CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:
Developer CASTLE & COOKE HOMES HAWAII, INC.
Address 100 Kahelu Avenue, 2nd Floor, Mililani, Hawaii 96789
Project Name(*): ISLAND CLASSICS AT KAPANOE – PHASE I
Address: Mahelu Street, 'Anopili Street and Halepaku'i Street, Mililani, Hawaii 96789

Registration No. 5203

Effective date: October 13, 2003
Expiration date: November 13, 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.
___	**CONTINGENT FINAL:** **(green)**	The developer has legally created a condominium and has filed information with the Commission for this report which EXPIRES NINE (9) MONTHS after the above effective date. Contingent Final public reports may not be extended or renewed. [ ] No prior reports have been issued. [ ] This report supersedes all prior public reports.
___	**FINAL:** **(white)**	The developer has legally created a condominium and has filed complete information with the Commission. [ ] No prior reports have been issued. [ ] This report supersedes all prior public reports. [ ] This report must be read together with _____
___	**SUPPLEMENTARY:** **(pink)**	This report updates information contained in the: [ ] Preliminary Public Report dated: _____ [ ] Final Public Report dated: _____ [ ] Supplementary Public Report dated: _____
	And	[ ] Supersedes all prior public reports. [ ] Must be read together with _____ [ ] This report reactivates the _____ public report(s) which expired on _____

(*) Exactly as named in the Declaration

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

FORM: RECO-30 1297 / 0298 / 0800 / 0203

516773.2

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[X] Required and attached to this report [ ] 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:

SPECIAL ATTENTION:

The Developer has disclosed the following:

1. This is a CONDOMINIUM PROJECT, not a subdivision. The yard areas, consisting of the land appurtenant to and under the apartments, are designated as LIMITED COMMON ELEMENTS and are not legally subdivided lots. The lines on the Condominium Map bounding the designated yard areas should not be construed to be the property lines of legally subdivided lots.

2. The apartments in the Project have certain owner-occupancy requirements and certain restrictions on use and transfer after the purchase. Buyers of apartments in this Project should be aware of such restrictions in the Apartment Deed, which are more particularly described in Section 9 of Exhibit I (Summary of Sales Agreement) of this Public Report and in the "Specimen Apartment Deed" filed at the Developer's Sales Office.

3. Except for "Permitted Transfers" (as defined in the Apartment Deed), Buyers may not "Transfer" (as defined in the Apartment Deed) the apartments during a certain specified period.

The prospective Buyer is cautioned to carefully review this Public Report and the documents filed at the Developer's Sales Office in connection with the Project for further information in connection with the foregoing.

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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: Castle & Cooke Homes Hawaii, Inc.
Name*
100 Kahelu Avenue, 2nd Floor
Business Address
Mililani, Hawaii 96789

Phone: (808) 548-4811
(Business)

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):
See Page 5a

Real Estate Broker*: Castle & Cooke Homes Hawaii, Inc.
Name
100 Kahelu Avenue, 2nd Floor
Business Address
Mililani, Hawaii 96789

Phone: (808) 548-4811
(Business)

Escrow Title Guaranty Escrow Services, Inc.
Name
235 Queen Street, 1st Floor
Business Address
Honolulu, Hawaii 96813

Phone: (808) 521-0211
(Business)

General Contractor*: Castle & Cooke Homes Hawaii, Inc.
Name
100 Kahelu Avenue, 2nd Floor
Business Address
Mililani, Hawaii 96789

Phone: (808) 548-4811
(Business)

Condominium Managing Agent*: PWI Real Estate, Inc.
Name
95-390 Kuahelani Avenue
Business Address
Mililani, Hawaii 96789

Phone: (808) 623-2899
(Business)

Attorney for Developer: Goodsill Anderson Quinn & Stifel
(Gail O. Ayabe)
Name
1099 Alakea Street, 18th Floor
Business Address
Honolulu, Hawaii 96813

Phone: (808) 547-5600
(Business)

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

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

Harry A. Saunders	President
Edward C. Roohan	Executive Vice President
Richard K. Mirikitani	Senior Vice President and Secretary
Arnold C. Savrann	Senior Vice President
Melinda K. Beckner	Vice President and Assistant Secretary
Mary J. Garnett	Vice President and Assistant Secretary
Lynne Scott Safrit	Vice President and Assistant Secretary
Richard S. Toppe	Vice President and Assistant Secretary
Alan K. Arakawa	Vice President, Development and Construction
Bonnie E. Freitas	Vice President, Human Resources
Richard S. Wolff	Vice President
Rosalinda V. Oasay	Vice President and Assistant Treasurer
Jon Uchiyama	Vice President and Controller
Gary M.K. Wong	Assistant Treasurer
Richard R. Anzai	Assistant Controller

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

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

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

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

The Condominium Map for this condominium project is:

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

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

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

The Bylaws for this condominium are:

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

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

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

The House Rules for this condominium are:

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

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

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

	Minimum Set by Law	This Condominium	
Declaration (and Condo Map)	75%*	75%**	**The Developer's written consent also is required to amend any provision that gives the Developer any right or authority
Bylaws	65%	65%	
House Rules	---	Majority of the Board of Directors	

* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. Developer:

[ ] No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

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

The Developer may amend the Declaration, By-Laws and Condominium Map (a) at any time prior to the filing of the first apartment conveyance to a party not signatory to the Declaration; (b) to make any amendments required by law, by the Real Estate Commission of the State of Hawaii, by any title insurer issuing title insurance on the Project or any of the apartments, by any institutional lender lending funds on the security of the Project or any of the apartments, by any purchaser, insurer or guarantor of loans, including, for example, the Federal Housing Administration, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable it to purchase, insure or guarantee a loan made on the security of the Project or any of the apartments, or by any governmental agency; (c) to file the "as built" verified statement required by Section 514A-12, HRS; (d) to reflect alterations of the Project which the Developer is permitted to make pursuant to Paragraph 3 of Section R of the Declaration; (e) to reflect alterations of the Project which the Developer is permitted to make pursuant to Paragraph 4 of Section R of the Declaration; (f) to reflect alterations of the Project which the Developer is permitted to make pursuant to Paragraph 5 of Section R of the Declaration; (g) at any time to effect the changes provided in the Declaration of Merger of Condominium Phases referred to in Section S of the Declaration, including the right to merge the Project with one or more condominium projects located or to be located on lands (or a portion or portions thereof) in the vicinity of the Project site.

III. THE CONDOMINIUM PROJECT

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

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

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

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

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

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

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

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

For Sub-leaseholds:

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

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

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

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

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

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

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

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

[ ] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

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

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

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

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

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

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

B. **Underlying Land:**

Address: Mahelu Street, 'Anopili Street and Halepaku'i Street, Mililani, Hawaii

Tax Map Key (TMK): (1) 9-5-049-031

[ ] Address [X] TMK is expected to change because the land will be subdivided from other land in the vicinity of the Project.

Land Area: approx. 3.01* [ ] square feet [X] acre(s) Zoning: A-1

*The land of the Project presently is part of a larger lot, consisting of 87.590 acres, from which it will be subdivided into two separate lots with a total of approximately 3.01 acres.

Fee Owner: Castle & Cooke Homes Hawaii, Inc.
Name
100 Kahelu Avenue, 2nd Floor
Address
Mililani, Hawaii 96789

Lessor: N/A
Name

Address

C. **Buildings and Other Improvements:**

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

2. Number of Buildings: 29 Floors Per Building: 5 – one floor, 24 – two floors

   [ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

   [ ] Concrete [ ] Hollow Tile [X] Wood

   [X] Other galvanized light gauge steel, gypsum board, composition siding, asphalt shingles, glass and other allied construction materials

4. Uses Permitted by Zoning:

		No. of Apts.	Use Permitted By Zoning	
[X]	Residential	29	[X] Yes	[ ] No
[ ]	Commercial		[ ] Yes	[ ] No
[ ]	Mix Res/Comm		[ ] Yes	[ ] No
[ ]	Hotel		[ ] Yes	[ ] No
[ ]	Timeshare		[ ] Yes	[ ] No
[ ]	*Ohana*		[ ] Yes	[ ] No
[ ]	Industrial		[ ] Yes	[ ] No
[ ]	Agricultural		[ ] Yes	[ ] No
[ ]	Recreational		[ ] Yes	[ ] No
[ ]	Other		[ ] Yes	[ ] No

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

5. Special Use Restrictions:

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

[X] Pets: No animals allowed, except that dogs, cats and other household pets (as determined by the Board of Directors) in reasonable number and size (as determined by the Board of Directors) may be kept by owners and occupants.

[ ] Number of Occupants: _____

[X] Other: Ask to see "Rules & Regulations" (House Rules) regarding other possible restrictions. Also see owner-occupancy requirements noted on page 2 of this Report.

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 24 -1 in each 2-story building Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
See EXHIBIT A					

Total Number of Apartments: 29

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

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

Boundaries of Each Apartment:

SEE EXHIBIT B

Permitted Alterations to Apartments:

SEE EXHIBIT C

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

7. Parking Stalls:

Total Parking Stalls: 58

	Regular		Compact		Tandem		
	Covered	Open	Covered	Open	Covered	Open	TOTAL
Assigned (for each unit)							0
Guest							0
Unassigned							0
Extra for Purchase							0
Other:	58*						58
Total Covered & Open:	58		0		0		58

*Each apartment shall include a 2-car garage, containing two (2) regular size stalls.

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

[ ] Commercial parking garage permitted in condominium project.

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

8. *Recreational and Other Common Facilities:*

[X] There are no recreational or common facilities.

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

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

[ ] Other: _____

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

[X] There are no violations. [ ] Violations will not be cured.

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

Not Applicable

11. Conformance to Present Zoning Code

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

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

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

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

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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

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

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

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

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

[X] described in Exhibit 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/F.

[ ] 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 F.

[ ] 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 G describes the encumbrances against the title contained in the title report dated August 28, 2003, and issued by Title Guaranty of Hawaii, Incorporated.

Blanket Liens:

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

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

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

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

Type of Lien	Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed **Prior to Conveyance**
Mortgage lien(s) of Developers lender(s)	Buyer's interest is specifically made subject and subordinate to such liens.

F. **Construction Warranties:**

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

1. Building and Other Improvements:

   SEE SECTION 3 OF EXHIBIT H (DISCLOSURE ABSTRACT)

2. Appliances:

   SEE SECTION 3 OF EXHIBIT H (DISCLOSURE ABSTRACT)

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

The Developer estimates that construction of the Project will commence in February 2004 and will be completed in or before July 2004.

H. **Project Phases:**

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

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

The Developer, at its option, has the right, but not the obligation, to expand the Project by merging, either through an administrative merger or mergers or an ownership merger or mergers, the Project with one or more condominium projects located or to be located on lands (or a portion or portions thereof) in the vicinity of the Project site, and to amend the Declaration to provide for such merger or mergers without obtaining the approval, consent or joinder of any owner, mortgagee or purchaser of any apartment, all as set forth in that certain Declaration of Merger of Condominium Phases referred to in Section S of the Declaration.

IV. CONDOMINIUM MANAGEMENT

A. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial condominium managing agent for this project, named on page five (5) of this report, is:

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

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

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your apartment and the apartment may be sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

(Disclosure Abstract)
Exhibit ___H___ 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:

[X] None [ ] Electricity (___ Common Elements only ___ Common Elements & Apartments)

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

[ ] Water [ ] Sewer [ ] Television Cable

[ ] Other _____

V. MISCELLANEOUS

A. **Sales Documents Filed With the Real Estate Commission:**

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

[ ] Notice to Owner Occupants

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

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

[X] Other Disclosure of Real Property Condition Statement

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.

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

A) The Developer delivers to the buyer a copy of:
   1) Either the Contingent Final Public Report **OR** the Supplementary Public Report which has superseded the Contingent 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.

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

A) The Developer delivers to the buyer a copy of:
   1) Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission; **AND**
   2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;

B) The buyer is given an opportunity to read the report(s); **AND**

C) One of the following has occurred:
   1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
   2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
   3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

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

A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; **AND**

B) The buyer has not waived the right to rescind.

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

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

A) Condominium Public Reports issued by the developer which have been issued an effective date by the Hawaii Real Estate Commission.
B) Declaration of Condominium Property Regime, as amended.
C) Bylaws of the Association of Apartment Owners, as amended.
D) House Rules, if any.
E) Condominium Map, as amended.
F) Escrow Agreement.
G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
H) Other Mililani Town Covenants, Declaration of Merger of Condominium Phases

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. 0. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 5203 filed with the Real Estate Commission on October 1, 2003.

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

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

C. **Additional Information Not Covered Above**

1. MILILANI TOWN COVENANTS. The Declaration of Condominium Property Regime provides that all present and future apartment owners, tenants and occupants of apartments shall be bound by and subject to the provisions of that certain Declaration of Covenants, Conditions and Restrictions for Mililani Town dated April 19, 1968, filed in the Office of the Assistant Registrar of the Land Court of Hawaii as Document No. 441561, as amended by instrument dated May 22, 1968, filed in said Office as Document No. 445150, and as further amended from time to time (the "Mililani Town Covenants"). The Mililani Town Covenants provide, among other things, that each apartment owner, by virtue of being such an owner, shall be a member of the Mililani Town Association and shall pay assessments to the Mililani Town Association, as set forth in the Mililani Town Covenants.

2. REPAIR AND MAINTENANCE OF APARTMENTS AND COMMON ELEMENTS. The By-Laws provide that every apartment owner shall at his own expense at all times well and substantially repair, maintain, amend and keep his apartment, including without limitation all doors, sliding glass doors (if any), windows, window fixtures, and all internal installations within the apartment such as water, electricity, gas (if any), telephone, sanitation, lights, and all other fixtures and accessories belonging to such apartment, if any, and all foundations, walls, floors, ceilings and roofs of such apartment, with all necessary reparations and amendments whatsoever in good order and condition, except as otherwise provided by law or the Declaration, and shall be liable for all loss or damage whatsoever caused by his failure to perform any such work diligently, and in case of such failure after reasonable notice to perform shall reimburse to the Association promptly on demand all expenses incurred by it in performing any such work authorized by the Board of Directors or the Managing Agent.

   In addition, each apartment owner shall at his own expense at all times well and substantially repair, maintain, amend and keep (a) the limited common elements appurtenant to and reserved for the exclusive use of such owner's apartment, including, without limitation, the yard area appurtenant to and reserved for the exclusive use of such owner's apartment, in good order and condition, (b) the planter strip, if any, in front of such owner's apartment, in good order and condition, (c) the City and County Trees (as hereinafter defined), if any, in front of, adjacent to or within the yard area appurtenant to such owner's apartment, in accordance with the provisions regarding City and County Trees contained in the By-Laws, and (d) with respect to those owners of Shared Driveway Apartments, the Shared Driveway, jointly with the owner of the Shared Driveway Apartment whose appurtenant yard area contains a portion of the same Shared Driveway (as those terms are defined in the By-Laws) in good order and condition, and shall be liable for all loss or damage whatsoever caused by his failure to perform any such work, and in case of such owner's failure after reasonable notice to keep the limited common elements appurtenant to such owner's apartment as aforesaid, the Association (through the Board of Directors or the Managing Agent) shall have the right (but not the obligation) to perform any such work and the cost thereof shall be charged to such apartment owner as a special

assessment constituting a lien against his interest in his apartment which may be foreclosed by the Board or Managing Agent in the same manner as provided in the Condominium Property Act for unpaid common expenses.

Except as hereinabove expressly provided to the contrary, all maintenance, repairs and replacements to the common elements, whether located inside or outside of the apartments, shall be made by the Board and be charged to all the owners as a common expense or a limited common expense; provided, however, that any such maintenance, repair or replacement necessitated by the negligence, misuse or neglect of an apartment owner or occupant or any person under either of them, shall be charged to such apartment owner or the apartment owner of the apartment of such occupant, as a special assessment constituting a lien against his interest in his apartment which may be foreclosed by the Board or Managing Agent in the same manner as provided in the Condominium Property Act for unpaid common expenses.

3. LANDSCAPING OF YARD AREA. Each owner shall commence landscaping of the yard area assigned to his apartment, if any, within ninety (90) days after the closing of the purchase of the apartment and shall complete such landscaping within one (1) year after the closing of the purchase of the apartment (unless the yard area has already been completely landscaped). Before commencing any yard area landscaping, each owner shall submit to the Board of Directors a landscape plan (which shall include, without limitation, a proposed plant/tree list and hardscape plan) for the Board's review and written approval, which approval shall not be unreasonably withheld or delayed, and which approval shall be deemed to be granted if not denied in writing, within sixty (60) days of the Board's receipt thereof. The Board, in determining whether to grant or deny approval of a landscape plan, may consider any landscape requirements that apply to the Project, including, without limitation, those requirements contained in the Land Use Ordinance of the City and County of Honolulu. A limited warranty on the apartments has been or will be provided by or on behalf of the Developer, as described in Exhibits H and I attached hereto. Prior to commencing any yard area landscaping, apartment owners should review the terms of the limited warranty to ensure that the performance of such landscaping does not void or limit the limited warranty.

4. ADDITIONS AND ALTERATIONS TO APARTMENTS; WARRANTIES. Apartment owners may make certain additions and alterations to the apartments as described in Exhibit C attached hereto. A limited warranty on the apartments has been or will be provided by or on behalf of the Developer, as described in Exhibits H and I attached hereto. Prior to making any additions or alterations to their apartments, apartment owners should review the terms of the limited warranty to ensure that the performance of such additions or alterations to the apartments does not void or limit the limited warranty.

5. CITY AND COUNTY TREES.

a. One or more trees may have been planted within the public or governmental rights-of-way in front of or adjacent to the apartments within the Project (the "Street Trees"), and one or more trees may have been planted within one or more yard areas (the "Yard Trees"). The Street Trees and the Yard Trees (collectively, the "City and County Trees") are subject to regulation by the City and County of Honolulu.

b. Apartment owners shall use their best efforts to water, weed and fertilize the City and County Trees in front of or adjacent to their respective apartments or within the yard area appurtenant to their respective apartments in order to maintain and promote the growth and health of the City and County Trees.

c. Apartment owners shall not cut, prune, spray, replace, remove, transplant, injure or destroy any of the City and County Trees without the prior consent of the City and County of Honolulu.

d. Apartment owners shall comply with the City and County of Honolulu's rules relating to planting and maintaining street trees, as they may be amended from time to time (the "City and County Tree Rules"). Notwithstanding anything contained herein to the contrary, to the extent that the covenants contained in this paragraph conflict with the City and County Tree Rules, the City and County Tree Rules shall govern.

6. WATER SUPPLY AND OTHER ISSUES. With respect to any adverse conditions existing in the general neighborhood/area of the Project (such as pesticides, soil problems, water supply issues, irrigation, etc.), studies and reports have been conducted on behalf of the Developer and by Government agencies. Refer to the Developer's Sales Office for copies of such studies and reports and other materials that are within the Developer's possession. The Developer is unaware of any contaminants in the air, soil or water source of the Project in excess of maximum permissible levels as established by governmental agencies. The following also are noted:

a. Wells serving the Project are operated by the Board of Water Supply of the City and County of Honolulu (the "Board of Water Supply"). In certain cases, water treatment facilities may be used.

b. The Board of Water Supply administers tests to monitor water quality, the results of which typically are not given to the Developer. The Developer is, however, in possession of a Board of Water Supply water quality report dated May 31, 2001 that was sent by the Board of Water Supply to its customers in Mililani Mauka ("water quality report"). Test results contained in this water quality report did not reveal any contaminants in excess of Maximum Contaminant Levels, the level defined in the report as the highest level of a contaminant that is allowed in drinking water, or the Maximum Contaminant Level Goal, which is defined as the highest level of

contaminant in drinking water below which there is no known or expected risk to health. The water quality report further states that the water meets all Federal and State standards. Copies of this water quality report, which identifies the water source as Mililani Wells IV, and water quality data from the Board of Water Supply for Mililani Wells II, another well system that can sometimes provide water to homes in Mililani Mauka are available for review at the Developer's Sales Office.

c. Construction activities, processes (such as steel framing assembly), vehicles, and equipment incidental to construction will be present in the Project. Materials incidental to construction such as fuel, oil, grease, and maintenance of vehicles and equipment may be present.

d. The Project is located on property that was formerly used or was in the vicinity of property that was formerly used for agricultural purposes. Chemicals used in connection with the former agricultural use of the property may have come into contact with the soil.

e. On October 7, 1999, various individuals filed a Complaint against various defendants in the Circuit Court of the First Circuit, State of Hawaii (Civil No. 99-3757-10). On March 7, 2000, a First Amended Complaint was filed in this lawsuit. It is alleged in this lawsuit that chemicals used in connection with the planting, cultivation and harvesting of pineapple and sugar cane are present in the air, soil and water of Central Oahu and that plaintiffs have or are suffering harm as a result. To the Developer's knowledge, there has been no judicial determination that the allegations are true. Copies of the Complaint and First Amended Complaint in Civil No. 99-3757-10 are available for review at the Developer's Sales Office.

f. On September 27, 1999, the Board of Water Supply filed a Complaint against various defendants in the Circuit Court of the First Circuit, State of Hawaii (Civil No. 99-3618-09). In this lawsuit, the Board of Water Supply alleged, among other things, that it built and will continue to build facilities to remove chemicals used in connection with the growing of pineapple and other activities that have migrated into aquifers and groundwater sources. The Board of Water Supply sought, among other things, to recover expenses associated with the treatment or filtering of water. There were no allegations of unsafe drinking water and the complaint was not specifically directed at or limited to the water source for Mililani Mauka but instead addressed all groundwater sources in Central Oahu. Neither the Developer nor any Castle & Cooke, Inc. entity was a party to this lawsuit. The lawsuit has been settled. Information relating to the lawsuit is available for review at the Developer's Sales Office.

IN ADDITION TO THE FOREGOING:

This Project is being sold by the Developer rather than through an unrelated brokerage firm. Thus, no listing agreement exists. However, the Developer does possess an active Hawaii real estate broker's license, and all sales shall be conducted according to laws relevant to real estate brokerage, not as "owner sales".

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

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

CASTLE & COOKE HOMES HAWAII, INC.
Printed Name of Developer

By: _____ 9/23/03
Duly Authorized Signatory* Date

Alan Arakawa, Vice President
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, 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.

CONDOMINIUM PUBLIC REPORT ON
ISLAND CLASSICS AT KAPANOE – PHASE I

EXHIBIT A

APARTMENT DESCRIPTION

Apt. Type	Quantity	Bedroom/ Bath	Approx. Net Living Area in Sq. Ft.	Approx. Net Garage Area in Sq. Ft.	Approx. Net Entry Area in Sq. Ft.	Approx. Net Covered Lanai Area in Sq. Ft.
1A	2	3/2	1,413	400	28	93
1B	1	3/2	1,413	400	28	93
1BR	2	3/2	1,413	400	28	93
2A	2	3/2.5	1,459	382	25	99
2AR	1	3/2.5	1,459	382	25	99
2B	1	3/2.5	1,459	382	25	99
2BR	2	3/2.5	1,459	382	25	99
3A	2	3/2.5	1,702	387	65	66
3AR	1	3/2.5	1,702	387	65	66
3B	3	3/2.5	1,702	387	65	66
3BR	2	3/2.5	1,702	387	65	66
4A	2	3/2.5	1,882	557	24	96
4AR	2	3/2.5	1,882	557	24	96
4B	1	3/2.5	1,882	557	24	96
4BR	5	3/2.5	1,882	557	24	96

Total Apartments: 29

Initial purchasers of apartments within the Project have certain options to modify their floor plans in the manner described in Exhibit C attached hereto.

The approximate net living floor areas, approximate net garage floor areas, approximate net entry floor areas and approximate net covered lanai floor areas for all of the apartments in the Project are based upon the basic floor plans (without the options) for these apartment types. In the event that the apartments are built according to their optional floor plans, the approximate net living floor areas, approximate net garage floor areas, approximate net entry floor areas and approximate net covered lanai floor areas shall be as follows:

Option No.	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Garage Floor Area in Sq. Ft.	Approx. Net Entry Floor Area in Sq. Ft.	Approx. Net Covered Lanai Floor Area in Sq. Ft.
1-1	1413	400	28	93
2-1	1557	382	25	0
2-2	1722	382	25	99
2-3	1722	382	25	99
2-4	1459	382	25	99
2-5	1459	382	25	99
2-6	1557	382	25	100
3-1	1702	387	65	66
3-2	1702	387	65	66
3-3	1953	387	65	66
3-4	1953	387	65	66
3-5	1702	387	65	66
3-6	1768	387	65	0
3-7	1768	387	65	112
4-1	1882	557	24	96
4-2	2034	405	24	96
4-3	1882	557	24	192
4-4	1882	557	24	96
4-5	1882	557	24	96
4-6	1882	557	24	96
4-7	1882	557	24	96
4-8	1882	557	24	96

If more than one option is selected for a particular apartment, the approximate net living floor areas, approximate net garage floor areas, approximate net entry floor areas and approximate net covered lanai floor areas may vary from the information set forth in the foregoing table.

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

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

CONDOMINIUM PUBLIC REPORT ON
ISLAND CLASSICS AT KAPANOE – PHASE I

EXHIBIT B

BOUNDARIES OF EACH APARTMENT

Each apartment consists of the spaces within the underside of the concrete slabs, the outside of the roofs and the outer surfaces of the perimeter walls of the respective apartment, as shown on the Condominium Map. The respective apartments shall not be deemed to include any pipes, wires, vents, shafts, ducts, cables, conduits or other utility or service lines or enclosed spaces for wiring, pipes or air exhaust running through or otherwise located within such apartment which are utilized for or serve more than one apartment, all of which are deemed common elements as hereinafter provided. Each apartment shall be deemed to include the following:

(a) the perimeter walls, foundations, columns, girders, beams, floor slabs, footings, supports, stairways, roofs, skylights (if any), ceilings and floors located at the perimeter of or surrounding such apartment;

(b) the walls and partitions within the apartment;

(c) the windows, window frames, louvers, shutters (if any), doors and door frames along the perimeter of the apartment;

(d) the garage, entry and covered lanai as shown on the Condominium Map;

(e) all mechanical, electrical, heating, incinerating and refrigeration equipment originally installed and utilized for or serving only such apartment;

(f) any pipes, wires, vents, shafts, ducts, cables, conduits or other utility or service lines or enclosed spaces for wiring, pipes or air exhaust running through or otherwise located within such apartment, which are utilized for or serve only such apartment; and

(g) all of the fixtures and appliances originally installed therein.

CONDOMINIUM PUBLIC REPORT ON
ISLAND CLASSICS AT KAPANOE – PHASE I

EXHIBIT C

PERMITTED ALTERATIONS TO APARTMENTS

Except as otherwise provided in the Declaration or in the By-Laws, restoration, repair or replacement of the Project or of any building or other facility or construction of any additional building or structural alteration or addition to any structure, different in any material respect from said Condominium Map of the Project, shall be undertaken by the Association or any apartment owners only pursuant to an amendment of the Declaration, duly executed by or pursuant to the affirmative vote of seventy-five percent (75%) of the apartment owners and accompanied by the written consent of the holders of all liens affecting any of the apartments, and in accordance with all of the requirements of Paragraph 4 of Section I of the Declaration, and promptly upon completion of such restoration, replacement or construction, the Association shall duly file of record such amendment, together with a complete set of floor plans of the Project as so altered, certified as built by a registered architect or professional engineer; PROVIDED, HOWEVER, that notwithstanding any other provision in the Declaration to the contrary, the owner of an apartment may make any interior alterations within an apartment so long as such owner obtains written approval thereof, including approval of the apartment owner's plans therefor, by the holders of first mortgage liens affecting such apartment (if the lien holders require such approval), and by the appropriate agencies of the State of Hawaii and the City and County of Honolulu if such agencies so require, and such alterations may be undertaken without an amendment to the Declaration or filing of a complete set of floor plans of the Project as so altered; PROVIDED, FURTHER, HOWEVER, that notwithstanding any other provision in the Declaration to the contrary, the owner of an apartment may rebuild or restore the exterior of such owner's apartment or make any alterations or additions to the exterior of such owner's apartment within the yard area appurtenant to and for the exclusive use of such apartment or construct or alter one or more fences or walls within the yard area appurtenant to and for the exclusive use of such apartment so long as such rebuilding, restoration, alterations, additions or construction: (a) do not, in total at any time, increase the total area that the Original Apartment (as defined hereinbelow), covers on the yard area appurtenant to and for the exclusive use of such apartment (also known as the "building footprint") by more than 100 square feet; (b) do not, in total at any time, increase the total square footage of living area of the Original Apartment by more than 400 square feet; and (c) do not result in a total height of the apartment from finish grade to the highest point of the apartment, of more than 25 feet. The rebuilding, restoration, alterations, additions or construction of or to the exterior of an apartment or within a yard area permitted by the immediately preceding proviso shall require only the written approval thereof, including approval of

the apartment owner's plans therefor, by the holders of first mortgage liens affecting such apartment (if the lien holders require such approval), by the appropriate agencies of the State of Hawaii and the City and County of Honolulu if such agencies so require, and by the Board of Directors of the Association, and such alterations or additions may be undertaken without an amendment to the Declaration or filing of a complete set of floor plans of the Project as so altered. The Board shall not unreasonably withhold or delay its 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 by the Board in order to consider such request, whichever shall last occur. As used herein, the term "Original Apartment" shall mean and refer to the apartment as originally constructed by the Developer, including without limitation, the garage, the entry and the covered lanai as originally constructed by the Developer.

Notwithstanding any other provision in the Declaration to the contrary, prior to (a) the time that all apartments in the Project have been sold and recorded and (b) the filing by the Developer of the "as-built" verified statement (with plans, if applicable) required by Section 514A-12 of said Condominium Property Act (but in no event later than December 31, 2010), the Developer shall have the right to make alterations in the Project (and to amend the Declaration and the Condominium Map accordingly) without the approval, consent or joinder of any apartment owner, which change the configuration of, alter the number of rooms of, decrease or increase the size of, or change the location of any apartment (and the limited common elements appurtenant thereto) in the Project which is not sold and recorded; or to make other alterations in the Project (and to amend the Declaration and the Condominium Map accordingly) without the approval, consent or joinder of any apartment owner, which make minor changes in any apartment in the Project or the common elements which do not affect the physical location, design or size of any apartment which has been sold and recorded, including, without limitation, changes to the metes and bounds of the limited common elements; PROVIDED, HOWEVER, that any such changes shall be reflected in an amendment to the Declaration as provided in Paragraph 3 of Section T of the Declaration. As used herein the term "sold and recorded" shall mean and refer to the sale of apartments in the Project and the filing in the Office of the Assistant Registrar of the Land Court of the State of Hawaii of apartment conveyances transferring interests in the apartments from the Developer to parties not signatory to the Declaration.

Notwithstanding any other provision in the Declaration to the contrary, prior to the time that all apartments in the Project have been sold and recorded, the Developer shall have the right to make alterations in the Project (and to amend the Declaration, the By-Laws and the Condominium Map accordingly) without the approval, consent or joinder of any apartment owner, which consist of changing the apartment type of any of the apartments in the Project; PROVIDED, HOWEVER, that any such changes shall be reflected in an amendment to the Declaration as provided in Paragraph 4 of

Section T of the Declaration. As used herein the term "sold and recorded" shall mean and refer to the sale of apartments in the Project and the filing in the Office of the Assistant Registrar of the Land Court of the State of Hawaii of apartment conveyances transferring interests in the apartments from the Developer to parties not signatory to the Declaration.

Each Type 1A, Type 1B and Type 1BR apartment in the Project will be offered to initial purchasers with the following optional floor plan: (a) an optional floor plan which deletes the sliding doors in the family room and adds french doors in lieu thereof ("Option 1-1"). Each Type 2A, Type 2AR, Type 2B and Type 2BR apartment in the Project will be offered to initial purchasers with the following optional floor plans: (a) an optional floor plan which deletes the covered lanai and enlarges the family room ("Option 2-1"); (b) an optional floor plan which adds a bedroom on the second floor ("Option 2-2"); (c) an optional floor plan which adds a bonus room on the second floor ("Option 2-3"); (d) an optional floor plan which extends the slab that is part of the covered lanai ("Option 2-4"); (e) an optional floor plan which deletes the master bedroom closet and adds a walk-in closet in lieu thereof ("Option 2-5"); and (f) an optional floor plan which deletes the covered lanai and enlarges the family room, and adds a covered lanai ("Option 2-6"). Each Type 3A, Type 3AR, Type 3B and Type 3BR apartment in the Project will be offered to initial purchasers with the following optional floor plans: (a) an optional floor plan which extends the slab that is part of the covered lanai ("Option 3-1"); (b) an optional floor plan which deletes the family room on the second floor and adds a bedroom in lieu thereof ("Option 3-2"); (c) an optional floor plan which adds a bedroom on the second floor ("Option 3-3"); (d) an optional floor plan which adds a bonus room on the second floor ("Option 3-4"); (e) an optional floor plan which deletes the sliding doors in the family room on the first floor and adds french doors in lieu thereof ("Option 3-5"); (f) an optional floor plan which deletes the covered lanai and enlarges the family room on the first floor ("Option 3-6"); and (g) an optional floor plan which deletes the covered lanai and enlarges the family room on the first floor, and adds a covered lanai ("Option 3-7"). Each Type 4A, Type 4AR, Type 4B and Type 4BR apartment in the Project will be offered to initial purchasers with the following optional floor plans: (a) an optional floor plan which deletes the family room on the second floor and adds a bedroom in lieu thereof ("Option 4-1"); (b) an optional floor plan which deletes the flex space and adds a bedroom in lieu thereof ("Option 4-2"); (c) an optional floor plan which enlarges the covered lanai ("Option 4-3"); (d) an optional floor plan which adds an additional wall in the family room ("Option 4-4"); (e) an optional floor plan which deletes the sliding doors in the family room on the first floor and adds french doors in lieu thereof ("Option 4-5"); (f) an optional floor plan which deletes the powder room and adds a bathroom (with shower) in lieu thereof ("Option 4-6"); (g) an optional floor plan which adds a door to the flex space ("Option 4-7"); and (h) an optional floor plan which deletes a bedroom and enlarges the master bedroom ("Option 4-8"). The basic floor plan and the optional floor plans for each of these apartment types are shown or described on the Condominium Map. Notwithstanding any other provision in the Declaration to the contrary, prior to the time that all apartments in the Project have been

sold and recorded and construction of all of the apartments in the Project has been completed by the Developer, the Developer shall have the right to make alterations in the Project (and to amend the Declaration, the By Laws and the Condominium Map accordingly) without the approval, consent or joinder of any apartment owner, to construct or modify each apartment in accordance with the respective optional floor plans shown or described on the Condominium Map; PROVIDED, HOWEVER, that any such changes shall be reflected in an amendment to the Declaration as provided in Paragraph 5 of Section T of the Declaration. As used herein the term "sold and recorded" shall mean and refer to the sale of Apartments in the Project and the filing in the Office of the Assistant Registrar of the Land Court of the State of Hawaii of apartment conveyances transferring interests in the apartments from the Developer to parties not signatory to the Declaration.

Notwithstanding any other provision in the Declaration to the contrary, prior to the time that all apartments in the Project have been sold and recorded and construction of all of the apartments in the Project has been completed by the Developer, the Developer shall have the right to make alterations in the Project (and to amend the Declaration, the By-Laws and the Condominium Map accordingly) without the approval, consent or joinder of any apartment owner, which consist of installing an uncovered lanai and/or a covered lanai within one or more yard areas; PROVIDED, HOWEVER, that any such changes shall be reflected in an amendment to the Declaration as provided in Paragraph 6 of Section T of the Declaration. As used herein the term "sold and recorded" shall mean and refer to the sale of apartments in the Project and the filing in the office of the Assistant Registrar of the Land Court of the State of Hawaii of apartment conveyances transferring interests in the apartments from the Developer to parties not signatory to the Declaration.

An apartment owner or occupant may install air-conditioning units in accordance with (a) air-conditioning guidelines prepared by the Project architect, Design Partners Incorporated (for which Board approval shall not be required) or (b) plans and specifications prepared by a licensed architect (if so required by the Board) that are submitted to and approved by the Board, all in accordance with all provisions of the Declaration.

No highly reflective finish, other than glass (which, however, may not be tinted or mirrored), shall be used on the exterior of any building in the Project; provided, however, that a gray film tint without visible purple tinge (as approved by the Board of Directors of the Association) and with an approved reflective value (as determined by the Board) may be installed by an apartment owner on the glass located along the perimeter of his apartment. If any bubbling or cracking shall occur, the apartment owner shall immediately remove the tint and may replace it in accordance with the foregoing provisions.

CONDOMINIUM PUBLIC REPORT ON
ISLAND CLASSICS AT KAPANOE – PHASE I

EXHIBIT D

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 in fee simple;

(b) All walkways, retaining walls (if any), fences (if any), gates (if any), yard areas (including the Shared Driveways, if any, located thereon, as shown on the Condominium Map), yards, grounds and landscaping;

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

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

(e) The limited common elements described in Exhibit E attached hereto.

CONDOMINIUM PUBLIC REPORT ON
ISLAND CLASSICS AT KAPANOE – PHASE I

EXHIBIT E

LIMITED COMMON ELEMENTS

(a) Each of the yard areas within the Project, consisting of the land appurtenant to and under the apartment located within the respective yard areas, designated on the Condominium Map as Yard Areas Y-103 to Y-131, inclusive, together with all walkways, retaining walls (if any), fences (if any), gates (if any), driveways, yards (if any), grounds, landscaping (if any), and refuse areas (if any), and that portion of a Shared Driveway, if any, located thereon, shall be a limited common element appurtenant to and reserved for the exclusive use of the apartment to which it is assigned, as set forth in Exhibit F attached hereto, subject, however, to the provisions of the Declaration and the By-Laws regarding the Shared Driveways, or portions thereof, if any, contained within such yard area;

(b) Any walkway, stairway, entrance, exit, or steps which would normally be used only for the purposes of ingress to and egress from a specific apartment or apartments shall be a limited common element appurtenant to and reserved for the exclusive use of such apartment or apartments;

(c) Any mailbox assigned to an apartment by the Developer or the Association of Apartment Owners of the Project shall be a limited common element appurtenant to and reserved for the exclusive use of such apartment.

CONDOMINIUM PUBLIC REPORT ON
ISLAND CLASSICS AT KAPANOE - PHASE I

EXHIBIT F

COMMON INTERESTS AND LIMITED COMMON ELEMENTS

Apt. No.	Apt. Type	Yard Area No.	Common Interest
103	4AR	Y-103	3.44827%
104	1B	Y-104	3.44827%
105	4B	Y-105	3.44827%
106	2BR	Y-106	3.44827%
107	2A	Y-107	3.44827%
108	4AR	Y-108	3.44827%
109	4BR	Y-109	3.44827%
110	3AR	Y-110	3.44827%
111	3B	Y-111	3.44827%
112	2B	Y-112	3.44827%
113	3A	Y-113	3.44827%
114	2AR	Y-114	3.44827%
115	1BR	Y-115	3.44828%
116	4BR	Y-116	3.44828%
117	4A	Y-117	3.44828%
118	1BR	Y-118	3.44828%
119	4BR	Y-119	3.44828%
120	1A	Y-120	3.44828%
121	2BR	Y-121	3.44828%
122	2A	Y-122	3.44828%
123	3B	Y-123	3.44828%
124	4BR	Y-124	3.44828%
125	3BR	Y-125	3.44828%
126	3A	Y-126	3.44828%
127	4BR	Y-127	3.44828%
128	3B	Y-128	3.44828%
129	1A	Y-129	3.44828%
130	4A	Y-130	3.44828%
131	3BR	Y-131	3.44828%

CONDOMINIUM PUBLIC REPORT ON
ISLAND CLASSICS AT KAPANOE - PHASE I

EXHIBIT G

ENCUMBRANCES AGAINST TITLE

1. For any real property taxes that may be due and owing, reference is made to the Office of the Tax Assessor of the City and County of Honolulu.

2. Grant dated January 25, 1965, filed as Document No. 356811, in favor of Hawaiian Electric Company, Inc., of a perpetual right and easement for utility purposes.

3. Grant dated June 7, 1963, filed as Document No. 310943, in favor of Hawaiian Electric Company, Limited, of a perpetual right and easement for utility purposes.

4. Grant dated April 1, 1997, filed as Document No. 2373856, in favor of GTE Hawaiian Telephone Company Incorporated, now known as Verizon Hawaii, Inc., of a perpetual right and easement for utility purposes.

5. Certificate and Authorization dated June 21, 1989, filed as Document No. 1645132. Said Certificate and Authorization was amended by instruments dated November 12, 1991, recorded as Document No. 96-162477; dated April 15, 1997, recorded as Document No. 97-057583; and dated July 18, 1997, recorded as Document No. 97-100983.

6. Declaration of Conditions dated July 30, 1992, filed as Document No. 1940080. Said Declaration was amended by instrument dated April 15, 1997, recorded as Document No. 97-057584.

7. Unilateral Agreement and Declaration for Conditional Zoning dated August 10, 1995, filed as Document No. 2254253.

8. Remainder of Easement 4825, as shown on Map 744, as set forth by Land Court Order No. 96223, filed December 18, 1989, for access and water purposes.

9. Grant dated April 10, 1991, filed as Document No. 1846563, in favor of the City & County of Honolulu, of a nonexclusive easement for access and water purposes over said Easement 4825.

10. Remainder of Easement 5474, as shown on Map 891 and 1073, as set forth by Land Court Order No. 116724, filed May 26, 1994, for access, water and drainage purposes.

11. Remainder of Easement 5475, as shown on Map 891 and 1073, as set forth by Land Court Order No. 116724, filed May 26, 1994, for access, water and drainage purposes.

12. Grant dated December 12, 2000, filed as Document No. 2672277, in favor of The Nature Conservancy, a District of Columbia non-profit corporation, of a perpetual, irrevocable easement for ingress and egress to and from a public road over and across Easements 5474 and 5475.

13. Designation of Easement 5645 as shown on Map 942, as set forth by Land Court Order No. 122311, filed October 27, 1995, for drainage, wall and slope purposes.

14. Designation of Easement 5646 as shown on Map 942, as set forth by Land Court Order No. 122311, filed October 27, 1995, for drainage, wall and slope purposes.

15. Designation of Easement 5647 as shown on Map 942, as set forth by Land Court Order No. 122311, filed October 27, 1995, for flowage purposes.

16. Designation of Easement 5648 as shown on Map 942, as set forth by Land Court Order No. 122311, filed October 27, 1995, for flowage purposes.

17. Designation of Easement 5948 as shown on Map 999, as set forth by Land Court Order No. 128558, filed August 6, 1997, for electrical purposes.

18. Designation of Easement 5949 as shown on Map 999, as set forth by Land Court Order No. 128558, filed August 6, 1997, for street light purposes.

19. Designation of Easement 6406 as shown on Map 1066, as set forth by Land Court Order No. 146003, filed May 22, 2002.

20. Designation of Easement 6407 as shown on Map 1066, as set forth by Land Court Order No. 146003, filed May 22, 2002.

21. Designation of Easement 6411 as shown on Map 1066, as set forth by Land Court Order No. 146003, filed May 22, 2002.

22. –As to Easements 5474 and 6407: - Rights of access over lands in favor of Ruth McLean Bowers, subject to relocation, as set forth by Land Court Order Nos. 146003 and 146364, filed May 22, 2002 and June 26, 2002.

23. Mortgage, Assignment of Leases and Rents, Security Agreement and Financing Statement dated September 19, 2000, filed as Document No. 2652425, and also recorded as Document No. 2000-132861, by and between Castle & Cooke Homes Hawaii, Inc., a Hawaii corporation, as Mortgagor, and Bankers Trust Company, a New York corporation, as administrative agent, as Mortgagee, as amended by instrument dated December 27, 2001, filed as Document No. 2767921 and also recorded as Document No. 2002-003137, as further amended by instrument dated March 25, 2003, filed as Document No. 2910515 and also recorded as Document No. 2003-060016. Said Mortgage was assigned to Wells Fargo Bank, N.A., a national association, as administrative agent, by instrument dated December 27, 2001, filed as Document No. 2767922 and also recorded as Document No. 2002-003138.

24. Financing Statement recorded as Document No. 2000-132862, as amended by Document No. 2002-003142. Said Financing Statement was assigned to Wells Fargo Bank, N.A., as administrative agent, by instrument recorded as Document No. 2002-003141.

25. Assignment of Leases and Rents dated September 19, 2000, recorded as Document No. 2000-139598, by and between Castle & Cooke Homes Hawaii, Inc., a Hawaii corporation, as Assignor, and Bankers Trust Company, a New York corporation, as administrative agent, as Assignee, as amended by instrument dated December 27, 2001, recorded as Document No. 2002-003139. Said Assignment of Leases and Rents was assigned to Wells Fargo Bank, N.A., a national association, as administrative agent, by instrument dated December 27, 2001, recorded as Document No. 2002-003140.

26. Designation of Easement 6494 as shown on Map 1086, as set forth by Land Court Order No. 151175, filed June 10, 2003, for water and access purposes.

27. Designation of Easement 6496 as shown on Map 1088, as set forth by Land Court Order No. 152135, filed August 8, 2003, for roadway purposes.

NOTE: The land of the Project presently is part of a larger lot from which it will be subdivided into a separate lot. The encumbrances listed in this Exhibit G affect the larger lot. Upon subdivision of the land of the Project from the larger lot, (a) the land of the Project may be subject to additional encumbrances against title not shown on this Exhibit G, and (b) certain encumbrances shown on this Exhibit G may not affect the land of the Project.

CONDOMINIUM PUBLIC REPORT ON
ISLAND CLASSICS AT KAPANOE - PHASE I

EXHIBIT H

DISCLOSURE ABSTRACT

1. (a) PROJECT: Island Classics at Kapanoe - Phase I
Mililani, Hawaii

(b) DEVELOPER: Castle & Cooke Homes Hawaii, Inc.
100 Kahelu Avenue, 2nd Floor
Mililani, Hawaii 96789
Telephone: (808) 548-4811

(c) MANAGING AGENT: PWI Real Estate, Inc.
95-390 Kuahelani Avenue
Mililani, Hawaii 96789
Telephone: (808) 623-2899

2. USE OF APARTMENTS:

(a) Number of Apartments in Project for Residential Use: 29

(b) Proposed Number of Apartments in Project for Hotel Use: -0-

(c) Extent of Commercial or Other Nonresidential Development in Project: None

3. WARRANTIES:

(a) Home Builder's Limited Warranty. Developer will provide a ten (10) year limited warranty covering "Construction Defects" relating to the Apartment. The terms and conditions of this limited warranty will be set forth in a Home Builder's Limited Warranty ("Limited Warranty Agreement") in the form attached to the Sales Agreement as Exhibit A as a specimen. The Limited Warranty Agreement defines the scope of "Construction Defects", will govern and control the terms of the limited warranty, and will supersede any and all other written or oral warranties, representations or promises as to the Apartment. All warranties with respect to the Apartment are contained in the Limited Warranty Agreement, and Developer provides no other warranties.

(b) Castle & Cooke Customer Care Program and Agreement. Developer will also provide additional services and repairs for the Apartment (over and above its warranty obligations under the Limited Warranty Agreement) on the terms and conditions set forth in the Castle & Cooke Customer Care Program and Agreement ("Customer Care Agreement") in the form attached to the Sales Agreement as Exhibit B as a specimen, which will be executed by Developer and buyer at closing. The Customer Care Agreement does not provide additional warranties to buyer. It does, however, specify certain items for which Developer will provide additional services and repair for specified periods up to one year after the "Commencement Date" referred to in the Customer Care Agreement.

(c) Homeowner's Guide Book. Developer will provide to buyer a Homeowner's Guide Book at or prior to closing. This is not a legal document, and does not confer any additional warranty or service and repair rights on buyer. It is for informational purposes and is intended to provide useful maintenance and care tips for the Apartment.

(d) Terms, Conditions, Limitations, Exceptions, Disclosures and Disclaimers. Buyer should refer to the Sales Agreement for more information about the Limited Warranty Agreement and the Customer Care Agreement. Buyer also should refer to the Limited Warranty Agreement and the Customer Care Agreement which each specify terms, conditions, limitations, exceptions, disclosures and disclaimers ("Conditions"), with respect to the warranties and additional services and repairs which they provide. Buyer's rights and Developer's obligations for such work are subject to such Conditions, and buyer must read and understand them.

4. BREAKDOWN OF ANNUAL MAINTENANCE CHARGES AND ESTIMATED COSTS FOR EACH APARTMENT:

Attached to this Disclosure Abstract as Exhibit "A" is a breakdown of the annual maintenance charges and the monthly estimated cost for each apartment in the Project, prepared by PWI Real Estate, Inc., a Hawaii corporation, for the one-year period commencing September 1, 2003, and certified to have been based on generally accepted accounting principles. The attached breakdown of annual maintenance charges and the estimated cost for each apartment are subject to change based on actual costs of the items listed. The Developer can make no assurances regarding the estimated maintenance assessments. Variables such as inflation, uninsured casualty loss or damage, increased or decreased services from those contemplated by the Developer, apartment owner delinquencies and other factors may cause the maintenance assessments to be greater or less than the estimated maintenance assessments. The breakdown of the estimated cost for each apartment contained in this Disclosure Abstract does not include the buyer's obligation for the payment of the Mililani Town Association initiation assessment of $100.00 or the Mililani Town Association dues (as of January 1, 2003, $63.00 per

quarter) or real property taxes, and does not include or otherwise take into account the one-time "start-up" fee required to be paid in addition to the normal maintenance charges. Estimates of the real property taxes will be provided by the Developer upon request.

NOTE: THE DEVELOPER ADVISES THAT COSTS AND EXPENSES OF MAINTENANCE AND OPERATION OF A CONDOMINIUM PROJECT ARE VERY DIFFICULT TO ESTIMATE INITIALLY AND EVEN IF SUCH MAINTENANCE CHARGES HAVE BEEN ACCURATELY ESTIMATED, SUCH CHARGES WILL TEND TO INCREASE IN AN INFLATIONARY ECONOMY AND AS THE IMPROVEMENTS AGE. MAINTENANCE CHARGES CAN VARY DEPENDING ON SERVICES DESIRED BY APARTMENT OWNERS. THE BUYER SHOULD EXAMINE THE MAINTENANCE CHARGE SCHEDULE TO SEE WHAT SERVICES ARE INCLUDED IN THE SCHEDULE.

5. TEMPORARY ASSUMPTION BY DEVELOPER OF ACTUAL COMMON EXPENSES:

The Developer will assume all the actual common expenses of the Project (and therefore an apartment owner will not be obligated for the payment of his respective share of the common expenses) until such time as the Developer files with the Real Estate Commission of the State of Hawaii an amended Disclosure Abstract which states that after a date certain, the respective apartment owner shall thereafter be obligated to pay for his respective share of common expenses that is allocated to his apartment; provided, however, that such amended Disclosure Abstract shall be filed at least 30 days in advance with the Real Estate Commission, with a copy thereof being delivered either by mail or personal delivery after the filing to each of the apartment owners whose maintenance expenses were assumed by the Developer. The Developer shall have no obligation to pay for any cash reserves or any other reserve amounts with respect to or attributable to the period during which the Developer assumes the actual common expenses of the Project.

6. MILILANI TOWN ASSOCIATION DUES:

Each apartment owner will be required to be a member of the Mililani Town Association. As such member, each apartment owner will be required to pay Mililani Town Association an initiation assessment of $100.00 and quarterly dues, which, as of January 1, 2003, are $63.00 per quarter.

CERTIFICATE

I, the undersigned, duly sworn on oath, depose and affirm as follows:

1. That I am the President of PWI Real Estate, Inc., a Hawaii corporation, designated by the Developer of the Island Classics at Kapanoe - Phase I condominium project (the "Project") to act as the Managing Agent for the management and administration of the Project.

2. That I hereby certify that the breakdown of the annual maintenance charges and the monthly estimated cost for each apartment in the Project, as set forth in Exhibit "A" attached hereto and hereby incorporated herein by reference, were determined pursuant to a reserve study conducted in accordance with Section 514A-83.6 of the Hawaii Revised Statutes and Chapter 107 of the Hawaii Administrative Rules, and are reasonable estimates for the one-year period commencing September 1, 2003, based on generally accepted accounting principles.

DATED: Honolulu, Hawaii, this 19th day of August, 2003.

PETER M. WARGO
President

Subscribed and sworn to before me
this 19th day of August, 2003.

Yolette C. Nishimoto

Typed or Printed Name: YOLETTE C. NISHIMOTO
Notary Public, State of Hawaii

My commission expires: 11-4-2003

EXHIBIT "A"

ISLAND CLASSICS AT KAPANOE - PHASE I

Estimated Annual Common Expenses

	MONTHLY	ANNUAL
Management		
Management fee	$110.00	$1,320.00
Administrative Expense	50.00	600.00
Coupons	8.00	100.00
Condo Registration Fee	6.00	75.00
Insurance		
Property/Fire	833.00	10,000.00
Liability	75.00	900.00
Umbrella	77.00	920.00
Fidelity/Bond	33.00	400.00
Directors & Officers	40.00	480.00
Taxes – General Excise	2.00	20.00
Audit & Accounting	15.00	175.00
Reserves	200.00	2,400.00
TOTAL DISBURSEMENTS	$1,449.00	$17,390.00

ESTIMATED MAINTENANCE CHARGES OR FEES FOR EACH APARTMENT:

The estimated monthly maintenance charge for each apartment is $50.00 per month.

CONDOMINIUM PUBLIC REPORT ON
ISLAND CLASSICS AT KAPANOE - PHASE I

EXHIBIT I

SUMMARY OF SALES AGREEMENT

A specimen Reservation and Sales Agreement, together with a specimen Addendum to Reservation and Sales Agreement Regarding Limited Warranty, Customer Care Program and Agreement and Homeowner's Guide Book, a specimen Option Selection Addendum to Reservation and Sales Agreement, and a specimen V.A. Addendum to Reservation and Sales Agreement [applicable only to buyers who are eligible and apply for Veterans' Administration guaranteed loans] (collectively the "Sales Agreement"), have been submitted to the Real Estate Commission and are available in the Sales Office of the Seller. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ THE SALES AGREEMENT, INCLUDING THE APPLICABLE ADDENDUM, IN FULL, since this summary is NOT A COMPLETE DESCRIPTION of their provisions. The Sales Agreement, among other things, covers in more detail the following items:

1. (a) Seller will provide a ten (10) year limited warranty covering "Construction Defects" relating to the Apartment. The terms and conditions of this limited warranty will be set forth in a Home Builder's Limited Warranty ("Limited Warranty Agreement") in the form attached to the Sales Agreement as Exhibit A as a specimen. The Limited Warranty Agreement defines the scope of "Construction Defects", will govern and control the terms of the limited warranty, and will supersede any and all other written or oral warranties, representations or promises as to the Apartment. All warranties with respect to the Apartment are contained in the Limited Warranty Agreement, and Seller provides no other warranties.

(b) Seller will also provide additional services and repairs for the Apartment (over and above its warranty obligations under the Limited Warranty Agreement) on the terms and conditions set forth in the Castle & Cooke Customer Care Program and Agreement ("Customer Care Agreement") in the form attached to the Sales Agreement as Exhibit B as a specimen, which will be executed by Seller and buyer at closing. The Customer Care Agreement does not provide additional warranties to buyer. It does, however, specify certain items for which Seller will provide additional services and repair for specified periods up to one year after the "Commencement Date" referred to in the Customer Care Agreement.

(c) Seller will provide to buyer a Homeowner's Guide Book at or prior to closing. This is not a legal document, and does not confer any additional

warranty or service and repair rights on buyer. It is for informational purposes and is intended to provide useful maintenance and care tips for the Apartment.

(d) Buyer should refer to the Sales Agreement for more information about the Limited Warranty Agreement and the Customer Care Agreement. Buyer also should refer to the Limited Warranty Agreement and the Customer Care Agreement which each specify terms, conditions, limitations, exceptions, disclosures and disclaimers ("Conditions"), with respect to the warranties and additional services and repairs which they provide. Buyer's rights and Seller's obligations for such work are subject to such Conditions, and buyer must read and understand them.

2. The Condominium Map for the Project is intended to show only the layout, location, apartment numbers and dimensions of the apartments in the Project. Buyer understands and acknowledges that items shown on the Condominium Map, including, without limitation, the metes and bounds or dimensions of the limited common elements, such as yard areas, may change due to filed changes and other factors, and Seller reserves the right to amend the Condominium Map, the Declaration and the other Project documents from time to time to reflect such changes. BUYER AGREES THAT THE CONDOMINIUM MAP IS NOT INTENDED TO BE AND IS NOT A WARRANTY OR PROMISE OF ANY KIND BY SELLER.

3. Buyer understands and agrees that (a) Seller's obligation to provide landscaping within the common elements of the Project will be deemed fully satisfied upon planting of the plant materials (which need not be in full coverage and maturity) and installation of the irrigation system pursuant to Seller's landscaping plans, as the same may be amended from time to time in Seller's sole discretion; (b) installation of the plant materials and irrigation system may be completed after the Closing Date; (c) full maturity of the plant materials will only be reached over an extended period of time and Seller is not responsible for providing landscaping maintenance to reach full coverage and maturity; and (d) the Association will be responsible for maintaining the landscaping after installation thereof, even if the landscaping has not reached full coverage or maturity. Notwithstanding anything contained herein to the contrary, buyer understands and agrees that buyer, and not Seller, shall be responsible for the landscaping of the yard area appurtenant to the Apartment which buyer is purchasing.

4. Seller may (but does not have to) cancel the Sales Agreement (a) if the buyer's mortgage loan application is rejected or not approved within 60 days after application, or (b) if the buyer plans to pay the purchase price in cash but Seller is not satisfied for any reason with the buyer's ability to make the cash payments.

5. BUYER AGREES THAT NO ONE (INCLUDING THE SELLER OR ANY SALESPERSON) HAS TALKED TO BUYER AT ALL ABOUT ANY RENTAL INCOME OR RENTAL OR SALES SERVICES FOR BUYER'S

APARTMENT. IF BUYER WANTS TO RENT OR SELL THE APARTMENT, HOW BUYER DOES IT WILL BE UP TO BUYER SUBJECT TO THE RESTRICTIONS CONTAINED IN THE SALES AGREEMENT. BUYER ALSO AGREES THAT NO ONE HAS TALKED TO BUYER AT ALL ABOUT INCOME FROM THE APARTMENT OR ANY OTHER ECONOMIC BENEFIT TO BE DERIVED FROM THE PURCHASE OR OWNERSHIP OF THE APARTMENT OR ABOUT THE TAX EFFECTS OF BUYING THE APARTMENT.

6. Buyer will pay for the following closing costs: all of the Escrow fee, all notary fees, all appraisal fees, all recording costs, all charges for buyer's credit report, all costs of preparing any mortgages and promissory notes, and all title insurance costs. Buyer will also pay all mortgage costs. Buyer will also pay a nonrefundable start-up fee which will be held and used by the Seller and the first Managing Agent of the Association to pay for certain initial common expenses of the Project such as insurance premiums and as a working capital fund for the benefit of all the apartment owners. Buyer agrees that Seller does not have to pay any start-up fee for any apartment in the Project if it is owned by Seller. Proration of maintenance charges and other common expenses, and real property taxes will be made as of the scheduled Closing Date.

7. The buyer agrees that buyer may not transfer the Sales Agreement or any of buyer's rights or interests under the Sales Agreement without first getting Seller's written consent (which Seller may withhold in its sole and absolute discretion).

8. That certain Declaration of Merger of Condominium Phases filed or to be filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii (hereinafter called the "Declaration of Merger"), among other things, gives Seller the right, in its sole and absolute discretion, to cause and effect an administrative merger or mergers of the Project with a condominium project or projects located or to be located on lands (or a portion or portions thereof) in the vicinity of the land of the Project, as part of the same incremental plan of development of the Project, such that the use of the respective common elements, the respective common expenses and the management of the respective affairs of the Project and the additional phases are shared, and the administration of the Project and the additional phases is unified under one association of apartment owners, but the ownership interests of the apartment owners in the Project and the additional phases are not altered or affected. The Declaration of Merger also gives the Seller the right, in its sole and absolute discretion, to cause and effect an ownership merger or mergers of the Project and the additional phases, as an alternative to an administrative merger or mergers of the Project and the additional phases, to provide for the common ownership of the Project and the additional phases by all of the apartment owners of the Project and the additional phases. Upon an ownership merger, all of the apartments in the merged phases shall be treated as though they were all included in a single condominium project (the "Merged Project"), all common elements of the merged phases will become the common elements of the Merged Project, and the common

interest appurtenant to the Apartment shall be altered from the percentage set forth in Article I of the Sales Agreement to a percentage as set forth in the "Certificate of Ownership Merger" filed by the Seller, in accordance with the Declaration of Merger. Nothing herein will be deemed to require Seller to develop the additional phases or to merge the additional phases into the Project, or to prohibit Seller from dealing with any lands adjacent to the Project not merged with the Project, including without limitation, developing all or any part of such lands for purposes inconsistent with the merger of such lands into the Project.

9. The transfer of the Property to buyer will be made subject to (and the Apartment Deed will so provide) the condition that the Property will be the buyer's primary residence for at least one (1) year after the recordation of the Apartment Deed (the "Occupancy Period"). The transfer of the apartment to buyer also will be made subject to (and the Apartment Deed will so provide) certain restrictions on transfer of the apartment during the Occupancy Period.

10. Seller has given to and/or may give to one or more lenders a mortgage or mortgages, security agreement or agreements, and other instruments securing repayment of loan(s) and covering Seller's ownership rights in the Project, including the individual apartments. All of the rights and interests which Seller gives to the lender or lenders will have priority over the buyers' rights and interests under the Sales Agreements. This applies to any changes to the loan or loans or the mortgage or mortgages, security agreement or agreements or other instruments (including, among other things, extensions, renewals and other changes). The buyers give up and subordinate the priority of their rights and interests under the Sales Agreements in favor of the rights and interests of Seller's lenders until the final closing and delivery of signed apartment deeds to the buyers. If Seller's lender or lenders ask the buyers to do so, the buyers will sign other documents to confirm the promises and agreements mentioned above.

11. Conditions Affecting the Property and Project. The buyer understands, acknowledges, covenants and agrees to the following:

(a) Military Effects. The Project is located within a few miles of Wheeler Army Airfield and Schofield Barracks (collectively, the "Base"). The military conducts training exercises on properties near Waikakalaua Gulch, including the East Range, which is adjacent to Mililani Mauka. Low flying aircraft and explosive and other related noise is created from these training exercises, which can occur at any time, including the late evenings, early morning hours and weekends. These activities may result in noise, dust, vibration, and other nuisances, disturbances or hazards (collectively, the "Military Effects") to persons and property on or within the Property or the Project;

(b) Agricultural Effects. The Project is located on and is near or adjacent to lands and easements used for or in connection with the cultivation of pineapple and diversified agricultural operations, which may include, but are not limited to, open burning, trucking, plowing, hauling, fertilizing, grading, storing, herbicide and pesticide spraying, crop dusting, water diversion, irrigation, and all other activities incidental to the planting, cultivating, harvesting and processing of crops, including night time activities, and the grazing and raising of livestock, poultry and other animals, which may from time to time cause surface water runoff, noise, soot, smoke, dust, light, heat, vapors, odors, chemicals, vibrations, insect pests, and other substances and phenomena of every description (collectively, the "Agricultural Effects") to be discharged, emitted, dispersed or transmitted over and upon the Property or the Project which may bother or be a nuisance to the buyer and any person occupying or using the Property, and the buyer also acknowledges that the Hawaii Right to Farm Act (Chapter 165 of the Hawaii Revised Statutes) and Hawaii law limit the circumstances under which farming operations may be deemed to be a nuisance;

(c) Utility Effects. The Property is or may be located adjacent to or in the vicinity of electric, water and other utilities and public roads and thoroughfares, including, without limitation, such things as electrical substations, high-powered electrical transmission lines, water pump stations, water tanks, reservoirs, freeways and exit ramps which may result in nuisances, such as noise and dust, disturbances or hazards (collectively, the "Utility Effects") to persons and to property on or within the Property. In recent years, concerns have been raised about possible adverse health effects of electric and magnetic fields from power lines. Seller is not insuring or guaranteeing the health of buyer or other occupants or users of the Property and disclaims liability for personal injury, illness or any other loss or damage caused by or arising from the Utility Effects including, without limitation, the presence or malfunction of any electrical distribution systems that may be located adjacent to, near, or over any part of the Property;

(d) Development Effects. (i) The Project is or may be located adjacent to or in the vicinity of other phases of Island Classics at Kapanoe, and various construction activities, including, but not limited to, ongoing residential and related construction, proposed construction of future residential subdivisions and roads, commercial and office buildings, land development activities, one or more recreational centers and facilities, churches, and other construction and development projects (collectively, the "Proposed Development"); (ii) construction of the Proposed Development will or may result in noise, dust, vibration and other nuisances, disturbances or hazards to buyer and to persons and property on or within the Property or the Project, and may limit buyer access to the Project; (iii) when completed, traffic, lights, noise, dust, vibration and other nuisances, disturbances or hazards to persons and property on or within the Property or the Project may be generated from the Proposed Development; (iv) no representations or warranties are made by Seller, its employees or

agents concerning plans, or the absence of plans, by Seller or others for future development of adjacent or nearby properties, and any plans for the future development of adjacent and nearby properties by Seller are subject to change in the sole and absolute discretion of the Seller or its successors and assigns; and (v) Seller makes no representations regarding the view from the Property or any view easements or rights, and the views from the Property are not guaranteed and may be altered, diminished, eliminated or blocked entirely by the future development of adjacent or surrounding properties (items (i) through (v) are hereinafter collectively called the "Development Effects");

(e) Mold Effects. Mold and other forms of fungi are common and occur naturally in Hawaii due to its climate. Any moisture, including but not limited to standing water, water intrusion in a home, or condensation will promote mold or other fungal growth. Lack of maintenance, utilization of an air-conditioner and other conditions which could increase moisture or condensation in a home, will therefore create conditions which are conducive to mold and fungi growth. It has been reported or alleged that molds and other fungi can cause mild to severe allergies, infections and other health problems and property damage (collectively, the "Mold Effects"). Seller is not insuring or guaranteeing the health of buyer or other occupiers or users of the Property and disclaims liability for personal injury, illness, property damage, or any other loss or damage caused by or arising from the Mold Effects; and

(f) Waiver, Release and Indemnity. Buyer represents and warrants to Seller that buyer, in buyer's sole discretion, has determined that the benefits of owning and enjoying the Property outweigh the risks of the Military Effects, the Agricultural Effects, the Utility Effects, the Development Effects and the Mold Effects (collectively, the "Property Conditions"). Buyer hereby irrevocably agrees to suffer and permit all actions and consequences incidental to the Military Effects, the Agricultural Effects, the Utility Effects and the Mold Effects. Buyer hereby irrevocably agrees to suffer and permit all actions and consequences incidental to the Development Effects, for a period of ten (10) years after the date of recordation of the Apartment Deed. Buyer hereby covenants and agrees to assume all risks of impairment of buyer's use and enjoyment of the Property or the Project, loss of market value of the Property, and property damage or personal injury arising from the Property Conditions, and buyer, for the buyer and the buyer's tenants, lessees, family, servants, guests, invitees, licensees, agents, employees, and those who use the Property through the buyer for an extended period of time (collectively, the "Occupants"), hereby waives any claims or rights of action or suits against Seller, its successors and assigns, the City and County of Honolulu, the State of Hawaii, and any agency or subdivision of the foregoing, arising from such impairment of the Occupants' use and enjoyment of the Property or the Project, loss of market value of the Property, and property damage or personal injury arising from one or more of the Property Conditions. Buyer shall indemnify, hold harmless and defend Seller, its successors and assigns, the City and County of Honolulu, the State of Hawaii,

and any agency or subdivision of the foregoing, from any and all liability, claims, losses, damages, or expenses, including attorneys' fees, arising from such impairment of the Occupants' use and enjoyment of the Property or the Project, loss of market value of the Property, or property damage or personal injury to the property or person of the Occupants as a result of one or more of the Property Conditions. Buyer further covenants that buyer will notify all Occupants and transferees of the Property of the risks of the Property Conditions.

12. If buyer fails to make any payment when it is due or fails to keep any of buyer's other promises or agreements contained in the Sales Agreement, then Seller will have the right, at Seller's sole option and in addition to any other rights contained in the Sales Agreement, to do any one or more of the following:

(a) Seller may cancel the Sales Agreement by giving buyer written notice of cancellation and Seller may keep all sums paid by buyer under the Sales Agreement as "liquidated damages" (i.e., the amount agreed to by buyer and Seller as properly payable in settlement for breach of contract), and not as a penalty. Without limiting the generality of the foregoing, buyer understands and acknowledges that if buyer defaults under the Sales Agreement after it has become a binding contract (as described in Article V, Section E.1 of the Sales Agreement), Seller may keep the Option Deposit (as defined in the Sales Agreement) in addition to all other sums paid by buyer under the Sales Agreement. If Seller cancels the Sales Agreement, buyer agrees that it will be difficult and expensive to determine the amount of loss or damage Seller will suffer. This is because of, among other things, Seller's commitments relating to the financing of the Project, the effect of default and cancellation of one sale on other apartment sales, and the nature of the real estate market in Hawaii. Buyer agrees that the sums paid by buyer under the Sales Agreement are a reasonable estimate of a fair payment to Seller for Seller's loss or damage resulting from buyer's default.

(b) Seller may file a lawsuit for damages.

(c) Seller may file a lawsuit for "specific performance" (in other words, a lawsuit to make buyer keep all of buyer's promises and agreements).

(d) Seller may take advantage of any other rights which the law allows or which Seller may have under the Sales Agreement.

Buyer also agrees to pay for all costs, including Seller's reasonable lawyers' fees (for both in-house and outside counsel) and the escrow cancellation fee, which are incurred because of buyer's default.

13. If Seller fails to keep any of Seller's promises or agreements contained in this Agreement, Buyer, if not in default hereunder, may file a lawsuit for specific performance to require Seller to go through with this Agreement or Buyer may

exercise any other remedy to which Buyer is entitled to at law or equity, including cancel this Agreement, if applicable. If Buyer cancels this Agreement because of Seller's default, Seller will repay to Buyer all sums paid by Buyer to Seller or Escrow under this Agreement, without interest.

14. (a) If Closing occurs and any dispute or claim arises out of the Sales Agreement or in any way is connected with the design, development, construction, sale, marketing, financing, warranties, or any other activity or matter relating to the Property, between buyer and Seller (a "Dispute"), and the parties to such Dispute are unable to resolve the Dispute through negotiation, buyer and Seller each agree first to attempt in good faith to settle such Dispute by non-binding mediation conducted in Honolulu, Hawaii. The mediation shall be conducted under the Commercial Mediation Rules of the American Arbitration Association ("AAA") except as may be inconsistent with this section; provided, however, that the parties may agree on the selection of a single mediator instead of having a mediator appointed by AAA, and the parties may agree to use a recognized mediation service other than AAA. The costs for the mediator shall be shared equally by the parties, and each party shall be responsible to pay all other fees and costs, including attorneys' fees, that it incurs in connection with the mediation. At Seller's option, the mediation shall include any of Seller's agents, architects, consultants, engineers, contractors, subcontractors, suppliers, representatives or other third parties (the "Other ADR Parties") as parties. Either party may notify the other party in writing of its request to commence mediation. Prior to the commencement of mediation, buyer agrees to provide Seller, the Other ADR Parties and their consultants with reasonable access to those portions of the Property that are the subject of the Dispute. The parties may agree on the date of commencement of the mediation; provided, however, that (1) if the parties are unable to agree on the date of commencement of the mediation and the mediation does not include Other ADR Parties, then the mediation shall commence within thirty (30) calendar days after either party's written request to commence mediation or as soon thereafter as permitted by the mediator's schedule, or (2) if the parties are unable to agree on the date of commencement of the mediation and the mediation does include Other ADR Parties, then the mediation shall commence within sixty (60) calendar days after either party's written request to commence mediation or as soon thereafter as permitted by the mediator's schedule.

(b) If Closing occurs and the parties are unable to resolve the Dispute through mediation as provided in the preceding section, then such Dispute shall be decided by arbitration in Honolulu, Hawaii. The parties agree that one arbitrator shall be appointed to hear and resolve the Dispute in accordance with the Commercial Arbitration Rules of the AAA (the "AAA Arbitration Rules"), except as may be inconsistent with this section, and Chapter 658A of the Hawaii Revised Statutes, as amended, or its successor ("Chapter 658A"); provided, however that the parties may agree on the selection of a single arbitrator instead of having an arbitrator appointed by AAA, and the parties may agree to use a recognized arbitration service other than AAA.

At Seller's option, the arbitration shall include any of the Other ADR Parties as parties. The parties further agree that the award of the arbitrator shall be binding upon the parties and that judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction. Notwithstanding anything herein, in the AAA Arbitration Rules or in the rules of any other arbitration service used for the arbitration (the "Other Rules") and/or in Chapter 658A to the contrary, the costs for the arbitrator shall be shared equally by the parties, and each party shall be responsible to pay all other fees and costs, including attorneys' fees, that it incurs in connection with the arbitration. Notwithstanding anything herein, in the AAA Arbitration Rules, in the Other Rules and/or in Chapter 658A to the contrary, the parties hereby waive, and agree not to pursue, any claims against each other for punitive or exemplary damages, attorneys' fees or costs, witness fees or costs or other expenses arising in connection with the arbitration of any such Dispute, and the arbitrator shall not include any such punitive or exemplary damages, attorneys' fees or costs, witness fees or costs or other expenses as part of the award.

NOTE: ALL BUYERS SHOULD READ THE SALES AGREEMENT IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE SALES AGREEMENT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE SALES AGREEMENT, AND DOES NOT ALTER OR AMEND THE SALES AGREEMENT IN ANY MANNER.

CONDOMINIUM PUBLIC REPORT ON
ISLAND CLASSICS AT KAPANOE - PHASE I

EXHIBIT J

SUMMARY OF ESCROW AGREEMENT

Copies of the Escrow Agreement between the Seller and Title Guaranty Escrow Services, Inc. have been submitted to the Real Estate Commission and are available for inspection in the Sales Office of the Seller. The Escrow Agreement, among other things, covers in more detail the following items:

1. All monies received by Escrow under the Escrow Agreement will be deposited within a reasonable time of their receipt by Escrow and in reasonably convenient and practical sums in a special account or accounts with a federally insured bank or savings and loan association in Honolulu, Hawaii. The accounts must provide for interest at the prevailing interest rate, and all interest paid on the accounts will belong to Seller.

2. Disbursements from the buyer's escrow fund shall be made by Escrow in accordance with the respective sales contracts upon the direction of Seller.

3. An additional escrow fee shall be charged to the buyer for each mortgage obtained by the buyer if the buyer does not obtain a mortgage loan from a lender designated by Seller.

NOTE: ALL BUYERS AND PROSPECTIVE BUYERS SHOULD READ THE ESCROW AGREEMENT AND ALL AMENDMENTS IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE ESCROW AGREEMENT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE ESCROW AGREEMENT, AND DOES NOT ALTER OR AMEND THE ESCROW AGREEMENT IN ANY MANNER.