

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer ONE KALAKAUA PARTNERS
Address Suite 1800, 745 Fort Street, Honolulu, Hawaii 96813

Project Name(\*) ONE KALAKAUA SENIOR LIVING
Address 1314 Kalakaua Avenue, Honolulu, Hawaii 96826

Registration No. 2881 Effective date: June 23, 1993
Expiration date: July 23, 1994

Preparation of this Report:

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

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

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

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

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

Type of Report:

X PRELIMINARY: The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed. (yellow)

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

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

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

(\*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report       Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

SPECIAL ATTENTION

This condominium project was originally registered as "One Kalakaua," registration number 2386. Since the issuance of the Preliminary and Supplementary public reports under the original registration, the concept of the project has changed substantially. **THE INFORMATION CONTAINED IN THIS REGISTRATION SUPERSEDES THE INFORMATION PROVIDED IN PREVIOUS REPORTS.**

THIS IS A CONDOMINIUM PROJECT in which the concept has changed from a residential commercial to a SENIOR LIVING condominium project with additional services and amenities that are not usually provided in a typical residential condominium project.

1. This Project has, as part of the services to the apartment owners, provided for the following: Senior living conveniences and services including the physical upkeep of the building, landscaping and maid service in the apartments. The common elements have facilities which the Association owns and may lease or operate including restaurant and dining area, game room, arts and crafts, fitness center, swimming pool, library, chapel, business center, meeting room, sundry, beauty salon and a proposed skilled nursing facility.
2. The expanded services which are mandatory for all apartment owners have resulted in two (2) basic categories of maintenance fees:
  - a. The maintenance fees allocated on the percentage of interest in the common element which includes the building, landscaping, lobby, parking, corridors, maid service, maintenance of the chapel, library, fitness center, swimming pool, game room and meeting room.
  - b. The maintenance fees that are allocated on per person usage (the "One Kalakaua Club") including

the restaurant, wellness, arts and crafts and recreation program.

3. Optional services that are provided for the convenience of apartment owner are:
  - a. Participation in a long-term health care insurance program under terms and conditions provided by the insurance provider
  - b. Sundry store
  - c. Beauty salon
  - d. Business center
  - e. Proposed skilled nursing care facility subject to Developer obtaining a Certificate of Need from the Board of Health, State of Hawaii, for such facility.
4. To provide for the maintenance of the Project, including the facilities, the Project Documents require all apartment owners to participate in and pay for the expanded services to the extent of their percentage of common interest and a minimum of one person for the program in 2b above. (See Exhibit "E" for Estimate of Maintenance Fees.)
5. To insure prompt payment of the maintenance fees, assessments and charges, the By Laws of the Project provide for a stringent 5-day default notice, a 10-day curative period, a 14-day notice to foreclose and a 5% collection fee.
6. In the prior Supplementary Public Report of November 19, 1991, which superseded the Preliminary Public Report of ONE KALAKAUA (Reg. No. 2386), March 1, 1991, the Project was a leasehold. The Developer has since secured an option to purchase the fee and will exercise the option to acquire the fee prior to conveyance of title to each purchaser. No purchaser shall have an option to purchase a leasehold apartment.
7. The Project has changed from 150 to 166 apartments, 327 to 217 parking stalls, and three basement levels to two.

**THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THIS REPORT AND THE CONDOMINIUM DOCUMENTS FOR DETAILED INFORMATION ABOUT THE PROJECT.**

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### General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

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

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

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

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

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

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

### Operation of the Condominium Project

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

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

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

I. PERSONS CONNECTED WITH THE PROJECT

Developer: ONE KALAKAUA PARTNERS, a Hawaii General Partnership Phone: (808) 533-1505 (Business) Name 745 Fort Street, Suite 1800 Business Address Honolulu, Hawaii 96813

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

- AMUSEMENT PARK HAWAII, INC. (Ira Young, President)
THE DEVELOPMENT GROUP, INC. (Russell Allen, President)
MARITON HOLDINGS, INC. (Don Parmiter, President)

Real Estate Broker: McCormack Real Estate, Inc. dba Coldwell Banker, McCormack Real Estate, 841 Bishop Street, PH 2300, Honolulu, Hawaii 96813 Ph. (808) 539-9600
Name Business Address Real Estate Systems, Inc. 1580 Makaloa Street, Suite 828, Honolulu, Hawaii 96814, PH. (808) 941-4401

Escrow: HAWAII ESCROW & TITLE, INC. Phone: (808) 521-2977 (Business) Name 700 Bishop Street, Suite 1000 Business Address Honolulu, Hawaii 96813

General Contractor: To be selected Name Phone: (Business) Business Address

Condominium Managing Agent: To be selected Name Phone: (Business) Business Address

Attorney for Developer: Hiroshi Sakai, Attorney at Law, A Law Corporation Phone: (808) 531-4171 (Business) Name 201 Merchant Street, Suite 902 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. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

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

The Declaration for this condominium is:

- Proposed To be Amended and Restated  
 Recorded - Bureau of Conveyances: Document No. 92-053043 (before concept change)  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. \_\_\_\_\_

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]:

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

The Condominium Map for this condominium project is:

- Proposed To be Amended and Restated  
 Recorded - Bureau of Conveyances Condo Map No. 1641 (before concept change)  
 Filed - Land Court Condo Map No. \_\_\_\_\_

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]:

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

The Bylaws for this condominium are:

- Proposed To be Amended and Restated  
 Recorded - Bureau of Conveyances: Document No. 92-053044 (before concept change)  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. \_\_\_\_\_

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]:

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

The House Rules for this condominium are:

Proposed See Exhibit H       Adopted       Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents**

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

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

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

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

2. **Developer:**

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

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

There are additional reservations in favor of the Developer and covenants which a buyer should be aware of in the sales contract as well as in the Declaration which allow the Developer to make changes to the Declaration, By Laws and House Rules prior to the conveyance of any apartments to the buyers. The Developer is authorized to file the "as built" Condominium Map that is required even after there has been conveyance of apartments made to buyers.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple:** Individual apartments and the common elements, which include the underlying land, will be in fee simple. (Option to acquire fee dated December 15, 1992. Developer will exercise option to acquire fee prior to the conveyance of title to any apartment.)
- Leasehold or Subleasehold:** Individual apartments and the common elements, which include the underlying land will be leasehold.

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

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

Lease Term Expires: \_\_\_\_\_

Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable:             Monthly                             Quarterly  
    Semi-Annually                     Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per  Month     Year

For Subleaseholds:

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

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

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

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

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

Lease Term Expires: \_\_\_\_\_

Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable:             Monthly                             Quarterly  
    Semi-Annually                     Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per  Month     Year

[ ] Other:

**IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS**

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

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

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

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

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

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

**B. Underlying Land:**

Address: 1314 Kalakaua Avenue Tax Map Key: (1) 2-4-5: 20 & 47  
Honolulu, Hawaii 96826 (TMK)

[ ] Address [ ] TMK is expected to change because \_\_\_\_\_

Land Area: 51,861 [ X ] square feet [ ] acre(s) Zoning: BMX 3

PALOMA JAEGER KUHN, KATHLEEN ELIZABET WOLTERS, VICTORIA KAIULANI McMURREN, IWALANI WOLTERS HARRIS, fka Iwalani Bernice Wolters, JAMES WILLIAM ERICH WOLTERS, and JOHANNA MARI NOELANI WOLTERS

**Lessor  
(Fee Owner):**

Name Emmet White, Agent  
c/o Hawaiian Trust Co., Ltd.  
Address  
111 South King Street  
Honolulu, Hawaii 96813

**Sublessor:**

AMUSEMENT PARK HAWAII, INC.  
Name  
745 Fort Street, Suite 1800  
Address  
Honolulu, Hawaii 96813

**C. Buildings and Other Improvements:**

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

2. Number of Buildings: One Floors Per Building Fifteen

Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

Concrete     Hollow Tile     Wood

Other Steel, glass and allied building materials

4. Permitted Uses by Zoning:

	<u>No. of</u>	<u>Use Permitted</u>		<u>No. of</u>	<u>Use Determined</u>
	<u>Apts.</u>	<u>By Zoning</u>		<u>Apts.</u>	<u>By Zoning</u>
<input checked="" type="checkbox"/> Residential	<u>166</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Ohana	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Industrial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Mix Res/Comm	<u>CE</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Agricultural	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Recreational	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other: _____	___	<input type="checkbox"/> Yes <input type="checkbox"/> No

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

Yes     No

NOTE: CE - Common Elements may be leased by Association to operator to provide services and amenities to owners.

5. Special Use Restrictions:

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

- [X] **Pets:** Not permitted
- [X] **Number of Occupants:** 2 persons (1 bedroom); 3 persons (2 bedrooms)
- [X] **Other:** Exhibit H - House Rules, Please examine carefully.
- [ ] **There are no special use restrictions.**

6. Interior (fill in appropriate numbers):

Elevators: 3      Stairways: 4      Trash Chutes: 1

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>See Exhibit C for Details</u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Total Apartments: 166

\*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:**

All walls and partitions, floors and ceilings which are not load bearing within the perimeter walls, including paint, wallpaper, and floor covering; also, the exteriors of doors, windows, glass walls and frames thereof and the lanai handrail.

**Permitted Alterations to Apartments:**

As long as the alterations don't affect the load bearing and perimeter walls.

7. Parking Stalls:

Total Parking Stalls: 217

	<u>Regular</u>		<u>Compact</u>		<u>(Covered) Tandem</u>		<u>(Open) Handicap</u>	<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>		
Assigned (for each unit)	<u>111</u>	<u>2</u>	<u>19</u>	<u>    </u>	<u>29</u>	<u>5</u>	<u>    </u>	<u>166</u>
Guest	<u>    </u>	<u>11</u>	<u>    </u>	<u>2</u>	<u>    </u>	<u>    </u>	<u>2</u>	<u>15</u>
Unassigned	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>33</u>	<u>3</u>	<u>    </u>	<u>36</u>
Extra for Purchase	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Other:	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Total Covered & Open	<u>124</u>	<u>    </u>	<u>21</u>	<u>    </u>	<u>70</u>	<u>    </u>	<u>2</u>	<u>217</u>

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

Commercial parking garage permitted in condominium project.

Exhibit I 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: Restaurant, game room, library, arts and crafts, chapel, meeting room and fitness center. The sundry, beauty salon, business center and nursing facility shall require payment by the users of such services.

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

There are no violations.

Violations will not be cured.

Violations and cost to cure are listed below.  Violations will be cured by \_\_\_\_\_

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

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

N/A

11. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

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

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

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

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

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

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

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

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

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

described in Exhibit     A    .

as follows:

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

There are no limited common elements in this project.

The limited common elements and the apartments which use them, as described in the Declaration, are:

described in Exhibit B.

as follows:

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

described in Exhibit C.

as follows:

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

Exhibit D describes the encumbrances against the title contained in the title report dated May 5, 1993 and issued by Hawaii Escrow & Title, Inc.

**Blanket Liens:**

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

- [ ] There are no blanket liens affecting title to the individual apartments.
- [X] There are blanket liens which may affect title to the individual apartments.

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgage	Buyer's interest may be terminated on foreclosure but Buyer will be entitled to a refund of deposit.

**F. Construction Warranties:**

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

**1. Building and Other Improvements:**

The apartment and the common elements of the Project shall have the benefit of a one-year warranty against defects in materials and workmanship, which warranty shall commence as of the date of the substantial completion for such apartments and common elements.

**2. Appliances:**

Manufacturer's warranty

G. Status of Construction and Estimated Completion Date:

Construction has not yet commenced. The estimated start of construction is the first quarter of 1994 and up to 2 years for completion after commencement.

H. Project Phases:

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

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



V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

- Notice to Owner Occupants
- Specimen Sales Contract  
Exhibit F contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated May 14, 1993  
Exhibit G contains a summary of the pertinent provisions of the escrow agreement.
- Other \_\_\_\_\_

B. Buyer's Right to Cancel Sales Contract:

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

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

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

Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:

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

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

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

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

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
  - B) Declaration of Condominium Property Regime.
  - C) Bylaws of the Association of Apartment Owners.
  - D) House Rules.
  - E) Condominium Map.
  - F) Escrow Agreement.
  - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
  - H) Other \_\_\_\_\_

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 2881 filed with the Real Estate Commission on May 21, 1993.

Reproduction of Report. When reproduced, this report must be on:

yellow paper stock                       white paper stock                       pink paper stock

C. Additional Information Not Covered Above

1. Zoning. Purchaser should be aware that the Project is located in a business residential district, BMX 3, and that the Project is a mixed use project with 166 residential apartments with commercial amenities.

2. Nursing Facility. In order to provide the skilled nursing facility a Certificate of Need must be applied for and granted by the Department of Health, State of Hawaii. Upon completion an operator license will be required by the Department of Health.

There are no assurances that the above certificate or license will be granted.

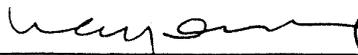
In the event we are not able to obtain the Certificate of Need or operator license, the proposed skilled nursing facility cannot be provided and the Declarant and its successor in interest (the "Association") shall determine the use of such space provided for such facility.

3. Long-Term Health Care Insurance. The Developer has arranged for long-term health care insurance which a purchaser may join, have its own insurance or otherwise provide for such long-term health care on its own.

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

ONE KALAKAUA PARTNERS

\_\_\_\_\_  
**Name of Developer**  
AMUSEMENT PARK HAWAII, INC.

By: , President      May 6, 1993  
**Duly Authorized Signatory**      **Date**  
Managing Partner

IRA YOUNG, President of Managing Partner  
\_\_\_\_\_  
**print name & title of person signing above**

**Distribution:**

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

EXHIBIT "A"

COMMON ELEMENTS

a. The land described in the Declaration, the landscaped area, driveways and areas and exterior of building.

b. The lobby, mail room, administrative offices, chapel, fitness center, swimming pool and restaurant are located on the first floor. The game room, arts and crafts room, sundry, beauty salon and business center, and meeting room are located on the second floor. The skilled nursing facility is located on the third floor. Seventeen (17) guest stalls and one (1) loading dock on the ground floor. The kitchen room is located on the first basement level.

c. The exterior walls, foundations, columns, girders, beams, floor slabs, roofs, supports and load bearing walls (except for the inner finished surfaces within each apartment).

d. All structural elements, elevator shafts, stairways, walkways, walls, fences and railings.

e. The loading dock and area, trash room and driveways and ramps in the first, second, and ground floor parking levels.

f. The central water and heater system, sewer lines, electrical equipment, transformer vault, pipes, wiring and other central and appurtenant transmission facilities and installations which serve the entire Project for services such as power, light, water, gas, refuse, cable televisions and telephone, save and except that through the use of separate meter and/or check meters the usage of such power, electricity, water, light, gas, refuse and telephone shall be separately allocated between the facilities and the rest of the apartments.

g. Any and all other structure, apparatus and installations of common use, and all other parts of the Project necessary or convenient to the existence, maintenance and safety, or normally in common use.

EXHIBIT "B"

LIMITED COMMON ELEMENTS

Certain part of the common elements, herein called the "Limited Common Elements" are hereby designated and set aside for the exclusive use of certain apartments and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements together with separate meters wherever practicable.

a. The lanais for these apartments are part of the apartments shown on the Condominium Map.

**EXHIBIT "C"**

ONE KALAKAUA SENIOR LIVING  
Apartment Description and  
Percent of Common Interest

<u>Apartment Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)</u>	<u>Total Sq. Ft.</u>	<u>% Common Interest</u>	<u>TOTAL</u>
01 & 02	22	2/2	843	18,546	0.65651%	14.44325%
03	12	2/1	761	9,132	0.59265%	7.11182%
04	12	2/1	722	8,664	0.56228%	6.74735%
05 & 06	24	2/1	717	17,208	0.55839%	13.40124%
07 & 08	24	2/1	784	18,816	0.61056%	14.65352%
09	12	1/1	591	7,092	0.46026%	5.52311%
10	12	2/2	877	10,524	0.68299%	8.19588%
11	12	2/2	887	10,644	0.69078%	8.28933%
12	12	2/2	872	10,464	0.67910%	8.14915%
13	12	2/2	954	11,448	0.74296%	8.91547%
14	12	1/1	489	5,868	0.38082%	4.56988%
TOTALS	166			128,406		100.00000%

**NOTE:** The type "10" and "11" apartments have an exterior lanai of 35 square feet up through the fourteenth floor. The Type "14" apartments have an exterior lanai of 50 square feet up through the fourteenth floors. There is no numbered 13th floor in this building.

EXHIBIT "D"

ENCUMBRANCES AGAINST TITLE

Title Report dated May 5, 1993 sets forth the encumbrances noted herein.

1. Real Property taxes as may be due and owing. Refer to the City and County of Honolulu Director of Finance for further information.

2. ASSESSMENTS

ASSESSMENTS OR CHARGES LEVIED BY MUNICIPAL OR GOVERNMENTAL AUTHORITY OR IMPOSED BY ANY OTHER LAWFULLY CONSTITUTED BODY AUTHORIZED BY STATUTE TO ASSESS, LEVY AND COLLECT THE SAME, IF ANY.

3. TITLE TO ALL MINERALS AND METALLIC MINES RESERVED TO THE STATE OF HAWAII.
4. RESERVATION IN FAVOR OF THE CITY AND COUNTY OF HONOLULU FOR THE MAINTENANCE OF A CONCRETE DRAIN WITHIN THE BED OF MAKIKI STREAM, IN DEED DATED JANUARY 10, 1930, RECORDED JANUARY 23, 1930, IN LIBER 1038, PAGE 251. (AFFECTS PARCEL SECOND)
5. TERMS, PROVISIONS AND CONDITIONS OF THAT CERTAIN LEASE, AMENDMENT OF LEASE AND ASSIGNMENT OF LEASE HEREIN SET FORTH AS PART OF THE LEGAL DESCRIPTION.
6. RIGHTS OF TENANTS IN POSSESSION OF UNDER RECORDED AND/OR RECORDED LEASES.
7. AFFIDAVIT AND COVENANTS,  
BY : 1314 KALAKAUA PARTNERS.  
TO : BUILDING DEPARTMENT, CITY AND COUNTY OF HONOLULU.  
DATED : DECEMBER 8, 1987.  
RECORDED : DECEMBER 10, 1987, IN LIBER 21414, PAGE 567, IN THE BUREAU OF CONVEYANCES. (RE: BUILDING PERMIT)
8. SHORT FORM AGREEMENT FOR SUBLEASES,  
BY : 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP.  
AND : PENTAGRAM CORPORATION, A HAWAII CORPORATION.  
DATED : JUNE 22, 1988.  
RECORDED : JUNE 29, 1988, IN LIBER 22087, PAGE 672, IN THE BUREAU OF CONVEYANCES. (AFFECTS PARCEL SECOND)

SAID SUBLEASES WAS ASSIGNED TO AMUSEMENT PARK HAWAII, INC., A HAWAII CORPORATION, BY INSTRUMENT DATED JULY 1, 1990, RECORDED NOVEMBER 27, 1990, AS INSTRUMENT NO. 90-181378, IN SAID BUREAU.

CONSENT THERETO BY PALOMA JAEGER KUHN, WIDOW, ET ALS., DATED NOVEMBER 9, 1990, RECORDED NOVEMBER 27, 1990, AS INSTRUMENT NO. 90-181379, IN SAID BUREAU.

9. TERMS, COVENANTS AND CONDITIONS AS SET FORTH IN LEASE,  
DATED : JUNE 22, 1988.  
RECORDED : JUNE 29, 1988, IN LIBER 22087, PAGE 680,  
IN THE BUREAU OF CONVEYANCES.  
LESSOR : 1314 KALAKAUA PARTNERS,  
A HAWAII LIMITED PARTNERSHIP.  
LESSEE : PENTAGRAM CORPORATION, A HAWAII CORPORATION.  
TERM OF : COMMENCING ON JUNE 22, 1988, AND TERMINATING  
ON JUNE 30, 2023. (AFFECTS PARCEL SECOND)

CONSENT THERETO BY TIMOTHY S. HARRIS, PERSONAL REPRESENTATIVE OF THE ESTATE OF BERNICE JAEGER BLACK, ET AL., LESSORS, DATED SEPTEMBER 14, 1988, RECORDED SEPTEMBER 23, 1988, IN LIBER 22391, PAGE 184, IN SAID BUREAU.

SAID LEASES WAS ASSIGNED TO AMUSEMENT PARK HAWAII, INC., A HAWAII CORPORATION, BY INSTRUMENT DATED JULY 1, 1990, RECORDED NOVEMBER 27, 1990, AS INSTRUMENT NO. 90-181378, IN SAID BUREAU.

CONSENT THERETO BY PALOMA JAEGER KUHN, WIDOW, ET ALS., DATED NOVEMBER 9, 1990, RECORDED NOVEMBER 27, 1990, AS INSTRUMENT NO. 90-181380, IN SAID BUREAU.

10. ASSIGNMENT OF TENANT LEASES,  
ASSIGNOR : 1314 KALAKAUA PARTNERS,  
A HAWAII LIMITED PARTNERSHIP.  
ASSIGNEE : AMUSEMENT PARK HAWAII, INC.,  
A HAWAII CORPORATION.  
DATED : FEBRUARY 24, 1990.  
RECORDED : MARCH 9, 1990, AS INSTRUMENT NO. 90-34295,  
IN THE BUREAU OF CONVEYANCES.
11. ASSIGNMENT OF AGREEMENT,  
BY : 1314 KALAKAUA PARTNERS,  
A HAWAII LIMITED PARTNERSHIP.  
AND : AMUSEMENT PARK HAWAII, INC.,  
A HAWAII CORPORATION.  
DATED : FEBRUARY 24, 1990.  
RECORDED : MARCH 9, 1990, AS INSTRUMENT NO. 90-34296,  
IN THE BUREAU OF CONVEYANCES.

12. A MORTGAGE, TO SECURE AN INDEBTEDNESS OF THE AMOUNT STATED  
HEREIN AND ANY OTHER AMOUNTS PAYABLE UNDER THE TERMS THEREOF,  
DATED : MARCH 29, 1990.  
AMOUNT : \$5,000,000.00  
MORTGAGOR : AMUSEMENT PARK HAWAII, INC.,  
A HAWAII CORPORATION.  
MORTGAGEE : FIRST INTERSTATE BANK OF HAWAII,  
A HAWAII CORPORATION.  
RECORDED : MARCH 30, 1990, AS INSTRUMENT NO. 90-45589,  
IN THE BUREAU OF CONVEYANCES.

LOAN NO. : NONE.

SAID MORTGAGE, AMONG OTHER PROVISIONS, CONTAINS A PROVISION  
RE: THE SALE OR TRANSFER OF ALL OR ANY PORTION OF LANDS  
ENCUMBERED BY SAID MORTGAGE, THAT ALL SUMS SECURED THEREBY MAY  
BECOME IMMEDIATELY DUE AND PAYABLE UNLESS THE PROVISIONS  
CONTAINED IN THEREIN ARE SATISFIED.

ADDRESS OF THE MORTGAGEE AS PER DOCUMENT:

1314 SOUTH KING ST.  
HONOLULU, HI 96814

SAID MORTGAGE WAS AMENDED BY INSTRUMENT DATED JUNE 26, 1992,  
RECORDED JUNE 29, 1992, AS INSTRUMENT NO. 92-102775, IN SAID  
BUREAU.

13. ASSIGNMENT OF LESSOR'S INTEREST IN LEASES AS SECURITY AS  
\$5,000,000.00 LOAN,  
BY : AMUSEMENT PARK HAWAII, INC.,  
A HAWAII CORPORATION.  
TO : FIRST INTERSTATE BANK OF HAWAII,  
A HAWAII CORPORATION.  
DATED : MARCH 29, 1990.  
RECORDED : MARCH 30, 1990, AS INSTRUMENT NO. 90-045590,  
IN THE BUREAU OF CONVEYANCES.

14. A FINANCING STATEMENT COVERING CERTAIN PERSONAL PROPERTY  
THEREIN DESCRIBED,  
DEBTOR : AMUSEMENT PARK HAWAII, INC.,  
A HAWAII CORPORATION.  
SECURED PARTY : FIRST INTERSTATE BANK OF HAWAII,  
A HAWAII CORPORATION.  
RECORDED : MARCH 30, 1990, AS INSTRUMENT NO.  
90-045591, IN THE BUREAU OF CONVEYANCES.

15. A MORTGAGE, TO SECURE AN INDEBTEDNESS OF THE AMOUNT STATED  
HEREIN AND ANY OTHER AMOUNTS PAYABLE UNDER THE TERMS THEREOF,  
DATED : JULY 1, 1990.  
AMOUNT : \$425,000.00  
MORTGAGOR : AMUSEMENT PARK OF HAWAII, INC.,  
A HAWAII CORPORATION.  
MORTGAGEE : PENTAGRAM CORPORATION, A HAWAII CORPORATION.  
RECORDED : NOVEMBER 27, 1990, AS INSTRUMENT NO. 90-181381,  
IN THE BUREAU OF CONVEYANCES.

LOAN NO. : NONE.

SAID MORTGAGE, AMONG OTHER PROVISIONS, CONTAINS A PROVISION  
RE: THE SALE OR TRANSFER OF ALL OR ANY PORTION OF LANDS  
ENCUMBERED BY SAID MORTGAGE, THAT ALL SUMS SECURED THEREBY MAY  
BECOME IMMEDIATELY DUE AND PAYABLE UNLESS THE PROVISIONS  
CONTAINED IN THEREIN ARE SATISFIED.

ADDRESS OF THE MORTGAGEE AS PER DOCUMENT:

1056 FORT STREET MALL  
HONOLULU, HI 96813

CONSENT THERETO BY PALOMA JAEGER KUHN, WIDOW, ET ALS., DATED  
NOVEMBER 9, 1990, RECORDED NOVEMBER 27, 1990, AS INSTRUMENT  
NO. 90-181379, IN SAID BUREAU.

16. NO REPORT IS MADE ON THE SPACE LEASES AFFECTING THE HEREIN  
PREMISES AS TO OWNERSHIP AND ENCUMBRANCES AFFECTING SAID SPACE  
LEASES.
17. MATTERS AS SHOWN ON CONDOMINIUM FILE PLAN NO. 1641, FILED IN  
THE BUREAU OF CONVEYANCES.
18. COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, AGREEMENTS,  
OBLIGATIONS, PROVISIONS, EASEMENTS AND BY-LAWS SET FORTH IN  
THE DECLARATION OF CONDOMINIUM PROPERTY REGIME,  
DATED : MARCH 11, 1992.  
RECORDED : APRIL 9, 1992, AS INSTRUMENT NO. 92-053043,  
IN THE BUREAU OF CONVEYANCES. (LISTINGS OF THE APARTMENTS,  
PARKING STALLS AND UNDIVIDED INTERESTS ARE ATTACHED HEREIN AS  
SCHEDULE "C")
19. BY LAWS OF THE ASSOCIATION OF APARTMENT OWNERS OF ONE  
KALAKAUA,  
DATED : APRIL 6, 1992.  
RECORDED : APRIL 9, 1992, AS INSTRUMENT NO. 92-053044,  
IN THE BUREAU OF CONVEYANCES.

TENANT LEASES

1. THAT CERTAIN TENANT LEASE DATED SEPTEMBER 20, 1988, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND RYBUN U.S.A., INC., A HAWAII CORPORATION, AS LESSEE.
2. THAT CERTAIN TENANT LEASE DATED DECEMBER 9, 1988, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND BRIAN KIM AND DIANE J. KIM, HUSBAND AND WIFE, AND IN SUK HAN AND ANNE S. HAN, HUSBAND AND WIFE, AS LESSEE.
3. THAT CERTAIN GROUND SUBLEASE DATED JUNE 22, 1988, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND PENTAGRAM CORPORATION, A HAWAII CORPORATION, AS LESSEE, WHICH IS RECORDED IN THE BUREAU OF CONVEYANCES OF THE STATE OF HAWAII, IN LIBER 22087 AT PAGE 680.
4. THAT CERTAIN AGREEMENT FOR SUBLEASE DATED JUNE 22, 1988, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND PENTAGRAM CORPORATION, A HAWAII CORPORATION, AS LESSEE, WHICH IS RECORDED AS AFORESAID IN LIBER 22087 AT PAGE 672.
5. THAT CERTAIN TENANT LEASE DATED SEPTEMBER 1, 1988, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND SUBWAYS RESTAURANTS, INC., AS LESSEE.
6. THAT CERTAIN TENANT LEASE DATED AUGUST 18, 1987, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND J. H. & SONS, INC., A HAWAII CORPORATION, AS LESSEE.
7. THAT CERTAIN TENANT LEASE DATED JULY 6, 1987, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND TCBY HAWAII, INC., A HAWAII CORPORATION, AS LESSEE.
8. THAT CERTAIN TENANT LEASE DATED AUGUST 8, 1988, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND JANET VACUBOVICH, DBA "INNER WOMAN", AS LESSEE.
9. THAT CERTAIN TENANT LEASE DATED APRIL 19, 1989, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND WAYNE K. CHOE, CHAE HO CHOE AND JUNG SOO NA, AS LESSEE.

10. THAT CERTAIN TENANT LEASE DATED OCTOBER 24, 1989, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND JANNY GIANG AND HUNG TIEN LU, DBA HUNG'S JEWELRY, A HAWAII CORPORATION, AS LESSEE.
11. THAT CERTAIN TENANT LEASE DATED JULY 24, 1987, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND LINCOLN TUNG DBA HIBACHI HOUSE, AS LESSEE.
12. THAT CERTAIN RESTATEMENT OF TENANT LEASE DATED APRIL 7, 1989, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LANDLORD, AND WEST MOUNTAIN CORP., A HAWAII CORPORATION, RICHARD M. NISHIYAMA AND SHIRLEY M. NISHIYAMA DBA FANTASTIC SAM'S ORIGINAL FAMILY HAIRCUTTERS, AS LESSEE.
13. THAT CERTAIN UNDATED RESTATEMENT OF LICENSE AND OPERATING AGREEMENT, BY AND BETWEEN 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, AS LICENSOR, AND CHARLEY'S TAXI, INC., A HAWAII CORPORATION, AS LESSEE.

LETTER AGREEMENTS

1. THAT CERTAIN LETTER AGREEMENT BY AND BETWEEN DIAMOND PARKING, INC., AND 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, THROUGH ITS AGENT, PAC III REALTY & INVESTMENTS, INC., DATED JANUARY 9, 1989.
2. THAT CERTAIN AGREEMENT BY AND BETWEEN OAHU REFUSE SYSTEMS COMPANY, AS CONTRACTOR, AND 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, THROUGH ITS AGENT, PAC III REALTY & INVESTMENTS, INC., AS CUSTOMER, DATED JUNE 1, 1989, AS AMENDED BY THAT CERTAIN LETTER FROM OAHU REFUSE SYSTEMS COMPANY TO PAC III REALTY WHICH WAS AFFECTIVE AS OF JULY 1, 1989.
3. THAT CERTAIN AGREEMENT BY AND BETWEEN RAINBOW EXTERMINATORS, AND 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, THROUGH ITS AGENT, PAC III REALTY & INVESTMENTS, INC., DATED NOVEMBER 8, 1988.
4. THAT CERTAIN LETTER AGREEMENT BY AND BETWEEN YOUR BUILDING MAINTENANCE AND 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, THROUGH ITS AGENT, PAC III REALTY & INVESTMENTS, INC., DATED APRIL 19, 1988, AS AMENDED BY THAT CERTAIN LETTER AGREEMENT BY AND BETWEEN THE SAME PARTIES DATED NOVEMBER 16, 1988.
5. THAT CERTAIN AGREEMENT BY AND BETWEEN MONTGOMERY ELEVATOR COMPANY AND 1314 KALAKAUA PARTNERS, A HAWAII LIMITED PARTNERSHIP, DATED MAY 25, 1989.

EXHIBIT "E"

ONE KALAKAUA SENIOR LIVING

REGISTRATION NO. 2881

DISCLOSURE STATEMENT AS OF May 6, 1993

1. Name and Address of Project: ONE KALAKAUA SENIOR LIVING at 1314 Kalakaua Avenue, Honolulu, Hawaii 96826.

2. Name, Address and Telephone Number of Developer: One Kalakaua Partners, 745 Fort Street, Suite 1800, Honolulu, Hawaii 96813. Telephone (808) 533-1505.

3. Managing Agent of Project: To be selected.

4. Maintenance Fees: The Operating Budget effective January 1, 1996 as certified to by Metropolitan Management, Inc., a management company, is attached hereto as Exhibit "1", the breakdown of the various apartment types is as set forth in Exhibit "2", and the breakdown by apartments is as set forth in Exhibit "3", all of which are attached hereto and incorporated herein by reference.

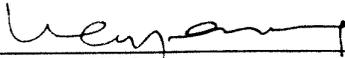
5. Warranties: The apartments and the common elements of the Project shall have the benefit of a one-year warranty against defects in materials and workmanship, which warranty shall commence as of the date of the substantial completion for such apartments and common elements which is estimated to be 18 months after commencement of construction in the first quarter of 1994.

6. Use: The project will consist of 166 residential apartments. There are additional facilities in the project that are common elements which may be leased by the Association to an operator such as the restaurant, skilled nursing facility, arts and crafts, game room, fitness center, business center, meeting room, beauty salon and sundry.

7. Extent of Non-Residential Development: The Project is in a BMX zoning of the City and County of Honolulu and there is a mixture of residential and other uses permitted under the zoning ordinances as noted in paragraph 6.

DATED: Honolulu, Hawaii, this 6th day of  
May, 1993.

ONE KALAKAUA PARTNERS, a Hawaii  
general partnership

By   
IRA YOUNG,  
Its Managing Partner

C:\WP5\CONDO\OK\OK.DS

ONE KALAKAUA  
*Senior Living*  
 Operating Budget  
 Effective: January 1, 1994  
 Prepared by: Metropolitan Management

<u>RECEIPTS</u>	<u>MONTHLY</u> x 12 months =	<u>YEARLY TOTAL</u>
Maintenance Fees	<u>\$230,400</u>	<u>\$2,764,806</u>
<b>TOTAL RECEIPTS</b>	<b>\$230,400</b>	<b>\$2,764,806</b>
 <u>UTILITIES</u>		
Water and Sewer	\$4,380	\$52,560
Electricity (*)	\$15,800	\$189,600
Gas	\$300	\$3,600
Phone/Communications	\$250	\$3,000
<b>SUBTOTAL</b>	<u>\$20,730</u>	<u>\$248,760</u>
 <u>ADMINISTRATIVE</u>		
Professional Management	\$4,400	\$52,800
Legal	\$150	\$1,800
Audit & Tax Preparation	\$150	\$1,800
Dues & Subscription	\$50	\$600
<b>SUBTOTAL</b>	<u>\$4,750</u>	<u>\$57,000</u>
 <u>CONTRACT SERVICES</u>		
Elevator	\$2,000	\$24,000
Landscaping	\$100	\$1,200
Refuse Removal	\$900	\$10,800
Pest Control	\$50	\$600
Vent/Pump/AC	\$1,500	\$18,000
Cable TV	\$3,320	\$39,840
<b>SUBTOTAL</b>	<u>\$7,870</u>	<u>\$94,440</u>
 <u>REPAIRS &amp; MAINTENANCE</u>		
Building	\$350	\$4,200
Grounds	\$75	\$900
Electrical	\$75	\$900
Plumbing	\$200	\$2,400
Fire System	\$75	\$900
<b>SUBTOTAL</b>	<u>\$775</u>	<u>\$9,300</u>
 <u>SUPPLIES</u>		
Building	\$200	\$2,400
Janitorial	\$150	\$1,800
Pool	\$100	\$1,200
Grounds	\$75	\$900
<b>SUBTOTAL</b>	<u>\$525</u>	<u>\$6,300</u>
 <u>SALARIES &amp; WAGES</u>		
Building Engineer	\$2,400	\$28,800
Janitorial	\$3,120	\$37,440
Watchman	\$5,824	\$69,888
<b>SUBTOTAL</b>	<u>\$11,344</u>	<u>\$136,128</u>
 <u>PAYROLL BURDEN</u>		
Payroll Tax & Service	\$1,570	\$18,840
Insurance—Worker's Comp	\$990	\$11,880
Insurance—TDI	\$70	\$840
Insurance—Medical	\$800	\$9,600
<b>SUBTOTAL</b>	<u>\$3,430</u>	<u>\$41,160</u>

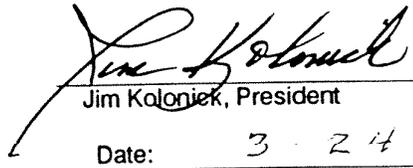
ONE KALAKAUA Senior Living  
 Operating Budget  
 Page TWO

<u>INSURANCE</u>	<u>MONTHLY</u> x 12 months =	<u>YEARLY TOTAL</u>
Fire/Special Multi – peril	\$4,000	\$48,000
Directors & Officers	\$85	\$1,020
Fidelity Bond	\$80	\$960
<b>SUBTOTAL</b>	<b>\$4,165</b>	<b>\$49,980</b>
<u>TAXES/PERMITS/LICENSES</u>		
General Excise Tax	\$75	\$900
Federal Corporation Tax	\$125	\$1,500
State Corporation Tax	\$50	\$600
Annual/Board Meeting	\$75	\$900
<b>SUB TOTAL</b>	<b>\$325</b>	<b>\$3,900</b>
<b>OPERATING DISBURSEMENTS</b>	<b>\$53,914</b>	<b>\$646,968</b>
<b>RESERVES (**)</b>	<b>\$5,391</b>	<b>\$64,692</b>
<b>TOTAL OPERATING DISBURSEMENTS</b>	<b>\$59,305</b>	<b>\$711,660</b>
<small>ASSESSED ON AN INTEREST PERCENTAGE BASIS</small>		
<u>ONE KALAKAUA SENIOR LIVING ADMINISTRATION (***)</u>		
Chapel	\$100	\$1,200
Fitness Center	\$300	\$3,600
Library	\$100	\$1,200
Weekly Maid Service	\$10,400	\$124,800
Administrator	\$5,000	\$60,000
Asst. Administrator	\$2,500	\$30,000
Secretary	\$1,800	\$21,600
Front Desk	\$6,370	\$76,440
Bookkeeper	\$2,000	\$24,000
Benefits @25%	\$3,767	\$45,204
Marketing	\$3,500	\$42,000
Accounting	\$500	\$6,000
Legal	\$500	\$6,000
General Office	\$1,500	\$18,000
Equipment Leasing	\$1,500	\$18,000
<b>SENIOR LIVING ADMINISTRATION</b>	<b>\$39,837</b>	<b>\$478,044</b>
<b>RESERVES @10%</b>	<b>\$18,093</b>	<b>\$217,119</b>
<b>GENERAL MANAGEMENT FEES @7%</b>	<b>\$12,665</b>	<b>\$151,983</b>
<b>TOTAL SENIOR LIVING ADMINISTRATION</b>	<b>\$70,596</b>	<b>\$847,146</b>
<small>ASSESSED ON AN INTEREST PERCENTAGE BASIS</small>		
<u>ONE KALAKAUA CLUB SERVICES (***)</u>		
Meals	\$62,250	\$747,000
Wellness Program	\$6,640	\$79,680
Arts & Craft Program	\$5,250	\$63,000
Recreation/ Game Room Program	\$7,650	\$91,800
<b>TOTAL ONE KALAKAUA CLUB SERVICES</b>	<b>\$81,790</b>	<b>\$981,480</b>
<small>ASSESSED ON A PER PERSON BASIS</small>		

Note: Nursing Facility, Beauty Salon, Sundry Store & Business Machine Center are assessed on an individual user basis.

ONE KALAKAUA Senior Living  
Operating Budget  
Page THREE

METROPOLITAN MANAGEMENT COMPANY, as agent and contracted by ONE KALAKAUA PARTNERS, the developer, for the condominium project ONE KALAKAUA SENIOR LIVING 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.

  
\_\_\_\_\_  
Jim Koloniek, President  
Date: 3 - 24 - 93

- (\*) Cost is based on and includes an electrical central HVAC system and all electric appliances in each apartment. Any alternate energy such as gas will require a re-calculation of this category.
- (\*\*) Mandatory Reserves in effect January 1, 1993
- (\*\*\*) Cost estimates for One Kalakaua Senior Living Administration and One Kalakaua Club have NOT been prepared by Metropolitan Management. Therefore, Metropolitan Management cannot attest to their accuracy and recommends that a further review be conducted of these estimates prior to issuance of any final report.

# ONE KALAKAUA

*Senior Living*

## MONTHLY MAINTENANCE FEES

Apartment Type	Qty	Size	(*)Building Maintenance	(*)Senior Administration	(**)One Kalakaua Club	Total Maintenance Fees
01 & 02	22	843	\$463	\$389	\$493	\$1,345
03	12	761	\$418	\$351	\$493	\$1,262
04	12	722	\$397	\$333	\$493	\$1,223
05 & 06	24	717	\$394	\$331	\$493	\$1,218
07 & 08	24	784	\$431	\$362	\$493	\$1,286
09	12	591	\$325	\$273	\$493	\$1,091
10	12	877	\$482	\$405	\$493	\$1,380
11	12	887	\$488	\$410	\$493	\$1,390
12	12	872	\$479	\$403	\$493	\$1,375
13	12	954	\$524	\$441	\$493	\$1,458
14	12	489	\$269	\$226	\$493	\$988
<hr/>						
Total	166					

(\*) Assessed on a percentage interest in common elements.

(\*\*) Assessed on a per person basis. Each additional person will be charged \$425.

6/17/93

**ONE KALAKAUA**  
*Senior Living*  
**MONTHLY MAINTENANCE FEES**

Apartment Number	Interest Percentage	Size	(*)Building Maintenance	(*)Senior Administration	(**)One Kalakaua Club	Total Maintenance Fees
401	0.65651%	843	\$463	\$389	\$493	\$1,345
402	0.65651%	843	\$463	\$389	\$493	\$1,345
403	0.59265%	761	\$418	\$351	\$493	\$1,262
404	0.56228%	722	\$397	\$333	\$493	\$1,223
405	0.55839%	717	\$394	\$331	\$493	\$1,218
406	0.55839%	717	\$394	\$331	\$493	\$1,218
407	0.61056%	784	\$431	\$362	\$493	\$1,286
408	0.61056%	784	\$431	\$362	\$493	\$1,286
409	0.46026%	591	\$325	\$273	\$493	\$1,286
410	0.68299%	877	\$482	\$405	\$493	\$1,380
411	0.69078%	887	\$488	\$410	\$493	\$1,391
412	0.67910%	872	\$479	\$403	\$493	\$1,375
413	0.74296%	954	\$524	\$441	\$493	\$1,458
414	0.38082%	489	\$269	\$226	\$493	\$988
501	0.65651%	843	\$463	\$389	\$493	\$1,345
502	0.65651%	843	\$463	\$389	\$493	\$1,345
503	0.59265%	761	\$418	\$351	\$493	\$1,262
504	0.56228%	722	\$397	\$333	\$493	\$1,223
505	0.55839%	717	\$394	\$331	\$493	\$1,218
506	0.55839%	717	\$394	\$331	\$493	\$1,218
507	0.61056%	784	\$431	\$362	\$493	\$1,286
508	0.61056%	784	\$431	\$362	\$493	\$1,286
509	0.46026%	591	\$325	\$273	\$493	\$1,286
510	0.68299%	877	\$482	\$405	\$493	\$1,380
511	0.69078%	887	\$488	\$410	\$493	\$1,391
512	0.67910%	872	\$479	\$403	\$493	\$1,375
513	0.74296%	954	\$524	\$441	\$493	\$1,458
514	0.38082%	489	\$269	\$226	\$493	\$988
601	0.65651%	843	\$463	\$389	\$493	\$1,345
602	0.65651%	843	\$463	\$389	\$493	\$1,345
603	0.59265%	761	\$418	\$351	\$493	\$1,262
604	0.56228%	722	\$397	\$333	\$493	\$1,223
605	0.55839%	717	\$394	\$331	\$493	\$1,218
606	0.55839%	717	\$394	\$331	\$493	\$1,218
607	0.61056%	784	\$431	\$362	\$493	\$1,286
608	0.61056%	784	\$431	\$362	\$493	\$1,286
609	0.46026%	591	\$325	\$273	\$493	\$1,286
610	0.68299%	877	\$482	\$405	\$493	\$1,380
611	0.69078%	887	\$488	\$410	\$493	\$1,391
612	0.67910%	872	\$479	\$403	\$493	\$1,375
613	0.74296%	954	\$524	\$441	\$493	\$1,458
614	0.38082%	489	\$269	\$226	\$493	\$988
701	0.65651%	843	\$463	\$389	\$493	\$1,345
702	0.65651%	843	\$463	\$389	\$493	\$1,345
703	0.59265%	761	\$418	\$351	\$493	\$1,262
704	0.56228%	722	\$397	\$333	\$493	\$1,223
705	0.55839%	717	\$394	\$331	\$493	\$1,218
706	0.55839%	717	\$394	\$331	\$493	\$1,218
707	0.61056%	784	\$431	\$362	\$493	\$1,286
708	0.61056%	784	\$431	\$362	\$493	\$1,286
709	0.46026%	591	\$325	\$273	\$493	\$1,286
710	0.68299%	877	\$482	\$405	\$493	\$1,380
711	0.69078%	887	\$488	\$410	\$493	\$1,391
712	0.67910%	872	\$479	\$403	\$493	\$1,375
713	0.74296%	954	\$524	\$441	\$493	\$1,458
714	0.38082%	489	\$269	\$226	\$493	\$988

Apartment Number	Interest Percentage	Size	(*)Building Maintenance	(*)Senior Administration	(**)One Kalakaua Club	Total Maintenance Fees
801	0.65651%	843	\$463	\$389	\$493	\$1,345
802	0.65651%	843	\$463	\$389	\$493	\$1,345
803	0.59265%	761	\$418	\$351	\$493	\$1,262
804	0.56228%	722	\$397	\$333	\$493	\$1,223
805	0.55839%	717	\$394	\$331	\$493	\$1,218
806	0.55839%	717	\$394	\$331	\$493	\$1,218
807	0.61056%	784	\$431	\$362	\$493	\$1,286
808	0.61056%	784	\$431	\$362	\$493	\$1,286
809	0.46026%	591	\$325	\$273	\$493	\$1,286
810	0.68299%	877	\$482	\$405	\$493	\$1,380
811	0.69078%	887	\$488	\$410	\$493	\$1,391
812	0.67910%	872	\$479	\$403	\$493	\$1,375
813	0.74296%	954	\$524	\$441	\$493	\$1,458
814	0.38082%	489	\$269	\$226	\$493	\$988
901	0.65651%	843	\$463	\$389	\$493	\$1,345
902	0.65651%	843	\$463	\$389	\$493	\$1,345
903	0.59265%	761	\$418	\$351	\$493	\$1,262
904	0.56228%	722	\$397	\$333	\$493	\$1,223
905	0.55839%	717	\$394	\$331	\$493	\$1,218
906	0.55839%	717	\$394	\$331	\$493	\$1,218
907	0.61056%	784	\$431	\$362	\$493	\$1,286
908	0.61056%	784	\$431	\$362	\$493	\$1,286
909	0.46026%	591	\$325	\$273	\$493	\$1,286
910	0.68299%	877	\$482	\$405	\$493	\$1,380
911	0.69078%	887	\$488	\$410	\$493	\$1,391
912	0.67910%	872	\$479	\$403	\$493	\$1,375
913	0.74296%	954	\$524	\$441	\$493	\$1,458
914	0.38082%	489	\$269	\$226	\$493	\$988
1001	0.65651%	843	\$463	\$389	\$493	\$1,345
1002	0.65651%	843	\$463	\$389	\$493	\$1,345
1003	0.59265%	761	\$418	\$351	\$493	\$1,262
1004	0.56228%	722	\$397	\$333	\$493	\$1,223
1005	0.55839%	717	\$394	\$331	\$493	\$1,218
1006	0.55839%	717	\$394	\$331	\$493	\$1,218
1007	0.61056%	784	\$431	\$362	\$493	\$1,286
1008	0.61056%	784	\$431	\$362	\$493	\$1,286
1009	0.46026%	591	\$325	\$273	\$493	\$1,286
1010	0.68299%	877	\$482	\$405	\$493	\$1,380
1011	0.69078%	887	\$488	\$410	\$493	\$1,391
1012	0.67910%	872	\$479	\$403	\$493	\$1,375
1013	0.74296%	954	\$524	\$441	\$493	\$1,458
1014	0.38082%	489	\$269	\$226	\$493	\$988
1101	0.65651%	843	\$463	\$389	\$493	\$1,345
1102	0.65651%	843	\$463	\$389	\$493	\$1,345
1103	0.59265%	761	\$418	\$351	\$493	\$1,262
1104	0.56228%	722	\$397	\$333	\$493	\$1,223
1105	0.55839%	717	\$394	\$331	\$493	\$1,218
1106	0.55839%	717	\$394	\$331	\$493	\$1,218
1107	0.61056%	784	\$431	\$362	\$493	\$1,286
1108	0.61056%	784	\$431	\$362	\$493	\$1,286
1109	0.46026%	591	\$325	\$273	\$493	\$1,286
1110	0.68299%	877	\$482	\$405	\$493	\$1,380
1111	0.69078%	887	\$488	\$410	\$493	\$1,391
1112	0.67910%	872	\$479	\$403	\$493	\$1,375
1113	0.74296%	954	\$524	\$441	\$493	\$1,458
1114	0.38082%	489	\$269	\$226	\$493	\$988

Apartment Number	Interest Percentage	Size	(*)Building Maintenance	(*)Senior Administration	(**)One Kalakaua Club	Total Maintenance Fees
1201	0.65651%	843	\$463	\$389	\$493	\$1,345
1202	0.65651%	843	\$463	\$389	\$493	\$1,345
1203	0.59265%	761	\$418	\$351	\$493	\$1,262
1204	0.56228%	722	\$397	\$333	\$493	\$1,223
1205	0.55839%	717	\$394	\$331	\$493	\$1,218
1206	0.55839%	717	\$394	\$331	\$493	\$1,218
1207	0.61056%	784	\$431	\$362	\$493	\$1,286
1208	0.61056%	784	\$431	\$362	\$493	\$1,286
1209	0.46026%	591	\$325	\$273	\$493	\$1,286
1210	0.68299%	877	\$482	\$405	\$493	\$1,380
1211	0.69078%	887	\$488	\$410	\$493	\$1,391
1212	0.67910%	872	\$479	\$403	\$493	\$1,375
1213	0.74296%	954	\$524	\$441	\$493	\$1,458
1214	0.38082%	489	\$269	\$226	\$493	\$988
1401	0.65651%	843	\$463	\$389	\$493	\$1,345
1402	0.65651%	843	\$463	\$389	\$493	\$1,345
1403	0.59265%	761	\$418	\$351	\$493	\$1,262
1404	0.56228%	722	\$397	\$333	\$493	\$1,223
1405	0.55839%	717	\$394	\$331	\$493	\$1,218
1406	0.55839%	717	\$394	\$331	\$493	\$1,218
1407	0.61056%	784	\$431	\$362	\$493	\$1,286
1408	0.61056%	784	\$431	\$362	\$493	\$1,286
1409	0.46026%	591	\$325	\$273	\$493	\$1,286
1410	0.68299%	877	\$482	\$405	\$493	\$1,380
1411	0.69078%	887	\$488	\$410	\$493	\$1,391
1412	0.67910%	872	\$479	\$403	\$493	\$1,375
1413	0.74296%	954	\$524	\$441	\$493	\$1,458
1414	0.38082%	489	\$269	\$226	\$493	\$988
1501	0.65651%	843	\$463	\$389	\$493	\$1,345
1502	0.65651%	843	\$463	\$389	\$493	\$1,345
1503	0.59265%	761	\$418	\$351	\$493	\$1,262
1504	0.56228%	722	\$397	\$333	\$493	\$1,223
1505	0.55839%	717	\$394	\$331	\$493	\$1,218
1506	0.55839%	717	\$394	\$331	\$493	\$1,218
1507	0.61056%	784	\$431	\$362	\$493	\$1,286
1508	0.61056%	784	\$431	\$362	\$493	\$1,286
1509	0.46026%	591	\$325	\$273	\$493	\$1,286
1510	0.68299%	877	\$482	\$405	\$493	\$1,380
1511	0.69078%	887	\$488	\$410	\$493	\$1,391
1512	0.67910%	872	\$479	\$403	\$493	\$1,375
1513	0.74296%	954	\$524	\$441	\$493	\$1,458
1514	0.38082%	489	\$269	\$226	\$493	\$988
1603	0.59265%	761	\$418	\$351	\$493	\$1,262
1604	0.56228%	722	\$397	\$333	\$493	\$1,223
1605	0.55839%	717	\$394	\$331	\$493	\$1,218
1606	0.55839%	717	\$394	\$331	\$493	\$1,218
1607	0.61056%	784	\$431	\$362	\$493	\$1,286
1608	0.61056%	784	\$431	\$362	\$493	\$1,286
1609	0.46026%	591	\$325	\$273	\$493	\$1,286
1610	0.68299%	877	\$482	\$405	\$493	\$1,380
1611	0.69078%	887	\$488	\$410	\$493	\$1,391
1612	0.67910%	872	\$479	\$403	\$493	\$1,375
1613	0.74296%	954	\$524	\$441	\$493	\$1,458
1614	0.38082%	489	\$269	\$226	\$493	\$988

(\*) Assessed on a percentage interest in common elements.

(\*\*) Assessed on a per person basis. Each additional person will be charged \$425.

EXHIBIT "F"

Summary of Sales Contract

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

- (a) A buyer must obtain his own financing. Buyer acknowledges that this Sales Contract is contingent on any financing before the issuance of the final public report.
- (b) That a purchaser's money will be held in escrow, under the terms of the Escrow Agreement.
- (c) That interest on deposits shall belong to the Seller so long as said funds are held in escrow.
- (d) That the unit will be subject to various other legal documents which the buyer certifies that he has examined.
- (e) That the buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.
- (f) The Seller has the right of first refusal to purchase the apartment that the Buyer purchases for a period of 30 days under the same terms and conditions. This agreement to survive for a period of 10 years after the sale is closed.
- (g) If there are delays which causes increases in the construction costs, the Seller may increase the purchase price and give the Buyer 15 days to cancel the contract and have a return of sums paid less escrow cancellation fee. If Buyer does not notify Seller, then this shall constitute an affirmation of the sale at the new contract price.

The Sales Contract contains various other provisions with which the purchaser should become acquainted.

EXHIBIT "G"

Summary of Escrow Agreement

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

- (a) Escrow will let purchaser know when payments are due.
- (b) Escrow will arrange for purchasers to sign all necessary documents.
- (c) The Escrow Agreement says under what conditions a refund will be made to a purchaser.
- (d) The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract.

The Escrow Agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.

EXHIBIT "H"

**ONE KALAKAUA SENIOR LIVING  
HOUSE RULES**

The purposes of these Rules and Regulations are to protect all occupants from annoyance and nuisance caused by improper use of the condominium apartments and to promote harmonious living and the maximum enjoyment of the **ONE KALAKAUA SENIOR LIVING** condominium. The responsibility for enforcement of these Rules may be delegated to a managing agent by the Board of Directors of the Association. All owners and occupants, tenants and their guests shall be bound by these Rules and by standards of reasonable conduct whether covered by these Rules or not.

**A. DEFINITIONS.**

As used in these Rules, the Declaration and the By Laws of One Kalakaua Senior Living condominium are as follows:

1. "Project" shall mean and include the entire improvements located at the One Kalakaua Senior Living condominium located at 1314 Kalakaua Avenue, Honolulu, Hawaii, and shall include all of the residential units and the common and limited common elements located within it.

2. A "person" as used herein shall mean and include an individual and not a legal or governmental entity, an unincorporated association and/or any group of individuals making use of any of the apartments, common and limited common elements of the Project.

3. "Occupants" as used herein shall mean and include an owner, tenant and any other person who occupies an apartment in the Project.

4. "Apartment" or "Unit" as used herein shall include a residential condominium apartment described in the Declaration and By laws and which is subject to separate ownership and occupancy by a person.

5. "Association" shall mean the **ONE KALAKAUA SENIOR LIVING ASSOCIATION**, a Hawaii nonprofit corporation, composed of apartment owners of the Project.

6. "Facility" shall mean and include a common element room or space that is not utilized for residential occupancy and may be utilized for restaurant, skilled nursing care, arts and crafts, recreation game room, fitness center, business center, meeting room, sundry store, beauty salon, library and chapel.

7. "Rules" as used herein shall include these **One Kalakaua Senior Living House Rules**.

8. "Managing Agent" as used herein shall mean and include the person and subordinate designated as such by the Board of Directors of the Association.

9. "Owner" shall mean and include the owner, his or her heirs and assigns.

**B. SENIOR LIVING REQUIREMENTS.**

1. The owner and/or occupant of an apartment shall be required to provide evidence of financial responsibility and ability to continue to pay the maintenance fees and other expenses required to be paid by an occupant of an apartment to the Association.

2. As part of the maintenance fees and until such services are changed by the Association shall include as part of the common maintenance expenses of the residential apartments, maid services on a weekly basis for general clean up of the apartment including disposal of rubbish and garbage once a week and the laundry service for owner's bedroom linens and towels. Any other services requested for by an occupant will be subject to an additional service charge to be paid by the person requesting such additional service.

3. Any requests for special services shall be made to the Managing Agent and not directly to employees or staff employed by the Managing Agent for the Project.

**C. OCCUPANCY.**

1. The occupant shall observe all of the hours during which the various services and amenities that are provided in the Project that are set by Declarant initially and thereafter by the Board of Directors of the Association. Such hours shall be observed by all occupants of apartments in the Project.

2. An owner shall keep the Managing Agent advised as to any change in circumstances of the occupant such as death, illness, leasing, moving into a hospital, nursing facility, etc. as such change occurs.

3. No pets, animals, birds, poultry, reptiles, sea animals or any living mammals shall be all owned or keep in an apartment in the Project except that a visually handicapped person may be allowed to have a service, guide or signal dog.

4. If an owner does travel or will be absent, such owner will notify the Managing Agent fourteen (14) days in advance of the period of time that they will be absent from the apartment and will provide the name of a person residing in the City and County of Honolulu to contact in the event of any emergency that occurs with respect to the apartment and the Managing Agent is authorized to deal with such person to cope with any such emergency. If the owner fails to give such notification, the Managing Agent is authorized to take whatever necessary action that is necessary to cope with the emergency.

5. The owners of an apartment shall be provided with two (2) sets of keys for the apartments and elevators. The issuance of any additional keys will be subject to reasonable costs for any such additional key.

**D. FACILITIES.**

1. The Facility shall have posted or provide information through newsletter, the bulletin board or other means the hours when such facilities shall be available to occupants or other persons.

2. The person operating a facility shall not have their customers, guests and invitees use any of those facilities that they are not invited to or given permission to use such facility by the Managing Agent of the Project.

3. The operators of the facilities, their customers, guests and invitees will be required to observe these Rules, Declaration and By Laws.

**E. COMMON AREAS AND ENTRANCE OF THE PROJECT.**

1. The sidewalks, passages, lobbies, stairways and corridors must not be obstructed or used for any purpose other than ingress and egress.

2. No personal effects shall be allowed to remain in view at any of the front entrances of apartment and lanai except for lanai furniture.

3. The throwing of firecrackers and the explosion of any fireworks anywhere on the Project building grounds or within the Project buildings is expressly prohibited.

4. All occupants of apartments shall have all garbage deposited in either the trash chute or trash cans must be wrapped. Bottles, cans, boxes or any breakable, bulky or

inflammable objects shall be separated as required by the garbage collector. All newspapers and magazines are to be bundled before depositing them in the chute. All deposits must be made after 7:00 a.m. and before 10:00 p.m.

5. All operators of the Facilities shall provide for garbage removal and refuse pick up on a regularly scheduled basis that will be notified to the Managing Agent so as to have coordination with other types of removal services that are provided for the occupants of the apartments in the Project.

**F. INTERIORS OF APARTMENTS.**

1. All apartments shall have window drapes, venetian blinds and/or louvered blinds of white or light beige in color as seen from the project buildings' exterior. Drapes or blinds of other colors are allowed if there is a white or beige backing or coloring that is seen from the exterior. The cost of such installation shall be at the sole expense of the apartment owner. Any window tinting beyond what is provided in the Project shall require uniform standards among all owners as established by the Board.

2. As to all towels, linens and other things requiring weekly laundry service the Managing Agent will determine the feasibility and cost of having such service provided by the staff or sent out to an outside laundry service.

3. All owners will take such precautions not to cause any fire hazards within the apartment. All owners will report the malfunctioning of any fire detection device immediately to the Managing Agent for appropriate repair of such device.

**G. SWIMMING POOL.**

1. Use of the swimming pool shall be limited to the occupants and their guests. An occupant may have up to three (3) guests at any one time.

2. Pool hours are from 8:00 a.m. to 6:00 p.m. or as designated from time to time by the Board of Directors or the Managing Agent.

3. Children ten years of age and under shall not be permitted on the pool deck area unless accompanied by an adult.

4. No roughhousing is allowed in the pool or surrounding area.

5. Swimmers shall dry themselves completely before leaving the recreation deck.

6. No container, tumbler, drinking glass, or any other item made of glass shall be permitted in the vicinity of the swimming pool.

7. No person with bandages or open wounds of any type may use the pool.

8. Persons with long hair (shoulder length or longer) shall bear bathing caps in the pool if required by the Board of Directors or the Managing Agent.

#### **H. OTHER AMENITIES OF THE PROJECT.**

1. The Managing Agent shall post the times when other amenities of the Project shall be available for the use of occupants of the Project.

2. The fitness center and game rooms shall post such regulations as to the use of such facilities and the hours when it shall be available for the use of the occupants of the Project.

3. The library and chapel shall also have times set forth when it can be utilized by the occupants of the Project and the conditions of such use.

4. If there is disagreement as to the times when such amenities shall be open for use and the reasonable use for the same, the Association may have the Board of Directors of the Association to resolve the matter in issue and if it cannot be resolved, then the matter will be taken up at the Association meeting for its action on the issue concerned.

#### **I. PARKING AREAS.**

##### **1. Guest Parking.**

a. The guest parking will be so designated for the Project and it shall be available for use by the guests for the occupants of the Project.

b. The Managing Agent with the approval of the Board of Directors may set charges for the use of the guest parking.

2. Condominium Parking.

There are two (2) levels of basement parking stalls for apartment owners and guests and the parking stalls on the ground floor shall be under the jurisdiction and control of the Association. The following shall be observed by the occupants of the apartments.

a. Owners and occupants shall advise the Managing Agent in writing of the type of vehicle and license number being used by himself, his lessee or guest.

b. Motor vehicles shall be centered in parking spaces so as to prevent crowding of adjacent spaces and/or blocking of passages.

c. Violators of parking regulations shall have their motor vehicles towed away at their own expense. If the violator is a lessee or guest of an owner, the owner shall be held responsible.

d. Occupants' washing, cleaning or polishing motor vehicles on the Project premises shall be in an area designated by the Managing Agent and the occupant shall clean the area thoroughly before leaving. Car washing must be performed in a manner such that no excessive water spilling occurs.

e. No repairs of a motor vehicle, boat, surfboard or other equipment shall be permitted on the Project premises.

f. The Managing Agent may cause a parking pool to be established for those apartments that require parking and provide for monthly parking charges to defray the cost of maintenance of the parking area.

g. All occupants who park motor vehicles in the parking stalls shall have current safety stickers and will clean and maintain their parking stalls from any oil or other leakages caused by the motor vehicles. After ten (10) days written notice to occupant and owner, if such clean up is not done, then the Managing Agent may have it cleaned and assess the occupant and owner the cost of such clean up.

h. On all tandem parking stalls the Managing Agent may provide reasonable rules to facilitate the movement of the motor vehicles.

**J. NOISE.**

1. Excessive noises of any type are prohibited at any time.

2. No workmen are allowed in the Project buildings before 8:00 a.m., or after 5:00 p.m. during each day of the week excluding Sundays, except in an emergency.

3. Radios, T.V.'s, stereos, etc. are to be played at reduced volume after 10:00 p.m. and before 8:00 a.m. in the morning.

**K. BUILDING MODIFICATIONS.**

1. No structural changes of any type shall be permitted either within or without an apartment except in accordance with the By-Laws of the Association.

2. No awnings, shades, windbreaks, or any other similar device which is visible from the exterior of the Project buildings shall be installed without the prior approval of the Board of Directors.

3. No signs, signals or lettering shall be inscribed or exposed on any part of the Project buildings, nor shall anything be projected out of any window or off any lanai or deck, without the prior approval of the Board of Directors except for the building and restaurant signs and the temporary sales and marketing signs for the Developer and its Broker.

4. No projections shall extend through any door or window opening into any corridor or beyond the exterior face of the Project buildings.

5. No radio or TV antenna shall be erected or maintained outside the physical confines of any apartment.

6. No additions or alterations to the original design of any apartment will be permitted which are visible from the exterior of the Project buildings.

**L. GENERAL.**

1. Furniture placed in common areas are for use in those specific areas and must not be moved therefrom.

2. Maintenance personnel shall not be asked to do work within the area of any apartment or asked to leave the Project premises for any reason.

3. No solicitation or canvassing shall be allowed in the Project building at any time.

4. Advance notice must be given to the Managing Agent when household goods or large items of furniture are to be moved in order that the elevators can be protected by pads and proper scheduling of their use can be made.

5. The Managing Agent shall not be required to give anyone access to any apartments or lockers without the written permission of the apartment owner.

6. Apartment owners shall file their name, address, phone number and signature with the Management Agent.

7. Owners and occupants shall observe and adhere to these Rules and ensure that their lessees, guests and customers shall observe and adhere to these Rules. Each owner will be responsible for their lessees, guests and customers' observance of all these Rules as set forth herein. In the event expenses are incurred due to violations of the Rules, then the Owner shall be responsible for the payment of the same.

**M. AMENDMENT OF THESE RULES.**

1. It is provided in Article V, Section 4 of the By Laws that these Rules may be amended from time to time by the Board of Directors upon giving notice to apartment owners affected by giving 14 days written notice in the same manner as provided in Article I, Section 5 of the By Laws and giving the owners an opportunity to be heard before the adoption, amendment or repeal of the Rules.

**N. THE VIOLATION OF ANY HOUSE RULES ADOPTED BY THE ASSOCIATION OF APARTMENT OWNERS OF ONE KALAKAUA SENIOR LIVING SHALL GIVE THE BOARD OF DIRECTORS OR ITS AGENT THE RIGHT TO:**

1. ENTER THE APARTMENT IN WHICH, OR AS TO WHICH SUCH VIOLATION OR BREACH EXISTS AND TO SUMMARILY ABATE AND REMOVE, AT THE EXPENSE OF THE DEFAULTING APARTMENT OWNER, ANY STRUCTURE, THING OR CONDITION THAT MAY EXIST THEREIN CONTRARY TO THE INTENT AND MEANING OF THE PROVISIONS HEREOF AND THE BOARD OF DIRECTORS OF THE MANAGING AGENT SHALL NOT THEREBY BE DEEMED GUILTY IN ANY MANNER OF TRESPASS: OR

2. TO ENJOIN, ABATE OR REMEDY BY APPROPRIATE LEGAL PROCEEDINGS, EITHER AT LAW OR IN EQUITY, THE CONTINUANCE OF ANY SUCH BREACH, AND ALL COSTS THEREOF, INCLUDING ATTORNEYS' FEES, SHALL BE BORNE BY THE DEFAULTING APARTMENT OWNER.

Adopted at Honolulu, Hawaii, this \_\_\_\_\_ day of  
\_\_\_\_\_, 1993.

ASSOCIATION OF APARTMENT OWNERS  
OF ONE KALAKAUA SENIOR LIVING

By ONE KALAKAUA PARTNERS, a  
Hawaii General Partnership

Per \_\_\_\_\_  
IRA YOUNG,  
Its Managing Partner

General Partner

EXHIBIT "I"  
**ONE KALAKAUA**  
*Scenic Living*

**PARKING ASSIGNMENT**

<u>UNIT NO.</u>	<u>UNIT TYPE</u>	<u>UNIT SIZE</u>	<u>STALL NO.</u>	<u>UNIT NO.</u>	<u>UNIT TYPE</u>	<u>UNIT SIZE</u>	<u>STALL NO.</u>	<u>UNIT NO.</u>	<u>UNIT TYPE</u>	<u>UNIT SIZE</u>	<u>STALL NO.</u>
401	2/2	843	1024	801	2/2	843	2089	1201	2/2	843	2088
402	2/2	843	1023	802	2/2	843	2031	1202	2/2	843	2087
403	2/1	761	1022	803	2/1	761	2030	1203	2/1	761	2078
404	2/1	722	1021	804	2/1	722	2027	1204	2/1	722	2079
405	2/1	717	1020	805	2/1	717	2026	1205	2/1	717	2080
406	2/1	717	1019	806	2/1	717	2025	1206	2/1	717	2081
407	2/1	784	1017	807	2/1	784	2024	1207	2/1	784	2082
408	2/1	784	1016	808	2/1	784	2023	1208	2/1	784	2083
409	1/1	591	016	809	1/1	591	2102	1209	1/1	591	1064
410	2/2	877	1015	810	2/2	877	2022	1210	2/2	877	2084
411	2/2	887	1014	811	2/2	887	2021	1211	2/2	887	2085
412	2/2	872	1013	812	2/2	872	2020	1212	2/2	872	2077
413	2/2	954	1012	813	2/2	954	2015	1213	2/2	954	2086
414	1/1	489	017	814	1/1	489	2103	1214	1/1	489	1050
501	2/2	843	1011	901	2/2	843	2019	1401	2/2	843	2043
502	2/2	843	1010	902	2/2	843	2018	1402	2/2	843	2045
503	2/1	761	1009	903	2/1	761	2017	1403	2/1	761	2075
504	2/1	722	1008	904	2/1	722	2016	1404	2/1	722	2029
505	2/1	717	1007	905	2/1	717	2013	1405	2/1	717	2033
506	2/1	717	1006	906	2/1	717	2012	1406	2/1	717	2047
507	2/1	784	1005	907	2/1	784	2011	1407	2/1	784	2099
508	2/1	784	1004	908	2/1	784	2010	1408	2/1	784	2095
509	1/1	591	2048	909	1/1	591	1030	1409	1/1	591	1026
510	2/2	877	1003	910	2/2	877	2009	1410	2/2	877	2041
511	2/2	887	1066	911	2/2	887	2008	1411	2/2	887	2039
512	2/2	872	1067	912	2/2	872	2007	1412	2/2	872	2037
513	2/2	954	1068	913	2/2	954	2006	1413	2/2	954	2035
514	1/1	489	2076	914	1/1	489	1083	1414	1/1	489	1082
601	2/2	843	1069	1001	2/2	843	2005	1501	2/2	843	2050
602	2/2	843	1070	1002	2/2	843	2004	1502	2/2	843	2052
603	2/1	761	1071	1003	2/1	761	2003	1503	2/1	761	2054
604	2/1	722	1072	1004	2/1	722	2002	1504	2/1	722	2056
605	2/1	717	1073	1005	2/1	717	2001	1505	2/1	717	2058
606	2/1	717	1074	1006	2/1	717	2115	1506	2/1	717	2060
607	2/1	784	1075	1007	2/1	784	2114	1507	2/1	784	2062
608	2/1	784	1065	1008	2/1	784	2113	1508	2/1	784	2064
609	1/1	591	2014	1009	1/1	591	1081	1509	1/1	591	1027
610	2/2	877	1063	1010	2/2	877	2112	1510	2/2	877	2066
611	2/2	887	1034	1011	2/2	887	2111	1511	2/2	887	2068
612	2/2	872	1045	1012	2/2	872	2110	1512	2/2	872	1062
613	2/2	954	1046	1013	2/2	954	2109	1513	2/2	954	1077
614	1/1	489	2074	1014	1/1	489	1080	1514	1/1	489	1025
701	2/2	843	1047	1101	2/2	843	2108				
702	2/2	843	1048	1102	2/2	843	2107				
703	2/1	761	1049	1103	2/1	761	2106	1603	2/1	761	1002A
704	2/1	722	1028	1104	2/1	722	2105	1604	2/1	722	1001A
705	2/1	717	1029	1105	2/1	717	2104	1605	2/1	717	1060
706	2/1	717	1031	1106	2/1	717	2097	1606	2/1	717	1059
707	2/1	784	1032	1107	2/1	784	2096	1607	2/1	784	1058
708	2/1	784	1033	1108	2/1	784	2093	1608	2/1	784	1057
709	1/1	591	2100	1109	1/1	591	1079	1609	1/1	591	1056
710	2/2	877	2073	1110	2/2	877	2092	1610	2/2	877	1055
711	2/2	887	2072	1111	2/2	887	2091	1611	2/2	887	1054
712	2/2	872	2071	1112	2/2	872	2090	1612	2/2	872	1053
713	2/2	954	2070	1113	2/2	954	2089	1613	2/2	954	1052
714	1/1	489	2101	1114	1/1	489	1078	1614	1/1	489	1051