CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer HARBOR COURT DEVELOPERS
Address 841 Bishop Street, Suite 2300, Honolulu, Hawaii 96813

Project Name(*): HARBOR COURT
Address: 66 Queen Street, Honolulu, Hawaii 96813

Registration No. 2897

Effective date: July 19, 1993
Expiration date: August 19, 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: (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 by the developer 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.
[ ] This report supersedes all prior public reports.
[ ] This report must be read together with _____

___ SUPPLEMENTARY: (pink) This report updates information contained in the:
[ ] 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

FORM: RECO-30 286/986/189/1190/892

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

Summary of Changes from Earlier Public Reports:

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

[X] No prior reports have been issued by the developer.

[ ] Changes made are as follows:

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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:

Harbor Court Developers
Name

Phone: 539-9600 **(Business)**

841 Bishop Street, Suite 2300
Business Address
Honolulu, Hawaii 96813

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

The Beam Harbor Venture is the general partner. It is a general partnership consisting of McCormack Harbor Properties Ltd. and Bradley Harbor Holdings, Ltd. The President of McCormack Harbor Properties, Ltd. is Michael T. McCormack. The President of Bradley Harbor Holdings, Ltd. is Richard J. Bradley.

Real Estate Broker:

McCormack Real Estate dba
Name Coldwell Banker McCormack Real Estate

Phone: 539-9600 **(Business)**

841 Bishop Street, Suite 2300
Business Address
Honolulu, Hawaii 96813

Escrow:

Title Guaranty Escrow Services, Inc.
Name

Phone: 521-0211 **(Business)**

235 Queen Street
Business Address
Honolulu, Hawaii 96813

General Contractor:

M.A. Mortenson & Company
Name

Phone: 524-5655 **(Business)**

821 Bethel Street
Business Address
Honolulu, Hawaii 96813

Condominium Managing Agent:

Hawaiiana Management Company, Ltd.
Name

Phone: 528-3800 **(Business)**

1270 Ala Moana Boulevard
Business Address
Honolulu, Hawaii 96814

Attorney for Developer:

Jeffrey S. Grad
Name

Phone: 521-4757 **(Business)**

841 Bishop St., Suite 2001
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:

[X] Proposed
[ ] Recorded - Bureau of Conveyances: Document No._____
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:

[X] Proposed
[ ] Recorded - Bureau of Conveyances Condo Map No. _____
[ ] 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:

[X] Proposed
[ ] Recorded - Bureau of Conveyances: Document No._____
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:

[X] 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:

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%*	75%
Bylaws	65%	65%
House Rules	—	Board of Directors

* 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.

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

See attached Exhibit "C"

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

[ ] Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.

[ ] Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

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

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

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

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

For Subleaseholds:

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

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

[X] 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 D 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: eighty (80) years after Commencement Date (estimated to begin on July 1, 1993)
Rent Renegotiation Date(s): At the beginning of the five (5) successive ten (10) year periods which follow the initial thirty (30) years of the term

Lease Rent Payable: [X] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

Exhibit B contains a schedule of the lease rent for each apartment per [X]* Month [X]** Year

* (at commencement of lease)
** (from commencement to end of 30th 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: 66 Queen Street, Honolulu, Hawaii

Tax Map Key: (1) 2-1-02: por 56 and 20 (TMK)

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

Land Area: 57,673 [x] square feet [ ] acre(s) Zoning: BMX-4

Lessor
(Fee Owner): City and County of Honolulu
Name
650 S. King Street
Address
Honolulu, Hawaii

Sublessor: The Beam Harbor Venture
Name
841 Bishop Street, Suite 2300
Address
Honolulu, Hawaii 96813

C. **Buildings and Other Improvements:**

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

2. Number of Buildings: 2 Floors Per Building Office Tower: 18
Residential Tower: 28
Pedestal Structure: 12

[X] Exhibit E contains further explanations.

3. Principal Construction Material:

[X] Concrete [ ] Hollow Tile [ ] Wood

[X] Other steel, aluminum, glass and allied building materials

4. Permitted Uses by Zoning: NOTE: Zoning is BMX4 which allows for mixed residential and commercial uses.

	No. of Apts.	Use Permitted By Zoning			No. of Apts.	Use Determined By Zoning
[ ] Residential		[ ] Yes	[ ] No	[ ] Ohana	-0-	[ ] Yes [ ] No
[X] Commercial	18	[X] Yes	[ ] No	[ ] Industrial	-0-	[ ] Yes [ ] No
[X] Mix Res/Comm	120	[X] Yes	[ ] No	[ ] Agricultural	-0-	[ ] Yes [ ] No
[ ] Hotel		[ ] Yes	[ ] No	[ ] Recreational	-0-	[ ] Yes [ ] No
[ ] Timeshare	-0-	[ ] Yes	[ ] No	[X] Other: (Management(2), Retail(3), Restaurant(2), Parking (3))	10	[X] Yes [ ] No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?
[X] Yes [ ] No

5. Special Use Restrictions:

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

[X] Pets: House Rules allow ordinary household pets and guide or signal dogs

[X] Number of Occupants: As permitted under the City and County Ordinances

[X] Other: See House Rules

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 13 Stairways: 3 Trash Chutes: 1

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
SEE ATTACHED EXHIBIT "A" (as to foregoing items other than quantity of Unit type and EXHIBIT "A-1" (as to quantity of Unit types)				

Total Apartments: 148

*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 attached Exhibit "F"

Permitted Alterations to Apartments:

See attached Exhibit "G"

7. Parking Stalls:

Total Parking Stalls: 1048 (145 available to Residential Apartments)

	Regular		Compact		Tandem		
	covered	open	covered	open	covered	open	TOTAL
Assigned (for each unit)	67	0	47	0	16(Std) 15(Cmpt)	0	145
Guest **		0		0		0	
Unassigned		0		0		0	
Extra for Purchase *		0		0		0	
Other:		0		0		0	
Total Covered & Open	145		0		145		

* At Developer's option, extra stalls may be available for purchase.

** Available in Commercial Parking and City and County parking facility at Project

Each apartment will have the exclusive use of at least one(1) **parking stall(s). Buyers are encouraged to find out which stall(s) will be available for their use.**

[X] **Commercial parking garage permitted in condominium project.** (For description of Parking Apartments and Residential Parking Stalls - see Exhibits "H" and "H-1")

[X] **Exhibit** H-2 **contains additional information on parking stalls for this condominium project.**

8. Recreational and Other Common Facilities:

[ ] **There are no recreational or common facilities.**

[X] **Swimming pool** and Spa

[ ] **Storage Area**

[X] **Recreation Area**

[ ] **Laundry Area**

[ ] **Tennis Court**

[ ] **Trash Chute**

[X] **Other:** waterscape areas, pond areas and gardens, recreation deck, recreation room, exercise room and all toilet and restroom facilities not located within an Apartment

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

[X] **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. [X] 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.

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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:

[X] described in Exhibit I.

[ ] 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.

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

[X] described in Exhibit J.

[ ] as follows:

NOTE: Each apartment is also included within one or more Apartment classes and is allocated within such class a "limited common interest" which is used to determine each apartment's share of the maintenance fee and other common profits and expenses of the class limited common elements. For breakdown, see Exhibit "A".

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:

[X] described in Exhibit A.

[ ] 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 K describes the encumbrances against the title contained in the title report dated June 18, 1993 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

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

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

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

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

Type of Lien	Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage	If the Developer defaults before the Apartment is conveyed to Buyer, the Mortgagee will have the right to decide whether to sell the apartment to the buyer under the Sales Contract. If Buyer's interest is terminated by Mortgagee, Buyer's deposit will be refunded less escrow cancellation fee.

F. Construction Warranties:

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

1. Building and Other Improvements:

Upon completion of construction of the Project, the warranty begins. Seller warrants that Section 12.2.2 of the Construction Contract for the Project contains a clause which provides in pertinent part that: "If within one year from the date of Substantial Completion of the Work ... any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition."

2. Appliances:

The Developer will assign to buyers the unexpired term, of any, of any manufacturer's or dealer's warranties covering any fixtures or appliances in the apartment. By such assignment, the Developer will be merely passing through to buyers any such manufacturer's or dealer's warranties, and the Developer will not be adopting any such warranties or acting as co-warrantor. Purchaser will be asked to acknowledge and agree that THE DEVELOPER IS NOT ADOPTING ANY SUCH CONTRACTOR'S, MANUFACTURER'S OR DEALER'S WARRANTIES, OR ACTING AS CO-WARRANTOR, BUT IS MERELY ATTEMPTING TO PASS THROUGH TO PURCHASER THE BENEFIT OF ANY SUCH WARRANTIES.

G. **Status of Construction and Estimated Completion Date:**

Construction began in January 1992 and, subject to events beyond Developer's control, is estimated to be completed in June, 1994.

H. **Project Phases:**

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

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

Developer has reserved the right to further subdivide and to combine and merge the non-Residential Apartments in the Project.

IV. CONDOMINIUM MANAGEMENT

A. 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 condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium 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 condominium managing agent for this project, named on page five (5) of this report, is:

[ ] not affiliated with the Developer
[ ] self-managed by the Association of Apartment Owners
[X] the Developer or the Developer's affiliate.
[ ] other _____

B. 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.

Exhibit N contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change). Estimated allocation for each apartment is in Exhibit "A".

SEE ATTACHED DISCLOSURE ABSTRACT - EXHIBIT N

C. 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:

(Common Elements Only)

[ ] None [X] Electricity [ ] Gas [X] Water

[X] Sewer [ ] Television Cable [X] Other Telephone (Elevators & security systems)

SEE ATTACHED DISCLOSURE ABSTRACT - EXHIBIT N

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:

[X] Notice to Owner Occupants

[X] Specimen Sales Contract
Exhibit L contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated May 20, 1993
Exhibit M 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. 2897 filed with the Real Estate Commission on July 2,1993.

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

[X] yellow paper stock [ ] white paper stock [ ] pink paper stock

C. Additional Information Not Covered Above

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.

HARBOR COURT DEVELOPERS
Name of Developer

By _____ June 25, 1993
Duly Authorized Signatory Date

G. Scott McCormack, Vice President, McCormack Harbor Properties, Ltd.
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"
HARBOR COURT RESIDENTIAL APT. SUMMARY

APT NO.	BED/ BATHS	APT TYPE	APPROXIMATE NET FLOOR AREA IN SQ. FT. LIVING	LANAI	PATIO	TOTAL	NO. OF P'KNG STALLS	RESIDENTIAL CLASS LTD. COMMON INTEREST	PARKING CLASS LTD. COMMON INTEREST	** AOAO COMMON INTEREST	BUDGETED MAINT * FEE	PARKING MAINT * FEE	BASIC LEASE RENT CHARGES	PARKING LEASE RENT CHARGES	TOTAL MONTHLY UNIT * CHARGES
14 A	2/2	A	1,433	242		1,675	12	0.00845580	0.01175368	0.0051833	434.36	261.42	490.74	294.84	1,481.36
14 B	2/2	BP	1,310	228	500	2,038	1	0.00773030	0.00097947	0.0031084	397.09	21.79	619.83	24.57	1,063.28
14 E	2/2	EP	1,541	292		1,833	1	0.00909310	0.00097947	0.0036275	467.09	21.79	527.71	24.57	1,041.16
15 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
15 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
15 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
15 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
15 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.2	24.57	1,051.49
16 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
16 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
16 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
16 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
16 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.20	24.57	1,051.49
17 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
17 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
17 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
17 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
17 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.2	24.57	1,051.49
18 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
18 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
18 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
18 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
18 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.2	24.57	1,051.49
19 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
19 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
19 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
19 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
19 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.2	24.57	1,051.49
20 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
20 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
20 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
20 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.9	24.57	888.82
20 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.20	24.57	1,051.49

Note 1: Units 14B, 15B & 16B are Handicap Units meeting the City & County of Honolulu requirements.

* The Monthly Fees listed above are estimated and are subject to change.

** The common interest shown includes each Residential Apt.'s share of (i) the total 38.10% common interest allocated to the Residential Apt. Class and (ii) the total 2.3708% common interest allocated to the Residential Apts. as their share of the common interest allocated to the Parking Apt. Class (each Residential Apt. is also included within the Parking Apt. Class.)

EXHIBIT "A"
HARBOR COURT RESIDENTIAL APT. SUMMARY

APT NO.	BED/ BATHS	APT TYPE	APPROXIMATE NET FLOOR AREA IN SQ. FT.				NO. OF P'KNG STALLS	RESIDENTIAL CLASS LTD. COMMON INTEREST	PARKING CLASS LTD. COMMON INTEREST	** ADAO COMMON INTEREST	BUDGETED MAINT * FEE	PARKING MAINT * FEE	BASIC LEASE RENT CHARGES	PARKING LEASE RENT CHARGES	TOTAL MONTHLY UNIT * CHARGES
			LIVING	LANAI	PATIO	TOTAL									
21 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
21 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
21 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
21 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
21 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.20	24.57	1,051.49
22 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
22 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
22 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
22 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
22 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.20	24.57	1,051.49
23 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
23 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
23 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
23 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
23 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.20	24.57	1,051.49
24 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
24 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
24 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
24 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
24 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.20	24.57	1,051.49
25 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
25 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
25 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
25 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
25 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.20	24.57	1,051.49
26 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
26 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
26 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
26 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
26 E	2/2	E	1,557	162		1,719	1	0.00918730	0.00097947	0.0036634	471.93	21.79	533.20	24.57	1,051.49
27 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
27 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
27 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82

Note 1: Units 14B, 15B & 16B are Handicap Units meeting the City & County of Honolulu requirements.

* The Monthly Fees listed above are estimated and are subject to change.

** The common interest shown includes each Residential Apt.'s share of (i) the total 38.10% common interest allocated to the Residential Apt. Class and (ii) the total 2.3708% common interest allocated to the Residential Apts. as their share of the common interest allocated to the Parking Apt. Class (each Residential Apt. is also included within the Parking Apt. Class.)

EXHIBIT "A"
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APT NO.	BED/ BATHS	APT TYPE	APPROXIMATE NET FLOOR AREA IN SQ. FT.				NO. OF P'KNG STALLS	RESIDENTIAL CLASS LTD. COMMON INTEREST	PARKING CLASS LTD. COMMON INTEREST	** AOAO COMMON INTEREST	BUDGETED MAINT * FEE	PARKING MAINT * FEE	BASIC LEASE RENT CHARGES	PARKING LEASE RENT CHARGES	TOTAL MONTHLY UNIT * CHARGES
			LIVING	LANAI	PATIO	TOTAL									
27 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
27 E	2/2	E	1557	162		1719	1	0.91873%	0.097947%	0.366342%	471.93	21.79	533.20	24.57	1051.49
28 A	2/2	A	1433	242		1675	1	0.84558%	0.097947%	0.338476%	434.36	21.79	490.74	24.57	971.46
28 B	2/2	B	1305	162		1467	1	0.77005%	0.097947%	0.309702%	395.56	21.79	446.90	24.57	888.82
28 C	2/2	C	1305	162		1467	1	0.77005%	0.097947%	0.309702%	395.56	21.79	446.90	24.57	888.82
28 D	2/2	D	1305	162		1467	1	0.77005%	0.097947%	0.309702%	395.56	21.79	446.90	24.57	888.82
28 E	2/2	EE	1717			1717	1	1.01316%	0.097947%	0.402315%	520.44	21.79	587.99	24.57	1154.79
29 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
29 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
29 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
29 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
29 E	2/2	EE	1,717			1,717	1	0.01013160	0.00097947	0.0040232	520.44	21.79	587.99	24.57	1,154.79
30 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
30 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
30 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
30 D	2/2	D	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
30 E	2/2	EE	1,717			1,717	1	0.01013160	0.00097947	0.0040232	520.44	21.79	587.99	24.57	1,154.79
31 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
31 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
31 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
31 D	2/2	DD	1,462			1,462	1	0.00862690	0.00097947	0.0034499	443.14	21.79	500.67	24.57	990.17
31 E	2/2	EE	1,717			1,717	1	0.01013160	0.00097947	0.0040232	520.44	21.79	587.99	24.57	1,154.79
32 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
32 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
32 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
32 D	2/2	DD	1,462			1,462	1	0.00862690	0.00097947	0.0034499	443.14	21.79	500.67	24.57	990.17
PH32 E	2/2	PHEE	1,717			1,717	2	0.01013160	0.00195895	0.0041867	520.44	43.57	587.99	49.14	1,201.14
33 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
33 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
33 C	2/2	C	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
33 D	2/2	DD	1,462			1,462	1	0.00862690	0.00097947	0.0034499	443.14	21.79	500.67	24.57	990.17
34 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
34 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82

Note 1: Units 14B, 15B & 16B are Handicap Units meeting the City & County of Honolulu requirements.

* The Monthly Fees listed above are estimated and are subject to change.

** The common interest shown includes each Residential Apt.'s share of (i) the total 38.10% common interest allocated to the Residential Apt. Class and (ii) the total 2.3708% common interest allocated to the Residential Apts. as their share of the common interest allocated to the Parking Apt. Class (each Residential Apt. is also included within the Parking Apt. Class.)

EXHIBIT "A"
HARBOR COURT RESIDENTIAL APT. SUMMARY

APT NO.	BED/ BATHS	APT TYPE	APPROXIMATE NET FLOOR AREA IN SQ. FT.				NO. OF P'KNG STALLS	RESIDENTIAL CLASS LTD. COMMON INTEREST	PARKING CLASS LTD. COMMON INTEREST	** ADAO COMMON INTEREST	BUDGETED MAINT * FEE	PARKING MAINT * FEE	BASIC LEASE RENT CHARGES	PARKING LEASE RENT CHARGES	TOTAL MONTHLY UNIT * CHARGES
			LIVING	LANAI	PATIO	TOTAL									
34 C	2/2	CC	1,462			1,462	1	0.00862690	0.00097947	0.0034499	443.14	21.79	500.67	24.57	990.17
34 D	2/2	PHDD	1,569			1,569	2	0.00925830	0.00195895	0.0038540	475.58	43.57	537.31	49.14	1,105.60
35 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
35 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
35 C	2/2	CC	1,462			1,462	1	0.00862690	0.00097947	0.0034499	443.14	21.79	500.67	24.57	990.17
PH 35 D	2/2	PHDD	1,569			1,569	2	0.00925830	0.00195895	0.0038540	475.58	43.57	537.31	49.14	1,105.60
36 A	2/2	A	1,433	242		1,675	1	0.00845580	0.00097947	0.0033848	434.36	21.79	490.74	24.57	971.46
36 B	2/2	B	1,305	162		1,467	1	0.00770050	0.00097947	0.0030970	395.56	21.79	446.90	24.57	888.82
36 C	2/2	CC	1,462			1,462	1	0.00862690	0.00097947	0.0034499	443.14	21.79	500.67	24.57	990.17
37 A	2/2	AA	1,661			1,661	2	0.00980110	0.00195895	0.0040608	503.46	43.57	568.81	49.14	1,164.98
37 B	2/2	BB	1,462			1,462	1	0.00862690	0.00097947	0.0034499	443.14	21.79	500.67	24.57	990.17
37 C	2/2	CC	1,462			1,462	2	0.00862690	0.00195895	0.0036134	443.14	43.57	500.67	49.14	1,036.52
38 A	2/2	AA	1,661			1,661	2	0.00980110	0.00195895	0.0040608	503.46	43.57	568.81	49.14	1,164.98
38 B	2/2	BB	1,462			1,462	2	0.00862690	0.00195895	0.0036134	443.14	43.57	500.67	49.14	1,036.52
PH38 C	2/2	PHCC	1,462			1,462	2	0.00862690	0.00195895	0.0036134	443.14	43.57	500.67	49.14	1,036.52
PH39 A	2/2	AA	1,661			1,661	2	0.00980110	0.00195895	0.0040608	503.46	43.57	568.81	49.14	1,164.98
PH39 B	2/2	BB	1,462			1,462	2	0.00862690	0.00195895	0.0036134	443.14	43.57	500.67	49.14	1,036.52
PH40 A	2/2	AA	1,661			1,661	2	0.00980110	0.00195895	0.0040608	503.46	43.57	568.81	49.14	1,164.98
PH40 B	2/2	BB	1,462			1,462	2	0.00862690	0.00195895	0.0036134	443.14	43.57	500.67	49.14	1,036.52
PH41 A	2/2	PHAA	1,661			1,661	2	0.00980110	0.00195895	0.0040608	503.46	43.57	568.81	49.14	1,164.98
PH41 B	2/2	PHBB	1,462			1,462	2	0.00862690	0.00195895	0.0036134	443.14	43.57	500.67	49.14	1,036.52
TOTAL			169,470	17,426	500	187,396	145	1.00000000	0.14202371	0.4046598	51,367.81	3,159.35	58,206.79	3,562.65	116,296.74

Note 1: Units 14B, 15B & 16B are Handicap Units meeting the City & County of Honolulu requirements.

* The Monthly Fees listed above are estimated and are subject to change.

** The common interest shown includes each Residential Apt.'s share of (i) the total 38.10% common interest allocated to the Residential Apt. Class and (ii) the total 2.3708% common interest allocated to the Residential Apts. as their share of the common interest allocated to the Parking Apt. Class (each Residential Apt. is also included within the Parking Apt. Class.)

EXHIBIT A

HARBOR COURT COMMERCIAL APT. SUMMARY

OFFICE APARTMENTS CLASS COMMON INTEREST	APT NO.	FLOOR AREA IN SQ. FT. INTERIOR	PATIO	TOTAL	SALES PRICE	OFFICE CLASS LTD. COMMON INTEREST	AOAO COMMON INTEREST	BUDGETED MAINT FEE CHARGES	BUDGETED LEASE RENT CHARGES	TOTAL BUDGETED MONTHLY CHARGES
Office Floor No. 14	OFFICE 14	10,668		10,668		5.73123%	2.39806%	8,536.09	4,247.87	12,783.96
Office Floor No. 15	OFFICE 15	10,723		10,723		5.76078%	2.41042%	8,580.11	4,269.78	12,849.89
Office Floor No. 16	OFFICE 16	10,723		10,723		5.76078%	2.41042%	8,580.11	4,269.78	12,849.89
Office Floor No. 17	OFFICE 17	10,723		10,723		5.76078%	2.41042%	8,580.11	4,269.78	12,849.89
Office Floor No. 18	OFFICE 18	10,723		10,723		5.76078%	2.41042%	8,580.11	4,269.78	12,849.89
Office Floor No. 19	OFFICE 19	10,723		10,723		5.76078%	2.41042%	8,580.11	4,269.78	12,849.89
Office Floor No. 20	OFFICE 20	10,284		10,284		5.52493%	2.31174%	8,228.83	4,094.97	12,323.80
Office Floor No. 21	OFFICE 21	10,284		10,284		5.52493%	2.31174%	8,228.83	4,094.97	12,323.80
Office Floor No. 22	OFFICE 22	10,284		10,284		5.52493%	2.31174%	8,228.83	4,094.97	12,323.80
Office Floor No. 23	OFFICE 23	10,026		10,026		5.38636%	2.25376%	8,022.44	3,992.26	12,014.70
Office Floor No. 24	OFFICE 24	10,544		10,544		5.66462%	2.37019%	8,436.88	4,198.50	12,635.38
Office Floor No. 25	OFFICE 25	10,544		10,544		5.66462%	2.37019%	8,436.88	4,198.50	12,635.38
Office Floor No. 26	OFFICE 26	10,544		10,544		5.66462%	2.37019%	8,436.88	4,198.50	12,635.38
Office Floor No. 27	OFFICE 27	10,544		10,544		5.66462%	2.37019%	8,436.88	4,198.50	12,635.38
Office Floor No. 28	OFFICE 28	10,544		10,544		5.66462%	2.37019%	8,436.88	4,198.50	12,635.38
Office Floor No. 29	OFFICE 29	9,419		9,419		5.06021%	2.11729%	7,536.67	3,750.50	11,287.17
Office Floor No. 30	OFFICE 30	9,419		9,419		5.06021%	2.11729%	7,536.67	3,750.50	11,287.17
Office Floor No. 31	OFFICE 31	9,419		9,419		5.06021%	2.11729%	7,536.67	3,750.50	11,287.17
	18	186,138		186,138		100.00000%	41.84197%	148,939.98	74,117.94	223,057.92

RETAIL APARTMENTS CLASS COMMON INTEREST	APT NO.	FLOOR AREA IN SQ. FT. INTERIOR	PATIO	TOTAL	SALES PRICE	RETAIL CLASS COMMON INTEREST	MASTER AOAO COMMON INTEREST	BUDGETED MAINT FEE CHARGES	BUDGETED LEASE RENT CHARGES	TOTAL BUDGETED MONTHLY CHARGES
Retail Space No. 1	RETAIL 1	1,985		1,985		45.57979%	0.44621%	2,231.12	790.40	3,021.52
Retail Space No. 2	RETAIL 2	990		990		22.73249%	0.22254%	1,112.75	394.21	1,506.96
Retail Space No. 3	RETAIL 3	1,380		1,380		31.68772%	0.31021%	1,551.11	549.50	2,100.61
TOTAL	3	4,355		4,355		100.00000%	0.97896%	4,894.98	1,734.11	6,629.09

RESTAURANT APARTMENTS CLASS COMMON INTEREST	APT NO.	FLOOR AREA IN SQ. FT. INTERIOR	FOYER	TOTAL	SALES PRICE	RESTAURANT CLASS COMMON INTEREST	MASTER AOAO COMMON INTEREST	BUDGETED MAINT FEE CHARGES	BUDGETED LEASE RENT CHARGES	TOTAL BUDGETED MONTHLY CHARGES
Restaurant Space No. 1	REST 1	6,511	767	7,278		73.09160%	1.63613%	5,745.90	2,898.20	8,644.10
Restaurant Space No. 2	REST 2	2,397	283	2,680		26.90840%	0.60233%	2,115.33	1,066.96	3,182.29
TOTAL	2	8,908		9,958		100.00000%	2.23846%	7,861.23	3,965.16	11,826.39

PARKING APARTMENTS CLASS COMMON INTEREST	APT NO.	FLOOR AREA IN SQ. FT. TOTAL STALLS		SQ. FEET	SALES PRICE	PARKING CLASS LTD. COMMON INTEREST	AOAO COMMON INTEREST	BUDGETED MAINT FEE CHARGES	BUDGETED LEASE RENT CHARGES	TOTAL BUDGETED MONTHLY CHARGES
Resident'l Apt Stalls P11.5-P12.5	Residential	145		10,547		14.20237%	2.37080%	3,158.84	3,562.65	6,721.49
Reserved Floors P9-P11	PARKING 1	353		24,699		33.25961%	5.55203%	7,397.48	8,674.37	16,071.85
City and County Stalls P2.5-P8	PARKING 2	458		32,048		43.15652%	7.20413%	9,598.71		9,598.71
Reserved Floors B1-P2	PARKING 3	92		6,967		9.38150%	1.56606%	2,086.60	2,260.74	4,347.34
TOTALS		1048		74,261		100.00000%	16.69302%	22,241.63	14,497.76	36,739.39

EXHIBIT A-1

HARBOR COURT
UNIT TYPES AND AREAS

APARTMENT TYPE RESIDENTIAL	NO. OF UNITS	BED/ BATH	NET LIVING /RENTABLE AREAS (SF)	LANAI/ PATIO (SF)
A	23	2/2	1,433	242
AA	4	2/2	1,661	
PHAA	1	2/2	1,661	
B	22	2/2	1,305	162
BP	1	2/2	1,310	728
BB	4	2/2	1,462	
PHBB	1	2/2	1,462	
C	19	2/2	1,305	162
CC	4	2/2	1,462	
PHCC	1	2/2	1,462	
D	16	2/2	1,305	162
DD	3	2/2	1,462	
PHDD	2	2/2	1,569	
E	13	2/2	1,557	162
EP	1	2/2	1,541	292
EE	4	2/2	1,717	
PHEE	1	2/2	1,717	
OFFICE				
01	1		10,668	
02	5		10,723	
03	3		10,284	
04	1		10,026	
05	5		10,544	
06	3		9,419	
RETAIL				
01	1		1,985	
02	1		990	
03	1		1,380	
RESTAURANT				
01	1		7,278	
02	1		2,680	
PARKING		STALLS		
01	1	353	24,699	
02	1	458	32,048	
03	1	92	6,967	
MANAGEMENT				
01	1		175	
02	1		503	
TOTALS	148			

EXHIBIT B

HARBOR COURT SUMMARY OF MONTHLY LEASE RENTS AT COMMENCEMENT OF LEASE

RESIDENTIAL APARTMENTS	APT NO.		PARKING STALLS	APT. LEASE RENT	PARKING LEASE RENT	TOTAL LEASE RENT
	14	A	12	490.74	294.84	785.58
	14	B	1	619.83	24.57	644.40
	14	E	1	527.71	24.57	552.28
	15	A	1	490.74	24.57	515.31
	15	B	1	446.90	24.57	471.47
	15	C	1	446.90	24.57	471.47
	15	D	1	446.90	24.57	471.47
	15	E	1	533.20	24.57	557.77
	16	A	1	490.74	24.57	515.31
	16	B	1	446.90	24.57	471.47
	16	C	1	446.90	24.57	471.47
	16	D	1	446.90	24.57	471.47
	16	E	1	533.20	24.57	557.77
	17	A	1	490.74	24.57	515.31
	17	B	1	446.90	24.57	471.47
	17	C	1	446.90	24.57	471.47
	17	D	1	446.90	24.57	471.47
	17	E	1	533.20	24.57	557.77
	18	A	1	490.74	24.57	515.31
	18	B	1	446.90	24.57	471.47
	18	C	1	446.90	24.57	471.47
	18	D	1	446.90	24.57	471.47
	18	E	1	533.20	24.57	557.77
	19	A	1	490.74	24.57	515.31
	19	B	1	446.90	24.57	471.47
	19	C	1	446.90	24.57	471.47
	19	D	1	446.90	24.57	471.47
	19	E	1	533.20	24.57	557.77
	20	A	1	490.74	24.57	515.31
	20	B	1	446.90	24.57	471.47
	20	C	1	446.90	24.57	471.47
	20	D	1	446.90	24.57	471.47
	20	E	1	533.20	24.57	557.77
	21	A	1	490.74	24.57	515.31
	21	B	1	446.90	24.57	471.47
	21	C	1	446.90	24.57	471.47
	21	D	1	446.90	24.57	471.47
	21	E	1	533.20	24.57	557.77
	22	A	1	490.74	24.57	515.31
	22	B	1	446.90	24.57	471.47
	22	C	1	446.90	24.57	471.47
	22	D	1	446.90	24.57	471.47
	22	E	1	533.20	24.57	557.77
	23	A	1	490.74	24.57	515.31
	23	B	1	446.90	24.57	471.47
	23	C	1	446.90	24.57	471.47
	23	D	1	446.90	24.57	471.47
	23	E	1	533.20	24.57	557.77
	24	A	1	490.74	24.57	515.31
	24	B	1	446.90	24.57	471.47
	24	C	1	446.90	24.57	471.47
	24	D	1	446.90	24.57	471.47
	24	E	1	533.20	24.57	557.77
	25	A	1	490.74	24.57	515.31
	25	B	1	446.90	24.57	471.47
	25	C	1	446.90	24.57	471.47
	25	D	1	446.90	24.57	471.47
	25	E	1	533.20	24.57	557.77

EXHIBIT B

HARBOR COURT SUMMARY OF MONTHLY LEASE RENTS AT COMMENCEMENT OF LEASE

RESIDENTIAL APARTMENTS	APT NO.	PARKING STALLS	APT. LEASE RENT	PARKING LEASE RENT	TOTAL LEASE RENT
	26 A	1	490.74	24.57	515.31
	26 B	1	446.90	24.57	471.47
	26 C	1	446.90	24.57	471.47
	26 D	1	446.90	24.57	471.47
	26 E	1	533.20	24.57	557.77
	27 A	1	490.74	24.57	515.31
	27 B	1	446.90	24.57	471.47
	27 C	1	446.90	24.57	471.47
	27 D	1	446.90	24.57	471.47
	27 E	1	533.20	24.57	557.77
	28 A	1	490.74	24.57	515.31
	28 B	1	446.90	24.57	471.47
	28 C	1	446.90	24.57	471.47
	28 D	1	446.90	24.57	471.47
	28 E	1	587.99	24.57	612.56
	29 A	1	490.74	24.57	515.31
	29 B	1	446.90	24.57	471.47
	29 C	1	446.90	24.57	471.47
	29 D	1	446.90	24.57	471.47
	29 E	1	587.99	24.57	612.56
	30 A	1	490.74	24.57	515.31
	30 B	1	446.90	24.57	471.47
	30 C	1	446.90	24.57	471.47
	30 D	1	446.90	24.57	471.47
	30 E	1	587.99	24.57	612.56
	31 A	1	490.74	24.57	515.31
	31 B	1	446.90	24.57	471.47
	31 C	1	446.90	24.57	471.47
	31 D	1	500.67	24.57	525.24
	31 E	1	587.99	24.57	612.56
	32 A	1	490.74	24.57	515.31
	32 B	1	446.90	24.57	471.47
	32 C	1	446.90	24.57	471.47
	32 D	1	500.67	24.57	525.24
	PH32 E	2	587.99	49.14	637.13
	33 A	1	490.74	24.57	515.31
	33 B	1	446.90	24.57	471.47
	33 C	1	446.90	24.57	471.47
	33 D	1	500.67	24.57	525.24
	34 A	1	490.74	24.57	515.31
	34 B	1	446.90	24.57	471.47
	34 C	1	500.67	24.57	525.24
	34 D	2	537.31	49.14	586.45
	35 A	1	490.74	24.57	515.31
	35 B	1	446.90	24.57	471.47
	35 C	1	500.67	24.57	525.24
	PH 35 D	2	537.31	49.14	586.45
	36 A	1	490.74	24.57	515.31
	36 B	1	446.90	24.57	471.47
	36 C	1	500.67	24.57	525.24
	37 A	2	568.81	49.14	617.95
	37 B	1	500.67	24.57	525.24
	37 C	2	500.67	49.14	549.81
	38 A	2	568.81	49.14	617.95
	38 B	2	500.67	49.14	549.81
	PH38 C	2	500.67	49.14	549.81
	PH39 A	2	568.81	49.14	617.95
	PH39 B	2	500.67	49.14	549.81
	PH40 A	2	568.81	49.14	617.95
	PH40 B	2	500.67	49.14	549.81
	PH41 A	2	568.81	49.14	617.95
	PH41 B	2	500.67	49.14	549.81
TOTALS	120	145	58,206.79	3,562.65	61,769.44

EXHIBIT B

HARBOR COURT SUMMARY OF ANNUAL LEASE RENTS

RESIDENTIAL APARTMENTS	APT NO.		** ANNUAL LEASE RENTS YEARS 1-10	YEARS 11-20	YEARS 21-30
	14	A	9,427	14,140	18,807
	14	B	7,733	11,599	15,427
	14	E	6,627	9,941	13,222
	15	A	6,184	9,276	12,337
	15	B	5,658	8,486	11,287
	15	C	5,658	8,486	11,287
	15	D	5,658	8,486	11,287
	15	E	6,693	10,040	13,353
	16	A	6,184	9,276	12,337
	16	B	5,658	8,486	11,287
	16	C	5,658	8,486	11,287
	16	D	5,658	8,486	11,287
	16	E	6,693	10,040	13,353
	17	A	6,184	9,276	12,337
	17	B	5,658	8,486	11,287
	17	C	5,658	8,486	11,287
	17	D	5,658	8,486	11,287
	17	E	6,693	10,040	13,353
	18	A	6,184	9,276	12,337
	18	B	5,658	8,486	11,287
	18	C	5,658	8,486	11,287
	18	D	5,658	8,486	11,287
	18	E	6,693	10,040	13,353
	19	A	6,184	9,276	12,337
	19	B	5,658	8,486	11,287
	19	C	5,658	8,486	11,287
	19	D	5,658	8,486	11,287
	19	E	6,693	10,040	13,353
	20	A	6,184	9,276	12,337
	20	B	5,658	8,486	11,287
	20	C	5,658	8,486	11,287
	20	D	5,658	8,486	11,287
	20	E	6,693	10,040	13,353
	21	A	6,184	9,276	12,337
	21	B	5,658	8,486	11,287
	21	C	5,658	8,486	11,287
	21	D	5,658	8,486	11,287
	21	E	6,693	10,040	13,353
	22	A	6,184	9,276	12,337
	22	B	5,658	8,486	11,287
	22	C	5,658	8,486	11,287
	22	D	5,658	8,486	11,287
	22	E	6,693	10,040	13,353
	23	A	6,184	9,276	12,337
	23	B	5,658	8,486	11,287
	23	C	5,658	8,486	11,287
	23	D	5,658	8,486	11,287
	23	E	6,693	10,040	13,353
	24	A	6,184	9,276	12,337
	24	B	5,658	8,486	11,287
	24	C	5,658	8,486	11,287
	24	D	5,658	8,486	11,287
	24	E	6,693	10,040	13,353
** Total Lease Rent for each Residential Apt. includes the annual lease rents for parking stalls appurtenant to such Residential Apt.	25	A	6,184	9,276	12,337
	25	B	5,658	8,486	11,287
	25	C	5,658	8,486	11,287
	25	D	5,658	8,486	11,287
	25	E	6,693	10,040	13,353

EXHIBIT B

HARBOR COURT SUMMARY OF ANNUAL LEASE RENTS

RESIDENTIAL APARTMENTS	APT NO.		** ANNUAL LEASE RENTS YEARS 1-10	YEARS 11-20	YEARS 21-30
	26	A	6,184	9,276	12,337
	26	B	5,658	8,486	11,287
	26	C	5,658	8,486	11,287
	26	D	5,658	8,486	11,287
	26	E	6,693	10,040	13,353
	27	A	6,184	9,276	12,337
	27	B	5,658	8,486	11,287
	27	C	5,658	8,486	11,287
	27	D	5,658	8,486	11,287
	27	E	6,693	10,040	13,353
	28	A	6,184	9,276	12,337
	28	B	5,658	8,486	11,287
	28	C	5,658	8,486	11,287
	28	D	5,658	8,486	11,287
	28	E	7,351	11,026	14,665
	29	A	6,184	9,276	12,337
	29	B	5,658	8,486	11,287
	29	C	5,658	8,486	11,287
	29	D	5,658	8,486	11,287
	29	E	7,351	11,026	14,665
	30	A	6,184	9,276	12,337
	30	B	5,658	8,486	11,287
	30	C	5,658	8,486	11,287
	30	D	5,658	8,486	11,287
	30	E	7,351	11,026	14,665
	31	A	6,184	9,276	12,337
	31	B	5,658	8,486	11,287
	31	C	5,658	8,486	11,287
	31	D	6,303	9,454	12,574
	31	E	7,351	11,026	14,665
	32	A	6,184	9,276	12,337
	32	B	5,658	8,486	11,287
	32	C	5,658	8,486	11,287
	32	D	6,303	9,454	12,574
	PH32	E	7,646	11,468	15,253
	33	A	6,184	9,276	12,337
	33	B	5,658	8,486	11,287
	33	C	5,658	8,486	11,287
	33	D	6,303	9,454	12,574
	34	A	6,184	9,276	12,337
	34	B	5,658	8,486	11,287
	34	C	6,303	9,454	12,574
	34	D	7,037	10,556	14,040
	35	A	6,184	9,276	12,337
	35	B	5,658	8,486	11,287
	35	C	6,303	9,454	12,574
	PH 35	D	7,037	10,556	14,040
	36	A	6,184	9,276	12,337
	36	B	5,658	8,486	11,287
	36	C	6,303	9,454	12,574
	37	A	7,415	11,123	14,794
	37	B	6,303	9,454	12,574
	37	C	6,598	9,897	13,162
	38	A	7,415	11,123	14,794
	38	B	6,598	9,897	13,162
	PH38	C	6,598	9,897	13,162
	PH39	A	7,415	11,123	14,794
	PH39	B	6,598	9,897	13,162
** Total Lease Rent for each Residential Apt. includes the annual lease rents for parking stalls appurtenant to such Residential Apt.	PH40	A	7,415	11,123	14,794
	PH40	B	6,598	9,897	13,162
	PH41	A	7,415	11,123	14,794
	PH41	B	6,598	9,897	13,162
TOTALS	120		741233.28	1,111,850	1,478,760

HARBOR COURT SUMMARY OF MONTHLY LEASE RENTS AT COMMENCEMENT OF LEASE

OFFICE APARTMENTS	APT NO.				TOTAL MONTHLY LEASE RENT
Office Floor No. 14	OFFICE 14				4,247.87
Office Floor No. 15	OFFICE 15				4,269.78
Office Floor No. 16	OFFICE 16				4,269.78
Office Floor No. 17	OFFICE 17				4,269.78
Office Floor No. 18	OFFICE 18				4,269.78
Office Floor No. 19	OFFICE 19				4,269.78
Office Floor No. 20	OFFICE 20				4,094.97
Office Floor No. 21	OFFICE 21				4,094.97
Office Floor No. 22	OFFICE 22				4,094.97
Office Floor No. 23	OFFICE 23				3,992.26
Office Floor No. 24	OFFICE 24				4,198.50
Office Floor No. 25	OFFICE 25				4,198.50
Office Floor No. 26	OFFICE 26				4,198.50
Office Floor No. 27	OFFICE 27				4,198.50
Office Floor No. 28	OFFICE 28				4,198.50
Office Floor No. 29	OFFICE 29				3,750.50
Office Floor No. 30	OFFICE 30				3,750.50
Office Floor No. 31	OFFICE 31				3,750.50
TOTAL	18				74,117.94

RETAIL APARTMENTS	APT NO.				TOTAL MONTHLY LEASE RENT
Retail Space No. 1	RETAIL 1				790.40
Retail Space No. 2	RETAIL 2				394.21
Retail Space No. 3	RETAIL 3				549.50
TOTAL	3				1,734.11

RESTAURANT APARTMENTS	APT NO.				TOTAL MONTHLY LEASE RENT
Restaurant Space No. 1	REST 1				2,898.20
Restaurant Space No. 2	REST 2				1,066.96
TOTAL	2				3,965.16

PARKING APARTMENTS	APT NO.	PARKING STALLS			TOTAL MONTHLY LEASE RENT
Res. Apt Pkg P11.5-P12.5 *	1-143	145		*	3,562.65
Reserved Flrs P9-P11	PARKING 1	353			8,674.37
City/ County Pkg. P2.5-P8	PARKING 2	458			
Reserved Floors B1-P2	PARKING 3	92			2,260.74
TOTAL		1048		*	14,497.76

*** Lease rents for the parking stalls appurtenant to the Residential Apartments are included within lease rents for the Residential Apartments.**

EXHIBIT B

HARBOR COURT SUMMARY OF MONTHLY LEASE RENTS AT COMMENCEMENT OF LEASE

MANAGEMENT APARTMENTS	APT NO.				TOTAL MONTHLY LEASE RENT
Basement Mgmt. Office	MGMT 1				69.68
Lobby Office	MGMT 2				200.29
TOTAL					269.97

GRAND TOTAL					156,354

PRELIMINARY PUBLIC REPORT
HARBOR COURT

EXHIBIT "C"

RESERVED RIGHTS OF DEVELOPER TO CHANGE DECLARATION

1. Subparagraph 19.2 of the Declaration of Condominium Property Regime provides the Developer shall have the right to amend the Declaration (including, when applicable, the Condominium Map) and to file the "as-built" verified statement (with plans, if applicable) required by Section 514A-12 of Chapter 514A (the "Act").

2. Subparagraph 19.3 of the Declaration provides that prior to the filing in the Recording Offices of Apartment Conveyance Instruments conveying, leasing or otherwise transferring all of the Apartments in the Project to persons other than (a) persons who are signatories to this Declaration, and (b) any mortgagee of the Developer, the Developer shall have the right to amend the Declaration, the Bylaws and the Condominium Map, (i) to make such amendments as may be required by law, by the Real Estate Commission of the State of Hawaii, by any title insurance company issuing a title insurance policy on the Project or any of the Apartments or any interest therein, by any institutional lender lending funds on the security of the Project or any of the Apartments or any interest therein, or by any governmental agency of any state, territory, possession or foreign country or other foreign jurisdiction as a condition precedent to the marketing or sale of the Apartments or any interests therein in any such jurisdiction; provided, however, that no such amendment which would change the common interest appurtenant to or Class limited common interest assigned to an Apartment for which an Apartment Conveyance Instrument has been filed in the Recording Offices, or which would substantially change the design, location or size of such Apartment or the building in which it is located, shall be made without the consent to such amendment by the Owner of such Apartment, (ii) to amend or change the common interest appurtenant to, the Class limited common interest assigned to, the configuration of, the number of rooms of, the size of, or the location of any Apartment (and the limited common elements appurtenant thereto) for which an Apartment Conveyance Instrument has not been filed in the Recording Offices, and (iii) to subdivide any Apartment for which an Apartment Conveyance Instrument has not been filed in the Recording Offices into any number of separate Apartments ("Resulting Apartments"), provided that the total common interest appurtenant to, and the total Class limited common interests assigned to, all Resulting Apartments shall at all times equal in the aggregate the total common interest and Class limited common interests of the Apartment prior to such subdivision; and

3. Subparagraph 19.4 of the Declaration provides that prior to filing in the Recording Offices of Apartment Conveyance Instruments conveying, leasing or otherwise transferring Apartments to which are appurtenant 25% or more of the common interests, to persons other than (a) persons who are signatories to this Declaration, and (b) any mortgagee of the Developer, the Developer shall have the right to amend the Declaration, the Bylaws and the Condominium Map in any manner whatsoever; provided, however, that no such amendment which would change the common interest appurtenant to or Class limited common interest assigned to an Apartment for which an Apartment Conveyance Instrument has been filed in the Recording Offices, or substantially change the design, location or size of such Apartment or the building in which it is located, shall be made without the joinder of the Owner of such Apartment.

PRELIMINARY PUBLIC REPORT

HARBOR COURT

EXHIBIT "D"

EXPLANATION REGARDING THE MANNER IN WHICH THE CONDOMINIUM CONVEYANCE DOCUMENT PROVIDES THAT RENEGOTIATED LEASE RENTS WILL BE CALCULATED AND A DESCRIPTION OF THE SURRENDER CLAUSE PROVISION

1. Renegotiation of Lease Rents. For each of the five (5) successive ten-year periods following the initial thirty (30) years of the term, the annual rent shall be the Apartment Owner's proportionate share of the total annual rental ("total annual rent") established for the land on which the Project is located (the "Land"). The total annual rent for each such ten-year period shall be equal to the product of (i) the fair market value of the Land as of the date on which each such ten-year period commences (the date of commencement of each such ten-year period being hereinafter called the "New Rent Date"), and (ii) the prevailing rate of return, as of the New Rent Date, on land of similar location on the Island of Oahu and which is being used for the same purposes as the purposes to which the Land is actually being used as of the New Rent Date; as such total annual rent shall be agreed to in writing between the Lessor and the Board of Directors of the Association of Apartment Owners. If the Lessor and the Board of Directors are unable to agree upon such fair market value or such prevailing rate of return, or both, the same shall be determined by arbitrators appointed as provided in the Condominium Conveyance Document (called herein the "Ground Lease") who shall ascertain such fair market value or such prevailing rate of return, or both, as of the New Rent Date. Such total annual rent, whether determined by agreement or arbitration, shall in no event be less than the total annual rent payable during the immediately preceding rental period.

2. Determination of Fair Market Value of Land. In ascertaining the fair market value of the Land, the arbitrators shall assume for purposes of their appraisal that (i) the Land is vacant of all improvements, (ii) the Land may be used only for the purposes for which the Land is actually being used as of the New Rent Date, and (iii) a portion of the Land contains parking stalls which are used by the Fee Owner (City and County of Honolulu) and for which the Fee Owner pays no rent or other consideration. The arbitrators shall also take into consideration the effect of any encumbrances on the Land not created by the apartment owners and the effect of any provisions of the Ground Lease and other Ground Leases demising an undivided interest in the Land, which, because they are binding upon all of the apartment owners, would affect the fair market value of the Land.

3. Description of Surrender Clause Provisions in the Condominium Conveyance Document.

3.1 At the end of the term or other sooner termination of the Ground Lease, the Apartment Owner must deliver to the Lessor possession of the Land, free and clear of all liens, claims, charges and encumbrances, in good repair, order and condition except for reasonable wear and tear and unavoidable casualty against which insurance is not required under the Declaration.

3.2 During the term of the Ground Lease, or within thirty (30) days of the end of such term or earlier termination of the Ground Lease, the Apartment Owner may, with the approval of and together with all other apartment owners in the Project, remove or dispose of all buildings and improvements in the Project and cause the Association, at its sole cost and expense, to repair any damage to the Land occasioned by such removal or disposal and return the Land to a neat and orderly condition and good even grade. If all buildings and improvements in the Project shall not be so removed or disposed of, then the apartment Owner shall join with all other apartment owners in delivering or in causing the Association to deliver up to the Lessor possession of the buildings and improvements in good order, repair and condition, reasonable wear and tear excepted.

3.3 If the buildings and improvements of the Project have not been removed or disposed of, the Lessor shall pay to the apartment Owner his proportionate share of $50,000 upon receipt of document conveying to Lessor all interest that the Apartment Owner may have in the Apartment or in the Project.

PRELIMINARY PUBLIC REPORT

HARBOR COURT

EXHIBIT "E"

DESCRIPTION OF THE BUILDINGS IN THE PROJECT

1. The Project consists of a twelve-story (with one basement level) "pedestal" structure (the "Pedestal Structure") and two high-rise building towers built immediately above the Pedestal Structure. The building tower on the Ewa (west) side is called the "Residential Tower" and the building tower on the Diamond Head (east) side is called the "Office Tower". The two buildings share a common wall.

2. There is attached to the Pedestal Structure a separate twelve-story tower (the "Observation Tower"), the principal purpose of which is to provide elevator access to the parking, retail and other facilities located within the Pedestal Structure and to provide for a 12th floor observation deck for use by Apartment Owners in the Residential Tower.

3. The Residential Tower is twenty-eight (28) stories in height (from floors numbered 14 through 41).

4. The Office Tower is eighteen (18) stories in height (from floors numbered 14 through 31). (There are no floors numbered 13 in the Project).

PRELIMINARY PUBLIC REPORT

HARBOR COURT

EXHIBIT "F"

BOUNDARIES OF EACH APARTMENT

(a) Boundaries of Residential Apartments. Each Residential Apartment consists of the spaces within the perimeter and party walls, windows, doors, floors and ceiling of the respective Residential Apartments as shown on the Condominium Map. Each Residential 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, louvers (if any), shutters (if any), panels, the inner decorated or finished surfaces of all walls, floors and ceilings, the lanais shown on the Condominium Map to the inner decorated or finished surfaces of the exterior perimeter walls of such lanais and to the exterior edge of the exterior railings or other boundaries of such lanais, and all fixtures originally installed therein. (See Subparagraph 4.3.3 of the Declaration.)

(b) Boundaries of the Non-Residential Apartments. Except as otherwise provided in subparagraph 3.3 of the Declaration with regard to the Parking Apartments, each of the Non-Residential Apartments consists of the spaces within the exterior perimeter walls (if any) and/or the imaginary vertical planes (where there is no perimeter wall), floors and ceilings of the respective Non-Residential Apartments as shown on the Condominium Map. Each Non-Residential Apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls and/or imaginary vertical planes (where there is no perimeter wall), the inner decorated or finished surfaces of all walls, floors and ceilings, all windows (if any), window frames (if any), louvers (if any), shutters (if any), panels, doors and door frames along perimeters, and all of the fixtures (if any) originally installed therein. (See Subparagraph 4.3.3 of the Declaration.)

PRELIMINARY PUBLIC REPORT

HARBOR COURT

EXHIBIT "G"

ALTERATION OF THE PROJECT AND THE APARTMENTS

1. Prohibitions. Subject to Section 17 of the Declaration, neither the Association nor any Apartment Owner shall perform any of the following acts (except pursuant to plans and specifications therefor approved in writing by the Board of Directors, the Fee Owner and Beam):

(a) Restoring, replacing or rebuilding any Apartment or any of the common elements (other than the Individual limited common elements) in a manner different in any material respect from the Condominium Map,

(b) Engaging in any alterations which will affect the structural integrity of any Apartment or the common elements,

(c) Constructing on the common elements, exclusive of the Individual limited common elements, any new building or structure, or

(d) Enclosing any lanai or enclosing any parking stall which is an Individual limited common element.

2. Except as otherwise provided above or in paragraph 17.2 of the Declaration, each Apartment Owner shall be free to make such alterations and improvements within such Owner's Apartment or within or on the Individual limited common elements appurtenant thereto, including enclosing all or a portion of such Individual limited common elements, without the consent or joinder of the Board of Directors, the Association, any Apartment Owner, the Fee Owner, Beam or any other person.

3. Connection between Apartments. The Owner of any two or more adjacent Apartments separated by a common element which is a wall may alter or remove all or portions of the intervening wall (and, if the Owner so desires, install a door within the opening created by such removal), if the structural integrity of the common elements or any other Apartment in the Project will not thereby be adversely affected and if the finish of the common element then remaining is placed in a condition substantially comparable to that of the common element prior to such alterations. As used above, "adjacent Apartments" also includes Apartments which are located above or beneath one another on different floors, and in such event all references to "intervening wall" shall mean the intervening floor, ceiling or slab separating such floors. Prior to commencing any such alteration or removal, the Apartment Owner shall meet the conditions imposed by Paragraph 17.3 of the Declaration.

4. Subdivision of Non-Residential Apartments. The Owner of any Management Apartment, Parking Apartment, Retail Apartment, Restaurant Apartment or Office Apartment may from time to time subdivide such Apartment (the "Original Apartment") into any number of separate Apartments of the same Class type (the "Resulting Apartments") and, except with respect to a Parking Apartment may create walls, partitions, doors, foyers, corridors or vestibules between the Resulting Apartments, and may allocate any Individual limited common elements appurtenant to the Original Apartment to the Resulting Apartments, upon the terms and conditions set forth in Paragraph 17.4 of the Declaration.

EXHIBIT H
DESCRIPTION OF PARKING APARTMENTS AND PARKING STALLS APPURTENANT TO RESIDENTIAL APARTMENTS

PARKING APARTMENT #1 (COMMERCIAL STALLS):

LEVEL	STANDARD	COMPACT	STANDARD TANDEM	COMPACT TANDEM	HANDICAP	TOTAL STALLS PER LEVEL	APPROX. NET FLOOR AREA
P8-8.5	24	23	4	11	0	62	
P9-9.5	41	40	5	17	2	105	
P10-10.5	43	40	5	17	2	107	
P11 ONLY	22	21	17	19	0	79	
TOTAL	130	124	31	64	4	353	*24,699 sq.ft.

PARKING APARTMENT #2 (CITY & COUNTY STALLS):

LEVEL	STANDARD	COMPACT	STANDARD TANDEM	COMPACT TANDEM	HANDICAP	TOTAL STALLS PER LEVEL	APPROX. NET FLOOR AREA
P2.5	9	9	0	0	0	18	
P3-3.5	18	15	0	4	0	37	
P4-4.5	18	23	2	2	0	45	
P5-5.5	41	40	5	17	2	105	
P6-6.5	41	40	5	17	2	105	
P7-7.5	41	40	5	17	2	105	
P8	17	17	1	6	2	43	
TOTAL	185	184	18	63	8	458	*32,048 sq.ft.

PARKING APARTMENT #3 (ATTENDED STALLS):

LEVEL	STANDARD	COMPACT	STANDARD TANDEM	COMPACT TANDEM	HANDICAP	TOTAL STALLS PER LEVEL	APPROX. NET FLOOR AREA
B-1	12	20	2	24	5	63	
P1-1.5	9	12	0	0	0	21	
P2	5	3	0	0	0	8	
TOTAL	26	35	2	24	5	92	* 6,967 sq.ft.

RESIDENTIAL PARKING STALLS:

LEVEL	STANDARD	COMPACT	STANDARD TANDEM	COMPACT TANDEM	HANDICAP	TOTAL STALLS PER LEVEL	APPROX. NET FLOOR AREA
P11.5	17	16	0	0	0	33	
P12-12.5	50	31	16	15	0	112	
TOTAL	67	47	16	15	0	145	*10,547 sq.ft.

PARKING TOTALS:

STALL TYPE	STANDARD	COMPACT	STANDARD TANDEM	COMPACT TANDEM	HANDICAP	TOTAL STALLS PER LEVEL	APPROX. NET FLOOR AREA
TOTALS	408	390	67	166	17	1048	* 74,261 sq.ft.

*Parking stall sizes are reduced by 50% for AOAO common percentage interest calculations

EXHIBIT H-1

HARBOR COURT

RESIDENTIAL APT. PARKING ASSIGNMENTS

APT NO.	UNIT TYPE	PARKING STALL NO. 1	PARKING STALL NO. 2	ADDITIONAL PRKG. STALLS ASSIGNED TO APT. 14A	TOTAL COMPACT STALLS	TOTAL STANDARD STALLS
14 A	A	P12 96 (C)		P12 68 (C)A	6	6
14 B	BP	P12 99 (C)		P12 69 (C)B	1	
14 E	EP	P12 81 (C)		P12 70 (C)C	1	
15 A	A	P12 7 (C)		P12 54 (C)	1	
15 B	B	P11 87 (C)		P12 55 (S)	1	
15 C	C	P11 80 (C)		P12 23 (C)	1	
15 D	D	P12 15 (C)		P12 28 (C)	1	
15 E	E	P11 82 (C)		P12 30 (C)	1	
16 A	A	P11 86 (C)		P12 66 (C)A	1	
16 B	B	P12 100 (C)		P12 67 (C)B	1	
16 C	C	P12 12 (C)		P12 83 (S)	1	
16 D	D	P12 83 (C)			1	
16 E	E	P12 11 (C)			1	
17 A	A	P12 21 (C)			1	
17 B	B	P12 6 (C)			1	
17 C	C	P12 98 (C)			1	
17 D	D	P12 10 (C)			1	
17 E	E	P12 97 (C)			1	
18 A	A	P12 22 (C)			1	
18 B	B	P12 17 (C)			1	
18 C	C	P12 34 (C)			1	
18 D	D	P12 75 (C)			1	
18 E	E	P11 98 (C)			1	
19 A	A	P12 87 (C)			1	
19 B	B	P11 110 (C)			1	
19 C	C	P11 97 (C)			1	
19 D	D	P11 96 (C)			1	
19 E	E	P11 99 (C)			1	
20 A	A	P11 101 (S)				1
20 B	B	P11 105 (C)			1	
20 C	C	P11 109 (C)			1	
20 D	D	P11 111 (C)			1	
20 E	E	P11 100 (C)			1	
21 A	A	P12 92 (S)				1
21 B	B	P12 76 (C)			1	
21 C	C	P11 106 (C)			1	
21 D	D	P11 107 (C)			1	
21 E	E	P11 108 (C)			1	
22 A	A	P12 82 (S)				1
22 B	B	P11 81 (S)				1
22 C	C	P11 112 (S)				1
22 D	D	P12 77 (S)				1
22 E	E	P12 33 (C)			1	
23 A	A	P12 93 (S)				1
23 B	B	P11 84 (S)				1
23 C	C	P12 16 (C)			1	
23 D	D	P12 13 (C)			1	
23 E	E	P12 38 (C)			1	
24 A	A	P12 94 (S)				1
24 B	B	P11 93 (S)				1
24 C	C	P11 94 (S)				1
24 D	D	P11 95 (S)				1
24 E	E	P11 85 (S)				1
25 A	A	P12 95 (S)				1
25 B	B	P11 102 (S)				1
25 C	C	P11 88 (S)				1
25 D	D	P11 89 (S)				1
25 E	E	P11 90 (S)				1
26 A	A	P12 95 (S)				1

EXHIBIT H-1
HARBOR COURT
RESIDENTIAL APT. PARKING ASSIGNMENTS

APT NO.	UNIT TYPE	PARKING STALL NO. 1			PARKING STALL NO. 2			ADDITIONAL PRKG. STALLS ASSIGNED TO APT. 14A			TOTAL COMPACT STALLS	TOTAL STANDARD STALLS
26 B	B	P12	79	(S)								1
26 C	C	P11	104	(S)								1
26 D	D	P11	103	(S)								1
26 E	E	P11	91	(S)								1
27 A	A	P12	4	(S)								1
27 B	B	P12	88	(S)								1
27 C	C	P12	78	(S)								1
27 D	D	P12	112	(S)								1
27 E	E	P11	92	(S)								1
28 A	A	P12	3	(S)								1
28 B	B	P12	101	(S)								1
28 C	C	P12	89	(S)								1
28 D	D	P12	90	(S)								1
28 E	EE	P12	91	(S)								1
29 A	A	P12	2	(S)								1
29 B	B	P12	107	(S)								1
29 C	C	P12	111	(S)								1
29 D	D	P12	102	(S)								1
29 E	EE	P12	110	(S)								1
30 A	A	P12	1	(S)								1
30 B	B	P12	106	(S)								1
30 C	C	P12	108	(S)								1
30 D	D	P12	109	(S)								1
30 E	EE	P12	104	(S)								1
31 A	A	P12	14	(S)								1
31 B	B	P12	103	(S)								1
31 C	C	P12	105	(S)								1
31 D	DD	P12	86	(S)								1
31 E	EE	P12	9	(S)								1
32 A	A	P12	27	(S)								1
32 B	B	P12	84	(S)								1
32 C	C	P12	85	(S)								1
32 D	DD	P12	8	(S)								1
PH32 E	PHEE	P12	62	(C)A	P12	63	(C)B				2	
33 A	A	P12	31	(S)								1
33 B	B	P12	39	(C)							1	
33 C	C	P12	5	(S)								1
33 D	DD	P12	71	(C)							1	
34 A	A	P12	35	(S)								1
34 B	B	P12	18	(S)								1
34 C	CC	P12	19	(S)								1
34 D	PHDD	P12	52	(C)A	P12	53	(C)B				2	
35 A	A	P12	36	(S)								1
35 B	B	P12	24	(S)								1
35 C	CC	P12	26	(S)								1
PH 35 D	PHDD	P12	64	(S)A	P12	65	(S)B					2
36 A	A	P12	37	(S)								1
36 B	B	P12	25	(S)								1
36 C	CC	P12	32	(S)								1
37 A	AA	P12	46	(S)A	P12	47	(C)B				1	1
37 B	BB	P12	20	(S)								1
37 C	CC	P12	44	(S)A	P12	45	(C)B				1	1
38 A	AA	P12	58	(S)A	P12	59	(C)B				1	1
38 B	BB	P12	50	(S)A	P12	51	(C)B				1	1
PH38 C	PHCC	P12	60	(S)A	P12	61	(S)B					2
PH39 A	A	P12	40	(S)A	P12	41	(S)B					2
PH39 B	BB	P12	48	(S)A	P12	49	(S)B					2
PH40 A	A	P12	42	(S)A	P12	43	(S)B					2
PH40 B	BB	P12	57	(S)A	P12	56	(S)B					2

EXHIBIT H-1

HARBOR COURT

RESIDENTIAL APT. PARKING ASSIGNMENTS

APT NO.	UNIT TYPE	PARKING STALL NO. 1	PARKING STALL NO. 2	ADDITIONAL PRKG. STALLS ASSIGNED TO APT. 14A	TOTAL COMPACT STALLS	TOTAL STANDARD STALLS
PH41 A	PHAA	P12 74 (S)	P12 73 (S)			2
PH41 B	PHBB	P12 72 (S)	P12 29 (C)	TOTAL STALLS	1	1
TOTALS		120	14	11 145	56	89

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HARBOR COURT

EXHIBIT "H-2"

ADDITIONAL INFORMATION REGARDING PARKING FACILITIES

1. Parking Facilities - Generally. The Project contains a total of 1,048 covered parking stalls, of which (a) 903 stalls are located within three Parking Apartments and (b) 145 stalls are located on parking levels P11.5 through P12.5 of the Pedestal Structure and are assigned as Individual limited common elements appurtenant to specific Residential Apartments. Only the right to use the 145 stalls which are Individual limited common elements appurtenant to Specific Residential Apartments are being offered in connection with the sale of the Residential Apartments.

2. The 1,048 parking stalls in the Project are comprised of a certain number of standard-size parking stalls, compact-size parking stalls, standard-size tandem parking stalls, compact-size tandem parking stalls and "handicapped" stalls. The breakdown is illustrated in Exhibit "H". The location of the handicap stalls are also indicated on Exhibit "H" and are as shown on the Condominium Map.

3. The parking stall numbering code on the Condominium Map is as follows: The first number (preceding the hyphen) shows the floor level on which the parking stall is located. The second number (following the hyphen) shows the stall numbers on that level. "A" and "B" after stall numbers signifies tandem stall (two stalls paired end-to-end), with "A" nearest to the aisle. "(S)" means "standard" (minimum dimensions of 8'-6' x 19'-0"), ("C") means "compact" (minimum dimensions of 7'-6" x 16'-0"), and "(HC)" indicates a stall which meets the current LUO handicapped requirements.

4. The Parking Apartments, the limited common elements appurtenant to the Parking Apartments, the parking stalls which are limited common elements appurtenant to each of the Residential Apartments, and all other facilities and equipment located in the Pedestal Structure and used in connection with the operation, leasing and rental of the parking stalls are collectively referred to the Declaration of Condominium Property Regime as the "Parking Facilities". The Project contains three Parking Apartments (numbered 1, 2 and 3). Parking Apartment 1 is located on parking levels P8 through P11 of the Pedestal Structure and includes a total of 353 parking stalls. Parking Apartment 2 (also referred to in the Declaration as the "City Parking Apartment"), is owned by the City and County of Honolulu (the "Fee Owner") and is located on parking levels P2.5 through P8 of the Pedestal Structure, and includes a total of 458 parking stalls. Parking Apartment 3 is located on parking levels B1, P1

and P2 of the Pedestal Structure and includes a total of 92 parking stalls.

5. Access to the Parking Facilities.

(a) Pedestrian access includes

(i) three (3) elevators and a stairwell located in the Observation Tower, and

(ii) two (2) stairwells located in the Pedestal Structure. The Parking Facilities located on floors 11 and 12 of the Pedestal Structure are also accessible by three (3) elevators located within the Residential Tower.

(b) Vehicular access to and egress from each parking stall in the Project shall be subject to such entry and exit system and rules established from time to time by the Owners of the Parking Apartments. Such entry and exit systems may, without limitation, include the use of gate cards and/or parking stickers in order to gain access to or egress from the parking stalls or access to or exit from the Parking Facilities, and may require the payment by the users of the parking stalls (including the Owners of the Residential Apartments) for the issuance or replacement of gate cards and stickers, in such amounts as shall from time to time be established by the Owners of the Parking Apartments. Each user of a parking stall (including the Owners of the Residential Apartments) shall at all times comply with such entry and exit system and rules from time to time established by the Owners of the Parking Apartments. The Fee Owner (City and County of Honolulu), as Owner of Parking Apartment 3, has agreed to make available to the public the parking stalls located within the City Parking Apartment at rates no greater than those rates established for other comparable parking facilities owned or operated by or for the benefit of the Fee Owner.

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EXHIBIT "I"

DESCRIPTION OF THE COMMON ELEMENTS

All of the portions of the Project not included within the definition of an "Apartment" are called the "common elements". They include specifically, but are not limited to the following:

(a) The Land on which the Project is located, in fee simple;

(b) All foundations, columns, girders, beams, floor slabs, supports, unfinished perimeter, party and load-bearing walls and partitions, floors, ceilings and roofs (the "Structural Elements");

(c) All stairways, elevators, walkways, corridors, lobby areas, ramps, entrances, loading areas, entry ways and exits of all buildings of the Project, all storage rooms not located within an Apartment and all trash rooms;

(d) All roadways, driveways, driveway ramps and parking areas of the Project which are not Parking Apartments;

(e) All fences (if any), trellises, and mail boxes (which are not within any Apartment);

(f) All yards, grounds, planting areas, planters, walkways, walkway railings, landscaping, waterscape areas, pond areas and gardens, recreation decks, the swimming pool, the spa, and all toilet and restroom facilities and recreational facilities and appurtenances not located within an Apartment;

(g) All ducts, vents, shafts, utility lines, conduits, sewage treatment and refuse equipment and facilities (if any), air conditioning equipment, mechanical equipment, electrical equipment, telephone equipment, pipes, tanks, pumps, motors, fans, compressors, 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, water, gas (if any), temperature control, fire safety, sanitary waste, cablevision (if any), air conditioning, sewer, refuse, telephone, and radio and television signal distribution (except for the electronic and telecommunication lines, ducts, shafts, wiring, equipment and facilities belonging to the Developer, the Owner of Management Apartment 1 or such other person or entity authorized by Developer or the Owner of Management Apartment 1), and any rooms or other enclosures in which such foregoing facilities are housed; and

(h) Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance or safety, or normally in common use.

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HARBOR COURT

EXHIBIT "J"

DESCRIPTION OF LIMITED COMMON ELEMENTS

Limited Common Elements. Certain parts of the common elements are designated in the Declaration of Condominium Property Regime and on the Condominium Map as "limited common elements". The limited common elements are set aside and reserved for (a) the exclusive use of one or more Apartments but not of the entire Apartment Class to which such Apartments belong (such limited common elements are called "Individual limited common elements"), (b) the exclusive use of a single Apartment Class (such limited common elements are called "Class limited common elements"), or (c) the exclusive use of more than one Apartment Class but not all of the Apartment Classes (such limited common elements are called "Multi-class limited common elements"). (Limited common elements, however, do not include any of the Structural Elements described in Subparagraph 4.5 (b) of the Declaration, which are intended to be common elements.)

The various limited common elements so set aside and reserved are described as follows:

1. Individual Limited Common Elements.

(a) Each Residential Apartment has the exclusive use of the parking stall or stalls assigned to it as set forth in Exhibit "H-1" attached hereto and made a part hereof.

(b) Each Residential Apartment has the exclusive use one mailbox located in the Residential Tower mailroom, which mailbox is identified by the same number as the Apartment to which it is appurtenant.

(c) Each Non-Residential Apartment has the exclusive use one or more mailboxes located in the Office Tower mailroom.

(d) Management Apartment 1 has the exclusive use of those certain rooftop areas designated as "Individual Limited Common Elements appurtenant to Management Apartment 1" on Sheet No. CPR 2 of the Condominium Map and all of the airspace above such rooftop areas, with the exclusive right to construct, install, operate, repair, maintain and/or relocate electronic, television, radio, cable television and communication antennae, satellite dishes and other similar equipment and facilities on, above or within such rooftop areas, together with (i) right of access to such areas through the common elements; (ii) the right to connect such antennae, satellite dishes, equipment and facilities with or to any transmission or reception facilities, equipment or other point(s) within or outside of the Project, and

through any of the Apartments and/or common elements of the Project, (iii) the right to install lines and wires through any and all pipes, shafts and conduits running through any of the Apartments and/or the common elements of the Project and through the limited common elements, and (iv) the right to transmit and receive satellite, radar, microwave, television, radio or other communication signals at or from the Project. Notwithstanding the foregoing, however, (aa) all maintenance and repairs to the rooftop areas (including all repairs necessary to correct any water leakage) shall be the responsibility of the Association of Apartment Owners (the "Association") and the cost of such maintenance and repairs (unless necessitated by any damage to the rooftop areas caused by the Owner of Management Apartment 1) shall be a common expense, and (bb) the Association shall have the right to enter upon such rooftop areas for the purpose of performing such maintenance and repair to the rooftop areas as may be from time to time required. Under no circumstances may the Association, any Owner (other than the Owner of Management Apartment 1) or any other person engage in, exercise, perform or permit any of the activities or rights reserved above to the Owner of Management Apartment 1 or install, construct or operate on, above or within said rooftop areas any of the antennae, satellite dishes, equipment, facilities, lines or wires described above without the prior written consent of the Owner of Management Apartment 1 (which consent may be withheld in its sole and absolute discretion). The Owner of Management Apartment 1 may, at any time, release and relinquish in favor of the Association or assign to any third party all or a portion of such rights the Owner of Management Apartment 1 may have under this subparagraph.

(e) Each of Retail Apartments 1, 2 and 3 has the exclusive use of those areas on the Plaza/Parking level P1 of the Pedestal Structure designated as limited common elements for such Apartment's benefit on Sheet No. CPR-3 of the Condominium Map.

(f) Parking Apartment 3 has the exclusive use of those areas on level B1 of the Pedestal Structure designated on Sheet No. CPR-2 of the Condominium Map as the "Attended Parking Valet Office".

(g) Management Apartment 1 has the exclusive use of those areas on level B1 and the Plaza/Parking Level P1 of the Pedestal Structure designated as limited common elements for the benefit Management Apartment 1, on Sheet Nos. CPR-2 and CPR-3 of the Condominium Map.

(h) Retail Apartment 3 has the right of access (including the right to penetrate any wall located between Retail Apartment 3 and the Office Building lobby so as to permit pedestrian access between the Retail Apartment 3 and said lobby, subject, however, to the closure of such access, for security purposes outside of ordinary business hours.

2. Class Limited Common Elements.

(a) The Residential Apartment Class (which includes all of the residential apartments in the Project) has the exclusive use of those common elements more particularly designated as such on the Condominium Map and listed in Exhibit "E" to the Declaration.

(b) The Office Apartment Class has the exclusive use of those common elements more particularly designated as such on the Condominium Map and listed in Exhibit "F" to the Declaration.

(c) The Parking Apartment Class has the exclusive use of those common elements more particularly designated as such on the Condominium Map and listed in Exhibit "G" to the Declaration.

3. Multi-Class Limited Common Elements. Those Apartment Classes identified in Exhibit "H" to the Declaration have their exclusive use of those common elements more particularly designated as such on the Condominium Map and described in said Exhibit "H" to the Declaration.

PRELIMINARY PUBLIC REPORT

HARBOR COURT

EXHIBIT "K"

ENCUMBRANCES AGAINST TITLE

1. -AS TO PARCEL SECOND: (Lot 2, area 3,821 sq.ft., registered land described in TCT No. 10,025) -

(A) Restriction of vehicle access rights as shown on Map 2, as set forth by Land Court Order No. 10625, filed September 14, 1951.

(B) Abutters rights of vehicle access as conveyed to the State of Hawaii, as set forth in DEED dated September 16, 1953, filed as Land Court Document No. 153053.

2. -AS TO PARCEL THIRD: (unregistered land containing 50,765 sq.ft.) -

(A) Reservation in favor of the State of Hawaii of all mineral and metallic mines.

(B) The reservations and covenants contained in that certain Land patent Grant Number S-15, 729, more particularly set forth in Exhibit "1" attached hereto.

(C) Restriction of vehicle access along Nimitz Highway, as shown on Kaahumanu Project Parcel Map No. 18-3-1-31, of the Division of Land Survey and Acquisition, Department of Public Works, City and County of Honolulu, dated February 14, 1990.

3. Encroachments as shown on Certification Survey prepared by Marius J. Fischer, Professional Land Surveyor, No. 3502, with R.M. Towill Corporation, dated June 25, 1993, to-wit:

(a) Eaves and cornices encroaching from building situated on Tax Key 2-1-002-Parcels 019 and 020 (1) onto the premises described herein, being that portion formerly known as Kaahumanu Street; and

(b) Utility pipes, telephone terminal and roof of air conditioner attached to building situated on Tax Key 2-1-002-020 (1) encroaching unto the premises described herein, being the former City and County of Honolulu parking site.

4. Unrecorded Master Development Lease (Kaahumanu Site) between City and County of Honolulu as Lessor and The Beam Harbor Venture, as Lessee, dated June 25, 1991.

5. Short Form of Master Development Lease dated June 25, 1991, filed as Document No. 1830578, and also recorded as Document No. 91-085043.

6. Unrecorded Master Development Sublease (Kaahumanu Site) dated June 25, 1991, between THE BEAM HARBOR VENTURE, a Hawaii general partnership, as Sublessor, and HARBOR COURT DEVELOPERS, a Hawaii limited partnership, as Sublessee.

7. Short form of Master Development Sublease dated June 25, 1991, filed as Document No. 1830583, and also recorded as Document No. 91-085050.

8. Lessor's Consent and Estoppel Certificate - Kaahumanu Site dated June 25, 1991, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 1830579, and also recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 91-085044, by the CITY AND COUNTY OF HONOLULU, a municipal corporation of the State of Hawaii.

9. Mortgage, Security Agreement and Financing Statement (Harbor Court Developers) dated June 25, 1991, filed as Document No. 1830585, and also recorded as Document No. 91-085052, made by Harbor Court Developers, a Hawaii limited partnership, "Mortgagor", to THE MITSUI TRUST & BANKING CO., LTD. ("Mortgagee"). Said Mortgage was amended by instrument dated November 5, 1992, filed as Document No. 1967771, and recorded as Document No. 92-179799.

10. Assignment of Landlord's Interest (Harbor Court Developers) dated June 25, 1991, recorded as Document No. 91-085054.

11. DECLARATION OF RESTRICTIVE COVENANTS (LANAIS AND ROOF AREA) dated December 2, 1991, by and between the CITY AND COUNTY OF HONOLULU, "City", and THE BEAM HARBOR VENTURE ("Beam"), and HARBOR COURT DEVELOPERS, a Hawaii limited partnership, "Developer", recorded in said Bureau as Document No. 91-170747, and also filed in said Office as Document No. 1872362.

12. DECLARATION OF RESTRICTIVE COVENANTS (PRIVATE PARK) dated December 2, 1991, by and between the CITY AND COUNTY OF HONOLULU, "City", and THE BEAM HARBOR VENTURE ("Beam"), and HARBOR COURT DEVELOPERS, a Hawaii limited partnership, "Developer", recorded in said Bureau as Document No. 92-006963, and also filed in said Office as Document No. 1882036.

13. DEVELOPMENT AGREEMENT dated January 10, 1990, recorded as Document No. 90-005642, by and between the CITY AND COUNTY OF HONOLULU, "City", and BEAM HARBOR COURT PARTNERS, a Hawaii limited partnership, "Developer", and C. Itoh & Co., Ltd., a Japan corporation, "Itoh".

PRELIMINARY PUBLIC REPORT

HARBOR COURT

EXHIBIT "L"

SUMMARY OF LEASEHOLD CONDOMINIUM RESERVATION AGREEMENT DEPOSIT RECEIPT AND SALES AGREEMENT

A Specimen Leasehold Condominium Reservation, Deposit Receipt and Sales Agreement (the "Sales Agreement") has been submitted to the Real Estate Commission and is also available in the Sales Office of the Developer. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ THE RESERVATION AND SALES AGREEMENT IN FULL, since this summary is NOT A COMPLETE DESCRIPTION of its provisions. The Sales Agreement, among other things, covers in more detail the following items:

1. Leasehold Property being conveyed to Purchaser.

(a) Apartment Conveyance Document. Seller shall cause to be delivered to Buyer an apartment conveyance document duly executed by Fee Owner, Beam and Seller conveying (i) a fee simple interest in the Apartment and an undivided interest in the common elements (exclusive of the Project Land) and (ii) an undivided leasehold interest in the Project Land.

(b) Title to the Apartment. Title to the Apartment shall be conveyed subject to the following matters: (i) the lien of real property taxes and assessments not delinquent; (ii) the terms, covenants, conditions, easements, rights, reservations, agreements and other provisions mentioned or contained in the apartment conveyance document and provisions set forth in the Declaration or the Bylaws of the Association of Apartment Owners of Harbor Court, as the same may be amended from time to time; (iii) the Master Development Lease between Fee Owner and Beam, dated June 25, 1991; (iv) any encumbrances which do not materially and adversely affect the use of the Apartment for its intended purposes; and (v) any encumbrances approved or created by Buyer or which are mentioned or referred to in the Public Reports for the Project.

(c) Lease Rent. The lease rent for the Apartment is set forth in Exhibit A to the Sales Agreement and in the Leasehold Disclosure Summary. The lease rent is determined only for the first thirty years of the lease term. Thereafter, during the remaining fifty (50) years of the term, the lease rent is to be renegotiated for each successive ten year period. The amount of such rent after the first thirty years is subject to the mutual agreement of the Fee Owner and the Board of Directors of the Association of Apartment Owners (acting on behalf of all of the Apartment Owners.) If they do not reach agreement, rent will be determined by arbitration based upon the fair market value of the Project Land multiplied by the prevailing rate of return as of such re-negotiated rent date on land of similar location on Oahu which is being used for the same purposes as those to which the Project Land is being put.

(d) The Apartment Conveyance Document also contains a "surrender" type clause, which means that at the end of the lease term, the Apartment Owner must relinquish to the Fee Owner in return for a nominal consideration all of the improvements and all other rights in the Project belonging to the Apartment Owner.

(e) An undivided fee simple interest in the Project Land is not being offered for sale to Buyer. An undivided fee simple interest in the Project Land may never be available for purchase by Buyer.

(f) A specimen form of the Apartment Conveyance Document and a the Leasehold Disclosure Summary have been delivered to the Buyer with the Sales Agreement for Buyer's information in accordance with §516D-11, Hawaii Revised Statutes.

2. Interest On Funds. All funds received by Escrow may be held together with other monies received by Escrow and may be deposited by Escrow in an interest bearing account. If Buyer fulfills his obligations under the Sales Agreement and an apartment conveyance document conveying the Apartment to Buyer is recorded, Buyer shall be entitled to receive all interest earned from such account or accounts accruing after Buyer shall have made Payment B provided for in Section C of the Sales Agreement and prior to Buyer's waiver (or deemed waiver) of Buyer's right to cancel the Sales Agreement following the issuance by the Real Estate Commission of an effective date for the Final Public Report for the Project. No interest will be payable upon Buyer's deposits when Buyer's deposit are either refunded by Seller or returned by Seller pursuant to the provisions of the Sales Agreement. All other interest earned from such account or accounts shall be credited to Seller's account and shall be paid at the closing (or credited on the closing statement, at the election of Seller) or paid upon termination of the Sales Agreement, as appropriate.

3. Disbursement Of Escrow Funds To Pay For Development Costs. In order to pay for development costs of the Project, payments A, B and C referred to in Section C of the Sales Agreement may be disbursed by Escrow subject to the terms of the Escrow Agreement prior to the Closing Date and the date of completion of the Project in accordance with the Hawaii Condominium Act.

4. Seller's Right to Change the Project and the Project Documents.

(a) Changes Prior to Effective Date. If the Sales Agreement is a reservation agreement, then until the Effective Date (as defined in Section F.1 of the Sales Agreement), Seller shall have the right for any reason to change the Project and to modify the Project Documents in any way, including the right to cancel or terminate the Project.

(b) Changes After Effective Date.

(i) At any time prior to the conveyance of all of the apartments in the Project to persons other than the Seller or any mortgagee of Seller, Seller reserves the right to modify the Project Documents as may be required by law, the Real Estate Commission of the State of Hawaii, a title insurance company, an institutional mortgagee or any governmental agency;

(ii) Seller reserves the right to amend or change the common interest appurtenant to, the Class limited common interest assigned to, the configuration of, the number of rooms of, the size of or the location of any apartment in the Project for which an apartment conveyance document has not been recorded with the Recording Offices);

(iii) Seller reserves the right to subdivide any non-residential Apartment in the Project for which an apartment conveyance document has not been recorded in the Recording Offices into any number of separate apartments in accordance with the Declaration;

(iv) Seller reserves the right to require alterations of the Project (and to modify any of such Project Documents accordingly) to change the configuration of, to alter the number of rooms of, to decrease or increase the size of, or to change the location of any other apartment and/or parking area, and to make other minor changes in Buyer's Apartment, any of the other apartments, or the common elements;

(v) The Architect for the Project in his sole discretion may: (aa) make any changes he deems appropriate in the common elements of the Project (including without limitation the lobbies, the Project landscaping, the parking areas, and whether such changes relate to financial or aesthetic considerations) and (bb) may increase or decrease the thickness of any foundation, wall, column or floor slab within or outside the Apartment resulting in the room dimensions becoming smaller or larger than those shown on the Condominium Map, or resulting in a building height or elevation different from those shown on the Condominium Map or stated in the Declaration. The Architect may make changes necessary to correct any design errors or other shortcomings; and the Architect may vary the type of window glass and install different types of glass throughout the Project to achieve the best combination of energy savings and esthetics;

(vi) Seller reserves the right to deviate from the plans and specifications for the Project and to substitute materials of equal utility and service, without Buyer's consent or approval, subject, however, to the above provisions. Seller may increase or decrease the number of parking stalls (other than any stalls which may be assigned to the Apartment); and

(vii) Notwithstanding subparagraphs (i), (ii), (iii) (iv) or (v) above, no modification as provided therein shall (aa) increase Buyer's share of common expenses or Residential Class limited common expenses without his consent; or (bb) reduce the obligations of Seller for common expenses on unsold apartments; or (cc) render unenforceable the Buyer's Mortgage Loan Commitment; or (dd) increase the Total Purchase Price of the Apartment; or (ee) directly, substantially and adversely affect the use or the value of the Apartment or limited common elements appurtenant thereto or the amenities of the Project available for Buyer's use.

5. Seller's Reserved Rights. The Sales Agreement sets forth certain rights and certain other provisions under which Buyer consents to certain actions by Seller and others. Such include, without limitation, the following:

(a) Seller and Seller's mortgage lender have the right to conduct extensive activities on or from the Project, including the common elements, in connection with the sale or leasing of the Apartments in the Project, including the use of model apartments, sales, leasing and management offices, parking stalls and extensive sales and leasing displays and other activities. These rights and easements may exist until all of the apartments in the Project are sold or leased.

(b) Seller and the Owner of Management Apartment 1 have reserved the exclusive right and easement to construct, install, operate, repair, maintain, connect to or from and/or relocate antennae, satellite dishes and/or other electronic and telecommunications equipment and facilities on, within or from the Project, including the limited common elements.

(c) Seller has reserved the right to grant rights of way and other easements over, under, across, or through the common elements for any reasonable purpose.

(d) Seller has reserved an easement over and upon any portion of the Project, including the common elements and any Apartment, as may be reasonably necessary for the completion of any improvements to and correction of defects and other punch-list items in the common elements or any apartment in the Project.

(e) Seller has reserved the right, subject to certain conditions, to provide "Shared Tenant Services" which means providing telecommunication and electronic services to two or more Apartment Owners or to the Association. This right in favor of the Seller (and the Seller's reserved exclusive right to use certain rooftop areas of the Project) could inhibit other persons from offering alternatives to the Shared Tenant Services provided by the Seller or could affect the price or type of service offered.

7. No Present Transfer; Subordination to Construction Loan. The Sales Agreement is not to be construed as a present transfer of any interest in the Apartment but rather it is an agreement to transfer in the future. Buyer is required to acknowledge that Seller has entered into a Construction Mortgage Loan with a construction lender pursuant to which the Construction Lender may loan or has loaned funds to Seller to cover construction costs and other associated costs of the Project. To secure the Loan, Seller has granted to the Lender security interests covering the Seller's interest in the Project Land and the Project, including the Apartment covered by the Sales Agreement. All security interests obtained by the Lender in connection with the Construction Mortgage Loan, as well as any extensions, renewals and modifications of the security interests, shall be and remain at all times, until the final closing and delivery by Seller of the conveyance document to Buyer, a lien or charge on the Project, including the Apartment, prior to and superior to any and all liens or charges on the Project arising from the Sales Agreement or any prior agreement. BUYER INTENTIONALLY WAIVES, RELINQUISHES AND SUBORDINATES THE PRIORITY OR SUPERIORITY OF ANY LIEN OR OTHER LEGAL OR EQUITABLE INTEREST ARISING UNDER THE SALES AGREEMENT IN FAVOR OF THE LIEN OR CHARGE ON THE PROJECT OR THE SECURITY INTERESTS OF THE CONSTRUCTION LENDER.

8. Completion Date of the Apartment.

(a) Estimated Date. The estimated completion date of the Apartment is June 1, 1994. Such date is an approximate date given to the best of Seller's information and belief. The actual date of completion may be substantially earlier or later depending upon financing contingencies and the progress of construction. If the Project is not completed and ready for occupancy within twelve (12) months after the estimated completion date, then at the sole option of Seller, the obligations of both Buyer and Seller under the Sales Agreement shall terminate and all sums paid by Buyer (less any escrow cancellation fee) shall be refunded without interest, and Seller shall be relieved and released of all further liability hereunder.

(b) Outside Completion Date. Notwithstanding anything to the contrary contained in the Sales Agreement, Seller shall complete construction of the Apartment, the Building in which the Apartment is located, and other amenities of the Project, so as to permit normal occupancy within two (2) years after the date of the execution by Buyer of the earlier of the receipt for the Final Public Report or, if Seller so elects, of the Confirmation Agreement for the Apartment referred to in Paragraph F.1 of the Sales Agreement. Said two (2) year period shall be extended for any period of time during which Seller is actually and necessarily delayed in beginning or completing construction if said delay is caused by matters or conditions beyond the control of Seller.

9. Limited Warranty.

(a) Project Construction Agreement. The construction contract(s) for the Project will contain a clause which provides substantially in pertinent part as follows:

> "If, within one year after the Date of Substantial Completion ..., any of the Work is found to be defective or not in accordance with the Agreement Documents, the Contractor shall correct it promptly after receipt of a written notice from the Owner to do so unless the Owner has previously given the Agreement a written acceptance of such condition."

(b) Seller's Assignment of Warranties. Seller makes no warranties itself, but Seller agrees that the closing of the sale of the Apartment shall constitute the assignment without recourse by Seller to Buyer of any and all warranties given Seller by the contractor(s) for the Project, including the contractor's agreement to promptly correct any of its work found to be defective or not in conformance with the Construction Contract for a period of one (1) year after the "Date of Substantial Completion" of the Apartment, and the benefit of such agreement shall accrue to Buyer on closing without further instruments or documents.

(c) Manufacturer's and Dealer's Warranties. The closing of the sale of the Apartment shall also constitute the assignment without recourse by Seller to Buyer, for the unexpired term, if any, of any manufacturer's or dealer's warranties covering any furnishings, fixtures and appliances that are part of the Apartment.

(d) Disclaimer of Warranties. Except for the agreements set forth above. There are no warranties which extend beyond the description on the face of the Sales Agreement. DEVELOPER MAKES NO WARRANTIES OR PROMISES OF "MERCHANTABILITY", "HABITABILITY", "WORKMANLIKE CONSTRUCTION" OR "FITNESS FOR A PARTICULAR USE OR PURPOSE" OR ANY OTHER WARRANTIES OR PROMISES OF ANY KIND, EXPRESS OR IMPLIED, ABOUT THE APARTMENT, OR THE PROJECT (INCLUDING THE COMMON ELEMENTS AND LIMITED COMMON ELEMENTS OF THE PROJECT, OR ABOUT ANY FURNISHINGS, FIXTURES, APPLIANCES OR OTHER CONSUMER PRODUCTS OR ANYTHING ELSE INSTALLED, ATTACHED, AFFIXED OR OTHERWISE CONTAINED IN THE APARTMENT, OR THE PROJECT (INCLUDING THE COMMON ELEMENTS AND LIMITED COMMON ELEMENTS THEREOF).

10. Financing of Purchase.

(a) Buyer represents in the Sales Agreement that Buyer is financially capable of making, when due, all of the payments required to be made under the Sales Agreement.

(b) Buyer's Obligation to Seek a Loan Commitment. If financing to purchase the Apartment is required by Buyer, Buyer is required within ten (10) days from the date of his execution of the Sales Agreement to apply for mortgage financing from a financial institution or other institutional lender authorized to make mortgage loans in the State of Hawaii. Seller shall have the right, in Seller's sole discretion, to disapprove of any Mortgage Loan approval or Mortgage Loan commitment submitted to Seller under the Sales Agreement within thirty (30) days of the receipt of such by Seller. Seller shall have no obligation to arrange for Buyer's mortgage financing.

(c) Buyer Shall Provide Evidence of Funds to Make Payments. As a condition of Buyer's offer, Buyer is also required, within ten (10) days from the date of Buyer's execution of the Sales Agreement to give Seller evidence of Buyer's ability to pay the Total Purchase Price (less any amounts to be paid from a mortgage approved by Seller) at the times specified in the Sales Agreement. If Seller rejects Buyer's evidence of Buyer's ability to pay as unacceptable, Seller shall notify Buyer of such rejection in writing within fifteen (15) days of Seller's receipt of such evidence of Buyer's ability to pay, in which case Buyer's offer to buy the Apartment shall be deemed rejected by Seller and shall be null and void.

(d) Seller's Rights Upon Rejection of Mortgage Loan. If any of the following occurs:

(i) Buyer's application of eligibility for a Mortgage Loan is rejected by a Mortgage Lender or Mortgage Lenders, or Buyer's Mortgage Loan approval or Mortgage Loan commitment is not approved within sixty (60) days from the date that Seller has executed and accepted the Sales Agreement.

(ii) Buyer fails to provide evidence of Buyer's ability to pay to Seller or any proposed Mortgage Lender within ten (10) days of request thereof to Buyer by said proposed mortgage lender or Seller,

(iii) Buyer, after having had a Mortgage Loan approval or Mortgage Loan commitment disapproved by Seller is thereafter unable to have such disapproval or commitment modified or revised to the satisfaction of Seller, or

(iv) Seller, in its sole discretion, after reviewing the written evidence of Buyer's ability to pay determines Seller is not satisfied as to Buyer's ability to make the cash Payments.

(v) If Buyer is not a natural person and Buyer fails to have its obligations under the Sales Agreement guaranteed by a person acceptable to Seller.

Then, in any of the foregoing events, Seller may elect to cancel the Sales Agreement upon written notice to Buyer and, upon such cancellation, Seller shall direct Escrow to refund to Buyer all sums paid hereunder by Buyer, without interest. If Seller elects to cancel the Sales Agreement for the reasons set forth in this paragraph, Seller shall not be liable for any damages Buyer may suffer as result of such cancellation.

(e) Buyer's Rights Upon Rejection of Mortgage Loan. If Buyer has qualified as an Owner-Occupant under Hawaii's Owner-Occupant Pre-Sale Law and Buyer fails to obtain adequate financing or a commitment for adequate financing within sixty (60) days from the date that Seller has executed and accepted the Sales Agreement, then Buyer may elect to cancel the Sales Agreement upon written notice to Seller, and upon such cancellation, Seller shall direct Escrow to refund to Buyer all sums paid hereunder by Buyer, without interest. Except for this right to cancel as an Owner-Occupant, Buyer's obligation to buy the Apartment is not subject to a financing contingency.

11. Hawaii's Owner-Occupant Presale Law. Under Hawaii's Owner-Occupant Presale Law, Buyer may qualify as an owner-occupant purchaser by (i) signing an Owner-Occupant Affidavit, (ii) being listed on Seller's owner-occupant reservation list, and (iii) signing the Sales Agreement within ten (10) days after the Preliminary Public Report for the Project is issued. If Buyer is an owner-occupant purchaser, Buyer agrees to deliver to Seller a copy of the satisfactory loan commitment from the Mortgage Lender within sixty (60) days after Seller's execution of the Sales Agreement and if Buyer fails to obtain such a commitment or if during the ten (10) day period following issuance of the first Public Report for the Project, Buyer wishes to cancel his commitment as an Owner-Occupant because of personal hardship contemplated by the Hawaii Owner-Occupant Presale Law (such as the serious illness of Buyer or a member of Buyer's family, job or military transfer, unforeseeable change in marital status or birth of a child) after signing the Owner-Occupancy Affidavit that cause Buyer to be unable to occupy the Apartment or if Buyer indicates during the ten day period an intent not to be an Owner-occupant, the Sales Agreement will be canceled and Seller will cause Escrow to refund to Buyer all of Buyer's deposits into Escrow without any interest less a reasonable amount (not to exceed $250) for expenses and handling charges. In the event Buyer enters into the Sales Agreement as an owner-occupant, then Buyer shall be required to re-affirm upon the prospective owner-occupant's execution of receipt for a Final Public Report of such person's intent to be an owner-occupant as set forth under the Owner-Occupant Pre-sale Law. If buyer is unable to make such reaffirmation, then, at Seller's request, Buyer shall be required to rescind the Sales Agreement. In the event of such rescission, Seller may retain the Buyer's deposit as liquidated damages or exercise the remedies provided for in the Sales Agreement and any other remedies provided by law. These special cancellation provisions are in addition to, and do not supersede or replace those rights of Buyer in Paragraph F.1 of the Sales Agreement.

Seller will give notice of cancellation in such case to Buyer and to Escrow. If Buyer has signed an Owner-Occupant Affidavit, the representations shall constitute a breach by Buyer of his obligations under the Sales Agreement.

12. Closing Obligations.

(a) Closing. Under the Sales Agreement, the term "Scheduled Closing Date" shall mean the later of (i) seventy-five (75) days following the date of Seller's execution of the Sales Agreement or (ii) the date which Seller selects in its sole discretion and identifies in a written notice sent to Buyer. However, the Scheduled Closing Date shall not be a date earlier than the date the Building Department of the City and County of Honolulu has issued a certificate of occupancy covering the Apartment. If the Sales Agreement is executed by Buyer before the City and County of Honolulu has issued a certificate of occupancy covering the Apartment, then Seller may (and Buyer agrees to) pre-close the sale by having all documents necessary for closing executed and deposited with Escrow prior to the time of closing up to and including one hundred twenty (120) days prior to Seller's estimated Scheduled Closing Date.

(b) Payment of Cash Portions of the Purchase Price. Buyer agrees that on or before fifteen (15) days prior to the Scheduled Closing Date, Buyer shall pay into Escrow the following sums by either a cashier's check or wired funds.

(i) The remaining portion of the Total Purchase Price which Buyer shall not have already paid; provided, however, the proceeds from any Mortgage Loan shall be deposited with Escrow one (1) business day before the Scheduled Closing Date; and

(ii) Buyer's share of the closing costs provided for in Paragraph F.18(e)(i) of the Sales Agreement; and

(iii) All other additional costs and expenses provided for in Paragraph F.18(f) of the Sales Agreement; and

(iv) All other sums of money which Buyer is required to pay under the Sales Agreement and which Buyer shall not have yet paid.

(c) Closing Costs and Prorations. Buyer is required to pay for all of the closing costs involved in the purchase and sale of the Apartment.

In addition to the closing costs, Buyer will also pay Buyer's share prorated as of the Closing Date of real property taxes and ground lease rent which Seller has paid or is obligated to pay for the Project or the Apartment.

(d) Prepayment of Rent, Common Expenses and Start-Up Fees. In addition to the closing costs and the prorations above, Buyer shall also pay at closing (i) the lease rent (which shall include Hawaii general excise tax) charged under Buyer's Apartment Conveyance Document for the first two months after the Scheduled Closing Date; (ii) the estimated common expenses and Residential Class limited common expenses allocable to the Apartment for the first two months after the Scheduled Closing Date and (iii) a non-refundable and non-transferable "start up fee" equal to two (2) months' estimated common expenses and Residential Class limited common expenses.

13. Time of the Essence; Remedies on Default.

(a) Time of the Essence and Non-Waiver. Time is of the essence of the obligations of Buyer under the Sales Agreement.

(b) Seller's Remedies on Buyer's Default. Buyer shall be in default under the Sales Agreement if Buyer fails to make a payment when due or if Buyer fails to perform any other required obligation (other than relating to the making of payment) and such other failure continues for fifteen (15) days after Seller gives written notice to Buyer of such failure. In the event of any such default, Seller may, at Seller's option and in addition to any other rights contained in the Sales Agreement, do any one or more of the following:

(i) Seller may terminate the Sales Agreement by written notice to Buyer. In view of Seller's financial commitments with respect to the Project; the connection between the sale, cancellation or default with respect to one apartment and the sale, cancellation or default with respect to other apartments in the Project; and the nature of the real estate market in Hawaii, that the injury to Seller will be uncertain as to nature and amount and difficult to ascertain. As a reasonable estimate of Seller's damages resulting from such default, the parties agree in the Sales Agreement that the sums previously paid by Buyer under the Agreement shall at Seller's option belong to Seller as liquidated damages. It is understood that the damages suffered by Seller by virtue of a default later in time will likely be greater than such a default occurring at an earlier point in time;

(ii) Seller may also file a lawsuit for damages;

(iii) Seller may also file a lawsuit for specific performance;

(iv) Seller may also pursue any other remedy permitted at law or in equity.

(v) All costs, including reasonable attorneys fees, incurred by Seller by reason of default by Buyer shall be paid by Buyer promptly upon Seller's demand.

(c) Buyer's Remedies on Seller's Default. If Seller shall default in the performance of any obligation required of Seller hereunder, Buyer shall be entitled to specific performance of the Sales Agreement (unless the Agreement is only a "reservation") or Buyer shall have the right to cancel and terminate the Sales Agreement.

In the event that Buyer, or anyone claiming by, through or under Buyer, alleges that the offer to sell or the sale or purchase of the Apartment gives rise to any violation of any federal or state disclosure laws or regulations (including, but not limited to, the Hawaii Condominium Act), then parties agree that the BUYER OR ANY SUCH OTHER PERSON SHALL NEITHER SEEK NOR HAVE ANY REMEDY OTHER THAN TO SUE FOR SPECIFIC PERFORMANCE OR TO SUE FOR A REFUND TO Buyer OF THE PURCHASE PRICE AND CLOSING COSTS ACTUALLY PAID, PLUS INTEREST AT THE RATE OF TWELVE PERCENT (12%) PER ANNUM FROM THE DATE OF RECORDATION OF THE BUYER'S APARTMENT CONVEYANCE DOCUMENT OR OTHER CONVEYANCE INSTRUMENT UNTIL THE DATE OF REPAYMENT. BUYER EXPRESSLY WAIVES ANY OTHER RIGHT OR REMEDY AGAINST SELLER WHICH NOW EXISTS OR WHICH HEREAFTER MAY EXIST FOR DEFAULT BY SELLER UNDER THE SALES AGREEMENT, EXCEPT FOR THE AFOREMENTIONED RIGHTS.

(d) Late Payment. In the event of any default with respect to any payment hereunder, in addition to any other remedies permitted under the Sales Agreement a late charge of one percent (1%) per month (provided such shall not exceed the highest rate as may be permitted by law), prorated on a 30-day month basis, shall accrue from the due date of such payment until such payment together with such late charges, is paid.

14. Common Expenses. In the Sales Agreement, Buyer acknowledges that the estimates of the common expenses and Residential Class limited common expenses set forth in Seller's Public Report for the Project are only estimates which are likely to change and do not constitute the representations or warranties by Seller or anyone else. Buyer further acknowledges future taxes and maintenance costs are difficult to predict with any accuracy. BUYER AGREES THAT SUCH ESTIMATES ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY REPRESENTATIONS OR WARRANTY BY SELLER, INCLUDING BUT NOT LIMITED TO ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF SUCH ESTIMATES.

15. Use of the Apartment.

(a) Permitted Uses. Each Residential Apartment may be used for residential, transient occupancy or condominium-hotel and accessory purposes, and for any other purposes permitted under applicable law and approved by the Fee Owner in its reasonable discretion.

Subject to all applicable zoning and other laws or regulations governing the use of the Residential Apartments, the Residential Apartments may also be used for certain limited business or commercial purposes as follows:

(a) The Residential Apartments may be used for holding business appointments or meetings and related office purposes in connection with (i) the limited provision of professional and similar services (including, but not limited to, accounting, bookkeeping, financial, legal, psychiatric, psychological or other similar services) or (ii) sales activities not involving a greater influx of nonresidents into the project than the foregoing services involve, and relating only to goods, merchandise or other property not located or kept in the Apartment (including the appurtenant limited common elements);

Notwithstanding the foregoing, the Apartment Conveyance instruments for some of the Residential Apartments may restrict the use of such Apartments to residential purposes only or may contain other restrictions or limitations on the apartment's use. In the event an Apartment Conveyance Instrument for a Residential Apartment contains more restrictive use provisions than are set forth in the Sales Agreement, the use provisions of the Apartment Conveyance Instrument shall control.

The Owners of the Residential Apartments shall have the right to rent or lease, or otherwise permit the use of their respective Apartment, for any length or periods of time as the Owner may desire; provided, however, the Residential Apartments shall not be used, leased, rented or any undivided interest therein be transferred for time-sharing purposes or under any time sharing plan, agreement or arrangement as the same is defined under Chapter 514E, Hawaii Revised Statutes, as amended.

If an Owner of a Residential Apartment desires to make an arrangement for rental or occupancy of his Apartment, then the Owner must make such arrangement without the involvement or participation of the Developer. THE DEVELOPER HAS NOT AUTHORIZED ANY AGENT, EMPLOYEE, SALESPERSON OR BROKER TO MAKE ANY REPRESENTATIONS AS TO RENTAL OR OTHER INCOME FROM ANY APARTMENT OR AS TO ANY OTHER ECONOMIC BENEFIT, INCLUDING POSSIBLE ADVANTAGES FROM THE OWNERSHIP OF AN APARTMENT UNDER FEDERAL OR STATE TAX LAWS, TO BE DERIVED FROM THE PURCHASE OF AN APARTMENT IN THE PROJECT.

Seller will not sponsor, promote or establish any rental pool arrangement within the Project in which there is a "pooling" or sharing of expenses and income among owners of apartments in the Project.

Permitted uses for the Non-Residential Apartments are also set forth in the Declaration to which a prospective purchaser may refer.

16. New Laws and Events Beyond Seller's Control. In the event that the development and construction of the Project is at any time or from time to time delayed due to any governmental law, ordinance, rules, restrictions or regulations, including a zoning change, enacted after the date of acceptance of the Sales Agreement by Seller (the foregoing are referred to as "New Laws"), or by the occurrence of a contingency (such as, without limitation, fire, earthquake, act of God, war, labor disturbance or economic controls, litigation, or threat of litigation or other matters or conditions beyond the control of Seller) (the foregoing are referred to as "Force Majeure Events"), the nonoccurrence of which was a basic assumption on which the Sales Agreement was made, the following provisions shall apply:

(a) Seller's Right to Increase Purchase Price in Certain Circumstances. If Seller determines that increases in the development and construction costs because of such delay require increases in the sales prices of apartments to maintain financial feasibility of the Project, then and in any such event Seller may increase the Total Purchase Price of the Apartment only to the extent necessitated by the increases in development and construction costs and Seller shall notify Buyer in writing of any such increases in the Total Purchase Price.

(b) Right to Cancel. If Seller determines that the New Laws or the Force Majeure Events prevent the construction of the Project, then Seller shall have the right to rescind the Sales Agreement.

17. Arbitration. In the event Buyer shall have a claim against Seller or Seller's agents or representatives (the "Development Team Members"), or if Seller shall have a claim against Buyer arising out of or in any way connected with the Sales Agreement or the design, development, construction, sale, marketing, financing or any other activity relating to the Apartment or the Project, the claims shall be submitted for resolution in Honolulu, Hawaii by a single arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. The arbitration shall also be governed by the applicable provisions of Chapter 658 of the Hawaii Revised Statutes, as amended. Other terms and conditions of such arbitration are set forth in Paragraph 35 of the Sales Agreement.

PRELIMINARY PUBLIC REPORT

HARBOR COURT

EXHIBIT "M"

SUMMARY OF THE ESCROW AGREEMENT BETWEEN TITLE GUARANTY ESCROW SERVICES, INC. ("Escrow") and HARBOR COURT DEVELOPERS ("Developer")

1. Sales Contracts Deposited in Escrow. All sales contracts for the sale of a Unit in the Project shall be delivered to Escrow. Each sales contract shall contain the correct names and addresses of the purchasers, shall require that all payments to be made by the purchasers thereunder shall be made directly to Escrow and shall be accompanied by the initial deposit required thereunder.

2. Receipt of Funds by Escrow. Seller shall pay over to Escrow any monies received by Seller from purchasers under sales contracts covering Units in the Project, including all disbursements made on loan commitments, if any, from lending institutions to an individual Unit purchaser. Unless otherwise stated under the sales contracts covering the sale of Units in the Project, all interest earned from any such interest-bearing account or accounts shall be for the benefit of Seller and shall be held in escrow by Escrow and disbursed, as herein set forth.

3. Conditions to be Met Prior to Disbursement. Except as may be otherwise provided in the Escrow Agreement, no disbursements to Seller (or to the "Collateral Agent" for Seller's Lender) of funds held in escrow hereunder shall be made unless and until the following conditions have been fulfilled:

(a) The Real Estate Commission shall have issued an effective date for a Final Public Report on the Project; provided, however, to the extent any sales contracts are entered into and purchaser's funds are obtained prior to the issuance of an effective date for a Final Public Report, no disbursements shall be made from such purchaser's funds until (i) an effective date for such Final Public Report shall have been issued; and (ii) the purchaser shall have been given a copy of said Final Public Report and shall have acknowledged receipt of same or shall have been deemed to have acknowledged receipt of same and Developer's attorney shall have delivered a written opinion to Escrow that the purchaser's sales contract has become effective;

(b) The Developer or Developer's attorney shall have delivered a written opinion to Escrow stating that the requirements of Sections 514A-40, 514A-62 and 514A-63 of the Act have been met;

(c) The Developer shall have given Escrow a written waiver of any option reserved in any sales contract to cancel such sales contract; and

(d) Notwithstanding the foregoing or any other provision in the Escrow Agreement to the contrary, up to twenty-five percent

(25%) of the purchase price of a Residential Unit (but not other types of Units) received from a purchaser as a non-refundable deposit towards the purchase price of such Residential Unit (as indicated in the applicable sales contract) may be used by the Developer to pay costs of the construction of the Project in strict accordance with (i) the Escrow Agreement, (ii) the requirements of the Act, and any other applicable laws and ordinances: Within five (5) days of the Developer's request that Escrow disburse funds held in the Escrow Account to pay construction costs approved for payment by the Collateral Agent, Escrow shall release such funds from the Escrow Account for the payment of such approved costs; provided that the Escrow Account contains sufficient funds to make such payment; and provided, further, that the aggregate of all such funds disbursed from time to time for the payment of construction costs pursuant to subparagraph 5(a) of the Escrow Agreement shall not exceed the twenty-five percent (25%) limitation set forth therein. The balance of any purchaser's monies remaining in the Escrow Account, after payment of Closing Costs, shall be disbursed at Closing by Escrow into the Collateral Account set up pursuant to the Escrow Agreement.

(e) Except as set forth in (d) above, disbursements from the Escrow Account shall be made as soon as the individual condominium conveyance documents have been recorded and Escrow has received satisfactory evidence that all mechanics' and materialmen's liens have been cleared (by title insurance or otherwise) or sufficient funds are available to cover claims if liens are filed and construction on the relevant Unit(s) of the Project has been completed.

4. Return of Funds and Documents. Paragraph 4 of the Escrow Agreement provides that purchaser shall be entitled to a return of funds and Escrow shall pay such funds to such purchaser, without interest, if any of the following has occurred:

(a) Developer and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held hereunder by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to the issuance of an effective date for a Final Public Report, the purchaser has exercised his right to cancel the contract pursuant to Section 514A-62 of the Act; or

(d) A purchaser has exercised his right to rescind the contract pursuant to Section 514A-63 of the Act; or

(e) It is determined that a Unit purchaser has the right to void the sales contract pursuant to Section 514A-69 of the Act, and the purchaser has elected to do so.

In any of the foregoing events, Escrow shall, upon the occurrence of the event described in (a) or (b) above or upon receipt of a written request for a refund from purchaser upon the occurrence of an event described in (c), (d) or (e) above, unless the purchaser has waived or has been deemed to have waived the right to a refund, pay said funds to said purchaser (less a cancellation fee of Escrow of not less than $25.00 per unit or a cancellation fee commensurate with the work done by Escrow prior to such cancellation, whichever fee is greater, but not greater than that which is permitted under the Act) and thereupon said sales contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer and shall be deemed no longer held hereunder; provided, however, that no refund shall be made to a purchaser at purchaser's request prior to receipt by Developer of written notice from Escrow of its intent to make such refund.

(f) If the purchaser indicated the purchaser's intention to be an owner-occupant of a Unit under Part VI of the Act by signing a document entitled "Affidavit of Intent to Purchase and Reside in an Owner-Occupant Designated Condominium Residential Unit," and if the purchaser and the Developer so request in writing, Escrow will refund the purchaser's deposits upon the occurrence of one or more of the following events:

(i) No sales contract has been offered to the purchaser (A) within six (6) months of the issuance of an effective date for the Project's first condominium public report (if the "chronological system" defined in section 514A-101 of the Act has been used to establish a final reservation list), or (B) within six (6) months of the public lottery (if the "lottery system" described in section 514A-101 of the Act has been used to establish a final reservation list). In this case only, no cancellation fees will be subtracted from the refund; or

(ii) Before signing a sales contract, the purchaser requests that his name be removed from the Developer's final reservation list; or

(iii) The purchaser chooses not to sign a sales contract; or

(iv) The purchaser is unable to obtain a loan (or a commitment for a loan) for sufficient funds to purchase the Unit by the time the sales contract allows the purchaser to obtain a loan or a commitment for a loan, and either the purchaser or the Developer chooses to cancel the sales contract. The Act requires that the purchaser shall have at least fifty (50) calendar days from the day the Developer signs and accepts the sales contract to obtain a loan or a commitment for a loan; or

(v) The purchaser is required by the Act to rescind the sales contract because the purchaser will not or cannot reaffirm upon the execution of the receipt for the Final Public Report the purchaser's intention to be an owner-occupant of the Unit. In this case, Escrow will refund purchaser's deposits.

Except for cancellations under subparagraph (f) (i) above, Escrow may deduct from any such refund made to a purchaser a cancellation fee as set forth above.

6. Purchaser's Default. Developer shall give notice in writing to Escrow of the occurrence of each event which initiates an obligation of a purchaser to make a payment to Escrow pursuant to the sales contract as well as notice of the amount and due date of such payment. Escrow shall thereupon promptly give the purchaser notice of the amount and due date of such payment. If the purchaser fails to make such payment to Escrow on or before the due date thereof or if the purchaser fails to perform in any matter which is being handled by Escrow, Escrow shall promptly notify Developer of any such failure on the part of the purchaser. If Developer subsequently certifies in writing to Escrow that Developer has terminated the sales contract due to any default by such Unit purchaser in accordance with the terms thereof and provides to Escrow copies of all such notices of termination sent to the purchaser, Escrow shall thereafter treat all funds of the purchaser paid on account of such purchaser's sales contract as funds of Developer and not as funds of the purchaser. Thereafter, such funds shall be free of the escrow established by this Agreement and shall be held by Escrow for the account of Developer. Upon written request by Developer, Escrow shall pay such sums to Developer, less any escrow cancellation fee, shall return to Developer the sales contract of such purchaser and any other documents theretofore delivered by Developer to Escrow, and shall return other documents theretofore delivered to Escrow in connection with the purchase of the unit to the person from whom, or entity from which, such documents were received; and, Escrow shall thereupon be released from any further duties or liability hereunder with respect to such funds and such purchaser.

PRELIMINARY PUBLIC REPORT
HARBOR COURT

EXHIBIT "N"

DISCLOSURE ABSTRACT

1. (A) PROJECT: Harbor Court
66 Queen Street
Honolulu, Hawaii 96813

(B) DEVELOPER: Harbor Court Developers
841 Bishop Street, Suite 2300
Honolulu, Hawaii 96813
Telephone: (808) 539-9600

(C) MANAGING AGENT: Hawaiiana Management Company
1270 Ala Moana Boulevard
Honolulu, Hawaii 96814

2. Breakdown of annual maintenance fees and monthly estimate costs for each Unit are shown on Exhibit "A" attached hereto (revised and updated every twelve (12) months and certified to have been based on generally accepted accounting principles).

3. DESCRIPTION OF ALL WARRANTIES COVERING THE UNITS AND COMMON ELEMENTS.

Upon completion of construction of the Project, the warranty begins. Developer warrants that Section 12.2.2 of the Construction Contract for the Project contains a clause which provides in pertinent part that: "If within one year after the date of Substantial Completion of the Work ... any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition."

The Developer will attempt to assign to buyers the unexpired term, of any, of any manufacturer's or dealer's warranties covering any fixtures or appliances in the apartment. By such assignment, the Developer will be merely passing through to buyers any such manufacturer's or dealer's warranties, and the Developer will not be adopting any such warranties or acting as co-warrantor. Purchaser acknowledges and agrees that THE DEVELOPER IS NOT ADOPTING ANY SUCH CONTRACTOR'S, MANUFACTURER'S OR DEALER'S WARRANTIES, OR ACTING AS CO-WARRANTOR, BUT IS MERELY ATTEMPTING TO PASS THROUGH TO PURCHASER THE BENEFIT OF ANY SUCH WARRANTIES.

4. USE OF UNITS. The Harbor Court Condominium Project will consist of One Hundred Forty-Eight (148) Apartments, of which 120 are Residential Apartments located in the

Residential Tower, 18 are Office Apartments located in the Office Tower, 3 Retail Apartments, 2 Restaurant Apartments located, 3 Parking Apartments and 2 Management Apartments, located in the Pedestal Structure.

Residential Apartments. The Residential Apartments may be used for residential, transient occupancy or condominium-hotel and accessory purposes, and for any other purposes permitted under the Land Use Ordinance of the City and County of Honolulu, as amended. The Residential Apartments may also be used for holding business appointments or meetings and related office purposes in connection with (i) the limited provision of professional and similar services (including, but not limited to, accounting, bookkeeping, financial, legal, psychiatric, psychological or other similar services), or (ii) sales activities not involving a greater influx of nonresidents into the Project than the foregoing services involve, and relating only to goods, merchandise or other property not located or kept in the Apartment; provided, however, that no Residential Apartment or limited common element appurtenant thereto shall be used for the sale or offering for sale of any merchandise or goods of any kind stored or located on the premises.

Notwithstanding the foregoing, the Apartment Conveyance Instruments for some of the Residential Apartments may restrict the use of such Apartments to residential purposes only or may contain other restrictions or limitations on the Apartment's use. In the event an Apartment Conveyance Instrument for a Residential Apartment contains more restrictive use provisions than are set forth in this paragraph, the use provisions of the Apartment Conveyance Instrument shall control.

Office Apartments. The Office Apartments may be used (a) for office, commercial, retail and accessory purposes, and (b) for other purposes as permitted under applicable law and approved by the Fee Owner in its reasonable discretion.

Parking Apartments and Parking Stalls. The Parking Apartments and those parking stalls which are limited common elements appurtenant to Apartments may be used (a) for parking purposes, (b) to the extent legally permissible, for storage facilities purposes; provided, however, that Parking Apartments which consist of two or fewer stalls, and parking stalls which are limited common elements appurtenant to Apartments, may not be used for storage facilities purposes without the prior written consent of the board of Directors, and (c) for other purposes as permitted under applicable law and approved by the Fee Owner in its reasonable discretion.

Retail Apartments. The Retail Apartments may be used for (a) retail, office, food and beverage sales and other

commercial and accessory purposes, and (b) for such other purposes as may be permitted under applicable law and approved by the Fee Owner in its reasonable discretion.

Restaurant Apartments. The Restaurant Apartments may be used for (a) retail, office, food and beverage sales and other commercial and accessory purposes, and (b) for such other purposes as may be permitted under applicable law and approved by the Fee Owner in its reasonable discretion.

Management Apartments. The Management Apartments may be used for (a) office, retail, commercial, management and apartment rental and property management purposes, including without limitation, concierge-type services, and (b) for such other purposes as may be permitted under applicable law and approved by the Fee Owner in its reasonable discretion.

An apartment owner shall otherwise have the absolute right to sell, rent, lease or otherwise transfer his respective apartment in connection with any such occupancy or use for any length of time subject to the provisions of this Declaration and any applicable covenant, restriction or house rule and the zoning ordinance of the County of Honolulu. The Developer will not sponsor, promote or establish any rental pool within the Project in which there is a "pooling" or sharing of expenses and income among owners of apartments in the Project. If an apartment owner desires to make an arrangement for rental or occupancy of his apartment, then the owner must make such arrangement without the involvement or participation of the Developer. THE DEVELOPER HAS NOT AUTHORIZED ANY AGENT, SALESMAN OR BROKER TO MAKE ANY REPRESENTATIONS AS TO RENTAL OR OTHER INCOME FROM ANY APARTMENT OR AS TO ANY OTHER ECONOMIC BENEFIT, INCLUDING POSSIBLE ADVANTAGES FROM THE OWNERSHIP OF AN APARTMENT UNDER FEDERAL OR STATE TAX LAWS TO BE DERIVED FROM THE PURCHASE OF AN APARTMENT IN THE PROJECT. Until the Developer closes the sales of all the apartments in the Project, no apartment owner shall enter into any agreement with any apartment owner, purchaser, or lessee of another apartment in the Project or any other third party in which an apartment owner agrees to share rental income from apartments in the Project.

PRELIMINARY PUBLIC REPC

HARBOR COURT

ESTIMATED OPERATING EXPENSES

For Period July 1, 1993 to June 30, 1994
As Prepared by Developer

Estimated Annual Expenses and Estimated Monthly Common Expenses

SEE ATTACHED EXHIBITS "A" and "1"

The Developer certifies that the maintenance fees and costs as estimated by the Developer are based on generally accepted accounting principles.

HARBOR COURT DEVELOPERS

By The Beam Harbor Venture,
Its General Partner

By McCormack Harbor Properties, Ltd.
Its General Partner

By _____
Its

It is hereby certified that the foregoing estimate of the Monthly Common Expenses set forth herein have been based on generally accepted accounting principles.

HAWAIIANA MANAGEMENT COMPANY, LTD.

_____
Treasurer

EXHIBIT "1"

HARBOR COURT 1994 OPERATING BUDGET

	SQ. FT.	% AGE	MASTER AOAO FEES	RESI-DENTIAL	OFFICE TOWER	RETAIL	REST-AURANT	PARKING	MGMT.	OTHER CAM CHARGES	TOTAL ASSMNTS
REVENUE											
RESIDENTIAL MAINTENANCE FEE	169,470	38.10%	346,194	270,220							616,414
OFFICE FEES & RECOVERY	186,138	41.84%	380,243		764,835					642,202	1,787,280
RETAIL FEES & RECOVERY	4,355	0.98%	8,896			34,818				15,025	58,740
RESTAURANT FEES & RECOVERY	9,958	2.24%	20,342				39,636			34,356	94,335
PARKING FEES & RECOVERY	74,261	16.69%	151,700					115,200			266,900
MGMT. MAINTENANCE FEE	678	0.15%	1,385								1,385
TOTAL	444,860	100%	908,760	270,220	764,835	34,818	39,636	115,200		691,584	2,825,053
EXPENSES											
UTILITIES											
ELECTRICITY			60,000	48,000	48,000	12,000	12,000	36,000		284,784	500,784
WATER				11,980						20,600	32,580
SEWER				30,240						28,000	58,240
TELEPHONE			3,600	3,000	2,400			2,400		600	12,000
TOTAL UTILITIES			63,600	93,220	50,400	12,000	12,000	38,400		333,984	603,604
JANITORIAL											
CONTRACT SERVICES					175,000						175,000
CLEANING SUPPLIES				3,400	8,400	1,000					12,800
CARPET CLEANING				3,000	20,000						23,000
JANITORIAL PAYROLL				39,200						58,800	98,000
TOTAL JANITORIAL				45,600	203,400	1,000				58,800	308,800

Note 1: Elevator Reapairs/Maint. for the 1st Year will be under warranty.
Est. 11/92

HARBOR COURT 1994 OPERATING BUDGET

	SQ. FT.	% AGE	MASTER AOAO FEES	RESI-DENTIAL	OFFICE TOWER	RETAIL	REST-AURANT	PARKING	MGMT.	OTHER CAM CHARGES	TOTAL ASSMNTS
SECURITY											
SECURITY PAYROLL			212,470								212,470
SECURITY EQUIPMENT			30,000								30,000
TOTAL SECURITY			242,470								242,470
MAINTENANCE / REPAIR											
PAYROLL			102,260								102,260
SUPPLIES			12,000	6,000						18,000	36,000
A/C MAINTENANCE			36,000	17,280						30,000	83,280
PUMPS & VENTS			21,000								21,000
ELEVATOR REPAIRS/MAINT.			Note 1								#VALUE!
PLUMBING				1,800	1,800						3,600
PARKING REPAIRS/ PAINTING								10,800			10,800
DECORATING				6,000						6,000	12,000
REFUSE				15,120	35,280						50,400
WINDOW - WASHING				18,000	28,000	3,200	800				50,000
GROUNDS EXPENSE			24,000								24,000
PEST CONTROL				3,600	7,200						10,800
POOL EXPENSE				3,600							3,600
MISC. MAINTENANCE			12,000	12,000		4,800		6,000		12,000	46,800
TOTAL MAINTENANCE & REPAIR			207,260	83,400	72,280	8,000	800	16,800		66,000	454,540

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	SQ. FT.	% AGE	MASTER AOAO FEES	RESI-DENTIAL	OFFICE TOWER	RETAIL	REST-AURANT	PARKING	MGMT.	OTHER CAM CHARGES	TOTAL ASSMNTS
MANAGEMENT / STAFFING											
MANAGEMENT FEES			54,000							195,000	249,000
PAYROLL - MANAGEMENT			150,130								150,130
ADMIN SUPPLIES			8,000								
ACCOUNTING / LEGAL			7,300							1,800	9,100
TOTAL MANAGEMENT			219,430							196,800	416,230
INSURANCE / TAXES											
CASUALTY / LIABILITY INS.			90,000							36,000	126,000
REAL ESTATE TAXES					366,755	10,218	20,436				397,409
TOTAL INSURANCE / TAXES			90,000		366,755	10,218	20,436			36,000	523,409
RESERVE CONTRIBUTION			86,000	48,000	72,000	3,600	6,400	60,000			276,000
TOTAL DIRECT EXPENSES			908,760	270,220	764,835	34,818	39,636	115,200		691,584	2,825,053
MASTER AOAO MAINT. FEES			-908,760	346,194	380,243	8,896	20,342	151,700	1,385		
NET MAINTENANCE EXPENSES				616,414	1,145,078	43,714	59,978	266,900	1,385	691,584	2,825,053
CAM MAINT. FEES (off,rest. & retail)					-1,145,078	-43,714	-59,978			1,248,770	
NET EXPENSES				616,414				266,900	1,385	1,940,354	2,825,053

Note 1: Elevator Reapairs/Maint. for the 1st Year will be under warranty.
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