

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer The Nahele Corporation
Address 1019 Waimanu Street, Suite 205, Honolulu, Hawaii 96814

Project Name(*): THE WOODLANDS
Address: 3900 Waokanaka Street, Honolulu, Hawaii 96817

Registration No. 2484

Effective date: February 17, 1994

Expiration date: March 17, 1995

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

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

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

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 by the developer when complete information is filed.
(yellow)

 X FINAL: The developer has legally created a condominium and has filed complete information with the Commission.
(white)
[] No prior reports have been issued.
[X] This report supersedes all prior public reports.
[] This report must be read together with _____

 SUPPLEMENTARY: This report updates information contained in the:
(pink)
[] Preliminary Public Report dated: _____
[] Final Public Report dated: _____
[] Supplementary Public Report dated: _____

And [] Supersedes all prior public reports
[] Must be read together with _____
[] This report reactivates the _____
public report(s) which expired on _____

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report 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 developer.

Changes made are as follows:

1. The description of the buildings has changed from nineteen separate one, two and three story buildings containing approximately 3,000 square feet to nineteen separate aluminum tool sheds containing one room and approximately 28 square feet.
2. New Management Agreement dated December 2, 1993 by and between The Association of Apartment Owners of The Woodlands and Management, Inc.
3. New Specimen of the Sales Contract. Mostly changed the method of payment set forth in Section C3 on pages 3 and 4.
4. A new loan in the amount of \$1,000,000 secured by Real Property Mortgage; Security Agreement; Assignment of Rents; and Financing Statement dated October 28, 1993 by and between The Nahele Corporation, as mortgagor, and Pacific Rim Land, Inc., as mortgagee, recorded as Land Court Document No. 2084173
5. Revised Condominium Map.

This is a CONDOMINIUM PROJECT, not a subdivision. The land area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and is not a legally subdivided lot. The dotted lines on the Condominium Map bounding the designated number of square feet in each limited common element land area are for illustrative purposes only and should not be construed to be the property lines of legally subdivided lots.

This public report does not constitute approval of the Project by the Real Estate Commission, or any other government agency, nor does it ensure that all applicable City and County codes, ordinances, and subdivision requirements have necessarily been complied with.

Note: The Developer will provide copies of the Final Public Report and Condominium Map to the City and County of Honolulu Department of Land Utilization ("DLU"). If DLU makes any comments regarding the Project which the Real Estate Commission considers material, the Developer shall amend the necessary documents and file the Supplementary Public Report amending the Final Public Report with the Real Estate Commission.

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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 the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

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 owners/tenants) 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 at the lessee's expense. 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.

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 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 project's 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.

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 the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the 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 important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: The Nahele Corporation Phone: 522-0044
Name 1019 Waimanu Street, Suite 205 (Business)
Business Address
Honolulu, Hawaii 96814

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

Vernon Y. T. Woo - President, Secretary
Kevin K. Loh - Vice President, Treasurer

Real Estate
Broker: Conley Dew, Ltd. Phone: 524-2844
Name 201 Merchant Street, Suite 2200 (Business)
Business Address
Honolulu, Hawaii 96813

Escrow: Attn: Herbert N. Conley, Jr.
Title Guaranty Escrow Services, Inc Phone: 521-0211
Name 235 Queen Street, First Floor (Business)
Business Address
Honolulu, Hawaii 96813
Attn: David T. Pietsch, Jr.

General
Contractor: Goodfellow Bros., Inc. Phone: 1-879-5205
Name P.O. Box 220 (Business)
Business Address
Kihei, Maui, Hawaii 96753

Condominium
Managing
Agent: Management, Inc. Phone: 735-3030
Name 3615 Harding Avenue, Suite 303 (Business)
Business Address
Honolulu, Hawaii 96816

Attorney for
Developer: Chun, Kerr, Dodd & Kaneshige Phone: 528-8200
Name 745 Fort Street, 9th Floor (Business)
Business Address
Honolulu, Hawaii
Attn: Melvin Y. Kaneshige, Esq.

**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. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and 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.

- 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: Document No. _____
Book _____ Page _____
 Filed - Land Court: Document No. 2095596

The Declaration referred to above has been amended by the following instruments [state name of document, date 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 Conveyances Condo Map No. _____
 Filed - Land Court Condo Map No. 1012

The Condominium Map has been amended by the following instruments [state name of document, date 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 manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed
 Recorded - Bureau of Conveyances: Document No. _____
Book _____ Page _____
 Filed - Land Court: Document No. 2095597

The Bylaws referred to above have been amended by the following instruments [state name of document, date 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 limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. 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	--	<u>Majority of Board of Directors</u>

* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. Developer:

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules: See Exhibit B attached.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

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

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

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

For Subleaseholds:

- Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 - Canceled 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 canceled or foreclosed.

Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

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 at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

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:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

Address: 3900 Waokanaka Street Tax Map Key: (1) 1-9-5:3
Honolulu, Hawaii 96817 (TMK)

[] Address [] TMK is expected to change because _____

Land Area: 16,217 [] square feet [x] acre(s) Zoning: R-10 and P-2

Lessor
 (Fee Owner): The Nahele Corporation
Name
1019 Waimanu Street Suite 205
Address
Honolulu, Hawaii 96814

Sublessor: n/a
Name
Address

C. Buildings and Other Improvements:

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

2. Number of Buildings: 19 Floors Per Building 1

Exhibit A contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other Aluminum

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning	No. of Apts.	Use Determined By Zoning
<input checked="" type="checkbox"/> Residential	___	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Ohana	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Industrial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Agricultural	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Recreational	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Other: <u>Tool Sheds 19</u>	___	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?

Yes No

5. Special Use Restrictions:

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

- [x] Pets: See Exhibit C attached.
- [x] Number of Occupants: See Exhibit C attached.
- [x] Other: See Exhibit C attached.
- [] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: none — Stairways: none Trash Chutes: none

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
_____	_____	_____	_____	_____
_____	_____	<u>See Exhibit A attached</u>		_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 19

*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 include all walls, ceilings, floors, slabs, foundation doors and door frames, window and window frames, supporting beams and fixtures, if any, all ducts, pumps pipes, conduits, wires and other utility lines running through such apartment which do not serve or are not utilized by any other apartment. Each apartment shall not be deemed to include any pipes, wires, conduits or other utility lines running over, under or through such apartment which are utilized by or which serve more than one apartment the same being deemed common elements.

Permitted Alterations to Apartments:

See Exhibit D attached.

11. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

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

The Property is subject to Report, Conclusions and Decisions and Order dated December 29, 1989, as amended by letters dated February 28, 1992, July 13, 1993 and November 5, 1993, issued by the Department of Land Utilization, City and County of Honolulu, a copy of which is attached hereto as Exhibit E.

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> </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.

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

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit F .

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 use them, as described in the Declaration, are:

described in Exhibit G.

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 used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit _____.

as follows: Each apartment shall have appurtenant thereto an undivided 5.26 percent interest (except for Apartment 17, which shall have an undivided 5.32 percent interest) in the common elements of the Project (hereinafter referred to as the "common interest") and the same percentage share in all common profits and expenses of the common elements of the Project and, except as herein expressly provided for, the same percentage interest for all other purposes, including, without limitation, voting.

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit H describes the encumbrances against the title contained in the title report dated November 5, 1991 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien 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. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgage lien(s) of Developer's lender(s)	Buyer's interest will be terminated and Buyer's deposit will be refunded less escrow cancellation fee.

F. 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: See Exhibit J attached.

2. Appliances: See Exhibit J attached.

G. Status of Construction and Estimated Completion Date: approximately April 1, 1994

H. Project Phases:

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

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):
n/a

V. MISCELLANEOUS

A. 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 K contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated June 20, 1991

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

Other _____

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales 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 or Supplementary Report to a Final Report: Sales made by the developer are binding if:

A) The Developer delivers to the buyer a copy of:

1) Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;

AND

2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;

B) The buyer is given an opportunity to read the report(s); AND

C) One of the following has occurred:

1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or

2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or

3) 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:

A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND

B) 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.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
 - B) Declaration of Condominium Property Regime.
 - C) Bylaws of the Association of Apartment Owners.
 - D) House Rules.
 - E) Condominium Map.
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
 - H) Other Declaration of Restrictive Covenants filed as Land Court Doc. No. 2095595

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 Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 2484 filed with the Real Estate Commission on July 18, 1991.

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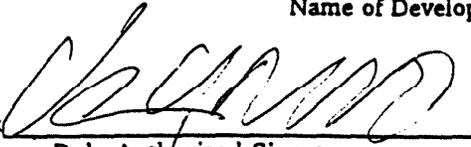
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C. Additional Information Not Covered Above

None.

D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

THE NAHELE CORPORATION
Name of Developer

By:  December 2, 1993
Date

Duly Authorized Signatory

Vernon Y. T. Woo (President)
print name & title of person signing above

Distribution:

Department of Finance, City and County of Honolulu
Planning Department, City and County of Honolulu
Federal Housing Administration

APARTMENT DESCRIPTION

The Project shall initially consist of nineteen (19) separate one-story buildings, each of which shall contain one (1) apartment and each of which shall be an aluminum tool shed containing one (1) room and no basement, containing approximately 28 square feet. The apartments are identified by the numbers "1" through "19," and their layouts, locations, apartment numbers and dimensions are shown on the Condominium Map.

Listed below are the sizes of each limited common element of Residential Area, the maximum coverage for each Residential Area and the maximum floor area which will be permitted to be built on each Residential Area. Please note that the Order does not contain a specific maximum floor area allowed by the City and County of Honolulu and that the maximum floor area for each Residential Area was determined by Declarant in the exercise of its sole discretion.

<u>Apartment</u>	<u>Area of Residential Area (sf)</u>	<u>Maximum Coverage (sf)</u>	<u>Maximum Floor Area (sf)</u>
1	15,067	7,533.5	7,533.5
2	8,722	4,361	4,361
3	9,350	4,675	4,675
4	8,282	4,141	4,141
5	8,459	4,229.5	4,229.5
6	9,034	4,517	4,517
7	10,040	5,020	5,020
8	5,807	2,903.5	2,903.5
9	6,046	3,023	3,023
10	6,276	3,138	3,138
11	7,364	3,682	3,682
12	6,057	3,028.5	3,028.5
13	7,915	3,957.5	3,957.5
14	6,472	3,236	3,236
15	6,153	3,076.5	3,076.5
16	8,665	4,332.5	4,332.5
17	25,413	12,706.5	12,706.5
18	8,813	4,406.5	4,406.5
19	16,966	8,483	8,483

DEVELOPER'S RESERVED RIGHTS

1. Paragraph 17(g) of the Declaration provides:

"(f) Developer shall have the right at any time prior to the issuance of a certificate of occupancy for each apartment, with the consent of the purchasers of such apartment, if any, but without the consent of any other person or persons, to alter an apartment if the common elements (but not limited common elements) are not thereby affected."

2. Paragraph 19 of the Declaration states, the part:

"at any time prior to the issuance of an effective date for the Final Public Report by the Real Estate Commission of the State of Hawaii, Declarant may amend this Declaration and the Bylaws in any manner and provided, further, that no amendment of the Declaration, the Bylaws, the House Rules, or Condominium Map shall, without Declarant's prior written consent, limit, affect or impair the reserved rights of Declarant under this Declaration. Notwithstanding the foregoing and notwithstanding the sale and conveyance of any of the apartments, this Declaration (including the Bylaws and, when applicable, the Condominium Map) may be amended by Declarant (a) by filing the verified statement of a registered architect or professional engineer (with plans, if applicable) required by Section 514A-12 of the Act, certifying that the final plans theretofore recorded, or being recorded simultaneously with such statement, fully and accurately depict the layout, location, apartment numbers and dimensions of the apartments as built; or (b) to effect any change or amendment required by an administrative agency of any county, state, or federal government or by any territory, possession, or foreign country or other foreign jurisdiction or a mortgagee of the fee or leasehold interests in the Land as a condition to governmental approvals, marketing the Project or making a loan to finance the construction and/or the sales of the Project."

SPECIAL USE RESTRICTIONS

1. Pets. Article V, Section 5, subparagraph (j) of the Bylaws states as follows:

"No agricultural or commercial or illegal crops, livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the Project, except that dogs and cats in reasonable number may be kept by the apartment owners and occupants in their respective apartments and limited common element(s) and in fenced areas of the Residential Lots with the prior written approval by the Board but shall not be kept, continuously and/or regularly bred or used therein for any commercial purpose nor allowed on any common and limited common elements except in transit when carried or on leash or within fenced areas of the Residential Lots, provided that any such pet causing a nuisance or unreasonable disturbance to any other occupant of the Project shall be permanently removed therefrom promptly upon notice given by the Board of Directors or the managing agent."

2. Number of Occupants. Article I, Section 4 of the House Rules states as follows:

"Occupancy is limited to not more than two persons per bedroom contained in each apartment, except that this occupancy may be exceeded by members of the immediate family of the owner or occupant."

3. Other.

- (a) Paragraph 9 of the Declaration states as follows:

"Purposes.

a. With the exception of the use of the initial apartments as tool sheds, the apartments shall at all times be occupied and used only for residential purposes by the respective owners thereof, their tenants, licensees, families, domestic servants and social guests, and for no other purpose and no apartment shall be used as a tenement or rooming house or for or in connection with the carrying on of any business, trade or profession whatsoever. The apartments shall not be rented for transient or hotel purposes, which are defined as: (i) rental for any period less than thirty (30) days or (ii) any rental in which the occupants of an apartment are provided customary hotel services such as room service for food and beverages, maid service, laundry and linen or bellboy service. The apartments in the Project or any interest therein shall not be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-share purpose or under any time-sharing plan, arrangement or program, including, without limitation, any so-called "vacation license," "travel club membership" or "time interval ownership" arrangement. The term "time-sharing" as used herein shall be deemed to include, without limitation, 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 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, partnership or otherwise. The respective apartment owners shall otherwise have the absolute right to rent or lease such

apartments subject to all provisions of the Act, this Declaration and the Bylaws.

b. The owner of an apartment shall not use the same for any purpose which will injure the reputation of the Project. Except as provided in this Declaration, such owner shall not do or suffer anything to be done or be kept in, on, or around said apartment or elsewhere which will jeopardize the natural park-like and wooded environment, safety or soundness of the Property, or interfere with or unreasonably disturb the rights of other owners, or increase the premiums for fire insurance or any other form of insurance paid by the Association or any other apartment owner, or which will materially alter, hinder, interfere with or create flooding or a flooding hazard on the Project, material erosion of the natural environment or which will reduce the value of any apartment, common element, or limited common element appurtenant to the apartment of any other owner, or impair any easement or hereditament or alter the appearance of the exterior of such owner's apartment or limited common element without conforming to the provisions of the Act, this Declaration and Exhibit C attached hereto and made a part hereof (hereinafter referred to as the "Architectural Requirements").

c. The owner of an apartment shall not, except as specifically permitted herein, without the prior written consent of the Board, make any alterations of or any additions to the exterior of the apartment (including awnings, jalousies or screens) or to any other portion or portions of the limited common elements appurtenant thereto or the common elements unless otherwise specifically permitted herein, in the Bylaws or in the Architectural Requirements, and by applicable zoning and building rules, regulations and laws.

d. The owner of an apartment shall not lease less than such owner's entire apartment and any appurtenant limited common element. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of the Act, this Declaration, the Bylaws and the House Rules promulgated thereunder and that the failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be in writing and a copy of each lease shall be filed with the Association."

(b) Paragraph 21 of the Declaration states as follows:

"Declaration of Restrictive Covenants (Cluster Housing). A Declaration of Restrictive Covenants (Cluster Housing) affecting the Project was filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2095595, as required by the Department of Land Utilization, City and County of Honolulu, as a condition to approval of Developer's application for a cluster housing project pursuant to the Land Use Ordinance of the City and County of Honolulu, and the terms of such Declaration are incorporated herein by reference. Said Declaration of Restrictive Covenants states, among other things, that (a) the Association shall be obligated for the perpetual repair and maintenance of the common elements and certain limited common elements, including, without limitation, the private roadway, landscaping, retaining walls and drainage system referred to therein, and (b) future additions and alterations to apartments, limited common elements and common elements shall require the review and approval of the Director of Land Utilization and the Association. By virtue of this reference, this Declaration confirms that obligation of the Association." Additionally, the Declaration of

Restrictive Covenants notes that 10 of the 19 apartment units must obtain permanent building permits for the construction of residential units by December 29, 1994.

(c) Article V, Section 5 of the Bylaws states as follows:

"Section 5. Use of Project.

a. The apartments of the Project shall be used only for such purposes as stated in the Declaration.

b. All common elements and all limited common elements of the Project shall be used only for their respective purposes as designed and in accordance with all applicable laws, rules, and regulations.

c. No apartment owner or occupant shall plant or cultivate or landscape the common elements or place, store or maintain in the walkways, grounds or other common elements of similar nature any furniture, packages or objects of any kind or otherwise obstruct transit through such common elements.

d. Every apartment owner and occupant shall at all times keep such owner's apartment and such owner's limited common element(s), if any, in a strictly clean and sanitary condition and observe and perform all laws, ordinances, rules and regulations, and design criteria and guidelines of the landscape plan set forth on the Condominium Map, now or hereafter made by any governmental authority or the Association for the time being applicable to the Apartment and the limited common element(s), if any, and the use of the Project.

e. No apartment owner or occupant shall make or suffer any strip or waste or unlawful, improper or offensive use of such owner's or occupant's apartment, such owner's or occupant's limited common element(s), or the Project nor alter or remove any furniture, furnishings or equipment of the common elements.

f. All apartment owners and occupants shall avoid making noises and using musical instruments, radios, televisions and amplifiers in such manner as may disturb other apartment owners and occupants.

g. No garments, rugs or other objects shall be hung from the windows or facades of any apartment or otherwise be displayed in public view.

h. No rugs or other objects shall be dusted or shaken from the windows or doors of any apartment or cleaned by beating or sweeping on any walkways, patios, entries or other exterior part of the Project.

i. No refuse, garbage or trash of any kind shall be thrown, placed or kept on any common elements and limited common element(s) of the Project outside of the disposal facilities provided for such purpose.

j. No agricultural or commercial or illegal crops, livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the Project, except that dogs and cats in a reasonable number may be kept by the apartment owners and occupants in their respective apartments and limited common element(s) and in fenced areas of the Residential Areas with the prior written approval by the Board but shall not be kept, continuously and/or regularly bred or used therein for any commercial purpose nor allowed on any common and limited common elements except in transit when carried or on leash or within fenced areas of the Residential Areas, provided that any such pet causing a nuisance or unreasonable disturbance to any other occupant of the Project shall be permanently removed therefrom promptly upon notice given by the Board of Directors or the managing agent.

k. No apartment owner or occupant shall without the written approval of the Board of Directors and the Architectural Committee, if necessary, install any wiring for electrical or telephone installations, machines or air conditioning units, or other equipment or appurtenances whatsoever on the exterior of any apartment or protruding through the walls, windows or roof thereof.

l. No apartment owner or occupant shall erect, place or maintain any television or other antennas or solar energy systems or any other types of objects or equipment on any apartment visible from any point outside of his apartment.

m. Nothing shall be allowed, done or kept in any apartments, limited common element(s) or common elements of the Project which would overload or impair the floors, walls, or roofs thereof, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereon maintained by or for the Association.

n. Anything to the contrary notwithstanding, the Declarant of the Project may engage in real estate sales activities in such apartments or on the premises of the Project for the purpose of selling such apartments.

o. No improvements or movable personal property in excess of thirty inches in height above existing grade shall be constructed or permitted to exist within five (5) feet of any Residential Area boundary line.

p. No improvement shall be added above the roof line of an apartment as shown on the initial Condominium Map.

q. No signs whatsoever, including, without limitation, commercial, political or similar signs, visible from neighboring property shall be erected or maintained upon or within any apartment or Residential Area except:

- (i) Such signs as may be required by legal proceedings;
- (ii) Apartment identification signs of a combined total face area of one square foot or less for each apartment; and

(iii) Not more than one "For Sale" or "For Rent" sign having a maximum face area of three square feet, such sign to refer only to the premises on which it is situated.

r. No house trailer, mobile home, tent or similar facility or structure shall be kept, placed or maintained upon or within any Residential Area at any time, except by the Declarant for the Project's development and/or sales program.

s. No boat or trailer or truck of more than one-ton capacity shall be kept, placed or maintained upon or within any Residential Area in such a manner that such boat, trailer or truck is visible from neighboring property.

t. No trailer, vehicle or boat shall be constructed, or reconstructed or repaired upon or within any Residential Area in such a manner that such construction, reconstruction or repair is visible from neighboring Residential Areas, nor shall any vehicle not in good operating condition be maintained upon or within any Residential Area so as to be visible from any neighboring Residential Areas, provided that nothing in this paragraph shall prevent an apartment owner from performing maintenance work or minor repairs on his own trailer, vehicle or boat in his garage.

u. No open storage of furniture, fixtures, appliances and other goods and chattels not in active use will be permitted within a Residential Area so as to be visible from neighboring Residential Areas, and no outside clothes lines or other outside clothes drying or airing facilities shall be permitted when they are visible from neighboring property.

v. No exterior fires whatsoever shall be permitted, except small barbecue fires, and an apartment owner shall not permit any condition on or within his apartment which creates a fire hazard.

w. An apartment owner shall not park his car on any portion of the Residential Area visible from any adjacent property, except in a garage or on a paved driveway area, and boats, trailers or truck campers will not be kept within or on any Residential Area except in a garage.

x. No garage shall be used in a manner inconsistent to the use of same for other than the parking of vehicles and boats.

y. Each apartment owner and occupant shall do what is necessary to preserve and maintain the drainage patterns on his Residential Area and adjoining Residential Areas and shall not do or create anything that alters, hinders, impairs or obstructs such drainage patterns."

PERMITTED ALTERATIONS TO APARTMENTS

Paragraph 17 of the Declaration states as follows:

"a. Except as otherwise expressly set forth and reserved in this Declaration (including, without limitation, the requirement of obtaining the prior approval of the Director of Land Utilization of the City and County of Honolulu as more particularly set forth in paragraph 21 hereof), restoration or replacement of the Project or of any building or other facility thereof which is a common element or construction of any additional building or structural alterations or additions to any structure which is a common element different in any substantial and material respect from the Condominium Map, shall be undertaken by the Association or any apartment owner(s) only pursuant to an amendment of this Declaration, duly executed by or pursuant to the affirmative vote of not less than seventy-five percent (75%) of the apartment owners, and promptly upon completion of such restoration, replacement or construction the Association shall duly record or file of record such amendment together with a complete set of floor plans of the Project as so altered, certified as built by a registered architect or professional engineer. Any additions to or alterations of any apartment made within such apartment shall be permitted without the consent of the Board or any other apartment owner, except that if such additions or alterations would jeopardize the soundness or safety of the Project, reduce the value thereof, or impair any easement or hereditament, then the prior consent of seventy-five percent (75%) of all apartment owners, together with the consent of all other apartment owners directly affected thereby, shall be first obtained.

b. Notwithstanding anything to the contrary contained herein, an apartment owner shall have the right, at any time and from time to time, at such apartment owner's sole cost and expense, and without the consent or joinder of any other apartment owner, any mortgagees or other lienholders, but with the prior written consent of the Board, to alter such apartment owner's apartment by removing any existing improvements and constructing additional improvements within the limited common element of Residential Area which is appurtenant to such apartment owner's apartment. Such alterations may include, without limitation, the removal of the improvements described in paragraph 3 hereof and the construction of new improvements within the perimeter of the Residential Area which is appurtenant to the apartment being altered. The effect of such alterations may be to enlarge or diminish the size of an apartment since each apartment, as altered, shall include all walls, ceiling, floors, slabs, foundations, doors, and door frames, window and window frames, supporting beams and fixtures, if any, and all ducts, pumps, pipes, conduits, wires and other utility lines running through such apartment which do not serve or are not utilized by any other apartment and excluding all easements shown on the Condominium Map. Each apartment, as altered, shall not be deemed to include any pipes, wires, conduits or other utility lines running over, under or through such apartment which are utilized by or which serve more than one apartment, the same being deemed common elements as herein provided.

The following terms and conditions shall control any such alteration:

- (1) The plans and specifications shall be prepared by a licensed

architect and shall conform to all applicable federal, state and county statutes, ordinances, rules and regulations and codes, and the Architectural Requirements, subject to the following conditions:

(a) In applying for a building permit from the City and County of Honolulu for any such alterations, each Residential Area shall be treated as if it was a separate subdivided lot. This will affect the requirements for, among other things, setbacks, signage, lot coverage and maximum floor area.

(b) The apartment, as altered and shown on such plans and specifications, shall not have a lot coverage and floor area (as defined in the Land Use Ordinance of the City and County of Honolulu) greater than the maximum lot coverage and floor area set out in Exhibit B attached hereto and made a part hereof. Provided, however, that in the event that (A) the provisions of the Land Use Ordinance of the City and County of Honolulu ("LUO") governing maximum lot coverage and/or floor areas allowable in R-10 zoning districts on December 29, 1989 shall be amended, or the LUO shall be replaced by another ordinance governing maximum lot coverage and/or floor areas allowable for the Land or the zoning for the Land shall change and thereby affect the maximum lot coverage and/or floor area allowable as of December 29, 1989, and (B) the Director of Land Utilization shall permit the maximum lot coverages and/or floor areas set out in Exhibit B to be exceeded, then the maximum lot coverage and/or floor area of each apartment, as altered, shall be determined by multiplying (i) the maximum lot coverage and/or floor area allowed for the Land by (ii) a fraction, the numerator of which is the area of each apartment's Residential Area (or portion thereof) which is zoned R-10 and the denominator of which is the total area of all Residential Areas (or portions thereof) which are zoned R-10.

(c) If there are other requirements which apply to the Land, or any portion thereof, on which a Residential Area is situate, and those requirements impose restrictions which are calculated by a governing authority by reference to more than one Residential Area in a particular zoning district, then in each such instance, each affected Residential Area shall be entitled to a pro rata portion of the allowable item calculated by multiplying (i) the item allowable for the Land or any portion thereof in such zoning district by (ii) a fraction, the numerator of which is the area of each affected apartment's Residential Area in such zoning district and the denominator of which is the total area of all affected Residential Areas in such zoning district.

(d) The Board or the Managing Agent shall make reasonably available to the owner of any apartment which is being altered copies of any plans in the possession of the Board or the Managing Agent to aid in such owner's application for a building permit or any other requirement of law.

(e) Upon completion of any alteration under this subparagraph 17.b, the owner of such altered apartment shall provide to the Board (or the Managing Agent at the Board's request) a true and correct copy of the plans for such apartment, as so altered, certified "as built" by a licensed architect. These plans shall be made available to other owners, as described immediately above, to aid in other applications for building permits and

such other requirements of law as may be necessary to be fulfilled.

(f) The approval by the Board and the Architectural Committee, as set forth in the Architectural Requirements, shall be required to perform the alterations allowed under this subparagraph 17.b to ensure each apartment owner's compliance with the provisions hereof and the Architectural Requirements and in particular each owner's compliance with utilizing only a pro rata portion of any allowable floor area. Such approvals shall be given upon compliance with all of the terms and conditions relating to said alterations.

(g) All requirements of the City and County of Honolulu applicable to the alteration and the Residential Area pursuant to that certain Report, Conclusions and Decision and Order dated December 29, 1989 issued by the Department of Land Utilization of the City and County of Honolulu ("DLU"), as amended by letters dated February 28, 1992, July 13, 1993 and November 5, 1993, copies of all of which are attached hereto as Exhibit B-1 and are a part hereof, as the same may be further amended from time to time, (collectively, the "Cluster Permit") shall be met by such apartment owner. Each apartment owner, mortgagee and holder of a lien or any other interest affecting any of the apartments in the Project is hereby informed and agrees that (i) any modification to the plans previously approved by DLU pursuant to the Cluster Permit will require the approval of DLU, (ii) Declarant is not providing any of the floor plans approved by DLU or alternates to those floor plans which do not affect the exterior appearance or design of the apartments and (iii) no additional grading of a Residential Area will be allowed by DLU unless approved by DLU, which approval may require additional soils testing, special material treatment, landscaping and/or drainage analysis, all of which shall be done at such apartment owner's sole cost and expense without contribution by Declarant.

(2) Such apartment owner shall, at such apartment owner's sole cost and expense, without the consent or joinder of any owner of any apartment or lienholder thereof, but with the prior written consent of the Board, execute and file an amendment or amendments to the Declaration and Condominium Map:

(a) to describe the layout, location, apartment number and dimensions of the altered apartment, as built, as shown on said plans and specifications;

(b) when applicable, to add, delete, relocate, realign, reserve and grant all easements and rights-of-way over, under and on the common elements necessary or desirable, including but not limited to easements and rights-of-way for utilities, cesspools, sanitary and storm sewers, television cables, refuse disposal, driveways and parking areas and roadways, provided that such easements and rights-of-way do not materially impair the use of any apartment or its appurtenant interest in the common elements.

(3) Every apartment owner and all mortgagees and holders of liens affecting any of the apartments in the Project shall, if necessary or desirable to the exercise of the reserved rights of each apartment owner herein, join in, consent to or execute all instruments and documents necessary or desirable to effect the alteration of apartments provided for in this subparagraph 17.b, and, by execution of a contract for the purchase or sale of an

apartment or by acceptance of any deed, lien or security interest therein, such apartment owner, mortgagee and holder of lien shall be deemed to have consented to the reservation contained in this subparagraph 17.b and irrevocably appointed each such apartment owner and the Association as its lawful and fully authorized attorneys-in-fact, with power to act singly, with full right and power to join in, consent to or execute all such instruments and documents for and on behalf of the apartment owner, mortgagee and lienholder to effect the alteration of apartments as provided for in Section 514A-13(b) of the Act.

(4) Each apartment owner, prior to commencing any alteration of his apartment, shall secure a performance and payment bond naming as obligees the owners of all existing apartments as their interests may appear through the Association, in a penal sum of not less than 100% of the cost of the construction of the alterations with a corporate surety authorized to do business in Hawaii, guaranteeing the full and faithful performance of the construction free and clear of all mechanics' and materialmen's liens for such construction and the full payment of all subcontractors, laborers and materialmen. Each apartment owner, its employees, agents, contractors and subcontractors shall have the right to enter upon the Project and the common elements thereof and to do all things reasonably necessary, desirable or useful for altering the apartments.

(5) Each such amendment to the Declaration shall be recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, and the effective date of the amendment shall be the date on which the said amendment shall be recorded as aforesaid.

(6) Each and every conveyance, lease and mortgage or other lien given for or on any apartment created by this Declaration and all common interests and other appurtenances thereto shall be subject to the provisions of this subparagraph 17.b even though not expressly mentioned in the conveyance or other instrument. This subparagraph 17.b shall not be amended except upon the vote or with the prior written consent of apartment owners of not less than ninety percent (90%) of the interests in the common elements.

c. Notwithstanding anything to the contrary contained herein, if the same person is the owner of any two or more apartments on adjoining Residential Areas, such person may, with the consent of the Board, the Architectural Committee, the Director of Land Utilization of the City and County of Honolulu and any mortgagee of such apartments, alter such apartments by constructing improvements on the Residential Areas appurtenant to such apartments which cross the boundary lines between such Residential Areas. Any such alteration, removal or construction shall be performed under the supervision of a licensed architect and be strictly in accordance with the requirements of applicable law, and prior to commencing such alteration or removal the owner (i) shall secure a performance and payment bond naming as obligees said owner and collectively the owners of all other apartments, the Association and any affected mortgagees, as their interests may appear, in a penal sum of not less than 100% of the cost of any construction, guaranteeing the payment of funds in an amount necessary to ensure the completion thereof free and clear of all mechanics' and materialmen's liens, and that any such construction shall be carried out in strict compliance with all applicable laws, and (ii) provide comprehensive general liability

insurance insuring said owner and collectively all the owners of all other apartments, the Association and any affected mortgagees, as their interests may appear, against loss or damage from excavation, pile driving, loss of subterranean support and other hazards normally insured against in the construction industry; provided further, that the approval of any other apartment owner, mortgagee or other lienholder shall not be required to perform the alterations permitted herein, but the approval of the Board shall be required, which such approval shall be given provided that the owner of the adjoining Residential Areas complies with all of the terms and conditions relating to said alterations set forth herein. Subject to the terms and conditions of this Declaration and the Bylaws, and at the sole expense of the apartment owner involved, the owner of any such adjoining apartments shall also have the right to make additions to or alterations and physical partitions within such apartments; provided, that no work shall be done which would jeopardize the soundness or safety of the Project, reduce the value thereof, detract from the external appearance of the apartments, or impair any easement, without in every such case the prior written consent of the mortgagees of such apartments, the Board and all other apartment owners directly affected thereby (as determined by the Board).

d. Notwithstanding anything to the contrary contained herein, the owners of all apartments shall have the right at any time and from time to time, at their respective sole cost and expense, without the consent or joinder of any other apartment owners, but with the consent of the Board, the Architectural Committee and any mortgagee of an apartment in which such work is being performed, to install, maintain, remove, and rearrange partitions and other improvements from time to time within such apartments, and to paint, paper, panel, plaster, tile, finish, and do or cause to be done such other work on the ceilings, floors and walls within any such apartment and to finish, alter or substitute any plumbing, electrical or other fixtures attached to said ceilings, floors and walls as shall be appropriate for the utilization of such apartment by such owner or the tenants or lessees thereof (provided, that such plumbing and electrical alterations and/or substitutions shall not adversely affect the plumbing and electrical systems of the Project as determined by the Board in the exercise of its sole discretion). Any of the foregoing provisions to the contrary notwithstanding, any such alteration shall be performed under the supervision of a licensed architect and be strictly in accordance with the requirements of applicable law, and prior to commencing any alteration of a common element, an owner (i) shall secure a performance and payment bond naming as obligees, said owner and collectively the owners of all other apartments, the Association and any affected mortgagees, as their interests may appear, in a penal sum of not less than 100% of the cost of any construction, guaranteeing the payment of funds in an amount necessary to ensure the completion thereof free and clear of all mechanics' and materialmen's liens, and that any such construction will be carried out in strict compliance with all applicable laws, and (ii) provide comprehensive general liability insurance insuring said owner and collectively all the owners of all other apartments, the Association and any affected mortgagees, as their interests may appear, against loss or damage from excavation, pile driving, loss of subterranean support and other hazards normally insured against in the construction industry; provided, further, that the approval of any other apartment owner, mortgagee or other lienholder shall not be required to perform the alterations permitted herein, but the approval of the Board shall be required to perform the alterations permitted herein, which such approval shall be given provided that such owner complies with all of the terms and conditions relating to such alterations set forth herein. Provided, that no work shall be done which would jeopardize the soundness or safety of the Project, reduce the

value thereof, detract from the external appearance of the apartments, or impair any easement, without in every such case the prior written consent of the mortgagees of such apartments, the Board and all other apartment owners directly affected thereby (as determined by the Board).

e. Notwithstanding anything to the contrary contained herein, Declarant shall have the right, at any time and from time to time on or before December 31, 2000 at Declarant's expense without the consent or joinder of any other apartment owner, any mortgagees or other lienholders, to construct a retaining wall and drainage ditch and associated improvements on Residential Areas 10, 11 and 12 and to execute and file an amendment or amendments to the Declaration and the Condominium Map to show such improvements.

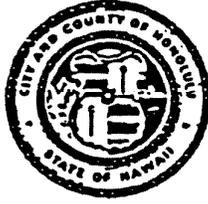
f. Any part of the common elements of the Project which, because of the alterations as provided for in this paragraph 17, serve or are used exclusively by one apartment or apartments shall become limited common elements appurtenant to and for the exclusive use of such apartment or apartments and any costs in connection therewith shall be borne as provided in paragraph 12 hereof.

g. Declarant shall have the right at any time prior to the issuance of a certificate of occupancy for each apartment, with the consent of the purchasers of such apartment, if any, but without the consent of any other person or persons, to alter an apartment if the common elements (but not limited common elements) are not thereby affected.

h. In the event that any change or alteration made in accordance with subparagraph 17.g requires any amendment to this Declaration or the Condominium Map, such amendment may be executed by Declarant, without requiring the consent or joinder of any other person or persons, and recorded as aforesaid."

DEPARTMENT OF LAND UTILIZATION
CITY AND COUNTY OF HONOLULU

880 SOUTH KING STREET
HONOLULU, HAWAII 96813 • (808) 523-4432



FRANK F. FASI
MAYOR

JOHN P. WHALEN
DIRECTOR

BENJAMIN B. LEE
DEPUTY DIRECTOR

89/CL-11(BN)

December 29, 1989

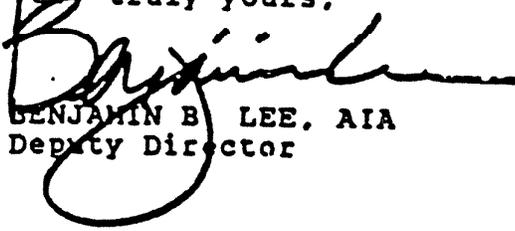
The Nahele Corporation
1019 Waimanu Street, Suite 205
Honolulu, Hawaii 96815

Gentlemen:

Cluster Housing Development Application
Nuuanu, Oahu
Tax Map Key: 1-9-05: Por. 3
Application No. 89/CL-11

The Cluster Housing Development application for Waokanaka Street Cluster has been approved, subject to the provisions of the attached "Report, Conclusions, and Decision and Order" dated December 29, 1989.

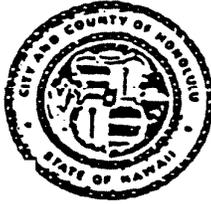
Very truly yours,


BENJAMIN B. LEE, AIA
Deputy Director

BBL:ra
0011M
Attach.

EXHIBIT E
Page 1

DEPARTMENT OF LAND UTILIZATION
CITY AND COUNTY OF HONOLULU
630 SOUTH KING STREET
HONOLULU, HAWAII 96813 • (808) 323-4432

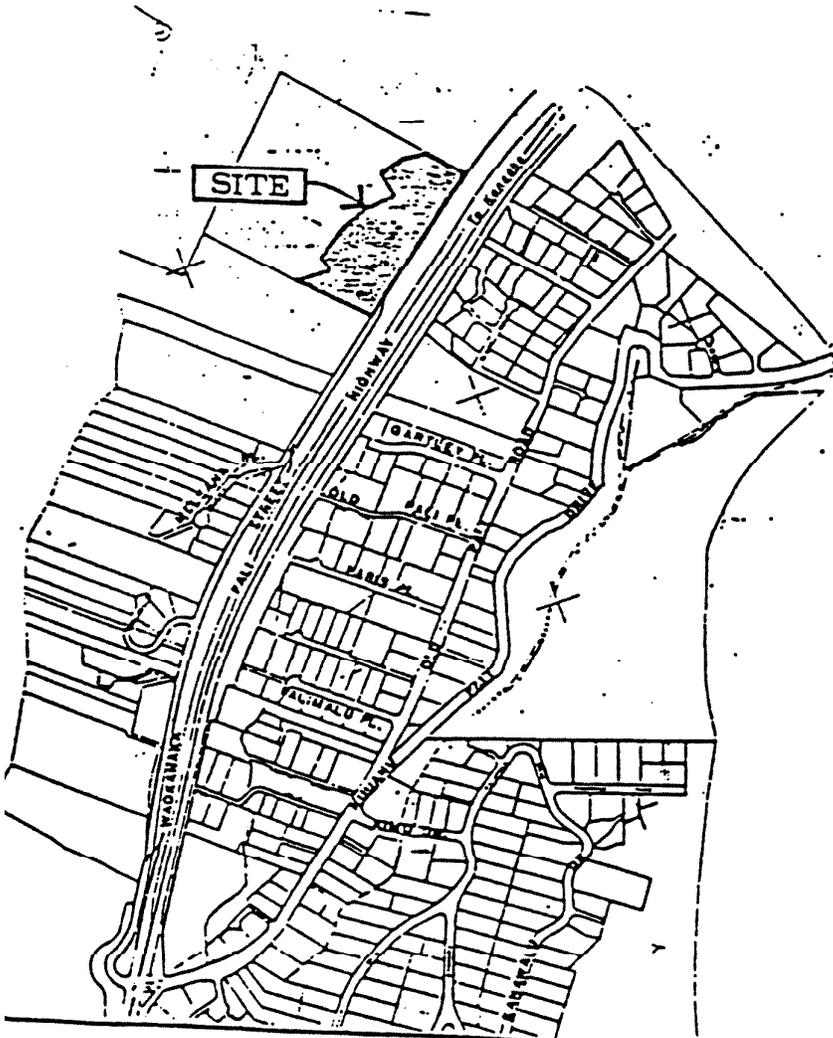


FRANK F. FASI
MAYOR

JOHN B. WHALEY
DIRECTOR

BENJAMIN B. LI
DEPUTY DIRECTOR

December 29, 1989



Application for a Cluster
Housing Development
Application No. 89/CL-11

Project:
Waokanaka Street Cluster

REPORT, CONCLUSIONS AND
DECISION AND ORDER

I. APPLICATION

Application Date

October 18, 1989

Landowner/Applicant

The Nahele Corporation
1019 Waimanu Street
Suite 205
Honolulu, Hawaii 96814

Agent

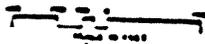
Gray, Hong, Bills
& Associates, Inc.
119 Merchant Street
Suite 607
Honolulu, Hawaii 96813

Location

3900 Waokanaka Street
Nuuanu, Honolulu

LOCATION MAP

NORTH



Tax Map Key

1-9-05: Portion of 3

Area

208,000 square feet

Request

Cluster housing development for 20 single-family detached dwelling units. On December 21, 1989, the applicant submitted revised plans reducing the number of units to 19. This Report, Conclusions and Decision and Order is based on the revised plan.

State Land Use

Urban

Development Plan

Residential

Public Facilities Map

No improvements proposed

Zoning

R-10 Residential District

PROPOSAL:

Number of Units

Nineteen (19) 3-bedroom, 2-1/2 bath units:

<u>Model</u>		<u>Number</u>
A	T-story	1
B	2-story	6
C	2- and 3-story, split-level design	5
D	2-story	7
		<u>19</u> Total

Density

4 units per acre

Park Dedication

Park Dedication requirements will be met by payment of fee.

Code Requirements

The requirements of Land Use Ordinance (LUO) Sections 6.50-1, 6.50-2 and 6.50-3 are applicable to the proposed development. The proposal meets the density requirement for Cluster Development in the R-10 Residential District.

Project area	208,000 square feet
Minimum lot area per unit	10,000 square feet
Maximum No. of units allowed	$\frac{208,000}{10,000} = 20$
No. of units proposed	= 19

II. REPORT

Summary of Agencies Comments

Comments were requested from the City Board of Water Supply, Departments of Fire, Parks and Recreation, Transportation Services, Public Works and the Nuuanu-Punchbowl Neighborhood Board No. 12, and the State Departments of Health, Land and Natural Resources, and Transportation.

No comments were received from Neighborhood Board No. 12.

The responding agencies had no objections to the proposal, subject to specific recommendations (letters on file with the Department of Land Utilization).

Major comments are as follows:

Board of Water Supply (Letter dated December 1, 1989)

The existing fire protection in the vicinity of the proposed cluster does not meet the requirements of our water system standards. The improvements necessary to upgrade the existing system include the installation of approximately 3,200 linear feet of 12-inch main along Old Pali Road from our Nuuanu Upper Aerator site to Gartley Place, approximately 450 linear feet of 12-inch main along Waokanaka Street from the end of the existing 8-inch main to the project site, and a fire hydrant. These improvements are quite extensive, and we have no plans to undertake them at this time. The developer may, at his option, install the improvements so that he can proceed with his proposed development.

Honolulu Fire Department . (Letter dated November 13, 1989)

1. Roadways shall be minimum unobstructed 20 feet in width, and vertical clearances of minimum 13'-6".
2. Maximum road grades shall not exceed 19 percent.
3. Turnarounds shall be provided with no parking signs.
4. Key box(es) shall be provided for all secured roads (gates).

Department of Public Works (Letter dated November 20, 1989)

Engineering: Building setbacks along the existing gulch shall be established for DPW approval.

Refuse: Public refuse service can be provided, subject to compliance with standards and requirements of the Division of Refuse, DPW.

State Department of Land and Natural Resources
(Letter dated December 6, 1989)

The Forestry and Wildlife Division of the DLNR is proposing the establishment of a public hunting area to control feral pigs on the adjacent northeast property.

State Department of Transportation (Letter dated December 11, 1989)

1. Submit a Traffic Impact Assessment Report (TIAR) defining the roadway requirements, potential traffic problems and mitigation measures to solve/minimize any facility deficiencies.
2. Submit a Drainage Report together with applicable calculations and plans.
3. Waokanaka Street and Pali Highway are under our jurisdiction. Our review and approval for any improvements to these facilities or construction work within our right-of-way is required. Roadway improvements must conform to the current State highway design standards. All costs incurred for construction of required improvements shall be borne by the developer.
4. The developer should be informed of our proposal to contraflow Pali Highway and of our Pali Highway Emergency Truck Turn-out project, which is in the vicinity of Waokanaka Street. These projects should be considered in the preparation of the TIAR.

Site Plan Analysis

Based on the revised site plan submitted December 21, 1989 reducing the number of units from 20 to 19, the proposed 19-unit cluster housing project is generally acceptable. The project retains many of the existing major trees. Grading is minimal because of the previously graded roadway and the leveled 1.5-acre pad for another approved project which was abandoned.

Based on a conventional R-10 subdivision, 14 lots with a potential of 19 dwelling units could be placed on the site. If the property was developed in this manner, a wider subdivision road, removal of major trees and more grading would be required.

The project is consistent with the Cluster Housing guidelines. The revised plan with the reduction in number of units from 20 to 19, re-siting and grade adjustments, show only a portion of 3 units to be placed on lands in excess of 40% slope.

Roadways/Parking

The proposed 18' wide roadways shall be widened to 20 feet as required by the Fire Department. The roads will be privately maintained and parking prohibited at the turnarounds for service and emergency vehicles. The applicant will provide a turnaround for the public at the Waokanaka Street deadend at the project site.

A total of five guest parking stalls will be provided in accordance with the guidelines, three within the center of the development area, and two at the northeast side.

Building Design

The four model dwelling units are generally acceptable. The split-level units are stepped to follow the sloping terrain, and units provide articulated and interesting forms and provide varying shades and shadows. The buildings would be stucco finish with tile roof.

Landscaping

The landscape plan provides for retention of many of the existing major trees and other plants on the site. Additional new trees and plantings will be provided along the private driveways for site enhancement.

The development site would not impact views from Pali Highway and residences across the highway because of a heavily landscaped strip of land between the highway and the project planted with mature Eucalyptus, Cinnamon, and Ironwood trees and other shrubbery.

Soils, Grading, Drainage and Utility Analysis

The proposed grading and drainage plans are acceptable. Grading work is generally limited to roadways and building foundation pads, and the remainder area will essentially be undisturbed. The applicant's soils report indicates that the site can accommodate the project. All grading, drainage and erosion control plans would be in compliance with all applicable Federal, State and County regulations, statues, and ordinances.

All utilities would be provided underground. The applicant shall provide the water and fire protection improvements to meet the standards and requirements of the Board of Water Supply and Fire Department. The existing public sewer can accommodate the 19-unit project.

Nature and Extent of Open Space and Common Areas

The project open space of approximately 80% is acceptable.

Relationship to the Neighborhood

The proposed dwelling units would be compatible with existing single-family residential development in the neighborhood.

Prospective buyers, property owners and all residents should be notified of the State DLR proposal for the adjacent lands for public hunting, and that hiking and other activities in the Conservation District without State approvals are prohibited.

III. CONCLUSIONS

Based on the foregoing analysis, the Director has made the following conclusions:

- a. The development, subject to conditions of approval, complies with the Cluster Housing provisions of the Land Use Ordinance (LUO) and requirements of the governmental agencies;
- b. Property in the vicinity of the area would not be adversely affected; and
- c. The property would be used for purposes and in a manner permitted in the existing residential district.

IV. DECISION AND ORDER

Based on the Report and Conclusions, the Cluster Housing application for "Waokanaka Street Cluster" is approved, subject to conformity with the following exhibits and conditions:

Exhibit "A"

Application Drawings by Gray, Hong, Bills & Associates, J. Nishi Associates, and Belt Collins, 15 sheets, DLU date-stamped October 4, 1989.

Exhibit "B"

Applicant's Narrative by Gray, Hong, Bills & Associates, titled "Waokanaka Street Cluster Housing Development at Honolulu, Oahu, Hawaii", DLU date stamped October 4, 1989.

Exhibit "C"

Revised Site Plan by J. Nishi Associates (1 sheet), DLU date-stamped December 21, 1989.

Exhibits "A", "B", and "C" shall be followed, except as may be altered by the following conditions:

1. Site Plan and Building Design

- a. Within each subdivided or condominium lot, all structures shall comply with the height and side and rear yards of R-10 Residential District. If there is no subdivided or condominium lot, the minimum side and rear yard shall be measured as if there were a property line between any two units.
- b. Lot coverage on each subdivided or condominium lot shall not exceed 50%. If there is no subdivided or condominium lot, the total lot coverage shall not exceed 30% of the total lot area.
- c. Parking for dwelling units shall meet Land Use Ordinance off-street parking requirements. Two stalls per unit plus one per 1,000 square feet of floor area over 2,500 square feet (excluding carports and garages).
- d. The minimum yard and height setbacks around the boundaries shall meet R-10 Residential District regulations.
- e. Building setbacks from the private road shall be a minimum of 10 feet.
- f. White or highly reflective material shall not be used on the roof of any proposed structure.

- g. All fences and walls along the private roadways shall be set back a minimum of 3' and landscaped with trees, shrubbery or 42" high continuous hedge. Chain link fencing shall not be used.
- h. Retaining walls exceeding 8' in height shall be terraced with a minimum 2 feet clear landscape strip provided between terracing.

2. Landscaping

Landscaping shall be provided by the developer in accordance with the plans approved by the Director of Land Utilization, and shall include the following:

- a. Final landscape plans shall be in accordance with Exhibit "A". Groundcover, shrubs, vines, hedges and/or trees shall be planted on all bare ground, including embankments graded by the developer. Where possible, major trees and plants shall be retained or relocated on site.

The applicant shall provide a detailed evaluation of existing conditions along the project boundary. The Director of Land Utilization shall determine whether solid fencing and/or landscape screening would be required based on this evaluation.

- b. A continuous hedge and vertical trees shall be provided to screen the understructure of all elevated units.
- c. All retaining walls, fences, transformers and trash enclosures shall be screened with a minimum 4 feet high, continuous hedge.
- d. All retaining walls six (6) feet in height or greater shall be landscaped with dense hedges, vines and/or trees. Any wall greater than eight (8) feet in height shall be terraced every six (6) feet with a minimum two (2) feet clear planting space between terracing, and shall be landscaped with dense shrub, hedges, vines and/or small trees. A minimum 18" wide planting area shall be provided along the base of all retaining walls over 6' in height.
- e. Trees shall be a minimum 8' to 10' in height and 1-1/2 inches in trunk diameter at time of planting.
- f. The final landscape plan shall include detailed information on (1) disposition of the existing trees and landscaping, (2) type and size of all new landscaping, (3) fencing, (4) retaining walls, (5) pavement materials, (6) lighting, and (7) irrigation to support the landscaping.

- g. Landscape work in accordance with the approved final landscaping plan shall be completed prior to the occupancy of dwelling units. Trees planted shall not be removed, replaced or relocated without prior approval by the Department of Land Utilization.

3. Roadways

- a. A Traffic Impact Assessment Report (TIAR) and Drainage Report including the proposed contraflow scheme and emergency truck turnout project shall be submitted to the State Department of Transportation. The project shall comply with the requirements of the State Department of Transportation prior to issuance of any permits.
- b. Roadway grades shall be designed not to exceed 19 percent.
- c. The roadway shall be designed to provide a minimum 20' wide pavement, 13'-6" minimum vertical clearance, and a turnaround to meet Fire Department requirements.
- d. The proposed roadway intersection with Waokanaka Street shall be provided with a Private Road sign, "STOP" signs and "STOP" on the pavement to clearly identify the driveway as a private roadway.
- e. A minimum of 5 guest parking stalls shall be provided. Parking shall be allowed only in areas designated for resident and guest parking. Parking shall not be permitted within the common vehicular turnaround and maneuvering areas for the common guest parking stalls. A Homeowners' Association should be responsible for the enforcement of this requirement on the private roadways. Appropriate "No Parking" and "Guest Parking" signs shall be posted by the developer. Parking for the individual units must also be provided in conformance with the LUO requirements.
- f. Adequate lighting and illumination shall be provided for all roadways. Light fixtures shall be shielded to minimize glare and adverse impact on adjacent properties. Private light poles shall not exceed 15' in height measured from finish grade to the top of the pole.
- g. Final roadway construction plans, to include turnarounds, shall be subject to review and approval by the Fire Department, Transportation Services, Public Works, Land Utilization and State Department of Transportation, prior to issuance of any permits for the project. Construction within the State right-of-way shall be subject to approval by the State Department of Transportation.

4. Soils, Grading and Drainage

- a. Building setback lines shall be established along the existing gulch at the east end of the property. Calculations for determining the setback lines shall be submitted to the Department of Public Works for approval. All final plans shall show the building setback lines as approved by the Department of Public Works.
- b. A detailed drainage and erosion control report shall be submitted and approved by the Department of Public Works and State Department of Transportation prior to issuance of any permits. The final erosion control drainage and grading plans shall be subject to approval by the Department of Public Works and State Department of Transportation.
- c. Grading and drainage work, including erosion controls, shall comply with all applicable Federal, State and County regulations, statutes and ordinances.
- d. Pavements for roadways, driveways, walkways and parking areas shall be designed for the particular soil conditions and constructed in accordance with the requirements of the Department of Public Works.

5. Utilities

All utilities shall be placed underground within the project site. Additional conditions are as follows:

- a. The proposal shall comply with the requirements of the Board of Water Supply for availability of water. Installation of a complete water system shall meet Board of Water Supply specifications and standards. Construction plans shall be submitted to the Board of Water Supply for review and approval.
- b. Installation of a complete sewer system shall meet the Department of Public Works specifications and standards. Construction plans shall be submitted to the Department of Public Works and the Department of Health for review and approval.
- c. Installation of the necessary sewer and water easements shall meet the Department of Public Works and the Board of Water Supply standards and specifications.
- d. The applicant shall meet the requirements of the City and County to cover the estimated connection charges applicable to the development.

6. Fire Protection

Fire protection plans shall be approved by the Fire Department and Board of Water Supply prior to issuance of building permits. The applicant shall install off-site water transmission improvements for adequate fire protection as required by the Board of Water Supply and Fire Department.

7. Refuse Collection

The applicant shall meet the requirements of the Department of Public Works for refuse collection. The Division of Refuse Collection and Disposal of the Department of Public Works shall review and approve the refuse collection plan prior to issuance of any permits.

8. Lighting

All exterior lighting shall be recessed and shielded to minimize glare and any adverse visual impact to the development and surrounding neighborhood.

9. Engineer's or Architect's Supervision and Responsibility

The applicant's consulting engineer and/or architect shall be responsible for all work and final plans to comply with all provisions of the Land Use Ordinance. The project plans shall meet all code regulations, standards and requirements for approval by all affected governmental agencies.

10. Flexibility

- a. The project shall be developed as authorized and approved by the Director of Land Utilization. In no case, however, shall the above alteration harm the general intent of the design concept of the project, nor will there be any increase in the number of units (19). The environmental character and design concept of the project, as indicated on the submitted plans, shall be maintained.
- b. Any modification to the conditions stated herein shall be subject to approval by the Director of Land Utilization. Any major modification may be subject to a new application under the cluster development provisions.
- c. Changes made to the conditions or site plan necessitated by additional soils, grading, drainage or other studies shall be subject to the approval of the Director of Land Utilization.

11. Archaeological Findings

Should any cultural deposits, burials or archaeological artifacts, charcoal-filled fire pits, or human skeletal remains be discovered during construction, the applicant and/or contractor shall stop work and notify the State Historic Sites Office, Department of Land and Natural Resources, for mitigative action.

12. Detailed Documents

- a. The applicant shall obtain the approval of the Director of Land Utilization and appropriate governmental agencies on final detailed documents covering all building and site improvements, including but not limited to parking, grading, drainage, sewers, water and electric utilities, easements, walkways, roadways, fire protection, refuse storage and collection, fences, landscaping, and final exterior materials, colors, textures and/or finishes.
- b. This approval shall be obtained prior to commencement of any work. Site improvements and landscaping plans shall be approved by the Director of Land Utilization prior to issuance of any building permits.

13. Model Units

- a. The grading and building permits for model units, if any are to be provided, may be issued only after review and approval of the detailed documents for such units by the Director of Land Utilization and other appropriate governmental agencies.
- b. This approval shall be obtained prior to commencement of any work. Site improvements and landscaping plans shall be approved by the Director of Land Utilization prior to issuance of any model unit building permits.

14. Maintenance of Common Areas and Facilities

Legal documents shall be drawn up to ensure perpetual maintenance of all common elements including, but not limited to, roads, landscaping retaining walls and drainage system.

15. Future Additions and Alterations

- a. Future additions and alterations to individual dwelling units and in common areas subsequent to the completion of the project, shall require the review and approval by the Director of Land Utilization, and individual owners requesting such additions and alterations shall first obtain the written approval from the Homeowners' Association. All fencing for future additions by individual homeowners shall be in accordance with pre-approved fence designs.

- b. Standard designs for fencing by individual homeowners shall be provided by the applicant and submitted to DLU for review and approval prior to issuance of building permits.
- c. Lot coverage permitted on each subdivided or CPR (condominium property regime) lot shall not exceed 50% of the individual lot area. No additions shall be permitted which would exceed this maximum lot coverage.
- d. Owners and tenants of the project shall be informed by the applicant of the standard fence design and the lot coverage requirement for future additions and expansion.

16. Transfer of Rights

- a. Any assignment and/or transfer of any substantial interest in the land parcel designated as a cluster development by this document shall be subject to the approval and consent of the Department of Land Utilization (except for such assignment and/or transfer to any mortgagee or to any purchaser upon foreclosure). Such approval and consent shall not be unreasonably withheld provided that the assignee and/or transferee agrees in writing to comply with all the conditions imposed herein.
- b. This requirement of obtaining Department of Land Utilization's approval and consent shall become null and void upon the applicant/developer satisfying the following:
 - (1) Completion of all construction according to approved plans, as well as sale of the house lots within the cluster project; and
 - (2) Compliance with all the conditions and restrictions imposed by this document.

17. Time Limit

Failure to secure building permits for 10 of the total 19 units within 3 years of the date of this approval may constitute grounds for the Director to revoke this approval. If the applicant finds that he is unable to obtain a building permit prior to the expiration date of this approval, he shall submit to the Director a written request for extension of time prior to the expiration date, with reasons to justify such extension.

18. Responsibility

It shall be the responsibility of the applicant to provide all site improvements, landscaping and other features in conformity with Exhibits "A", "B" and "C" and the conditions and restrictions imposed herein. All structures and site improvements, and landscaping shall be completed prior to the occupancy of the dwelling unit.

19. Covenants

The developer shall be required to incorporate all of the post construction conditions set forth which are applicable, subsequent to occupancy as part of the restrictive covenants running with the land and made a part of any sales agreement with any future owners. Sales prospectus shall also include notification relating to the State Department of Land and Natural Resources' proposed public hunting area on adjacent lands. The applicant shall coordinate and consult with the State Department of Land and Natural Resources.

20. Recordation

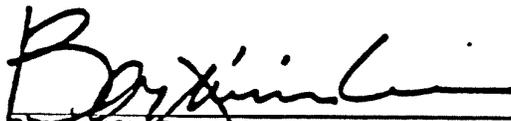
The applicant/developer of the property encompassed by this cluster development shall be required to file with the Bureau of Conveyances or Assistant Registrar of the Land Court of the State of Hawaii, a declaration of the above-mentioned restrictive conditions.

21. Violations

The Department of Land Utilization would review alleged violations of the conditions imposed herein and upon its findings that the applicant has not complied with any of said conditions, may take any lawful action necessary to prevent further non-compliance, or to compel compliance with the conditions.

22. Rescinding Governmental Agency Approvals

Upon repeal of this approval by the Department of Land Utilization, the Director of Land Utilization and other governmental agencies may rescind any or all approvals granted to the development including but not limited to approvals of building permits and other detailed documents, in order to restore the property to conditions pre-existing the effective date of this approval.



BENJAMIN B. LBE, AIA
Deputy Director

Date: December 29, 1989

0900M

Exhibit "A": Application Drawings
Exhibit "B": Application Narrative
Exhibit "C": Revised Site Plan

DEPARTMENT OF LAND UTILIZATION
CITY AND COUNTY OF HONOLULU

850 SOUTH KING STREET
HONOLULU, HAWAII 96813 • (808) 523-4433



FRANK F. FASI
MAYOR

DONALD A. CLEGG
DIRECTOR

LORETTA K.C. CHEE
DEPUTY DIRECTOR

LU2/92-1081 (AM)
89/CL-11

February 28, 1992

Mr. Vernon Y. T. Woo, President
Nahale Corporation
1019 Waimanu Street, Suite 205
Honolulu, Hawaii 96814

Dear Mr. Woo:

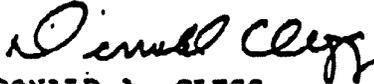
Request for Extension of Time
Waakanaka Cluster Development (89/CL-11)
Tax Map Key: 1-985; 3

In reply to your letter dated February 21, 1992, your request for an extension of time to obtain building permits for the Cluster Development, pursuant to Condition No. 17 of the Decision and Order, is approved for one year from December 29, 1992 to December 29, 1993.

All applicable conditions of the Cluster Permit shall be met prior to issuance of building permits.

Should you have any questions, please contact Mr. Art Muraoka, Chief-Design Division, at 523-4251.

Very truly yours,


DONALD A. CLEGG
Director of Land Utilization

DAC:gc
woo.gkc

cc: Gray, Hong, Bills & Associates
Tyrone Kusao

DEPARTMENT OF LAND UTILIZATION
CITY AND COUNTY OF HONOLULU

660 SOUTH KING STREET
HONOLULU, HAWAII 96813 • (808) 523-4432

FRANK F. FASIG
DIRECTOR



DONALD A. CLEGG
DIRECTOR

LORETTA K.C. CHEE
DEPUTY DIRECTOR

93-04441 (PS)
89/CL-11

July 13, 1993

Mr. Vernon Y. T. Woo, President
The Nahele Corporation
1019 Waimanu Street, Suite 205
Honolulu, Hawaii 96814

Dear Mr. Woo:

Request for Extension of Time
Waokanaka Cluster Development (89/CL-11)
Tax Map Key: 1-9-05; Por. 3

This is in response to your letter dated June 18, 1993. Your request for an extension of time to acquire the ten minimum building permits pursuant to Condition No. 17 of the Decision and Order is approved for one year. The new extension will be from December 29, 1993 to December 29, 1994. No more extensions will be granted. If this date is not met, it will be necessary to submit a new cluster application.

Should you have any further questions, please contact Patrick Seguirant of our Urban Design Branch at 527-5837.

Very truly yours,

A handwritten signature in cursive script that reads "Donald A. Clegg".

DONALD A. CLEGG
Director of Land Utilization

DAC:gc
woo.pbs

DEPARTMENT OF LAND UTILIZATION
CITY AND COUNTY OF HONOLULU

838 SOUTH KING STREET
HONOLULU, HAWAII 96813 • (808) 523-4432



DONALD A. GLEGG
DIRECTOR

LORETTA K.C. CHEN
DEPUTY DIRECTOR

89/CL-11(JS)

November 5, 1993

Mr. Keith Kurahashi
Kusao & Kurahashi
Ward Plaza, Suite 124
210 Ward Avenue
Honolulu, Hawaii 96814

Dear Mr. Kurahashi:

Request to Modify Grading Plans
Waokanaka Cluster 89/CL-11
Tax Map Key: 1-9-5: por. 03

This is in response to your meeting of November 2, 1993 with Patrick sequirant and Joyce Shoji of my staff regarding the Waokanaka Cluster. Your request to reduce the amount and limits of grading for the Waokanaka Cluster is ACCEPTED.

The initial grading plans shall be revised per the following comments prior to approval by the Department of Land Utilization (DLU):

1. All details not pertinent to the grading permit shall be deleted.
2. The concrete header in the typical road section (sheet 2) shall remain and not be deleted.

Compliance to the following conditions is required prior to the issuance of any further grading or building permits:

1. Plans and elevations for all new model units and revised site sections shall be approved by DLU and shall be compatible with those already approved.
2. A site plan indicating the designated model types and color scheme for each lot (except lots 1 & 17) shall be reviewed and approved by DLU.
3. A grading plan for the revised building and site plan shall be reviewed and approved by DLU.

Mr. Keith Kurahashi
Page 2

4. Grading permits per grading plan approved by DLU for all lots (except lots 1 & 17) shall be obtained by the developer prior to the issuance any building permits.
5. No additional grading will be allowed by the individual homeowners unless approved by the DLU. This may require additional soils testing, special material treatment, landscaping and/or drainage analysis.
6. The unit designs for lots 1 & 17 may be submitted for our review and approval prior to Cluster expiration.

Furthermore, it is imperative that the developer inform all potential homeowners that any modification to the approved models and house lots will require the approval of DLU. The developer should also provide the homeowners with alternate floor plans that does not affect the exterior appearance or design of the units.

Should you have any questions, please contact Joyce Shoji of the Urban Design Branch at 527-5354.

Very truly yours,



DONALD A. CLEGG
Director of Land Utilization

DAC:gc
wao:jms

COMMON ELEMENTS

Paragraph 4 of the Declaration states as follows:

"Common Elements. One freehold estate is hereby designated in all common elements of the Project, which include all portions of the Project other than the apartments (except as herein specifically included), and all other common elements mentioned in the Act which are actually included in the Project, including specifically without limitation:

- a. The Land in fee simple.
- b. All natural and concrete drainage ditches and culverts, retaining walls, hiking trails, water reservoir and roadway in the Project, some of which are shown on the Condominium Map, whether or not located on a Residential Area (as defined in subparagraph 5.a below).
- c. The private roadway located within the Project as outlined on the Condominium Map, the six (6) uncovered regular-sized guest parking stalls (three (3) regular sized and three (3) compact) located thereon, walkways, entry gates, enterphone system, mailboxes, refuse facilities and landscaping not located on limited common areas.
- d. All sewer lines, electrical equipment, wiring, suction pump and booster pump equipment and station, utility yards and equipment, pipes and other central and appurtenant transmission facilities and installations on, over, under and across the Project which serve more than one apartment for services such as but not limited to electricity, water, gas, sewer, telephone, radio, television and cable television signal distribution.
- e. Any and all other apparatus and installations of common use and all other parts of the Property necessary or convenient to its existence, maintenance and safety, or normally in common use.
- f. The limited common elements described below."

LIMITED COMMON ELEMENTS

Paragraph 5 of the Declaration states as follows:

"Limited Common Elements." Certain parts of the common elements, herein called and designated "limited common elements," are hereby set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

a. The various separate land areas ("Residential Areas") numbered "1" through "19", as shown on the Condominium Map, shall be appurtenant to and for the exclusive use of the apartment having the same number. For example, Residential Area 7 is appurtenant to and for the exclusive use of Apartment 7.

b. The driveway, if any, extending from the private roadway within the Project to the garage of each apartment and any parking stalls located thereon, as outlined on the Condominium Map, shall be appurtenant to and for the exclusive use of that apartment.

c. All landscaping within each of the Residential Areas appurtenant to each apartment; provided, however, that no apartment owner shall cut or trim any tree with a diameter of eighteen (18) inches or more located on such apartment owner's Residential Area without the prior written consent of the Association.

d. All other common elements of the Project which are rationally related to less than all of said apartments shall be limited to the use of such apartments."

ENCUMBRANCES AGAINST TITLE

1. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

MORTGAGOR : THE NAHELE CORPORATION, a Hawaii corporation

MORTGAGEE : GECC FINANCIAL CORPORATION, a Hawaii corporation

DATED : April 19, 1989

FILED : Land Court Document No. 1628851

AMOUNT : \$1,500,000.00

2. MORTGAGE

MORTGAGOR : THE NAHELE CORPORATION, a Hawaii corporation

MORTGAGEE : PACIFIC RIM LAND, INC., a Washington corporation

DATED : October 28, 1993

FILED : Land Court Document No. 2084173

AMOUNT : \$1,000,000.00

3. For real property taxes due and payable, refer to Director of Finance, City and County of Honolulu.

4. Declaration of Restrictive Covenants dated December 2, 1993 filed as Land Court Document No. 2095595.

THE WOODLANDS CONDOMINIUM

PRELIMINARY BUDGET
FIRST FISCAL YEAR

<u>LINE ITEM</u>	<u>MONTH</u>	<u>YEAR</u>
<u>Administrative Expense</u>		
Accounting & Legal	150	1,800
Insurance, Officers & Directors E & O	85	1,020
Insurance, Fidelity Bond	20	240
Insurance, Liability	45	540
License & Registration	6	72
Management Fee	1,200	14,400
Tax, Corporate	50	600
Tax, General Excise	60	720
Misc. Administrative Expense	100	1,200
Total Misc. Administrative Expense	1,716	20,592
<u>Repairs & Maintenance</u>		
Gate Maintenance	200	2,400
Grounds Maintenance	2,400	28,800
Street Lights	25	300
Supplies	34	408
Tree Trimming	2,000	24,000
Water pressure system	125	1,500
Total Repairs & Maintenance	4,784	57,408
<u>Utilities</u>		
Electricity, Common Area	150	1,800
Entryphone	50	600
Water Sewer Common Area	300	3,600
Water Sewer Residence	1,445	17,340
Total Utilities	1,945	23,340
<u>Capital Reserve</u>		
Asphalt Sealcoating & Resurface	390	4,680
Gate Major Repairs/Replacement	75	900
Pumps, Water Pressure	90	1,080
Refuse Removal Containers	25	300
Sprinkler System Repair/Replacement	75	900
Contingency	400	4,800
Total Capital Reserve Budget	1,055	12,660
Total Budget	9,500	114,000
Less metered water/sewer to residences	1,445	17,340
Total Budget metering deduction	8,055	96,660
Monthly Maintenance Fee including residences water/sewer		500
Monthly Maintenance Fee exclusive of residences water/sewer		424

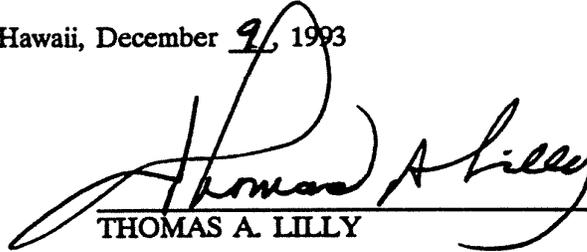
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c/o MANAGEMENT, INC. 3615 HARDING AVE #303 HONOLULU HI 96816 TEL. 735-3030 FAX 737-7953

CERTIFICATION

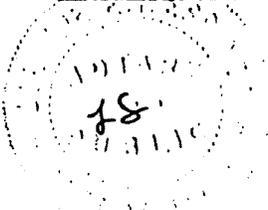
I, THOMAS A. LILLY, the president of Management, inc., the managing agent for The Woodlands condominium project, hereby certify that the attached estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

DATED: Honolulu, Hawaii, December 9, 1993


THOMAS A. LILLY

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF HONOLULU)

On this 9th day of December, 1993, before me appeared THOMAS A. LILLY, to me personally known, who, being by me duly sworn, did say that he is the President of Management, Inc., a Hawaii corporation, and that the instrument was signed in behalf of the corporation by authority of its Board of Directors and Thomas A. Lilly acknowledged the instrument to be the free act and deed of the corporation.




Notary Public, State of Hawaii

My commission expires: Mar 28, 1997

4971rm.kai

WARRANTIES

Paragraph E.18 of the Sales Contract and Deposit Receipt states as follows:

"Covenants and Warranties of Seller and Buyer. Seller and Buyer covenant and agree to the following:

1. The execution, delivery and recordation of Buyer's Apartment Deed shall constitute the assignment by Seller to Buyer of any and all warranties given to Seller by the contractors for the Project, if any, including, without limitation, any warranty of materials and workmanship against faulty or deficient materials and installation. The benefit of such warranties, if any, shall accrue to Buyer on closing without further instruments or documents.

2. —BUYER ACKNOWLEDGES THAT SELLER MAKES AND HAS MADE NO WARRANTIES OF ANY KIND WITH RESPECT TO THE ALUMINUM TOOL SHED WHICH IS THE ORIGINAL APARTMENT. BUYER AGREES TO ACCEPT THE ORIGINAL APARTMENT IN "AS-IS, WHERE-IS" CONDITION.

3. BUYER ACKNOWLEDGES THAT SELLER HAS MADE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY OR WORKMANLIKE CONSTRUCTION WITH RESPECT TO THE APARTMENT, THE PROPERTY, ANY COMMON ELEMENT, LIMITED COMMON ELEMENT, OR ANYTHING INSTALLED THEREIN."

SUMMARY OF SALES CONTRACT

A specimen Sales Contract and Deposit Receipt (the "Sales Contract") has been submitted to the Real Estate Commission. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ THE SALES CONTRACT IN FULL, since this summary is NOT A COMPLETE DESCRIPTION of its provisions. The Sales Contract, among other things, covers in more detail the following items:

1. A Sales Contract executed prior to the issuance of an effective date for a Final Public Report for the Project shall constitute a "reservation" and not a "binding contract" for the purchase of an apartment. Accordingly, the reservation may be canceled and terminated at any time at the option of either party (and buyer shall receive a refund) until an effective date for a Final Public Report is issued on the Project, the buyer signs a receipt for the Final Public Report (or is deemed to have receipted for it under the Condominium Property Act), each of the conditions set forth in Section 514A-62(a) of the Condominium Property Act (the "Act") has been satisfied, and the buyer signs a separate confirmation letter in which the buyer agrees to treat the Sales Contract as a binding contract. Therefore, the buyer should be aware that the execution of a Sales Contract prior to the issuance of an effective date for a final Public Report does not necessarily mean that the buyer will be able to purchase the reserved apartment for the price or on the other terms stated in the Sales Contract, or on any terms at all.

2. The execution, delivery and recordation of Buyer's Apartment Deed shall constitute the assignment by Seller to Buyer of any and all warranties given to Seller by the contractors for the Project, if any, including, without limitation, any warranty of materials and workmanship against faulty or deficient materials and installation. The benefit of such warranties, if any, shall accrue to Buyer on closing without further instruments or documents.

BUYER ACKNOWLEDGES THAT SELLER MAKES AND HAS MADE NO WARRANTIES OF ANY KIND WITH RESPECT TO THE ALUMINUM TOOL SHED WHICH IS THE ORIGINAL APARTMENT. BUYER AGREES TO ACCEPT THE ORIGINAL APARTMENT IN "AS-IS, WHERE-IS" CONDITION.

BUYER ACKNOWLEDGES THAT SELLER HAS MADE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY OR WORKMANLIKE CONSTRUCTION WITH RESPECT TO THE APARTMENT, THE PROPERTY, ANY COMMON ELEMENT, LIMITED COMMON ELEMENT, OR ANYTHING INSTALLED THEREIN.

3. Seller may cancel the Sales Contract and treat the buyer as being in default if the buyer's financial condition changes materially detrimentally before closing. Seller may also cancel if the buyer's application for a mortgage loan is rejected or not approved within thirty (30) days after application was submitted to the lender. If Seller is not satisfied for any reason with the buyer's ability to make the cash payments, then Seller may cancel the Sales Contract.

4. Seller has entered or will enter into one or more loan agreements with one or more lenders to cover the construction and other costs of the Project. Seller has given or will give the lender or lenders a mortgage or mortgages, security agreement or agreements, and other instruments securing repayment and covering Seller's ownership rights in the Project, including the individual apartments. All of the rights and interests which Seller gives to the lender or lenders will have priority over the buyers' rights and interests under the Sales Contracts. This applies to any changes in the loan or loans or the mortgage or mortgages, security agreement or agreements or other instruments (including among other things extensions, renewals and other changes). BUYER GIVES UP AND SUBORDINATES THE PRIORITY OF BUYER'S RIGHTS AND INTERESTS UNDER THE SALES AGREEMENT IN FAVOR OF THE RIGHTS AND INTERESTS OF SELLER'S LENDERS UNTIL THE FINAL CLOSING AND DELIVERY OF A SIGNED APARTMENT DEED TO THE BUYER.

5. _ BUYER AGREES THAT NO ONE (INCLUDING THE SELLER OR ANY SALES PERSON) HAS TALKED TO BUYER AT ALL ABOUT ANY RENTAL INCOME OR RENTAL OR SALES SERVICES FOR BUYER'S PROPERTY. IF BUYER WANTS TO RENT OR SELL THE PROPERTY, HOW BUYER DOES IT WILL BE UP TO BUYER. BUYER ALSO AGREES THAT NO ONE HAS TALKED TO BUYER AT ALL ABOUT INCOME FROM THE PROPERTY OR ANY OTHER ECONOMIC BENEFIT TO BE DERIVED FROM THE PURCHASE OR OWNERSHIP OF THE PROPERTY OR ABOUT THE TAX EFFECTS OF BUYING THE PROPERTY.

6. Seller will pay for the cost of drafting the Apartment Deed, any amendments thereto and the cost of the acknowledgements of Seller in respect thereof, the State of Hawaii conveyance tax, and one-half of the escrow fees. The buyer will pay for one-half of the escrow fees and the costs of obtaining a financing commitment, credit reports, any attorney's fees and costs incurred by Seller in connection with the buyer's failure to perform its obligations under the Sales Contract. The buyer will also pay the nonrefundable start-up fee which will be held and used by Seller and the managing agent as a working capital fund for the benefit of all the apartment owners. Real property taxes, maintenance charges and other common expenses and other prorations will be made, and risk of loss will transfer from Seller to buyer, on the scheduled closing date as defined in the specimen Sales Contract. The buyer will sign all documents and do everything else required for closing within ten (10) days after receiving written notice that the apartment is ready for occupancy.

7. The buyer agrees that buyer will not have any right to transfer the Sales Contract or his rights under the Sales Contract without first getting the written consent of Seller. Seller will consent to any transfer if (any only if) certain conditions set forth in the Sales Contract are satisfied.

8. Buyers are purchasing the Property with full knowledge that the Project is subject to that certain Department of Land Utilization, City and County of Honolulu, Report, Conclusion and Decision and Order dated December 29, 1989, as amended. That Order imposes certain requirements upon the Project and upon the Owners of apartments in the Project including but not limited to (a) limitations of lot coverage, (b) additions to floor area, (c) restrictions in the

grading of the building permits for certain apartment units by December 29, 1994. See Exhibit "E" for details.

NOTE: ALL BUYERS SHOULD READ THE SALES CONTRACT IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE SALES CONTRACT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE SALES CONTRACT, AND DOES NOT ALTER OR AMEND THE SALES CONTRACT IN ANY MANNER. IF ANY PROVISIONS OF THIS SUMMARY CONTRADICT THE PROVISIONS CONTAINED IN THE SALES CONTRACT IN ANY WAY, THE PROVISION OF THE SALES CONTRACT SHALL OVERRIDE THE PROVISIONS OF THIS SUMMARY.

SUMMARY OF ESCROW AGREEMENT

A copy of the Escrow Agreement between the Seller and Title Guaranty Escrow Services, Inc. ("Escrow Agent") has been submitted to the Real Estate Commission. The Escrow Agreement, among other things, covers in more detail the following items:

1. Subject to various terms and conditions set forth in detail in the Escrow Agreement, the buyer's funds held in escrow will be paid out of escrow, at the time and in the amounts requested by Seller, (a) to pay for construction costs in proportion to the valuation of the work completed by the contractor in accordance with the contract documents, on the buildings and other improvements to be constructed on said land, as certified by a registered architect or professional engineer and as approved by the Seller's lender; and (b) to pay for architectural, engineering, finance and legal fees and other incidental expenses of the Project as approved by the Seller's lender.

2. Escrow Agent shall make no disbursements of buyer's funds paid prior to the buyer's receipt of the final public report on the Project, except by the way of refunds thereof as provided in the Escrow Agreement, until Escrow Agent has received satisfactory evidence that the Sales Contracts have "become binding" and that "the requirements of Sections 514A-40 and 514A-63" of the Hawaii Revised Statutes have been met, as said phrases are used in Section 514A-65, Hawaii Revised Statutes.

3. All monies received by Escrow Agent under the Escrow Agreement will be deposited by Escrow Agent in a special account or accounts with a financial institution(s) designated by Seller, in Honolulu, Hawaii, authorized to do business in the State of Hawaii at an interest rate determined by Seller, in its sole and absolute discretion, to be the highest rate of interest available for such funds, recognizing the financial institution paying such interest, the number of days such funds shall be on deposit, and such other factors as shall be determined by Seller in its sole and absolute discretion. Buyer shall be entitled to such interest from and after the date of execution of the Sales Contract and Seller's approval of Buyer's financing pursuant to the provisions of the Sales Contract. All interest paid prior to such date shall belong to Seller.

4. A buyer will have the right to a refund of his funds only if (a) Seller asks Escrow Agent in writing to return the buyer's funds to the buyer; (b) Seller gives Escrow Agent written notice that Seller has rescinded or canceled the Sales Contract pursuant to any right of rescission or cancellation stated in the Sales Contract or otherwise available to Seller; (c) the conditions provided for a refund under Section 514A-63 of the Condominium Property Act (as amended on the date the Sales Contract become binding) have been met and written notice thereof has been provided to the Seller; (d) Seller gives Escrow Agent written notice of the buyer's exercise of the right to rescind or cancel the Sales Contract pursuant to any right of rescission or cancellation stated therein; or (e) Escrow Agent receives written notice from buyer(s) holding a nonbinding reservation agreement terminating such reservation agreement and releasing all rights and interest in the subject apartment, provided that Escrow Agent shall notify Seller of such termination prior to making any refund to the buyer.

NOTE: ALL BUYERS AND PROSPECTIVE BUYERS SHOULD READ THE ESCROW AGREEMENT AND ALL AMENDMENTS IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE ESCROW AGREEMENT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE ESCROW AGREEMENT, AND DOES NOT ALTER OR AMEND THE ESCROW AGREEMENT IN ANY MANNER.