CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer HASEKO Homes, Inc.
Address 820 Mililani Street, Suite 820, Honolulu, Hawaii 96813-2938

Project Name(*): KE 'ĀINA KAI TOWNHOMES, INCREMENT 12
Address: 91-1064 Kaipu Street and 91-1021 and 91-1025 Kaileole'a Drive
Ewa Beach, Hawaii 96706

Registration No. 4815

Effective date: March 4, 2002
Expiration date: April 4, 2003

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:

[x] Required and attached to this report as Exhibit "K"

[ ] 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: HASEKO Homes, Inc. Phone: (808) 536-3771
Name (Business)
820 Mililani Street, Suite 820
Business address
Honolulu, HI 96813-2938

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):

Toru Nagayama - President / Director
Tsutomu Sagawa - Executive Vice President / Secretary / Treasurer
Nelson W.G. Lee - Executive Vice President
Vicki Gaynor - Vice President

Real Estate Broker*: HASEKO Realty, Inc. Phone: (808) 536-3771
Name (Business)
820 Mililani Street, Suite 820
Business Address
Honolulu, HI 96813-2938

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 521-0212
Name (Business)
235 Queen Street
Business Address
Honolulu, HI 96813

General Contractor*†: HASEKO Construction, Inc.
(Construction Manager) Phone: (808) 536-3771
Name (Business)
820 Mililani Street, Suite 820
Business Address
Honolulu, HI 96813-2938

Condominium Managing Agent*: Hawaiiana Management Company, Ltd. Phone: (808) 593-6896
Name (Business)
Pacific Park Plaza, Suite 700
Business Address
711 Kapiolani Blvd.
Honolulu, HI 96813

Attorney for Developer: Oshima Chun Fong & Chung Phone: (808) 528-4200
Name (Business)
841 Bishop Street, Suite 400
Business Address
Honolulu, HI 96813

* For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

† There is no General Contractor for the Project. Instead, the construction of the Project will be completed by the Developer through the use of various licensed subcontractors. HASEKO Construction, Inc., a licensed contractor in the State of Hawaii, will serve as the Construction Manager, and will furnish supervision, management and the coordination of subcontractor trades. The Developer and HASEKO Construction, Inc. are both subsidiaries of HASEKO Hawaii, Inc.

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

[ ] Proposed
[ ] Recorded - Bureau of Conveyances: Document No. _____
Book _____ Page _____
[x] Filed - Land Court: Document No. 2777858

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

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

The Condominium Map for this condominium project is:

[ ] Proposed
[ ] Recorded - Bureau of Conveyances Condo Map No. _____
[x] Filed - Land Court Condo Map No. 1458

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

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

The Bylaws for this condominium are:

[ ] Proposed
[ ] Recorded - Bureau of Conveyances: Document No. _____
Book _____ Page _____
[x] Filed - Land Court: Document No. 2777859

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

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 [x] Adopted [ ] Developer does not plan to adopt House Rules

* This condominium will be subject to two sets of house rules: (1) the Ke 'Āina Kai Townhomes, Increment 12 House Rules, and (2) the Ke 'Āina Kai House Rules. Both of these house rules are described in Exhibit "A".

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	---	Majority of 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 Exhibit "B"

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 Sub-leasehold: 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 Sub-leaseholds:

[ ] 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 Sub-leasehold:

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: 91-1064 Kaipu Street
91-1021 and 91-1025 Kaileole'a Drive
Ewa Beach, Hawaii 96706

Tax Map Key (TMK): (1) 9-1-110-093 & 095

[ ] Address [X] TMK Because the Project encompasses two separate parcels of land, the tax office may consolidate the separate Tax Map Key numbers into a single Tax Map Key.

Land Area: approximately 1.003 [ ] square feet [X] acre(s)

Zoning: R-5

Fee Owner: HASEKO Homes, Inc.
Name
820 Mililani Street, Suite 820
Address
Honolulu, HI 96813-2938

Lessor: N/A
Name

Address

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: 6 Floors Per Building 1 and 2

   [x] Exhibit "C" contains further explanations.

3. Principal Construction Material:

   [x] Concrete [ ] Hollow Tile [x] Wood

   [x] Other Glass, Steel, Allied Construction Materials.

4. Uses Permitted by Zoning:

		No. of Apts.	Use Permitted By Zoning	
[x]	Residential	16	[x] Yes	[ ] No
[ ]	Commercial	N/A	[ ] Yes	[ ] No
[ ]	Mix Res/Comm	N/A	[ ] Yes	[ ] No
[ ]	Hotel	N/A	[ ] Yes	[ ] No
[ ]	Timeshare	N/A	[ ] Yes	[ ] No
[ ]	Ohana	N/A	[ ] Yes	[ ] No
[ ]	Industrial	N/A	[ ] Yes	[ ] No
[ ]	Agricultural	N/A	[ ] Yes	[ ] No
[ ]	Recreational	N/A	[ ] Yes	[ ] No
[ ]	Other: _____	N/A	[ ] 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: An owner may raise, keep and maintain up to two (2) generally recognized domestic house pets, such as dogs and cats.

[ ] Number of Occupants: _____

[x] Other: The apartments may not be rented for transient or hotel purposes nor used for time sharing. Additional restrictions on use and occupancy are contained in the house rules which are described in Exhibit "A".

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 12 Trash Chutes: 0

Apt. Type	Quantity	BR/BATH	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
A	1	2 / 2.5	920	400**	Garage
A(R)	1	2 / 2.5	920	400**	Garage
B	2	3 / 2	941	400**	Garage
C1	2	2 / 2.5	1,008	400**	Garage
C1(R)	2	2 / 2.5	1,008	400**	Garage
D	2	3 / 2	984	400**	Garage
E	2	3 / 2.5	1,096	400**	Garage
F	2	3 / 2.5	1,156	400**	Garage
F(R)	2	3 / 2.5	1,156	400**	Garage

Total Number of Apartments: 16

***Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter and party walls. The Net Living Area does not include the floor area of the garage.**

****If calculated in the same manner as the apartments, the garages would be 377 square feet.**

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

Boundaries of Each Apartment:

See Exhibit "D"

Permitted Alterations to Apartments:

See Exhibits "E", "N" and "P"

Apartments Designated for Owner-Occupants Only:
Fifty percent (50%) of **residential** apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by section 514A-102, HRS; or include the information here in this public report and in the announcement(see attachment 11a). Developer has elected to provide the information in a published announcement or advertisement.

7. Parking Stalls:

Total Parking Stalls: 33

	Regular		Compact		Tandem		
	Covered	Open	Covered	Open	Covered	Open	Total
Assigned (for each unit)	32						32
Guest		1					1
Unassigned							
Extra for Purchase							
Other:							
Total Covered & Open:	33		0		0		33

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

[ ] Commercial parking garage permitted in condominium project.

[x] Exhibit "F" contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

[ ] There are no recreational or common facilities.

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

[ ] Laundry Area [ ] Tennis Court [ ] Trash Chute/Enclosure(s)

[x] Other: Service lanes and alleyways which provide access from public roads to the garages. This condominium project will also be part of the Ke 'Āina Kai subdivision (see Section V.C.1 of this public report for a description of Ke 'Āina Kai). The common facilities within Ke 'Āina Kai include or will include a series of pedestrian pathways and five (5) mini-parks. The mini-parks are or will be subject to the provisions of the Declaration of Restrictive Covenants (Private Park), the Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai, and the Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential) (see Exhibits "O", "Q", and "R" for a description of each of the above documents, respectively).

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 _____. (Date)

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations (For conversions of residential apartments in existence for at least five years):

N/A

11. Conformance to Present Zoning Code

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

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

[x] Other: Optional Development Permit(s) granted under the Zoning Code as follows: City and County Department of Planning and Permitting (formerly the Department of Land Utilization) Cluster Housing Permit No. 96/CL-1. Certain restrictions imposed under said permit are set forth in a Declaration of Restrictive Covenants (DPP Permit No. 96/CL-1) (see Exhibit "P" for a description of the above document).

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	Yes		
Structures	Yes		
Lot	Yes		

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 "G".

[ ] 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 "H"*.

[ ] as follows:

*NOTE: Land areas referenced herein are not legally subdivided lots.

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 "I".

[ ] 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 "J" describes the encumbrances against the title contained in the title report dated January 18, 2002, revised January 25, 2002 and issued by Title Guaranty of Hawaii Incorporated.

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**
First Mortgage, Security Agreement and Financing Statement recorded as Land Court Document No. 2412968.	Lienholder has option to terminate or uphold sales contract. If sales contract is terminated, all moneys held in escrow will be returned to Buyer pursuant to the Reservation Agreement and Sales Contract, less escrow cancellation fee.
UCC 1 - Financing Statement recorded as Regular System Document No. 97-150505.	
Absolute Assignment of Sales Contracts, Escrow Deposits, Escrow Payments, and Net Sales Proceeds recorded as Regular System Document No. 97-150506.	

F. **Construction Warranties:**

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

1. Building and Other Improvements:

   See Exhibit "K"

2. Appliances:

   See Exhibit "K"

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

The Developer anticipates construction to start in approximately March, 2002 and be completed in December, 2002. Construction of townhome building J (including garage building) and the garage building of townhome building K were previously completed in 1998.

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):

As stated in Section V.C.1 of this public report, this condominium project is located within the residential project known as Ke 'Āina Kai. Ke 'Āina Kai will consist of several phases, containing both single family homes and townhomes, with each phase to be constructed incrementally.

This condominium project is the twelfth increment of townhomes to be developed in Ke 'Āina Kai. The Developer may, but is not required to, merge this increment with other increments of townhomes which have or may in the future be developed in Ke 'Āina Kai. The Developer has begun merging prior increments, and as of October 2001, Increments 1 through 7 and Increment 9 townhomes have been merged with each other pursuant to Section S of the Declaration.

Buyer should carefully read Section S of the Declaration regarding the Developer's rights to merge this project with other condominium projects.

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:

[x] not affiliated with the Developer
[ ] self-managed by the Association of Apartment Owners
[ ] the Developer or 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, a lien may be placed on your apartment and the apartment may be 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 "K" 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:

[ ] None [x] Electricity (x Common Elements only ____ Common Elements & Apartments)

[ ] Gas (___ Common Elements only ____ Common Elements & Apartments)

[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

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

[x] Escrow Agreement dated February 7, 2002.
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 issued 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, as amended.
   D) House Rules, if any.
   E) Condominium Map, as amended.
   F) Escrow Agreement.
   G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
   H) Other: Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), and any amendments thereto; Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai, and any amendments thereto; Declaration of Restrictive Covenants (Private Park), and any amendments thereto; Specimen Declaration of Restrictive Covenants (DPP Permit No. 96/CL-1); Ke 'Āina Kai Design Guidelines; Specimen Apartment Deed.

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. 4815 filed with the Real Estate Commission on February 13, 2002.

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

[ ] YELLOW paper stock [x] WHITE paper stock [ ] PINK paper stock

C. Additional Information Not Covered Above

1. Ke 'Āina Kai and Ocean Pointe.[1]

Ke 'Āina Kai. This condominium project is located within the residential project known as Ke 'Āina Kai. Ke 'Āina Kai will consist of several phases, with each phase to be constructed incrementally. The Developer currently anticipates that Ke 'Āina Kai will consist of three phases, with the first phase (referred to at times as Area IA) consisting of approximately 132 single family homes, 95 townhomes and two private mini-parks, the second phase (Area IB) consisting of approximately 160 single family homes, 107 townhomes and one private mini-park, and the third phase (Area IC) consisting of 133 single family homes, 59 townhomes and two private mini-parks. This condominium project is the fourth increment of townhomes to be developed in Area IA, and the twelfth increment of townhomes to be developed in Ke 'Āina Kai.

Ke 'Āina Kai incorporates several features of traditional neighborhoods, including a pedestrian friendly network of roadways, service lanes and alleyways, and pedestrian pathways. The garages are located at the rear of the dwelling units and accessible through the private service lanes and alleyways. These lanes and alleyways are also used for refuse collection, mail delivery and certain utilities.

Ocean Pointe. This condominium project is also a part of the approximately 1,100 acre mixed-use master-planned community known as Ocean Pointe. Ocean Pointe is a long range project with development expected to take place over a period of 20 years. The developer of Ocean Pointe is HASEKO (Ewa), Inc., which is an affiliated company of the Developer of this condominium project. Approximately 4,850 residential units (some of which will be considered "affordable" under county standards) are envisioned at Ocean Pointe. These residences will be separated into various distinct, yet integrated neighborhood communities, with tree-lined streets, landscaping, and parks for use by the residents at Ocean Pointe. The second residential neighborhood at Ocean Pointe will be located immediately west of Ke 'Āina Kai. In addition, the developer of Ocean Pointe currently envisions developing apartment units adjacent to Ke 'Āina Kai (in the area between Ke 'Āina Kai and the Ewa Beach Shopping Center, post office and elementary school) which will target first-time or entry-level homebuyers and will be sold at prices considered "affordable" under county standards.

The master plan for Ocean Pointe calls for a golf course and a full-service man-made marina surrounded by several retail, commercial and recreational facilities. This marina, if constructed, will serve as a basin in a private storm water drainage system, servicing all of the residences in Ocean Pointe. Ownership of an apartment in this condominium project will not constitute an ownership in, or grant the right to use, any privately owned recreational facility within Ocean Pointe, including but not limited to the marina and golf course, if constructed.

The master plan, however, is still conceptual in nature and is subject to change depending on a variety of factors, including market forces, the economy, land use permitting requirements, and changes in governmental regulations. Although the components of the master plan (i.e., the marina, golf course, commercial center, parks, and residential component) will not likely change, there will likely be changes to the size, configuration or relative location of these components as Ocean Pointe is developed.

In addition, there are also some areas within Ocean Pointe that the developer has not yet determined what will be built. For example, there is a vacant "B-2" zoned lot on the makai side of the intersection of Fort Weaver Road and Kaimalie Street, which may or may not ultimately be a part of Ocean Pointe. At this point in time, there are currently no specific plans as to what will be built on that lot except that the developer plans to install landscaping that will serve as a buffer between whatever is eventually built and the Ke 'Āina Kai project.

All owners of an apartment in this condominium project will be subject to the provisions of the Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai (the "Ke 'Āina Kai Declaration"), the Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential) (the "Master Declaration") and the Ke 'Āina Kai Design Guidelines (see Exhibits "Q" , "R" and "N" for a description of each document, respectively).[2]

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[1] Nothing stated in this public report shall be construed as a representation or warranty by Developer that any of the above, with the exception of the condominium apartments that are part of this public report, will be developed, nor shall anything stated in the public report be construed to require the Developer to develop the remainder of Ke 'Āina Kai or Ocean Pointe, or to prohibit Developer from dealing freely with the remaining land, including, without limitation, developing the whole or any part of Ke 'Āina Kai and Ocean Pointe for a purpose inconsistent with the above.

[2] The Developer has reserved rights to annex to, or withdraw lands from Ke 'Āina Kai and Ocean Pointe, and also to develop additional phases within Ke 'Āina Kai as separate projects and merge the separate projects with each other or with Ke 'Āina Kai.

All owners will also automatically become members of the Ke 'Āina Kai Community Association, Inc. and the Ocean Pointe Residential Community Association, Inc., which are the community associations for Ke 'Āina Kai and Ocean Pointe, respectively. Apartment owners will be responsible for the payment of their respective shares of the expenses incurred by these associations in their maintenance of Ke 'Āina Kai and Ocean Pointe. The monthly fees for the various associations are estimated in the Disclosure Abstract attached as Exhibit "K".

2. Interstate Land Sales Full Disclosure Act. The Developer has advised the Commission that this public report has not been accepted by the Department of Housing and Urban Development under the Interstate Land Sales Full Disclosure Act. As set forth in the specimen sales contract submitted with this public report, the Developer will complete construction of each apartment and have the apartment ready for normal occupancy within a period of two (2) years from the date that the sales contract for that particular apartment is signed; provided, however, that said two (2) year period shall be extended in the event completion is delayed by matters and/or conditions beyond the control of the Developer.

For a brief description of the Developer's reserved rights to annex, withdraw and merge lands, see Exhibits "Q" and "R" to this public report.

D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)

E. 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.

HASEKO HOMES, INC.
Printed Name of Developer

By: _____ February 12, 2002
Duly Authorized Signatory* Date

TSUTOMU SAGAWA EXECUTIVE VICE PRESIDENT
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, N/A

*** Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.**

EXHIBIT "A"

Ke 'Āina Kai Townhomes, Increment 12

Description of House Rules

The Project will be subject to the Ke 'Āina Kai Townhomes, Increment 12 House Rules, a copy of which has been submitted to the Real Estate Commission as part of this registration. These house rules govern the use and occupancy of the apartments, common elements and limited common elements of the Project. For example, these house rules contain restrictions regarding the use of the lanais, rear yards and entry areas, as well as restrictions regarding pets, parking, trash disposal and landscaping.

The Project will also be part of the Ke 'Āina Kai subdivision, which includes single family units, townhome apartments, and various common areas (see Section V.C.1 of the public report for a description of the Ke 'Āina Kai subdivision). A separate set of house rules (the "Ke 'Āina Kai House Rules") govern or will govern the entire Ke 'Āina Kai subdivision, a copy of which has been submitted to the Real Estate Commission as part of this registration. The Ke 'Āina Kai House Rules contain restrictions regarding the use and occupancy of all dwelling units (including the apartments), including matters such as the initial landscaping of the rear yards, maintenance of fences, car washing, and boats. In addition, the Ke 'Āina Kai House Rules contain restrictions regarding the use of the common areas, including the service lanes, mini-parks, and pedestrian pathways.

The purpose of both of these house rules is to protect all owners and occupants from annoyance and nuisance created by the improper use of the Project and the Ke 'Āina Kai subdivision, and to protect the reputation and desirability of the Project and the Ke 'Āina Kai subdivision.

All owners, tenants, guests, invitees, licensees and other persons using the Project and their family members must abide by both sets of house rules, and the owners are responsible for the conduct of their tenants, guests, invitees, and licensees. Violations of these house rules are subject to fines, penalties and other enforcement actions by the appropriate board of directors or the managing agent.

THE FOREGOING IS A DESCRIPTION OF THE ABOVE HOUSE RULES FOR THE CONVENIENCE OF THE BUYER AND IS NOT INTENDED TO BE AN EXHAUSTIVE LIST OF ALL OF THE TERMS OF THESE HOUSE RULES. THE FULL TEXT OF BOTH SETS OF HOUSE RULES SHOULD BE EXAMINED AND CONTROLS OVER THIS SUMMARY.

EXHIBIT "B"

Ke 'Āina Kai Townhomes, Increment 12

Changes to Condominium Documents by Developer

The Developer may amend the Declaration, Bylaws and/or the Condominium Map for the Project as follows:

1. At any time prior to the recording in the Land Court of the first apartment deed in favor of a buyer, as set forth in Section T.3(a) of the Declaration.

2. At any time prior to the recording in the Land Court of apartment deeds covering all of the apartments in the project, to make such amendments: (a) to correct any technical defects or to make non-substantive changes; or (b) as may be required by law, the Real Estate Commission, any title insurance company issuing a title insurance policy on the project or any of the apartments, any institutional lender lending funds on the security of the project or any of the apartments, any governmental agency administering governmental loan programs, 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 apartments in any such jurisdiction. (See Section T.3(b) of the Declaration).

3. At any time, to make such amendments: (a) to file or record the "as built" verified statement required by Section 514A-12 of the Condominium Property Act; or (b) to exercise or effectuate any rights reserved to the Developer pursuant to the Declaration, the Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai, or the Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), including but not limited to Developer's right to make alterations to the Project pursuant to Section R of the Declaration, to merge the Project pursuant to Section S of the Declaration, or to execute and record in the Land Court a cancellation, partial cancellation, amendment, or restatement of the Acquisition Agreement, as well as a confirmation or restatement of the Trustee's Limited Warranty Deed, pursuant to Section V.5 of the Declaration. (See Section T.3(c) of the Declaration).

The Developer may amend the Ke 'Āina Kai Townhomes, Increment 12 House Rules prior to the election of the Board of Directors of the Association at the first annual meeting of the Association. (See Section II.2 of the Bylaws and Article VI of the Ke 'Āina Kai Townhomes, Increment 12 House Rules).

EXHIBIT "C"

Ke 'Āina Kai Townhomes, Increment 12

Description of Buildings

This condominium project shall consist of three (3) residential buildings and three (3) garage buildings as shown on the Condominium Map. None of the buildings will have basements. The three (3) residential buildings, designated as Buildings H, J and L, contain a total of sixteen (16) residential apartments. Two of the residential buildings shall each consist of two (2) single-story apartments and four (4) two-story apartments and one of the residential buildings shall consist of four (4) two-story apartments. Each residential building shall have one (1) associated garage building, which shall provide garages for the apartments in the residential buildings. Each garage building will include one (1) two-car garage for each apartment in the residential building. The principal materials used in the construction of the buildings will be cement, steel, wood, glass, and allied construction materials.

EXHIBIT "D"

Ke 'Āina Kai Townhomes, Increment 12

Boundaries of Each Apartment

The boundaries of each apartment in this condominium project shall be the perimeter and party walls, floors and ceilings of each apartment. The apartments shall not be deemed to include: the lanai (regardless of whether or not the lanai is extended or enclosed); the undecorated or unfinished surfaces of the perimeter or party walls or interior load-bearing walls; the unfinished floors and ceilings located within or surrounding each apartment; or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for, or serve, more than one (1) apartment; all of which shall be deemed common elements. Each apartment shall be deemed to include: the appurtenant two-car garage; all the walls and partitions which are not load-bearing within the perimeter or party walls; the interior decorated or finished surfaces of all perimeter, party and load-bearing walls; the interior decorated or finished surfaces of all floors, ceilings and roofs; all doors (including the garage door) and door frames, including the exterior unfinished surfaces thereof; all windows and window frames, including the exterior unfinished surfaces thereof; all doorknobs; and all fixtures originally installed or contained therein.

EXHIBIT "E"

Ke 'Āina Kai Townhomes, Increment 12

Permitted Alterations to Apartments

Alterations to the apartments in this condominium project are permitted under Section R of the Declaration, which provides the following:

1. General.

(a) Except as otherwise provided in the Declaration, restoration, repair or replacement of the Project or of any building or other facility or construction of any additional building or structural alteration or addition to any structure, different in any material respect from the Condominium Map (the "Proposed Alterations"), shall be undertaken by the Association or any apartment owner(s) only pursuant to an amendment of the Declaration, duly executed by or pursuant to the approval or written consent of apartment owners holding at least seventy-five percent (75%) of the total common interests of the Project, together with the approval or written consent of (i) all apartment owners whose apartment or limited common elements appurtenant thereto are directly affected (as determined in a reasonable manner by the Board of Directors) by the Proposed Alterations; and (ii) the holders of first mortgage liens encumbering any apartment directly affected by the Proposed Alterations (if the lien holders require such approval).

(b) The Proposed Alterations shall be in accordance with plans and specifications for the Proposed Alterations prepared by a licensed architect or licensed professional engineer and approved by (i) the Board of Directors, (ii) the Design Review Committee in accordance with the Design Guidelines, and (iii) the appropriate agencies of the State of Hawaii and the City and County of Honolulu (if such agencies so require). A description of the Design Guidelines is contained in Exhibit "N".

(c) Promptly upon completion of any Proposed Alteration which is different in any material respect from the Condominium Map, the Association or apartment owner(s), whomever requested the Proposed Alteration, shall duly file or record in the Land Court an amendment to the Declaration and the Condominium Map showing the Project as so altered, certified as built by a registered architect or licensed professional engineer.

(d) Notwithstanding the foregoing, any amendment to the Declaration required or necessary for any Proposed Alteration of an apartment by an owner which alteration is in accordance with options shown on the floor plans for that particular apartment type in the Condominium Map shall not require the approval or written consent of the apartment owners (except those apartment owners whose apartment or limited common elements appurtenant thereto are directly affected); PROVIDED, HOWEVER, that since construction of any such options shown on the Condominium Map must also comply with all applicable laws, rules, setbacks, and other governmental requirements, such options may not be available or permitted for all apartments in the Project.

2. Alterations to the Interior of an Apartment. Notwithstanding any other provision in the Declaration to the contrary, the owner of an apartment may make any alterations or additions within an apartment and the owner of any two adjoining apartments may alter or remove all or portions of the intervening walls, at such owner's expense, if such alterations or additions are not visible from the exterior of the apartments and if the structural integrity of the building is not thereby affected. The alterations or additions permitted by this section shall require only the written approval of the apartment owner's plans and specification therefor, by (a) the Board of Directors; (b) the holders of first mortgage liens affecting such apartment(s) (if the lien holders require such approval); (c) the appropriate agencies of the State of Hawaii and the City and County of Honolulu (if such agencies so require); and (d) all other apartment owners thereby directly affected (as determined in a reasonable manner by the Board of Directors). Such alterations or additions may be undertaken without an amendment to the Declaration or filing of a complete set of floor plans of the Project as so altered. Prior to the termination of the common ownership of any two adjoining apartments, if the intervening walls shall have been altered or removed pursuant to the foregoing provision and any entrances sealed, the owner of such apartment shall restore such intervening walls and entrances to substantially the same condition in which they existed prior to such alteration or removal.

3. Alterations by the Developer.

(a) General. Notwithstanding any other provision in the Declaration to the contrary, prior to the earlier of (i) the recording in the Land Court of the apartment deed conveying the last unsold apartment in the Project to a buyer; or (ii) the filing or recording by the Developer of the "as built" verified statement (with plans, if applicable) required by Section 514A-12 of the Condominium Property Act (but in no event later than twenty-four (24) months after the "date of completion" of the Project, as that term is used in Chapter 507, Part II, Hawaii Revised Statutes, as amended), the Developer shall have the right (A) to make alterations in the Project and to amend the Declaration and the Condominium Map accordingly, without notice to, or the approval, consent or joinder of, the Association or any apartment owner, which change or reverse the configuration of, alter the number of rooms of, decrease or increase the size of, or change the location of any apartment (and the limited common elements appurtenant thereto) in the Project which is not sold and recorded; or (B) to make other alterations in the Project and to amend the Declaration and the Condominium Map accordingly, without notice to, or the approval, consent or joinder of, the Association or any apartment owner, which make minor changes in any apartment in the Project or the common elements which do not affect the physical location, design or size of any apartment which has been sold and recorded. As used herein the term "sold and recorded" shall mean and refer to the sale of an apartment in the Project and the recording in the Land Court of an apartment deed conveying the interest in the apartment from the Developer to parties not signatory to the Declaration.

(b) Construction of Options. Notwithstanding any other provision in the Declaration to the contrary, prior to the time that all of the apartments in the Project have been sold and recorded, the Developer shall have the right to make alterations in the Project and to amend the Declaration and the Condominium Map accordingly, without notice to, or the approval, consent or joinder of, the Association or any apartment owner, to construct or modify the Project in accordance with the respective options shown on the

floor plans in the Condominium Map. As used herein the term "sold and recorded" shall mean and refer to the sale of an apartment in the Project and the recording in the Land Court of an apartment deed conveying the interest in the apartment from the Developer to parties not signatory to the Declaration.

In addition, alterations to the apartments will also have to comply with the Declaration of Restrictive Covenants (DPP Permit No. 96/CL-1), which is described in Exhibit "P".

EXHIBIT "F"

Ke 'Āina Kai Townhomes, Increment 12

Parking for the Project

Parking for each apartment is provided by a 2-car garage. The garages are also identified on the Condominium Map by the two (2) parking stalls assigned to each apartment as listed below.

APARTMENT NUMBER	ASSIGNED PARKING STALL
H1	81, 82
H2	83, 84
H3	85, 86
H4	87, 88
H5	89, 90
H6	91, 92
J1	93, 94
J2	95, 96
J3	97, 98
J4	99, 100
J5	101, 102
J6	103, 104
L1	115, 116
L2	117, 118
L3	119, 120
L4	121, 122

In addition, there is one (1) guest parking stall within the Project, shown on the Condominium Map as parking stall no. 17GS. This guest parking stall may be used by guests of this condominium project, as well as by guests of certain other condominium projects developed or to be developed within Ke 'Āina Kai as may be designated by the Developer.

EXHIBIT "G"

Ke 'Āina Kai Townhomes, Increment 12

Common Elements

1. The underlying land in fee simple.

2. All structural components, such as foundations, floor slabs for the ground floor of any building, columns, girders, beams, supports, undecorated or unfinished perimeter and/or party walls, and load-bearing walls (except for the interior decorated or finished surfaces within each apartment), undecorated or unfinished floors and ceilings, the roofs of the buildings, and all exterior walkways, railings, walls and fences enclosing any portion of the Project.

3. All yards, gateways, stairways, grounds, landscaping, driveways, roadways, lanes, service lanes, alleyways, sidewalks, pathways, walkways, lanais, entrances and entry areas, exits, loading zones, refuse areas, planter boxes and mailboxes which are not located in any apartments, whether within or appurtenant to the Project.

4. All ducts, vents, shafts, sewer lines, drain lines, storm drain improvements, gutters, electrical rooms or closets, electrical equipment and fixtures, wiring, irrigation pipelines and sprinklers, pipes, and other central and appurtenant transmission facilities, installations over, under and across the Project which serve more than one apartment for services such as power, light, water, drainage, gas, sewer, refuse, telephone and radio and television signal distribution.

5. One (1) guest parking stall, shown on the Condominium Map as parking stall no. 17GS.

6. Any and all other apparatus and installations intended for common use and all devises and other parts of the land necessary or convenient to the existence, maintenance and safety of the Condominium Property Regime, or normally in common use.

EXHIBIT "H"

Ke 'Āina Kai Townhomes, Increment 12

Limited Common Elements

1. Lanai. The lanai, if any (as shown on the Condominium Map), shall be a limited common element appurtenant to and reserved for the exclusive use of the apartment to which it is attached. The lanai shall be deemed to include any extended or enclosed lanai.

2. Rear Yard. The yard area located in the rear of each apartment between the apartment and garage building and enclosed by fences shall be a limited common element appurtenant to and reserved for the exclusive use of that particular apartment.

3. Fences. Any fence which encloses any portion of a Rear Yard shall be a limited common element appurtenant to and reserved for the exclusive use of the apartment to which the Rear Yard is appurtenant. Notwithstanding the foregoing, any such fence which separates two Rear Yards shall be a limited common element appurtenant to and reserved for the exclusive use of the apartments to which the Rear Yards are appurtenant.

4. Entry Areas. The entry area to the front door of each apartment, as shown on the Condominium Map, shall be a limited common element appurtenant to and reserved for the exclusive use of the apartment to which it provides access.

5. Planter Boxes. The planter boxes, if any, located on the exterior of the apartment, shall be a limited common element appurtenant to and reserved for the exclusive use of the apartment.

6. Mailbox. The mailbox assigned to the apartment.

7. Other. Any other common elements which are rationally related to less than all of the apartments shall be a limited common element appurtenant to such apartments, including but not limited to areas within the common elements that include air conditioning units or compressors that serve a particular apartment.

EXHIBIT "I"

Ke 'Āina Kai Townhomes, Increment 12

Common Interest

The Common Interest appurtenant to each apartment is as follows:

Apartment Number	Percent Common Interest
H1	5.9499
H2	6.9900
H3	6.0951
H4	6.0951
H5	6.9900
H6	5.6898
J1	5.9499
J2	6.6272
J3	5.5629
J4	6.0951
J5	6.9900
J6	5.6898
L1	6.9900
L2	6.0951
L3	5.5629
L4	6.6272
TOTAL	100.0000

The common interest is based upon the net living area in square feet of each apartment divided by the total net living area of all apartments in the Project. The net living area represents the approximate interior area of the apartment (but excluding the garage and any open or enclosed lanai or extended lanai), as further defined in Section D.1(c) of the Declaration. The interests derived from such calculations have been adjusted to provide that all apartments with the same net living area have the same undivided interest in the common interest, with minor differences, if any, to account for all one hundred percent (100%) of the common interest.

EXHIBIT "J"

Ke 'Āina Kai Townhomes, Increment 12

Encumbrances Against Title

1. Any and all real property taxes that may be due and owing to the City and County of Honolulu, Department of Finance, Real Property Assessment Office.

2. The terms and provisions, including the failure to comply with any covenants, conditions, and reservations contained in that certain Trustee's Limited Warranty Deed, dated September 5, 1984, recorded as Land Court Document No. 1255764, including, but not limited to, matters relating to agricultural activities, including sugar cane burning, on nearby lands, water reservation, nonexclusive rights of way, and right to enter. By that certain Partial Cancellation of Lease, dated January 29, 1996, but effective as of January 29, 1996, recorded as Land Court Document No. 2287045, the Leases and the reservation contained in Section 3 on Page 3 of said Limited Warranty Deed were canceled and removed from the premises described herein. The terms and provisions of said Limited Warranty Deed, as amended, were confirmed by those certain Confirmation of Deed Provisions and Reaffirmation of Reservations, dated October 20, 1998, recorded as Land Court Document No. 2494525, and May 24, 1999, recorded as Land Court Document No. 2548383, made by and between the Trustees Under the Will and of the Estate of James Campbell, Deceased, and HASEKO Homes, Inc., a Hawaii corporation.

3. The terms and provisions, including the failure to comply with any covenants, conditions, and reservations contained in that certain Unilateral Agreement and Declaration for Conditional Zoning, dated May 10, 1985, recorded as Land Court Document No. 1298651.

4. The terms and provisions, including the failure to comply with any covenants, conditions, and reservations contained in that certain Unilateral Agreement and Declaration for Conditional Zoning, dated November 29, 1993, recorded as Land Court Document No. 2091140.

5. First Mortgage, Security Agreement and Financing Statement dated November 3, 1997, recorded as Land Court Document No. 2412968, made by HASEKO Homes, Inc., a Hawaii corporation, as Mortgagor, in favor of NI Ewa Financial, Inc., a Delaware corporation, as Mortgagee, and amended by that certain Confirmation of Mortgage and Security Interests and Partial Release dated January 29, 1998, recorded as Land Court Document No. 2438768. The name of said Mortgagee was changed to NI Ewa Realty, Inc., as set forth in Land Court Order No. 130358, recorded on February 6, 1998.

6. Financing Statement made by HASEKO Homes, Inc., a Hawaii corporation, as Debtor, in favor of NI Ewa Financial, Inc., a Delaware corporation, now known as NI Ewa Realty, Inc., recorded as Document No. 97-150505.

7. Absolute Assignment of Sales Contracts, Escrow Deposits, Escrow Agreements and Net Sales Proceeds dated November 3, 1997, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 97-150506, made by HASEKO Homes, Inc., a Hawaii corporation, as Assignor, in favor of NI Ewa Financial, Inc., a Delaware corporation, as Assignee, and amended by that certain Confirmation of Mortgage and Security Interests and Partial Release dated January 29, 1998, recorded as Land Court Document No. 2438768, and also recorded as Document No. 98-021099. The name of said Assignee was changed to NI Ewa Realty, Inc., on February 2, 1998.

8. Restriction of vehicular access rights, as shown on Map 929, as set forth in Land Court Order No. 132513, recorded August 26, 1998.

9. Designation of Easement 6547, containing an area of 34,321 square feet, for access and utility purposes, as shown on Map 929, as set forth in Land Court Order No. 132513, recorded August 26, 1998.

10. As to Easement 6547 only:

    (a) Access rights in favor of others entitled thereto, as set forth in Land Court Order No. 132513, recorded August 26, 1998.

    (b) Perpetual nonexclusive easements for ingress and egress for vehicular and pedestrian access, and for storm drain, electrical, gas, communications and other utility purposes in favor of the Ke 'Āina Kai Community Association, Inc., a Hawaii nonprofit corporation, granted by Grant of Easement, dated October 19, 1998, recorded as Land Court Document No. 2494425.

11. The terms and provisions, including the failure to comply with any covenants, conditions, and reservations, contained in that certain Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated September 15, 1998, recorded as Land Court Document No. 2486145, as amended by that certain First Amendment to Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated October 30, 1998, recorded as Land Court Document No. 2498586, and supplemented by that certain First Supplemental Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated July 27, 1999, recorded as Land Court Document No. 2564353, that certain Second Supplemental Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated October 12, 2000, recorded as Land Court Document No. 2658343, that certain Third Supplemental Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated August 3, 2001, recorded as Land Court Document No. 2727221, and that certain First Amendment to Third Supplemental Declaration

of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated August 29, 2001, recorded as Land Court Document No. 2733526, as the same may be further amended or supplemented from time to time.

12. The terms and provisions, including the failure to comply with any covenants, conditions, and reservations, contained in that certain Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai, dated September 15, 1998, recorded as Land Court Document No. 2486146, as amended by that certain First Amendment to Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai, dated October 30, 1998, recorded as Land Court Document No. 2498587, and supplemented by that certain First Supplemental Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai, dated July 27, 1999, recorded as Land Court Document No. 2564354, and that certain Second Supplemental Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai, dated October 12, 2000, recorded as Land Court Document No. 2658344, as the same may be further amended or supplemented from time to time.

13. The terms and provisions, including the failure to comply with any covenants, conditions, and reservations, contained in that certain Declaration of Restrictive Covenants (Private Park), dated September 10, 1998, recorded as Land Court Document No. 2486147, as supplemented by that certain First Supplemental Declaration of Restrictive Covenants (Private Park), dated July 27, 1999, recorded as Land Court Document No. 2564355, and that certain Second Supplemental Declaration of Restrictive Covenants (Private Park), dated October 12, 2000, recorded as Land Court Document No. 2658345, as the same may be amended or further supplemented from time to time.

14. Grant of Easement and Partial Cancellation of Construction Right of Entry and Temporary Grant of Easement dated February 22, 2000, in favor of Hawaiian Electric Company, Inc., recorded as Land Court Document Nos. 2618754 and 2618755, for electrical purposes over, under, upon, across and through Easement 6547.

15. -As to Lot 12726 only:-

    (a) Designation of Easement 6573, containing an area of 2 square feet, for sight distance purposes, as set forth in Land Court Order No. 132513, recorded August 26, 1998.

    (b) Designation of Easement 6574, containing an area of 2 square feet, for sight distance purposes, as set forth in Land Court Order No. 132513, recorded August 26, 1998.

16. –As to Lot 12728 only:-

(a) Designation of Easement 6598, containing an area of 48 square feet, for electrical purposes, as set forth in Land Court Order No. 132513, recorded August 26, 1998.

(b) Grant of Easement and Partial Cancellation of Construction Right of Entry and Temporary Grant of Easement dated February 22, 2000, in favor of Hawaiian Electric Company, Inc., recorded as Land Court Document Nos. 2618754 and 2618755, for electrical purposes over, under, upon, across and through Easement 6598.

EXHIBIT "K"

Ke 'Āina Kai Townhomes, Increment 12

Disclosure Abstract

Date:	February 12, 2002
Name and Address of Project:	Ke 'Āina Kai Townhomes, Increment 12 91-1064 Kaipu Street and Kaileole'a Drive Ewa Beach, Hawaii 96706
Developer:	HASEKO Homes, Inc. 820 Mililani Street, Suite 820 Honolulu, Hawaii 96813-2938 Phone No.: (808) 536-3771
Managing Agent:	Hawaiiana Management Co., Ltd. Pacific Park Plaza, Suite 700 711 Kapiolani Boulevard Honolulu, Hawaii 96813 Phone No.: (808) 593-6896
Monthly Common Expenses and Monthly Estimated Costs for Each Apartment:	Exhibit "1" sets out the estimated monthly common expenses and estimated costs for the year ending December 31, 2002.

DESCRIPTION OF LIMITED WARRANTIES: The Developer provides a limited warranty for the individual apartments, common elements, and appliances under the Reservation Agreement and Sales Contract ("Agreement"), a specimen of which has been submitted with this registration. The following is a description of the Developer's limited warranty:

The Developer warrants to buyer that the apartment and the appurtenant limited common elements will be free from defects in materials and workmanship for a period of one (1) year from the date in which the sale of that apartment closes. The Developer further warrants that common elements in the Project (excluding the limited common elements) will be free from defects in materials and workmanship for a period of one (1) year from the date of substantial completion, which warranty shall run in favor of the Association. The above warranties are subject to the following exceptions and exclusions:

(a) Exclusions from Coverage. The Developer's limited warranty shall not extend to, and the Developer assumes no responsibility for, any of the following:

(1) Defects in any appliances or consumer goods, including but not limited to electric ranges, ovens, dishwashers, refrigerators, freezers, washers, dryers, air conditioners, water heaters, garbage disposals,

smoke detectors and light fixtures, including but not limited to any defects resulting from problems directly or indirectly related to the arrival of each February 29th leap year.

(2) Any and all landscaping installed or to be installed on or within the Project.

(3) Damage caused by ordinary wear and tear or abusive use or lack of proper maintenance.

(4) Defects which result from the characteristics common to materials used in construction including but not limited to warping and deflection of wood, fading, chalking and cracking of paint due to weather conditions, cracking due to drying and curing of concrete, drywall, masonry, drying, shrinking and cracking of caulking and weather-stripping.

(5) Defects in items installed by the buyer or any other person other than the contractor or subcontractors hired by the Developer.

(6) Defects, or damage caused by, or the material or workmanship of any work done by buyer or any other person other than the Developer or its duly authorized agents.

(7) Loss, damage, defects or injury caused by weather or any act of God.

(8) Any condition resulting in whole or in part from condensation on or expansion or contraction of materials.

(b) Manufacturers' Warranties. The Developer hereby assigns and passes through to the buyer any warranty covering any item that the manufacturer of such item has issued to the Developer. The buyer shall follow the procedure set forth in the manufacturer's warranty if any defects should appear in that item. The buyer is aware that the buyer is obligated to read and understand these warranties and that any service request should be made directly to the service representative for the manufacturer.

(c) Limitations of Warranty and Developer Liability. Except for Developer's limited warranty described herein, Developer makes no other warranties, express or implied, and DEVELOPER EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE, ANY IMPLIED WARRANTY OF WORKMANSHIP, AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE APARTMENT, OR THE PROJECT. EXCEPT FOR THE OBLIGATIONS OF DEVELOPER SPECIFICALLY SET FORTH HEREIN, DEVELOPER SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER LEGAL THEORY (REGARDLESS OF WHETHER DEVELOPER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES). The buyer is advised that the foregoing limitations are

subject to any applicable state laws which may restrict Developer i) from limiting the duration of any implied warranties, or ii) from limiting Developer's liability for incidental or consequential damages. The buyer is also advised that Developer's limited warranty as described herein gives the buyer specific legal rights and that the buyer may also have other rights under state law.

(d) Claim Procedure. If any defect appears which the buyer believes should be covered by the Developer's limited warranty, the buyer shall give the Developer written notice describing the defect in detail at the following address: HASEKO Homes, Inc., 820 Mililani Street, Suite 820, Honolulu, Hawaii 96813-2938, Attn: Customer Service. The Developer will not reimburse the buyer for any repair or other action taken by the buyer without the Developer's prior written consent. If the buyer fails to give the Developer written notice of any defect within thirty (30) days from the date of discovery of the defect by the buyer, the Developer's limited warranty shall be null and void and of no further effect as to the particular defect.

(e) Repairs. Upon receipt of the buyer's written notice of defect in accordance with the terms of the Developer's limited warranty, the Developer will repair or replace any item covered by the Developer's limited warranty that proves to be defective upon examination. The Developer will, at its option, repair, replace or pay the buyer the cost of repairing or replacing the defective item within sixty (60) days (subject to extensions due to delays caused by weather conditions, labor problems, riots, or materials shortages) of the date on which the Developer actually received notice of the defect.

(f) Warranty Personal to Buyer. Except as otherwise provided above, the Developer's limited warranty is extended to the buyer named in the Agreement only and shall terminate upon the sale of the apartment by the buyer.

HASEKO HOMES, INC.

By _____
Name: TSUTOMU SAGAWA
Title: EXECUTIVE VICE PRESIDENT

EXHIBIT "1"

KE 'ĀINA KAI TOWNHOMES, INCREMENT 12
(16 UNITS)
2002 ESTIMATED ANNUAL BUDGET

ESTIMATE OF MAINTENANCE DISBURSEMENTS	MONTHLY ($)	ANNUAL ($)
Utilities		
Common Electricity	$ 50.00	$ 600.00
Water	$ 330.00	$ 3,960.00
Sewer	$ 300.00	$ 3,600.00
Building and Grounds Maintenance	$ 0.00	$ 0.00
Building	$ 60.00	$ 720.00
Grounds (Landscaping)	$ 320.00	$ 3,840.00
Management	$ 0.00	$ 0.00
Management Fees **(a)**	$ 500.00	$ 6,000.00
Administrative Expenses	$ 40.00	$ 480.00
Education Expenses	$ 10.00	$ 120.00
Insurance	$ 310.00	$ 3,720.00
Legal & Professional	$ 20.00	$ 240.00
Taxes/Government Assessments	$ 15.00	$ 180.00
Audit Fees	$ 30.00	$ 360.00
Reserves (b)	$ 162.52	$ 1,950.24
Totals	$ 2,147.52	$ 25,770.24

(a) The property management agreement for the Project provides for a property management fee of $500.00 per month plus general excise tax.

(b) A reserve study (per §514A-83.6, HRS and Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules) has not yet been conducted. The reserves are estimates only based upon information obtained by HASEKO Homes, Inc.

HASEKO Homes, Inc. does hereby certify that the estimated budget and maintenance fees set forth in this Exhibit "1" were prepared in accordance with generally accepted accounting principles. The budget and maintenance fees are estimates only and are subject to change at any time, including changes resulting from the merger of the Project with other increments of Ke 'Āina Kai Townhomes.

HASEKO Homes, Inc.

By _____ February 12, 2002
Name: TSUTOMU SAGAWA Date
Its: EXECUTIVE VICE PRESIDENT

KE 'ĀINA KAI TOWNHOMES, INCREMENT 12
(16 UNITS)
ESTIMATED MAINTENANCE FEES PER UNIT
(From 01/01/02 to 12/31/02)

APT. NO.	NET LIVING AREA (sq. ft.) (a)	COMMON INTEREST (%)	MONTHLY MAINT. FEE ($) (Per Budget p. 1)	MONTHLY KE 'ĀINA KAI ASSN. FEE ($) (Per Budget p.3)	**TOTAL MONTHLY FEES ($) (b)**	TOTAL ANNUAL FEES ($)
H1	984	5.9499	127.78	33.90	161.68	1,940.16
H2	1,156	6.9900	150.11	33.90	184.01	2,208.12
H3	1,008	6.0951	130.89	33.90	164.79	1,977.48
H4	1,008	6.0951	130.89	33.90	164.79	1,977.48
H5	1,156	6.9900	150.11	33.90	184.01	2,208.12
H6	941	5.6898	122.19	33.90	156.09	1,873.08
J1	984	5.9499	127.78	33.90	161.68	1,940.16
J2	1,096	6.6272	142.32	33.90	176.22	2,114.64
J3	920	5.5629	119.46	33.90	153.36	1,840.32
J4	1,008	6.0951	130.89	33.90	164.79	1,977.48
J5	1,156	6.9900	150.11	33.90	184.01	2,208.12
J6	941	5.6898	122.19	33.90	156.09	1,873.08
L1	1,156	6.9900	150.11	33.90	184.01	2,208.12
L2	1,008	6.0951	130.89	33.90	164.79	1,977.48
L3	920	5.5629	119.46	33.90	153.36	1,840.32
L4	1,096	6.6272	142.32	33.90	176.22	2,114.64
TOTAL	16,538	100.0000	2,147.50	542.40	2,689.90	32,278.80

(a) The net living area of the apartment, excluding the garage, the lanai, the rear yard, and the entry area.

(b) The monthly fees for each apartment as shown in this column reflect the Developer's agreement to subsidize certain estimated expenses of the Project for specified periods of time as shown on Pages 3 and 4 of this budget.

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

Ke 'Āina Kai Community Association
(581 Units)
Annual Budget - Year 2002[1]

Budget Item	Amount
Utilities & Services	
Water	8,800.00
Electric	200.00
Landscaping Maintenance & Supplies	36,791.00
Management & Administration	
Management Services[2]	55,212.00
Admin, Supplies & Services	7,500.00
Insurance	6,500.00
Taxes & Government Assessments[3]	680.00
Legal	3,600.00
Audit	1,000.00
Reserves[4]	0.00
Miscellaneous	1,440.00
TOTAL ANNUAL EXPENSES	121,723.00
Total Annual Ke 'Āina Kai Assessments per Unit[5]	206.82
Total Ke 'Āina Kai Assessments Per Unit/Mo.	17.24
Ocean Pointe Master Association Assessments Per Unit/Mo[6]	16.66
Total Assessments Per Unit/Mo.[7]	**$33.90**

[1] The Ke 'Āina Kai Community Association's (the "Association") 2002 fiscal year runs from January 1, 2002 through December 31, 2002.

[2] Management Services reflect the fees that Hawaiiana Management Company will be paid for the 2002 fiscal year.

[3] This line item includes estimated real property taxes on separately assessed portions of the common areas which will be payable during the 2002 fiscal year.

[4] The items included in the reserve study are playground equipment for interior parks IA and IC, replacement of the paving of the service lanes and repair/replacement of the irrigation system. Because of increased collections received as a result of new home sales in 2001, it was determined that the reserve fund is adequately funded through the 2002 fiscal year and therefore, no additional contribution to reserves was considered necessary for 2002.

[5] Total annual assessments per unit were calculated on the basis of 581 units being subject to assessment. This is the current estimate of the total number of units that will be subject to assessment as of January 1, 2002, the date required by the Association CC&Rs to be used for budgeting purposes. Additional units, which become subject to assessment during the 2002 fiscal year, will also be assessed at this rate during the remainder of the 2002 fiscal year. Additionally, in calculating the total annual assessments per unit, the total annual expenses were reduced by the estimated amount of investment and checking account interest the Association expects to earn in the 2002 fiscal year.

[6] The Master Association assessments are based upon the Master Association budget adopted for the 2002 fiscal year and reflect additional developer subsidies.

[7] This line item includes the Master Association assessments to be collected by the Association during the 2002 fiscal year.

Ocean Pointe Residential Community Association

Annual Budget - Year 2002[1]

Budget Item		Amount
a.	Maintenance - Grounds[2]	128,629.00
b.	Utilities (Water)[2]	49,521.00
c.	Utilities (Electricity)	1,500.00
d.	Insurance	16,000.00
e.	Management Services[3]	37,500.00
f.	Admin Supplies & Services	4,000.00
g.	Legal	1,300.00
h.	Audit	1,000.00
i.	Miscellaneous Administrative Expenses	250.00
j.	Reserve Contribution[4]	12,000.00
k.	Total Estimated Annual Costs	$251,700.00
l.	Total Estimated Monthly Costs	20,975.00
m.	Total Costs Per Unit Per Month[5]	26.22
n.	Developer Subsidy Per Unit Per Month[6]	(9.56)
o.	Net Assessments Per Unit Per Month[7]	**$16.66**

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1 The Ocean Pointe Community Association's (the "Association") 2002 fiscal year runs from January 1, 2002 *through December 31, 2002.*

2 Maintenance - Grounds cover maintenance of the "Area of Common Responsibility" as that term is defined in the Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential) dated September 15, 1998 as supplemented and amended (the "Master Declaration"). The estimated maintenance costs shown in this line item do not cover any areas that may be subsequently annexed to the Master Declaration in the future. The estimated maintenance costs shown in line item a. include estimates for all labor, equipment, and other materials (not including water which is covered by line item b.) that are necessary to maintain the above-described areas.

3 Management Services reflect the fees that Hawaiiana Management Company will be paid for the 2002 fiscal year for management services and design review services.

4 Reserve Contribution covers estimated reserves for future obligations of the Association under the Master Declaration to develop a non-potable water system.

5 The total cost per unit per month was calculated by taking the total estimated monthly costs (line item l.) and dividing that number by 800. This is based on the applicable formula specified in the Master Declaration for computing the assessments owed by each unit with the result that the developer is required to partially subsidize the Association (the "Required Subsidy"). Taking into account the Required Subsidy but not including the additional developer subsidy referenced in note 6 below, the monthly assessment amount shown in line item m. would be $26.22 for each unit.

6 In addition to the Required Subsidy, the developer has advised the Association that for the 2002 fiscal year, it will subsidize the Association by paying the actual costs of operating the Association to the extent that such costs exceed the total of all assessments assessed against non-developer owned units (where such non-developer owned units are assessed at the rate of $16.66 per unit per month) (the "Voluntary Subsidy"). The estimated amount of the Voluntary Subsidy on a per unit per month basis is shown in line item n., provided, however, that developer has also advised the Association the total developer subsidy including the Required Subsidy and the Voluntary Subsidy shall not exceed the sum of $135,186.00 for fiscal year 2002. Hence, the actual amount of the Voluntary Subsidy may be less than the amount shown in line item n. as Developer Subsidy.

7 The Net Assessment Per Unit Per Month represents the net monthly assessment amount to be collected from members on a per unit basis for the 2002 fiscal year.

EXHIBIT "L"

Ke 'Āina Kai Townhomes, Increment 12

Summary of Reservation Agreement and Sales Contract

A specimen of the Reservation Agreement and Sales Contract (hereinafter the "Agreement") has been submitted to the Real Estate Commission as part of the registration. The Agreement contains the purchase price, description of the apartment to be conveyed to a buyer, and the terms and conditions under which a buyer will agree to buy an apartment in the Project.

The Agreement provides in part:

1. Financing of Purchase.

a. Buyer's Financial Status. The buyer (referred to in the Agreement as the Purchaser) represents that the buyer is financially capable of making all required payments at the required times stated in the Agreement. Buyer's breach of this representation is a default of the Agreement and the Developer may cancel the Agreement, retain all amounts paid by the buyer, and pursue any other remedy available to the Developer. (See paragraph 13 of this Exhibit.)

b. Buyer's Mortgage Loan Application. If the buyer must finance the purchase of the apartment, the buyer shall apply for mortgage financing from a financial institution or other institutional lender authorized to make mortgage loans in the State of Hawaii ("Mortgage Lender") within five (5) days from the date of execution of the Agreement by the Developer (referred to in the Agreement as the Seller). The buyer shall promptly sign and deliver all documents and diligently take all steps necessary to qualify and obtain the required financing. The buyer will deliver any executed copy of any notification of loan approval or mortgage commitment upon receipt to the Developer. The Developer, in its sole discretion, may disapprove of any loan approval or mortgage commitment that the buyer submits to the Developer under the Agreement within fifteen (15) days after the receipt of same. The Developer and the Developer's broker have no obligation to arrange for the buyer's mortgage financing and the Developer is unwilling to approve financing which would require the Developer to pay any points or fees to the Mortgage Lender. In order to keep the Developer and/or the Developer's broker informed of the buyer's progress in obtaining a mortgage loan, the buyer shall authorize any Mortgage Lender to transmit to the Developer and/or the Developer's broker any and all information necessary for this purpose including, but not limited to, copies of all correspondence between the buyer and the Mortgage Lender. If the buyer fails to comply with any of the above requirements, the buyers shall be in default of the Agreement and the Developer may cancel the Agreement, retain all amounts paid by the buyer, and pursue any other remedy available to the Developer. (See paragraph 13 of this Exhibit.)

c. Failure to Obtain Financing. If the buyer's application or eligibility for a mortgage loan is rejected or not approved within fifty (50) calendar days from

the date of execution by the Developer of the Agreement, then the Developer may elect to cancel the Agreement upon written notice to the other party, and, if canceled, the Developer shall direct escrow to refund to the buyer all sums paid by the buyer without interest (unless a Buyer's Account has been established with escrow as provided in the Agreement) and less escrow cancellation fees. The Developer shall not be responsible for any cancellation fees imposed by the Mortgage Lender. If the buyer's mortgage loan approval is contingent or conditioned on a sale by the buyer of another property or on any other condition, the Developer may, in its sole discretion and at any time, elect to treat such contingent or conditional approval as a rejection of loan eligibility and cancel the Agreement. If the Developer does not so elect to cancel the Agreement, the buyer shall qualify for mortgage financing including the satisfaction and removal of any such contingency prior to the closing date. If the buyer fails to remove any contingency from the buyer's loan approval prior to the closing date, or fails (for any reason whatsoever including without limitation, any purposeful or inadvertent change in the buyer's credit standing) to keep the loan approval in force, the buyer shall be in default of the Agreement and the Developer may cancel the Agreement, retain all amounts paid by the buyer, and pursue any other remedy available to the Developer. (See paragraph 13 of this Exhibit.)

2. Closing Date. The terms "Closing Date" or "Closing" as used in the Agreement shall mean the date when the Developer and the buyer have each carried out all of their obligations under the Agreement and Escrow closes the escrow by recording in the Land Court the Warranty Deed and also any mortgage in favor of the buyer's lender, and making all payments required from funds received. The projected "Closing Date" will be determined by the Developer alone (the "Scheduled Closing Date"). For purposes of determining when Closing may occur, the buyer agrees to abide by the Developer's good faith estimate of the Scheduled Closing Date. The Scheduled Closing Date, however, is generally based on the projected construction schedule for the Property, which schedule changes frequently due to a variety of factors. Therefore, the Scheduled Closing Date or any other estimate of the Closing Date provided by the Developer is an estimate only and is subject to change. The Developer may delay or change the Scheduled Closing Date as necessary and the buyer is advised to work with the Developer in coordinating the actual Closing Date.

3. What the Buyer is Required to Do at Closing. On or prior to the closing date, the buyer will sign and deliver to escrow all documents which the buyer must sign in order to effect the closing. This will include, without limitation, any mortgage in favor of the buyer's lender. The buyer shall also pay to escrow any cash payment required on account of the balance of the total purchase price, and all sums included in the Estimate of Additional Sums Payable set forth in Section 3.5 of the Agreement and further described below (subject to adjustment for actual fees payable as determined at closing).

4. Estimate of Additional Sums Payable. The sums included in the Estimate of Additional Sums Payable set forth in Section 3.5 of the Agreement are in addition to and are not part of the Total Purchase Price set forth in Section 3.4 of the Agreement. The buyer's closing costs shall include, but shall not be limited to, all escrow fees, all notary fees, costs of title insurance, legal costs for the preparation of any apartment deed or any notes and mortgages, all recording costs or fees, loan fees, credit

report costs, appraisal fees and all other applicable mortgage costs. In addition, the buyer agrees to pay the buyer's pro-rata share of applicable monthly maintenance and associations' fees (if closing occurs on a day other than the first day of the month), taxes, assessments and other expenses, which shall be prorated between the buyer and the Developer as of the closing date. The monthly maintenance and associations' fees referenced in Sections 3.5(b) and 3.5(c) of the Agreement shall be in addition to any prorated maintenance and association fees collected pursuant to the immediately preceding sentence. The Association of Apartment Owners start-up fee set forth in Section 3.5(a) of the Agreement is a one-time, non-transferable, non-refundable fee (equal to two (2) months maintenance fees) to be used for the association's working capital fund, and shall not be deemed a payment or advance payment by the buyer of the normal monthly maintenance fees.

5. The Buyer's Acceptance of the Apartment. The buyer agrees to close the sale of the apartment on time and accept possession of the apartment (a) even if the common elements of the Project have not yet been fully completed and/or construction activity is still in progress, and (b) notwithstanding the existence of any defects in or damage to the apartment which does not render the apartment unusable. The buyer also promises to indemnify and hold harmless the Developer from any loss or damage, including interest and attorneys' fees, resulting from the buyer's failure to close the sale or to accept possession of the apartment as required above.

6. Conditions of the Project. The Agreement contains various disclosures made in the Agreement regarding the condition of the Project and the surrounding areas that could affect the buyer's use or enjoyment of an apartment in the Project, including potential aircraft noise, ongoing construction and sales activities, possible environmental and utility effects, the existence of a coral quarry within the Ocean Pointe project site, that neither the Association of Apartment Owners nor Developer is responsible for providing security for the Project, and that the buyer assumes the risk of all of the above and agrees to release and indemnify the Developer, the Developer's parent companies, subsidiaries, and affiliates (including but not limited to the Developer's broker), their respective directors, officers, employees, agents, successors and assigns, the City, the State, and the federal government from and against any and all liability, claims, losses, damages or expenses arising from or in connection with any of such disclosures.

7. Disclosures Regarding Model Homes; Advertising Materials. The homes in the Project will be mass constructed based on limited styles and floor plans being offered by the Developer, but with minor variations to the colors, door styles, elevations, yards, landscaping, walkways, entryways and other features to provide each home with a certain degree of uniqueness. The model homes and various advertising materials, brochures and displays are intended to assist the buyer in visualizing the floor plan of the apartment that the buyer is purchasing, but are not intended to be exact replicas or depictions of all the apartments or buildings in the Project. The model homes and yard areas of the model homes also contain numerous upgrades, options and decorator items (including but not limited to optional floor plans, appliances, furnishings, fixtures, landscaping, walkways, gutters, and drainage facilities) which are not included with the property being purchased by the buyer or the building in which the apartment is located, or

which if included with the property being purchased, may differ from that shown with the model homes or in the advertising materials, brochures or displays due to differences in site conditions (such as the slope or grade of the site) or various other factors or constraints.

8. Landscaping; Fences. The buyer acknowledges that the buyer is responsible for the initial landscaping of the buyer's rear yard area and the maintenance of such landscaping thereafter. The buyer also acknowledges that the Developer will install the initial fences enclosing the rear yard of the apartment the buyer is purchasing, but that the buyer is responsible for maintaining, repairing and replacing such fences. If any such rear yard fence is shared by more than one apartment, the obligation to maintain, repair and replace such fence shall be shared jointly by both apartment owners.

9. Utility Infrastructure. The buyer acknowledges that additional utility infrastructure may be constructed in the future which provides utility services for the Project, the cost of which is not included in the purchase price of any apartment in the Project.

10. Developer's Limited Warranty for the Apartment. The buyer acknowledges the Developer's limited warranty regarding the apartment, the common elements and the appliances, which is described in the Disclosure Abstract attached to this public report as Exhibit "K".

11. Interest on the Buyer's Deposits. The buyer understands and agrees that notwithstanding any other contrary provisions in the escrow agreement, all interest earned on the buyer's deposits shall accrue to the credit of and shall be paid to the Developer unless (a) the buyer instructs escrow to establish a separate interest-bearing account on the buyer's behalf ("Buyer's Account") and pays escrow a processing fee of $25.00 (or such other amount as escrow may establish from time to time) and complies with all other requirements of escrow, or (b) a Buyer's Account is established pursuant to the escrow agreement (in which case the buyer agrees to pay the processing fee provided thereunder).

12. No Rental Service/Investment Representations. The buyer agrees that the buyer has entered into the Agreement without any reference or representation by the Developer or any sales person: (a) that the Developer or anyone affiliated with the Developer or any unaffiliated third party will provide, directly or indirectly, any services relating to the rental or sale or management on behalf of the buyer; (b) as to projected rental income, occupancy rates or other matters related to the rental of the apartment; (c) as to possible tax advantages or other economic benefits accruing to an owner who chooses to rent an apartment; or (d) as to projected appreciation in the value of the apartment. The buyer agrees to be solely responsible for any rental or other disposition of the apartment.

13. Default by Buyer. If the buyer fails to make any payment when it is due or fails to keep any of the other promises or agreements of the buyer set forth in the Agreement, the Developer will give the buyer written notice of such failure. If the buyer

does not cure such default or failure within ten (10) days after the Developer sends such notice, the Developer shall have the right to do any one or more of the following:

(a) Cancel the Agreement by giving the buyer written notice of cancellation. The Developer may then keep all sums deposited by the buyer, including any and all interest accrued thereon (notwithstanding the establishment of a Buyer's Account), as "liquidated damages" (i.e., the amount agreed to by the buyer and the Developer as properly payable in settlement for breach of contract), in lieu of actual damages and not as a penalty;

(b) Take advantage of any other rights which the law allows, including, for example, a lawsuit for actual damages suffered, or a lawsuit for "specific performance," which means a lawsuit to require the buyer to pay the total purchase price and keep all of the buyer's promises under the Agreement; and

(c) Collect from the buyer all costs, including reasonable attorneys' fees, court costs, escrow cancellation fees, and any document preparation fees if the deed conveying the property to the buyer has been prepared and delivered to escrow, which may be incurred by the Developer because of the buyer's default.

THE FOREGOING IS A SUMMARY OF SOME OF THE PERTINENT PROVISIONS OF THE AGREEMENT FOR THE CONVENIENCE OF THE BUYER AND IS NOT INTENDED TO BE AN EXHAUSTIVE LIST OF ALL OF THE TERMS OF THE AGREEMENT. THE FULL TEXT OF THE ORIGINAL DOCUMENT SHOULD BE EXAMINED AND CONTROLS OVER THIS SUMMARY.

NOTE: The Developer is offering the buyers a selection of various floor coverings for the apartment (i.e., tiling and carpeting), which each buyer will select in an addendum to the Agreement. In addition, the Developer is also offering various optional floor plans, appliances and upgrades for the apartment, each at various prices, and which if selected, will also be included in an addendum or addenda to the Agreement. The purchase price for such options, appliances and upgrades are non-refundable once the Agreement is deemed binding under the Condominium Property Act.

EXHIBIT "M"

Ke 'Āina Kai Townhomes, Increment 12

Summary of Escrow Agreement

An executed Escrow Agreement has been submitted to the Real Estate Commission as part of this registration. The Escrow Agreement, dated February 7, 2002, identifies Title Guaranty Escrow Services, Inc. as the escrow agent ("Escrow"). The Escrow Agreement sets up an arrangement under which Escrow will hold deposits that a buyer makes to the Developer under a Reservation Agreement and Sales Contract (the "Sales Contract") for the purchase of an apartment in the Project. The Escrow Agreement provides in part:

1. Payment of Funds to Escrow. The Developer shall pay over to Escrow any monies received by the Developer from a buyer under a Sales Contract, including all disbursements made on loan commitments, if any, from lending institutions to the buyer. Escrow shall deposit all funds so received in accordance with written instructions from the Developer in a federally-insured, interest-bearing account at a bank, savings and loan association, or trust company authorized to do business in the State.

2. Return of Funds to a Buyer. A buyer shall be entitled to a refund of the buyer's funds held in Escrow as follows:

(a) Escrow shall refund to the buyer all of the buyer's entire deposit together with all interest earned thereon, if: (i) the buyer entered into the Sales Contract pursuant to a Contingent Final Public Report; (ii) the Real Estate Commission does not issue an effective date for a Final Public Report by the date on which the Contingent Final Public Report expires; and (iii) the Developer or the buyer elects to rescind the buyer's Sales Contract.

(b) Escrow shall refund to the buyer all of the buyer's entire deposit, without interest and less any Escrow cancellation fees, if any one of the following has occurred: (i) the Developer and the buyer request in writing that Escrow return the buyer's funds to the buyer; (ii) the Developer notifies Escrow of the 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 the Developer; (iii) the buyer notifies Escrow of buyer's exercise of buyer's right to cancel the Sales Contract pursuant to Section 514A-62, Hawaii Revised Statutes, as amended; or (iv) the buyer notifies Escrow of buyer's exercise of buyer's right to rescind the Sales Contract pursuant to Section 514A-63, Hawaii Revised Statutes, as amended.

3. Buyer's Default under Sales Contract. If the Developer terminates a Sales Contract due to a default thereunder by the buyer, Escrow shall thereafter treat all funds of the buyer paid on account of such buyer's Sales Contract as funds of the Developer and not as funds of the buyer. Thereafter, such funds shall be free of the

escrow established by this Agreement and shall be held by Escrow for the account of the Developer.

THE FOREGOING IS A SUMMARY OF SOME OF THE PERTINENT PROVISIONS OF THE ESCROW AGREEMENT FOR THE CONVENIENCE OF THE BUYER AND IS NOT INTENDED TO BE AN EXHAUSTIVE LIST OF ALL OF THE TERMS OF THE ESCROW AGREEMENT. THE FULL TEXT OF THE ORIGINAL DOCUMENT SHOULD BE EXAMINED AND CONTROLS OVER THIS SUMMARY.

EXHIBIT "N"

Ke 'Āina Kai Townhomes, Increment 12

Description of the Ke 'Āina Kai Design Guidelines

Ke 'Āina Kai is part of Ocean Pointe, a master-planned community encompassing approximately 1,100 acres (see Section V.C.1 of the public report for a description of Ke 'Āina Kai and Ocean Pointe). Being part of a master-planned community, developmental guidelines are necessary to promote the community's evolution in a manner consistent with the original design principles, as approved by the City and other governmental agencies.

To accomplish this purpose and to maintain Ke 'Āina Kai's special character, the Ke 'Āina Kai Design Guidelines (the "Design Guidelines") have been prepared to regulate construction, additions, modifications, and site improvements visible from the street or neighboring properties. A copy of the Design Guidelines has been submitted to the Real Estate Commission as part of this registration.

The Design Guidelines, which are both prescriptive and restrictive, are intended to be illustrative of acceptable improvements and seek to provide an overall framework for future modifications within this Project and Ke 'Āina Kai. The Design Guidelines contain various rules and guidelines, including but not limited to, architectural guidelines, examples of acceptable improvements, materials and color schemes, and Design Review Committee application procedures.

The Design Review Committee, which has or will be established pursuant to the Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential) (see Exhibit "R" for a description of this document), is or will be responsible for reviewing applications for compliance with the Design Guidelines.

THE FOREGOING IS A DESCRIPTION OF THE DESIGN GUIDELINES FOR THE CONVENIENCE OF THE BUYER AND IS NOT INTENDED TO BE AN EXHAUSTIVE LIST OF ALL OF THE TERMS OF THESE DESIGN GUIDELINES. THE FULL TEXT OF THE DESIGN GUIDELINES SHOULD BE EXAMINED AND CONTROLS OVER THIS SUMMARY.

EXHIBIT "O"

Ke 'Āina Kai Townhomes, Increment 12

Description of the
Declaration of Restrictive Covenants (Private Park)

As mentioned in Section V.C.1 of the public report, Ke 'Āina Kai will include five private mini-parks (two in the first phase, one in the second phase, and two in the third phase of Ke 'Āina Kai). As a condition to the City and County of Honolulu's (the "City") subdivision approval of the first phase of Ke 'Āina Kai, a Declaration of Restrictive Covenants (Private Park), dated September 10, 1998, was recorded against the first phase of Ke 'Āina Kai as Land Court Document No. 2486147 (the "Private Park Declaration"). As a condition to the City's subdivision approval of the second and third phases of Ke 'Āina Kai, the City required that such phases also be subject to the Private Park Declaration. Therefore, a First Supplemental Declaration of Restrictive Covenants (Private Park) and a Second Supplemental Declaration of Restrictive Covenants (Private Park) were recorded as Land Court Document Nos. 2564355 and 2658345, respectively (the "Supplemental Declarations"), which subjected the second and third phases and the mini-parks located therein to the terms and conditions of the Private Park Declaration. A copy of the Private Park Declaration and the Supplemental Declarations have been submitted to the Real Estate Commission as part of this registration.

The purpose of the Private Park Declaration and Supplemental Declarations is to ensure that the five (5) mini-parks within Ke 'Āina Kai shall continue to be used as parks, and that the parks are maintained by the applicable homeowners association(s) and not by the City. The parks may be used by members of the homeowners association(s).

If the parks are not properly maintained by the homeowners association(s), the City has the right to maintain the parks and collect the costs and expenses of such maintenance from the homeowners association(s). The City shall have a lien over lands within Ke 'Āina Kai (including the Project) until such costs and expenses are fully paid.

THE FOREGOING IS A GENERAL DESCRIPTION OF THE PRIVATE PARK DECLARATION AND SUPPLEMENTAL DECLARATION FOR THE CONVENIENCE OF THE BUYER AND IS NOT INTENDED TO BE AN EXHAUSTIVE LIST OF ALL OF THE TERMS OF THE PRIVATE PARK DECLARATION AND SUPPLEMENTAL DECLARATION. THE FULL TEXT OF THE PRIVATE PARK DECLARATION AND SUPPLEMENTAL DECLARATION SHOULD BE EXAMINED AND CONTROLS OVER THIS DESCRIPTION.

EXHIBIT "P"

Ke 'Āina Kai Townhomes, Increment 12

Description of the
Declaration of Restrictive Covenants (DPP Permit No. 96/CL-1)

A specimen of the Declaration of Restrictive Covenants (DPP Permit No. 96/CL-1) has been submitted to the Real Estate Commission as part of the registration (the "DPP Declaration"). The DPP Declaration will be recorded in the Land Court of the State of Hawaii prior to the conveyance of the first apartment in the Project to a homebuyer and will be binding on all owners of apartments in the Project.

The DPP Declaration is required under Condition 10 of Cluster Housing Permit No. 96/CL-1, issued by the City and County of Honolulu Department of Planning and Permitting (formerly known as the Department of Land Utilization) (the "DPP Permit"), which is referenced in Section III.C.11 of the public report. The DPP Permit authorizes the development of the Ke 'Āina Kai residential project, including the Project, subject to certain conditions.

The purpose of the DPP Declaration is to provide notice of the restrictive covenants in the DPP Permit that are applicable to the Project. The following is a brief description of some of the significant provisions of the DPP Declaration.

1. Alterations or Modifications to the Project. The DPP Declaration sets forth certain restrictions and limitations regarding the modifications and alterations that may be made to the Project, including modifications and alterations to the apartments, lanais and other limited common elements that may be made by the owner of an apartment. The DPP Declaration includes Design Alteration Plans showing the area of permitted expansion (e.g., the area in which the lanai may be expanded), and other requirements that an owner must comply with in connection with any modifications or alterations to the Project.

2. Garages. The garages in the Project shall only be used for parking and shall not be eliminated or converted to other uses, including use as a dwelling unit.

3. Other Restrictions. The DPP Declaration also contains other covenants regarding the use and maintenance of the fences, landscaping, lighting, and private common elements within the Project.

THE FOREGOING IS A GENERAL DESCRIPTION OF THE DPP DECLARATION FOR THE CONVENIENCE OF THE BUYER AND IS NOT INTENDED TO BE AN EXHAUSTIVE LIST OF ALL OF THE TERMS OF THE DPP DECLARATION. THE FULL TEXT OF THE DPP DECLARATION SHOULD BE EXAMINED AND CONTROLS OVER THIS DESCRIPTION.

EXHIBIT "Q"

Ke 'Āina Kai Townhomes, Increment 12

Description of the Declaration of Covenants,
Conditions, and Restrictions for Ke 'Āina Kai

As mentioned in Section V.C.1 of the public report, the Project is located within the third phase of the residential project known as Ke 'Āina Kai and is therefore subject to the terms and conditions set forth in that certain Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai, dated September 15, 1998, recorded as Land Court Document No. 2486146, as amended or supplemented by that certain First Amendment to Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai, dated October 30, 1998, recorded as Land Court Document No. 2498587, that certain First Supplemental Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai, dated July 27, 1999, recorded as Land Court Document No. 2564354, that certain Second Supplemental Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai, dated October 12, 0000 recorded as Land Court Document No. 2658344 (the "Ke 'Āina Kai Declaration").

The purpose of the Ke 'Āina Kai Declaration is to facilitate the development, ownership, and use of the "Property" (as defined in the Ke 'Āina Kai Declaration) and to provide for the formation of the Ke 'Āina Kai Community Association (the "Community Association") that administers the Property. The following is a brief description of some of the significant provisions of the Ke 'Āina Kai Declaration (unless defined herein, capitalized terms shall be defined as set forth in the Ke 'Āina Kai Declaration).

1. Scope. The Property encumbered by the Ke 'Āina Kai Declaration consists of the first, second, and third phases of Ke 'Āina Kai (i.e. Areas IA, IB, and IC as depicted on the attached map). Although the Developer has reserved the right to annex additional lands for future phases of Ke 'Āina Kai, including all or any portion of the property generally described as being located within the "Subdivision Project" (as that term is defined in the Ke 'Āina Kai Declaration) the Developer does not currently plan to annex any additional phases to the Ke 'Āina Kai Declaration at this time.

The Developer has also reserved the right to develop the future phases of the Subdivision Project as separate projects and merge such projects with each other and/or with Ke 'Āina Kai. Additionally, the Developer also reserves the right to withdraw any portions of land from the Ke 'Āina Kai Declaration, including but not limited to any lands which are annexed to Ke 'Āina Kai. The Developer's rights to withdraw, annex, and merge portions of the Property may be exercised at any time prior to the "Last Conveyance Date" (which is the date that the last residential unit proposed to be developed within Ke 'Āina Kai and the balance of the Subdivision Project is sold). The Developer's rights to withdraw, annex, and merge the Property (or portions thereof) are generally covered in Sections 2.2, 2.3 and 2.4 of the Ke 'Āina Kai Declaration.

2. Amendment. Generally, the Ke 'Āina Kai Declaration can be amended only with the vote of 75% of the units within the Property. However, prior to the Last Conveyance Date, such amendments will require the approval of the Developer and the Developer has reserved the right to amend the Ke 'Āina Kai Declaration unilaterally (i) for any reason prior to conveying any unit within the Property; (ii) as to any unit, lot, or group of units/lots, where the same are owned by Developer; (iii) for the purpose of correcting technical defects, to make non-substantive changes, to comply with the requirements of various governmental loan programs, or to comply with various governmental or statutory requirements; (iv) for any other changes that do not have a material adverse effect on the rights of any "Owner" (as defined in the Ke 'Āina Kai Declaration); or (v) to annex, merge, or withdraw any property pursuant to the Ke 'Āina Kai Declaration or to change the designation of the "Common Area" (as defined in the Ke 'Āina Kai Declaration). The Developer and Developer's parent company, HASEKO (Ewa), Inc. (the "Master Declarant") have the right to amend the Ke 'Āina Kai Declaration unilaterally at any time to exercise their rights that are otherwise reserved or referenced in the Ke 'Āina Kai Declaration. Under other circumstances, the Owners shall have the right to amend the Ke 'Āina Kai Declaration only with the approval of the Developer (see generally Section 2.1).

3. Association Membership/Voting. Membership in the Community Association will be divided into two classes: (a) Class A members are all Owners (including Developer as to each unit Developer owns) and there will be one vote for each unit; and (b) the sole Class B member shall be the Developer. The Class B member shall have the right to select all Community Association board members until the third (3rd) anniversary of the date when the Ke 'Āina Kai Declaration was first recorded, and the Class B member shall have the right to select a majority of the Community Association board members until earlier of: (i) the date when 75% of all of the units to be constructed under the "Subdivision Permit" (as defined in the Ke 'Āina Kai Declaration) have been sold; or (ii) December 31, 2020. Generally, in all matters other than the election of board members, there shall only be one class of membership (see generally Article III).

4. Community Association Powers and Duties. The Community Association has broad powers to administer the Property. Generally, the Community Association has the power: (i) to acquire, hold, and dispose of property; (ii) to pay, compromise, or contest real property taxes and assessments on the Common Area and other Community Association property; (iii) to enforce the Ke 'Āina Kai Declaration; (iv) to enter into contracts for the purpose of carrying out its duties under the Ke 'Āina Kai Declaration (including management contracts); (v) to collect assessments; (vi) to maintain books and records of its receipts and expenditures; and (vii) to maintain the Common Area which will initially consist of the service lanes, pedestrian pathways, and the interior and perimeter mini-parks (except that the perimeter mini-parks in Areas IA and IC, and the mini-park in Area IB, will be maintained for an indefinite period of time by the Master Association as provided in the Master Declaration). In addition to the Common Area, the Community Association shall initially maintain the roadway landscaping (e.g. sidewalk planting strips) within dedicated roadways (not otherwise maintained by the Master Association), the private non-dedicated storm drain improvements located in the service lanes, and any service lane lighting located on the garage improvements of any units. The

Community Association also has the authority to maintain other improvements in the exercise of the board's discretion.

5. Use of Common Areas. Generally, the Owners have a non-exclusive right and easement to use the Common Areas subject to: (i) any restrictions set forth in any Rules adopted by the Community Association; (ii) any restrictions, encumbrances, easements, and rights of way which may be reserved at the time any Common Areas are transferred to the Community Association; (iii) any road, utility, or similar easements and rights of way which may be required by any governmental entity, or that may be taken under power of eminent domain, or granted or conveyed by the board; and (iv) other rights reserved to the Developer or Master Declarant in the Ke 'Āina Kai Declaration. Owners may not relinquish rights to use the Common Areas and thereby avoid their obligations for assessments.

6. Assessments. The Community Association has the right to assess Owners common assessments for the expenses incurred by the Community Association (see generally Article VI). The common assessments to be levied on each unit shall be computed by multiplying the total common assessments due for all units within the Property by a fraction, the numerator of which is one (1) and the denominator of which is the total number of units within the Property, as adjusted from time to time. The Community Association is also entitled to levy special assessments as follows: (i) against an Owner when an Owner defaults in the performance of its obligations under the Ke 'Āina Kai Declaration, (ii) to make up a shortfall in receipts due to Owner delinquencies; (iii) where the budget is exceeded due to unanticipated circumstances; or (iv) for other reasons determined by the board. Nonpayment of any assessments will give rise to a lien against the Owner's unit in an amount equal to the unpaid assessments plus interest, attorney's fees, and costs of collection. The board may foreclose on such lien as provided by law.

Until the Last Conveyance Date, the Developer may annually elect to pay to the Community Association either the common assessments due on its unsold units or, the difference between the amount of all common assessments assessed against all units (other than those units owned by Developer) subject to assessment and the amount of the actual expenditures required to operate the Community Association during the fiscal year.

7. Owner's Maintenance and Use Restrictions. Article VII of the Ke 'Āina Kai Declaration sets forth the scope of the Owners' obligations with respect to the maintenance of their units and also contains general guidelines and restrictions concerning animals and pets, vehicle repairs, antennas and satellites dishes, landscaping, pools, guns, air conditioning units, lighting, window coverings, house decorations, vehicle washing, and other matters.

8. Additional Developer Reserved Rights. Article VIII of the Ke 'Āina Kai Declaration provides that the Developer and the Master Declarant may assign their rights reserved under the Ke 'Āina Kai Declaration to any third party. In addition, the Developer

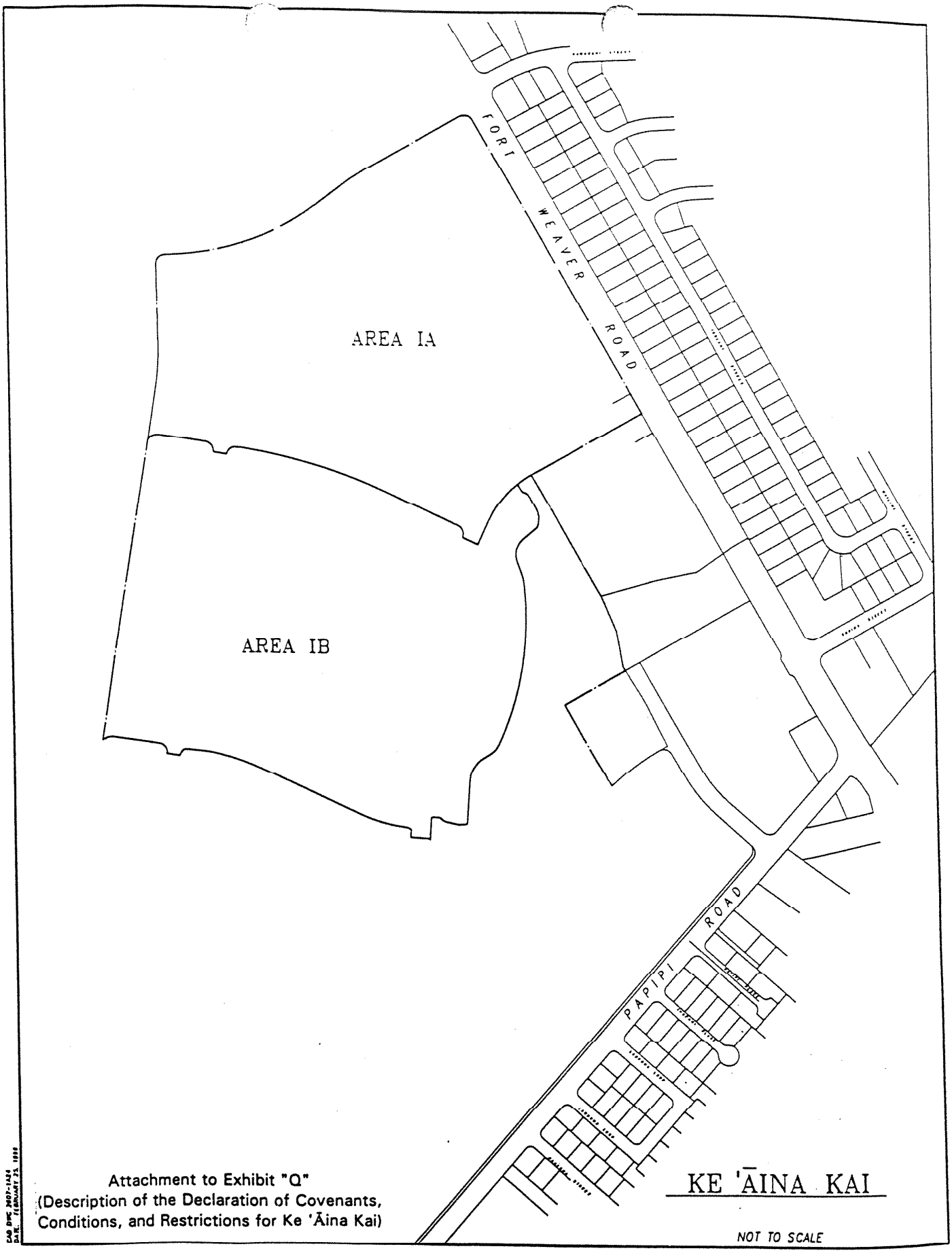
reserves the right to conduct sales activities within the Property and has reserved the right in its sole discretion to modify its development plans for the Property.

9. Insurance. The Community Association is required to carry the following types of insurance: (i) property casualty insurance on all insurable improvements within the Common Area; (ii) commercial general liability insurance (with umbrella liability coverage); (iii) worker's compensation insurance (where required by law); (iv) directors and officers liability insurance; (v) fidelity insurance; (vi) non-owned and hired automobile liability coverage, (vii) such additional insurance as the board may determine from time to time. Premiums for insurance carried by the Community Association shall be common expenses which will be included in the common assessments.

10. Easements. Article X of the Ke 'Āina Kai Declaration provides for encroachment easements in favor of improvements which encroach upon neighboring units or the Common Area if such encroachment occurs due to unintentional placement or settling or shifting of such improvements. The Developer has also reserved for itself and its designees blanket perpetual easements as well as the right to designate, grant, dedicate, realign, relocate, or cancel perpetual easements for various purposes including access and utility purposes across the Common Area, and across individual units within any specific easement areas designated on any subdivision map for any portion of the Property. Such easements may be assigned to the Community Association on such terms and conditions as are acceptable to the Developer. The Developer has also reserved the right to reserve easements over the Common Area for access and utility purposes serving other developments within "Ocean Pointe" (as defined in the Ke 'Āina Kai Declaration). The Community Association shall generally have a right of entry over any portion of the Property (including any units) in order to carry out its duties under the Ke 'Āina Kai Declaration.

11. Term. The term of the Ke 'Āina Kai Declaration shall be for a period of fifty (50) years from the date that the Ke 'Āina Kai Declaration was recorded. Thereafter, the Ke 'Āina Kai Declaration shall automatically be extended for successive periods of twenty (20) years unless terminated by a written instrument approved by 75% of the total votes in the Association.

THE FOREGOING IS A GENERAL DESCRIPTION OF THE KE 'ĀINA KAI DECLARATION FOR THE CONVENIENCE OF THE BUYER AND IS NOT INTENDED TO BE AN EXHAUSTIVE LIST OF ALL OF THE TERMS OF THE KE 'ĀINA KAI DECLARATION. THE FULL TEXT OF THE KE 'ĀINA KAI DECLARATION SHOULD BE EXAMINED AND CONTROLS OVER THIS DESCRIPTION.



Attachment to Exhibit "Q"
(Description of the Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai)

EXHIBIT "R"

Ke 'Āina Kai Townhomes, Increment 12

Description of the Declaration of Covenants,
Conditions, and Restrictions for Ocean Pointe (Residential)

As mentioned in Section V.C.1 of the public report, in addition to being part of Ke 'Āina Kai, the Project is also a part of the approximately 1,100 acre master-planned community known as Ocean Pointe and is therefore subject to the terms and conditions set forth in that certain Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated September 15, 1998, recorded as Land Court Document No. 2486145, as amended or supplemented by that certain First Amendment to Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated October 30, 1998, recorded as Land Court Document No. 2498586, that certain First Supplemental Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated July 27, 1999, recorded as Land Court Document No. 2564353; that certain Second Supplemental Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated October 12, 2000, recorded as Land Court Document No. 2658343; that certain Third Supplemental Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated August 3, 2001, recorded as Land Court Document No. 2727221; and that certain First Amendment to Third Supplemental Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential), dated August 29, 2001, recorded as Land Court Document No. 2733526 (the "Master Declaration"). The Master Declaration was prepared and executed by the Developer and Developer's affiliated company, HASEKO (Ewa), Inc. (the "Master Declarant").

The purpose of the Master Declaration is to facilitate the development, ownership, and use of the "Property" (as defined in the Master Declaration) and to provide for the formation of the Ocean Pointe Residential Community Association (the "Master Association") that administers the Property. The following is a brief description of some of the significant provisions of the Master Declaration (unless defined herein, capitalized terms shall be defined as set forth in the Master Declaration).

1. Scope. The Master Declarant presently plans to develop (i) a master-planned residential community tentatively consisting of approximately 4,850 dwelling units together with (ii) a contiguous master-planned non-residential development which may include commercial, industrial, resort, and recreational uses, all of which will be known as "Ocean Pointe" (as defined in the Master Declaration). The primary purpose of the Master Declaration is to provide for the maintenance of the "Area of Common Responsibility" and the "Master Facilities" as well as to administer the "Design Guidelines" (as those terms are defined in the Master Declaration) applicable to the residential component of Ocean Pointe. The Property encumbered by the Master Declaration presently includes the land encumbered by the Declaration of Covenants, Conditions, and Restrictions for Ke 'Āina Kai (the "Ke 'Āina Kai Declaration") (described in Exhibit "Q") as well as certain adjacent parcels owned by Master Declarant which will be devoted to roadway and landscaping purposes. The Master Declarant has reserved the right to annex to the Property those

portions of the proposed Ocean Pointe project that are predominantly used for residential purposes (including without limitation for single or multi-family dwelling purposes or that may in the future be devoted to such uses). The Master Declarant has also reserved the right to withdraw property from the Master Declaration. The Master Declarant's rights to annex and withdraw property from the Master Declaration may be exercised at any time prior to the Last Conveyance Date (which is the date that the last residential dwelling unit proposed to be developed within Ocean Pointe is sold). The Master Declarant's rights to withdraw and annex property are generally covered in Sections 2.2 and 2.3 of the Master Declaration.

2. Amendment. Generally, the Master Declaration can be amended only with the vote of 75% of the units within the Property. However, prior to the termination of the Class B membership (see paragraph 3 below), such amendments will require the approval of the Master Declarant and the Master Declarant has reserved the right to amend the Master Declaration unilaterally (i) for any reason prior to the conveyance any unit within the Property; (ii) as to any unit, lot, or group of units/lots, where the same are owned by Master Declarant or the Developer; (iii) for the purpose of correcting technical defects, to make non-substantive changes, to comply with the requirements of various governmental loan programs, or to comply with various governmental or statutory requirements; (iv) for any other changes that do not have a material adverse effect on the rights of any "Owner" (as defined in the Master Declaration) and the value of any unit not owned by the Master Developer or the Developer; or (v) to annex or withdraw any property pursuant to the Master Declaration or to change the designation of the Area of Common Responsibility. The Master Declarant and the Developer also have the right to amend the Master Declaration unilaterally at any time to exercise their rights that are otherwise reserved or referenced in the Master Declaration. (See generally Section 2.1).

3. Association Membership/Voting. Membership in the Master Association is divided into two classes: (a) Class A members are all Owners (including Master Declarant as to each unit Master Declarant owns) and there will be one vote for each unit; and (b) the sole Class B member is the Master Declarant. The Class B member has the right to select all Master Association board members until the earlier of (i) the date when the total number of units subject to the Master Declaration equals 800; or (ii) December 31, 2010. Thereafter, the Class B member shall have the right to select a majority of the Master Association board members until the termination of the Class B membership which shall occur upon the earlier of: (i) the date when 75% of all of the residential units proposed to be constructed within Ocean Pointe have been sold; (ii) December 31, 2030; or (iii) the date when the Master Declarant elects to terminate its Class B membership. Generally, in all matters other than the election of board members, there shall only be one class of membership (see generally Article III). If Owners are members of a "Community Parcel Association" (as defined in the Master Declaration) (such as the Ke ʻĀina Kai Community Association), then all voting rights of such Owners will be exercised by the senior elected officer of that Community Parcel Association.

4. Master Association Powers and Duties.

a. General. The Master Association has broad powers to administer the Property. Generally, the Master Association has the power: (i) to acquire, hold, and dispose of property; (ii) to pay, compromise, or contest real property taxes and assessments on the Master Facilities and other property; (iii) to enforce the Master Declaration; (iv) to enter into contracts for the purpose of carrying out its duties under the Master Declaration (including management contracts); (v) to collect assessments; (vi) to maintain books and records of its receipts and expenditures; and (vii) to maintain the Master Facilities and Area of Common Responsibility (described below).

b. Master Facilities. The Master Facilities will include property that the Master Association acquires any ownership interest in (whether by deed, lease, easement, license, assignment, or other instrument) and generally may include the following property which Master Declarant in the exercise of its sole discretion may elect to convey to the Master Association: (i) the "Initial Landscaping Lot"; (ii) the "Initial Landscaping Easements"; (iii) the "Entry Lots" (as such terms are defined in the Master Declaration) (provided that the Master Declarant may not convey the Entry Lots to the Master Association prior to the 5th anniversary of the date that the Master Declaration was filed of record in the Land Court); (iv) any improvements which constitute all or any component of the "Non-potable Water System" (as defined in the Master Declaration) serving the Property including associated easements; and (v) components of the circulation and greenbelt systems for the Property, including non-dedicated roadways, pedestrian pathways, bikeways, associated landscaping easements, private parks, open space and all other related property and facilities located within or adjacent to the "Master Declarant Land" (as defined in the Master Declaration) which may be designated by Master Declarant from time to time). The Master Association through the board may also acquire any other property which the board in the exercise of its discretion deems necessary or appropriate. Prior to the time that any of the Master Facilities are transferred to the Master Association, the Master Declarant shall have all rights, duties, and powers reserved to the Master Association in the Master Declaration. (See generally Article IV).

c. Area of Common Responsibility. The Area of Common Responsibility generally consists of those areas designated in the Master Declaration that the Master Association is responsible for maintaining even though the Master Association does not have an ownership interest in such property. Currently, the Area of Common Responsibility includes the following property: (i) the Initial Landscaping Easements, (ii) the Initial Landscaping Lot, (iii) the "Perimeter Mini-Park," the "Area IB Mini-Park," and the "Area IC Perimeter Mini-Park" (as those terms are defined in the Master Declaration) (notwithstanding the conveyance of such properties to the Ke 'Āina Kai Community Association), and (iv) all landscaping located within the "Initial Roadway Lots" (as defined in the Master Declaration) (notwithstanding the dedication of such Lots to a governmental entity). The Area of Common Responsibility may also include in the future the following property when designated in a supplemental Master Declaration: (a) all landscaping located within all other dedicated roadways which are located within, adjacent to, in the vicinity of or which otherwise benefit the Property as determined by the Master Declarant, (b) any of the property generally described in subparagraph 4.b. above as determined by the Master

Declarant, (c) the Non-Potable Water System, (d) the Entry Lots (provided, that the effective date of such designation shall in no event occur prior to the fifth (5th) anniversary of the date that the Master Declaration is recorded, and (e) such other property as may be maintained by the Association by agreement. The Area of Common Responsibility shall not include any property that is transferred to the Master Association and thereby becomes part of the Master Facilities.

5. Use of Master Facilities. Generally, the Owners have a non-exclusive right and easement to use the Master Facilities subject to: (i) any restrictions set forth in any rules adopted by the Master Association; (ii) any restrictions, encumbrances, easements, and rights of way which may be reserved at the time any Master Facilities are transferred to the Master Association; (iii) any road, utility, or similar easements and rights of way which may be required by any governmental entity, or that may be taken under power of eminent domain, or granted or conveyed by the board; and (iv) other rights reserved to the Master Declarant or the Developer in the Master Declaration. Owners may not relinquish rights to use the Master Facilities and thereby avoid their obligations for assessments.

6. Assessments. The Master Association shall have the right to assess Owners common assessments for the expenses incurred by the Master Association (see generally Article VI). The common assessments to be levied on each unit shall be computed as follows:

a. Where the total number of units subject to the Master Declaration at the start of any fiscal year is less than 800, the common assessment to be levied on each unit during such fiscal year shall be computed by multiplying the sum of all common expenses by a fraction, the numerator of which is one (1), and the denominator of which is 800. The Developer shall partially subsidize the common expenses incurred by the Association during such period by paying to the Association an amount equal to the positive difference between the sum of all common expenses and the sum of all common assessments assessed against all units within the Property during such fiscal year and calculated according to the immediately preceding sentence (including units owned by the Developer).

b. Where the total number of units subject to the Master Declaration at the start of any fiscal year equals or exceeds 800, the common assessment to be levied on each unit during such fiscal year shall be computed by multiplying the sum of all common expenses by a fraction, the numerator of which is one (1), and the denominator of which is the total number of units subject to the Master Declaration.

Until the Last Conveyance Date, either the Master Declarant and/or the Developer may annually elect either to pay the common assessments due on their respective unsold units or to pay to the Association the difference between the amount of all common assessments assessed against all units (other than those units owned by Master Declarant and/or Developer) subject to assessment and the amount of the actual expenditures required to operate the Master Association during the fiscal year.

The Master Association shall also be entitled to levy special assessments as follows: (i) against an Owner when an Owner defaults in the performance of its obligations under the Master Declaration, (ii) to make up a shortfall in receipts due to Owner delinquencies; (iii) where the budget is exceeded due to unanticipated circumstances; or (iv) for other reasons determined by the board.

Nonpayment of any assessments will give rise to a lien against the Owner's unit in an amount equal to the unpaid assessments plus interest, attorney's fees, and costs of collection and the board may foreclose on such lien as provided by law, provided, however, that with respect to units whose Owners are members of a Community Parcel Association (such as the Ke 'Āina Kai Community Association), all assessments attributable to such units shall be an obligation of the Community Parcel Association and shall be included as a common expense in the budget of such association. Individual Owners shall not be personally liable for the failure of a defaulting Community Parcel Association to pay its share of assessments and the Master Association shall have recourse only against the defaulting Community Parcel Association and its property.

7. Design Standards. All construction and alteration of improvements within the Property are subject to approval by the Design Review Committee ("DRC") and must be in compliance with the Design Guidelines which will be initially adopted by the Master Declarant (see generally Article VII). It is anticipated that the Design Guidelines applicable to the third phase (including the Project) will be the same or similar to the Design Guidelines which presently apply to the Property. Until the Last Conveyance Date, all members of the DRC will be appointed by the Master Declarant. The DRC will have the authority to grant variances under specified circumstances and shall also have the authority to order the removal of any work which is not performed in accordance with the Master Declaration and Design Guidelines. The administration of the Design Guidelines applicable to a particular Community Parcel may be delegated to such Community Parcel from time to time as provided in the Master Declaration.

8. Additional Reserved Rights of Master Declarant and Developer. Generally, Article VIII of the Master Declaration provides that the Master Declarant and/or Developer (as the case may be) (i) may assign their rights reserved under the Master Declaration to any third party, (ii) may execute and record any instruments necessary (including amendments or supplements to the Master Declaration) which they deem necessary to exercise rights referenced or reserved to them in the Master Declaration, (iii) have reserved the right to conduct sales activities within portions of the Property, (iv) have reserved the right to erect signs within the Master Facilities, (v) have reserved the right to change development plans for the Ocean Pointe project, (vi) have reserved the right to execute specified documents affecting the Property, and (vii) have reserved the right to exercise cross easement agreements on behalf of the Master Association. Master Declarant and Developer have reserved the following additional rights:

a. Easements. Under Section 8.7 of the Master Declaration, the Master Declarant and Developer have reserved for themselves and their designees blanket perpetual easements as well as the right to designate, grant, dedicate, realign, relocate, or cancel perpetual easements for various purposes including access and utility purposes

across the Master Facilities. Such easements may be assigned to the Master Association on such terms and conditions as are acceptable to the Master Declarant or Developer, as the case may be.

b. Drainage. During the Initial Term, the Master Declarant shall have the right to select a qualified engineer who shall have the authority to determine the Master Association's fair and equitable share of drainage control costs within Ocean Pointe. Such drainage control costs may include: (i) the dredging of the marina depicted in the "Master Plan" (as defined in the Master Declaration) (if constructed and as the configuration of same may be altered by Master Declarant in its discretion) or alternatively, the maintenance of a permanent retention basin within Ocean Pointe; and (ii) maintaining all associated drainage channels located within Ocean Pointe. The Master Association's share of all such expenses shall be a common expense of the Master Association and shall be included in the common assessments.

9. Insurance. The Master Association is required to carry the following types of insurance: (i) property casualty insurance on all insurable improvements within the Master Facilities and Area of Common Responsibility; (ii) commercial general liability insurance (with umbrella liability coverage); (iii) worker's compensation insurance (where required by law); (iv) directors and officers liability insurance; (v) fidelity insurance; (vi) non-owned and hired automobile liability coverage, (vii) such additional insurance as the board may determine from time to time. Premiums for insurance carried by the Master Association shall be common expenses which will be included in common assessments.

10. Term. The term of the Master Declaration shall be for a period of fifty (50) years from the date that the Master Declaration was recorded. Thereafter, the Master Declaration shall automatically be extended for successive periods of twenty (20) years unless terminated by a written instrument approved by a 75% of the total votes in the Association.

THE FOREGOING IS A GENERAL DESCRIPTION OF THE MASTER DECLARATION FOR THE CONVENIENCE OF THE BUYER AND IS NOT INTENDED TO BE AN EXHAUSTIVE LIST OF ALL OF THE TERMS OF THE MASTER DECLARATION. THE FULL TEXT OF THE MASTER DECLARATION SHOULD BE EXAMINED AND CONTROLS OVER THIS DESCRIPTION.