

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

CONDOMINIUM PUBLIC REPORT

THE RIDGE AT LAUNANI VALLEY
 95-510 Wikao Street
 Mililani, Oahu, Hawaii

Registration No. 2675

Issued: August 25, 1992
 Expires: September 25, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of August 4, 1992, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

- PRELIMINARY:** (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
- FINAL:** (white) The developer has legally created a condominium and has filed complete information with the Commission.
 No prior reports have been issued
 Supersedes all prior public reports
 Must be read together with _____
- SUPPLEMENTARY:** (pink) Updates information contained in the
 Prelim. Public Report dated _____
 Final Public Report dated _____
 Supp. Public Report dated _____
- And Supersedes all prior public reports
 Must be read together with _____
- This report reactivates the _____
 public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the Commission.

Changes made are as follows:

TABLE OF CONTENTS

	page
Report Purpose	1
Type of Report	1
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Summary of the Condominium Project	5
I. PEOPLE CONNECTED WITH THE PROJECT	6
Developer	Managing Agent
Real Estate Sales Agent	Attorney for Developer
Escrow Company	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	7
B. Condominium Map (File Plan)	7
C. Bylaws	7
D. House Rules	8
E. Changes to Condominium Documents	8
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	9
B. Underlying Land	10
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	14
E. Encumbrances Against Title	15
F. Management of the Common Elements	15
G. Maintenance Fees	16
H. Utility Charges	16
I. Construction Warranties	16
J. Status of Construction	17
K. Project Phases	17
L. Sales Documents Filed with the Real Estate Commission	17
IV. ADDITIONAL INFORMATION NOT COVERED ABOVE	18
Buyer's Right to Cancel Sales Contract	19
Signature of Real Estate Commission Chairman	20
EXHIBIT A: Schedule of Apartments (130 apartments)	
EXHIBIT A-1: Schedule of Apartments (182 apartments)	
EXHIBIT B: Developer's Reserved Rights	
EXHIBIT C: Description of Apartments	
EXHIBIT D: Boundaries of Apartments	
EXHIBIT E: Permitted Alterations to Apartments	
EXHIBIT F: Information Regarding Parking Stalls	
EXHIBIT G: Common Elements	
EXHIBIT H: Limited Common Elements	
EXHIBIT I: Common Interests/Parking Stalls (130 apartments)	
EXHIBIT I-1: Common Interests (182 apartments)	
EXHIBIT J: Encumbrances Against Title	
EXHIBIT K: Estimate of Initial Maintenance Fees and Estimate of Maintenance Fee Disbursements	
EXHIBIT L: Summary of Sales Contract	
EXHIBIT M: Summary of Escrow Agreement	

GENERAL INFORMATION ON CONDOMINIUMS

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

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

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

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

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

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

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

Operation of the Condominium Project

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

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

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

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

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

Types of Project:

- 1. New Building(s) Conversion
 Both New Building(s) and Conversion
- 2. Residential Commercial Ohana
 Mixed Residential and Commercial Agricultural
 Other _____

- 3. High Rise (5 stories or more) Low Rise

- 4. Single or Multiple Buildings

5. Apartment Description:

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
A	30	2/1	703	58 or 77
B	40	2/2	782	59
C	32	2/2	813	59 or 79
D	20	3/2	875	62 or 83
D-1	8	3/2	875	62 or 83

Total Apartments: 130 See Exhibit "A" for a listing of all apartments and the square footage of their lanais.

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

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

6. Parking:

	Number of Stalls
Assigned Stalls (Individual Units)	260
Guest Stalls	13
Unassigned Stalls	9
Extra Stalls Available for Purchase	_____
Other: _____	_____
Total Parking Stalls	282

- 7. Recreational amenities: swimming pool.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Waihuna Joint Venture Phone: (808) 537-5976
Name (Business)
220 S. King Street, Suite 680
Business Address
Honolulu, Hawaii 96813

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

Waikalani Developers, Inc.
WRD Limited Partnership

Real Estate Broker: Towne Realty Brokerage Services, Inc. Phone: (808) 537-7976
Name (Business)
220 South King Street, Suite 680
Business Address
Honolulu, Hawaii 96813

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 521-0211
Name (Business)
235 Queen Street, First Floor
Business Address
Honolulu, Hawaii 96813

Construction Manager:
~~General~~
~~Contractor~~ Towne Realty of Hawaii, Inc. Phone: (808) 625-1461
Name (Business)
P.O. Box 3247
Business Address
Mililani, Hawaii 96789

Condominium Managing Agent: Certified Management Phone: (808) 836-0911
Name (Business)
3179 Koapaka Street, Second Floor
Business Address
Honolulu, Hawaii 96819

Attorney for Developer: Rush Moore Craven Sutton Morry & Beh Phone: (808) 521-0400
Name (Business)
745 Fort Street, 20th Floor, Hawaii Tower
Business Address
Honolulu, Hawaii 96813

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

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

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

The Declaration for this condominium is:

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

Amendment date(s) and recording/filing information:

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

The Condominium Map for this condominium project is:

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

Amendment date(s) and recording/filing information:

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

The Bylaws for this condominium are:

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

Amendment date(s) and recording/filing information:

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

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

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt house rules.

E. Changes to Condominium Documents

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

1. Apartment Owners: Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	Majority of Board of Directors of the <u>Association</u> of Owners

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

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"

For Subleaseholds:

- Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is
 Cancelled Foreclosed
- As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is cancelled or foreclosed.

B. Underlying Land:

Address: 95-510 Wikao Street Tax Map Key: (1) 9-5-2-Por.6
Mililani, Hawaii 96789 (TMK)

Address TMK is expected to change because _____

Land Area: 182,953 square feet acre(s) Zoning: R-5

Fee Owner: Waihuna Joint Venture
Name

220 S. King Street, Suite 680
Address

Honolulu, Hawaii 96813

Sublessor: _____
Name

Address

C Buildings and Other Improvements:

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

2. Buildings: 10 Floors Per Building 2 or 3

Exhibit s B & C contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other _____

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
<input type="checkbox"/> Commercial	_____	_____	<input type="checkbox"/> Industrial	_____	_____
<input checked="" type="checkbox"/> Residential	<u>182</u>	<u>yes</u>	<input type="checkbox"/> Agricultural	_____	_____
<input type="checkbox"/> Timeshare/Hotel	_____	_____	<input type="checkbox"/> Recreational	_____	_____
<input type="checkbox"/> Other: _____				_____	_____

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

Yes No

5. Special Use Restrictions:

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

Pets: Permitted with restrictions regarding, among other things, size and number

Number of Occupants: _____

Other: See Declaration, By-Laws and House Rules, generally

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0 Stairways 0 Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>A</u>	<u>30</u>	<u>2/1</u>	<u>703</u>	<u>58 or 77</u>
<u>B</u>	<u>40</u>	<u>2/2</u>	<u>782</u>	<u>59</u>
<u>C</u>	<u>32</u>	<u>2/2</u>	<u>813</u>	<u>58 or 79</u>
<u>D</u>	<u>20</u>	<u>3/2</u>	<u>875</u>	<u>62 or 83</u>
<u>D-1</u>	<u>8</u>	<u>3/2</u>	<u>875</u>	<u>62 or 83</u>
_____	_____	_____	_____	_____

Total Apartments: 130 See Exhibit "A" for a listing of all apartments and the square footage of their lanais.

**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:

See Exhibit "D"

Permitted Alterations to Apartments:

See Exhibit "E"

7. Parking Stalls:

Total Parking Stalls: 282

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	<u>87</u>	<u>77</u>	<u>19</u>	<u>77</u>	<u>0</u>	<u>0</u>	<u>260</u>
Guest	<u>0</u>	<u>0</u>	<u>0</u>	<u>13</u>	<u>0</u>	<u>0</u>	<u>13</u>
Unassigned	<u>0</u>	<u>2</u>	<u>0</u>	<u>7</u>	<u>0</u>	<u>0</u>	<u>9</u>
Extra Available for Purchase	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Covered & Open	<u>166</u>		<u>116</u>		<u>0</u>		

Each apartment will have the exclusive use of at least 2 parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

Commercial parking garage permitted in condominium project.

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

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute

Other: pool building

9. Present Condition of Improvements

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

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

N/A

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

N/A

10. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

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

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

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

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>X</u>	<u> </u>	<u> </u>
Structures	<u>X</u>	<u> </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 intended to be used by all apartment owners. They are owned jointly by all apartment owners.

Exhibit G describes the common elements.

As follows:

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

There are no limited common elements in this project.

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

described in Exhibit H

as follows:

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

Exhibit I describes the common interests for each apartment.

As follows:

NOTE: The common interest for each apartment was calculated based on the floor area of the apartment divided by the aggregate floor area of all apartments, with adjustments so that the total common interests for all apartments equal 100 percent.

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

Exhibit J describes the encumbrances against the title contained in the title report dated June 10, 1992 and issued by Title Guaranty of Hawaii, Incorporated.

Blanket Liens:

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

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

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

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

Type of Lien

Effect on Buyer's Interest
If Developer Defaults

Mortgage

Buyer's contract will be cancelled and Buyer's deposit will be returned. Buyer may lose all rights to acquire the apartment.

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

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

The initial managing agent for this condominium is:

[X] not affiliated with the Developer.

[] the Developer or the Developer's affiliate.

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

[] other _____

G. Estimate of Initial Maintenance Fees:

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

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

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

H. Utility Charges for Apartments:

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

Not applicable

Electricity (common areas only)

Television Cable

Gas

Water & Sewer

Other _____

I. Construction Warranties:

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

1. Building and Other Improvements:

The Developer will give to each buyer a full and complete warranty of title to the particular apartment in the Apartment Deed. Other than that, the Developer will make no warranties, express or implied, about any apartment, the project or anything installed or contained in them. This includes, but is not limited to warranties of merchantability, habitability, workmanlike construction, fitness for a particular use or purpose or for sufficiency of design. The Developer will assign to the buyers any and all warranties given to the Developer by the contractor constructing the improvements and any manufacturer's or dealer's warranties covering any furnishings, fixtures or appliances. The Developer is not adopting any such warranties or acting as a co-warrantor, but simply attempting to pass through to the buyers the benefit of any such warranties.

2. Appliances:

See Section I.1 above.

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Launani Valley Community

The project is located within an area intended to be developed as a master planned community known as the "LAUNANI VALLEY COMMUNITY," described in that certain Declaration of Covenants, Conditions and Restrictions for the Launani Valley Community dated _____, recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. _____ (the "Master Declaration"). Among other things, the Master Declaration provides:

(a) for the establishment of a Hawaii non-profit corporation known or to be known as the LAUNANI VALLEY COMMUNITY ASSOCIATION (the "Master Association");

(b) that every owner of a Lot (as defined in the Master Declaration) within the Launani Valley Community, including all apartment owners of apartments in the project, shall be a member of the Master Association by virtue of such ownership;

(c) that the Master Association shall have the power and authority to levy against each Lot, including apartments in the project, regular "Maintenance Assessments," "Special Assessments," and "Individual Special Assessments" which are separate from and in addition to the assessments for common expenses made by the Association of Apartment Owners of the project; and

(d) that liens may be created on Lots, including apartments in the project, for non-payment of assessments made by the Master Association.

All apartment owners, their tenants, families, servants and guests, and any other persons who may in any manner use the project, shall be bound by and comply strictly with the Master Declaration and the Articles of Incorporation, By-Laws and any duly adopted rules and regulations of the Master Association.

Wheeler Army Airfield

The project is located within the vicinity of Wheeler Army Airfield and may be subject to noise caused by military and airfield operations at Wheeler Army Airfield, which operations are not subject to regulation by the Developer, the City and County of Honolulu or the State of Hawaii. The noise levels are not expected to exceed levels considered normally acceptable for residential uses by the Federal Aviation Administration and the Department of Housing and Urban Development, but may not be acceptable to some persons who are sensitive to noise. The Association of Apartment Owners and all apartment owners, their tenants, families, servants and guests, and any other persons who may in any manner use or be present at the project, by accepting

ownership, possession or occupancy of any apartment in the project or by the use of or presence at the project, (i) acknowledge and understand that the military and airfield operations at Wheeler Army Airfield may result in noise, vibrations, nuisances, disturbances or hazards to persons or property on or at the project; (ii) assume all risks of impairment of the use and enjoyment of the project, loss of market value of the project, and personal injury or property damage caused by such operations; (iii) release and agree to not file any claim, action or lawsuit for any kind of relief, legal or equitable, against Declarant, the City and County of Honolulu or the State of Hawaii relating to military and airfield operations at Wheeler Army Airfield, and (iv) shall each indemnify, forever hold harmless and defend the Developer, the City and County of Honolulu and the State of Hawaii from any and all liability, claims, losses, damages or expenses, including attorneys' fees, arising from the military and airfield operations at Wheeler Army Airfield.

Low and Moderate Income Housing

Pursuant to Ordinance No. 86-72 of the City and County of Honolulu, the Developer, in conjunction with the Department of Housing and Community Development of the City and County of Honolulu, will sell twenty (20) of the apartments of the project as low- and moderate-income housing units. If the Developer exercises its reserved right to increase the size of the project to 182 apartments (see Exhibit "B" to this Preliminary Public Report), then a total of twenty-seven (27) apartments will be sold as low- and moderate-income housing units. None of the apartments to be sold as low- and moderate-income housing units are included among the 65 apartments which are being offered to owner-occupants pursuant to Part VI of the Hawaii Condominium Property Act (Hawaii Revised Statutes, Chapter 514A, as amended).

Developer's Reserved Right to Remove Land

The purchaser should be aware that since Area W is included as a Common Element the Association will be responsible for any and all expenses related to Area W and will not be reimbursed for any expenditures when the Developer exercises its right to subdivide or further develop Area W.

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

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

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

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

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

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

B. Rights Under the Sales Contract:

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

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

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

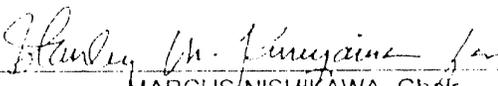
Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is part of Registration No. 2675 filed with the Real Estate Commission on
June 23, 1992.

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



MARCUS/NISHIKAWA, Chair
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

EXHIBIT "A"

<u>Apt.</u> <u>No.</u>	<u>Apt.</u> <u>Type</u>	<u>Interior</u> <u>Floor Area</u>	<u>Lanai</u> <u>Floor Area</u>	<u>Total</u> <u>Floor Area</u>
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Building A (Type IIS)

A-101	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
A-102	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
A-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
A-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
A-105	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
A-106	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
A-201	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
A-202	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
A-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
A-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
A-205	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
A-206	D	875 sq. ft.	62 sq. ft.	937 sq. ft.

Building B (Type I)

B-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
B-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
B-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
B-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
B-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
B-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.

Building C (Type I)

C-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
C-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
C-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Interior Floor Area</u>	<u>Lanai Floor Area</u>	<u>Total Floor Area</u>
C-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
C-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
C-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
C-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.

Building D (Type I)

D-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
D-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
D-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
D-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
D-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
D-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.

Building E (Type I)

E-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
E-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
E-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
E-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
E-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Interior Floor Area</u>	<u>Lanai Floor Area</u>	<u>Total Floor Area</u>
E-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
E-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.

Building F (Type I)

F-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
F-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
F-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
F-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
F-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
F-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.

Building G (Type IIP)

G-101	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
G-102	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
G-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
G-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
G-105	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
G-106	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
G-201	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
G-202	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
G-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
G-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
G-205	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
G-206	D	875 sq. ft.	62 sq. ft.	937 sq. ft.

Building H (Type IIIP)

H-101	D-1	875 sq. ft.	83 sq. ft.	958 sq. ft.
H-102	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
H-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
H-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
H-105	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
H-106	D-1	875 sq. ft.	83 sq. ft.	958 sq. ft.

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Interior Floor Area</u>	<u>Lanai Floor Area</u>	<u>Total Floor Area</u>
H-201	D-1	875 sq. ft.	62 sq. ft.	937 sq. ft.
H-202	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
H-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
H-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
H-205	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
H-206	D-1	875 sq. ft.	62 sq. ft.	937 sq. ft.

Building J (Type IIP)

J-101	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
J-102	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
J-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
J-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
J-105	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
J-106	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
J-201	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
J-202	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
J-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
J-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
J-205	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
J-206	D	875 sq. ft.	62 sq. ft.	937 sq. ft.

Building K (Type IIIP)

K-101	D-1	875 sq. ft.	83 sq. ft.	958 sq. ft.
K-102	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
K-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
K-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
K-105	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
K-106	D-1	875 sq. ft.	83 sq. ft.	958 sq. ft.
K-201	D-1	875 sq. ft.	62 sq. ft.	937 sq. ft.
K-202	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
K-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
K-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
K-205	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
K-206	D-1	875 sq. ft.	62 sq. ft.	937 sq. ft.

END OF EXHIBIT "A"

EXHIBIT "A-1"

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Interior Floor Area</u>	<u>Lanai Floor Area</u>	<u>Total Floor Area</u>
<u>Building A (Type IIS)</u>				
A-101	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
A-102	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
A-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
A-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
A-105	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
A-106	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
A-201	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
A-202	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
A-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
A-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
A-205	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
A-206	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
<u>Building B (Type I)</u>				
B-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
B-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
B-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
B-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
B-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
B-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
B-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
<u>Building C (Type I)</u>				
C-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
C-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
C-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Interior Floor Area</u>	<u>Lanai Floor Area</u>	<u>Total Floor Area</u>
C-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
C-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
C-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
C-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
C-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.

Building D (Type I)

D-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
D-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
D-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
D-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
D-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
D-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
D-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.

Building E (Type I)

E-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
E-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
E-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
E-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
E-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
E-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Interior Floor Area</u>	<u>Lanai Floor Area</u>	<u>Total Floor Area</u>
E-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
E-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.

Building F (Type I)

F-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
F-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
F-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
F-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
F-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
F-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
F-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.

Building G (Type IIP)

G-101	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
G-102	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
G-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
G-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
G-105	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
G-106	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
G-201	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
G-202	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
G-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
G-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
G-205	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
G-206	D	875 sq. ft.	62 sq. ft.	937 sq. ft.

Building H (Type IIIP)

H-101	D-1	875 sq. ft.	83 sq. ft.	958 sq. ft.
H-102	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
H-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
H-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
H-105	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
H-106	D-1	875 sq. ft.	83 sq. ft.	958 sq. ft.

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Interior Floor Area</u>	<u>Lanai Floor Area</u>	<u>Total Floor Area</u>
H-201	D-1	875 sq. ft.	62 sq. ft.	937 sq. ft.
H-202	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
H-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
H-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
H-205	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
H-206	D-1	875 sq. ft.	62 sq. ft.	937 sq. ft.

Building J (Type IIP)

J-101	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
J-102	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
J-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
J-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
J-105	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
J-106	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
J-201	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
J-202	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
J-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
J-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
J-205	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
J-206	D	875 sq. ft.	62 sq. ft.	937 sq. ft.

Building K (Type IIIP)

K-101	D-1	875 sq. ft.	83 sq. ft.	958 sq. ft.
K-102	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
K-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
K-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
K-105	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
K-106	D-1	875 sq. ft.	83 sq. ft.	958 sq. ft.
K-201	D-1	875 sq. ft.	62 sq. ft.	937 sq. ft.
K-202	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
K-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
K-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
K-205	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
K-206	D-1	875 sq. ft.	62 sq. ft.	937 sq. ft.

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Interior Floor Area</u>	<u>Lanai Floor Area</u>	<u>Total Floor Area</u>
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Building L (Type IIIS)

L-101	D-1	875 sq. ft.	83 sq. ft.	958 sq. ft.
L-102	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
L-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
L-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
L-105	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
L-106	D-1	875 sq. ft.	83 sq. ft.	958 sq. ft.
L-201	D-1	875 sq. ft.	62 sq. ft.	937 sq. ft.
L-202	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
L-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
L-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
L-205	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
L-206	D-1	875 sq. ft.	62 sq. ft.	937 sq. ft.

Building M (Type I)

M-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
M-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
M-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
M-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
M-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
M-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
M-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
M-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
M-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
M-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
M-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
M-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
M-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
M-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.

Building N (Type I)

N-101	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
N-102	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
N-103	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
N-104	A	703 sq. ft.	77 sq. ft.	780 sq. ft.
N-105	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
N-106	B	782 sq. ft.	59 sq. ft.	841 sq. ft.

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Interior Floor Area</u>	<u>Lanai Floor Area</u>	<u>Total Floor Area</u>
N-201	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
N-202	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
N-203	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
N-204	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
N-205	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
N-206	B	782 sq. ft.	59 sq. ft.	841 sq. ft.
N-303	A	703 sq. ft.	58 sq. ft.	761 sq. ft.
N-304	A	703 sq. ft.	58 sq. ft.	761 sq. ft.

Building Q (Type IIS)

Q-101	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
Q-102	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
Q-103	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
Q-104	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
Q-105	C	813 sq. ft.	79 sq. ft.	892 sq. ft.
Q-106	D	875 sq. ft.	83 sq. ft.	958 sq. ft.
Q-201	D	875 sq. ft.	62 sq. ft.	937 sq. ft.
Q-202	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
Q-203	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
Q-204	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
Q-205	C	813 sq. ft.	58 sq. ft.	871 sq. ft.
Q-206	D	875 sq. ft.	62 sq. ft.	937 sq. ft.

END OF EXHIBIT "A-1"

EXHIBIT "B"

DEVELOPER'S RESERVED RIGHTS

A. RESERVED RIGHT TO EXPAND PROJECT.

Notwithstanding any other provision in the Declaration of Condominium Property Regime (the "Declaration") to the contrary, the Developer reserves and shall have the right, but shall not be obligated, to submit to the condominium property regime created by the Declaration the additional land area designated and approximately shown on the Condominium Map as "Phase 2" (hereinafter called the "Phase 2 land") and to construct and add to the project up to fifty-two (52) apartments in four (4) buildings, together with such other common elements as the Developer shall determine in its sole discretion, to be located principally on the Phase 2 land. The fifty-two (52) apartments and the common elements added to the project pursuant to the exercise of such reserved rights shall be referred to as the "additional apartments." The Developer also reserves and shall have the right, but shall not be obligated: (a) to change the location of Building D of the project before it is constructed to accommodate the construction of the additional apartments, (b) to add parking stalls on the land of the project, and (c) to locate two of the buildings containing the additional apartments in part on the land of the project, all of the foregoing as generally shown on the Condominium Map, and (d) to reassign the parking stalls designated as limited common elements appurtenant to the apartments, provided that two parking stalls shall be assigned to each apartment as limited common elements.

1. Developer also reserves and shall have the right, but shall not be obligated: (a) to consolidate the land of the project with the Phase 2 land, (b) to consolidate the land of the project with adjacent land including but not limited to the Phase 2 land and to resubdivide the same, and (c) to undertake a joint development agreement of the land of the project and the Phase 2 land pursuant to Section 4.40-21 of the Land Use Ordinance of the City and County of Honolulu, as it may be amended. Developer may exercise the foregoing reserved rights in connection with the exercise of its reserved rights in Section 17 of the Declaration.

2. The Developer may exercise its reserved rights at any time prior to August 1, 2002, without being required to obtain the approval, consent or joinder of any person or group of persons, including without limitation the Association, any

apartment owner or any mortgagee, lien holder or any other person who may have an interest in the project or any apartment.

3. If the Developer exercises its reserved rights, then:

(a) There shall be one hundred eighty-two (182) apartments contained in the fourteen (14) buildings designated as Buildings A, B, C, D, E, F, G, H, J, K, L, M, N and Q. Buildings A, B, C, D, E, F, G, H, J and K shall be the building types described in Exhibit "C" to this Preliminary Public Report. Building L shall be a Type IIIS building (similar to a Type IIIP building); Building M shall be a Type I building; Building N shall be a Type I building; and Building Q shall be a Type IIS building. The additional apartments will be constructed according to floor plan types A, B, C, D, and D-1 which are described in Exhibit "C". There shall be a total of forty-two (42) Type A apartments, fifty-six (56) Type B apartments, forty-four (44) Type C apartments, twenty-eight (28) Type D apartments, and twelve (12) Type D-1 apartments, as set forth in Exhibit "A-1" to this Preliminary Public Report.

(b) The common interest appurtenant to the one hundred eighty-two (182) apartments in Buildings A, B, C, D, E, F, G, H, J, K, L, M, N and Q shall be changed to the undivided percentage interests set forth in Exhibit "I-1" to this Preliminary Public Report. Such percentage interests are calculated based upon the floor areas of the individual apartments divided by the aggregate floor area of the one hundred eighty-two (182) apartments, with adjustments so that the total percentage interests for the one hundred eighty-two (182) apartments shall equal one hundred percent (100%).

(c) The Developer shall record an amendment or amendments to the Declaration in the Office of the Assistant Registrar of the Land Court of the State of Hawaii containing, without limitation, (i) an amended description of the land of the project; (ii) an amended description of the apartments and buildings of the project; (iii) the percentage common interest appurtenant to each apartment in the amended project; and (iv) an amendment or amendments to the Condominium Map showing any changes to the project together with the architect's "as built" certificate or certificates required by Section 514A-12, Hawaii Revised Statutes, as amended, reflecting that Buildings A, B, C, D, E, F, G, H, J, K, L, M, N and Q have been constructed. Such an amendment or amendments to the Declaration may be executed solely by the Developer and shall not require the consent or joinder of the Association, any apartment owner or any mortgagee, lien holder or any other person who may have an interest in the project or any apartment.

(d) The Developer shall have the right to execute, acknowledge and deliver any and all other instruments, including without limitation other amendments to the project documents and petitions to the Land Court of the State of Hawaii, which are necessary or appropriate to effectuate the provisions of and to exercise the reserved rights. By accepting or acquiring any right, title or interest in the project or any apartment, each apartment owner or mortgagee, lien holder or other person having any interest in the project or any apartment agrees that such person shall, if required by law or by the Developer, execute and deliver any and all instruments necessary or convenient to effectuate the reserved rights. The Association of Apartment Owners and each apartment owner, mortgagee, lien holder or other person having any interest in the project or any apartment hereby irrevocably appoints the Developer as their attorney-in-fact, with full power and authority to execute and record, in the name and on behalf of the Association of Apartment Owners and each apartment owner, mortgagee, lien holder or other person having any interest in the project or any apartment, the amendment or amendments to the Declaration, petitions to the Land Court of the State of Hawaii, or any other document or instrument effectuating the reserved rights. The foregoing power of attorney is coupled with an interest and shall be irrevocable and shall not be affected by the disability of the party granting the power.

4. If the Developer does not exercise its right to add the additional apartments to the project by August 1, 2002, then the reserved rights shall be null and void and of no further effect.

5. The reserved rights in favor of the Developer shall be covenants running with the land and shall inure to the benefit of and be binding upon the Developer and its successors and assigns, the Association and each apartment owner or any mortgagee, lien holder or any other person with an interest in the project or any apartment and their respective heirs, personal representatives, successors, successors in trust and assigns. The Developer shall have the right to transfer, assign, hypothecate, mortgage or otherwise dispose of such reserved rights without the consent or approval of the Association, any apartment owner or any mortgagee, lien holder or any other person who may have an interest in the project or any apartment.

6. The reserved rights may not be impaired or affected by any amendment to the Declaration, except as specifically provided in Section 16 of the Declaration.

B. RESERVED RIGHT TO REMOVE LAND.

Notwithstanding any other provision in the Declaration to the contrary, the Developer reserves and shall have the right, but shall not be obligated, without the consent, approval or joinder of any person or group of persons, including without limitation the Association of Apartment Owners, any apartment owner or any mortgagee, lien holder or any other person who may have an interest in the project or any apartment: (a) to subdivide the land of the project and to remove from the condominium property regime created by the Declaration that portion of the land designated and approximately shown on the Condominium Map as "Area W" or (b) to consolidate the land of the project with adjacent land including but not limited to the Phase 2 land, to resubdivide the same, and then to remove from the condominium property regime created by the Declaration the land area designated and approximately shown on the Condominium Map as "Area W" and the adjacent land other than the Phase 2 land. The exact area of the land to be withdrawn pursuant to this reserved right shall be subject to an order of subdivision by the City and County of Honolulu authority having jurisdiction over the subdivision of land in the City and County of Honolulu, which order legally constitutes the land to be withdrawn as a legally separate lot or lots.

1. The Developer may exercise such reserved right at any time prior to August 1, 2002, without being required to obtain the approval, consent or joinder of any person or group of persons, including without limitation the Association, any apartment owner or any mortgagee, lien holder or any other person who may have an interest in the project or any apartment.

2. If the Developer exercises the foregoing reserved right, then:

(a) The Developer shall record in the Office of the Assistant Registrar of the Land Court of the State of Hawaii an instrument evidencing the removal of any land from the condominium property regime created by the Declaration.

(b) The Developer shall record an amendment to the Declaration in the Office of the Assistant Registrar of the Land Court of the State of Hawaii containing, without limitation, (i) an amended description of the land of the project; and (ii) an amendment to the Condominium Map showing all changes to the land of the project. Such an amendment to the Declaration may be executed solely by the Developer and shall not require the consent or joinder of the Association, any apartment owner or any mortgagee, lien holder or any other person who may have an interest in the project or any apartment.

(c) The Developer shall have the right to execute, acknowledge and deliver any and all other instruments, including without limitation other amendments to the project documents and petitions to the Land Court of the State of Hawaii, which are necessary or appropriate to effectuate the provisions of and to exercise the reserved rights. By accepting or acquiring any right, title or interest in the project or any apartment, each apartment owner or mortgagee, lien holder or other person having any interest in the project or any apartment agrees that such person shall, if required by law or by the Developer, execute and deliver any and all instruments necessary or convenient to effectuate the reserved right. The Association of Apartment Owners and each apartment owner, mortgagee, lien holder or other person having any interest in the project or any apartment hereby irrevocably appoints the Developer as their attorney-in fact, with full power and authority to execute and record, in the name and on behalf of the Association and each apartment owner, mortgagee, lien holder or other person having any interest in the project or any apartment, the amendment or amendments to the Declaration, petitions to the Land Court of the State of Hawaii, or any other document or instrument effectuating the reserved rights. The foregoing power of attorney is coupled with an interest and shall be irrevocable and shall not be affected by the disability of any such party.

3. Except as specifically provided in the Declaration, the reserved rights may not be impaired or affected by any amendment to the Declaration.

C. RESERVED RIGHT TO OBTAIN VA APPROVAL

Notwithstanding any other provision in the Declaration to the contrary, the Developer reserves and shall have the right, but not the obligation, to amend the Declaration without the approval, consent or joinder of any person or group of persons, including without limitation, the Association, any apartment owner or any mortgagee, lien holder or any other person who may have an interest in the project or any apartment, to satisfy any requirement of the Veterans' Administration ("VA") or the Federal Housing Administration ("FHA") which the Developer deems necessary or convenient in order to obtain the approval of the project from the VA so that loans secured by mortgages on apartments in the project can be guaranteed through the VA Home Loan Guarantee Program and other federal housing assistance programs, including those administered by the FHA, and may on behalf of the Association, execute and record as an amendment to the Declaration a Regulatory Agreement in the form and substance meeting FHA requirements and substantially identical to the form of Regulatory Agreement attached to the Declaration as Exhibit "D."

D. RESERVED RIGHT TO FILE AS-BUILT CERTIFICATE

Notwithstanding any other provision in the Declaration to the contrary, the Developer reserves and shall have the right to amend the Declaration without the consent or joinder of the persons then owning or leasing the apartments or their mortgagees by filing an amendment to the Declaration pursuant to the provisions of Section 514A-12, Hawaii Revised Statutes, as amended, after completion of construction of the buildings of the project by attaching to such amendment a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed or being filed simultaneously with such amendment fully and accurately depict the layout, location, apartment numbers and dimensions of the apartments as built.

EXHIBIT "C"

DESCRIPTION OF APARTMENTS

The apartments of the project are described as follows:

One hundred thirty (130) separate condominium apartments are designated in the spaces within the perimeter and party walls, windows, doors, floors and ceilings of each of the one hundred thirty (130) apartments of the project, contained in five (5) two-story buildings and five (5) two and three-story buildings, all without basement, constructed principally of wood, concrete and glass, as shown on the Condominium Map.

(a) The buildings are designated as Buildings A, B, C, D, E, F, G, H, J and K, as shown on the Condominium Map. Buildings A, G, H, J and K each contain twelve (12) apartments, and Buildings B, C, D, E and F each contain fourteen (14) apartments. There are four (4) types of buildings as shown on the Condominium Map and described as follows:

(i) Buildings B, C, D, E and F are two and three-story Type I buildings. Each Type I building contains six (6) Type A apartments, which have the numerical designations 103, 104, 203, 204, 303 and 304, and eight (8) Type B apartments which have the numerical designations 101, 102, 105, 106, 201, 202, 205 and 206.

(ii) Building A is a two-story Type IIS building. The Type IIS building contains eight (8) Type C apartments, which have the numerical designations 102, 103, 104, 105, 202, 203, 204 and 205, and four (4) Type D apartments, which have the numerical designations 101, 106, 201 and 206.

(iii) Buildings G and J are two-story Type IIP buildings. Each Type IIP buildings contains eight (8) Type C apartments, which have the numerical designations 102, 103, 104, 105, 202, 203, 204 and 205, and four (4) Type D apartments, which have the numerical designations 101, 106, 201 and 206.

(iv) Buildings H and K are two-story Type IIIP buildings. Each Type IIIP buildings contains four (4) Type C

apartments, which have the numerical designations 103, 104, 203 and 204, four (4) Type D apartments, which have the numerical designations 102, 105, 202 and 205, and four (4) Type D-1 apartments, which have the numerical designations 101, 106, 201 and 206.

(b) Each apartment has an alphabetical and numerical designation. The alphabetical letter preceding the three numerals of each designation corresponds to the building in which the apartment is located, the first numeral corresponds to the floor upon which the apartment is located, and the next two numerals correspond to the location of the apartment.

(c) The apartments are constructed according to several different floor plans as shown on the Condominium Map and described as follows:

(i) There are thirty (30) Type A apartments, each containing two bedrooms, one bathroom, a living/dining room, a kitchen and a storage room, with a net living area of approximately 703 square feet and an appurtenant lanai with a floor area of 77 square feet (for first floor apartments) or 58 square feet (for second and third floor apartments).

(ii) There are forty (40) Type B apartments, each containing two bedrooms, two bathrooms, a living room, a dining room, a kitchen, an entry hall and a storage room, with a net living area of approximately 782 square feet and an appurtenant lanai with a floor area of 59 square feet.

(iii) There are thirty-two (32) Type C apartments, each containing two bedrooms, two bathrooms, a living/dining room, a kitchen and a storage room, with a net living area of approximately 813 square feet and an appurtenant lanai with a floor area of 79 square feet (for first floor apartments) or 58 square feet (for second floor apartments).

(iv) There are twenty (20) Type D apartments, each containing three bedrooms, two bathrooms, a living/dining room, a kitchen and a storage room, with a net living area of approximately 875 square feet and an appurtenant lanai with a floor area of 83 square feet (for first floor apartments) or 62 square feet (for second floor apartments).

(v) There are eight (8) Type D-1 apartments, each containing three bedrooms, two bathrooms, a living/dining room, a kitchen and a storage room, with a net living area of

approximately 875 square feet and an appurtenant lanai with a floor area of 83 square feet (for first floor apartments) or 62 square feet (for second floor apartments).

The numbering, type, and approximate floor areas of the apartments are set forth in Exhibit "A" to this Preliminary Public Report.

(d) The floor areas of the apartments are measured from the interior surface of the perimeter walls of the respective apartments.

(e) The apartments have immediate access to the grounds of the project or stairways leading to the grounds of the project.

(f) Apartment Nos. B-103, B-104, C-105, C-106, D-101, D-102, D-103, D-104, E-101, E-102, F-101, F-102, F-103, F-104, F-105, F-106, H-204, and H-206 are "accessible" and/or "adaptable" (as those terms are defined in 24 C.F.R. §100 et seq.) for persons with disabilities.

END OF EXHIBIT "C"

EXHIBIT "D"

BOUNDARIES OF APARTMENTS

One hundred thirty (130) separate condominium apartments are designated in the spaces within the perimeter and party walls, windows, doors, floors and ceilings of each of the one hundred thirty (130) apartments of the project. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls, doors and door frames, windows and window frames, the inner decorated or finished surfaces of all walls, floors and ceilings, and all fixtures originally installed therein. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements of the project.

END OF EXHIBIT "D"

EXHIBIT "E"

PERMITTED ALTERATIONS TO APARTMENTS

1. Except as otherwise provided by the Fair Housing Act, 42 U.S.C. §3601, et seq., as amended by the Fair Housing Amendment Act of 1988, and the rules and regulations promulgated thereunder, as the same may be amended from time to time in the future, restoration or replacement of the project or any building or other structure thereof or construction of any additional building or other structure or structural alteration or addition thereto, different in any material respect from the Condominium Map, shall be undertaken by the Association of Apartment Owners or any apartment owners only pursuant to an amendment of this Declaration, duly executed by or pursuant to a vote of at least seventy-five percent (75%) of the apartment owners and in accordance with complete plans and specifications therefor first approved in writing by the Board of Directors, and promptly upon completion of such restoration, replacement, construction, alteration or addition the Association of Apartment Owners 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. Notwithstanding the foregoing, any alterations or additions within an apartment or within a limited common element appurtenant to and for the exclusive use of an apartment, or of certain apartments, shall require only the written approval thereof, including the apartment owner's plans therefor, by the institutional holders of mortgages covering such apartment (if the mortgagees require such approval), the Board of Directors, and all other apartment owners thereby directly affected (as determined by the Board of Directors), and such alterations or additions may be undertaken without an amendment to this Declaration or filing of a complete set of floor plans of the project as so altered.

2. Non-material additions to the common elements, including, without limitation, the installation of solar energy devices as defined by Section 468B-1, Hawaii Revised Statutes, as amended, shall require approval only by the Board of Directors and by sixty-five percent (65%) of the apartment owners, together with the consent of all other apartment owners thereby directly affected (as determined by the Board of Directors). For so long as a statutory definition of "non-material structural additions to the common elements" shall be prescribed by Section 514A-89, Hawaii Revised Statutes, as amended, as it may be amended from time to time or by any substitute or successor statute, said statutory

definition shall be applied in interpreting the foregoing sentence.

3. The common interest and easements appurtenant to each apartment shall have a permanent character, shall not be altered without the consent of all owners of apartments affected thereby as expressed in a duly recorded amendment to the Declaration of Condominium Property Regime, which amendment shall contain the consent thereto by the institutional holders of mortgages on such apartments, as shown in the Association of Apartment Owners's record of ownership or who have given the Board of Directors notice of their interest through the Secretary of the Association of Apartment Owners or the Managing Agent. The common interest shall not be separated from the apartment to which it appertains and shall be deemed to be conveyed or encumbered with such apartment even though not expressly mentioned or described in the conveyance or other instrument. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof or the apartments except as provided by the Condominium Property Act; and, without limiting the provisions of Section 514A-21(a) of the Hawaii Revised Statutes, as amended, any such partition or division shall be subject to the prior written consent thereto by the institutional holders of mortgages, filed of record, covering the apartments.

END OF EXHIBIT "E"

EXHIBIT "F"

INFORMATION REGARDING PARKING STALLS

There will be a total of 282 parking stalls for the project. 260 of the parking stalls (87 covered regular stalls, 77 open regular stalls, 19 covered compact stalls, and 77 open compact stalls) will be assigned to the apartments. There will be 13 guest parking stalls. Each apartment will have two (2) parking stalls as set forth on Exhibit "I" to this Preliminary Public Report.

Section 21 of the Declaration provides in pertinent part that the owners of the respective apartments, with the consent of mortgagee(s) of the affected apartments, if any, shall have the right, subject to all applicable statutes, ordinances and rules and regulations of governmental agencies, to change the designation of the parking spaces which are appurtenant to their respective apartments solely by amendments to the Declaration, such amendments to be executed solely by the respective apartment owners of such apartments, and such mortgagee(s), if any, provided that such amendments shall be effective only upon the recording of the same in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, and provided further that at all times at least one (1) parking stall shall be appurtenant to each apartment in the project.

END OF EXHIBIT "F"

EXHIBIT "G"

COMMON ELEMENTS

The common elements of the project include the following:

1. Said land in fee simple which includes the portion of the land designated and approximately shown on the Condominium Map as "Area W" unless and until "Area W" is removed from the condominium property regime under the provisions of Section 17 herein;

2. All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, entries, stairways, walkways, entrances and exits of said buildings;

3. All yards, grounds and landscaping;

4. All roads, driveways and parking areas;

5. The swimming pool and the pool building;

6. The water heater rooms (except that the water heaters in the rooms shall be deemed a part of the apartments which they serve and are not a part of the common elements);

7. The fire extinguisher cabinets and electrical closets;

8. All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any; and

9. 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.

END OF EXHIBIT "G"

EXHIBIT "H"

LIMITED COMMON ELEMENTS

The limited common elements of the project include the following:

1. The lanai adjoining each apartment, as shown on the Condominium Map, shall be appurtenant to and for the exclusive use of such apartment.

2. The entry areas, as shown on the Condominium Map, shall be appurtenant to and for the exclusive use of the apartment or apartments to which such area is adjacent, subject to the right described in Section 3.5 of the Declaration of the apartment owners of access to the stairways leading to the grounds of the project.

3. The water heater rooms, as shown on the Condominium Map, shall be appurtenant to and for the exclusive use of the apartments whose water heaters are located in the respective water heater rooms.

4. Two (2) parking spaces, the numbers of which are designated on the Condominium Map and set forth on Exhibit "I" to this Preliminary Public Report shall be appurtenant to and for the exclusive use of such apartment.

5. One (1) mailbox bearing the same number as such apartment.

6. The stairways and ramps of each building shall be appurtenant to and for the exclusive use of the apartments located within the building.

END OF EXHIBIT "H"

EXHIBIT "I"

COMMON INTERESTS/PARKING STALLS

<u>Apt. No.</u>	<u>Common Interest</u>	<u>Parking Stalls</u>
<u>Building A</u>		
A-101	0.8506%	31/32
A-102	0.7901%	30/33
A-103	0.7901%	11/27
A-104	0.7901%	12/26
A-105	0.7901%	18/21
A-106	0.8506%	19/20
A-201	0.8506%	29/34
A-202	0.7901%	28/35
A-203	0.7901%	13/25
A-204	0.7901%	15/24
A-205	0.7901%	16/23
A-206	0.8506%	17/22
<u>Building B</u>		
B-101	0.7601%	93/102
B-102	0.7601%	92/101
B-103	0.6832%	79/95
B-104	0.6832%	88/89
B-105	0.7601%	76/83
B-106	0.7601%	75/82
B-201	0.7601%	91/100
B-202	0.7601%	90/99
B-203	0.6832%	86/87
B-204	0.6832%	84/85
B-205	0.7601%	74/96
B-206	0.7601%	73/94
B-303	0.6832%	77/98
B-304	0.6832%	78/97
<u>Building C</u>		
C-101	0.7601%	36/67
C-102	0.7601%	37/66
C-103	0.6832%	42/81
C-104	0.6832%	40/80
C-105	0.7601%	52/59
C-106	0.7601%	51/58

<u>Apt .</u> <u>No.</u>	<u>Common</u> <u>Interest</u>	<u>Parking</u> <u>Stalls</u>
C-201	0.7601%	38/65
C-202	0.7601%	39/64
C-203	0.6832%	43/72
C-204	0.6832%	41/71
C-205	0.7601%	54/60
C-206	0.7601%	53/61
C-303	0.6832%	55/62
C-304	0.6832%	56/63

Building D

D-101	0.7601%	47/328
D-102	0.7601%	46/327
D-103	0.6832%	251/314
D-104	0.6832%	248/252
D-105	0.7601%	299/303
D-106	0.7601%	300/304
D-201	0.7601%	45/326
D-202	0.7601%	44/325
D-203	0.6832%	249/253
D-204	0.6832%	250/254
D-205	0.7601%	245/301
D-206	0.7601%	246/302
D-303	0.6832%	48/324
D-304	0.6832%	49/323

Building E

E-101	0.7601%	238/244
E-102	0.7601%	237/243
E-103	0.6832%	255/265
E-104	0.6832%	256/266
E-105	0.7601%	232/259
E-106	0.7601%	231/260
E-201	0.7601%	236/242
E-202	0.7601%	235/241
E-203	0.6832%	257/263
E-204	0.6832%	258/264
E-205	0.7601%	230/261
E-206	0.7601%	229/262
E-303	0.6832%	234/240
E-304	0.6832%	233/239

<u>Apt. No.</u>	<u>Common Interest</u>	<u>Parking Stalls</u>
<u>Building F</u>		
F-101	0.7601%	216/220
F-102	0.7601%	215/219
F-103	0.6832%	212/268
F-104	0.6832%	189/269
F-105	0.7601%	202/207
F-106	0.7601%	201/208
F-201	0.7601%	214/218
F-202	0.7601%	213/217
F-203	0.6832%	190/200
F-204	0.6832%	191/199
F-205	0.7601%	203/205
F-206	0.7601%	204/206
F-303	0.6832%	209/211
F-304	0.6832%	188/210
<u>Building G</u>		
G-101	0.8506%	180/223
G-102	0.7901%	179/186
G-103	0.7901%	176/227
G-104	0.7901%	174/228
G-105	0.7901%	172/184
G-106	0.8506%	170/182
G-201	0.8506%	178/224
G-202	0.7901%	177/185
G-203	0.7901%	175/225
G-204	0.7901%	173/226
G-205	0.7901%	171/183
G-206	0.8506%	169/181
<u>Building H</u>		
H-101	0.8506%	69/167
H-102	0.8506%	57/166
H-103	0.7901%	161/165
H-104	0.7901%	157/159
H-105	0.8506%	155/70
H-106	0.8506%	153/187
H-201	0.8506%	68/164
H-202	0.8506%	163/168
H-203	0.7901%	160/162
H-204	0.7901%	156/158
H-205	0.8506%	154/221
H-206	0.8506%	148/152

<u>Apt. No.</u>	<u>Common Interest</u>	<u>Parking Stalls</u>
<u>Building J</u>		
J-101	0.8506%	147/151
J-102	0.7901%	146/150
J-103	0.7901%	145/149
J-104	0.7901%	141/103
J-105	0.7901%	138/109
J-106	0.8506%	137/110
J-201	0.8506%	144/111
J-202	0.7901%	143/104
J-203	0.7901%	142/105
J-204	0.7901%	139/106
J-205	0.7901%	140/107
J-206	0.8506%	136/108
<u>Building K</u>		
K-101	0.8506%	135/129
K-102	0.8506%	134/128
K-103	0.7901%	133/127
K-104	0.7901%	126/115
K-105	0.8506%	125/120
K-106	0.8506%	124/114
K-201	0.8506%	132/119
K-202	0.8506%	131/118
K-203	0.7901%	130/117
K-204	0.7901%	123/116
K-205	0.8506%	122/112
K-206	0.8506%	121/113

END OF EXHIBIT "I"

EXHIBIT "I-1"

COMMON INTERESTS
(182 apartments)

<u>Apt.</u> <u>No.</u>	<u>Common</u> <u>Interest</u>
<u>Building A</u>	
A-101	0.6072%
A-102	0.5642%
A-103	0.5642%
A-104	0.5642%
A-105	0.5642%
A-106	0.6072%
A-201	0.6072%
A-202	0.5642%
A-203	0.5642%
A-204	0.5642%
A-205	0.5642%
A-206	0.6072%
<u>Building B</u>	
B-101	0.5427%
B-102	0.5427%
B-103	0.4880%
B-104	0.4880%
B-105	0.5427%
B-106	0.5427%
B-201	0.5427%
B-202	0.5427%
B-203	0.4880%
B-204	0.4880%
B-205	0.5427%
B-206	0.5427%
B-303	0.4880%
B-304	0.4880%
<u>Building C</u>	
C-101	0.5427%
C-102	0.5427%
C-103	0.4880%
C-104	0.4880%
C-105	0.5427%
C-106	0.5427%

<u>Apt.</u> <u>No.</u>	<u>Common</u> <u>Interest</u>
C-201	0.5427%
C-202	0.5427%
C-203	0.4880%
C-204	0.4880%
C-205	0.5427%
C-206	0.5427%
C-303	0.4880%
C-304	0.4880%
<u>Building D</u>	
D-101	0.5427%
D-102	0.5427%
D-103	0.4880%
D-104	0.4880%
D-105	0.5427%
D-106	0.5427%
D-201	0.5427%
D-202	0.5427%
D-203	0.4880%
D-204	0.4880%
D-205	0.5427%
D-206	0.5427%
D-303	0.4880%
D-304	0.4880%
<u>Building E</u>	
E-101	0.5427%
E-102	0.5427%
E-103	0.4880%
E-104	0.4880%
E-105	0.5427%
E-106	0.5427%
E-201	0.5427%
E-202	0.5427%
E-203	0.4880%
E-204	0.4880%
E-205	0.5427%
E-206	0.5427%
E-303	0.4880%
E-304	0.4880%

<u>Apt.</u> <u>No.</u>	<u>Common</u> <u>Interest</u>
<u>Building F</u>	
F-101	0.5427%
F-102	0.5427%
F-103	0.4880%
F-104	0.4880%
F-105	0.5427%
F-106	0.5427%
F-201	0.5427%
F-202	0.5427%
F-203	0.4880%
F-204	0.4880%
F-205	0.5427%
F-206	0.5427%
F-303	0.4880%
F-304	0.4880%
<u>Building G</u>	
G-101	0.6072%
G-102	0.5642%
G-103	0.5642%
G-104	0.5642%
G-105	0.5642%
G-106	0.6072%
G-201	0.6072%
G-202	0.5642%
G-203	0.5642%
G-204	0.5642%
G-205	0.5642%
G-206	0.6072%
<u>Building H</u>	
H-101	0.6072%
H-102	0.6072%
H-103	0.5642%
H-104	0.5642%
H-105	0.6072%
H-106	0.6072%
H-201	0.6072%
H-202	0.6072%
H-203	0.5642%
H-204	0.5642%
H-205	0.6072%
H-206	0.6072%

<u>Apt. No.</u>	<u>Common Interest</u>
<u>Building J</u>	
J-101	0.6072%
J-102	0.5642%
J-103	0.5642%
J-104	0.5642%
J-105	0.5642%
J-106	0.6072%
J-201	0.6072%
J-202	0.5642%
J-203	0.5642%
J-204	0.5642%
J-205	0.5642%
J-206	0.6072%
<u>Building K</u>	
K-101	0.6072%
K-102	0.6072%
K-103	0.5642%
K-104	0.5642%
K-105	0.6072%
K-106	0.6072%
K-201	0.6072%
K-202	0.6072%
K-203	0.5642%
K-204	0.5642%
K-205	0.6072%
K-206	0.6072%
<u>Building L</u>	
L-101	0.6072%
L-102	0.6072%
L-103	0.5642%
L-104	0.5642%
L-105	0.6072%
L-106	0.6072%
L-201	0.6072%
L-202	0.6072%
L-203	0.5642%
L-204	0.5642%
L-205	0.6072%
L-206	0.6072%

<u>Apt. No.</u>	<u>Common Interest</u>
<u>Building M</u>	
M-101	0.5427%
M-102	0.5427%
M-103	0.4880%
M-104	0.4880%
M-105	0.5427%
M-106	0.5427%
M-201	0.5427%
M-202	0.5427%
M-203	0.4880%
M-204	0.4880%
M-205	0.5427%
M-206	0.5427%
M-303	0.4880%
M-304	0.4880%
<u>Building N</u>	
N-101	0.5427%
N-102	0.5427%
N-103	0.4880%
N-104	0.4880%
N-105	0.5427%
N-106	0.5427%
N-201	0.5427%
N-202	0.5427%
N-203	0.4880%
N-204	0.4880%
N-205	0.5427%
N-206	0.5427%
N-303	0.4880%
N-304	0.4880%
<u>Building Q</u>	
Q-101	0.6072%
Q-102	0.5642%
Q-103	0.5642%
Q-104	0.5642%
Q-105	0.5642%
Q-106	0.6072%

<u>Apt.</u> <u>No.</u>	<u>Common</u> <u>Interest</u>
Q-201	0.6072%
Q-202	0.5642%
Q-203	0.5642%
Q-204	0.5642%
Q-205	0.5642%
Q-206	0.6072%

END OF EXHIBIT "I-1"

EXHIBIT "J"

ENCUMBRANCES AGAINST TITLE

The following are the encumbrances against title to the land of the project, identified as Tax Map Key No. (1) 9-5-2-6:

1. Easement "215" (16 feet wide) Easement "216" (16 feet wide), Easement "217" (16 feet wide), Easement "218" (16 feet wide), Easement "219" (5 feet wide), Easement "225", Easement "226" (25 feet wide), Easement "227" (25 feet wide), and Easement "228" (44 feet wide), situate over said lot: as shown on Maps 100 and 435 as set forth by Land Court Order No. 17866, filed February 19, 1960.

2. Grant in favor of the United States of America dated January 5, 1961, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 268343; granting Easement "225" for a nonexclusive easement for the construction, etc., of an underground communication cable, etc.

3. Easement "4150" (3 feet wide) and Easement "4151" (5 feet wide), as shown on Map 638, as set forth by Land Court Order No. 70496, filed July 18, 1984.

4. Grant in favor of the United States of America dated May 9, 1984, filed in said Office of the Assistant Registrar of the Land Court as Document No. 1248290, granting a non-exclusive right-of-way in the nature of an easement for the construction, maintenance, repair, of an overhead communication cable, etc., over said Easements "4150" and "4151."

5. Reservation(s) as set forth in Deed dated April 1, 1960, filed in said Office of the Assistant Registrar of the Land Court as Document No. 254783, to-wit:

"Reserving and excepting further, however, unto the Grantor, its successors and assigns, a perpetual easement to lay, construct, maintain, renew, repair and remove water pipelines along and under Easement 219 (within said Lot 1276-A), said Easement to be appurtenant to other lands of the Grantor described in said Certificate of Title No. 51,587.

"Reserving and excepting, however, unto the Grantor, its successors and assigns, a perpetual nonexclusive easement for road purposes over, along, across and upon Easement 228 (within said Lots 1276-A & 1276-B), as shown on said Map 435, provided, however, that this Easement shall automatically cease as to any portion or portions of said road or roads if and when the same are dedicated to public use by conveyance thereof to the State of Hawaii or the City and County of Honolulu for road purposes, and also over, along, across and upon the present road running the length of said Lots 1276-A & 1276-B to the extent that said present road does not presently lie within the boundaries of said Easement 228 so long as said present road shall be maintained in its present location, said Easement over said present road outside of the boundaries of said Easement 228 to cease and terminate in the event that said present road shall be relocated within said Easement 228, or any other alignment that shall be dedicated to public use, said Easement affecting Easement 228 and said present road to be appurtenant to Lots 1287, 1286, 1285, 1284, 1283, 1388, 1289, 1277, 1278 and 1279, being also portions of the lands described in Certificate of Title No. 51,587 and being the Easements for access to a public highway in favor of said Lots referred to in Land Court Order No. 17,866, dated February 16, 1960 and filed February 19, 1960, and being also appurtenant to other lands of the Grantor mauka of said Easement 228. Said Easement as to road purposes shall be limited as to vehicular use to vehicles not exceeding two and one-half (2-1/2) tons in weight.

"Subject, further, however, as to all easements herein and hereby granted or reserved, to all rights of other parties existing as of the date hereof."

6. The following as set forth in Deed dated January 12, 1973, filed in said Office of the Assistant Registrar of the Land Court as Document No. 614694, by and between Harold Thornton Stearns and Claudia Davis Stearns, husband and wife, as Grantors, and Headrick Development Inc., a Hawaii corporation, as Grantee, to-wit:

"Subject also to reservation by Grantors of Easements 216, 217 and that portion of Easement 228, which extends from said Easement 216 to the South boundary of Lots 1276-A & 1276-B, as shown on Map 100, Land Court Application 1000, for road, utility, sewer and waterline purposes. These Easements shall cease as to any portion or portions of same if and when dedicated to and accepted by the State of Hawaii and/or the City and County of Honolulu for public purposes."

7. Restriction of access rights over and across the boundary of Lot 1276-A bordering Interstate Highway (FAP No. I-H2-1(4)), as shown on Map 435, as set forth by Land Court Order No. 42633, filed August 13, 1975.

8. Covenants as set forth in Deed dated April 1, 1960, filed in said Office of the Assistant Registrar of the Land Court as Document No. 254783, to-wit:

"And the Grantees, in consideration of the premises, for themselves and their respective heirs and assigns, as owner or owners from time to time of said Lot 1276, hereby covenant and agree to and with the Grantor, its successors and assigns, as owner or owners from time to time of Lots 1287, 1288, 1289, 1277 and other Lots North and East of said Lot 1288, that in the event that the Grantees shall build and construct a road from said Easement 228 to said Lot 1288, they will grant to the Grantor, its successors and assigns, in said Office of the Assistant Registrar of the Land Court, a perpetual nonexclusive easement not less than 44 feet in width for road purposes."

Note: Lot 1276 was further subdivided into Lots 1276-A, 1276-B, 1276-C, 1276-D and 1276-E. Above covenant affects Lot 1276-A only, as set forth in Land Court Order No. 42633, filed August 13, 1975.

"And, in further consideration of the premises, it is hereby mutually covenanted and agreed, as covenants running with the land, with respect to each and all Easements hereinabove granted to the Grantees, and with respect to each and all Easements hereinabove reserved to the Grantor, appurtenant to the Lot or Lots granted to the Grantees and appurtenant to the premises owned and retained by the Grantor as hereinabove set forth, that the owner or owners from time to time of the land or portion thereof to which said Easements are appurtenant will indemnify and hold harmless the owner or owners from time to time of the fee title to the parcel or parcels of land affected by said Easements, from and against property damage, personal injury and/or death arising out of such exercise by such owner or owners of said land, or portion thereof, to which said easements are appurtenant and by his, her, its or their tenants, servants, agents, invitees and/or licensees."

"And the Grantees, in consideration of the premises, for themselves and their respective heirs and assigns, as owners of said Easement for bridges in Easements 220, 221, 222,

223 and 224, hereby covenant and agree to and with the Grantor, its successors and assigns, as owner or owners from time to time of the servient property, that they will so build, construct, repair and maintain said bridges as not to interfere with the use of said existing ditch and any successor ditch, and as not to prevent the free passage of water through said existing ditch and any successor ditch."

9. Grant in favor of Hawaiian Electric Company, Inc., dated August 21, 1957, filed in said Office of the Assistant Registrar of the Land Court as Document No. 209937; granting a perpetual right and easement to build, construct, reconstruct, repair, and operate pole and wire lines, etc., for the transmission and distribution of electricity, etc.

10. Declaration of Covenants dated July 19, 1976, filed in said Office of the Assistant Registrar of the Land Court as Document No. 773994.

11. Unilateral Agreement and Declaration for Conditional Zoning dated May 23, 1986, filed in said Office of the Assistant Registrar of the Land Court as Document No. 1373964, by Waikalani Developers, Inc., a Hawaii corporation.

12. Mortgage and Security Agreement dated May 21, 1992, by Waihuna Joint Venture, a Hawaii general partnership, as mortgagor, in favor of Bank of Hawaii, a Hawaii corporation, and The Mitsubishi Bank, Limited, Los Angeles Branch, a Japan corporation, as mortgagee, filed in said Office of the Assistant Registrar of the Land Court as Document No. 1918332, securing the amount of \$17,000,000.00.

13. Assignment of Sales Contracts and Sales Proceeds dated May 21, 1992, filed in said Office of the Assistant Registrar of the Land Court as Document No. 92-087891, made by Waihuna Joint Venture, a Hawaii general partnership, in favor of Bank of Hawaii, a Hawaii corporation, and The Mitsubishi Bank, Limited, Los Angeles Branch, a Japan corporation, assigning all of its right, title and interest in and to the Sales Contracts, all of the Sales Proceeds and all of its rights to waive or release any obligation to be observed or performed by any Purchaser under any Sales Contract, as security for the repayment of that certain Promissory Note dated the date of this Assignment in the principal amount of \$17,000,000.00.

14. For Real Property Taxes that may be due and owing reference is made to the Office of the Tax Assessor, City and County of Honolulu.

END OF EXHIBIT "J"

EXHIBIT "K"

THE RIDGE AT LAUNANI VALLEY, PHASE IA

ESTIMATE OF INITIAL MAINTENANCE FEES
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees;

APARTMENT	MONTHLY times 12 months =	YEARLY TOTAL
TYPE A (.68320% COMMON INTEREST)	\$130.87	\$1,570.44
TYPE B (.76010% COMMON INTEREST)	\$145.60	\$1,747.20
TYPE C (.79010% COMMON INTEREST)	\$151.34	\$1,816.08
TYPE D (.85060% COMMON INTEREST)	\$162.93	\$1,955.16
TYPE D1 (.85060% COMMON INTEREST)	\$162.93	\$1,955.16

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

NOTE: Buyer(s) will not be responsible for paying maintenance fees for the project until notified by Developer.

THE RIDGE AT LAUNANI VALLEY
PHASE IA

Estimate of Maintenance Fee Disbursements:

	<u>Monthly</u> times 12 months -	Yearly Total
Utilities and Services		
Air Conditioning		
Electricity		
<input checked="" type="checkbox"/> common elements only	\$1,205.00	\$14,460.00
<input type="checkbox"/> common elements & apartments		
Gas		
Refuse Collection	\$1,300.00	\$15,600.00
Telephone		
Water and Sewer	\$3,375.00	\$40,500.00
Maintenance, Repairs, and Supplies		
Building	\$173.00	\$2,076.00
Grounds	\$3,250.00	\$39,000.00
Management		
Management Fee	\$1,563.00	\$18,756.00
Payroll and Payroll Taxes	\$3,192.00	\$38,304.00
Office Expenses	\$268.00	\$3,216.00
Insurance	\$1,020.00	\$12,240.00
Reserves	\$3,401.00	\$40,812.00
Taxes and Government Assessments	\$98.00	\$1,176.00
Audit Fees	\$150.00	\$1,800.00
Other	\$225.00	\$2,700.00

TOTALS	\$19,220.00	\$230,640.00

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

CERTIFIED MANAGEMENT INC.



BY: STEVE PEARMAN
COMMUNITY ASSOCIATION MANAGER

EXHIBIT "L"

SUMMARY OF SALES CONTRACT

A copy of the form of Condominium Reservation Agreement, Deposit Receipt and Sales Agreement ("Sales Contract") has been submitted to the Real Estate Commission and is available for inspection at the Seller's office. The following is a summary of some of the provisions of the Sales Contract. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ THE SALES CONTRACT IN FULL SINCE THIS SUMMARY IS NOT INTENDED TO BE A COMPLETE DESCRIPTION OF THE PROVISIONS THEREIN.

1. The Sales Contract does not become a binding contract until the Effective Date occurs. Until the Effective Date, the Sales Contract is only a reservation for the Apartment and is not legally binding on either Buyer or Seller. The Effective Date of the Sales Contract shall be the date on which all of the following conditions are fulfilled:

(a) The copy of the Final Public Report for the Project is mailed or otherwise delivered to the Buyer;

(b) Buyer has waived Buyer's right to terminate the agreement pursuant to Hawaii Revised Statutes, Section 514A-62, as amended; and

(c) The agreement has been accepted by Seller through execution of the agreement by Seller's officers or designated agents.

2. If the Apartment covered by a particular Sales Contract is an Owner-Occupant Designated Apartment, and Buyer has executed an affidavit stating Buyer's intent to become an owner-occupant of the Apartment, then Buyer agrees when signing the Sales Contract that Buyer will occupy the Apartment as Buyer's principal residence.

3. Seller makes no warranties regarding the Project, but any warranties given to Seller by the contractors retained by Seller will be passed through to Buyer upon closing. Seller will also assign to Buyer any unexpired manufacturer's or dealer's warranties covering any furniture, fixtures, and appliances in the Apartment.

4. Buyer agrees that all payments required by the Sales Contract will be deposited with Escrow and that all checks will be made payable to Escrow. Buyer also agrees that

any money that Buyer deposits with Escrow may be deposited together with other Buyers' money in a federally insured interest bearing account, and that Escrow may distribute the money in this account according to an Escrow Agreement between Seller and Escrow. Buyer also agrees that all the interest earned from the funds deposited by Buyers will be credited to Seller.

In case Buyer is late in making payments to Escrow, the late payment will bear interest at the rate of one percent (1%) per month until paid.

5. All taxes, assessments, and charges of any kind assessable against the Apartment or the land of the Project will be prorated as of the Closing Date. This means that Buyer will have to pay Buyer's share of these taxes and assessments at the Closing Date. In addition, Buyer will be responsible for paying all closing costs in connection with the purchase of the Apartment, including all costs related to any mortgages, all notary fees, recording fees, escrow fees, title insurance, conveyance taxes and fees, and preparation of the apartment deed to Buyer.

6. In addition to all other funds due, Buyer must also deposit with Escrow at Preclosing a nonrefundable "start-up" fee for the Condominium Association. This start-up fee is an initial contribution to the Association common expenses reserve. The minimum amount of the start-up fee will be equal to two (2) months of estimated assessments for common expenses. It is separate from the purchase price and closing costs for the Apartment.

7. Buyer may not assign Buyer's rights under the Sales Contract without the prior written consent of Seller. Under no circumstances may Buyer assign Buyer's rights to the agreement after the Preclosing or the closing date. If Buyer attempts to assign the agreement without Seller's written consent, Buyer shall be in default under the Sales Contract.

8. The Seller may, at its option, preclose the sale of Apartments by requiring the Buyer to deliver all documents necessary for closing and certain funds to Escrow up to sixty (60) days prior to the closing date. Buyer will have ten (10) days notice of such preclosing. Buyer must deposit all funds other than the proceeds of Buyer's first mortgage loan or the balance of the purchase price for a cash sale with Escrow, including the advanced payment for a maintenance assessment fund. Buyer must also sign all documents required for closing.

9. Buyer shall not be able to occupy the Apartment until the Closing Date for the sale of the Apartment. Seller

or Escrow will notify Buyer of when the Closing Date will take place. Buyer will not be able to take occupancy until all payments required by the Sales Contract have been made. Keys will not be issued for the Apartment unless all payments have been made. If Buyer attempts to take occupancy of the Apartment prior to the Closing Date, then Buyer will be in default of the Sales Contract, and Seller has the right to remove Buyer from the Apartment using any lawful means.

10. Buyer agrees to accept an Apartment as suitable for occupancy even if there are defects or damage to the Apartment, as long as Seller promises to repair these defects within a reasonable time after Seller takes occupancy. If Buyer wrongfully refuses to take occupancy of a defective Apartment, Buyer may have to bear the cost of Seller's costs in any resulting legal action. Seller will notify Buyer that the Apartment is ready for inspection prior to occupancy. Buyer then has fifteen (15) days from the date Buyer receives notification to inspect the Apartment. If Buyer does not inspect the Apartment within this time, Seller may appoint an appropriate person to inspect the Apartment on Buyer's behalf and decide if it is acceptable.

11. The Seller reserves the right to change the Project and modify the condominium map and any other condominium documents for any reason up to the Effective Date of the agreement.

12. Seller will complete construction so that Buyer may occupy the Apartment within two (2) years of the Effective Date of the Sales Contract. However, this two (2) year period may be extended if construction is delayed by any matters beyond Seller's control.

13. By signing the Sales Contract, Buyer represents that Buyer is financially capable of paying the purchase price for the Apartment. Buyer also represents that any financial data he has given Seller is accurate. If Buyer does not notify Seller that Buyer's financial situation has changed as of the closing date, Seller will assume that the information Seller has is accurate. If the Seller discovers that any important financial data provided by Seller is not accurate and Buyer failed to notify Seller of this inaccuracy, Seller has the right to cancel the Sales Contract.

If Buyer intends to finance the purchase of an Apartment, Buyer must apply for financing within five (5) days of the Seller's acceptance of the Sales Contract. Buyer agrees to do everything possible and/or necessary to successfully obtain a loan once applied for. Buyer agrees to immediately

provide Seller with a copy of any loan commitment Buyer receives.

If Buyer tries to obtain financing but is unsuccessful in doing so within forty-five (45) days after application, Seller may notify Buyer that Seller is cancelling the Sales Contract. Upon cancellation in this manner, Buyer is entitled to a refund from Escrow of Buyer's money, without interest and minus any costs incurred by Seller, Escrow, or any lending institution in processing the Sales Contract or the Buyer's loan application(s).

If Buyer is making a cash purchase of an Apartment, Seller may require Buyer to provide proof that Buyer is financially capable of making all payments under the Sales Contract. If this proof is required, Buyer must provide it within ten (10) days after Seller accepts the Sales Contract. Seller has the option to terminate the Sales Contract if Seller determines that Buyer is unable to make the required payments. If the Sales Contract is cancelled in this manner, Buyer is entitled to a refund from Escrow of Buyer's money, without interest and less an escrow cancellation fee and any other escrow charges incurred by Seller. Seller will give Buyer notice of any such cancellation.

14. As long as the Sales Contract is only a reservation, it may be terminated for any reason and at any time at the option of either Buyer or Seller, by giving written notice of termination to the other party. In the event of a termination, the Seller will instruct Escrow to refund all payments previously made by Buyer, without interest. Additionally, if the Buyer is terminating the Sales Contract pursuant to Hawaii Revised Statutes, Section 514A-63, as amended, then Escrow shall deduct an escrow cancellation fee and all costs incurred by Seller, escrow, or any lending institution in processing the Sales Contract or loan application.

15. If Buyer defaults, Seller may cancel the Sales Contract by notifying Buyer in writing. If the cancellation occurs after the Effective Date of the Sales Contract, the Seller may keep any amounts paid by Buyer thus far as compensation for Seller's damages. In addition, Seller may also pursue any other appropriate means in order to be compensated for damages incurred by Buyer's default.

If Seller defaults after the Effective Date of the Sales Contract, Buyer is entitled to cancel the Sales Contract and have all of Buyer's money refunded, if the Buyer cannot legally cause the Seller to fulfill Seller's obligations.

If, after the Closing Date for the sale of an Apartment, Buyer claims that Seller has violated certain federal or state securities or disclosure laws, Buyer may cancel the Sales Contract and is entitled to a refund from Escrow of all money Buyer paid to Escrow, together with a statutory rate of interest. Buyer may not recover what is considered the reasonable amount expended for use of the Apartment from Seller. Cancellation as described above will be Buyer's only remedy for violations of this nature.

17. If less than sixty-five (65) Apartments have been sold as of December 31, 1992, Seller has the option to cancel the Sales Contract. If Seller cancels the Sales Contract, Buyer will be entitled to a refund of any money Buyer has deposited with Escrow, without interest and minus an escrow cancellation fee. When Buyer has received this refund, Buyer and Seller will no longer have any obligations under the Sales Contract.

18. The Seller has the option to cancel the Sales Contract if unanticipated delays in construction cause the cost of development to increase to the point where the Project is no longer economically feasible for the Seller. In this case, Seller may cancel the Sales Contract and refund Buyer's money in the same way as for a cancellation due to lack of sales described above. However, Seller will offer Buyer a new Sales Contract for the same Apartment at the increased sales price. This offer will be mailed to Buyer, who has fifteen (15) days from the date when Seller mails the new Sales Contract to accept. If Buyer does not accept within the fifteen (15) day period, then Seller may offer the Apartment to another buyer at the increased sales price.

19. By entering into the Sales Contract, Buyer acknowledges that Buyer has never received any information of representations from Seller or any of Seller's agents regarding rental income from the Apartment or other economic or tax benefits that Buyer may receive from ownership of the Apartment. The Buyer further agrees that he or she will not participate in any rental pool for the renting of the Apartment. Buyer may be required to sign documents which satisfy the Seller that no such representations have been made.

20. The Seller may have made one or more construction loans to finance construction of the Project. Any rights which a Buyer may possess under a Sales Contract for one of the Apartments in the Project are subject to and subordinate to the rights of the lender(s) of these construction loans.

END OF EXHIBIT "L"

EXHIBIT "M"

SUMMARY OF ESCROW AGREEMENT

A copy of the Escrow Agreement between the Developer and Title Guaranty Escrow Services, Inc. ("Escrow"), has been submitted to the Real Estate Commission and is available for inspection at the Developer's office. The following is a summary of some of the provisions of the Escrow Agreement.

NOTE: ALL BUYERS AND PROSPECTIVE BUYERS SHOULD READ THE ESCROW AGREEMENT AND ALL AMENDMENTS IN FULL AS THIS SUMMARY DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS IN 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.

1. A signed copy of each sales contract for an Apartment in the Project must be given to Escrow.

2. All money received by the Developer from buyers under sales contracts for apartments in the Project must be given to Escrow. Escrow, in accordance with written instructions from the Developer, shall deposit all money so received in accounts at a federally insured bank, savings and loan association or other financial institution which pays interest on deposits. Any interest earned on funds deposited into Escrow will accrue to the credit of the Developer unless otherwise provided.

3. Escrow may not make any disbursements of funds until certain conditions, including the issuance of a Final Public Report on the Project by the Real Estate Commission, have been met.

4. Under certain conditions, a buyer shall be entitled to a refund. Escrow shall pay this refund to the buyer without interest less a reasonable escrow cancellation fee. However, no escrow cancellation fee will be deducted from refunds to individuals on the Developer's owner-occupant reservation list to whom no Sales Contract was ever offered.

5. If a buyer fails to claim a refund for a cancelled sales contract, Escrow shall deposit the refund in a special account in a bank or other depository selected by Escrow, in the name of the Developer as trustee for the benefit of the buyer. Escrow will then attempt to notify the buyer about the refund.

6. If a buyer is to make a payment under a sales contract directly to Escrow, Escrow shall promptly give the buyer notice of the amount and due date of the payment. If the buyer fails to make a payment to Escrow in a timely manner, Escrow will notify Developer. If the Developer subsequently notifies Escrow in writing that Developer has terminated the sales contract and provides Escrow with copies of all notices of termination sent to the buyer, Escrow will then treat any funds the buyer has already paid as though they belong to the Developer. Upon written request by the Developer, Escrow will pay all such sums to Developer minus any escrow cancellation fee.

END OF EXHIBIT "M"