CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer GENTRY HOMES, LTD.
Address 560 North Nimitz Highway, Honolulu, Hawaii 96817-5315

Project Name (*): TIBURON, PHASE 5
Address: Makale`a Street, Ewa Beach, Hawaii 96706
See page 2 for individual street addresses.

Registration No. 5016 Effective date: February 5, 2003
Expiration date: March 5, 2004

Preparation of this Report:

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

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

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

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

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

Type of Report:

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

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

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

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

(*) Exactly as named in the Declaration

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2644 to submit your request

FORM: RECO-30 286/986/189/1190/892/0197/1098/0800

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier report 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:

STREET ADDRESSES BY UNIT NO.

Unit No.	Street Address	Unit No.	Street Address
45	91-3067 Makale`a Loop	53	91-3066 Makale`a Loop
46	91-3063 Makale`a Loop	54	91-553 Makale`a Street
47	91-3059 Makale`a Loop	55	91-559 Makale`a Street
48	91-3055 Makale`a Loop	56	91-565 Makale`a Street
49	91-3050 Makale`a Loop	57	91-571 Makale`a Street
50	91-3054 Makale`a Loop	58	91-577 Makale`a Street
51	91-3058 Makale`a Loop	59	91-583 Makale`a Street
52	91-3062 Makale`a Loop		

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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 owner/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: GENTRY HOMES, LTD. (Name*) — Phone: (808) 599-5558 (Business)
560 North Nimitz Highway (Business Address)
Honolulu, Hawaii 96817

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):

Robert W. Brant -- President/CEO
Toshimasa Hosoda -- Senior Vice President - Planning
Dawn Suyenaga -- Vice President/Secretary
John Shaw -- Vice President - Architecture
Linda F.K. Nakata -- Vice President - Accounting/Treasurer
Michael J. Brant -- Vice President

Real Estate Broker*: GENTRY HOMES, LTD. (Name) — Phone: (808) 599-5558 (Business)
560 North Nimitz Highway, Suite 210 (Business Address)
Honolulu, Hawaii 96817

Escrow: ISLAND TITLE CORPORATION (Name)
1132 Bishop Street, Suite 400 (Business Address) — Phone: (808) 531-0261 (Business)
Honolulu, Hawaii 96813

General Contractor*: GENTRY BUILDERS, LLC (Name) — Phone: (808) 599-5558 (Business)
560 North Nimitz Highway, Suite 213 (Business Address)
Honolulu, Hawaii 96817

Condominium Managing Agent*: HAWAIIANA MANAGEMENT COMPANY, LTD. (Name) — Phone: (808) 593-6871 (Business)
711 Kapiolani Boulevard, Suite 700 (Business Address)
Honolulu, Hawaii 96813

Attorney for Developer: Dawn Suyenaga (Name) — Phone: (808) 599-5558 (Business)
560 North Nimitz Highway, Suite 210 (Business Address)
Honolulu, Hawaii 96817

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

II. CREATION OF THE CONDOMINIUM
CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

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

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

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

The Condominium Map for this condominium is:

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

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

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

The Bylaws for this condominium is:

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

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

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

The House Rules for this condominium are:

[X] Proposed [ ] Adopted [ ] Developer does not plan to adopt House Rules

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

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

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%	75%
Bylaws	65%	65%
House Rules	---	51%

* 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: The Developer has reserved the right to make any changes to said documents, and any other documents affecting this Project, as may be required by law, any title insurance company, or as Developer decides is necessary, all without the consent or approval of the Buyer, provided that the changes do not substantially impair the prospective use and enjoyment of the apartments; materially alter the arrangement of the rooms or reduce the usable space within the apartment; render unenforceable the Buyer's mortgage loan commitment; alter Buyer's share of common expenses or reduce the obligations of the Seller for common expenses on unsold apartments. Developer also reserves the right to file the as-built verified statement required by Section 514A-12, Hawaii Revised Statutes, as amended, and also to make any changes to the documents necessary in connection with the merger of this Project as set forth in paragraph H, page 16 of this report.

III. THE CONDOMINIUM PROJECT

A. **Interest to be Conveyed to Buyer:**

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

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

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

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

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

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

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

For Subleasehold:

[ ] 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: Ewa Beach, Hawaii 96076 Tax Map Key (TMK): (1) 9-1-10: 082 (portion)
See page 2 for individual street addresses.

[ ] Address [X] TMK is expected to change because of pending subdivision

Land Area: 1.168 [ ] square feet [X] acre(s) Zoning: A-1

Fee Owner: GENTRY HOMES, LTD., a Hawaii corporation
Name
560 North Nimitz Highway
Address
Honolulu, Hawaii 96817

Lessor: Not Applicable
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: 15 Floors Per Building 2

[ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

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

[X] Other composition siding; composition shingles

4. Uses Permitted by Zoning:

	No. of Apts.	Use Permitted By Zoning	
[X] Residential	15	[X] Yes	[ ] No
[ ] Commercial		[ ] Yes	[ ] No
[ ] Mix Res/Comm		[ ] Yes	[ ] No
[ ] Hotel		[ ] Yes	[ ] No
[ ] Timeshare		[ ] Yes	[ ] No
[ ] Ohana		[ ] Yes	[ ] No
[ ] Industrial		[ ] Yes	[ ] No
[ ] Agricultural		[ ] Yes	[ ] No
[ ] Recreational		[ ] Yes	[ ] No
[ ] Other:		[ ] 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: Dogs, cats and other household pets limited to two in number and subject to compliance with provisions of House Rules.

[ ] Number of Occupants: _____

[X] Other: Apartment cannot be used for transient or hotel use. The apartment cannot be sold, rented or used for "timeshare", "time interval", "vacation license" or "travel club membership".

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: None Stairways: One per apt. Trash Chutes: None

Apt. Type	Quantity	Br/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
1	3	3 Bdrm/2 ½ Bath	1,220.14	370.08	garage
2	4	4 Bdrm/2 ½ Bath	1,424.42	403.94	garage
3	5	4 Bdrm/2 ½ Bath	1,424.20	375.87	garage
4	3	5 Bdrm/3 Bath	1,546.26	205.98	garage

Total Number of Apartments: 15

** NOTE: Fenced courtyard configurations and sizes may vary due to job site conditions.

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

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

Boundaries of Each Apartment: Each apartment includes the walls and partitions which are not load bearing within its perimeter or party walls; glass windows or panels; doors and any fixtures and appliances originally installed. The apartment does NOT include undecorated or unfinished surfaces of perimeter or party walls or interior load-bearing walls, floors, and ceilings or any pipes, wires or other utility lines running through the apartment and utilized for more than one apartment. The apartment also does not include the adjacent fenced yard which is a limited common element.

Permitted Alterations to Apartments: Additions, alterations or improvements solely within an apartment or within a limited common element appurtenant to and for the exclusive use of the apartment may be made by the apartment owner only with the approval of the Board of Directors of the Association of Apartment Owners.

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.

Developer plans to designate fifty percent (50%) of the residential apartments in the Project for sale to Owner-Occupants only as required by section 514A-102, HRS. Developer will show the designation in the Owner-Occupants' Pre-Sale Notice to be published in Hawaii Hochi, Ltd. upon the issuance of this preliminary public report.

7. Parking Stalls:

Total Parking Stalls: 33

	Regular		Compact		Tandem		
	covered	open	covered	open	covered	open	TOTAL
Assigned (for each unit)	15*	2	15*	1	---	---	33
Guest	---	---	---	---	---	---	---
Unassigned	---	---	---	---	---	---	---
Extra for Purchase	---	---	---	---	---	---	---
Other:	---	---	---	---	---	---	---
Total Covered & Open	17		16		0		33

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

*** Note:** Owners in TIBURON, PHASE 5 will have access to visitor parking stalls within other condominium communities in the Joint Development Area merged with TIBURON, PHASE 5.

All apartments have an attached limited common element garage that meet City and County of Honolulu standards to accommodate one full sized and one compact sized parking stall. Buyers with oversized vehicles (a van, a truck) or whose cars are not a compact size, should inspect the garage thoroughly to ensure that the garage can accommodate their vehicles. Apartments 50, 55 and 59 have an additional uncovered parking stall located adjacent to the garage. The additional parking stall for Apt. 50 is a compact stall. The additional parking stalls for Apts. 55 and 59 are standard sized.

[ ] Commercial parking garage permitted in condominium project.

[X] Exhibit A 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 [ ] Recreational Area

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

[X] Other: parks and recreational facilities. [See Paragraph 6 on page 20B.]

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. Conditions and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations (For conversions of residential apartments in existence for at least five years): NOT APPLICABLE.

11. Conformance to Present Zoning Code

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

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

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

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

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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

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

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

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

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

[X] described in Exhibit B

[ ] as follows:

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

[ ] There are no limited common elements in this project.

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

[ ] described in Exhibit _____ .

[X] as follows:

(a) Parking garage, additional parking stall (if applicable) and driveway appurtenant to the apartment;
(b) Mailbox bearing the same designations as the apartment;
(c) Yard areas as shown on the Condominium Map;
(d) Roofs and exterior siding of each apartment; and
(e) All other common elements which are rationally related to less then all of the apartments in the Project.

NOTE: Each apartment and the limited common elements referenced above do not comprise a legally subdivided individual lot.

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 interest for the apartments in this project as described in the Declaration, are:

[X] described in Exhibit A

[ ] as follows:

E. **Encumbrance 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 C describes the encumbrances against the title contained in the title report dated January 2, 2003 and issued by Island Title Corporation.

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

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

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

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

Type of Lien	Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed **Prior to Conveyance**
Mortgage	Lender has priority over Buyer's rights under a sales contract, and has a right to terminate sales contracts upon foreclosure of its mortgage before an apartment sale is closed. Should the lender terminate Buyer's sales contract, Buyer shall be entitled to a refund of all deposits, less escrow cancellation fee.

F. **Construction Warranties:**

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

1. Building and Other Improvements: The apartment and related common elements will be covered by a Limited Warranty. The Limited Warranty will be for a ten (10) year period which will commence on the recording date of the deed to the Buyer. The coverage amount will be the base sales price of the Unit. The Limited Warranty will be substantially similar to the sample Limited Warranty attached as Exhibit "G". Developer reserves the right to make changes to the Limited Warranty without further notification to Buyer. Developer's obligations under the Limited Warranty are expressly conditioned on prompt notification by Buyer or the Association to Developer of any defects in the Unit. In addition, Developer will not be responsible for damage to the Unit or common elements arising out of the failure of Buyer or the Association to take reasonable and prudent steps to maintain the property or to prevent damage or further damage to the Property. ROUTINE MAINTENANCE WORK IS NOT COVERED BY ANY WARRANTY.

2. Appliances: Warranties on appliances furnished with an apartment are not provided by the Developer. The execution and delivery of the apartment deed will operate as an assignment from the Developer to the Buyer of the respective manufacturers' or dealers' warranties , if any.

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

Construction is commence in January, 2003 and is expected to be completed in June, 2003.

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):

Should Developer develop more than one phase of TIBURON, each phase will be a separate condominium community. Developer may decide to "merge" some or all of the phases. Developer may also merge some or all of the phases of TIBURON with other condominium communities on the property covered by the same Joint Development Agreement (see page 20B, paragraph 5) for the purposes of sharing common area costs shared by the various communities (such as roadways, street lighting and landscaping). This means that the owners and occupants of the merged phases will share the use of the common elements and the common expenses of those phases. Should certain common area costs be unique to a particular condominium community which should not be shared with other communities, these costs will be allocated to the affected condominium community. Upon merger, Buyer will have a new percentage interest for voting and maintenance fee purposes only. Buyer's ownership interest will not be affected. Developer will record a certificate of administrative merger which will state the effective date of the new percentage interest. Developer is not obligated to merge all phases of TIBURON. Developer may merge other phases into already merged phases of TIBURON at a later time.

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 the Developer's affiliate.
[ ] Other _____

B. **Estimate of Initial Maintenance Fees:**

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, 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 D 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

[X] Other Refuse Collection

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 E contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated September 18, 2002
Exhibit F 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 Ewa by Gentry Community Area Declaration of Covenants, Conditions and Restrictions (See Paragraph 7 on page 20B)

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. 5016 filed with the Real Estate Commission on January 28, 2003.

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

[X] YELLOW paper stock [ ] WHITE paper stock [ ] PINK paper stock

C. ADDITIONAL INFORMATION NOT COVERED ABOVE

1. Developer is selling TIBURON, PHASE 5 apartments pursuant to affordable housing requirements imposed by the City and County of Honolulu (the "City"). We will require information from you regarding income and household size to provide to the City for information purposes.

2. Construction of TIBURON, PHASE 5 and other phases of TIBURON (together "TIBURON") will be ongoing for several months while units are being occupied. This ongoing construction will create dust, noise and increased traffic in the vicinity of occupied units. Certain hazardous conditions relating to the construction may also exist for a period of time. Additionally development of the areas around TIBURON will cause dust in and around the Project for several years as development in Ewa by Gentry continues. Buyer understands that Developer will make efforts to minimize the dust but that it is an inevitable result of the ongoing construction.

3. Sales activities for TIBURON and neighboring communities will be ongoing for several months. This may result in increased traffic and noise in the vicinity of the sales office. Portions of the common areas may be used for signage and other sales activities for a period of time while sales are ongoing.

4. Buyer understands and acknowledges that certain activities will occur on and about TIBURON ("Activities Affecting TIBURON") as follows:

(a) TIBURON is bordered on the mauka side by Iroquois Point Road, a public roadway, and on the ewa side by Keaunui Drive, a future public road, which may create noise and dust for those homes abutting this major roadways. The diamond head side of TIBURON will be bordered by Las Brisas a detached residential condominium project. The makai side of TIBURON is bordered by an open undeveloped space which may be developed into residential communities. Because this area is undeveloped, there may also be pests such as cockroaches and rodents for a period of time.

(b) TIBURON is located in the vicinity of the West Loch Branch of the Lualualei Naval Magazine ("West Loch") which in the event of military action may be a sensitive area. The Navy has denoted an area east of TIBURON as an Explosive Safety Hazard Zone in connection with munitions which may be loaded onto ships at West Loch. The Navy has represented that the boundary of said area represents the probable limit of any impact on the adjacent community. This area, which extends to West Loch, will have restricted development required by the Navy. The Navy has leased portions of this area for agricultural use, which may create dust and noise. Because this area is undeveloped, there may also be pests, such as cockroaches and rodents, for a period of time. Geiger Road and Iroquois Point Road may also be used by the Navy to transport aircraft and munitions.

(c) TIBURON is located upon land previously used for the cultivation of sugar cane. Land near or adjacent to TIBURON may continue to be used for the cultivation and harvesting of agricultural products, which may cause dust and noise. Crops may be burned when seasonally appropriate. The Hawaii Right-to-Farm Act (H.R.S. Ch. 165) and Hawaii law limit the types of farm activities that may be deemed a nuisance.

(d) TIBURON is located in the vicinity of a commercial airport (Honolulu International Airport) and a possible future airport at the former Barber's Point Naval Air Station and Buyer is aware that there is a likelihood of noise from planes passing overhead or nearby. The 1987 Noise Contour Map of the Honolulu International Airport Master Plan shows TIBURON located in an area subject to the noise levels of 55 Ldn.

(e) TIBURON is located near the Honouliuli Wastewater Treatment Plant, which generates odors and which will be expanded in the future to accommodate increased usage.

(f) Mold and mold spores are present throughout the environment, and residential home construction is not, and cannot be, designed to exclude mold spores. All mold is not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. Moisture is the only mold growth factor that can be controlled in a residential setting. Buyer should take positive steps to reduce or eliminate the occurrence of moisture in and around the house upon the Property. Developer is not responsible for any mold or mold spores present in the environment or in the house upon the Property.

(g) The Federal Emergency Management Agency ("FEMA") has not yet reviewed TIBURON area to determine whether the Property is within a flood hazard zone. If FEMA later determines that the Property is within a flood hazard area, then your lender may require you to obtain flood insurance.

(h) The Coral Creek Golf Course has been constructed on the west side of Fort Weaver Road. The property is also a designated City flowage easement for drainage purposes.

There may be hazards that may cause injuries and damages to persons and/or property on TIBURON such as periodic spraying or other treatment of the golf course area with pesticides, insecticides, herbicides, fungicides and fertilizers. Irrigation of the golf course may be with water from storm water retention basins or reclaimed water from the Honouliuli Wastewater Treatment Plant (used in accordance with Department of Health guidelines). Tournaments and other special events held on the golf course may also impact the community.

Owners in TIBURON will not have an ownership interest, a right to use any facilities or a right to enter the property by virtue of their membership in the Ewa by Gentry Community Association.

(i) Coronado and Palm Villas multi-family communities have been developed as a combination of sale/rental units to meet the City affordable housing requirements. At this time, the locations of additional affordable housing communities have not been finally determined.

(j) Water used to irrigate the common area landscaping in the community will come from either a nonpotable well service or may be from reclaimed water from the Honouliuli Wastewater Treatment Plant. Any reclaimed water has been treated according to Department of Health guidelines.

These Activities Affecting TIBURON may cause some unpleasant odors, surface water runoff, noise, dust, smoke and other unpleasant effects that may bother or be a nuisance to Buyer and other occupants and invitees of the Project. In the Apartment Deed, each Buyer, for himself, his heirs, personal and legal representatives and assigns, will release, indemnify, defend and hold harmless Developer, the Thomas H. Gentry Trust, a California Trust dated February 11, 1986, as amended, and related entities, the Trustees of the Estate of James Campbell, Deceased, and Oahu Sugar Company, Limited, Coral Creek Golf, Inc. and any future owner and/or operator of the golf course areas, and their respective officers, directors, employees, agents, successors, successors-in-trust, and assigns from any and all liability, claims, losses, damages, or expenses, including attorneys' fees, arising from any such impairment of the use and enjoyment of the Property, loss of market value of the Property, or property damage or personal injury to the property or person of Buyer, or Buyer's tenants, lessees, family, servants, guests, invitees, licensees, agents, employees, or other persons who may use the Property. However, the person or entity whose actions or omissions are the direct cause of any damage to Buyer shall be responsible for the consequences or results of its own gross negligence, willful misconduct or violation of applicable law. Buyer hereby irrevocably agrees to suffer and permit all actions and consequences incident to the Activities affecting TIBURON described above.

5. TIBURON, PHASE 5 is part of an overall area covered by that certain Agreement for Issuance of Conditional Use Permit Under Section 4.40-21 of the Land Use Ordinance (LUO) dated July 5, 2000 and recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2637544, as amended by that certain Declaration of Addition of Real Property to Agreement for Issuance of Conditional Use Permit Under Section 21-5.380 of the Land Use Ordinance (LUO) dated October 11, 2001 and recorded in said Office of the Assistant Registrar as Document No. 2744542 (the "Joint Development Area"). The Joint Development Area includes all current and future phases of TIBURON, Terrazza, CorteBella and Las Brisas. The estimated total number of units in the Joint Development Area at full build-out is 612. The Joint Development Area was designed to operate as a cohesive, integrated multi-family community that includes shared common facilities and infrastructure, including but not limited to potable water, non-potable well system, irrigation, drain, sewer and electrical systems, visitor parking stalls, roadways and landscaping. Additionally, Developer may alter development plans to address market conditions and may develop a separate condominium community in the Joint Development Area differing in design and construction from TIBURON. Developer reserves the right to administratively merge some or all of the condominium communities within the Joint Development Area for the purposes of sharing common area costs shared by the various communities (such as roadways, street lighting and landscaping). The use and cost of maintaining and operating the shared infrastructure and facilities will be shared among all owners on a pro rata basis. If the merged communities have different building types that require different maintenance and reserve assessments, the condominium association will set up cost centers such that each community is responsible only for the maintenance of its building type.

6. Lot 13426, Map 1021, Lot 14302, Map 1125 and Lot ___, Map ___, all of Land Court Application No. 1069 are open park areas for the use of all residents living in the Joint Development Area. Lot 14298, Map 1123, Land Court Application No. 1069 has a Recreation Center built on it for the use of all residents living in the Joint Development Area. The Recreation Center opened on September 28, 2002 and is currently managed by the existing Terrazza/CorteBella Association of Apartment Owners. Developer may designate additional park areas within the Joint Development Area, which may include recreational facilities, collectively (the "Park Areas"). Developer intends to convey the Park Areas to the several associations of apartment owners within the Joint Development Area as tenants in common or may include a Park Area in a later phase of development in the Joint Development Area. Each association's ownership share of a Park Area shall be based upon the association's proportionate share of the total number of apartments in the Joint Development Area. The several associations of apartment owners within the Joint Development Area shall have the duty and obligation to accept and maintain the Park Areas at the common expense of all of the owners of apartments within the Joint Development Area. The initial estimate of maintenance fees reflected in Exhibit "D" of this public report do not include estimated costs of operation of all Park Areas or of the Recreation Center.

7. All apartment owners in TIBURON are automatically members of the Ewa by Gentry Community Association, a non-profit Hawaii corporation. All owners are therefore subject to the restrictions, covenants and conditions of the Ewa by Gentry Community Area Declaration of Covenants, Conditions and Restrictions which govern the entire Ewa by Gentry community. The Community Association enforces the provisions of the Declaration of Covenants, Conditions and Restrictions to ensure a well maintained, safe and aesthetically pleasing community. Each owner pays dues to the Community Association in the amount of approximately $45 per quarter for a total of $180 a year. The maintenance fees reflected in Exhibit "D" of this public report do not include the dues payable to the Ewa by Gentry Community Association.

8. The sizes and configurations of the limited common areas and common areas reflected on the Condominium Map are approximations only. Actual sizes and configurations may vary due to the placement and location of utilities and due to varying terrain surrounding each building.

9. Apartment owners may add a second floor lanai up to sixty square feet (60 sq. ft) in size or may cover up to fifty percent (50%) of the limited common element yard areas without amending the condominium documents, subject, however, to obtaining the necessary Association and governmental permits and approvals.

10. Each TIBURON home has an attached garage. The garage meets City and County of Honolulu standards to accommodate one full sized and one compact sized parking stall. Buyers who have an oversized vehicle (a van, a truck) or who have more than one full sized vehicle should inspect the garage thoroughly to ensure that the garage can accommodate their vehicles. Two of the Apartment Owners' cars must be parked within the garage. Some homes may have an additional third car parking area in the limited common area adjacent to the home. The additional parking area is for vehicles only and may not be used for storage purposes.

11. Water used to irrigate the common area landscaping in the community (which include portions of the front yard of each unit) will come from either a nonpotable well service or may be from reclaimed water from the Honouliuli Wastewater Treatment Plant. Any reclaimed water has been treated according to Department of Health guidelines.

12. Not all homes in TIBURON will have curbside trash collection. If an apartment owner's home is located on a street ending in a cul de sac, the owner must take his trash cans to the designated trash collection areas. Trash cans can be taken to the trash collection the night before trash is collected and must be removed by the end of that day.

13. TIBURON is served by a private drainage system that connects to the City and County of Honolulu's municipal sewer system. As such, Federal regulations prohibit the following from being discharged into the Project's drainage system:

(a) domestic wastewater;

(b) industrial wastewater;

(c) any debris, refuse or solid waste or yard waste;

(d) chlorinated swimming pool water;

(e) washwater from vehicle and equipment cleaning; and

(f) oil and petroleum products.

Owners are prohibited from discharging any of the above into the Project's drainage system.

The Association is solely responsible for the maintenance and upkeep of the Project's drainage system. It shall cooperate with the Developer in assuming the Developer's National Pollutant Discharge Elimination System (NPDES) Permit No. H10021229 and shall be responsible for enforcing the terms and conditions of the NPDES Permit.

D. The developer declares subject to the penalties set forth in section 514A-49(b) that his 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-] (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.

GENTRY HOMES, LTD.
Printed Name of Developer

By _____ January 27, 2003
Duly Authorized Signatory* Date

DAWN SUYENAGA, Vice President/Secretary
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City & County of Honolulu

Planning Department, City & County of Honolulu

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"

DESCRIPTION OF APARTMENT TYPES AND DESIGNATIONS

Bldg. and Apt.	Apt. Plan	Net Living Area (sq. ft.)*	Garage Area (sq. ft.)
45	3	1,424.20	375.87
46	1	1,220.14	370.08
47	2	1,424.42	403.94
48	3	1,424.20	375.87
49	2	1,424.42	403.94
50	4	1,546.26	205.98
51	3	1,424.20	375.87
52	2	1,424.42	403.94
53	1	1,220.14	370.08
54	3	1,424.20	375.87
55	4	1,546.26	205.98
56	2	1,424.42	403.94
57	3	1,424.20	375.87
58	1	1,220.14	370.08
59	4	1,546.26	205.98

* Includes square footage allocated to interior stairways.

Owners in TIBURON, PHASE 5 will have access to visitor parking stalls within other condominium communities in the Joint Development Area merged with TIBURON, PHASE 5.

Plan 1 (3 Bedroom, 2 ½ Bath) (1,220.14 sq. ft.)
Two story three bedroom, two and one-half bath apartment with the kitchen, dining room, living room and half bathroom on the ground floor, connected by an interior stairway to the second floor which has a master bedroom, a master bathroom, two additional bedrooms and another bathroom. All apartments have a fenced back yard limited common element, an adjoining limited common element entryway and an adjoining limited common element two car garage containing one standard and one compact parking stall.

Plan 2 (4 Bedroom, 2 ½ Bath) (1,424.42 sq. ft.)
Two story four bedroom, two and one half bath apartment with the kitchen, dining room, living room and half bathroom on the ground floor, connected by an interior stairway to the second floor which has a master bedroom, a master bathroom, three additional bedrooms and another bathroom. All apartments have a fenced back yard limited common element, an adjoining limited common element entryway and an adjoining limited common element two car garage containing one standard and one compact parking stall.

Plan 3 (4 Bedroom, 2 ½ Bath) (1,424.20 sq. ft.)
Two story four bedroom, two and one half bath apartment with the kitchen, dining room, living room, laundry room and half bathroom on the ground floor, connected by an interior stairway to the second floor which has a master bedroom, a master bathroom, three additional bedrooms and another bathroom. All apartments have a fenced back yard limited common element, an adjoining limited common element entryway and an adjoining limited common element two car garage containing one standard and one compact parking stall.

Plan 4 (5 Bedroom, 3 Bath) (1,546.26 sq. ft.)
Two story five bedroom, three bath apartment with the kitchen, dining room, living room, laundry room and bathroom and a bedroom on the ground floor, connected by an interior stairway to the second floor which has a master bedroom, a master bathroom, three additional bedrooms and another bathroom. All apartments have a fenced back yard limited common element, an adjoining limited common element entryway and an adjoining

limited common element two car garage containing one standard and one compact parking stall. Apartments 50, 55 and 59 also have an appurtenant third parking stall located adjacent to the garage. The third parking stall is a standard size and uncovered.

NOTE: The sizes and configurations of the fenced yard reflected on the Condominium Map are approximations only. Actual sizes and configurations may vary due to the placement and location of utilities and due to varying terrain surrounding each building.

BREAKDOWN OF PLANS AND COMMON INTEREST FOR TIBURON, PHASE 5

Plan	Common Interest	Number in Project	Total Common Interest
1	5.78 %	3	17.34%
2	6.75 %	4	27.00%
3	6.74 %	5	33.70%
4	7.32 %	3	21.96%
		15	100.00%

As nearly as practicable, the common interest for each residential apartment was determined by dividing the net floor area of the particular apartment by the total net interior floor area of all apartments in the Project and multiplying that amount by 100.

ADMINISTRATIVE MERGER

The Developer may administratively merge phases of TIBURON with other condominium communities within the Joint Development Area. The Developer may also merge other condominium communities within the Joint Development Area into the already merged phases of TIBURON at a later date. Upon administrative merger, the apartment owners in each of the merged condominium communities will have a new common interest which will be the apartment owners' new interest for voting and maintenance fee allocation purposes only in the merged project. The apartment owners' ownership interest will not be altered or affected in any way. The Developer will record a certificate of administrative merger which will state the new administrative common interest and its effective date. Each apartment owner's new administrative common interest will be computed by dividing the square footage for each apartment by the total square footage of the sum of all apartments in the entire merged project.

END OF EXHIBIT "A"

EXHIBIT "B"

COMMON ELEMENTS

1. The land described in the attached Exhibit "A";
2. All structural components, such as foundations, girders, beams, supports, unfinished perimeter walls and load-bearing walls (except for the inner decorated surfaces within each apartment);
3. All yards, gardens, planting areas, fences, trash collection areas, walkways and building exterior lights;
4. All access lanes, roads, curbs, sidewalks and street lights;
5. Installations for services such as pipes, cables, conduits, ducts, electrical equipment, wiring and other central appurtenant transmission facilities and installations over, under or across the Project which serve more than one apartment for services such as power, light, gas, hot water, cold water, sewage, drainage, telephone, radio and television signal distribution, if any;
6. Any apparatus and installations existing for common use, such as tanks, pumps, irrigation lines, motors, fans, compressors, ducts, vents and other such installations and apparatus; and
7. All other parts of the Project necessary or convenient to its existence, maintenance and safety or normally in common use.

END OF EXHIBIT "B"

EXHIBIT "C"

ENCUMBRANCES AGAINST TITLE

1. Title to all minerals and metallic mines reserved to the State of Hawaii.

2. Restrictions, covenants and conditions as contained in that certain Ewa by Gentry Community Area Declaration of Covenants, Conditions and Restrictions dated July 21, 1988, recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1568352, as amended by instrument dated May 30, 1989, recorded in the Office of said Assistant Registrar as Document No. 1652869, as further amended by instrument dated June 21, 1991, recorded in the Office of the Assistant Registrar as Document No. 1888053, and as may be further amended from time to time. The Project was made subject to the above Declaration of Covenants, Conditions and Restrictions by that certain Declaration of Addition of Real Property dated July 6, 2000 and recorded in said Office of the Assistant Registrar as Document No. 2637354.

3. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Declaration of Land Use Commission, Conditions dated August 15, 1991 and recorded in said Office of the Assistant Registrar as Document No. 91-184029.

4. Terms and provisions of that certain Unilateral Agreement and Declaration of Conditional Zoning dated July 12, 1994 and recorded in said Office of the Assistant Registrar as Document No. 2163448.

5. The terms and provisions of that certain Short Form Amended and Restated Master Lease with Options to Purchase Real Property dated March 16, 1995 by and between Gentry Development Company (now known as Gentry Investment Properties), as Lessor/Optionor, and Gentry Homes, Ltd., as Lessee/Optionee, recorded in said Office of the Assistant Registrar as Document No. 2234674. *[Developer intends to exercise its option to purchase the Project prior to conveyance of apartment to buyer.]*

6. Mortgage made by Gentry Development Company (now known as Gentry Investment Properties) and Gentry Homes, Ltd. in favor of Bank of Hawaii, a Hawaii corporation, as agent dated August 24, 1995 and recorded in said Office of the Assistant Registrar as Document No. 2258188. *[Developer intends to record a document to release this encumbrance prior to conveyance of apartment to buyer.]*

7. Financing Statement made by Gentry Development Company (now known as Gentry Investment Properties) and Gentry Homes, Ltd. in favor of Bank of Hawaii, a Hawaii corporation, as agent recorded on September 1, 1995 in said Bureau of Conveyances as Document No. 95-113317. Said Financing Statement was amended by instrument recorded on May 17, 1996 in said Bureau of Conveyances as Document No. 96-069398. Continuation of said Financing Statement recorded June 16, 2000, in said Bureau of Conveyances as Document No. 2000-085684. *[Developer intends to record a document to release this encumbrance prior to conveyance of apartment to buyer.]*

8. Assignment of Sales Contracts and Sales Proceeds made by Gentry Homes, Ltd. in favor of Bank of Hawaii, a Hawaii corporation, as agent dated August 24, 1995 and recorded in said Bureau of Conveyances as Document No. 95-113318. Said assignment was amended by that certain instrument dated January 3, 1996 and recorded in said Bureau of Conveyances as Document No. 96-005441. *[Developer intends to record a document to release this encumbrance prior to conveyance of apartment to buyer.]*

9. Terms, provisions, covenants and conditions of that certain Agreement for Issuance of Conditional Use Permit Under Section 21-5.380 of the Land Use Ordinance (LUO) dated July 5, 2000, recorded in said Office of the Assistant Registrar as Document No. 2637544 and amended by instrument dated October 11, 2001, recorded in said Office of the Assistant Registrar as Document No. 2744542.

10. The designation of Easement 7288, for electrical purposes, as shown on Map 1060, Land Court Application No. 1069, as set forth Land Court Order No. 141269, recorded in said Office of the Assistant Registrar on March 20, 2001. *[This encumbrance will be removed upon further phase subdivision.]*

11. The designation of Easement 7291, for waterline purposes, as shown on said Map 1060, as set forth Land Court Order No. 141269, recorded in said Office of the Assistant Registrar on March 20, 2001. *[This encumbrance will be removed upon further phase subdivision.]*

12. Term and provisions of that certain Unilateral Agreement and Declaration of Conditional Zoning dated March 21, 2001, and recorded in said Office of the Assistant Registrar as Document No. 2692217.

13. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in that certain Declaration and Confirmation of Restrictions, Reservations, Conditions and Covenants dated July 6, 2001, recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2727752.

14. The designation of Easement 7530, for electrical purposes, as shown on Map 1088, Land Court Application No. 1069, as set forth Land Court Order No. 142581, recorded in said Office of the Assistant Registrar on July 9, 2001. Said easement was granted in favor of Hawaiian Electric Company, Inc., a Hawaii corporation by that certain instrument dated August 22, 2001 and filed as Document No. 2741782. *[This encumbrance will be removed upon further phase subdivision.]*

15. The designation of Easement 7615, for access and utility purposes, as shown on Map 1104, Land Court Application No. 1069, as set forth by Land Court Order No. 143770, recorded in said Office of the Assistant Registrar on October 30, 2001. *[This encumbrance will be removed upon further phase subdivision.]*

16. Grant of Easement in favor of Hawaiian Electric Company, Inc., a Hawaii corporation and Verizon Hawaii Inc., a Hawaii corporation, for utility purposes, dated June 21, 2002 and recorded in said Office of the Assistant Registrar on as Document No. 2818082 and assigned as additional security by Document No. 2818084 [for Verizon only]. *[This encumbrance will be removed upon further phase subdivision.]*

17. The designation of Easement _____ for access and utility purposes, as shown on Map ___, Land Court Application No. 1069, as set forth by Land Court Order No. _____, recorded in said Office of the Assistant Registrar on _____. *[This encumbrance will be added upon further phase subdivision.]*

18. The covenants, agreements, obligations, conditions, easements and other provisions as contained in the Declaration of Condominium Property Regime of TIBURON, PHASE 5 dated _____, recorded in said Office of the Assistant Registrar as Document No. _____ and Condominium Map No. ____, to which reference is hereby made.

19. By-Laws of the Association of Apartment Owners of TIBURON, PHASE 5 dated _____ and recorded in said Office of the Assistant Registrar as _____.

20. Real property taxes due and payable, refer to Director of Finance, City and County of Honolulu.

Note: The name of Gentry Development Company, a Hawaii limited partnership has been legally changed to Gentry Investment Properties, a Hawaii limited partnership, as set forth by Land Court Order No. 123770, recorded March 25, 1996.

END OF EXHIBIT "C"

EXHIBIT "D"

ESTIMATE OF INITIAL MAINTENANCE FEES

Gentry Homes, Ltd. ("Gentry Homes"), acting as the initial Association of Apartment Owners, pays for all costs associated with the maintenance of Tiburon, Phase 5 until it is merged into the Association of Apartment Owners currently existing for previous phases of Terrazza and CorteBella. Gentry Homes estimates that, based on current sales, Tiburon, Phase 5 will be administratively merged with Terrazza, Phases 1 through 17 and CorteBella, Phases 1 through 6 and Phases 8 through 15, Las Brisas, Phases 1 thru 4 and Tiburon, Phases 2 thru 5. At that time, the homeowners in Tiburon, Phase 5 will be responsible for paying maintenance fees.

Attached is an **initial estimate** of those maintenance fees. This initial estimate does NOT include the Ewa by Gentry Community Association dues which are currently $45 per quarter for a total of $180 a year.

The initial estimate also does NOT include any costs associated with the Recreation Center, which Gentry Homes turned over to the Terrazza/CorteBella Association effective September 28, 2002. Gentry Homes will pay the Association a prorata share of the operating costs based on the number of units that have not yet been built or merged into the overall Terrazza/CorteBella Association. A budget for the Recreation Center has not yet been finalized. Gentry Homes anticipates that the additional cost attributable to the recreational facilities will initially be approximately $20 per unit.

1-6-03

Terrazza Phases 1 - 17
CorteBella Phases 1-6, 8 -15
LasBrisas 1-4, Tiburon 2-5
(401 units)
Fee Disbursements

	Monthly	Annually	Notes
Administration			
Tax Preparation/Audit	$160	$1,920	Based on actual paid
Legal Fees	**$450**	$5,400	Mostly reimbursable costs
Site Manager (chargeback)	$700	$8,400	30% ($1020) of mgr cost prorated by 612 units
Property Management/Accounting	**$2,560**	$30,720	Based on contract
Design Review	$1,000	$12,000	Some reimbursable costs
Office Expenses	**$1,950**	$23,400	Based on site manager making some copies
Miscellaneous Expenses(1)	$500	$6,000	Nwsltrs, rec sec, DCCA register
Maintenance, Repair, Supplies			
Grounds/Yards & Common	$14,700	$176,400	Based on current charges
Grounds Park (*)	$625	$7,500	
Pest Control (*)	**$550**	$6,600	
Refuse	$2,900	$34,800	11 bins/3 yards (CorteBella Only)
Miscellaneous Repairs & Purchases(2)	$1,000	$12,000	Fence repair, landscape extra, elect. repairs
Utilities			
Electricity	**$900**	$10,800	Based on 11/02 financial
Water	**$8,000**	$96,000	Based on 11/02 financial
Sewer	**$11,450**	$137,400	Based on 11/02 financial
Insurance			
Master Policy	**$16,700**	$200,400	Insurance Associates Invoice on 263 units
Taxes & Government Assessments			
GET	**$70**	$840	
Reserves	**$6,000**	$72,000	Approx. $15.00/unit
TOTAL DISBURSEMENTS	**$70,215**	$842,580	
(1) Meeting room, newsletters, recording secretary, DCCA register			
(2) Misc. repairs, landscape extras			

Terrazza Phases 1 -17
CorteBella Phases 1-6, 8 -15
LasBriesas 1-4, Tiburon 2-5
(401 units)

Estimated Maintenance Fees Per Unit

Plan	Common Interest	Monthly Maint. Fees	Annual Maint. Fees
Terrazza, 1	0.2200%	$154.47	$1,853.68
Terrazza, 1	0.2200%	$154.47	$1,853.68
Terrazza, 1	0.2200%	$154.47	$1,853.68
Terrazza, 1	0.2200%	$154.47	$1,853.68
Terrazza, 1	0.2200%	$154.47	$1,853.68
Terrazza, 1	0.2200%	$154.47	$1,853.68
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
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Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
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Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97

Terrazza Phases 1 -17
CorteBella Phases 1-6, 8 -15
LasBriesas 1-4, Tiburon 2-5
(401 units)
Estimated Maintenance Fees Per Unit

Plan	Common Interest	Monthly Maint. Fees	Annual Maint. Fees
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 2	0.2700%	$189.58	$2,274.97
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48

Terrazza Phases 1 -17
CorteBella Phases 1-6, 8 -15
LasBriesas 1-4, Tiburon 2-5
(401 units)
Estimated Maintenance Fees Per Unit

Plan	Common Interest	Monthly Maint. Fees	Annual Maint. Fees
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 3	0.2900%	$203.62	$2,443.48
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45

Terrazza Phases 1 -17
CorteBella Phases 1-6, 8 -15
LasBriesas 1-4, Tiburon 2-5
(401 units)
Estimated Maintenance Fees Per Unit

Plan	Common Interest	Monthly Maint. Fees	Annual Maint. Fees
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
Terrazza, 4	0.2500%	$175.54	$2,106.45
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 1/A	0.2000%	$140.43	$1,685.16
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68

Terrazza Phases 1 -17
CorteBella Phases 1-6, 8 -15
LasBriesas 1-4, Tiburon 2-5
(401 units)
Estimated Maintenance Fees Per Unit

Plan	Common Interest	Monthly Maint. Fees	Annual Maint. Fees
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 2/B	0.2200%	$154.47	$1,853.68
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42

Terrazza Phases 1 -17
CorteBella Phases 1-6, 8 -15
LasBriesas 1-4, Tiburon 2-5
(401 units)
Estimated Maintenance Fees Per Unit

Plan	Common Interest	Monthly Maint. Fees	Annual Maint. Fees
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
CorteBella 3/C	0.2100%	$147.45	$1,769.42
LasBriesas 1	0.2200%	$154.47	$1,853.68
LasBriesas 1	0.2200%	$154.47	$1,853.68
LasBriesas 1	0.2200%	$154.47	$1,853.68
LasBriesas 1	0.2200%	$154.47	$1,853.68
LasBriesas 1	0.2200%	$154.47	$1,853.68
LasBriesas 1	0.2200%	$154.47	$1,853.68
LasBriesas 1	0.2200%	$154.47	$1,853.68
LasBriesas 2	0.2300%	$161.49	$1,937.93
LasBriesas 2	0.2300%	$161.49	$1,937.93
LasBriesas 2	0.2300%	$161.49	$1,937.93
LasBriesas 2	0.2300%	$161.49	$1,937.93
LasBriesas 2	0.2300%	$161.49	$1,937.93
LasBriesas 2	0.2300%	$161.49	$1,937.93
LasBriesas 2M	0.2300%	$161.49	$1,937.93
LasBriesas 2M	0.2300%	$161.49	$1,937.93

Terrazza Phases 1 -17
CorteBella Phases 1-6, 8 -15
LasBriesas 1-4, Tiburon 2-5
(401 units)
Estimated Maintenance Fees Per Unit

Plan	Common Interest	Monthly Maint. Fees	Annual Maint. Fees
LasBriesas 2M	0.2300%	$161.49	$1,937.93
LasBriesas 2M	0.2300%	$161.49	$1,937.93
LasBriesas 2M	0.2300%	$161.49	$1,937.93
LasBriesas 2M	0.2300%	$161.49	$1,937.93
LasBriesas 2M	0.2300%	$161.49	$1,937.93
LasBriesas 2M	0.2300%	$161.49	$1,937.93
LasBriesas 2M	0.2300%	$161.49	$1,937.93
LasBriesas 2M	0.2300%	$161.49	$1,937.93
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3	0.2500%	$175.54	$2,106.45
LasBriesas 3M	0.2600%	$182.56	$2,190.71
LasBriesas 3M	0.2600%	$182.56	$2,190.71
LasBriesas 3M	0.2600%	$182.56	$2,190.71
LasBriesas 3M	0.2600%	$182.56	$2,190.71
LasBriesas 3M	0.2600%	$182.56	$2,190.71
LasBriesas 3M	0.2600%	$182.56	$2,190.71
LasBriesas 3M	0.2600%	$182.56	$2,190.71
LasBriesas 3M	0.2600%	$182.56	$2,190.71
Tiburon 1	0.2500%	$175.54	$2,106.45
Tiburon 1	0.2500%	$175.54	$2,106.45
Tiburon 1	0.2500%	$175.54	$2,106.45
Tiburon 1	0.2500%	$175.54	$2,106.45
Tiburon 1	0.2500%	$175.54	$2,106.45
Tiburon 1	0.2500%	$175.54	$2,106.45
Tiburon 1	0.2500%	$175.54	$2,106.45
Tiburon 1	0.2500%	$175.54	$2,106.45
Tiburon 1	0.2500%	$175.54	$2,106.45
Tiburon 1	0.2500%	$175.54	$2,106.45
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48

Terrazza Phases 1 -17
CorteBella Phases 1-6, 8 -15
LasBriesas 1-4, Tiburon 2-5
(401 units)
Estimated Maintenance Fees Per Unit

Plan	Common Interest	Monthly Maint. Fees	Annual Maint. Fees
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 2	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 3	0.2900%	$203.62	$2,443.48
Tiburon 4	0.3100%	$217.67	$2,612.00
Tiburon 4	0.3100%	$217.67	$2,612.00
Tiburon 4	0.3100%	$217.67	$2,612.00
Tiburon 4	0.3100%	$217.67	$2,612.00
Tiburon 4	0.3100%	$217.67	$2,612.00
Tiburon 4	0.3100%	$217.67	$2,612.00
Tiburon 4	0.3100%	$217.67	$2,612.00
Tiburon 4	0.3100%	$217.67	$2,612.00
TOTALS	100.0000%	$70,215.00	$842,580.00

Note: The foregoing maintenance fees do not include the dues payable to the Ewa by Gentry Community Association. At the present time those dues are $45 per quarter for a total of $180 a year.

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

EXHIBIT "E"

SUMMARY OF SALES CONTRACT

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

1. Seller is selling TIBURON pursuant to affordable housing requirements imposed by the City and County of Honolulu (the "City"). Seller will require information from Buyer regarding income and household size to provide to the City for information purposes.

2. Buyer must live in the apartment for at least 365 consecutive days.

3. Buyer has certain obligations if Buyer wants a mortgage loan to cover part of the purchase price.

4. Buyer's money will be held in escrow, under the terms of the Escrow Agreement.

5. Buyer will not receive interest on deposits made under the Sales Contract.

6. The apartment will be subject to various other legal documents which Buyer should examine.

7. The Project will be subject to ongoing construction and sales activities which may result in certain annoyances to Buyer.

8. Seller has no control over certain activities on adjacent property owned by others including agriculture, military, utility and aviation. These activities may cause some inconveniences to Buyer. Buyer will indemnify Seller and the owners of the properties involved except in cases of negligence or willful misconduct.

9. Under certain circumstances where the apartment is ready for occupancy and Buyer has not completed his financing arrangements for the purchase of the apartment, Buyer will be responsible for all of Seller's expenses as a result of Buyer's delay.

10. Seller has reserved the right to merge some or all of the phases of TIBURON. If such merger takes place, the percentage common interests for the apartments will change.

11. In the event of default prior to closing under the sales contract:

By Buyer:

a. Seller may cancel the sales contract and retain Buyer's initial deposit;

b. Seller may file a lawsuit for damages;

c. Seller may file a lawsuit for "specific performance"; and

d. Buyer shall be responsible for expenses incurred.

By Seller:

a. Buyer may file a lawsuit for "specific performance";

b. Buyer may cancel the sales contract and Seller will return all deposits, without interest;

c. Buyer has all remedies available at law and in equity.

END OF EXHIBIT "E"

EXHIBIT "F"

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement describes the arrangement under which the deposits a buyer makes under a Sales Contract will be held by a neutral party ("Escrow"). The following are relevant terms stated in the agreement:

1. Interest on Buyer's deposits will accrue in favor of the Seller and not the Buyer unless the parties specifically provide otherwise.

2. Escrow will arrange for Buyer to sign all necessary documents.

3. The Escrow Agreement describes the conditions upon which a refund will be made to a buyer.

4. The Escrow Agreement describes what will happen to a buyer's funds if a party defaults under the Sales Contract.

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

END OF EXHIBIT "F"

EXHIBIT "G"

HOME BUILDER'S LIMITED WARRANTY

Administered by Professional Warranty Service Corporation

Throughout this **HOME BUILDER'S LIMITED WARRANTY**, referred to hereinafter as the "**LIMITED WARRANTY**", the words "**YOU**" and "**YOUR**" refer to the **HOMEOWNER** and **HOMEOWNERS ASSOCIATION**. The words "**WE**", "**US**" and "**OUR**" refer to the **BUILDER**. The other words and phrases which appear in boldface uppercase type also have special meaning. Refer to the Section **X. Definitions**, so that **YOU** will understand the terminology applicable to this **LIMITED WARRANTY**.

This **LIMITED WARRANTY** establishes an agreed method for determining when a **CONSTRUCTION DEFECT** exists and a clear understanding of **OUR** responsibilities for remedying any such **CONSTRUCTION DEFECT**. This **LIMITED WARRANTY** also helps distinguish a **CONSTRUCTION DEFECT** that is **OUR** responsibility from those minor imperfections that can reasonably be expected in a **HOME** or the **COMMON ELEMENTS** or result from normal wear and tear or are routine **HOMEOWNER** or **HOMEOWNERS ASSOCIATION** maintenance responsibilities.

This **LIMITED WARRANTY** contains the procedures **YOU** must use to notify **US** of a condition in **YOUR HOME** or the **COMMON ELEMENTS** which **YOU** believe may constitute a **CONSTRUCTION DEFECT**. In the event a condition occurs in the **HOME** or the **COMMON ELEMENTS** that **YOU** believe may constitute a **CONSTRUCTION DEFECT, YOU** agree to submit any request for warranty performance under this **LIMITED WARRANTY**. Based on the information **YOU** provide, and where **WE** deem it necessary information obtained from **OUR** onsite investigation, inspection and/or testing of the **HOME** or the **COMMON ELEMENTS**, **WE** will determine whether **WE** agree with **YOU** that the condition constitutes a **CONSTRUCTION DEFECT**. If **WE** determine that the condition reported by **YOU** is a **CONSTRUCTION DEFECT**, **WE** will remedy the condition in accordance with the remedies prescribed in this **LIMITED WARRANTY**. **WE** will make this determination in accordance with Section **III. OUR Coverage Obligations**, contained in this **LIMITED WARRANTY**.

SAMPLE

If **WE** determine that a condition does not constitute a **CONSTRUCTION DEFECT** that is **OUR** responsibility and therefore deny **YOUR** request for warranty performance, **YOU** have the right to initiate binding arbitration that will irrevocably determine whether the condition constitutes a **CONSTRUCTION DEFECT** that is **OUR** responsibility. If this binding arbitration determines that the condition does constitute a **CONSTRUCTION DEFECT** that is **OUR** responsibility, **WE** will resolve the problem in accordance with the remedies prescribed in this **LIMITED WARRANTY**. The arbitrator will make a determination based on the language contained in Section **III, OUR Coverage Obligations**.

Enclosed with this **LIMITED WARRANTY** is a Limited Warranty Validation Form. The Limited Warranty Validation Form provides the dates on which the warranty coverage period begins and expires. It is important that this form is retained with the **LIMITED WARRANTY**. Liability under this **LIMITED WARRANTY** is limited to the amount shown on the Limited Warranty Validation Form.

All express or implied warranties other than this **LIMITED WARRANTY**, including any oral or written statement or representation made by **US** or any other person, and any implied warranty of habitability, merchantability or fitness, are hereby disclaimed by **US** and are waived by **YOU**. In addition, **YOU** waive the right to seek damages or other legal or equitable remedies from **US, OUR** subcontractors, agents, vendors, suppliers, design professionals and materialmen, under any other common law or statutory theory of liability, including but not limited to negligence and strict liability. **YOUR** only remedy in the event of a **CONSTRUCTION DEFECT** in or to the **HOME** or the **COMMON ELEMENTS** or to the real property on which the **HOME** or the **COMMON ELEMENTS** is situated is the coverage provided to **YOU** under this **LIMITED WARRANTY**. There may be instances where an additional **PWC** administered Builder's Limited Warranty is issued together with this **LIMITED WARRANTY**. If both of these warranties are issued to **YOU, YOU** agree to request warranty performance under either warranty relative to warrantable issues on the **HOME** or the **COMMON ELEMENTS**. **YOU** may not collect twice relative to the same defect and amounts paid or expended by **US** for warranty performance under either warranty will reduce the limit of liability remaining under both warranties simultaneously.

WE have contracted with **PWC** for certain administrative services relative to this **LIMITED WARRANTY. PWC's** sole responsibility is to provide administrative services. Under no circumstances or conditions is **PWC** responsible for fulfilling **OUR** obligations under this **LIMITED WARRANTY.**

If any provision of this **LIMITED WARRANTY** is determined to be unenforceable, such a determination will not affect the remaining provisions. If this **LIMITED WARRANTY** or any provision herein is determined to be unenforceable as to a **HOMEOWNERS ASSOCIATION** or a specific **HOMEOWNER**, such a determination will not affect the enforceability of this **LIMITED WARRANTY** or such provision as to any other **HOMEOWNERS ASSOCIATION** or any other **HOMEOWNER**. The issue of enforceability, as well as all other issues, will be determined by Binding Arbitration as provided for in this **LIMITED WARRANTY.**

I. Coverage Limit

The amount shown on the Limited Warranty Validation Form is **OUR** limit of liability. It is the most **WE** will pay or expend for all covered **CONSTRUCTION DEFECTS** regardless of the number of requests for warranty performance made against this **LIMITED WARRANTY.** Once **OUR** limit of liability has been paid, no further requests for warranty performance can be made against this **LIMITED WARRANTY** or any other **PWC** administered Builder's Limited Warranty issued for the **HOME** or the **COMMON ELEMENTS.**

II. Warranty Coverage

SAMPLE

Coverage under this **LIMITED WARRANTY** is expressly limited to **CONSTRUCTION DEFECTS** which occur during the **WARRANTY PERIOD** indicated on the Limited Warranty Validation Form and are reported by **YOU** in accordance with the notification requirements of Section **VII. Procedure to Request US To Perform Under This LIMITED WARRANTY.**

Coverage During the **WARRANTY PERIOD** indicated on the Limited Warranty Validation Form that is attached to and made part of this **LIMITED WARRANTY**, **WE** warrant the **HOME** and the **COMMON ELEMENTS** will be free of **CONSTRUCTION DEFECTS.** To be eligible for coverage **WE** must receive written notice from **YOU** of the alleged **CONSTRUCTION DEFECT** as soon as it is reasonably possible after **YOU** have become aware or should have become aware of a **CONSTRUCTION DEFECT** but in no event later than thirty (30) days after the expiration of the coverage.

III. OUR Coverage Obligations

All notices of alleged **CONSTRUCTION DEFECTS**, and complaints under this **LIMITED WARRANTY** must be made by **YOU** in writing. Telephonic or face-to-face discussion will not protect **YOUR** rights under this **LIMITED WARRANTY** (see Section **VII. Procedure to Request US To Perform Under This LIMITED WARRANTY**).

In the event **YOU** allege a **CONSTRUCTION DEFECT** occurs during the **WARRANTY PERIOD**, upon receiving written notice from **YOU**, **WE**, or a third party designated by **US** or acting on **OUR** behalf, will inspect, investigate and/or test (including destructive testing) the alleged **CONSTRUCTION DEFECT** to determine if a **CONSTRUCTION DEFECT** exists. Upon confirmation of a **CONSTRUCTION DEFECT**, **WE**, or a third party designated by **US** or acting on **OUR** behalf, will (1) repair or replace the **CONSTRUCTION DEFECT**, (2) pay to **YOU** the actual amount it would cost **US** to repair or replace the **CONSTRUCTION DEFECT** or (3) **PAY** to **YOU** an amount equal to the diminution in fair market value caused by the **CONSTRUCTION DEFECT** . The decision to repair, replace, or to make payment to **YOU** is at **OUR** or **OUR** authorized representative's sole option.

WE will have been considered to have breached this **LIMITED WARRANTY** only if **WE** fail to resolve a **CONSTRUCTION DEFECT** in accordance with the terms and conditions of this **LIMITED WARRANTY.**

A. **Standards By Which the Presence of a CONSTRUCTION DEFECT Will Be Determined**
In the event **YOU** believe that a flaw in the **HOME** or the **COMMON ELEMENTS** constitutes a **CONSTRUCTION DEFECT**, the following factors will be considered by **US** in determining whether the condition constitutes a **CONSTRUCTION DEFECT**. Should either **YOU** or **WE** elect to initiate binding arbitration, these factors will be considered by the arbitrator in rendering a decision:

1. Any performance standards or guidelines or other documents or manuals that contain **OUR** building standards, that were provided to **YOU** at or prior to closing on the **HOME**, or in the case of the **HOMEOWNERS ASSOCIATION**, prior to transferring title to all the **COMMON ELEMENTS**. Absent such standards, the Residential Construction Performance Guidelines published by the National Association of Home Builders, in effect at the time of closing on the **HOME**, or in the case of the **HOMEOWNERS ASSOCIATION**, at the time of transferring title to all the **COMMON ELEMENTS** shall apply. Absent a specific standard in the documents identified above, building practices and standards in use in the region of the country in which the **HOME** or the **COMMON ELEMENTS** are located shall apply;

2. Consideration as to whether the magnitude of the flaw or imperfection:
   - materially affects the structural integrity of the **HOME** or **COMMON ELEMENTS**; or
   - has an obvious and material negative impact on the appearance of the **HOME** or **COMMON ELEMENTS**; or
   - jeopardizes the life or safety of the occupants; or
   - results in the inability of the **HOME** or the applicable **COMMON ELEMENTS** to provide the functions that can reasonably be expected in such a **HOME** or **COMMON ELEMENT**.

3. Consideration as to whether a condition is the result of normal wear and tear (conditions that are normal wear and tear or are caused by normal wear and tear are not **CONSTRUCTION DEFECTS**);

4. Consideration as to whether the condition was caused by, or in any way resulted from, the failure of the **HOMEOWNER** or **HOMEOWNERS ASSOCIATION** to perform normal or routine maintenance (any condition that is determined to be a **HOMEOWNER** or **HOMEOWNERS ASSOCIATION** maintenance issue, or any condition that results from improper or inadequate **HOMEOWNER** or **HOMEOWNERS ASSOCIATION** maintenance, is not a **CONSTRUCTION DEFECT**);

5. Consideration as to whether the condition was caused by the **HOMEOWNER** or **HOMEOWNERS ASSOCIATION** or their representatives, other than **US**, after the **HOMEOWNER** took possession of the **HOME** or the **COMMON ELEMENTS** (**WE** and **YOU** conducted a walk through inspection just prior to closing on the **HOME**. Damage that was caused by **YOU** or **YOUR** representatives is not a **CONSTRUCTION DEFECT**, for example, a large, visible scratch on marble tile in the entry foyer that was not noted in the walk through inspection, but was reported after furniture was moved into the **HOME**, will not be considered a **CONSTRUCTION DEFECT**);

6. Recognition that any condition resulting directly or indirectly from or worsened by changes, additions, alterations or other actions or omissions by the **HOMEOWNER** or **HOMEOWNERS ASSOCIATION** or their agents, other than **US**, will not be considered a **CONSTRUCTION DEFECT** (this includes changes to the topography, drainage or grade of the property);

7. Any **Exclusions** contained in this **LIMITED WARRANTY**.

SAMPLE

IV. Homeowner Maintenance Obligations

Maintenance of the **HOME** and the **COMMON ELEMENTS** is **YOUR** responsibility. All homes and common elements require periodic maintenance to prevent premature deterioration, water intrusion and to ensure adequate performance of the **SYSTEMS**. **WE** will make a "Homeowner Maintenance Manual" or similar publication available to **YOU** upon request. Whether from this document or others that are readily available to **YOU**, **YOU** must understand and perform the maintenance that the **HOME** and **COMMON ELEMENTS** require. As stated in other sections of this **LIMITED WARRANTY**, **WE** are not responsible for **HOME** or **COMMON ELEMENTS** maintenance issues or for damage that results from **YOUR** failure to maintain the **HOME** or the **COMMON ELEMENTS**.

V. Coverage Limitations

When **WE** or a third party designated by **US** or acting on **OUR** behalf, repair or replace a **CONSTRUCTION DEFECT** the repair or replacement will include the repair or replacement of only those surfaces, finishes and coverings that were damaged by the **CONSTRUCTION DEFECT** that were part of the **HOME** or the **COMMON ELEMENTS** when title was first transferred by **US**. Surfaces, finishes and coverings that require repair or replacement in order for **US** or a third party designated by **US** to repair or replace **CONSTRUCTION DEFECTS** will be repaired or replaced. The extent of the repair and replacement of these surfaces, finishes or coverings will be to approximately the same condition they were in prior to the **CONSTRUCTION DEFECT**, but not necessarily to a like new condition.

SAMPLE

When repairing or replacing surfaces, finishes and coverings, the repair or replacement will attempt to achieve as close a match with the original surrounding areas as is reasonably possible, but an exact match cannot be guaranteed due to such factors as fading, aging and unavailability of the same materials.

In the case where a **CONSTRUCTION DEFECT** exists and the **HOME** is rendered uninhabitable and the **CONSTRUCTION DEFECT** is repaired or replaced, the repair or replacement shall include the reasonable cost of the **HOMEOWNER'S** alternative shelter until the **HOME** is made habitable.

VI. Exclusions

A. This **LIMITED WARRANTY** does not cover:

1. Any **CONSTRUCTION DEFECTS** or other damages resulting, either directly or indirectly, from the following causes or occurring in the following situations:

   a. Fire;
   b. Lightning;
   c. Explosion;
   d. Riot and Civil Commotion;
   e. Smoke;
   f. Hail;
   g. Aircraft;
   h. Falling Objects;
   i. Vehicles;
   j. Floods;
   k. Earthquake;
   l. Landslide or mudslide originating on property other than the site of the **HOME** or the **COMMON ELEMENTS** or other property developed by the **BUILDER**;
   m. Mine subsidence or sinkholes;

n. Changes in the underground water table not reasonably foreseeable by the **BUILDER**;
o. Volcanic eruption; explosion or effusion;
p. Wind including:
(i). Gale force winds;
(ii). Hurricanes;
(iii). Tropical storms;
(iv). Tornadoes;
q. Insects, animals or vermin;
r. Changes of the grading of the ground by anyone other than **US** or **OUR** agents, or subcontractors which results in surface drainage towards the **HOME** or other improper drainage or permits water to pond or become trapped in localized areas against the foundation or otherwise;
s. Changes, additions, or alterations made to the **HOME** or the **COMMON ELEMENTS** by anyone after the **WARRANTY PERIOD** begins, except those made or authorized by **US**;
t. Any defect in material or workmanship supplied by anyone other than **US** or **OUR** agents, or subcontractors;
u. Improper maintenance, negligence or improper use of the **HOME** or the **COMMON ELEMENTS** by **YOU** or anyone other than **US** that results in rot, dry rot, moisture, rust, mildew or any other damage;
v. Dampness or condensation due to **YOUR** failure to maintain adequate ventilation;
w. Damage resulting from the weight and/or performance of any type of waterbed or other furnishings which exceeds the load-bearing design of the **HOME** or the **COMMON ELEMENTS**;
x. Normal wear and tear or normal deterioration of materials;
y. Economic damages due to the **HOME'S** or the **COMMON ELEMENTS'** failure to meet consumer expectations.

SAMPLE

2. Any costs arising from, or any **CONSTRUCTION DEFECT** resulting from the actual, alleged or threatened discharge, dispersal, release or escape of **POLLUTANTS**. **WE** will not cover costs or expenses arising from the uninhabitability of the **HOME** or the **COMMON ELEMENTS** or health risk due to the proximity of **POLLUTANTS**. **WE** will not cover costs or expenses resulting from the direction of any governmental entity to test, clean-up, remove, treat, contain or monitor **POLLUTANTS**;

3. Any costs arising from, or any **CONSTRUCTION DEFECT** resulting from the effects of electromagnetic fields (EMF's) or radiation;

4. Any damage to personal property that does not result from a **CONSTRUCTION DEFECT**;

5. Any **"CONSEQUENTIAL OR INCIDENTAL DAMAGES"**;

6. Any damage to **CONSUMER PRODUCTS**;

7. Any **CONSTRUCTION DEFECT** as to which **YOU** have not taken timely and reasonable steps to protect and minimize damage after **WE** or **OUR** authorized representative have provided **YOU** with authorization to prevent further damage;

8. Any damage to the extent it is incurred after or as a result of **YOUR** failure to notify **US** in a reasonably timely manner after **YOU** have become aware or should have become aware of the **CONSTRUCTION DEFECT** or condition causing such damage.

9. Any costs or obligations paid or incurred by **YOU** in violation of Section VII. C. below;

10. Any non-conformity with local building codes, regulations or requirements that has not resulted in a **CONSTRUCTION DEFECT**. While **WE** acknowledge **OUR** responsibility to build in accordance with applicable building codes, this **LIMITED WARRANTY** does not cover building code violations in the absence of a **CONSTRUCTION DEFECT**;

11. Any deviation from plans and specifications that has not resulted in a **CONSTRUCTION DEFECT**.

B. **OUR LIMITED WARRANTY** does not cover any **CONSTRUCTION DEFECT** which would not have occurred in the absence of one or more of the excluded events or conditions listed in Exclusions, Section VI. A.1 a. – A.1.q., A.2. or A.3. above, regardless of:

1. the cause of the excluded event or condition; or

2. other causes of the loss or damage; or

3. whether other causes acted concurrently or in any sequence with the excluded event or condition to produce the loss or damage.

VII. Procedure to Request US To Perform Under This LIMITED WARRANTY

If **YOU** become aware of a condition that **YOU** believe is a **CONSTRUCTION DEFECT** under this **LIMITED WARRANTY, YOU** have the following responsibilities:

A. Notification

SAMPLE

YOU must notify **US** in writing as soon as it is reasonably possible after **YOU** have become aware or should have become aware of a **CONSTRUCTION DEFECT**, but in no event may **YOUR** written notice of a **CONSTRUCTION DEFECT** or **YOUR** written request for warranty performance be postmarked or received by **US** later than thirty (30) days after this **LIMITED WARRANTY** has expired.

If the written notice is postmarked or received by **US** more than thirty (30) days after the expiration of this **LIMITED WARRANTY**, **WE** shall have no obligation to remedy the **CONSTRUCTION DEFECT**. In order to establish a record of timely notification, **WE** recommend that written notice should always be sent by Certified Mail, return receipt requested.

B. Cooperate With US

YOU must give **US** and any third parties acting on **OUR** behalf reasonable help in inspecting, investigating, testing (including destructive testing), monitoring, repairing, replacing or otherwise correcting an alleged **CONSTRUCTION DEFECT**. Help includes, but is not limited to, granting reasonable access to the **HOME** or **COMMON ELEMENTS** for the forgoing purposes. If **YOU** fail to cooperate or provide such reasonable access to the **HOME** or **COMMON ELEMENTS, WE** will have no obligation to do any of the foregoing.

C. Do Not Make Voluntary Payments

YOU agree not to make any voluntary payments or assume any obligations or incur any expenses for the remedy of a condition **YOU** believe is a **CONSTRUCTION DEFECT** without prior written approval from **US,** or other parties authorized to act on **OUR** behalf. **WE** will not reimburse **YOU** for costs incurred where **YOU** did not obtain prior written approval.

However, **YOU** may incur reasonable expenses in making repairs in an **EMERGENCY CONDITION** without prior written approval, provided the repairs are solely for the protection of the **HOME** or **COMMON ELEMENTS** from further damage or to prevent an unsafe living condition and provided **YOU** notify **US** as soon as is reasonably possible. To obtain reimbursement for repairs made during an **EMERGENCY CONDITION, YOU** must provide **US** with an accurate written record of the repair costs.

D. Sign A Release

When **WE** or a third party designated by **US** or acting on **OUR** behalf have completed repairing, replacing or paying **YOU** as to any **CONSTRUCTION DEFECTS** or other related damage to the **HOME** or the **COMMON ELEMENTS** covered by this **LIMITED WARRANTY**. **YOU** must sign a full release of **OUR** obligation for the **CONSTRUCTION DEFECTS**. The release shall be applicable to the **CONSTRUCTION DEFECTS** and shall not prevent **YOU** from notifying **US** should **YOU** become aware of a subsequent **CONSTRUCTION DEFECT**.

E. If YOU Disagree With US

If **YOU** believe **WE** have not responded to **YOUR** request for warranty performance to **YOUR** satisfaction or in a manner that **YOU** believe this **LIMITED WARRANTY** requires, **YOU** may provide written notice to **PWC** requesting Mediation. Upon **PWC's** receipt of written notice from **YOU**, **PWC** may review and mediate **YOUR** request by communicating with **YOU**, **US**, and any other individuals or entities that **PWC** believes may possess relevant information. If after forty-five (45) days, **PWC** is unable to successfully mediate **YOUR** request for warranty performance, or at any earlier time when **PWC** determines that **YOU** and **WE** are at an impasse, **PWC** will notify **YOU** that **YOUR** request for warranty performance remains unresolved and that **YOU** may elect to initiate Binding Arbitration. Binding Arbitration as described in the following section is the sole remedy for the resolution of disputes between **YOU** and **US** as set forth in the following section.

SAMPLE

VIII. Binding Arbitration Procedure

Any disputes between **YOU** and **US**, or parties acting on **OUR** behalf, including **PWC**, related to or arising from this **LIMITED WARRANTY**, the design or construction of the **HOME** or the **COMMON ELEMENTS** or the sale of the **HOME** or transfer of title to the **COMMON ELEMENTS** will be resolved by binding arbitration. Binding arbitration shall be the sole remedy for resolving any and all disputes between **YOU** and **US**, or **OUR** representatives. Disputes subject to binding arbitration include, but are not limited to:

A. Any disagreement that a condition in the **HOME** or the **COMMON ELEMENTS** is a **CONSTRUCTION DEFECT** and is therefore covered by this **LIMITED WARRANTY**;

B. Any disagreement as to whether a **CONSTRUCTION DEFECT** has been corrected in compliance with this **LIMITED WARRANTY**;

C. Any alleged breach of this **LIMITED WARRANTY**;

D. Any alleged violation of consumer protection, unfair trade practice, or any other statute;

E. Any allegation of negligence, strict liability, fraud, and/or breach of duty of good faith, and any other claims arising in equity or from common law;

F. Any dispute concerning the issues that should be submitted to binding arbitration;

G. Any dispute concerning the timeliness of **OUR** performance and/or **YOUR** notifications under this **LIMITED WARRANTY**;

H. Any dispute as to the payment or reimbursement of the arbitration filing fee;

I. Any dispute as to whether this **LIMITED WARRANTY**, or any provision hereof, including, but not limited to any waiver hereunder, is unenforceable;

J. Any other claim arising out of or relating to the sale, design or construction of **YOUR HOME** or the **COMMON ELEMENTS**, including, but not limited to any claim arising out of, relating to or based

on any implied warranty or claim for negligence or strict liability not effectively waived by this **LIMITED WARRANTY**.

The arbitration shall be conducted by Construction Arbitration Services, Inc., or such other reputable arbitration service that **PWC** shall select, at its sole discretion, at the time the request for arbitration is submitted. The rules and procedures of the designated arbitration organization, that are in effect at the time the request for arbitration is submitted, will be followed. A copy of the applicable rules and procedures will be delivered to **YOU** upon request.

This arbitration agreement shall be governed by the United States Arbitration Act (9 U.S.C.§§ 1 – 16) to the exclusion of any inconsistent state law, regulation or judicial decision. The award of the arbitrator shall be final and binding and may be entered as a judgment in any court of competent jurisdiction.

Each party shall bear its own attorneys fees and costs (including expert costs) for the arbitration. The arbitration filing fee and other arbitration fees shall be divided and paid equally as between **YOU** and **US**. This filing fee shall be no more than the amount charged by the arbitration service to **PWC** for each arbitration. Contact **PWC** to determine the arbitration filing fee in effect at the time an arbitration is being requested. The arbitrator shall, as part of any decision, award to the party prevailing at the arbitration any applicable filing fees or other arbitration fees paid by that party.

The process for **YOU** to initiate arbitration is described below.

Step 1 **YOU** complete a Binding Arbitration Request Form and mail it to **PWC** along with the appropriate arbitration filing fee. A Binding Arbitration Request Form is attached to this **LIMITED WARRANTY**. **YOUR** Binding Arbitration Request Form must be received no later than ninety (90) days after this **LIMITED WARRANTY** expires. **YOU** must still notify **US** of an alleged **CONSTRUCTION DEFECT** as soon as it is reasonably possible after **YOU** have become aware or should have become aware of the **CONSTRUCTION DEFECT**, but in no event later than thirty (30) days after expiration of this **LIMITED WARRANTY**. Please Note that while **YOU** have thirty (30) days after this **LIMITED WARRANTY** expires to notify **US** and ninety (90) days after it expires to file for arbitration, this time period does not extend the **WARRANTY PERIOD** for **CONSTRUCTION DEFECTS**. Additionally, no investigation, inspection, testing, repair, replacement, or payment, nor any promise of same by **US** under this **LIMITED WARRANTY**, nor any dispute resolution efforts, shall extend the term of this **LIMITED WARRANTY** or extend or toll any statutes of limitations or any of **YOUR** rights or remedies.

Step 2 **PWC** Will Arrange the Arbitration Proceeding. The arbitrator or arbitration organization will notify **YOU** of the time, date and location of the arbitration hearing. Most often the hearing will be conducted at the **HOME** or the **COMMON ELEMENTS** or some other location that is agreeable to all the parties to the dispute. In scheduling the hearing the arbitrator will set a time and date that is reasonably convenient to all the parties.

Step 3 The Arbitration Hearing. The parties at the arbitration hearing will include the arbitrator, **YOU**, **US** and/or a third party designated by **US** or acting on **OUR** behalf. Any party to the proceeding may be represented at the hearing. All persons who are parties to the arbitration, as well as representatives and witnesses, are entitled to attend hearings.

After evidence is presented by **YOU**, **US** or **OUR** representatives, a decision will be rendered by the arbitrator. The decision is final and binding on **YOU** and **US**. The arbitrator first will determine whether any claimed or alleged **CONSTRUCTION DEFECT** exists and whether it is **OUR** responsibility. Second, if the arbitrator finds **US** responsible for a **CONSTRUCTION DEFECT**, the arbitrator will determine the scope of any repair or replacement, **OUR** cost of any such repair or replacement, and the diminution in fair market value, if any, caused by such **CONSTRUCTION DEFECT**. Based upon the arbitrator's decision, **WE** shall choose whether **WE** shall (1) repair, replace the **CONSTRUCTION DEFECT**, (2) pay to **YOU** the actual amount it would cost **US** to repair or replace the **CONSTRUCTION DEFECT** or (3) **PAY** to **YOU** an amount equal to the diminution in fair market value caused by

the **CONSTRUCTION DEFECT**. The decision to repair, replace, or to make payment to **YOU** is at **OUR** or **OUR** authorized representative's sole option. In addition, the arbitrator shall render a decision resolving any other disputed matters or issues related to or arising from this **LIMITED WARRANTY**, the design or construction of the **HOME** or the **COMMON ELEMENTS** or the sale of the **HOME** or transfer of title to the **COMMON ELEMENTS**.

Step 4 OUR Arbitration Performance Obligations. **WE** will comply with the arbitrator's decision no later than 60 days from the date of the award or other such date as may be specified or allowed in the decision. However, delays caused by circumstances beyond **OUR** or **OUR** representative's control shall be excused.

Step 5. If **YOU** believe **WE** Have Failed To Comply With The Award. **YOU** should contact **PWC** at its mailing address specified in this **LIMITED WARRANTY** if **YOU** believe **WE** have not complied with the arbitrator's award. **PWC** will mediate this dispute and if it cannot be resolved, will advise **YOU** that a compliance inspection arbitration is available to determine whether **WE** have performed adequately under the original arbitration award. **PWC** will communicate these findings to both **US** and **YOU**. If it is determined that **WE** have not properly performed, **WE** will be obligated to immediately comply.

PWC's sole responsibility is to administer this **LIMITED WARRANTY** on **OUR** behalf and as such **PWC** assumes no other liabilities in connection with this **LIMITED WARRANTY**. Under no condition or circumstance is **PWC** responsible for fulfilling any of **OUR** obligations under this **LIMITED WARRANTY**.

IX. General Conditions

SAMPLE

A. Separation of This LIMITED WARRANTY From The Contract Of Sale

This **LIMITED WARRANTY** is separate and independent of the contract between **YOU** and **US** for the construction and/or sale of the **HOME** or transfer of the **COMMON ELEMENTS**. The provisions of this **LIMITED WARRANTY** shall in no way be restricted or expanded by anything contained in the construction and/or sales contract or other documents between **YOU** and **US**.

B. Transfer to Subsequent HOMEOWNERS

This **LIMITED WARRANTY** will transfer to new owners of the **HOME** for the remainder of the **WARRANTY PERIOD**. **YOU** agree to provide this **LIMITED WARRANTY** to any subsequent purchaser of the **HOME** as a part of the contract of sale of the **HOME**. **OUR** duties under this **LIMITED WARRANTY** to the new **HOMEOWNER** will not exceed the limit of liability then remaining, if any.

C. Transfer of Manufacturer's Warranties

WE assign to **YOU** all the manufacturer's warranties on all appliances, fixtures and items of equipment that **WE** installed in the **HOME**. Should an appliance or item of equipment malfunction **YOU** must follow the procedures set forth in that manufacturer's warranty to correct the problem. **OUR** obligation under this **LIMITED WARRANTY** is limited to the workmanlike installation of such appliances and equipment. **WE** have no obligation for appliances and equipment defined as **CONSUMER PRODUCTS**.

D. Recovery Rights

If **WE** or a third party designated by **US** or acting on **OUR** behalf repairs, replaces or pays **YOU** as to a **CONSTRUCTION DEFECT**, or other related damage to the **HOME** or the **COMMON ELEMENTS** covered by this **LIMITED WARRANTY**, **WE** are entitled, to the extent of **OUR** payment, to take over **YOUR** related rights of recovery from other people and organizations, including but not limited to, other warranties and insurance. **YOU** have an obligation not to make it harder for **US** to enforce these rights. **YOU** agree to sign any papers, deliver them to **US**, and do anything else that is necessary to help **US** exercise **OUR** rights.

E. **General Provisions**

1. If any provision of this **LIMITED WARRANTY** is determined to be unenforceable, such a determination will not affect the remaining provisions. If this **LIMITED WARRANTY** or any provision herein is determined to be unenforceable as to a **HOMEOWNERS ASSOCIATION** or a specific **HOMEOWNER**, such a determination will not affect the enforceability of this **LIMITED WARRANTY** or such provision as to any other **HOMEOWNERS ASSOCIATION** or any other **HOMEOWNER**. The issue of enforceability, as well as all other issues, will be determined by Binding Arbitration as provided for in this **LIMITED WARRANTY**.

2. This **LIMITED WARRANTY** and the binding arbitration process are binding on **YOU** and **US**. It is also binding on **YOUR** and **OUR** heirs, executors, administrators, successors, and assigns, subject to paragraph B of the **General Conditions**.

3. As may be appropriate, the use of the plural in this **LIMITED WARRANTY** includes the singular, and the use of one gender includes all genders.

X. Definitions

BUILDER means the individual, partnership, corporation or other entity which participates in the Warranty Program administered by the Professional Warranty Service Corporation and provides **YOU** with this **LIMITED WARRANTY**. Throughout this document the **BUILDER** is also referred to as **"WE"**, **"US"** and **"OUR"**.

COMMON ELEMENTS means the property as specified in the recorded Covenants, Conditions and Restrictions as common area and any other property as to which the **HOMEOWNERS ASSOCIATION** has standing under the law to make a claim. This may include, but is not limited to, streets, slopes, the structure or components of enclosure or other parts of the **HOME**, corridors, lobbies, vertical transportation elements, rooms, balconies, clubhouses or other spaces that are for the common use of the residents of the development in which the **HOME** is located. **SYSTEMS** serving two or more **HOMES**, and the outbuildings that contain parts of such **SYSTEMS** are also included in this definition.

SAMPLE

CONSEQUENTIAL OR INCIDENTAL DAMAGES means any loss or injury **other than:**

A. **OUR** cost to correct a **CONSTRUCTION DEFECT** including the correction of those surfaces, finishes and coverings damaged by the **CONSTRUCTION DEFECT**;

B. **OUR** cost of repair or replacement of furniture, carpet or personal property damaged by the **CONSTRUCTION DEFECT**. Should replacement be necessary, **OUR** obligation is limited to replacement with items providing the same function and quality and that are readily available at the time the item is being replaced.

C. **OUR** costs of removal or replacement in order to repair or replace a **CONSTRUCTION DEFECT**;

D. The reasonable cost of the **HOMEOWNER'S** alternative shelter where the **HOME** is unhabitable due to a **CONSTRUCTION DEFECT** or where the **HOME** is rendered unhabitable by the repair of the **CONSTRUCTION DEFECT**.

Diminished fair market value Is considered **"CONSEQUENTIAL OR INCIDENTAL DAMAGE"** and is excluded under this **LIMITED WARRANTY** unless **WE** elect this remedy in lieu of the repair, replacement or other payment as to a **CONSTRUCTION DEFECT**.

CONSTRUCTION DEFECT(S) means a flaw in the materials or workmanship used in constructing the **HOME** that:

- materially affects the structural integrity of the **HOME** or the **COMMON ELEMENTS**; or
- has an obvious and material negative impact on the appearance of the **HOME** or the **COMMON ELEMENTS** ; or
- jeopardizes the life or safety of the occupants; or
- results in the inability of the **HOME** or the applicable **COMMON ELEMENTS** to provide the functions that can reasonably be expected in a residential dwelling.

WE and any arbitrator assigned to rule relative to a **CONSTRUCTION DEFECT** will consider both this definition and

Section **III – A. (Standards By Which the Presence of a CONSTRUCTION DEFECT Will Be Determined)** in determining the existence of a **CONSTRUCTION DEFECT**. A flaw is a **CONSTRUCTION DEFECT** if either **WE** or an arbitrator conducting a binding arbitration hearing declares the flaw to be a **CONSTRUCTION DEFECT**. **OUR** obvious and visible failure to complete the construction of the **HOME** or **COMMON ELEMENTS**, or any portion of the **HOME** or **COMMON ELEMENTS**, is not a **CONSTRUCTION DEFECT**.

CONSUMER PRODUCT means any item of equipment, appliance or other item defined as a **CONSUMER PRODUCT** in the Magnuson-Moss Warranty Act (15 U.S.C.§. 2301, **et seq.**) Examples of Consumer Products include, but are not limited to dishwasher, garbage disposal, gas or electric cook-top, range, range hood, refrigerator or refrigerator/freezer combination, gas oven, electric oven, microwave oven, trash compactor, garage door opener, clothes washer and dryer, hot water heater and thermostat.

EMERGENCY CONDITION means an event or situation that creates the imminent threat of damage to the **HOME** or **COMMON ELEMENTS**, or results in an unsafe living condition due to a **CONSTRUCTION DEFECT** that **YOU** (or as applicable, the **HOMEOWNERS ASSOCIATION**) become aware of at a point in time other than **OUR** normal business hours and **YOU** were unable to obtain **OUR** or **OUR** authorized representative's prior written approval to initiate repairs to stabilize the condition or prevent further damage.

HOME means a single family residence either attached or detached covered by this **LIMITED WARRANTY** or a condominium or cooperative unit in a multi-unit residential structure/building covered by this **LIMITED WARRANTY**.

HOME BUILDER'S LIMITED WARRANTY means only this express warranty document provided to **YOU** by **US**.

HOMEOWNER means the first person(s) to whom a **HOME** (or a unit in a multi-unit residential structure/building) is sold, or for whom such **HOME** is constructed, for occupancy by such person or such person's family, and such person's(s') successors in title to the **HOME**, or mortgagees in possession and any representative of such person(s) who has standing to make a claim on that person(s) behalf, including any class representative or **HOMEOWNERS ASSOCIATION** making a claim in a representative capacity.

HOMEOWNERS ASSOCIATION means a profit or nonprofit corporation, unincorporated association, organization, partnership, assessment district, limited liability company, limited liability partnership or other entity of any kind that owns, manages, maintains, repairs, administers, or is otherwise responsible for and has standing to make a claim as to any part of the **COMMON ELEMENTS**.

SAMPLE

POLLUTANTS means all solid, liquid, or gaseous irritants or contaminants. The term includes, but is not limited to, petroleum products, smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, radon gas, and waste materials, including materials to be recycled.

PWC means Professional Warranty Service Corporation which administers the warranty program in which **WE** participate. As such, **PWC** assumes no other liabilities in connection with this **LIMITED WARRANTY**. The **PWC** mailing address is: **Professional Warranty Service Corporation**
P.O. Box 800 Annandale, VA 22003-0800

SYSTEMS means the following:

(a) Plumbing system - gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; and water, gas and sewer services piping and their extensions to the tie-in of a public utility connection or on-site well and sewage disposal system.

(b) Electrical system - all wiring, electrical boxes, switches, outlets, and connections up to the public utility connection.

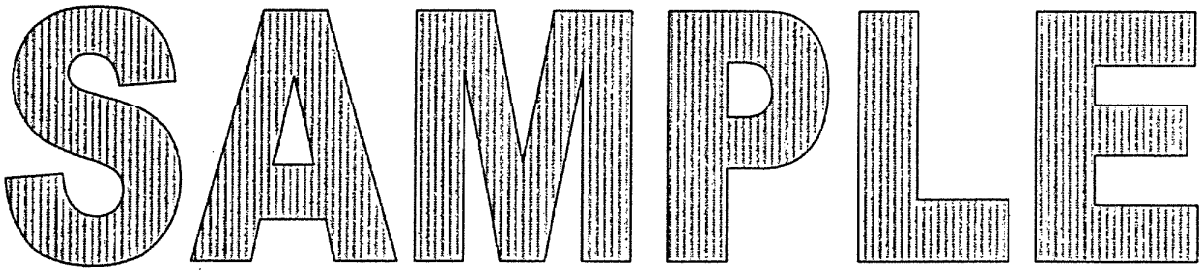
(c) Heating, Cooling, and Ventilation system - all duct-work; steam, water and refrigerant lines; and registers, connectors, radiation elements and dampers.

WARRANTY PERIOD shall commence on the date the title to the **HOME** is transferred to the first **HOMEOWNER**. Notwithstanding anything to the contrary set forth in this **LIMITED WARRANTY**, the **WARRANTY PERIOD** for the **COMMON ELEMENTS** of an individual structure/building commences on the date the title for the first **HOME** in the structure/building is transferred to the first **HOMEOWNER** or as concerns clubhouses or outbuildings or other **COMMON ELEMENTS** not part of the **HOME** the date the title to these structures is transferred to the

HOMEOWNERS ASSOCIATION. The dates the **WARRANTY PERIOD** begins and ends are indicated on the Limited Warranty Validation Form which is attached to and made part of this **LIMITED WARRANTY.**

WE, US, OUR means the **BUILDER.**

YOU, YOUR means the **HOMEOWNER** and the **HOMEOWNERS ASSOCIATION.**



BINDING ARBITRATION REQUEST FORM

Dear Homeowner (Homeowners Association):

Prior to requesting binding arbitration under the terms of the HOME BUILDER'S LIMITED WARRANTY, you should have sent your builder a clear and specific written request outlining the situation or condition that you are herein submitting to binding arbitration. If you have taken this step and believe the builder has not properly responded in accordance with the HOME BUILDER'S LIMITED WARRANTY, fill out this form and send it to PWC along with the arbitration filing fee. Be sure to attach a copy of all pertinent correspondence between you and your builder relative to the issue.

The information you need to fill out this form can be found on the Limited Warranty Validation Form. However, if you do not know the answers to any questions, write "Don't Know." Please do not leave any item blank.

Your name:_____

Address: _____

_____
CITY STATE ZIP

Home Phone:( ) _____ **Business Phone:**( ) _____

LIMITED WARRANTY #: _____ **Date Warranty Period begins:** _____

Builder's Name: _____

Address: _____

_____

SAMPLE

Describe the dispute that you wish to submit to binding arbitration under the terms of the HOME BUILDER'S LIMITED WARRANTY. If the dispute is relative to a construction defect please include information on when the construction defect(s) first occurred or when you first noticed the construction defect. (Attach additional sheets, if necessary).

I/we are hereby requesting PWC to initiate a binding arbitration to resolve the dispute described herein above.

_____ _____ _____ _____

Signature **Date** **Signature** **Date**

INSTRUCTIONS: Photo-copy this form and complete the fields.

Obtain the required arbitration filing fee by contacting PWC at 1-800/850-2799.

Send this Binding Arbitration Request Form and the arbitration filing fee to:

PROFESSIONAL WARRANTY SERVICE CORPORATION
P. O. BOX 800
ANNANDALE, VIRGINIA 22003-0800

SUBSEQUENT HOME BUYER ACKNOWLEDGMENT AND TRANSFER

Any coverage remaining under the HOME BUILDER'S LIMITED WARRANTY applicable to the home specified on the Limited Warranty Validation Form is transferred to the subsequent homeowner. Any obligations under the HOME BUILDER'S LIMITED WARRANTY to any subsequent homeowner shall not exceed the limit of liability remaining at the time of transfer, if any.

The undersigned home buyer(s) hereby acknowledge and agree:

I/we acknowledge that I have reviewed, understand and agree to all the terms of the HOME BUILDER'S LIMITED WARRANTY document (PWC Form No. 117)

I/we understand and acknowledge that Professional Warranty Service Corporation ("PWC") is not the warrantor of the HOME BUILDER'S LIMITED WARRANTY.

I/we understand that I/we am responsible for the maintenance of the home including maintenance of the grade of the land surrounding the home, and that the builder shall not be responsible for any defect of damage to the home which is the result of my/our failure to maintain the home.

I/we acknowledge and agree to the Binding Arbitration Procedure contained in the HOME BUILDER'S LIMITED WARRANTY.

SAMPLE

Signature(s) of Subsequent Home Buyer(s): _____ Date: _____

_____ Date: _____

Print above name(s): _____

Re-issuance of the Limited Warranty Validation Form with the name(s) of the new Home Buyer(s) is not necessary for you to receive the coverage remaining under the HOME BUILDER'S LIMITED WARRANTY. Upon receipt of this signed form, PWC will update its records to reflect the name(s) of the new homeowner(s). If you want PWC to issue another Limited Warranty Validation Form with your name(s) on the form, please check the box below and send a check in the amount of $20.00 made payable to "PWC" with your submission of this form.

YES, re-issue the Limited Warranty Validation Form in the above name(s) ☐ (check box) Initial _____

Address of Home: _____

Limited Warranty No.: _____

INSTRUCTIONS: Photo-copy this form. Provide information requested, sign, fill in Limited Warranty # in the space provided (this number is provided on the Limited Warranty Validation Form), and provide a telephone number where you can be reached (_____) _____. If you want the Limited Warranty Validation Form reissued in your name, enclose your check to PWC in the amount of $20.00 (check box above and initial). To reach PWC by phone, call: 1-800/850-2799.

Mail this form and a photocopy of applicable settlement/closing documents indicating transfer of title, to:

PROFESSIONAL WARRANTY SERVICE CORPORATION P.O. BOX 800 ANNANDALE, VA 22003-0800