CONDOMINIUM PUBLIC REPORT

Prepared &
Issued by: Developer GABE Partnership
Address 1830 Wells Street, Wailuku, Maui, HI 96793

Project Name(*): 1830 Wells Street Building
Address: 1830 Wells Street, Wailuku, Maui, HI 96793

Registration No. 2929 (Conversion)

Effective date: October 7, 1993
Expiration date: November 7, 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:

___ 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.

X FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
[X] 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

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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EXHIBIT C: Limited Common Elements
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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, lānais, 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: GABE Partnership
Name
Phone: 244-3200 (Business)
1830 Wells Street
Business Address
Wailuku, Maui, HI 96793

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

Andrew Don, General Partner
J. Glenn Haines, M.D., Inc. a Hawaii Corporation, General Partner
(J. Glenn Haines, President and sole shareholder)

Real Estate Broker: None Selected - to be acquired by individual partner and/or existing commercial tenants directly from Developer partnership
Name
Phone: (Business)
Business Address

Escrow: Title Guaranty Escrow Services - Wailuku
Name
Phone: 244-7924 (Business)
2103 Wells St., Ste. C
Business Address
Wailuku, Maui, HI 96793

General Contractor: N/A
Name
Phone: (Business)
Business Address

Condominium Managing Agent: Self-managed by Association of Apartment Owners
Name
Phone: (Business)
Business Address

Attorney for Developer: Thomas A. Bodden
Bodden & Muraoka
Name
Phone: 244-8222 (Business)
24 N. Church St., Ste. 200
Business Address
Wailuku, Maui, HI 96793

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

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

The Declaration for this condominium is:

[ ] Proposed
[X] Recorded - Bureau of Conveyances: Document No. 93-052801
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]: Correction to Declaration dated Feb. 26, 1993 and recorded on June 7, 1993 as Document No. 93-090735; Amendment to Declaration of Condominium Property Regime and By-Laws of the Association of Apartment owners dated February 26, 1993, acknowledged on August 4, 1993 and recorded as Document No. 93-128713 on 8/9/93.

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

The Condominium Map for this condominium project is:

[ ] Proposed
[X] Recorded - Bureau of Conveyances Condo Map No. 1842
[ ] Filed - Land Court Condo Map No. _____

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

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

The Bylaws for this condominium are:

[ ] Proposed
[X] Recorded - Bureau of Conveyances: Document No. 93-052802
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]: Amendment to Declaration of Condominium Property Regime and to By-Laws of the Association of Apartment Owners dated February 26, 1993, acknowledged on August 4, 1993, recorded as Document No. 93-128713 on August 9, 1993.

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

The House Rules for this condominium are:

[ ] Proposed [ ] Adopted [X] 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	---	N/A

* 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:

1. To grant easements on or through the common element for electrical, telephone and/or other utility purposes.
2. To dedicate portions of the land for road-widening and/or other governmental purposes
3. On behalf of Andrew Don and J. Glenn Haines, M.D. Inc., jointly, but in their individual capacities, to convert the area identified as Limited Common Element 1 into an additional apartment, and in that regard, to amend the Declaration on behalf of all apartment owners.
4. To change the Declaration, Condominium Map or By Laws to the extent required by governmental authority, a title insurance company or institutional mortgage lender, or, prior to the conveyance of the first apartment, by developer. (Subject to limitations set forth in Section 11 of the Declaration and Section 18 of the Sales Contract).

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

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

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

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

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

_____

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

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

For Subleaseholds:

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

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

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

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

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

Lease Term Expires: _____
Rent Renegotiation Date(s): _____

_____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually
Exhibit _____ contains a schedule of the lease rent for each apartment per [ ] Month [ ] Year

[ ] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

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

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

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

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

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

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

B. Underlying Land:

Address: 1830 Wells Street/77 Kanoa Street (corner of Wells & Kanoa) Wailuku, Maui, Hi 96793

Tax Map Key: (II) 3-4-10-31 (TMK)

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

Land Area: 11,518 [X] square feet [ ] acre(s) Zoning: B-2 (business)

Lessor
(Fee Owner): GABE Partnership
Name
1830 Wells Street
Address
Wailuku, Maui, HI 96793

~~Sublessor:~~
~~Name~~
~~Address~~

C. Buildings and Other Improvements:

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

2. Number of Buildings: 1 Floors Per Building 2 plus unimproved attic
(Building consists of 1 existing building consisting of 2 stories plus unimproved attic)
[ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

[X] Concrete [ ] Hollow Tile [X] Wood

[ ] Other _____

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning			No. of Apts.	Use Determined By Zoning
[ ] Residential	____	[ ] Yes [ ] No	[ ]	Ohana	____	[ ] Yes [ ] No
[ ] Commercial	____	[ ] Yes [ ] No	[ ]	Industrial	____	[ ] Yes [ ] No
[ ] Mix Res/Comm	____	[ ] Yes [ ] No	[ ]	Agricultural	____	[ ] Yes [ ] No
[ ] Hotel	____	[ ] Yes [ ] No	[ ]	Recreational	____	[ ] Yes [ ] No
[ ] Timeshare	____	[ ] Yes [ ] No	[X]	Other: Business (limited by variance to professional offices only)	5	[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: Bylaws, Section V-2-I prohibits all pets

[ ] Number of Occupants:

[X] Other: As part of variance (eliminating need for loading zone parking stall), use is now specifically limited to professional offices.

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 2 Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
101	1	0/0	1340 sf	0
102	1	0/0	1285 sf	0
103	1	0/0	1340 sf	0
201	1	0/0	1292 sf	0
202	1	0/0	644 sf	0

Total Apartments: 5

***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:

Measured from the internal, unfinished surface of each perimeter wall, floor, and ceiling.

Permitted Alterations to Apartments:

Individual apartment owners may alter, add to, or otherwise change apartments. The owner of 2 or more adjoining apartments may consolidate or connect those apartments, including but not limited to penetrating or removal of (common element) common wall, provided structural integrity of the building is not adversely affected.

7. Parking Stalls:

Total Parking Stalls: 17

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for each unit)	0	0	0	0	0	0	0
Guest	0	0	0	0	0	0	0
Unassigned	0	13	0	4	0	0	17
Extra for Purchase	0	0	0	0	0	0	0
Other:	0	0	0	0	0	0	0
Total Covered & Open	13		4		0		

Each apartment will have the exclusive use of at least 0 parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.
NOTE: This is an exclusively commercial condominium project.

[ ] Commercial parking garage permitted in condominium project.

[ ] Exhibit _____ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

[X] There are no recreational or common facilities., except air conditioning and utilities.

[ ] Swimming pool [ ] Storage Area [ ] Recreation Area

[ ] Laundry Area [ ] Tennis Court [ ] Trash Chute

[ ] Other: _____

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 Commercial apartments only

11. Conformance to Present Zoning Code

a. [ ] No variances to zoning code have been granted.

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

Variance was granted by the County of Maui Board of Variances & Appeal on 3/5/85. Variance was for the sole purpose of exempting project from normal requirement for inclusion of on-site loading space. See letter of 4/11/85 and Findings of Fact, Conclusion of Law, & Declaration and Order of Board of Variance & Appeal, County of Maui, attached hereto as Exhibit "A."

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 B.

[ ] 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 C.

[ ] as follows:

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

[ ] described in Exhibit _____.

[X] as follows:

Apartment 101 Percentage 23.62
Apartment 102 Percentage 21.05
Apartment 103 Percentage 23.62
Apartment 201 Percentage 21.16
apartment 202 Percentage 10.55

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

Exhibit D describes the encumbrances against the title contained in the title report dated August 9, 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
Existing First Mortgage	Buyer's interest will be terminated and buyer's deposit may be forfeited.

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: None

Conversion of existing building for which construction was completed more than 12 months ago.

All existing interior partitions, furnishings and other items now contained within each apartment/unit are conveyed by "quitclaim" only, in "as is" and "where is" condition without warranty or representation by the Developer.

2. Appliances: None

G. Status of Construction and Estimated Completion Date:

Construction completed in June 1987.

H. Project Phases:

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

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

N/A

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
[X] self-managed by the Association of Apartment Owners
[ ] 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 E contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

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 [ ] Other_____

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

[ ] Notice to Owner Occupants N/A

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

[X] Escrow Agreement dated February 26, 1993
Exhibit G contains a summary of the pertinent provisions of the escrow agreement.

[ ] Other_____

B. Buyer's Right to Cancel Sales Contract:

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

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

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

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

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

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

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

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

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
B) Declaration of Condominium Property Regime, as amended.
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. 2929 filed with the Real Estate Commission on Aug. 10, 1993

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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.

GABE Partnership
Name of Developer

By: 6/30/93 J. Glenn Haines MD 6/30/93
Duly Authorized Signatory Date

J. GLENN HAINES, M.D. INC.
J. GLENN HAINES, President & Sole shareholder

ANDREW DON
General Partner print name & title of person signing above General Partner

Distribution:

Department of Finance, County of Maui
Planning Department, County of Maui
Federal Housing Administration N/A

EXHIBIT "A"

BOARD OF VARIANCES AND APPEALS
COUNTY OF MAUI
STATE OF HAWAII

SUBJECT: Request by DRS. GLENN HAINES AND ANDREW DON, representing GABE PARTNERSHIP requesting approval of a variance from Section 19.36.010(34) of the Off-Street Parking and Loading Ordinance in order to delete the loading space required for a medical building located at 77 Kanoa Street, Wailuku, Maui, Hawaii; TMK:3-4-10:31.

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION AND ORDER

The matter of a request by DRS. GLENN HAINES AND ANDREW DON, representing GABE PARTNERSHIP, having duly come on for hearing on March 5, 1985, and the Board being fully advised thereon, now makes the following findings of fact, conclusions of law, and decision and order.

FINDINGS OF FACT

1. That the subject property is located at 77 Kanoa Street, Wailuku, Hawaii; TMK:3-4-10:31.

2. That the subject property is located within the State Land Use Urban District and the County's B-2 Business District. The County's General Plan map includes the parcel within a general business district.

3. That the applicants are requesting approval of a variance from Section 19.36.010(34) of the Off-Street Parking and Loading Ordinance in order to delete a loading space required for a medical building.

4. That Section 8-5.4.1 of the Maui County Charter grants the Board of Variances and Appeals authority to hear and determine the request.

5. That Section 19.36.010(34) states in part that "A minimum of one loading space shall be provided for each building or series of buildings within the hotel, business, industrial and public use districts for buildings between two thousand and ten thousand square feet."

6. That the applicant proposes to construct a 5,100 sq. ft. medical office complex. A total of 17 parking spaces and one(1) loading space is required.

7. That the applicant has stated that "The proposed project, although located on a commercially zoned lot, is planned as three(3) doctors' offices. There will be no merchandise deliveries. Trucks will not need to get close to the building."

8. That at the public hearing no one besides the applicant spoke for or against the request.

10. That notices of the request were sent by certified mail to the adjacent property owners and that no letters of support or protest were received..

CONCLUSIONS OF LAW

1. That the above findings of fact support the granting of the request with the condition that the use shall be limited to professional offices only.

2. That the granting of the request is not detrimental to the publics' interest, safety, convenience, and welfare.

3. That strict compliance with the provisions of the ordinance would prevent reasonable use of the lot and create practical difficulty to the owner.

DECISION AND ORDER

It is the decision of the Maui County Board of Variances and Appeals that the above Findings of Fact and Conclusions of Law be made

AND FURTHER ORDERED

that the request made by DRS. GLENN HAINES AND ANDREW DON representing GABE PARTNERSHIP for approval of a variance from Section 19.36.010(34) of the Off-Street Parking and Loading Ordinance be granted with the condition that THE USE SHALL BE LIMITED TO PROFESSIONAL OFFICES ONLY for property located at 77 Kanoa Street, Wailuku, Hawaii; TMK:3-4-10:31.

TOM SATO, Chairman
BOARD OF VARIANCES AND APPEALS

END OF EXHIBIT "A"

EXHIBIT "B"

B. Common Elements. Subject to the terms of Section C, below, one freehold estate is hereby designated in all remaining portions of the Project, herein called the "common elements," and will include the following:

(a) The Land described in Exhibit "A" in fee simple;

(b) All roofs, foundations, floor slabs, columns, girders, beams and supports, perimeter, party and load-bearing walls (excluding interior walls and partitions of apartments), floors and ceilings and all other structural elements of any building, excluding the unfinished interior surfaces of the perimeter walls, floors, ceilings, windows and doors of the apartments;

(c) All grounds, walls, fences, railings and gutters;

(d) All roads, driveways, walkways, easements, accessways, pavement and all parking spaces;

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

(f) Water heaters, installed within the common elements area, to service one or more of the separate apartments;

(g) Air conditioning and air handling equipment installed within the common element area, to service one or more of the separate apartments, and connected piping, chill-water and air handling equipment regardless of whether located in a common element area or one or more apartments;

(h) All areas, structures or facilities of the project, within or outside of any building, which are for common use or which serve more than one apartment space, such as attic, trash receptacle areas, maintenance rooms, electrical rooms, machine, mechanical and equipment rooms, entranceways and any loading zones;

(i) The stairways located in or outside of the building in the Project and providing access to the second floor apartments and ground floor;

(j) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use, including the irrigation and sprinkler system, and outside and other lighting fixtures for lighting other than that inside the apartments; and

(k) All tangible personal property, vehicles, accounts, general intangibles, instruments and money held by or belonging to, and any apartment acquired and held by, the Association, or its agents, for the administration, maintenance, safety and operation of the common elements of the Condominium Property Regime, or for the common use and benefit of the apartment owners.

Designation of additional areas or items to be common elements or subject to common expenses after the recordation of this Declaration and the By-Laws in the Bureau of Conveyances shall require the approval of seventy-five percent (75%) of the apartment owners.

END OF EXHIBIT "B"

EXHIBIT "C"

C. Limited Common Elements. Certain parts of the common elements, herein called the "limited common elements" or "exclusive limited common elements," are hereby designated and set aside for the exclusive use of a certain apartment or apartments specified, and such apartment or apartments shall have appurtenant thereto easements for the exclusive use of such limited common elements.

(a) Limited Common Element Area "1." Limited Common Element Area "1" consists of a single room approximately 14 feet 3 inches by 14 feet 3 inches, and containing a total of 205 square feet, all located on the second floor of the condominium building. This limited common element area shall be appurtenant exclusively to Apartments 101 and 103, as tenants in common in equal shares. The owner(s) of Apartments 101 and 103 shall be empowered to use Limited Common Element Area "1" as a storage room, meeting room, and/or for any other use permissible by law not inconsistent with the terms of this Declaration.

The owners from time to time of Apartments 101 and 103 shall, by their joint action, also have the right at any time to amend this Declaration of Condominium Regime for the sole purpose of converting Limited Common Element Area "1" into a separate condominium apartment, subject to all the terms and conditions of this Declaration. In the event of such conversion, the additional apartment (which shall, in this event, be identified as apartment 203) shall have appurtenant to it 3.36% of the common elements of the project, and the common elements appurtenant to Apartment 101 and to 103 shall each be correspondingly reduced to 21.94%.

For the purposes of, and in furtherance of, the conversion of said Limited Common Element Area "1" into a separate condominium apartment, as aforesaid, Declarant does hereby, on behalf of itself and on behalf of future owners of each apartment in said condominium, grant to the owners from time to time of Apartments 101 and 103, an irrevocable limited power of attorney for the purpose of signing an amendment to this Declaration and/or other documents necessary to effect the conversion, but for those purposes only. This power of attorney shall be irrevocable, and shall be "coupled with an interest" and "in the form of security."

(b) Certain Equipment. Any pump, motor, fan, compressor or duct, or any installation for power, light, telephone, gas, hot and cold water, heating, refrigeration, television, sewage disposal, air conditioning, or other utilities (including all pipes, ducts, wires, cables and conduits used in connection therewith, up to the point, if any, of connection of said pipes, etc. to the (common element) portion of such pipe, etc. which serves more than one apartment), regardless of whether located in a common element, designed to serve only one apartment (that is, not designed or existing for common use), shall be appurtenant to such apartment, as a limited common element, and the same shall be reserved for the exclusive use and benefit of such apartment, and all costs and expenses of every description pertaining thereto including but not limited to the cost of the maintenance, repair and replacement thereof, and the making of any additions and improvements thereto, shall be charged to the owner of such apartment.

(c) Maintenance of Limited Common Elements.

The owner of each Apartment shall be solely responsible for the proper repair and maintenance of all limited common elements appurtenant to that Apartment and shall at all times and at his sole expense keep the same in good order and condition, and repair and make good all defects in the same of which notice shall be given by the Board of Directors or Managing Agent, within thirty (30) days after the giving of such notice.

All costs and expenses incurred in connection with the maintenance, operation, repair, upkeep and/or replacement of any limited common element area or property shall be borne by the owner of the apartment to which such limited common element is appurtenant.

END OF EXHIBIT "C"

EXHIBIT "D"

1. For real property taxes as may be due and owing, reference is made to the Director of Finance, County of Maui.

   Tax Key: 3-4-010-031 (2) Area Assessed: 11,518 sq. ft.

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

3. Reservation in favor of Wailuku Sugar Company of any and all water rights, as contained in DEED dated December 12, 1961, recorded in Liber 4192 at Page 204.

4. AGREEMENT

   DATED : June 19, 1984
   RECORDED : Liber 18024 Page 361
   BY : COUNTY OF MAUI and its DEPARTMENT OF WATER SUPPLY
   RE : BUILDING PERMIT

5. MORTGAGE AND FINANCING STATEMENT

   MORTGAGOR : GABE PARTNERSHIP, a duly registered Hawaii general partnership

   MORTGAGEE : HONOLULU FEDERAL SAVINGS AND LOAN ASSOCIATION, a Federal savings and loan association, now known as BANK OF AMERICA, FSB, a federal savings bank

   DATED : March 19, 1986
   RECORDED : Liber 19376 Page 421
   AMOUNT : $450,000.00

6. UNRECORDED TENANT LEASE

LESSOR : GABE PARTNERSHIP, a Hawaii general partnership

LESSEE : MICHAEL R. SAVONA, M.D., INC., a Hawaii corporation

DATED : April 16, 1987
TERM : Commencing on May 1, 1987 and expiring on April 30, 1997

A Short Form of which is dated August 4, 1987, recorded in Liber 21186 at Page 467.

Said Lease is subject to the following:

MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

MORTGAGOR : MICHAEL R. SAVONA, M.D., INC., a Hawaii corporation

MORTGAGEE : BANK OF HAWAII, a Hawaii corporation

DATED : August 4, 1987
RECORDED : Liber 21186 Page 471
AMOUNT : $75,000.00
CONSENT : Given by GABE PARTNERSHIP, a Hawaii general partnership, by instrument dated August 4, 1987, recorded in Liber 21186 at Page 503

END OF EXHIBIT "D"

EXHIBIT E

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Apartment		Monthly Fee x 12 months =	Yearly Total
101	23.62%	559.00	6,708.00
102	21.05	498.18	5,978.16
103	23.62	559.00	6,708.00
201	21.16	500.79	6,009.44
202	10.55	249.70	2,996.40
TOTAL	100.00	$2,366.67	$28,400.00

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

Estimate of Maintenance Fee Disbursements:

	Monthly x 12 months =	Yearly Total
Utilities and Services	200.00	2,400.00
Air Conditioning		
Electricity		
[X] common elements only	83.33	1,000.00
[ ] common elements and apartments		
Elevator		
Gas		
Refuse Collection		
Telephone		
Water and Sewer	250.00	3,000.00
Maintenance, Repairs and Supplies		
Building	667.67	8,000.00
Grounds		
Management		
Management Fee		
Payroll and Payroll Taxes	333.33	4,000.00
Office Expenses		
Insurance	166.67	2,000.00
Reserves(*)	500.00	6,000.00
Taxes and Government Assessments		
Audit Fees		
Other		
Security	166.67	2,000.00
TOTAL	2,366.67	28,400.00

I, ANDREW DON, as agent and employed by GABE Partnership, the condominium managing agent or the developer, for the condominium project 1830 Wells Street Building, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

(*) Mandatory reserves in effect January 1, 1993

Date: 6/30/93

1830 Wells Street Building
Summary of
Fee Simple Commercial Condominium Sales Contract

Each unit in the 1830 Wells Street Building will be sold by the developer, GABE Partnership, a Hawaii partnership, to the respective purchaser pursuant to the terms of a Fee Simple Commercial Condominium Sales Contract.

The Contract provides for the sale of an individual apartment unit, in fee simple, together with an appurtenant percentage of the common elements of the project, including the land, as more specifically described in the Condominium Declaration.

The Contract specifies the terms under which the purchase price shall be paid, including an initial deposit to be paid at the time of signing, an additional deposit to be paid not later than 30 days after the seller's acceptance of the Contract, and final payment to the paid at closing.

The Contract also provides an estimate of the project maintenance fee, start up fee and closing costs that will also be required of the purchaser at closing.

Each of the standard terms and conditions of the Contract is summarized briefly below. Complete terms and provisions are contained in the Contract itself, and in the event of any question of interpretation, or conflict between the terms of the Contract and of this summary, the terms of the Contract shall apply. Therefore, a prospective purchaser is urged to read the entire Contract, carefully and in detail, and to consult with his or her own advisors if any questions exist, before signing the Contract.

Section Summaries

1. PROJECT INFORMATION. Names the Seller and the location of the project, which contains a total of five commercial units.

2. DESCRIPTION OF PROPERTY AND INTEREST CONVEYED. Indicates that each apartment or unit is as described in the Condominium Declaration and on the Condominium Map and consists of the area within the interior of the described perimeter boundaries.

3. BUYER'S FINANCIAL CAPABILITIES. Includes a representation by Buyer that Buyer has the financial capability, in cash or cash and funds to be obtained by loan, to make all payments required of Buyer under the Contract. If Buyer is to pay any portion of the purchase by mortgage financing, this section imposes specific requirements as to method and time of application related thereto.

4. ESCROW AGREEMENT, INTEREST. This paragraph summarizes the Escrow Agreement, pursuant to which a Buyer's funds shall be held in escrow pending closing

of the transaction and any interest earned with respect to that Buyer's deposit shall be payable to or as directed by Seller. A summary of the Escrow Agreement and complete copy of that agreement is attached to this Public Report.

5. UNCLAIMED REFUNDS. Provides that any amounts refundable to Buyer which are not claimed within 60 days of transmittal of notice thereof from escrow to Buyer may be deposited with such depository as selected by escrow.

6. CONDOMINIUM DEED; CLOSING. Provides that Seller shall provide to Buyer, at closing, a Commercial Condominium Unit Deed, and sets forth the timing and procedures for pre-closing and actual closing of the transaction.

7. OTHER CLOSING COSTS. Describes other additional expenses that will be incurred and payable by Buyer at closing, including real property tax, maintenance fees, insurance, etc.

8. ACCEPTANCE OF CONDOMINIUM DOCUMENTS. Acknowledges that Buyer has received, reviewed, approved and accepts all condominium documents, including but not limited to the Declaration, Bylaws, Escrow Agreement, and form of Commercial Condominium Unit Deed.

9. NO WARRANTY. Provides that Seller makes no warranties, express or implied, with respect to the condition of quality, materials and workmanship of the units, property or any portion of the Project nor of consumer products or other things that may be installed or which are contained in the unit, on the property or the Project.

10. CONDOMINIUM MAP. Refers to the Condominium Map, No. 1842, and states that the Buyer agrees that the Condominium Map, floor plans and elevations are not intended to constitute any representation or warranty by Seller.

11. NO FURNISHINGS. Provides that the property does not include any furnishings or appliances.

12. ACCEPTANCE BY BUYER. Indicates that Buyer accepts the apartment unit in its present "as is" and "where is" condition.

13. RISK OF LOSS; CONDEMNATION. Provides that risk of loss rests with Seller until the closing date and thereafter with Buyer, and provides that no taking by eminent domain of any easement or limited right or portion of the common element, which does not substantially interfere with or diminish the practical enjoyment or use by Buyer of the common elements as originally planned, shall be deemed grounds for cancellation of the Contract.

14. ESTIMATED MONTHLY MAINTENANCE COSTS. Confirms that Buyer has examined and approved the schedule of estimated monthly maintenance charges and acknowledges that these are estimates only.

15. AUTHORITY OF SELLER. Provides that Buyer authorizes Seller to exercise all powers of the Association and Board and officers of the Association, including voting, until the first annual meeting of the Association.

16. MANAGING AGENT. Specifies that the Seller intends that the project be "self-managed" by the Board of Directors, and also provides that if, instead, a managing agent is retained, the contract of that managing agent shall have a term not exceeding one year from the date of the first organizational meeting of the Association and shall contain provisions that it may be terminated on not more than 60 days notice.

17. NO PRESENT TRANSFER. Provides the Sales Contract does not constitute a present transfer of any interest in the property.

18. CHANGES IN PROJECT. Provides that the Seller reserves the right to make changes in the condominium documents as and to the extent required by law, any title and company or institutional mortgagee or other indicated purposes as Seller deems necessary, provided that such changes do not materially change Buyer's rights under the Contract or the apartment to be purchased thereunder. This section also provides that the Seller retains the right to grant easements over portions of the land and/or to dedicate portions of the land for road-widening purposes, and in connection therewith Seller is granted a power of attorney to sign on Buyer's behalf.

19. CHANGES IN CIRCUMSTANCES. Provides that if, due to changes in indicated circumstances, the Seller determines it is not possible or practical to proceed with the sale, Seller may cancel the Contract without further obligation to Buyer.

20. SALES BASED ON PRELIMINARY REPORT. Provides that any sales, contract entered into prior to the issuance of a <u>final</u> public report shall constitute a reservation agreement only.

21. DEFAULT. Provides the Seller with various remedies in the event of default by Buyer.

22. NO ASSIGNMENT OR TRANSFER OF SALES CONTRACT. Provides that the Buyer may not assign or transfer the Contract or any rights thereunder.

23. NO RENTAL REPRESENTATION. Provides that the Seller makes no representations as to the ability to rent the subject apartment.

24. RESTRICTIONS ON TRANSFER. Provides that the Buyer acknowledges that the Declaration contains specific restrictions on transfer of the apartment by the Buyer or any subsequent owner.

25. DISCLAIMER. Contains a disclaimer by Seller as to any representation or other statements pertaining to development of the Project or improvements not consistent with those described in the Declaration and Condominium Map.

26. DEFINITIONS. Provides definitions of the terms Seller and Buyer.

27. NOTICES. Provides that any notice delivered personally or deposited in the United States mail, postage pre-paid, addressed to the other party shall be deemed delivered 48 hours after deposit.

28. GENERAL PROVISIONS. Provides that time shall be of the essence, that Hawaii law should be used in interpreting and governing the Contract, and that if any provision of the Contract is declared ineffective, the remaining portions of the Contract shall remain in full force and effect.

29. ENTIRE AGREEMENT. Provides that the Contract contains the entire agreement between Seller and Buyer and supersedes any and all prior negotiations, representations, etc.

30. SELLER'S APPROVAL. Provides that the Contract shall not be binding upon Seller until ratified and accepted in writing by Seller.

31. CONTINUATION OF OBLIGATIONS. Provides that, except to the extent fulfilled at or prior to closing, all provisions of the Contract shall survive the execution and filing of the Commercial Condominium Deed.

NOTE: THIS IS INTENDED ONLY AS A BRIEF SUMMARY OF THE SALES CONTRACT. NO PORTION OF THIS SUMMARY IS INTENDED TO MODIFY, WAIVE OR CHANGE ANY PROVISION OF THE CONTRACT ITSELF, AND THIS SUMMARY SHALL NOT CONSTITUTE A PORTION OF, OR AN AMENDMENT OR MODIFICATION OF, THE SUBJECT CONTRACT. THE TERMS OF THE ACTUAL CONTRACT BETWEEN SELLER AND BUYER (AND ONLY THOSE TERMS) SHALL APPLY.

1830 Wells Street Building
Summary of
Escrow Agreement Dated February 26, 1993

Escrow Agreement between Title Guaranty Escrow Services Inc., a Hawaii corporation as "Escrow" and GABE Partnership, a Hawaii partnership, as "Developer."

The Escrow Agreement provides the terms under which a Fee Simple Commercial Condominium Sales Contract between GABE Partnership as Seller and any prospective purchaser as Buyer will be deposited with and held and administered by Escrow, and also provides for the deposit of funds by Buyer and the retention and distribution of the same by Escrow.

Each of the standard terms and conditions of the Escrow Contract is summarized briefly below. Complete terms and provisions are contained in the Contract itself, and in the event of any question of interpretation, or conflict between the terms of the Contract and of this summary, the terms of the Contract shall apply. Therefore, a prospective purchaser is urged to read the entire Contract, carefully and in detail, and to consult with his or her own advisors if any questions exist, before signing the Contract.

Section Summaries.

1. SALES CONTRACTS DEPOSITED IN ESCROW. Provides that when the Seller/Developer obtains a sales contract from the Buyer, and the same has been accepted and ratified by Seller, it shall be promptly deposited with Escrow.

2. RECEIPT OF FUNDS BY ESCROW. Provides that all funds received from any Buyer shall be promptly deposited with Escrow.

3. CONDITIONS TO BE MET PRIOR TO DISBURSEMENT. Provides the conditions which must be satisfied prior to the release of any funds from Escrow to the Seller/Developer.

4. DISBURSEMENTS OF PURCHASER'S FUNDS. Provides that no Purchaser's funds shall be disbursed by Escrow to Developer prior to the closing of that Purchaser's unit purchase transaction.

5. RETURN OF FUNDS AND DOCUMENTS. States the terms under which Purchaser funds, and documents signed by either party, are to be returned to the respective party, either by reason of the cancellation of the Escrow or exercise by a Purchaser of his rights to rescind as set forth in the Contract and applicable Hawaii law. This section provides for imposition by Escrow of a cancellation fee of not less than $25.00 per unit.

6. UNCLAIMED FUNDS. Provides that if any funds to which a party is entitled are not claimed with 60 days of delivery of notice thereof by Escrow, Escrow may deposit the same with a depository of its choosing.

7. CLOSING. Sets forth the conditions for and procedure for closing.

8. PARTIAL CLOSING. Provides that the Developer may close the sale of some units without closing the sale of all units.

9. DEFECTS IN DOCUMENTS. Provides that if, by reason of any defect in the document, closing cannot occur on the date intended, Escrow is authorized to proceed with closing at any day within five business days following the originally identified closing date without need for further authorization from any party.

10. PURCHASER'S DEFAULT. Provides for the disposition of funds and cancellation of Escrow in the event of any of various defaults by Purchaser under the Sales Contract.

11. PROTECTION OF ESCROW. Provides for the release and indemnification of Escrow from liability for any act taken by Escrow in accordance with the terms of the Contract.

12. BINDING EFFECT. Provides that the Agreement will be binding upon the parties, their respective successors and assigns.

13. TERMINATION. Provides that the Agreement may be terminated upon 15 days notice by either party to the other, provided that in the event of termination, transactions in process thereunder at that time shall be completed under the terms of the agreement.

14. STATUTORY PROVISIONS CONTROL. Provides that anything in the Contract notwithstanding, the provisions of Chapter 514A of the Hawaii Revised Statutes (Condominium Property Regime Act), if in conflict with the Escrow Agreement, shall control.

15. COMPENSATION OF ESCROW. Provides for the payment to Escrow of fees for its services.

NOTE: THIS IS INTENDED ONLY AS A BRIEF SUMMARY OF THE ESCROW AGREEMENT. NO PORTION OF THIS SUMMARY IS INTENDED TO MODIFY, WAIVE OR CHANGE ANY PROVISION OF THE ESCROW AGREEMENT ITSELF, AND THIS SUMMARY SHALL NOT CONSTITUTE A PORTION OF OR AN AMENDMENT OR MODIFICATION OF THE AGREEMENT. THE TERMS OF THE ACTUAL AGREEMENT BETWEEN ESCROW AND THE SELLER/DEVELOPER (AND ONLY THOSE TERMS) SHALL APPLY.