CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer A&B ALAKEA LLC
Address 822 Bishop Street, Honolulu, HI 96813

Project Name (*): ALAKEA CORPORATE TOWER
Address: 1100 Alakea Street, Honolulu, HI 96813

Registration No. 5143 (Conversion) Effective date: **July 22, 2003**
Expiration date: **August 22, 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
FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203

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

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

Summary of Changes from Earlier Public Reports:

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

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

[ ] Changes made are as follows:

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General Information On Condominiums

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

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

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

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

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

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

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

Operation of the Condominium Project

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

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

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

I. PERSONS CONNECTED WITH THE PROJECT

Developer: A&B ALAKEA LLC — Phone: (808) 525-6636
Name* — (Business)
822 Bishop Street
Business Address
Honolulu, Hawaii 96813

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):

The manager and sole member of A&B ALAKEA LLC is A&B PROPERTIES, INC., a Hawaii corporation. The officers and directors of A&B PROPERTIES, INC., are W.A. Doane (Chairman of the Board; Dir.); S.M. Kuriyama (Vice Chair., CEO; Dir.); R.K. Sasaki (Pres.; Dir.); N.M. Buelsing (Exec.V.P.; Dir.); G.Y.M. Chun (V.P.); P.W. Hallin (V.P.); C.W. Loomis (V.P, Gen. Counsel, Assist. Sec.); T.H. Shigemoto (V.P.); M.K. Vicens (V.P.); T.A. Wellman (V.P., Treas., Controller); M.G. Wright (V.P.); A.J. Nakamura (Sec.); L.G. Rodolfich (Assist. Controller); J.S. Andrasick (Dir.); M.J. Ching (Dir.)

Real Estate Broker*: CB Richard Ellis Hawaii, Inc. — Phone: (808) 521-1200
Name — (Business)
1001 Bishop Street, Ste. 2000
Business Address
Honolulu, Hawaii 96813

Escrow: Title Guaranty Escrow Services, Inc. — Phone: (808) 521-0211
Name — (Business)
235 Queen Street
Business Address
Honolulu, Hawaii 96813

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

Condominium Managing Agent*: CB Richard Ellis Hawaii, Inc. (Not yet under Contract) — Phone: (808) 521-1200
Name — (Business)
1001 Bishop Street, Ste. 2000
Business Address
Honolulu, Hawaii 96813

Attorney for Developer: Brooks Tom Porter & Quitiquit, LLP — Phone: (808) 526-3011
Name — (Business)
841 Bishop Street , Suite 2125
Business Address
Honolulu, Hawaii 96813
Attn: Edward R. Brooks, Esq., and Jeffrey D. Watts, Esq.

* 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 project is:

[X] Proposed

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

[ ] Filed - Land Court Condo Map No. _____

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

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

The Bylaws for this condominium are:

[X] Proposed

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

Book _____ Page _____

[ ] Filed - Land Court: Document No. _____

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

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

The House Rules for this condominium are:

[ ] Proposed [ ] Adopted [X] Developer does not plan to adopt House Rules at this time. However, the Developer will adopt House Rules prior to issuance of a Final Public Report for the Project

E. **Changes to Condominium Documents**

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

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

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

* The percentage 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.

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

At any time prior to the first recording of a conveyance or transfer (other than for security) of an Apartment and its appurtenances to a party not a signatory to the Declaration, the Developer may amend the Declaration (including all exhibits), the Bylaws and the Condominium Map in any manner, without the consent or joinder of any Apartment purchaser or any other party. Notwithstanding the lease, sale or conveyance of any of the Apartments, the Developer may amend the Declaration and the Condominium Map to file the "as-built" verified statement required by Section 514A-12 of the Act. For so long as the Developer retains any interest in an Apartment in the Project, the Developer shall have the right (but not the obligation) to amend the Declaration and the Bylaws (and the Condominium Map, if appropriate) without the consent or joinder of any Apartment Owner, lienholder or other person or entity, for the purpose of meeting any requirement imposed by (i) any applicable law, (ii) the Real Estate Commission of the State of Hawaii, (iii) any title insurance company issuing a title insurance policy on the Project or any of the Apartments, (iv) any institutional lender lending funds on the security of the Project or any of the Apartments, or (v) any other governmental or quasi-governmental agency; provided, however, that no amendment which would change the common interest appurtenant to an Apartment or substantially change the design, location or size of an Apartment shall be made without the consent of all persons having an interest in such Apartment. Prior to the election of the first Board of Directors, the Developer may amend the Rules and Regulations in any manner without the joinder, consent or approval of any other party. The Developer has also reserved various other rights (as more particularly described on page 20 of this Public Report), including (but not limited to) the right, under certain circumstances, to change the common interests appurtenant to Apartment PH-1 and Apartment 202, to delete a small portion of the Project's land and to deal with certain easement and encroachment issues. PLEASE SEE PAGE 20 AND EXHIBIT "I" ATTACHED HERETO.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

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

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

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

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

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

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

For Subleaseholds:

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

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

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

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

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

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

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

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

[ ] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

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

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

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

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

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

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

B. Underlying Land:

Address: 1100 Alakea Street, Honolulu, HI 96813 Tax Map Key (TMK): (1) 2-1-010-005

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

Land Area: approx. 26,352 [X] square feet [ ] acre(s) Zoning: BMX-4 (Central Business Mixed Use District)

Fee Owner: A&B ALAKEA LLC
Name
822 Bishop Street
Address
Honolulu, Hawaii 96813

Lessor: N/A
Name

Address

C. Buildings and Other Improvements:

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

2. Number of Buildings: 1 Floors Per Building 31 above ground with 6 underground parking levels

[ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

[X] Concrete [ ] Hollow Tile [ ] Wood

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

4. Uses Permitted by Zoning:

	No. of Apts.	Use Permitted By Zoning	
[ ] Residential		[ ] Yes	[ ] No
[ ] Commercial		[ ] Yes	[ ] No
[X] Mix Res/Comm	53	[X] Yes	[ ] No
[ ] Hotel		[ ] Yes	[ ] No
[ ] Timeshare		[ ] Yes	[ ] No
[ ] Ohana		[ ] Yes	[ ] No
[ ] Industrial		[ ] Yes	[ ] No
[ ] Agricultural		[ ] Yes	[ ] No
[ ] Recreational		[ ] Yes	[ ] No
[ ] Other (Parking):		[ ] Yes	[ ] No

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

*(The Project's zoning is BMX-4, which permits both commercial and residential use. However, only Apt. PH-1 is currently configured for residential use.)

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: No pets allowed

[ ] Number of Occupants: _____

[ ] Other: _____

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 8 Stairways: 2 Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Floor Area (sf)*	Net Lanai Area (sf)	Net Combined Area (Living + Lanai) (sf)
PLEASE SEE EXHIBIT "A"					

Total Apartments: 53 SEE EXHIBIT "A"

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

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

Boundaries of Each Apartment: SEE EXHIBIT "B"

Permitted Alterations to Apartments: SEE EXHIBIT "C"

7. Parking Stalls:

Total Parking Stalls: 378

	Regular		Compact		Handicap		
	covered	open	covered	open	covered	open	TOTAL
Assigned (for each unit)*	*112		*258		8		378
**Guest							
Unassigned							
Extra for Purchase							
Other:							
Total Covered & Open	*112		*258		8		378

*Of the 112 assigned regular stalls, 52 are tandem stalls. Of the 258 assigned compact stalls, 80 are tandem stalls.

Each apartment used for residential purposes will have the exclusive use of at least 1 parking stall located in the parking garage. Buyers are encouraged to find out which stall(s) will be available for their use.

**There are no common element guest stalls. However, Exhibit "C" to the Declaration (and Exhibit "A" to this Public Report) discloses that the 49 stalls currently assigned to Apartment 202 (including 8 handicap stalls) will initially be made available to visitors and guests of the other apartments in the Project.

[ ] Commercial parking garage permitted in condominium project.

[X] Exhibit "A" contains additional information on parking stalls (and Parking Apartments) for this condominium project.

8. Recreational and Other Common Facilities:

[ ] There are no recreational or common facilities.

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

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

[X] Other: There are no recreational facilities. The Project's common facilities include (but are not limited to) elevators, escalators, stairways and parking facilities.

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

[X] To the best of the Developer's knowledge, there are no violations. [ ] Violations will not be cured.

[ ] Violations and cost to cure are listed below. [ ] Violations will be cured by _____ (Date)

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations (For conversions of residential apartments in existence for at least five years):
N/A: This information will be provided in the Final Public Report for the Project

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 "D".

[ ] as follows:

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

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

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

[X] described in Exhibit "E".

[ ] as follows:

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

[X] described in Exhibit "A".

[ ] as follows:

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

Exhibit "F" describes the encumbrances against the title contained in the title report dated June 4, 2003 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

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

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

[ ] 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**
NONE	

F. Construction Warranties:

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

1. Building and Other Improvements:

   NONE

2. Appliances:

   NONE

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

Construction of the Project's building was substantially completed in 1994. Apartment purchasers will be responsible for constructing improvements to the interiors of their Apartments.

H. Project Phases:

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

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

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 "G" 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 (____ Common Elements only X Common Elements & Apartments)
[ ] Gas (___ Common Elements only ____ Common Elements & Apartments)
[X] Water [X] Sewer [ ] Television Cable
[X] Other: Telephone (common elements only); refuse collection; janitorial services

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 "H" contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated June 25, 2003
Exhibit "H" contains a summary of the pertinent provisions of the escrow agreement.

[ ] Other _____

B. Buyer's Right to Cancel Sales Contract:

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

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

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

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

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

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

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

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

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

A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
B) Declaration of Condominium Property Regime, as amended.
C) Bylaws of the Association of Apartment Owners, 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 _____;

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. 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 part of Registration No. 5143 filed with the Real Estate Commission on June 26, 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. Reservation to Change Common Interests Appurtenant to Apartments 202 and PH-1. The common interest initially assigned to Apartment PH-1 is 1.5733%. This is based in part on the fact that more than fifty percent (50%) of the total net floor area of Apartment PH-1 is currently configured for residential use. Section 7.2 of the Declaration provides that if more than fifty percent (50%) of the total net floor area of Apartment PH-1 (or more than 50% of the aggregate net floor area of the two resulting Apartments if PH-1 is subdivided in accordance with the requirements of section 17 of the Declaration) is ever used for nonresidential purposes, the total common interest appurtenant to Apartment PH-1 (or the aggregate common interest appurtenant to the Apartments resulting from the subdivision of Apartment PH-1) shall be increased to 2.7149%. To accommodate this increase, the common interest appurtenant to Apartment 202, which is currently 1.8540%, shall be reduced to 0.7124%. These changes in common interests shall become effective upon recordation of an amendment to the Declaration expressly referring to the terms of section 7.2 of the Declaration. The amendment need be signed only by the Association (or by the Developer acting as the initial Association, in the event that the Association has not yet held its organizational meeting and elected a Board of Directors), without the joinder or consent of any Apartment Owner, Apartment purchaser, mortgagee, lienholder or any other person or entity whatsoever. To the extent that the joinder or consent of the Owners of Apartment PH-1 or Apartment 202 or either of them shall be or shall be deemed to be required to effect this change in common interests (whether through execution of an instrument of conveyance, an amendment to this Declaration or any other instrument), such joinder or consent may be executed and given by the Developer (for so long as the Developer retains any interest in the Project) or by the Association, through the Board, as the attorney-in-fact for, and in the name and stead and on behalf of, such Apartment Owner(s). The Owners of Apartments PH-1 and 202, by acquiring or accepting the ownership of their respective Apartments, shall be required to (i) appoint the Developer and/or the Association as such Owner's attorney-in-fact as aforesaid for the limited purposes of accomplishing the purpose of section 7.2, such appointment being coupled with an interest and being irrevocable, and (ii) agree that such Owner shall, promptly upon the Developer's or the Association's request and for no further consideration, execute, acknowledge and deliver to the Developer or the Association such instruments as the Developer or the Association may require to fulfill the intent and purpose of section 7.2.

2. Special Rights Reserved to the Developer and/or the Association Pertaining to Ongoing Land Issues. The Project's land is in the process of being consolidated and resubdivided. Upon resubdivision, a small (43 square foot) lot will be dedicated and conveyed to the City and County of Honolulu for corner rounding purposes. This process will require the Declaration (and, if necessary, the condominium map) to be amended to delete the small lot from the Project. The Project's land is also affected by various easements, encroachments and a party wall agreement more particularly described in Exhibit "F" attached hereto. The Developer is in the process of attempting to resolve these issues through agreements with other parties involved and petitions to the Land Court and through various other means. To enable the Developer to take such steps as are necessary to resolve these issues, the Developer has reserved to itself and/or to the Association various rights to do certain things without the joinder or consent of any apartment owners. THE ISSUES AND THE RIGHTS RESERVED ARE MORE PARTICULARLY DESCRIBED IN SECTION 11 OF THE DECLARATION. FOR THE CONVENIENCE OF PROSPECTIVE PURCHASERS, EXHIBIT "I" ATTACHED TO THIS PUBLIC REPORT REPRODUCES ALL OF SECTION 11 OF THE DECLARATION. EACH PROSPECTIVE PURCHASER IS ENCOURAGED TO READ THE ATTACHED EXHIBIT "1" CAREFULLY.

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

A&B ALAKEA LLC, a Hawaii limited liability company
Printed Name of Developer

A&B PROPERTIES, INC., a Hawaii corporation
Its Manager

By: _____ 6-25-03
Duly Authorized Signatory* Date

MICHAEL WRIGHT VICE PRESIDENT
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and 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.*

Alakea Corporate Tower-PPR.1

DESCRIPTION OF THE APARTMENTS

The Project initially contains fifty-three (53) Apartments, located on floors numbered 1 through 32 (there is no floor numbered 13) of the Building. The Apartments, floor-by-floor (together with certain limited common elements appurtenant to the Apartments), are more particularly described as follows:

(NOTE: The limited common elements described in this Exhibit "A" are not part of the Apartments to which they are appurtenant and they are not the only limited common elements appurtenant to the Apartments. Other limited common elements not mentioned in this Exhibit "A" include, but are not limited to, assigned parking stalls, storage rooms, certain ducts, wires, air spaces and other mechanical and utility facilities, all as more particularly described in Section 5 of the Declaration.)

Floor 1:

Floor 1 contains three (3) Apartments, designated as Apartments 100, 101 and 102.

Apartment 100 contains one room with a net floor area of approximately 1,425 square feet. Apartment 100 shares with Apartments 101, 102, 200, 201, 202, 300 and 301, as limited common elements, the restroom located on floor 1 with a net floor area of approximately 25 square feet, the restroom and adjacent vestibule located on floor 2 with a combined net floor area of approximately 112 square feet, and the access corridor and two restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 3 and having a combined net area of approximately 1,138 square feet.

Apartment 101 contains one room with a net floor area of approximately 298 square feet. Apartment 101 shares with Apartments 100, 102, 200, 201, 202, 300 and 301, as limited common elements, the restroom located on floor 1 with a net floor area of approximately 25 square feet, the restroom and adjacent vestibule located on floor 2 with a combined net floor area of approximately 112 square feet, and the access corridor and two restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 3 and having a combined net area of approximately 1,138 square feet.

Apartment 102 contains one room with a net floor area of approximately 2,078 square feet. Apartment 102 shares with Apartments 100, 101, 200, 201, 202, 300 and 301, as limited common elements, the restroom and adjacent vestibule located on floor 1 with a net floor area of approximately 25 square feet, the restroom located on floor 2 with a combined net floor area of approximately 112 square feet, and the access corridor and two restrooms, together with vestibules, janitor closet, telephone rooms, mechanical

rooms and electrical room, all located on floor 3 and having a combined net area of approximately 1,138 square feet.

Floor 2:

Floor 2 contains three (3) Apartments, designated as Apartments 200, 201 and 202.

Apartment 200 contains one room with a net floor area of approximately 1,448 square feet, and has an appurtenant limited common element lanai with a net floor area of approximately 365 square feet. Apartment 200 shares with Apartments 100, 101, 102, 201, 202, 300 and 301, as limited common elements, the restroom located on floor 1 with a net floor area of approximately 25 square feet, the restroom and adjacent vestibule located on floor 2 with a combined net floor area of approximately 112 square feet, and the access corridor and two restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 3 and having a combined net area of approximately 1,138 square feet.

Apartment 201 contains one room with a net floor area of approximately 2,635 square feet, and has two appurtenant limited common element lanais with a combined net floor area of approximately 645 square feet. Apartment 201 shares with Apartments 100, 101, 102, 200, 202, 300 and 301, as limited common elements, the restroom located on floor 1 with a net floor area of approximately 25 square feet, the restroom and adjacent vestibule located on floor 2 with a combined net floor area of approximately 112 square feet, and the access corridor and two restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 3 and having a combined net area of approximately 1,138 square feet.

Apartment 202 contains one room with a net floor area of approximately 656 square feet, and has an appurtenant limited common element lanai with a net floor area of approximately 495 square feet. Apartment 202 shares with Apartments 100, 101, 102, 200, 201, 300 and 301, as limited common elements, the restroom located on floor 1 with a net floor area of approximately 25 square feet, the restroom and adjacent vestibule located on floor 2 with a combined net floor area of approximately 112 square feet, and the access corridor and two restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 3 and having a combined net area of approximately 1,138 square feet.

Floor 3:

Floor 3 contains two (2) Apartments, designated as Apartments 300 and 301. Floor 3 also contains (in addition to the two limited common element lanais described below) one large common area lanai, which is accessible only through Apartment 301. This lanai is a common element and is not for the use of Apartment 301. The Declaration provides that the Association shall have an easement to enter Apartment 301 from time to time to gain access to this lanai.

Apartment 300 contains one room with a net floor area of approximately 1,379 square feet, and has an appurtenant limited common element lanai with a net floor area of approximately 662 square feet. Apartment 300 shares with Apartments 100, 101, 102, 200, 201, 202 and 301, as limited common elements, the restroom located on floor 1 with a net floor area of approximately 25 square feet, the restroom and adjacent vestibule located on floor 2 with a combined net floor area of approximately 112 square feet, and the access corridor and two restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 3 and having a combined net area of approximately 1,138 square feet.

Apartment 301 contains one room with a net floor area of approximately 1,379 square feet, and has an appurtenant limited common element lanai with a net floor area of approximately 662 square feet. Apartment 301 shares with Apartments 100, 101, 102, 200, 201, 202 and 300, as limited common elements, the restroom located on floor 1 with a net floor area of approximately 25 square feet, the restroom and adjacent vestibule located on floor 2 with a combined net floor area of approximately 112 square feet, and the access corridor and two restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 3 and having a combined net area of approximately 1,138 square feet.

Floors 4 through 12 and 14 through 20:

Floors 4 through 12 and 14 through 20 (there is no floor numbered 13) are substantially identical and each contains two (2) Apartments. Each Apartment on these floors is designated by the Apartment's floor number followed by "00" or "01". (For example, the Apartments on floor 4 are numbered 400 and 401, the Apartments on floor 12 are numbered 1200 and 1201, and the Apartments on floor 20 are numbered 2000 and 2001.)

Apartment 400 contains one room with a net floor area of approximately 2,285 square feet. Apartment 400 shares with Apartment 401 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 4 and having a combined area of approximately 967 square feet.

Apartment 401 contains one room with a net floor area of approximately 2,172 square feet. Apartment 401 shares with Apartment 400 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 4 and having a combined area of approximately 967 square feet.

Apartment 500 contains one room with a net floor area of approximately 2,285 square feet. Apartment 500 shares with Apartment 501 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 5 and having a combined area of approximately 967 square feet.

Apartment 501 contains one room with a net floor area of approximately 2,172 square feet. Apartment 501 shares with Apartment 500 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 5 and having a combined area of approximately 967 square feet.

Apartment 600 contains one room with a net floor area of approximately 2,285 square feet. Apartment 600 shares with Apartment 601 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 6 and having a combined area of approximately 967 square feet.

Apartment 601 contains one room with a net floor area of approximately 2,172 square feet. Apartment 601 shares with Apartment 600 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 6 and having a combined area of approximately 967 square feet.

Apartment 700 contains one room with a net floor area of approximately 2,285 square feet. Apartment 700 shares with Apartment 701 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 7 and having a combined area of approximately 967 square feet.

Apartment 701 contains one room with a net floor area of approximately 2,172 square feet. Apartment 701 shares with Apartment 700 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 7 and having a combined area of approximately 967 square feet.

Apartment 800 contains one room with a net floor area of approximately 2,285 square feet. Apartment 800 shares with Apartment 801 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 8 and having a combined area of approximately 967 square feet.

Apartment 801 contains one room with a net floor area of approximately 2,172 square feet. Apartment 801 shares with Apartment 800 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 8 and having a combined area of approximately 967 square feet.

Apartment 900 contains one room with a net floor area of approximately 2,285 square feet. Apartment 900 shares with Apartment 901 a limited common element access

corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 9 and having a combined area of approximately 967 square feet.

Apartment 901 contains one room with a net floor area of approximately 2,172 square feet. Apartment 901 shares with Apartment 900 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 9 and having a combined area of approximately 967 square feet.

Apartment 1000 contains one room with a net floor area of approximately 2,285 square feet. Apartment 1000 shares with Apartment 1001 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 10 and having a combined area of approximately 967 square feet.

Apartment 1001 contains one room with a net floor area of approximately 2,172 square feet. Apartment 1001 shares with Apartment 1000 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 10 and having a combined area of approximately 967 square feet.

Apartment 1100 contains one room with a net floor area of approximately 2,285 square feet. Apartment 1100 shares with Apartment 1101 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 11 and having a combined area of approximately 967 square feet.

Apartment 1101 contains one room with a net floor area of approximately 2,172 square feet. Apartment 1101 shares with Apartment 1100 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 11 and having a combined area of approximately 967 square feet.

Apartment 1200 contains one room with a net floor area of approximately 2,285 square feet. Apartment 1200 shares with Apartment 1201 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 12 and having a combined area of approximately 967 square feet.

Apartment 1201 contains one room with a net floor area of approximately 2,172 square feet. Apartment 1201 shares with Apartment 1200 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 12 and having a combined area of approximately 967 square feet.

Apartment 1400 contains one room with a net floor area of approximately 2,285 square feet. Apartment 1400 shares with Apartment 1401 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 14 and having a combined area of approximately 967 square feet.

Apartment 1401 contains one room with a net floor area of approximately 2,172 square feet. Apartment 1401 shares with Apartment 1400 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 14 and having a combined area of approximately 967 square feet.

Apartment 1500 contains one room with a net floor area of approximately 2,285 square feet. Apartment 1500 shares with Apartment 1501 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 15 and having a combined area of approximately 967 square feet.

Apartment 1501 contains one room with a net floor area of approximately 2,172 square feet. Apartment 1501 shares with Apartment 1500 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 15 and having a combined area of approximately 967 square feet.

Apartment 1600 contains one room with a net floor area of approximately 2,285 square feet. Apartment 1600 shares with Apartment 1601 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 16 and having a combined area of approximately 967 square feet.

Apartment 1601 contains one room with a net floor area of approximately 2,172 square feet. Apartment 1601 shares with Apartment 1600 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 16 and having a combined area of approximately 967 square feet.

Apartment 1700 contains one room with a net floor area of approximately 2,285 square feet. Apartment 1700 shares with Apartment 1701 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 17 and having a combined area of approximately 967 square feet.

Apartment 1701 contains one room with a net floor area of approximately 2,172 square feet. Apartment 1701 shares with Apartment 1700 a limited common element access

corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 17 and having a combined area of approximately 967 square feet.

Apartment 1800 contains one room with a net floor area of approximately 2,285 square feet. Apartment 1800 shares with Apartment 1801 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 18 and having a combined area of approximately 967 square feet.

Apartment 1801 contains one room with a net floor area of approximately 2,172 square feet. Apartment 1801 shares with Apartment 1800 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 18 and having a combined area of approximately 967 square feet.

Apartment 1900 contains one room with a net floor area of approximately 2,285 square feet. Apartment 1900 shares with Apartment 1901 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 19 and having a combined area of approximately 967 square feet.

Apartment 1901 contains one room with a net floor area of approximately 2,172 square feet. Apartment 1901 shares with Apartment 1900 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 19 and having a combined area of approximately 967 square feet.

Apartment 2000 contains one room with a net floor area of approximately 2,285 square feet. Apartment 2000 shares with Apartment 2001 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 20 and having a combined area of approximately 967 square feet.

Apartment 2001 contains one room with a net floor area of approximately 2,172 square feet. Apartment 2001 shares with Apartment 2000 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 20 and having a combined area of approximately 967 square feet.

Floors 21 through 23:

Floors 21 through 23 are substantially identical and each contains one (1) Apartment, designated by the Apartment's floor number followed by "00".

Apartment 2100 contains one large room, two restrooms together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room with a combined net floor area for Apartment 2100 of approximately 5,483 square feet.

Apartment 2200 contains one large room, two restrooms together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room with a combined net floor area for Apartment 2200 of approximately 5,483 square feet.

Apartment 2300 contains one large room, two restrooms together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room with a combined net floor area for Apartment 2300 of approximately 5,483 square feet.

Floor 24:

Floor 24 contains two (2) Apartments, designated as Apartments 2400 and 2401. Floor 24 also contains two maintenance lanais, one of which is accessible only through Apartment 2400, and the other of which is accessible only through Apartment 2401. These maintenance lanais are common elements and are not for the use of either of the Apartments. The Declaration provides that the Association shall have an easement to enter Apartments 2400 and 2401 from time to time to gain access to these maintenance lanais.

Apartment 2400 contains one room with a net floor area of approximately 1,935 square feet. Apartment 2400 shares with Apartment 2401 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 24 and having a combined area of approximately 1,056 square feet.

Apartment 2401 contains one room with a net floor area of approximately 2,341 square feet. Apartment 2401 shares with Apartment 2400 a limited common element access corridor and two limited common element restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room, all located on floor 24 and having a combined area of approximately 1,056 square feet.

Floor 25:

Floor 25 contains one (1) Apartment, designated as Apartment 2500. Floor 25 also contains two maintenance lanais, both of which are accessible only through Apartment 2500. These maintenance lanais are common elements and are not for the use of Apartment 2500. The Declaration provides that the Association shall have an easement to enter Apartment 2500 from time to time to gain access to these maintenance lanais.

Apartment 2500 contains one large room, two restrooms together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room with a combined net floor area for Apartment 2500 of approximately 5,083 square feet.

Floor 26:

Floor 26 contains one (1) Apartment, designated as Apartment 2600. Floor 26 also contains two maintenance lanais, both of which are accessible only through Apartment 2600. These maintenance lanais are common elements and are not for the use of Apartment 2600. The Declaration provides that the Association shall have an easement to enter Apartment 2600 from time to time to gain access to these maintenance lanais.

Apartment 2600 contains one large room, two restrooms together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room with a combined net floor area for Apartment 2600 of approximately 4,783 square feet.

Floors 27 through 30:

Floors 27 through 30 are substantially identical and each contains one (1) Apartment, designated by the Apartment's floor number followed by "00".

Apartment 2700 contains one large room, two restrooms together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room with a combined net floor area for Apartment 2700 of approximately 4,783 square feet.

Apartment 2800 contains one large room, two restrooms together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room with a combined net floor area for Apartment 2800 of approximately 4,783 square feet.

Apartment 2900 contains one large room, two restrooms together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room with a combined net floor area for Apartment 2900 of approximately 4,783 square feet.

Apartment 3000 contains one large room, two restrooms together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room with a combined net floor area for Apartment 3000 of approximately 4,783 square feet.

Floor 31:

Floor 31 contains one (1) Apartment, designated as Apartment PH-2. Floor 31 also contains two maintenance lanais, both of which are accessible only through Apartment PH-2. These maintenance lanais are common elements and are not for the use of Apartment PH-2. The Declaration provides that the Association shall have an easement to enter Apartment PH-2 from time to time to gain access to these maintenance lanais.

Apartment PH-2 contains one large room, two restrooms together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room with a combined net floor area for Apartment PH-2 of approximately 4,583 square feet.

Floor 32:

Floor 32 contains one (1) Apartment, designated as Apartment PH-1. Floor 32 also contains two maintenance lanais, both of which are accessible only through Apartment PH-1. These maintenance lanais are common elements and are not for the use of Apartment PH-1. The Declaration provides that the Association shall have an easement to enter Apartment PH-1 from time to time to gain access to these maintenance lanais.

Apartment PH-1 contains two areas, one designated on the Condominium Map as "Area A" and the other designated on the Condominium Map as "Area B". Area A contains a kitchen, two bathrooms, two bedrooms, a sauna and a living room. Area B contains a lobby area with a wet bar, three multi-purpose rooms, two restrooms, together with vestibules, janitor closet, telephone rooms, mechanical rooms and an electrical room. The total combined net floor area of Apartment PH-1 is approximately 4,383 square feet.

The numbers, locations, approximate areas (including the limited common element areas described above), parking stall assignments and common interests of the Apartments are as set forth in the chart that begins on the next page.

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APARTMENT NOS., AREAS, PARKING AND COMMON INTERESTS

Apt. No.	Floor No.	*Net Floor Area	*Ltd. Common Element ("LCE") Area	*Combined Area (Apt. and LCEs)	Assigned Parking Stalls	Common Interest
100	1	1,425	1,138 (shared with Apts. 101, 102, 200, 201, 202, 300 & 301)	2,563	C569, C570	0.8827%
101	1	298	1,138 (shared with Apts. 100, 102, 200, 201, 202, 300 & 301)	1,436	***	0.1846%
102	1	2,078	1,138 (shared with Apts. 100, 101, 200, 201, 202, 300 & 301)	3,216	C527, C528	1.2872%
200	2	1,448	365 (exclusive) 1,138 (shared with Apts. 100, 101, 102, 201, 202, 300 & 301)	2,951	S637, C529, C530	1.1230%
201	2	2,635	645 (exclusive) 1,138 (shared with Apts. 100, 101, 102, 200, 202, 300 & 301)	4,418	S638, C525, C526	1.8583%
202	2	656	495 (exclusive) 1,138 (shared with Apts. 100, 101, 102, 200, 201, 300 & 301)	2,289	****	**1.8540%
300	3	1,379	662 (exclusive) 1,138 (shared with Apts. 100, 101, 102, 200, 201, 202 & 301)	3,179	C234/C235, C554, C555, C556	1.5938%
301	3	1,379	662 (exclusive) 1,138 (shared with Apts. 100, 101, 102, 200, 201, 202 & 300)	3,179	S576, C567, C568, C619	1.5938%
400	4	2,285	967 (shared with Apt. 401)	3,252	S571, C370, C371, C618	1.6799%
401	4	2,172	967 (shared with Apt. 400)	3,139	S566, C513, C514, C515	1.6799%
500	5	2,285	967 (shared with Apt. 501)	3,252	S565, C617, S633/S634	1.6799%
501	5	2,172	967 (shared with Apt. 500)	3,139	S564, C516, C517, C518	1.6799%
600	6	2,285	967 (shared with Apt. 601)	3,252	S562, C608, S631/S632	1.6799%

Apt. No.	Floor No.	*Net Floor Area	*Ltd. Common Element ("LCE") Area	*Combined Area (Apt. and LCEs)	Assigned Parking Stalls	Common Interest
601	6	2,172	967 (shared with Apt. 600)	3,139	S563, C470, C471, C609	1.6799%
700	7	2,285	967 (shared with Apt. 701)	3,252	S561, C616, S541/S542	1.6799%
701	7	2,172	967 (shared with Apt. 700)	3,139	S560, C428, C429, C430	1.6799%
800	8	2,285	967 (shared with Apt. 801)	3,252	S558, C615, S539/S540	1.6799%
801	8	2,172	967 (shared with Apt. 800)	3,139	S559, C425, C426, C427	1.6799%
900	9	2,285	967 (shared with Apt. 901)	3,252	S557, C620, S543/S544	1.6799%
901	9	2,172	967 (shared with Apt. 900)	3,139	S553, C621, C467, C468	1.6799%
1000	10	2,285	967 (shared with Apt. 1001)	3,252	S479, C614, S533/S534	1.6799%
1001	10	2,172	967 (shared with Apt. 1000)	3,139	S476, C501, C502, C503	1.6799%
1100	11	2,285	967 (shared with Apt. 1101)	3,252	S463, C613, S531/S532	1.6799%
1101	11	2,172	967 (shared with Apt. 1100)	3,139	S464, C504, C505, C506	1.6799%
1200	12	2,285	967 (shared with Apt. 1201)	3,252	S466, C610, S480/S481	1.6799%
1201	12	2,172	967 (shared with Apt. 1200)	3,139	S465, C507, C508, C509	1.6799%
1400	14	2,285	967 (shared with Apt. 1401)	3,252	S469, C607, S443/S444	1.6799%
1401	14	2,172	967 (shared with Apt. 1400)	3,139	S460, C510, C511, C512	1.6799%
1500	15	2,285	967 (shared with Apt. 1501)	3,252	S369, C611, S441/S442	1.6799%
1501	15	2,172	967 (shared with Apt. 1500)	3,139	S457, C456, C455, C612	1.6799%
1600	16	2,285	967 (shared with Apt. 1601)	3,252	S379, C606, S439/S440	1.6799%
1601	16	2,172	967 (shared with Apt. 1600)	3,139	S376, C422, C423, C424	1.6799%
1700	17	2,285	967 (shared with Apt. 1701)	3,252	S453, C604, S433/S434	1.6799%
1701	17	2,172	903 (shared with Apt. 1700)	3,139	S242, C419, C420, C421	1.6799%
1800	18	2,285	967 (shared with Apt. 1801)	3,252	S273, C605, S431/S432	1.6799%
1801	18	2,172	967 (shared with Apt. 1800)	3,139	S276, C316, C317, C318	1.6799%
1900	19	2,285	967 (shared with Apt. 1901)	3,252	S364, C622, S333/S334	1.6799%
1901	19	2,172	967 (shared with Apt. 1900)	3,139	S363, C623, C367, C368	1.6799%

Apt. No.	Floor No.	*Net Floor Area	*Ltd. Common Element ("LCE") Area	*Combined Area (Apt. and LCEs)	Assigned Parking Stalls	Common Interest
2000	20	2,285	967 (shared with Apt. 2001)	3,252	S461, C624, S331/S332	1.6799%
2001	20	2,172	967 (shared with Apt. 2000)	3,139	S462, C319, C320, C321	1.6799%
2100	21	5,483	N/A	N/A	S458, S459, C401, C402, C403, C639, S380/S381	3.3963%
2200	22	5,483	N/A	N/A	S263, S264, C310, C311, C312, C630, S343/S344	3.3963%
2300	23	5,483	N/A	N/A	S357, S358, C416, C417, C418, C629, S341/S342	3.3963%
2400	24	1,935	1,056 (shared with Apt. 2401)	2,991	S257, S353, C356, C628	1.6514%
2401	24	2,341	1,056 (shared with Apt. 2400)	3,397	S253, C313, C314, C315	1.6514%
2500	25	5,083	N/A	N/A	S365, S366, C328, C329, C330, C625, S339/S340	3.1485%
2600	26	4,783	N/A	N/A	S361, S362, C413, C414, C415, C640, S277/S278	2.9627%
2700	27	4,783	N/A	N/A	S359, S360, C307, C308, C309, C626, S240/S241	2.9627%
2800	28	4,783	N/A	N/A	S265, S266, C404, C405, C406, C627, S238/S239	2.9627%
2900	29	4,783	N/A	N/A	S261, S262, C322, C323, C324, C355, S230/S231	2.9627%
3000	30	4,783	N/A	N/A	C101/C102, C407, C408, C409, C519, C520, C521, S236/S237	2.9627%

Apt. No.	Floor No.	*Net Floor Area	*Ltd. Common Element ("LCE") Area	*Combined Area (Apt. and LCEs)	Assigned Parking Stalls	Common Interest
PH-2	31	4,583	N/A	N/A	S115, S116, S117, C325, C326, C327	2.8388%
PH-1	32	4,383	N/A	N/A	C410, C411, C412, S258, S259, S260	**1.5733%

Total Common Interests: 100.0000%

*AREA MEASUREMENTS

The "net floor areas" for the Apartments reported above are measured in square feet in accordance with section 3.2 of the Declaration.

The "limited common element areas" shown above are only for the limited common elements identified in this Exhibit "A" and include only exclusive lanais and certain shared facilities, such as restrooms, corridors, vestibules and utility rooms. The Apartments may have other limited common elements appurtenant to them as well, including (but not limited to) parking stalls (as shown above), storage areas, air space between floors and ceilings, wires, ducts and other mechanical or utility apparatus, as more fully described in Section 5 of the Declaration. The limited common elements ARE NOT part of the Apartments to which they appertain.

The "combined areas" (if any) shown above include some limited common elements that are for the exclusive use of a single Apartment, and some limited common elements whose use is shared with other Apartments, as disclosed above. Because the "combined areas" (where shown) include limited common elements, they are greater than the actual net floor areas of the Apartments.

COMMON INTERESTS

The initial common interest for each Apartment was determined as follows:

For the Apartments on Floors 1, 2 and 21 through 32, the common interest was determined by dividing (a) the net floor area of the Apartment by (b) the aggregate of (i) the net floor areas of all of the Apartments on Floors 1, 2 and 21 through 32 plus (ii) the combined net floor areas and limited common element areas disclosed in this Exhibit "A" of all of the Apartments on Floors 3 through 20. The resulting fraction for each Apartment was converted to a percentage.

For the Apartments on Floors 3 through 20, the common interest was determined by first dividing (a) the combined Apartment and limited common element areas for each floor (as disclosed in this Exhibit "A") by (b) the aggregate of (i) the net floor areas of all of the

Apartments on Floors 1, 2 and 21 through 32 plus (ii) the combined net floor areas and limited common element areas disclosed in this Exhibit "A" of all of the Apartments on Floors 3 through 20. The resulting fraction for each of Floors 3 through 20 was converted to a percentage, which was then divided in half to provide an equal common interest for each of the two Apartments on each of Floors 3 through 20.

****Adjustment for Apartments 202 and PH-1.** Notwithstanding the foregoing, the initial common interest appurtenant to Apartment PH-1 was reduced by 1.1416% to reflect that more than 50% of the aggregate net floor area of Apartment PH-1 is currently configured for residential use, and the initial common interest appurtenant to Apartment 202 (ownership of which will be retained by the Association) was increased by the same amount so that the aggregate common interest appurtenant to all of the Apartments equals 100%. Upon the occurrence of the events described in section 7.2 of the Declaration (and on page 20 of this Public Report), the common interests appurtenant to Apartments 202 and PH-1 shall change by amendment of the Declaration in accordance with section 7.2 thereof. The new common interest appurtenant to Apartment 202 shall be 0.7124% and the new common interest appurtenant to Apartment PH-1 shall be 2.7149%. No other Apartment's common interests shall be affected and the total aggregate common interests for the Project shall remain 100%.

LIMITED COMMON ELEMENT PARKING STALLS

All parking stalls are covered. The letter "C" preceding a parking stall number indicates a compact sized stall. The letter "S" preceding a parking stall number indicates a standard sized stall. The letter "H" preceding a parking stall number indicates a handicap stall. Parking stall numbers separated by a slash indicate that the stalls are "tandem" stalls.

***The following limited common element parking stalls are assigned to Apartment 101: C103/C104, C105/C106, C232/C233, C245/C246, C247/C248, C249/C250, C251/C252, C269/C270, C271/C272, C274/C275, C335/C336, C337/C338, C345/C346, C347/C348, C349/C350, C351/C352, C372/C373, C374/C375, C377/C378, C435/C436, C437/C438, C445/C446, C447/C448, C449/C450, C451/C452, C472/C473, C474/C475, C477/C478, C535/C536, C537/C538, C545/C546, C547/C548, C549/C550, C551/C552, C572/C573, C574/C575, C577/C578, C635/C636, S228/S229, S580/S581, C354, C454, C522, C523, C524, C601, C602 and C603.

****The following limited common element parking stalls are assigned to Apartment 202 and will initially be made available to visitors and guests of tenants and owners of other Apartments: C118, C201, C202, C203, C204, C205, C206, C207, C208, C209, C210, C211, C212, C213, C214, C215, C216, C217, C218, C219, C220, C221, C222, C223, C224, C225, C226, C227, C243, C244, C254, C255, C256, C267, C268, C301, C302, C303, C304, C305, C306, H107, H108, H109, H110, H111, H112, H113 and H114.

The Project also contains common element loading stalls and a truck dock on the first floor of the building, as shown on the Condominium Map.

Apartment Owners may transfer assigned limited common element parking stalls pursuant to the Declaration and the Act.

BOUNDARIES OF APARTMENTS

Each Apartment shall be deemed to include: (i) all the walls and partitions which are not load-bearing within its perimeter walls, (ii) the interior decorated or finished surfaces of all walls, floors and ceilings, including floor coverings, (iii) any interior doors, door frames, windows or window frames located entirely within an Apartment and not in the Apartment's perimeter walls, (iv) the interior decorated or finished surfaces of doors, door frames, windows or window frames located in the Apartment's perimeter walls to the extent that such surfaces are visible from within the Apartment, and (v) all fixtures originally installed inside the Apartment. The respective Apartments shall be deemed not to include: (a) the undecorated or unfinished surfaces of the perimeter walls, the interior load-bearing walls and/or columns, or the party walls separating two or more Apartments, (b) the undecorated or unfinished surfaces of the floors, walls and ceilings surrounding each Apartment, (c) the undecorated or unfinished surfaces and structural components of doors, door frames, windows or window frames located in the Apartment's perimeter walls, and (d) any pipes, shafts, wires, conduits or other utility or services lines running through such Apartment which are utilized for or serve more than one Apartment, the same being deemed common elements as hereinafter provided.

Should the descriptions and divisions set forth in the Declaration conflict with the depictions and divisions shown on the Condominium Map, the Condominium Map shall control. The Condominium Map, however, is intended to show only the layout, location, Apartment numbers and dimensions of the Apartments and elevations of the buildings and is not intended and shall not be deemed to contain or make any other representation or warranty.

The approximate areas of the Apartments set forth in Exhibit "A" to this Public Report are "net floor areas" based on measurements taken from the interior surfaces of all perimeter walls, except that no reduction is made to account for interior walls, ducts, vents, shafts, and the like located within the perimeter walls. The areas of the Apartments set forth in Exhibit "A" are not exact but are approximations based on the floor plans of each of the Apartments. The measurements of the Apartments set forth in Exhibit "A" may not follow the designation of the limits of the Apartments (the legally designated areas of the Apartments) set forth above and the net floor areas set forth in Exhibit "A" may be greater than the floor areas of the Apartments as so designated and described above.

PERMITTED ALTERATIONS

Subject to the provisions of the Declaration, Chapter 514A of the Hawaii Revised Statutes (the "Act") and applicable zoning, and except as otherwise provided in the Bylaws, no Owner of an Apartment shall, without the prior written approval of the Board of Directors of the Association (the "Board") and, make any structural alterations in or additions to his Apartment or make any alterations in or additions to the exterior of his Apartment (including painting, installing or altering awnings, jalousies and screens) or to the common elements.

Except as otherwise provided in the Declaration or Bylaws, an Owner may make non-structural alterations and additions solely within his Apartment, or solely within a limited common element appurtenant to and for the exclusive use of his Apartment, at the Owner's sole cost and expense, provided that such alterations or additions do not affect any other Apartment or other common elements or change the exterior or appearance of the Project, and provided, further, that any building permit required for such alterations or additions is first duly obtained and filed with the Board and the proposed alteration or addition will not adversely affect the Project's insurance rating or premiums.

No Apartment Owner shall, without the prior written approval of the Board, install any wiring for electrical or telephone installations, television antenna, machines or air-conditioning units, or other equipment, fixtures, appliances or appurtenances whatsoever on the exterior of the Building or protruding through the walls, windows or roofs thereof.

No Apartment Owner shall, without the prior written approval of the Board, make any structural modifications, changes, additions or alterations to any limited common element lanai appurtenant to the Apartment or add any awnings, sunscreens, louvers, exhaust vents, wind baffles, or drain, or otherwise partially or wholly enclose the lanai. The Board may withhold its approval based upon the effect such proposed modifications, changes, additions or alterations may have on the appearance of the lanai and the Building.

It is intended that the exterior of the Project present a uniform appearance. To effect that end, all interior window coverings or applications visible from outside of the Apartment shall be first approved by the Board.

Subject to the terms, conditions and restrictions of section 17 of the Declaration, and subject to applicable zoning, the Act, the Bylaws, the Design Guidelines and the restrictions and requirements contained in section 17 of the Declaration, the Owners of the Apartments identified below shall have the following rights:

Subdivision.

(a) The Owner of any one of Apartments 2100, 2200, 2300, 2500, 2600, 2700, 2800, 2900, 3000, PH-2 and PH-1 may, at any time and without the joinder or consent of any other Owner, subdivide his Apartment into two resulting apartments by recording an amendment to this Declaration and the Condominium Map describing and depicting the resulting apartments

and their size, apartment numbers, layout and location, and all other information required by the Act. The amendment(s) need only be approved by the Board and signed by the Owner of the Apartment being subdivided and recorded in the Land Court; provided, however, that no such amendment(s) shall be effective unless first approved in writing by the holders of all mortgages then affecting the Apartment being subdivided. The amendment(s) shall also identify and state the limited common elements and common interests appurtenant to each of the resulting Apartments upon subdivision; provided, however, that such limited common elements and common interests shall be established only as set forth in this section 17.

(b) Subject to the terms of section 7.2 of the Declaration relating to a change in use of Apartment PH-1, the common interest appurtenant to each resulting Apartment shall be determined by dividing the net floor area of the resulting Apartment by the aggregate net floor areas of all resulting Apartments, and multiplying the resulting fraction (expressed as a percentage) by the percentage common interest appurtenant to the Apartment being subdivided. If necessary, minor adjustments shall be made to the common interest appurtenant to one or more of the resulting Apartments to ensure that the aggregate common interests appurtenant to the resulting Apartments shall equal the common interest appurtenant to the Apartment being subdivided immediately prior to such subdivision.

(c) The net floor area of the smallest resulting Apartment shall in no event be less than forty percent (40%) of the combined net floor area of both resulting Apartments, and the net floor area of the largest resulting Apartment shall in no event be greater than 3,000 square feet.

(d) Upon subdivision of an Apartment, the two large restrooms (together with the vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room located adjacent to the restrooms) and a portion of the Apartment adjacent to the elevators shall be designated as limited common elements appurtenant to both resulting Apartments. The configuration, boundaries and net area of the new limited common elements adjacent to the elevators shall be similar to the existing configuration, boundaries and net area of the limited common element access corridors and restrooms originally located on floors numbered 4 through 20, although the Owner of the Apartment being subdivided may vary the configuration, boundaries and net area of the new limited common element area so long as the resulting corridor is not less than four (4) feet in width at any point and conforms with all applicable Design Guidelines, zoning codes, building codes, fire codes, health codes, safety and other applicable local, state and federal requirements and restrictions.

Consolidation. An Owner of two adjacent Apartments on the same floor and located on any one of floors numbered 4 through 32 (whether or not such floor contains two Apartments originally or through subdivision in accordance with this section 17) may, at any time and without the joinder or consent of any other Owner or the Association, combine his Apartments and consolidate them into one Apartment by recording an amendment to this Declaration and the Condominium Map describing and depicting the consolidated Apartment and its size, Apartment number, layout and location, and all other information required by the Act. The amendment(s) need only be signed by the Owner of the Apartments being consolidated and recorded in the

Land Court; provided, however, that no such amendment(s) shall be effective unless first approved in writing by the holders of all mortgages then affecting the Apartments being consolidated. The amendment(s) shall also state that the limited common elements appurtenant to the Apartments being consolidated shall all be appurtenant to the new Apartment following consolidation, and that the common interest appurtenant to such new Apartment shall be equal to the aggregate common interests appurtenant to the two Apartments being consolidated; provided, however, that any limited common element access corridor providing access to and from the common element elevators and stairways and the limited common element restrooms and the Apartments being consolidated may be eliminated and/or become part of the resulting consolidated Apartment, and the limited common element restrooms (together with vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room) may also be converted from limited common elements to parts of the Apartment; and in those events the amendment establishing the consolidation shall so provide.

General Requirements and Restrictions.

(a) No subdivision or consolidation of Apartments shall impair or otherwise affect the structural integrity of the Building or any part thereof.

(b) No Apartment(s) shall be subdivided or consolidated unless such subdivision or consolidation is permitted by then current zoning and all other applicable laws, codes, rules, ordinances and regulations of the federal government, the State of Hawaii, the City and County of Honolulu and any other governmental entity or authority having jurisdiction over the Land, the Project or the construction or demolition of improvements thereon or thereto.

(c) No Apartment shall be subdivided or consolidated unless and until the Owner has provided the Board with copies of the plans for such subdivision or consolidation (and the Board has approved such plans), an estimate of the cost and time required to complete the work, and evidence, satisfactory to the Board, of sufficient funds to complete the work. If the cost to complete the work shall exceed $200,000.00, the Owner shall also provide the Board with evidence of a completion bond in an amount equal to one hundred percent (100%) of the cost of completion.

(d) No Apartment shall be subdivided or consolidated unless and until all necessary governmental or other permits, licenses or approvals, including, but not limited to, all building or construction permits, have been first obtained and copies thereof have been delivered to the Association.

(e) All costs and expenses arising in connection with the subdivision or consolidation of an Apartment or Apartments, including costs and expenses of obtaining all required permits, licenses and approvals and of drafting and recording required amendments to any of the Project's documents, shall be paid by the Owner of the Apartment or Apartments being subdivided or consolidated, and such Owner shall indemnify and hold harmless the Developer, all of the other Owners and the Association from and against any costs, expenses,

claims or liabilities of any kind arising or which may arise in connection with such subdivision or consolidation.

(f) All construction performed in connection with the subdivision or consolidation of an Apartment or Apartments shall be performed by a contractor or contractors appropriately licensed to do business in Hawaii and shall be expeditiously performed in a manner that will not unreasonably interfere with the other Apartment Owners' use of their Apartments, the limited common elements appurtenant thereto, or the common elements.

(g) Each apartment resulting from the consolidation or subdivision of one or more other Apartments shall at all times have access, though common elements (or through limited common elements and common elements), to a public street or highway.

Special Rights Reserved to Developer. Notwithstanding the foregoing or any provision of the Declaration to the contrary, the Developer reserves to itself, its successors and assigns, the absolute right, in the Developer's sole discretion, to subdivide or consolidate any Apartment(s) owned by the Developer and, by way of amendment of this Declaration and the Condominium Map, to adjust common interests and add or delete limited common elements in connection with such subdivision or consolidation, without the approval, joinder or consent of the Association, the Board, the Design Committee or any other person or entity (except mortgagees as provided below), provided, however, that no such subdivision or consolidation shall:

(a) change the common interest or common expense obligations appurtenant to any Apartment owned by any person other than the Developer;

(b) convert common elements (other than limited common elements) to limited common elements or Apartments;

(c) materially impair the right of any other Apartment Owner to use and enjoy such Owner's Apartment or the limited common elements appurtenant thereto; or

(d) materially decrease the value of the Project or of any Apartment owned by any person other than the Developer.

The amendment(s) required to accomplish such subdivision or consolidation need only be signed by the Developer and recorded in the Land Court; provided, however, that no such amendment(s) shall be effective unless first approved in writing by the holders of all mortgages (if any) then affecting the Apartments being subdivided or consolidated.

Notwithstanding anything to the contrary contained in the Bylaws, the Declaration or the Rules and Regulations, Owners with disabilities shall be permitted to make reasonable modifications to their Apartments and/or the limited common elements appurtenant thereto, at their expense (including the cost of obtaining any bonds required by the Declaration, the Bylaws or the Act), if such modifications are necessary to enable them to use and enjoy their Apartments and/or the common elements, as the case may be, provided that any Owner with a disability

desiring to make such modifications shall make such request, in writing, to the Board of Directors. That request shall set forth, with specificity and in detail, the nature of the request and the reason that the requesting party needs to make such modifications. The Board of Directors shall not unreasonably withhold or delay their consent to such request, and any such request shall be deemed to be granted if not denied in writing, within forty-five (45) days of the Board's receipt thereof, or within forty-five (45) days of the Board's receipt of additional information reasonably required in order to consider such request, whichever shall last occur.

Article VIII of the Bylaws contains additional information regarding alterations to the Apartments, the common elements and the limited common elements.

COMMON ELEMENTS

The common elements consist of all portions of the Project other than the Apartments, including specifically, but not limited to:

(a) The land of the Project (the "Land"), in fee simple, and any easements appurtenant thereto;

(b) The limited common elements described in section 5 of the Declaration and in Exhibit "E" of this Public Report;

(c) All foundations, slabs, columns, girders, beams, supports, perimeter walls, load-bearing walls, roofs, stairs and stairways, escalators, elevator cars, pits, shafts, doors and related equipment, all heating, cooling or other utility equipment, pumps, ducts, pipes, wires, conduits, or service lines located outside of the Apartments and which are utilized for or serve more than one Apartment, all landings, lanais or other areas that are not designated as part of any apartment, and generally all equipment, apparatus, installations and personal property existing for common use in any part of the Building or located on the Land;

(d) All pipes, wires, ducts, conduits, heating, cooling or other utility or service equipment or lines located within or running through an Apartment that are utilized by or serve more than one Apartment;

(e) All lobbies (including, without limitation, the plaza lobby on floor number 1 and the elevator lobby at the top of the escalators on floor number 2), driveways and other common ways, all parking and loading spaces, all storage rooms and areas not located within an Apartment, all landscaping, courtyards, fences, gates, retaining walls, mailboxes, trash areas, utility and maintenance rooms and facilities, accessory equipment areas, including electrical and mechanical rooms or facilities located on the Land or within the Building and serving more than one Apartment;

(f) The large lanai located on floor number 3 and designated as "Common Area Lanai" on the Condominium Map, and the lanais located on floors numbered 24, 25, 26, 31 and 32 and designated on the Condominium Map as "Maint. Lanai".

(g) All other improvements on the Land that are not part of any Apartment.

LIMITED COMMON ELEMENTS

The limited common elements set aside and reserved for the exclusive use of the Apartments to which they are assigned are as follows:

(a) Each Apartment shall have appurtenant thereto as limited common elements all pipes, wires, ducts, conduits or other utility or service lines located within or running through the Apartment and utilized by or serving only that Apartment.

(b) Each Apartment shall have appurtenant thereto as limited common element the parking stall(s) (if any) designated as appurtenant to the Apartment on Exhibit "C" attached hereto and made a part hereof.

(c) Each Apartment shall have appurtenant thereto as a limited common element the mailbox designated with the Apartment's number and located in the mailroom located on floor number 1.

(d) The storage areas located on the 3rd, 4th and 5th subsurface parking levels, and designated on the Condominium Map as "P-3 Storage 'A'", "P-4 Storage 'A'" and "P-5 Storage 'A'" respectively, are limited common elements appurtenant to Apartment 101.

(e) The Apartments located on floors numbered 1, 2 and 3, as a group, shall have appurtenant thereto as limited common elements the restrooms located on floors numbered 1 and 2, and the corridor, restrooms, vestibules, janitor closet, telephone rooms, mechanical rooms and electrical room on floor number 3, as shown on the Condominium Map.

(f) Apartments 200 and 202 shall each have appurtenant thereto as a limited common element one lanai shown on the Condominium Map as adjacent to the Apartment. Apartment 201 shall have appurtenant thereto as a limited common element two lanais shown on the Condominium Map as adjacent to the Apartment.

(g) Apartment 300 shall have appurtenant thereto as a limited common element one lanai shown on the Condominium Map as adjacent to the Apartment. Apartment 301 shall have appurtenant thereto as a limited common element one lanai shown on the Condominium Map as adjacent to the Apartment. (The large lanai designated as "Common Area Lanai" on the Condominium Map is not a limited common element appurtenant to any Apartment.) As provided in subsection 5.5 above, the two restrooms, vestibules, janitor closet, telephone rooms, mechanical rooms, electrical room and the corridor on floor number 3 are all limited common elements appurtenant to all of the Apartments on floors numbered 1, 2 and 3.

(h) Each Apartment located on floors numbered 4 through 12, 14 through 20 (there is no floor numbered 13) and 24 shall have appurtenant thereto as limited common elements the two (2) restrooms located on the same floor as the Apartment, together with the vestibules providing access to such restrooms, and together also with the janitor closet, telephone rooms,

mechanical rooms and electrical room located adjacent to the restrooms, as shown on the Condominium Map.

(i) With the exception of floors 1, 2 and 3, where more than one Apartment occupies a single floor, each Apartment on the same floor shall have appurtenant thereto as a shared limited common element the corridor providing access to and from the Apartments, restrooms, vestibules, elevators and stairways serving that floor, together with all windows and window frames located in the exterior building walls of such corridor, as shown on the Condominium Map.

(j) Each Apartment shall have appurtenant thereto as limited common elements the undecorated or unfinished surfaces and structural components of doors, door frames, windows and window frames located in the Apartment's perimeter walls.

(k) Each Apartment shall have appurtenant thereto as limited common elements the drop-down ceiling of such Apartment (excluding the decorated or finished interior surface of such ceiling, which is a part of the Apartment), and all pipes, air-conditioning ducts and shafts, air handlers, conduits and electrical wiring located within or running through the air space above such ceiling and serving only the Apartment; excluding, however, any part of a fire sprinkler or detection/warning system contained in such air space or affixed to the ceiling, all parts of any such sprinkler or detection/warning system being common elements.

(l) Each Apartment that has air space beneath its floor slab shall have appurtenant thereto as a limited common element that part of the floor slab immediately beneath the Apartment (excluding the decorated or finished surface of the floor, which is part of the Apartment), and all pipes and plumbing running below the floor, through the floor and into the Apartment, and serving only that Apartment.

(m) The air space between the ceiling of one Apartment and the floor slab of the Apartment directly above (if any) shall be a limited common element appurtenant to both Apartments, together with all pipes and plumbing, air-conditioning ducts and shafts, conduits and electrical wiring and other utility equipment and apparatus located in such air space and serving both Apartments but no other Apartment.

(n) Where more than one Apartment occupies a single floor, all pipes and plumbing, air-conditioning ducts and shafts, conduits and electrical wiring and other utility equipment and apparatus located in the air space immediately above both Apartments' ceiling and immediately below both Apartments' floor slab and serving both of the Apartments but no other Apartment shall be limited common elements appurtenant to both Apartments.

(o) Any other common element of the Project that is rationally related to less than all of the Apartments shall be deemed a limited common element appurtenant to and for the exclusive use of the Apartment or Apartments to which such common element is rationally related, it being the intent of this section 5 to apportion rights to use and obligations to repair and

maintain all common elements as equitably as reasonably possible among the various Apartments.

ENCUMBRANCES AGAINST TITLE

That certain Preliminary Report dated **June 4, 2003**, issued by Title Guaranty of Hawaii, Inc., discloses that the land of the Project is subject to the following encumbrances (the Lot numbers shown below pertain to the parcels comprising the Project's land, more particularly described below):

1. -AS TO LOT 1:-

GRANT

TO	:	HAWAIIAN TELEPHONE COMPANY, now known as VERIZON HAWAII, INC.
DATED	:	September 20, 1948
FILED	:	Land Court Document No. 105840
GRANTING	:	a right and easement to maintain, rebuild, repair, free of interference etc. existing underground vault, together with right to place conduits, wires, cables etc. as part of the telephone system, etc.

2. -AS TO LOT 2:-

(A) An easement for a public right-of-way for pedestrians only, over, along and across the following portion of the parcel of land described in Land Court Application 995, to-wit:

Beginning at an iron pin at the end of Course 1 of Land Court Application No. 995, being also the east corner of Adams Lane and Hotel Street, and running by true azimuths:

1.	220°	34'	30"	185.22	feet along the southeast side of Adams Land to a pipe in concrete block;
2.	311°	34'		5.00	feet along Land Court Application No. 962;
3.	40°	40'		173.17	feet;
4.	Thence on a curve to the left with a radius of 10.00 feet, the direct azimuth and distance being 352° 00' 15.02 feet;				
5.	123°	20'		16.00	feet along the northeast side of Hotel Street to the point of beginning and

containing an area of 926 square feet, more or less.

(B) PARTY WALL AGREEMENT between the YOUNG MEN'S CHRISTIAN ASSOCIATION OF HONOLULU, and GTE HAWAIIAN TELEPHONE COMPANY INCORPORATED, now known as VERIZON HAWAII, INC., that the wall now standing on the following portion of the parcel of land described in said Application shall at all times be and the same is hereby declared to be a part or portion of a party wall between the premises of said Applicant and of said Hawaiian Telephone Company, said parcel of land upon which said portion of wall is now standing being situated near the northwest side of Alakea Street, at Honolulu, Oahu, State of Hawaii, being a portion of R. P. 7, L. C. A. 34 to John Neddles, being more particularly described as follows:

Beginning at an angle in the northeast boundary of this strip of land, being also an angle in the boundaries between land owned by Hawaiian Telephone Company and the Young Men's Christian Association of Honolulu, the true azimuth and distance to a "+" cut in a 2-1/2" x 2-1/2" copper plate marked M. T. Co. set in concrete sidewalk on the northwest side of Alakea Street (said "+" cut in copper plate also marks the south and east corners respectively of land owned by Hawaiian Telephone Company and the Young Men's Christian Association of Honolulu) being 320° 45' 40" 58.08 feet, and from said "+" cut in copper plate the true azimuth and distance to a Government Survey Street Monument near the west corner of Alakea and Hotel Streets being 46° 48' 207.82 feet and running by true azimuths from the above described initial point:

1.	320°	45'	40"	0.55	of a foot cutting through concrete wall;
2.	41°	34'		0.41	of a foot along the southeast face of concrete wall;
3.	131°	34'		46.11	feet along the southwest face of concrete wall;
4.	221°	34'		0.50	of a foot along the northwest face of concrete wall to a "+" cut in said northwest face of concrete wall;
5.	311°	34'		45.56	feet cutting through concrete wall to the point of beginning and containing an area of 23 square feet, more or less.

(C) Encroachments and other matters as shown on the survey map prepared by George A. Sumida, Land Surveyor, with ParEn Inc. dba Park Engineering, dated March 6, 2003, revised March 25, 2003, to-wit:

a. A pipe railing in the subject property (said Lot 2 described herein) crosses the boundary line and extends into Alakea Street by 0.3 feet.

b. A metal cover DTS (Department of Transportation Services) box in Alakea Street crosses the boundary line and falls into the subject property by 0.5 feet for approximately 4 feet.

c. A concrete curb in the subject property crosses the boundary line and falls into Adams Lane by 0.6 feet for approximately 133 feet.

d. A concrete driveway in the subject property crosses the boundary line and falls into Adams Lane by 0.6 feet for approximately 43 feet.

(D) Encroachments and other matters as shown on the survey map prepared by George A. Sumida, Land Surveyor, with ParEn Inc. dba Park Engineering, dated March 6, 2003, revised March 25, 2003, to-wit:

a. A portion of the three (3) story building and concrete driveway fronting Adams Lane fall into an Easement for a public right-of-way for pedestrians.

b. The light columns fronting Adams Lane fall into an Easement for a public right-of-way for pedestrians.

3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT : DECLARATION

DATED : November 7, 1988
FILED : Land Court Document No. 1591747

Said Declaration was amended by ADDENDUM TO DECLARATION OF RESTRICTIVE COVENANT dated November 23, 1988, filed as Land Court Document No. 1595737.

4. UNRECORDED LEASE

LESSOR : 1100 ALAKEA CORPORATION, a Hawaii corporation

LESSEE	:	HAWAII STATE EMPLOYEES' FEDERAL CREDIT UNION, a federally chartered credit union
DATED	:	December 29, 1994
TERM	:	commencing upon Tenant's occupancy of the Premises which is scheduled for April 1, 1995 and continuing through March 31, 2010

A Short Form Office Lease is dated December 29, 1994, filed as Land Court Document No. 2208885..

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

The land of the Project is more particularly described as follows:

All of those certain parcels of land situate on the northeast side of Hotel Street, between Alakea Street and Adams Lane, Honolulu, City and County of Honolulu, State of Hawaii, described as follows:

LOT 1, area 4 square feet; and
LOT 2, area 26,348 square feet, more or less,

as shown on Map 2, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 995 of Young Men's Christian Association of Honolulu.

Together with a right of way for the applicant, its successors and assigns in common with Hawaiian Telephone Company, now known as GTE Hawaiian Telephone Company Incorporated, its successors and assigns, for pedestrians over and across, and an easement or space for light and air over and above the following described parcel of land:

Beginning at a + cut in a 2-1/2" x 2-1/2" copper plate marked M. T. Co. set in concrete sidewalk at the south corner of this piece of land, being also the end of Course 4 of the above described lot on the northwest side of Alakea Street, and running by true azimuths:

1.	140°	45'	40"	58.08	feet and passing over a pipe in concrete at 57.42 feet;
2.	311°	34'		9.25	feet;
3.	236°	00'		3.01	feet;
4.	321°	04'		48.56	feet;

5.	49°	17'	4.22	feet along the northwest side of Alakea Street to the point of beginning and containing an area of 219 square feet, more or less.

Being the land(s) described in Transfer Certificate of Title No. 640,618 issued to A&B ALAKEA LLC, a Hawaii limited liability company.

NOTE: Prior to transfer of title to any apartment in the Project, the lease described as item 4 above will be terminated or otherwise subordinated to the Declaration and will not remain as an encumbrance against title to the Project.

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS
FOR
ALAKEA CORPORATE TOWER

Estimate of Initial Maintenance Fees:

Apartment Type	Monthly Fee	Yearly Total
Apt. 100	$1,326.27	$15,915
Apt. 101	$277.37	$3,328
Apt. 102	$1,934.04	$23,208
Apt. 200	$1,687.33	$20,248
Apt. 201	$2,792.13	$33,506
Apt. 202	$2,785.67	$33,428
Apts. 300 through 301	$2,394.72	$57,473
Apts. 400 through 2001	$2,524.08	$969,247
Apts. 2100 through 2300	$5,103.01	$183,708
Apts. 2400 through 2401	$2,481.26	$59,550
Apt. 2500	$4,730.68	$56,768
Apts. 2600 through 3000	$4,451.52	$267,091
Apt. PH-2	$4,265.35	$51,184
Apt. PH-1	$2,363.91	$28,367

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

Estimate of Maintenance Fee Disbursements:

	Monthly Fee	Yearly
Utilities and Services		
Electricity	$45,834	$550,008
Water	$3,333	$39,996
Sewer	$750	$9,000
Refuse	$1,667	$20,004
Telephone (common elements only)	$700	$8,400
Landscaping	$1,737	$20,844
Janitorial	$14,584	$175,008
	Monthly Fee	Yearly

Security	$12,083	$144,996
Fire / Life / Safety Systems	$695	$8,340
Parking	$4,583	$54,996
Maintenance, Repairs and Supplies		
Building	$6,511	$78,132
Elevator	$8,333	$99,996
HVAC	$5,417	$65,004
Electrical	$2,500	$30,000
Plumbing	$1,000	$12,000
Window Washing	$1,216	$14,592
Pest Control	$125	$1,500
Cleaning Supplies	$2,000	$24,000
Other Supplies	$2,000	$24,000
Management		
Management Contract	$6,250	$75,000
Other	$0	$0
Insurance		
Common Elements and Liability	$9,083	$108,996
Director's and Offiers	$917	$11,004
Other		
Real Property Tax (Conference Room)	$100	$1,200
Professional Fees (audit / legal)	$417	$5,004
Taxes (State / Federal)	$417	$5,004
Miscellaneous	$3,000	$36,000
Reserves (*)	$15,000	$180,000
TOTAL	**$150,252**	**$1,803,024**

I, Marlene R. DeCosta, as agent and employed by CB Richard Ellis Hawaii Inc, the condominium managing agent for the Alakea Corporate Tower condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Marlene R. DeCosta

Dated: June 25, 2003

(*) Mandatory reserves assessment and collection in effect beginning 1994 budget year. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for

"Reserves", the Developer has conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

Pursuant to §514A-83.6, HRS, a new association created after January 1, 1993, need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

EXPLANATION REGARDING RESERVES

In arriving at the figure for "Reserves" in this Exhibit "G", the Developer conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

SUMMARY OF SALES CONTRACT AND ESCROW AGREEMENT

The Sales Contract provides for the sale of a condominium apartment (the "Apartment") by the Developer to a Buyer. The Escrow Agreement provides how the funds paid by the Buyer under the Sales Contract to Escrow are to be held and released. Both the Sales Contract and Escrow Agreement contain many important provisions which are not set out here and should be carefully reviewed by every prospective Buyer.

The Sales Contract provides for the number, amount and timing of payments the Buyer is to make to Escrow. The Escrow Agreement provides that Escrow is to collect these payments and hold them in accounts with banks or savings institutions that are federally insured. The Sales Contract and Escrow Agreement provide who gets to keep interest that may be earned on the funds with Escrow. If the Sales Contract is signed before the Real Estate Commission has issued an effective date for a Final Public Report and before certain other things have happened (as described in the Sales Contract), the Sales Contract shall not be binding on the Buyer or the Seller, and either of them may cancel it at any time before it becomes binding. After the Sales Contract becomes binding, it may be cancelled by the Developer, among other reasons, if the Buyer is obtaining financing and fails to obtain a lender commitment within a certain time period specified in the Sales Contract, or if the Buyer is a cash buyer and fails to furnish satisfactory evidence of ability to pay within other time periods. In certain cases, the Buyer may be responsible for cancellation fees.

The Escrow Agreement provides for the closing or settlement of the sale. Escrow collects all payments and other amounts owed under the Sales Contract, including closing costs which are shared between the Developer and the Buyer as set forth in the Sales Contract.

If the Buyer defaults under the Sales Contract after an effective date is issued for a Final Public Report for the Project and the Final Public Report is "accepted" by the Buyer, the Buyer may lose all of the deposits with Escrow and the Developer, at its option, may pursue other legal remedies. If the Developer defaults under the Sales Contract, the Buyer shall have the right to cancel the Sales Contract. In the event of Buyer's cancellation for Developer's default, Developer shall repay all sums paid by Buyer to Developer or Escrow pursuant to the Sales Contract.

The Sales Contract confirms that the Buyer has had the opportunity to read and approve certain important legal documents for the Project, including the Declaration, Bylaws, and Rules and Regulations.

The Sales Contract provides that prior to the date that the Sales Contract becomes binding on Buyer and Seller, Seller has the right to change the Project and to modify the Project's documents in any way, including (but not limited to) the right to change the purchase price under the Sales Contract or terminate the Project. The Seller also has the right to change the Project and the Project's documents in certain ways after the Sales Contract becomes binding, provided that such changes do not increase the purchase price of the Buyer's apartment or increase the Buyer's share of common expenses without the Buyer's consent, or reduce the Seller's

obligations relating to unsold apartments, or result in a substantial physical change of the Buyer's apartment or the building in which the apartment is located.

The Sales Contract limits the Buyer's right to assign the Sales Contract and provides that the Seller may require a consent fee for any transfer. The Sales Contract provides for "pre-closing." "Pre-closing" means that Escrow may set a time for the Buyer to sign all of the documents Escrow asks the Buyer to sign, including the Apartment Deed and other closing documents, and the Buyer will pay the Buyer's share of the closing costs, as estimated by Escrow. Buyer's share of closing costs include one-half of Escrow's fee, all recording fees, real property taxes and other prorations, Buyer's notary fees, up to four (4) months' maintenance start-up fees, title report and title insurance fees, conveyance tax, and fees charged by a lender if the Buyer is financing the purchase of his Apartment with a loan. Escrow then handles the closing, the transfer of title in accordance with the Escrow Agreement. The Apartment must be conveyed to the Buyer free and clear of any blanket liens, such as mortgages covering more than one apartment.

The Sales Contract discloses that, concurrently with closing of the first sale of an apartment in the Project, Seller will instruct escrow to transfer to an account of the Association the sum of $50,000.00 as a one-time contribution to the Association's maintenance reserves and to be used as the Association deems appropriate for maintenance, repair or upgrading of the Project's common areas. The Sales Contract further provides that, in consideration of Seller's contribution of the foregoing sum, Buyer releases Seller from any continuing or further obligations to the Project.

By signing the Sales Contract, the Buyer acknowledges that sales activity at the Project by the Developer may continue after closing of the Buyer's purchase.

The Escrow Agreement provides certain protections to Escrow in the event of a dispute between the Buyer and the Developer. These protections include the right to file an "interpleader" and the right to recover certain fees and costs. In an interpleader action the escrow deposit is given to the court to decide what action to take. The Escrow Agreement sets out escrow fees, escrow cancellation fees and the fees for certain policies of title insurance.

THIS SUMMARY IS NOT COMPLETE AND WILL NOT CONTROL IN THE EVENT OF ANY CONFLICT WITH A PROVISION IN THE SALES CONTRACT OR THE ESCROW AGREEMENT. PROSPECTIVE BUYERS ARE CAUTIONED AND ENCOURAGED TO READ CAREFULLY THE SALES CONTRACT AND ESCROW AGREEMENT.

OUTSTANDING LAND ISSUES AND RESERVED RIGHTS

As explained on page 20 of this Public Report, section 11 of the Declaration reserves to the Developer and/or the Association various rights to do certain things to resolve matters that pertain to the Project's land. Reproduced below is all of section 11 of the Declaration, which explains the outstanding issues and the rights reserved in connection therewith.

11. **Special Rights Reserved to the Developer and/or the Association**.

11.1 **Right to Withdraw Land and Dedicate to City and County**.

11.1.1 **Consolidation and Resubdivision of Land**. The Land is described in Land Court records (and in Exhibit "A" attached hereto) as Lots 1 and 2 of Land Court Application 995. A prior owner of the Land applied to the former Department of Land Utilization (now the Department of Planning and Permitting) of the City and County of Honolulu (the "City and County") for the consolidation of Lots 1 and 2 and resubdivision of the resulting lot into Lots 3 and 4. The City and County approved the consolidation and resubdivision of the Land on February 16, 1989. On May 14, 2003, the Developer submitted to the Land Court a Petition to note the consolidation and resubdivision of the Land. To facilitate completion of the process of consolidation and resubdivision of the Land, the Developer hereby reserves the right (but without obligation) (i) for itself, its successors in interest and assigns and (ii) for the Association (which right shall accrue to the Association upon the occurrence of an event that divests from the Developer, its successors in interest and assigns, all remaining ownership interests in the Project) to do all things necessary or convenient to complete the consolidation and resubdivision of the Land into Lots 3 and 4 and to cause such consolidation and resubdivision to be properly approved, recognized and documented by and in the Land Court, without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee, lienholder, or any other person or entity whatsoever.

11.1.2 **Withdrawal and Dedication of New Lot 3**. In a letter dated February 23, 1989, the City and County approved the consolidation and resubdivison of the Land and stated that new Lot 3 (area 43 square feet) is for corner rounding purposes and is to be dedicated and conveyed to the City and County. To accomplish this purpose, the Developer hereby reserves the right (but without obligation) (i) for itself, its successors in interest and assigns and (ii) for the Association (which right shall accrue to the Association upon the occurrence of an event that divests from the Developer, its successors in interest and assigns, all remaining ownership interests in the Project) to do all things necessary or convenient to withdraw Lot 3 from the condominium property regime established by this Declaration and to dedicate and convey Lot 3 to the City and County, without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee, lienholder, or any other person or entity whatsoever. Such right shall include (but shall not be limited to) the right to execute and record an amendment to this Declaration (and, if necessary or appropriate, the Bylaws and the Condominium Map) to reflect the withdrawal of Lot 3 from the condominium property regime and the effect of this Declaration, and to execute and deliver to the City and County a conveyance instrument, in form and content acceptable to the City and County,

transferring title to Lot 3 to the City and County or its designee, and to do all such other things as may be necessary or convenient to achieve such purpose.

11.2 **Rights Relating to Public Right-of-Way; Encroachments**. As disclosed in Exhibit "A", current Lot 2 is subject to an easement for a public right-of-way for pedestrians, containing an area of approximately 926 square feet (the "Pedestrian Easement"). Portions of the Land (including the Pedestrian Easement) are subject to various encroachments and other matters as more particularly described in Exhibit "A" and in that certain survey prepared by George A. Sumida dated March 6, 2003, revised March 25, 2003 (the "Encroachments"). The Developer has contacted the City and County and requested that the Pedestrian Easement be cancelled and deleted or that the Developer be permitted to grant a formal easement to the City and County with the reservation that the existing Encroachments may remain. To facilitate resolution of any and all issues that pertain to the Pedestrian Easement and/or the Encroachments, the Developer hereby reserves the right (but without obligation) (i) for itself, its successors in interest and assigns and (ii) for the Association (which right shall accrue to the Association upon the occurrence of an event that divests from the Developer, its successors in interest and assigns, all remaining ownership interests in the Project) to do all things necessary or convenient, together with the City and County, the Land Court and/or such other persons, entities or agencies whose cooperation may be required, to resolve all outstanding issues and matters pertaining to the Pedestrian Easement and/or the Encroachments, including, but not limited to, entering into formal easement agreements or such other agreements with the City and County on such terms as the City and County may require, without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee, lienholder, or any other person or entity whatsoever.

11.3 **Rights Relating to Emergency Exit; Utility Easement(s)**. A former owner of the Land obtained from the owner of an adjacent property, TMK (1) 2-1-010-004 (the "Verizon Property"), a Right of Entry Agreement dated August 30, 1993, for emergency exit purposes over a portion of the Verizon Property. The Developer is currently in the process of obtaining a formal easement over a portion of the Verizon Property for the same emergency exit purposes (the "Exit Easement"). Completion of the process to obtain the Exit Easement may require several actions by the Developer, including (but not limited to) submitting (or cooperating in the submission) to the Land Court of various petitions, grants and/or other documents to designate the Exit Easement and to cancel an existing pedestrian right of way and easement or space for light and air; to cancel an existing underground vault easement over Lot 1 (4 square feet) of the Land; and to grant to the current owner of the Verizon Property a new easement to be designated over new Lot 4 of the Land. To accomplish these purposes, the Developer hereby reserves the right (but without obligation) (i) for itself, its successors in interest and assigns and (ii) for the Association (which right shall accrue to the Association upon the occurrence of an event that divests from the Developer, its successors in interest and assigns, all remaining ownership interests in the Project) to do all things necessary or convenient, together with the owner of the Verizon Property, the Land Court and/or such other persons, entities or agencies whose cooperation may be required, to obtain the Exit Easement, to cancel the existing pedestrian right of way and easement or space for light and air, to cancel the existing underground vault easement over Lot 1, and (if required by the owner of the Verizon Property or

any successor owner) to designate and grant a new easement over new Lot 4, following consolidation and resubdivision of the Land, without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee, lienholder, or any other person or entity whatsoever.

11.4 **Rights Relating to Party Wall Agreement**. As more particularly described in Exhibit "A" attached hereto and made a part hereof, current Lot 2 of the Land is subject to a party wall agreement (the "Party Wall Agreement") covering an area of approximately 23 square feet, more or less. The party wall described in the Party Wall Agreement no longer exists. The Developer has prepared and submitted to the current owner of the Verizon Property a document intended to cancel the Party Wall Agreement. To accomplish this purpose, the Developer hereby reserves the right (but without obligation) (i) for itself, its successors in interest and assigns and (ii) for the Association (which right shall accrue to the Association upon the occurrence of an event that divests from the Developer, its successors in interest and assigns, all remaining ownership interests in the Project) to do all things necessary or convenient, together with the owner of the Verizon Property, the Land Court and/or such other persons, entities or agencies whose cooperation may be required, to cancel and terminate the Party Wall Agreement without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee, lienholder, or any other person or entity whatsoever.

11.5 **Amendment of Documents; Authority of Board**. Each of the rights reserved in this section 11 includes the right to execute and cause to be recorded in the Land Court any and all legal documents and other instruments required by law to accomplish the tasks for which such rights are reserved, including (but not limited to) one or more amendments to this Declaration, the Bylaws and/or the Condominium Map as may be necessary to reflect changes to the Project or the Land caused by or otherwise related to the exercise of the rights reserved in this section 11. Any such instrument or amendment need only be signed by the person or entity that is entitled under the foregoing subsections to exercise such rights, without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee, lienholder, or any other person or entity whatsoever. In the event that the Association is entitled to exercise and does exercise such rights, all actions required to be taken in connection therewith shall be taken by the Board on behalf and in the name of the Association in accordance with a resolution to so act approved by a majority of the Board but without requiring any further approval by the members of the Association, and any and all instruments thereby required, including (but not limited to) any amendments of this Declaration, the Bylaws and/or the Condominium Map, shall be signed by such officer or officers of the Board as are authorized to sign such instruments by said resolution.

11.6 **Special Power of Attorney**. To the extent that the joinder or consent of the Owner of any Apartment shall be required to effect any of the changes contemplated by, caused by or arising in connection with the exercise of the rights reserved in this section 11, such joinder or consent may be executed and given by the party exercising such rights as the attorney-in-fact for, and in the name and stead and on behalf of, such Apartment Owner. Each Apartment Owner, by acquiring or accepting such Apartment, shall be required to (i) appoint the Developer

and/or the Association (or both) as such Owner's special attorney-in-fact as aforesaid for the limited purpose of accomplishing the purposes of this section 11, such appointment being coupled with an interest and being irrevocable, and (ii) agree that such Owner shall, promptly upon the Developer's or the Association's request and for no further consideration, execute, acknowledge and deliver to the Developer or the Association such instruments as the Developer or the Association may require to fulfill the intent and purpose of this section 11.