and 5 commercial apartments on the third floor. The 34-story tower will contain 173 residential apartments, which will be divided into 27 different types as described in Exhibit A. The multi-story building will contain 33 residential apartments, which will be divided into 12 different types as described in Exhibit A.				

Total Apartments: 261 (206 residential apartments and 55 commercial apartments). The developer and the fee owner may convert any commercial apartment into two or more commercial apartments and/or two or more commercial apartments into one or more commercial apartments. **Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

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

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	All of the parking stalls are initially assigned to one apartment. The developer will designate some of the parking stalls as common elements and reassign parking stalls to other apartments as and when sales of apartments are effected. Each apartment will have at least one parking stall assigned to it. The number of guest stalls has not yet been determined.
Guest Stalls	
Unassigned Stalls	
Extra Stalls Available for Purchase	
Other: _____	
Total Parking Stalls	<u>681</u>

7. **Recreational amenities:** The Project will have a recreation deck on the roof of the 5-story platform (which will be a limited common element for the residential apartments) consisting of a swimming pool, a spa, a clubhouse with separate men's and women's rest-rooms, a shower and a sun deck.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Business Investment, Ltd. Phone: 536-1082
Name (Business)
Suite 2700, Pacific Tower, 1001 Bishop St.
Business Address
Honolulu, Hawaii 96813

Names of officers or general partners of developers who are corporations or partnerships:

See Exhibit H

Real Estate Sales Agent: See Exhibit I Phone: _____
Name (Business)
Business Address

Escrow: Security Title Corporation Phone: 521-9511
Name (Business)
Suite 1200, Pacific Tower, 1001 Bishop St.
Business Address
Honolulu, Hawaii 96813

Managing Agent: General Management Corporation Phone: 536-1082
Name (Business)
Suite 2700, Pacific Tower, 1001 Bishop St.
Business Address
Honolulu, Hawaii 96813

Attorney for Developer: Hong, Iwai and Hulbert (Attn: Roy K. Kawano)
Name
Suite 2200, Pauahi Tower, 1001 Bishop St.
Business Address
Honolulu, Hawaii 96813

**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 Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. **Declaration of Condominium 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 _____

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. _____

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 _____

Amendment date(s) and recording/filing information:

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.

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 common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	The Board of Directors shall have the power to adopt, amend or repeal the 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 reserves the right to modify the Declaration, Bylaws, Apartment Deed, Escrow Agreement and Condominium Map; provided that no such modification shall (a) increase buyer's share of common expenses, (b) require a substantial change of the building in which the apartment is located, (c) reduce substantially the size of an apartment, or (d) substantially impair or modify any of the obligations in respect of the building given or undertaken by the developer. The developer further reserves the right to make changes to any apartment and to the common elements; provided that no changes shall be made which shall affect the physical location or reduce the number of apartments in the Project or substantially change the design of any apartment.

B. Underlying Land:

Address: 725 Kapiolani Boulevard Tax Map Key: 2-1-49: 27, 51, 53 & 68
Honolulu, Hawaii 96813 (TMK)

Address TMK is expected to change because Parcel 27 may be conveyed to the State of Hawaii and a portion of Parcel 68 will be conveyed to the City and County of Honolulu in exchange for a portion of Dreier Street.

Land Area: 126,881 square feet acre(s) Zoning: MUZ-C

Fee Owner: 725 Kapiolani Associates
Name

Suite 2700, Pacific Tower, 1001 Bishop Street
Address

Honolulu, Hawaii 96813

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: 2
 Exhibit _____ contains further explanations.

Floors Per Building The Project will consist of an existing 4-story building and a 5-story platform with a 34-story tower on the mauka side of the platform and a multi-story building ranging from 2 to 8 stories on the makai side of the platform.

3. Principal Construction Material:

- Concrete Hollow Tile Wood
 Other glass and curtain wall glass

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input checked="" type="checkbox"/> Commercial	<u>55</u>	<input type="checkbox"/> Industrial	_____
<input checked="" type="checkbox"/> Residential	<u>206</u>	<input type="checkbox"/> Agricultural	_____
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input type="checkbox"/> Other: _____			_____

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:

One household pet (either a dog, a cat or a small bird) or fish may be
 Pets kept in any apartment.

Number of Occupants: _____

Other: See item A on page 18 of this report.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

261 (206 residential apartments and 55 commercial apartments). The
Total Apartments developer and the fee owner may convert any commercial apartment into
two or more commercial apartments and/or two or more commercial apartments into one
or more commercial apartments.
Elevators 7 Stairways _____ Trash Chutes 2

<u>Apt.</u> <u>Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net</u> <u>Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
----------------------------	-----------------	----------------	--	-------------------------

The existing 4-story building will contain 32 commercial apartments. The
5-story platform will contain 18 commercial apartments on the ground floor
and 5 commercial apartments on the third floor. The 34-story tower will
contain 173 residential apartments, which will be divided into 27 different
types as described in Exhibit A. The multi-story building will contain 33
residential apartments, which will be divided into 12 different types as
described in Exhibit A.

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

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

Boundaries of Each Apartment: Each apartment shall be deemed to include all walls and partitions which are not load-bearing within its perimeter or party walls, all doors and door frames, windows (except for curtain wall glass which shall be deemed common elements) and window frames, the lanai or patio air space (if any), the interior decorated or finished surfaces of all perimeter, party and load-bearing walls, floors, floor coverings and ceilings, and all fixtures originally installed or contained therein.

Permitted Alterations to Apartments: Alterations or additions solely within an apartment or within an appurtenant limited common element, the conversion of two or more apartments into a single apartment or into two or more apartments with modified floor plans, and the conversion by the developer and the fee owner of any commercial apartment into two or more commercial apartments and/or two or more commercial apartments into one or more commercial apartments may be undertaken in the manner described in item B on page 18 of this report.

7. Parking Stalls:

Total Parking Stalls: 681

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	<u>342</u>	<u> </u>	<u>339</u>	<u> </u>	<u> </u>	<u> </u>	<u>681</u>
Guest	<u>All of the parking stalls are initially assigned to one apartment.</u>						
Unassigned	<u>The developer will designate some of the parking stalls as common</u>						
Extra Available	<u>elements and reassign parking stalls to other apartments as and</u>						
for Purchase	<u>when sales of apartments are effected. The number of guest stalls</u>						
Other:	<u>has not yet been determined.</u>						
Total							
Covered & Open	<u>342</u>		<u>339</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 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
- Recreation Area
- Tennis Court
- Storage Area
- Laundry Area
- Trash Chute
- Other: The roof of the 5-story platform will contain a recreation deck (which will be a limited common element for the residential apartments) consisting of a swimming pool, a spa, a clubhouse with separate men's and women's rest-rooms, a shower and a sun deck.

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least 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.

Variance(s) to zoning code was/were granted as follows:

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	<u>X</u>	<u> </u>	<u> </u>
Structures	<u>X</u>	<u>X*</u>	<u> </u>
Lot	<u>X</u>	<u> </u>	<u> </u>

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.

*The existing 4-story building located at the corner of Kapiolani Boulevard and Cooke Street and identified in the Declaration as "The Galerie" is a non-conforming structure.

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 B describes the common elements.

As follows:

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 C

as follows:

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.

Exhibit A describes the common interests for each apartment.

As follows:

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

Exhibit D describes the encumbrances against the title contained in the title report dated October 12, 1989, and issued by Security Title Corporation .

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>
Mortgage	If the developer defaults after the apartment is conveyed to buyer, buyer's interest in the apartment will not be affected. If the developer defaults before the apartment is conveyed to buyer, the mortgagee may or may not decide to sell the apartment to buyer pursuant to the Sales Contract. See Exhibit F, paragraph 9. If the mortgagee decides <u>not</u> to sell the apartment to buyer, buyer will be entitled to a refund of buyer's deposit.

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:

[] not affiliated with the Developer.

[X] the Developer or the Developer's affiliate.

[] self-managed by the Association of Apartment Owners.

[] 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 E contains a schedule of maintenance fees and maintenance fee disbursements.

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 checked="" type="checkbox"/> Other <u>Air conditioning, electricity for the common areas, refuse collection</u> | |
| <input type="checkbox"/> Not applicable | |

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 anticipates but does not warrant that the construction contract with the general contractor for the Project shall contain a warranty clause similar to Section 13.2.2 of AIA Document A201 which generally provides as follows:

If within one year after the date of substantial completion of the work, any of the work is found to be defective or not in accordance with the contract documents, the contractor shall correct it promptly after receipt of a written notice from the developer to do so unless the developer has previously given the contractor a written acceptance of such condition. The developer shall give such notice promptly after discovery of the condition.

The developer makes no warranties itself, but, if buyer shall give the developer written notice of any such condition promptly after discovery thereof, and during the unexpired term of the contractor's warranty, the developer will forward such notice together with its written notice to the contractor to correct such condition.

- 2. Appliances:** A description of warranties on the appliances to be installed in each apartment is presently unavailable inasmuch as the purchase contracts therefor have not been executed by the developer. The developer will attempt to assign to buyers the unexpired term, if any, of any manufacturer's or dealer's warranties covering any fixtures or appliances in the apartment. By such assignment the developer will be merely passing through to buyers any such manufacturer's or dealer's warranties, and the developer will not be adopting any such warranties or acting as co-warrantor.

J. Status of Construction and Estimated Completion Date:

Construction of the Project has not commenced. Construction of the Project will begin only after the requirements of the construction lender are satisfied. The developer has secured an interim construction loan, and the proceeds of the construction loan will pay for the construction and other development costs of the Project.

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:

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 F contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated July 20, 1989

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

Other Affidavit of Intent to Purchase a Unit Designated for Owner-Occupants;
Receipt for Public Report(s) and Notice of Right to Cancel; Apartment Deed

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

A. Other Special Use Restrictions:

1. Hotel Use Prohibited. The residential apartments shall be occupied and used only as dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose. The apartments shall not be rented for transient or hotel purposes, which are defined as (a) rental for any period less than 30 days, or (b) any rental in which the occupants of the apartments are provided customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service; provided, however, that the foregoing prohibition against customary hotel services shall not apply to any such services provided to the owners of the residential apartments, their families, domestic servants and social guests as long as such services are not being offered in connection with any rental arrangement. Except for such transient or hotel purposes the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration and the Bylaws. Any lease or rental agreement must be in writing, and the leasing of less than the whole of a residential apartment is prohibited.

2. Time-Sharing Prohibited. The apartments 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", "transient vacation rentals", "travel club membership" or "time-interval ownership" arrangement. The term "time-sharing" as used herein shall be deemed to include, but is not limited to, any plan, program or arrangement under which the right to use, occupy, own or possess an apartment or apartments in the Project rotates among various persons on a periodically recurring basis according to a specific, discernible, fixed or floating interval or period of time, whether by way of deed, lease, association or club membership, license, rental or use agreement, co-tenancy agreement, membership agreement, partnership or otherwise.

3. Commercial Use. The commercial apartments shall be occupied and used only for purposes permitted from time to time by applicable zoning ordinances, rules and regulations, and for no other purpose.

B. Permitted Alterations to Apartments:

1. Alterations Solely within an Apartment or a Limited Common Element. Any alterations or additions solely within an apartment or within a limited common element appurtenant to and for the exclusive use of an apartment, or of certain apartments, shall be undertaken by an apartment owner or owners only pursuant to the written approval thereof, including the plans therefor, by the holders of mortgages affecting such apartment, the Board of Directors, and all other apartment owners thereby directly affected (as determined by the Board of Directors in its sole discretion). Upon completion of such alterations or additions the apartment owners directly affected shall duly record and file of record an amendment to the Declaration together with the approved plans showing only such alterations or additions within an apartment space or within a limited common element as aforesaid. Such amendment to the Declaration need only be executed by the apartment owners directly affected and their mortgagees.

2. Conversion of Two or More Apartments into a Single Apartment or into Two or More Apartments with Modified Floor Plans. An apartment owner owning two (2) or more apartments, which respective apartments are separated only by common elements which are walls or doors, may alter or remove all or portions of such intervening walls or doors and make other alterations or additions solely within such apartments and convert such apartments into a single apartment or into two (2) or more apartments with modified floor plans; provided that the structural integrity of the building or the soundness and safety of the Project shall not be thereby affected and such alteration, removal and restoration will not reduce the value of the Project or impair any easement or hereditament thereof, and the finish of the common element then remaining shall be restored to a condition substantially comparable to that of the common element prior to such alteration. All such alterations, removal or additions, including the plans thereof which shall be prepared by a licensed, registered architect, shall be subject only to the approval of the holders of mortgages affecting such apartments, the Board of Directors, and all other apartment owners thereby directly affected (as determined by the Board of Directors in its sole discretion); and upon completion of such alteration, removal or addition the apartment owners directly affected shall duly record and file of record an amendment to the Declaration, together with the approved plans showing only such alteration, removal or addition, which amendment need only be executed by the apartment owner or owners directly affected and their mortgagees. If the net living areas of the apartments resulting from such alteration, removal or addition (the "modified apartments") shall not be the same as the net living areas of the original apartments to which such alteration, removal or addition was made (the "original apartments"), then the sum of the common interests appurtenant to the original apartments shall be reallocated among the modified apartments in proportion to the ratio that the net living area of a modified apartment bears to the sum of the net living areas of the original apartments, and such reallocation of the common interest shall be included in said amendment to the Declaration. Following the conversion of the original apartments into the modified apartments, the apartment owner or owners of the modified apartments may reconvert the modified apartments into the original apartments. All alterations, removal or additions to convert the modified apartments into the original apartments, including the plans thereof which shall be prepared by a licensed, registered architect, shall be subject only to the approval of the holders of mortgages affecting the modified apartments, the Board of Directors, and all other apartment owners thereby directly affected (as determined by the Board of Directors in its sole discretion); and upon completion of such reconversion the apartment owners directly affected shall duly record and file of record an amendment to the Declaration, together with the approved plans showing only the reconversion of the modified apartments into the original apartments, which amendment need only be executed by the apartment owner or owners directly affected and their mortgagees.

3. Conversion by the Developer and the Fee Owner of any Commercial Apartment into Two or More Commercial Apartments and/or Two or More Commercial Apartments into One or More Commercial Apartments. As long as the fee owner of the underlying land (the "Owner") shall be the owner of not less than seventy-five percent (75%) of all the apartments of the Project, the Owner and the developer hereby reserve unto themselves the following:

a. The right to convert any commercial apartment owned by the Owner into two (2) or more commercial apartments with modified floor plans; provided that the common interest of such commercial apartment shall be reallocated among the commercial apartments resulting from such conversion in the manner as shall be determined by the Owner and the developer even though the net living areas of the commercial apartments resulting from such conversion shall be less than the net living area of such commercial apartment. Upon completion of such conversion, the Owner and the developer shall duly record and file of record an amendment to the Declaration, together with the plans showing only such conversion, which amendment need only be executed by the Owner and the developer.

b. The right to convert two (2) or more commercial apartments into a single commercial apartment or into two (2) or more commercial apartments with modified floor plans; provided that the common interests of such commercial apartments shall be the common interest of the single commercial apartment, or if such commercial apartments are converted into two (2) or more commercial apartments, the common interests of such commercial apartments shall be reallocated among the commercial apartments resulting from such conversion in the manner as shall be determined by the Owner and the developer even though the net living areas of the commercial apartments resulting from such conversion shall not be the same as the net living areas of such commercial apartments. Upon completion of such conversion, the Owner and the developer shall duly record and file of record an amendment to the Declaration, together with the plans showing only such conversion, which amendment need only be executed by the Owner and the developer.

C. Financing of Project. The developer has secured an interim construction loan and intends to pay for the construction and other development costs of the Project by means of the proceeds of such interim construction loan, the fee owner's equity funds, and to the extent permitted by law and only after all statutory requirements and the requirements of the Commission have been met, buyer's funds held in escrow. The interim construction loan has not yet been effected. It is anticipated that the interim construction loan mortgage will contain a partial release provision which will enable the buyer to take conveyance of an apartment free and clear of such interim construction loan mortgage.

D. Residential Apartment Numbering and Location.

1. The 34-Story Tower. There will be 173 residential apartments in the 34-story tower on the mauka side of the 5-story platform. There will be no floors numbered one through five and thirteen. There will be 6 apartments on each of the 18 floors from the sixth through the twenty-fourth floors. Each apartment will be numbered serially 01 to 06, inclusive, preceded by a number indicating the floor in which the apartment is located. There will be 5 apartments on each of the 10 floors from the twenty-fifth through the thirty-fourth floors. Each apartment will be numbered serially 01 to 05, inclusive, preceded by a number indicating the floor in which the apartment is located. Apartments numbered 3502 and 3504 are located on the thirty-fifth floor. Apartments numbered 3501 and 3503 are located on the thirty-fifth and thirty-sixth floors.

Apartments numbered 3602 and 3604 are located on the thirty-sixth floor. Apartments numbered 3702 and 3704 are located on the thirty-seventh floor. Apartments numbered 3701 and 3703 are located on the thirty-seventh and thirty-eighth floors. Apartments numbered 3802 and 3804 are located on the thirty-eighth floor. Apartments numbered 3901, 3902 and 3903 are located on the thirty-ninth and fortieth floors. The location of each of the residential apartments in the 34-story tower are in the manner shown on the Condominium Map.

2. The Multi-Story Building. There will be 33 residential apartments in the 8 floors of the multi-story building on the makai side of the 5-story platform. There will be no floors numbered one through five and thirteen. Apartments numbered 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621 and 622 are located on the sixth and seventh floors. Apartments numbered 811, 812, 813, 814, 815, 816, 817, 818 and 819 are located on the eighth and ninth floors. Apartments numbered 1011, 1012, 1013, 1014, 1015, 1016 and 1017 are located on the tenth and eleventh floors. Apartments numbered 1211, 1212, 1213, 1214 and 1215 are located on the twelfth and fourteenth floors. The location of each of the residential apartments in the multi-story building are in the manner shown on the Condominium Map.

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 Condominium 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 Apartment Deed

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. 2110 filed with the Real Estate Commission on
July 31, 1989.

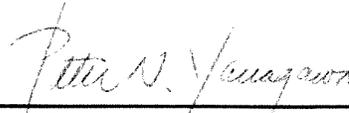
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Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary Public Report is issued or unless the Commission issues an order extending the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



PETER N. YANAGAWA, 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

APARTMENT DESCRIPTION

A. The 34-Story Tower ("The Imperial").

The 173 residential apartments in The Imperial are categorized into 27 different types. The list of rooms or areas set forth below under each apartment type identifies the rooms or areas contained in each such apartment type.

<p>TYPE "A"</p> <p>3 Bedrooms 2 Bathrooms 2 Lanais Living room Dining room Kitchen Foyer</p>	<p>TYPE "B, BR"</p> <p>2 Bedrooms 2 Bathrooms 1 Lanai Living room Dining room Kitchen Foyer</p>	<p>TYPE "BR-M"</p> <p>2 Bedrooms 2 Bathrooms 1 Lanai Living room Dining room Kitchen Foyer</p>	<p>TYPE "C, CR"</p> <p>2 Bedrooms 2 Bathrooms 1 Lanai Living room Dining room Kitchen Foyer</p>
<p>TYPE "D"</p> <p>2 Bedrooms 2 Bathrooms 1 Lanai Living room Dining room Kitchen Walk-in closet Foyer</p>	<p>TYPE "A2"</p> <p>3 Bedrooms 2 Bathrooms 2 Lanais Living room Dining room Kitchen Foyer</p>	<p>TYPE "E, ER"</p> <p>2 Bedrooms 2½ Bathrooms 1 Lanai Living room Dining room Kitchen Walk-in closet Foyer</p>	<p>TYPE "E-M, ER-M"</p> <p>2 Bedrooms 2½ Bathrooms Living room Dining room Kitchen Walk-in closet</p>
<p>TYPE "F-M, FR-M"</p> <p>2 Bedrooms 2½ Bathrooms 1 Lanai Living room Dining room Kitchen Walk-in closet Foyer</p>	<p>TYPE "F, FR"</p> <p>2 Bedrooms 2½ Bathrooms 2 Lanais Living room Dining room Kitchen Walk-in closet Foyer</p>	<p>TYPE "G"</p> <p>2 Bedrooms 3 Bathrooms Library Living room Dining room Kitchen Wet bar Family room Sauna Foyer Walk-in closet</p>	<p>TYPE "H, HR"</p> <p>2 Bedrooms 2½ Bathrooms Living room Dining room Kitchen Sauna Walk-in closet Foyer Laundry</p>
<p>TYPE "J"</p> <p>2 Bedrooms 3 Bathrooms Library Living room Dining room Kitchen Foyer Sitting room Laundry Sauna 2 Walk-in closets</p>	<p>TYPE "K"</p> <p>2 Bedrooms 3 Bathrooms Library Living room Dining room Kitchen Wet bar Family room Lanai Sauna Foyer Walk-in closet</p>	<p>TYPE "L, LR"</p> <p>2 Bedrooms 2½ Bathrooms Living room Dining room Kitchen Sauna Foyer Laundry</p>	
<p>TYPE "M"</p> <p>3 Bedrooms 3 Bathrooms Library Living room Dining room Kitchen Wet bar Family room Pantry 2 Lanais Study 2 Walk-in closets Sauna Laundry Storage</p>	<p>TYPE "N, NR"</p> <p>3 Bedrooms 3½ Bathrooms Library Living room Dining room Kitchen Wet bar Foyer Sauna 2 Walk-in closets Laundry</p>	<p>TYPE "P"</p> <p>2 Bedrooms 2 Bathrooms Living room Dining room Kitchen 1 Lanai Foyer</p>	

B. The Multi-Story Building ("The Plaza").

The 33 residential apartments in The Plaza are categorized into 12 different types. The list of rooms or areas set forth below under each apartment type identifies the rooms or areas contained in each apartment type.

TYPE "AA, AAR"	TYPE "BB, BBR"	TYPE "CC"
2 Bedrooms 2½ Bathrooms 2 Lanais Living room Dining room Kitchen Walk-in closet Foyer	2 Bedrooms 2½ Bathrooms 2 Lanais Living room Dining room Kitchen Walk-in closet Foyer	3 Bedrooms 3½ Bathrooms 4 Lanais Living room Dining room Kitchen Walk-in closet Foyer
TYPE "CC-M"	TYPE "DD"	TYPE "EE"
3 Bedrooms 3½ Bathrooms 4 Lanais Living room Dining room Kitchen Walk-in closet Foyer	2 Bedrooms 2½ Bathrooms 4 Lanais Living room Dining room Kitchen Walk-in closet Foyer Study	2 Bedrooms 2½ Bathrooms 2 Lanais Living room Dining room Kitchen Walk-in closet Foyer Study
TYPE "FF"	TYPE "GG"	TYPE "HH"
3 Bedrooms 2½ Bathrooms 2 Lanais Living room Dining room Kitchen Foyer	3 Bedrooms 2½ Bathrooms 3 Lanais Living room Dining room Kitchen Walk-in closet Foyer	2 Bedrooms 2½ Bathrooms 3 Lanais Living room Dining room Kitchen 2 Walk-in closets Foyer
TYPE "JJ"		
3 Bedrooms 2½ Bathrooms 3 Lanais Living room Dining room Kitchen 2 Walk-in closets Foyer		

C. The existing 4-story Building ("The Galerie") and the 5-story Platform ("The Platform").

There will be 32 commercial apartments in The Galerie (7 on each of the ground and second floors, 12 on the third floor and 6 on the fourth floor), and 23 commercial apartments in The Platform (18 on the ground floor and 5 on the third floor).

The apartment number, apartment type, approximate net living area, lanai and/or patio area, if any, and gross floor area, and the percent common interest of each of the apartments are set forth hereinafter. The term "net living area" represents the approximate area of the space within the interior finished surfaces of the perimeter nonparty walls and party walls of the apartment, including all partitions and walls (load-bearing and nonload-bearing), all air shafts, and all plumbing, mechanical and electrical chases within such perimeter and party walls. The net living area is the enclosed portion of the apartment (exclusive of the lanai and/or patio) measured in accordance with the Administrative Rules adopted by the Real Estate Commission of the State of Hawaii. The term "gross floor area" represents the approximate area of the apartment measured not in accordance with the above-mentioned Administrative Rules adopted by the Real Estate Commission but in accordance with local architectural practice and represents the space within the interior half of the party walls and the exterior of perimeter nonparty walls or perimeter glass, and all partitions and walls (load-bearing and nonload-bearing), all air shafts, and all plumbing, mechanical and electrical chases within such perimeter walls and party walls. The gross floor area also includes the lanai and/or patio. The gross floor areas of the apartments are set forth for comparison purposes only.

ALL AREAS SET FORTH HEREINAFTER ARE APPROXIMATE ONLY.
THE AREAS OF THE APARTMENTS UPON COMPLETION ARE LIKELY TO VARY SOMEWHAT.

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Net Living Area</u>	<u>Lanai Area</u>	<u>Total Area</u>	<u>Gross Floor Area</u>	<u>Percent Common Interest</u>
<u>The Imperial</u>						
601	A	1,239	188	1,427	1,546	.30
602	BR-M	911	197	1,108	1,217	.30
603	CR	979	94	1,073	1,152	.30
604	P	901	110	1,011	1,108	.30
605	C	979	94	1,073	1,152	.30
606	B	911	94	1,005	1,124	.30

NOTE: Each of the apartments on the sixth floor of The Imperial (except for apartment numbered 601) will also contain a patio, the area of which has not yet been determined.

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Net Living Area</u>	<u>Lanai Area</u>	<u>Total Area</u>	<u>Gross Floor Area</u>	<u>Percent Common Interest</u>
701	A	1,239	188	1,427	1,546	.30
702	BR	911	94	1,005	1,124	.30
703	CR	979	94	1,073	1,152	.30
704	D	947	81	1,028	1,120	.30
705	C	979	94	1,073	1,152	.30
706	B	911	94	1,005	1,124	.30
801	A	1,239	188	1,427	1,546	.30
802	BR	911	94	1,005	1,124	.30
803	CR	979	94	1,073	1,152	.30
804	D	947	81	1,028	1,120	.30
805	C	979	94	1,073	1,152	.30
806	B	911	94	1,005	1,124	.30
901	A	1,239	188	1,427	1,546	.30
902	BR	911	94	1,005	1,124	.30
903	CR	979	94	1,073	1,152	.30
904	D	947	81	1,028	1,120	.30
905	C	979	94	1,073	1,152	.30
906	B	911	94	1,005	1,124	.30
1001	A	1,239	188	1,427	1,546	.30
1002	BR	911	94	1,005	1,124	.30
1003	CR	979	94	1,073	1,152	.30
1004	D	947	81	1,028	1,120	.30
1005	C	979	94	1,073	1,152	.30
1006	B	911	94	1,005	1,124	.30
1101	A	1,239	188	1,427	1,546	.30
1102	BR	911	94	1,005	1,124	.30
1103	CR	979	94	1,073	1,152	.30
1104	D	947	81	1,028	1,120	.30
1105	C	979	94	1,073	1,152	.30
1106	B	911	94	1,005	1,124	.30
1201	A	1,239	188	1,427	1,546	.30
1202	BR	911	94	1,005	1,124	.30
1203	CR	979	94	1,073	1,152	.30
1204	D	947	81	1,028	1,120	.30
1205	C	979	94	1,073	1,152	.30
1206	B	911	94	1,005	1,124	.30
1401	A	1,239	188	1,427	1,546	.30
1402	BR	911	94	1,005	1,124	.30
1403	CR	979	94	1,073	1,152	.30
1404	D	947	81	1,028	1,120	.30
1405	C	979	94	1,073	1,152	.30
1406	B	911	94	1,005	1,124	.30
1501	A	1,239	188	1,427	1,546	.30
1502	BR	911	94	1,005	1,124	.30
1503	CR	979	94	1,073	1,152	.30
1504	D	947	81	1,028	1,120	.30
1505	C	979	94	1,073	1,152	.30
1506	B	911	94	1,005	1,124	.30

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Net Living Area</u>	<u>Lanai Area</u>	<u>Total Area</u>	<u>Gross Floor Area</u>	<u>Percent Common Interest</u>
1601	A	1,239	188	1,427	1,546	.30
1602	BR	911	94	1,005	1,124	.30
1603	CR	979	94	1,073	1,152	.30
1604	D	947	81	1,028	1,120	.30
1605	C	979	94	1,073	1,152	.30
1606	B	911	94	1,005	1,124	.30
1701	A	1,239	188	1,427	1,546	.30
1702	BR	911	94	1,005	1,124	.30
1703	CR	979	94	1,073	1,152	.30
1704	D	947	81	1,028	1,120	.30
1705	C	979	94	1,073	1,152	.30
1706	B	911	94	1,005	1,124	.30
1801	A	1,239	188	1,427	1,546	.30
1802	BR	911	94	1,005	1,124	.30
1803	CR	979	94	1,073	1,152	.30
1804	D	947	81	1,028	1,120	.30
1805	C	979	94	1,073	1,152	.30
1806	B	911	94	1,005	1,124	.30
1901	A	1,239	188	1,427	1,546	.30
1902	BR	911	94	1,005	1,124	.30
1903	CR	979	94	1,073	1,152	.30
1904	D	947	81	1,028	1,120	.30
1905	C	979	94	1,073	1,152	.30
1906	B	911	94	1,005	1,124	.30
2001	A	1,239	188	1,427	1,546	.30
2002	BR	911	94	1,005	1,124	.30
2003	CR	979	94	1,073	1,152	.30
2004	D	947	81	1,028	1,120	.30
2005	C	979	94	1,073	1,152	.30
2006	B	911	94	1,005	1,124	.30
2101	A	1,239	188	1,427	1,546	.30
2102	BR	911	94	1,005	1,124	.30
2103	CR	979	94	1,073	1,152	.30
2104	D	947	81	1,028	1,120	.30
2105	C	979	94	1,073	1,152	.30
2106	B	911	94	1,005	1,124	.30
2201	A	1,239	188	1,427	1,546	.30
2202	BR	911	94	1,005	1,124	.30
2203	CR	979	94	1,073	1,152	.30
2204	D	947	81	1,028	1,120	.30
2205	C	979	94	1,073	1,152	.30
2206	B	911	94	1,005	1,124	.30
2301	A	1,239	188	1,427	1,546	.30
2302	BR	911	94	1,005	1,124	.30
2303	CR	979	94	1,073	1,152	.30
2304	D	947	81	1,028	1,120	.30
2305	C	979	94	1,073	1,152	.30

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Net Living Area</u>	<u>Lanai Area</u>	<u>Total Area</u>	<u>Gross Floor Area</u>	<u>Percent Common Interest</u>
2306	B	911	94	1,005	1,124	.30
2401	A	1,239	188	1,427	1,546	.30
2402	BR	911	94	1,005	1,124	.30
2403	CR	979	94	1,073	1,152	.30
2404	D	947	81	1,028	1,120	.30
2405	C	979	94	1,073	1,152	.30
2406	B	911	94	1,005	1,124	.30
2501	A2	1,239	188	1,427	1,546	.40
2502	ER	1,086	94	1,180	1,313	.40
2503	FR	1,308	212	1,520	1,637	.40
2504	F	1,308	212	1,520	1,637	.40
2505	E	1,086	94	1,180	1,313	.40
2601	A2	1,239	188	1,427	1,546	.40
2602	ER	1,086	94	1,180	1,313	.40
2603	FR	1,308	212	1,520	1,637	.40
2604	F	1,308	212	1,520	1,637	.40
2605	E	1,086	94	1,180	1,313	.40
2701	A2	1,239	188	1,427	1,546	.40
2702	ER	1,086	94	1,180	1,313	.40
2703	FR	1,308	212	1,520	1,637	.40
2704	F	1,308	212	1,520	1,637	.40
2705	E	1,086	94	1,180	1,313	.40
2801	A2	1,239	188	1,427	1,546	.40
2802	ER	1,086	94	1,180	1,313	.40
2803	FR	1,308	212	1,520	1,637	.40
2804	F	1,308	212	1,520	1,637	.40
2805	E	1,086	94	1,180	1,313	.40
2901	A2	1,239	188	1,427	1,546	.40
2902	ER	1,086	94	1,180	1,313	.40
2903	FR	1,308	212	1,520	1,637	.40
2904	F	1,308	212	1,520	1,637	.40
2905	E	1,086	94	1,180	1,313	.40
3001	A2	1,239	188	1,427	1,546	.40
3002	ER	1,086	94	1,180	1,313	.40
3003	FR	1,308	212	1,520	1,637	.40
3004	F	1,308	212	1,520	1,637	.40
3005	E	1,086	94	1,180	1,313	.40
3101	A2	1,239	188	1,427	1,546	.40
3102	ER	1,086	94	1,180	1,313	.40
3103	FR	1,308	212	1,520	1,637	.40
3104	F	1,308	212	1,520	1,637	.40
3105	E	1,086	94	1,180	1,313	.40
3201	A2	1,239	188	1,427	1,546	.40
3202	ER	1,086	94	1,180	1,313	.40
3203	FR	1,308	212	1,520	1,637	.40
3204	F	1,308	212	1,520	1,637	.40
3205	E	1,086	94	1,180	1,313	.40

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Net Living Area</u>	<u>Lanai Area</u>	<u>Total Area</u>	<u>Gross Floor Area</u>	<u>Percent Common Interest</u>
3301	A2	1,239	188	1,427	1,546	.40
3302	ER	1,086	94	1,180	1,313	.40
3303	FR	1,308	212	1,520	1,637	.40
3304	F	1,308	212	1,520	1,637	.40
3305	E	1,086	94	1,180	1,313	.40
3401	A2	1,239	188	1,427	1,546	.40
3402	ER-M	1,180	---	1,180	1,313	.40
3403	FR-M	1,402	118	1,520	1,637	.40
3404	F-M	1,402	118	1,520	1,637	.40
3405	E-M	1,180	---	1,180	1,313	.40
3501	G	2,473	---	2,473	2,711	.80
3502	HR	2,008	---	2,008	2,231	.80
3503	J	2,133	---	2,133	2,317	.80
3504	H	2,008	---	2,008	2,231	.80
3602	HR	2,008	---	2,008	2,231	.80
3604	H	2,008	---	2,008	2,231	.80
3701	K	2,489	256	2,745	2,955	.80
3702	HR	2,008	---	2,008	2,231	.80
3703	J	2,133	---	2,133	2,317	.80
3704	H	2,008	---	2,008	2,231	.80
3802	LR	1,957	---	1,957	2,183	.80
3804	L	1,957	---	1,957	2,183	.80
3901	M	3,853	225	4,078	4,361	1.08
3902	NR	3,383	---	3,383	3,599	1.06
3903	N	3,383	---	3,383	3,599	1.06

The Plaza

611	DD	1,492	478	1,970	2,042	.43
612	AAR	1,291	246	1,537	1,601	.43
613	AAR	1,291	246	1,537	1,601	.43
614	AAR	1,291	246	1,537	1,601	.43
615	BB	1,175	268	1,443	1,535	.43
616	CC	1,964	522	2,486	2,643	.43
617	CC-M	1,986	522	2,508	2,666	.43
618	BBR	1,175	268	1,443	1,535	.43
619	AA	1,291	246	1,537	1,601	.43
620	AA	1,291	246	1,537	1,601	.43
621	AA	1,291	246	1,537	1,601	.43
622	EE	1,492	336	1,828	1,900	.43

NOTE: Each of the apartments on the sixth floor of The Plaza will also contain a patio. The approximate area of the patio is included in the lanai area.

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Net Living Area</u>	<u>Lanai Area</u>	<u>Total Area</u>	<u>Gross Floor Area</u>	<u>Percent Common Interest</u>
811	DD	1,492	288	1,780	1,852	.43
812	AAR	1,291	144	1,435	1,499	.43
813	AAR	1,291	144	1,435	1,499	.43
814	BB	1,175	144	1,319	1,411	.43
815	CC	1,964	356	2,320	2,477	.43
816	CC-M	1,986	356	2,342	2,500	.43
817	BBR	1,175	144	1,319	1,411	.43
818	AA	1,291	144	1,435	1,499	.43
819	EE	1,492	144	1,636	1,708	.43
1011	DD	1,492	288	1,780	1,852	.43
1012	AAR	1,291	144	1,435	1,499	.43
1013	BB	1,175	144	1,319	1,411	.43
1014	CC	1,964	356	2,320	2,477	.43
1015	CC-M	1,986	356	2,342	2,500	.43
1016	BBR	1,175	144	1,319	1,411	.43
1017	EE	1,492	144	1,636	1,708	.43
1211	GG	1,698	288	1,986	2,099	.43
1212	BB	1,171	144	1,315	1,411	.43
1213	HH	1,730	279	2,009	2,139	.43
1214	JJ	1,925	279	2,204	2,361	.43
1215	FF	1,693	144	1,837	1,968	.43

The Galerie

C106	---	622	---	622	643	.23
C107	---	555	---	555	565	.21
C108	---	1,024	---	1,024	1,040	.38
C109	---	1,068	---	1,068	1,088	.39
C110	---	1,293	---	1,293	1,344	.48
C111	---	785	---	785	847	.29
C112	---	884	---	884	913	.33
C206	---	641	---	641	670	.22
C207	---	828	---	828	865	.29
C208	---	960	---	960	993	.33
C209	---	1,205	---	1,205	1,305	.42
C210	---	1,031	---	1,031	1,062	.36
C211	---	572	---	572	608	.20
C212	---	1,853	---	1,853	1,884	.65
C301	---	1,383	---	1,383	1,465	.48
C302	---	1,330	---	1,330	1,398	.46
C303	---	1,205	---	1,205	1,305	.42
C304	---	684	---	684	732	.24
C305	---	920	---	920	938	.32
C306	---	1,665	---	1,665	1,680	.58
C307	---	256	---	256	264	.09
C308	---	128	---	128	132	.04

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Net Living Area</u>	<u>Lanai Area</u>	<u>Total Area</u>	<u>Gross Floor Area</u>	<u>Percent Common Interest</u>
C309	---	256	---	256	264	.09
C310	---	256	---	256	264	.09
C311	---	128	---	128	132	.04
C312	---	256	---	256	264	.09
C401	---	1,383	---	1,383	1,465	.48
C402	---	1,330	---	1,330	1,398	.46
C403	---	1,205	---	1,205	1,305	.42
C404	---	684	---	684	732	.24
C405	---	920	---	920	938	.32
C406	---	1,665	---	1,665	1,680	.58

The Platform

C101	---	1,565	---	1,565	1,655	.57
C102	---	1,521	---	1,521	1,546	.56
C103	---	1,568	---	1,568	1,785	.57
C104	---	1,788	---	1,788	1,999	.65
C105	---	2,108	---	2,108	2,390	.75
C114	---	1,295	---	1,295	1,481	.45
C115	---	1,240	---	1,240	1,427	.43
C116	---	1,294	---	1,294	1,497	.45
C117	---	1,071	---	1,071	1,268	.37
C118	---	1,024	---	1,024	1,210	.36
C119	---	1,071	---	1,071	1,280	.37
C120	---	590	---	590	640	.20
C121	---	1,034	---	1,034	1,213	.36
C122	---	1,300	---	1,300	1,496	.45
C123	---	1,045	---	1,045	1,243	.36
C124	---	998	---	998	1,184	.35
C125	---	1,195	---	1,195	1,321	.42
C126	---	1,089	---	1,089	1,159	.38
C201	---	804	---	804	837	.28
C202	---	1,518	---	1,518	1,525	.32
C203	---	1,365	---	1,365	1,384	.48
C204	---	1,443	---	1,443	1,455	.50
C205	---	2,135	---	2,135	2,163	.75

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COMMON ELEMENTS

The common elements shall include, but are not limited to, the following:

1. The land in fee simple.
2. All foundations, floor slabs, slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, floors and ceilings, curtain wall glass, roofs, entries, stairways, walkways, entrances and exits of the buildings.
3. All yards, grounds, planters and landscaping.
4. All pipes, cables, conduits, ducts, vents, chutes, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the Project which serve more than one apartment for services such as power, light, gas, water, sewer, ventilation, refuse, radio, telephone and television signal distribution, if any.
5. All areas, rooms, spaces, structures, housings, chutes, shafts or facilities of the Project within or outside of the buildings, which are for common use or which serve more than one apartment, such as electrical rooms, maintenance, service, security, machine, mechanical and equipment rooms and the equipment, machinery and facilities therein, surveillance systems and facilities, if any, hallways, lobbies, elevators, walkways and common ways, storage areas, mail rooms, offices, social and recreational areas and facilities, fences, retaining walls, refuse collection areas, trash rooms, driveways, loading zones, parking areas and the parking stalls therein.
6. All tanks, pumps, heat pumps, motors, blowers, heaters, compressors, fans, air conditioning equipment which will include the packaged water chillers located on the roofs of the 34-story tower and the multi-story building on the 5-story platform and the packaged air cooler chiller located on the roof of the existing 4-story building, and in general, all apparatus and installations for common use, and all other parts of the Project necessary or convenient to its existence, operation, maintenance or safety and normally in common use.
7. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, operation, maintenance and safety, or normally in common use.
8. All other parts of the Project or the buildings which are not included in the definition of an apartment.

LIMITED COMMON ELEMENTS

Certain of the common elements are designated as "limited common elements" and are set aside and reserved for the use of certain apartments, which apartments shall have appurtenant thereto an exclusive easement for the use of such limited common elements. The limited common elements so set aside and so reserved are as follows:

1. All of the parking stalls are initially assigned to one apartment. The developer will designate some of the parking stalls as common elements and/or will reassign parking stalls to other apartments in the Project as and when sales of apartments are effected to the intent and purpose that when such reassignment of parking stalls is completed, each residential apartment will have one or more parking stalls for the exclusive use of such residential apartment and each commercial apartment will have one or more parking stalls set aside and reserved for the exclusive use of such commercial apartment and the business guests and invitees thereof. Subject to the limitation that each apartment shall at all times have at least one parking stall appurtenant to it, apartment owners will have the right to change the assignment (but not the numbering) of parking stalls by amendment to the Declaration and the respective apartment deeds involved, such amendment to the Declaration and apartment deeds to be in writing and executed only by the owners of the apartments seeking such change (and their respective mortgagees, if any) and to be effective only upon recordation.

2. The recreation deck located on the roof of the 5-story platform consisting of a swimming pool, a spa, a clubhouse with separate men's and women's restrooms, a shower and a sun deck shall be appurtenant to and for the exclusive use of the residential apartments.

3. The separate men's and women's restrooms on each floor of the existing 4-story building shall be appurtenant to and for the exclusive use of the commercial apartments on such floor. The separate men's and women's restrooms on the ground floor of the 5-story platform shall be appurtenant to and for the exclusive use of the commercial apartments on the ground floor of the 5-story platform. The separate men's and women's restrooms on the third floor of the 5-story platform shall be appurtenant to and for the exclusive use of the commercial apartments on the third floor of the 5-story platform.

4. Portions of the third and fourth floors of the 5-story platform as shown on the Condominium Map will contain storage closets which shall be appurtenant to and for the exclusive use

of the residential apartments in the 34-story tower on the 5-story platform. Each residential apartment in said 34-story tower shall at all times have at least one storage closet appurtenant to it.

5. The mailbox assigned to an apartment shall be appurtenant to and for the exclusive use of such apartment. Each apartment shall at all times have at least one mailbox appurtenant to it.

6. All other common elements of the Project which are rationally related to less than all of the apartments shall be limited to the use of such apartment or apartments to which the same are related.

ENCUMBRANCES AGAINST TITLE

A. Title Insurance Commitment issued by Security Title Corporation dated October 12, 1989, for the parcels of land designated on the tax map as tax map key numbers 2-1-49: 053 and 063 shows the following encumbrances on the land:

1. For real property taxes as may be due and owing, inquiry should be made with the Department of Finance, Real Property Assessment Division, City and County of Honolulu.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. Mortgage dated April 17, 1989, made by 725 Kapiolani Associates in favor of Fukuoka Jisho Corporation, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 23076, Page 10.

4. Financing Statement dated April 17, 1989, made by 725 Kapiolani Associates in favor of Fukuoka Jisho Corporation, recorded as aforesaid in Liber 23076, Page 50.

5. Additional Charge Mortgage dated July 31, 1989, made by 725 Kapiolani Associates in favor of Fukuoka Jisho Corporation, recorded as aforesaid in Liber 23470, Page 116.

B. Title Insurance Commitment issued by Security Title Corporation dated October 12, 1989, for the parcels of land designated on the tax map as tax map key numbers 2-1-49: 027 and 051 shows the following encumbrances on the land:

1. For real property taxes as may be due and owing, inquiry should be made with the Department of Finance, Real Property Assessment Division, City and County of Honolulu.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. As to Lots 8, 9, 10, 11 and 12, Block 16:

(a) The possible encroachment of the existing structure on the lot adjoining Lot 8, Block 16, as mentioned in that certain Deed dated June 28, 1968, recorded as aforesaid in Liber 6130, Page 51.

(b) Walls of the multi-story building, as well as the concrete canopy at the top of the building located on Land

Court Application 374 and portion of Land Court Application 432 extend into Cooke Street, as per survey of Richard K. Kawasaki, Registered Professional Surveyor, Certificate No. 3844-S, dated March 5, 1989.

NOTE: Security Union Title Insurance Company insures 725 Kapiolani Associates against loss by reason of any final judgment that any governmental agency having jurisdiction over Cooke Street shall, for the purpose of exercising the right of use or maintenance of Cooke Street, compel the removal of any portion of the Brewery Building, which may encroach onto Cooke Street.

4. Permission dated April 30, 1898, by Li Cheung and others to Frank Hustace, his heirs or assigns, to lay, relay and maintain water pipes or mains through and upon lots at Kewalo, facing Cooke Street, or on Kawaihau Street, as the case may be, etc., as mentioned in that certain instrument recorded as aforesaid in Liber 178, Page 118.

5. Any and all recorded/unrecorded Leases, Subleases and Tenancy Agreements.

6. Mortgage dated July 31, 1989, made by 725 Kapiolani Associates in favor of Fukuoka Jisho Corporation, recorded as aforesaid in Liber 23470, Page 45, and also filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1654815.

7. Financing Statement dated July 31, 1989, made by 725 Kapiolani Associates in favor of Fukuoka Jisho Corporation, recorded as aforesaid in Liber 23470, Page 88.

8. Assignment of Leases dated July 31, 1989, made by 725 Kapiolani Associates in favor of Fukuoka Jisho Corporation.

EXHIBIT E

**ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> Per Apt.	x	<u>No.</u> of Apts.	x	<u>Mos.</u>	=	<u>Yearly Total</u>	
I. <u>The Imperial</u>								
108 residential apartments on 6th through 24th floors (no 13th floor)	\$ 285.00	x	108	x	12	=	\$369,360.00	
50 residential apartments on 25th through 34th floors	380.00	x	50	x	12	=	\$ 228,000.00	
12 residential penthouses on 35th through 38th floors	760.00	x	12	x	12	=	\$109,440.00	
#3902, #3803	1,007.00	x	2	x	12	=	24,168.00	
#3901	1,026.00	x	1	x	12	=	12,312.00	
II. <u>The Plaza</u>								
33 residential apartments	408.50	x	33	x	12	=	\$161,766.00	
III. <u>The Galerie & The Platform</u>								
55 commercial apartments	See Schedule 1					=	\$234,954.00	
							<hr/>	
TOTAL							=	\$1,140,000.00
							<hr/> <hr/>	

[] 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	4,500	54,000
Electricity		
<input checked="" type="checkbox"/> common elements only	12,400	148,800
<input type="checkbox"/> common elements and apartments		
Gas	2,000	24,000
Refuse Collection	2,600	31,200
Telephone	2,450	29,400
Water and Sewer	8,500	102,000

Maintenance, Repairs and Supplies

Building	14,700	176,400
Grounds	2,500	30,000

Management

Resident Manager Unit	1,500	18,000
Management Fee	2,500	30,000
Payroll and Payroll Taxes - Workmen's Comp.	29,507	354,084
Office Expenses	350	4,200

Insurance	4,300	51,600
Legal	900	10,800

Reserves	4,143	49,716
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Taxes and Government Assessments	150	1,800
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Audit Fees	200	2,400
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Other	<u>1,800</u>	<u>21,600</u>
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	95,000	1,140,000
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TOTAL

/s/ We, GENERAL MANAGEMENT CORPORATION, as managing agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Kaye Hall President
Date: 7-27-89

SUMMARY OF PROVISIONS OF THE SALES CONTRACT

The Sales Contract establishes the developer's willingness to sell and a buyer's willingness to purchase an apartment.

Among other provisions, the Sales Contract includes the following:

1. Each Sales Contract executed prior to the issuance of a Final Public Report for the Project shall constitute a "reservation" and not a "binding contract" for the purchase of an apartment.

2. The developer may cancel the Sales Contract if the buyer's application for eligibility for a mortgage loan is rejected or not preliminarily approved within thirty (30) days after application.

3. The buyer will pay for the following closing costs: acknowledgments of buyer's signatures on all documents, cost of credit reports, drafting of buyer's mortgage, mortgage insurance premiums, financing and other fees in connection with buyer's mortgage, title insurance, recording fees not paid by the developer, and one-half of the escrow fees.

4. The developer makes no warranties, express or implied, with respect to the apartments, the Project, or consumer products or other things installed therein, including warranties of merchantability, habitability, workmanlike construction, or fitness for a particular purpose.

5. The developer 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 the developer, nor have any representations been made by the developer 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. The developer and its agent have made no representations (nor is anyone authorized to do so) contrary to this paragraph with respect to either benefits to be derived from the rentals or other tax treatment of any buyer of an apartment.

6. The buyer agrees that the developer shall have the right to conduct construction activities for the construction and/or completion of improvements to and for correction of defects in the Project, and such rights shall terminate 24 months after the

later of (a) the date of filing in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and the recording in the Bureau of Conveyances of the State of Hawaii of the first Apartment Deed to an apartment in the Project, or (b) "substantial completion" (as the term is used in Chapter 507, Part II, Hawaii Revised Statutes) of the improvements to be constructed, completed or corrected.

7. The buyer further agrees that the developer shall have the right to conduct extensive sales activities on the Project, including the use of model apartments, sales management offices, parking stalls within the exclusive control of the developer for parking for prospective buyers, and extensive sales displays and activities until the closing of the sale of the last unsold apartment in the Project; provided that such sales activities are conducted in an unobtrusive manner which will not unreasonably interfere with the use, possession and aesthetic enjoyment of the Project by the buyer.

8. The buyer is advised that the developer intends to pre-close Sales Contracts by having all documents and funds necessary for final closing signed and deposited with Escrow prior to the date set for final closing and the buyer agrees to sign all necessary documents, including buyer's mortgage and escrow instructions, and deposit all monies required for final closing. If buyer does not sign all documents and deposit the necessary monies in escrow as aforesaid within 5 days after the developer has requested the buyer to do so, the developer will have the option to assess the buyer the costs and damages arising out of such delay.

9. The buyer agrees that his rights under the Sales Contract is subordinated to a mortgagee who makes a construction loan for the Project. This does not mean that the buyer is or will be in any way responsible for the payment of such loan. It merely means that if the fee owner defaults under the construction loan mortgage before the apartment is conveyed to the buyer (i.e. before final closing of the Sales Contract) and the mortgagee forecloses the mortgage, the Sales Contract which the buyer has signed for the purchase of an apartment may or may not be honored by the mortgagee. What will determine the action of the mortgagee in such a case will depend upon all of the circumstances then existing and cannot be predicted at this time. If the fee owner defaults after the apartment is conveyed to the buyer (i.e. after final closing of the Sales Contract), buyer's interest in the apartment will not be affected at all.

The foregoing are only excerpts from certain paragraphs in the Sales Contract. It is incumbent upon the prospective buyer to read the entire Sales Contract with care.

SUMMARY OF PROVISIONS OF THE ESCROW AGREEMENT

The Escrow Agreement establishes how the proceeds from the sale of the apartments are placed in trust as well as the retention and disbursements of said funds.

Among other provisions, the Escrow Agreement includes the following:

1. Escrow shall deposit any or all funds received and held in escrow in interest bearing accounts in federally-insured savings and loan institutions or federally-insured banking institutions designated by the developer or may use such funds for the purchase of time certificates. Any and all interest earned on such funds during the holding thereof shall accrue to the credit of the developer in accordance with the agreements and instructions contained in the Sales Contracts.

2. Subject to such deductions as may be provided in the Sales Contract and the escrow cancellation fee, the buyer shall be entitled to a return of his funds, and Escrow shall pay such funds to such buyer, if one of the following has occurred:

(a) The developer notifies Escrow to return to the buyer the funds of the buyer then being held thereunder by Escrow; or

(b) The developer notifies Escrow of the developer's exercise of the option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available to the developer; or

(c) The conditions provided for a refund under Sections 514A-62, 514A-63 or 514A-105 of the Condominium Property Act (as amended on the date upon which the Sales Contract becomes binding and effective) have been met, and written notice thereof has been provided to the developer, and the developer and the buyer shall advise Escrow to refund buyer's funds.

Upon the return of said funds to the buyer as aforesaid, Escrow shall return to the developer such buyer's Sales Contract and any conveyancing documents theretofore delivered to Escrow pursuant to such Sales Contract; and thereupon neither the developer nor the buyer shall be obligated under the Sales Contract.

3. Escrow shall make no disbursements of any buyer's funds, except by way of refunds thereof as provided above, until such

buyer's Sales Contract has "become effective" and the requirements of Section 514A-39, 514-62 and 514A-63 of the Condominium Property Act have been met. No disbursements of any buyer's funds shall be made by Escrow for payments of construction costs unless bills are submitted with the request for such disbursements which have been approved or certified for payment by the mortgagee or a financially disinterested person.

4. Subject to the provisions of paragraphs 2 and 3 above, and upon written request of the developer, disbursements of buyer's funds shall be made by Escrow from time to time to pay for construction costs in proportion to the valuation of the work completed by the contractor as certified by a registered architect or professional engineer, and approved by the mortgagee, and to pay for architectural, engineering, finance and legal fees and other incidental expenses of the Project as approved by the mortgagee. No disbursements of any buyer's funds shall be made from the balance of the escrow funds after payment of the foregoing costs until Escrow receives satisfactory evidence that all mechanics' and materialmen's liens have been cleared, unless sufficient funds are set aside for any bona fide dispute.

The foregoing are only summaries of certain provisions in the Escrow Agreement. It is incumbent upon the prospective buyer to read the entire Escrow Agreement with care.

OFFICERS OF DEVELOPER

<u>Name</u>	<u>Title</u>	<u>Address</u>
Colin de Silva	President	Suite 2700, Pacific Tower 1001 Bishop Street Honolulu, HI 96813
Kaye Hall	1st Vice President and Secretary	Suite 2700, Pacific Tower 1001 Bishop Street Honolulu, HI 96813
Margaret Smith	Vice President and Treasurer	Suite 2700, Pacific Tower 1001 Bishop Street Honolulu, HI 96813
Ranita Le Grande	Vice President	Suite 2700, Pacific Tower 1001 Bishop Street Honolulu, HI 96813
Cheryl Brendle	Vice President	Suite 2700, Pacific Tower 1001 Bishop Street Honolulu, HI 96813

REAL ESTATE SALES AGENTS

<u>Name</u>	<u>Business Address</u>	<u>Business Phone</u>
Business Investment, Ltd. Real Estate Division Ranita Le Grande, Principal Broker	Suite 2700, Pacific Tower 1001 Bishop Street Honolulu, HI 96813	536-1082
Virginia Epley-Sprinkle, dba Century 21 Kahala Hale	4400 Kalaniana'ole Hwy., Suite C21 Honolulu, HI 96821	735-7888
Vivia B. Lee Realtor, Inc. Vivia Lee, Principal Broker	Suite 2700, Pacific Tower 1001 Bishop Street Honolulu, HI 96813	524-1818
Julie T. Itchner, dba Julie Itchner Realty	1210 Queen St., Suite 14 Honolulu, HI 96814	528-3320
Alfred Jussel, dba Jussel Realty	4614 Kilauea Ave., Suite 378 Honolulu, HI 96816	734-6730
Bradley Properties, Ltd. Penny Bradley, Principal Broker	1177 Kapiolani Boulevard Honolulu, HI 96814	523-0456