CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:
Developer Downtown Affordables LLC, a Hawaii limited liability company
Address 1099 Alakea St., Suite 2110, Honolulu, Hawaii 96813
Project Name(*): 215 NORTH KING ST
Address: 215 North King Street, Honolulu, Hawaii 96817

Registration No.5206

Effective date: April 14, 2005
Expiration date: May 14, 2006

Preparation of this Report:

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

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

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

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

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

Type of Report:

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

____ **CONTINGENT: FINAL) (green)** The developer has legally created the 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.

xx **FINAL: (white)** The developer has legally created a condominium and has filed complete information with the Commission.
[ ] No prior reports have been issued.
[xx] 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 Declaration
This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

Form: RECO-30 1297/ 0298/ 0800/0203/0104

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

Summary of Changes from Earlier Public Reports:

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

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

[X] Changes made are as follows:

1. The Project will have 1 additional regular parking space and 1 additional compact parking space on the second floor of the parking tower, for a total of 448 parking spaces.
2. The Project will have 1 additional elevator in the parking tower, for a total of 5 elevators.
3. Two additional storage areas have been added to the ground floor of the parking tower behind the refuse area, to be limited common elements for Commercial Apartment 2000 and Commercial Apartment 3000, respectively, as shown on the condominium map.
4. The fire control room on the ground floor of the residential tower has been relocated and a janitorial room has been added at the location of the former fire control room.
6. For Apartments ending on 01, 02, 10 and 11, on the 2nd through the 24th floors, the Approximate Net Living Floor Area increased by 3 square feet and the Approximate Net Lanai Floor Area decreased by 3 square feet; however, the Approximate Net Total Floor Area of such Apartments did not change.
7. Amendments to the Declaration and Condominium Map have now been filed in the Land Court of the State of Hawaii, and the House Rules have been amended.

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EXHIBIT A: DEVELOPER'S RIGHT TO AMEND CONDOMINIUM DOCUMENTS
EXHIBIT B: DESCRIPTION OF BUILDING
EXHIBIT C: SPECIAL USE RESTRICTIONS
EXHIBIT D: APARTMENT DESCRIPTIONS
EXHIBIT E: PERMITTED ALTERATIONS TO APARTMENTS
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EXHIBIT G: COMMON ELEMENTS, LIMITED COMMON ELEMENTS, COMMON INTEREST
EXHIBIT H: ENCUMBRANCES AGAINST TITLE
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EXHIBIT J: SCHEDULE OF ESTIMATED INITIAL MAINTENANCE FEES
EXHIBIT K: SUMMARY OF PERTINANT PROVISIONS OF THE SALES CONTRACT
EXHIBIT L: SUMMARY OF PERTINANT PROVISIONS OF THE ESCROW AGREEMENT
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EXHIBIT N: DEVELOPER'S STATEMENT OF METHOD OF COMPUTING COMMON INTEREST

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:	Downtown Affordables LLC Name* 1099 Alakea St., Suite 2110 Business Address Honolulu, Hawaii 96813	Phone:	1-800- 526-2028 (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):

Members:
- Marshall Realty, Inc., a Hawaii corporation (Marshall W. Hung, President/ Secretary/ Director; Robert A.H. Hung, V. President/Director; Yuko Hung, Treasurer/ Director)
- Ken Matsuura LLC, a Hawaii limited liability company (Kenneth T. Matsuura, Member)
- 428 LLC, a Hawaii limited liability company (Vito Galati, Member)

Real Estate Broker*:	Concepts Unlimited, Inc., dba Concepts Unlimited GMAC Real Estate Name 975 Kapiolani Boulevard Business Address Honolulu, Hawaii 96814	Phone:	(808) 593-1888 (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	Hawaiian Dredging Construction Company, Inc. Name 614 Kapahulu Avenue Business Address Honolulu, Hawaii 96815	Phone	(808) 735-3211 (Business)
Condominium Managing Agent	National Ind-Comm LLC Name P. O. Box 38078 Business Address Honolulu, Hawaii 96837-1078	Phone	(808) 539-9777 (Business)
Attorney for Developer	Cades Schutte, LLLP A Limited Liability Law Partnership Attn: Mark Hazlett/Grace Nihei Kido Suite 1100 1000 Bishop Street Honolulu, Hawaii 96813 Business Address	Phone	(808) 521-9200 (Business)

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

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

[ ] Proposed
[ ] Recorded Bureau of Conveyances: Document No. _____
Book_____ Page _____
[x] Filed - Land Court: Document No: 3147602

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

First Amendment and Restatement of Declaration of Condominium Property Regime of 215 North King St dated March 21, 2005, recorded as Land Court Document No. 3243470.

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

The Condominium Map for this condominium project is:

[ ] Proposed
[ ] Recorded - Bureau of Conveyances Condo Map No. _____
[x] Filed - Land Court Condo Map No. 1658

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

Amended Condominium Map No. 1658 filed with the First Amendment and Restatement of Declaration of Condominium Property Regime, dated March 21, 2005.

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

The Bylaws for this condominium are:

[ ] Proposed
[ ] Recorded - Bureau of Conveyances: Document No. _____
Book _____ Page _____
[x] Filed - Land Court: Document No. 3147603

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

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

The House Rules for this condominium are:

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

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

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

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

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

2. Developer:

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

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

See attached Exhibit "A"

III. THE CONDOMINIUM PROJECT

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

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

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

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

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

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

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

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

For Subleaseholds:

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

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

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

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specific 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: 215 North King Street
Honolulu, Hawaii 96817

Tax Map Key (TMK): (1) 1-5-008:001 &
(1) 1-5-008:011

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

Land Area: 93,447 [X] square feet [ ] acre(s)

Zoning: BMX-3 - Business Mixed Use (portion)/ Chinatown Special District (portion)

Fee Owner: Downtown Affordables LLC, a Hawaii limited liability company
Name
1099 Alakea St., Suite 2110
Honolulu, Hawaii 96813
Address

Lessor: N/A
Name
Address

C. **Building and Other Improvements:**

1. [x] New Building(s).
   [ ] Conversion of Existing Building(s) * With renovations
   [ ] Both New Building(s) and Conversion

2. Number of Buildings: 2 Floors Per Building: Residential Tower: 23
   Parking Structure: 7

   [x] Exhibit "B" contains further explanations.

3. Principal Construction Material:

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

   [x] Other: Masonry, Glass, Steel, Aluminum and appropriate trim.

4. Uses Permitted by Zoning:

	No. of Apts.	Use Permitted By Zoning	
[x] Residential	251	[x] Yes	[ ] No
[x] Commercial	3	[x] 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 pets allowed in any apartment or any other part of the project (restriction found in House Rules)

[x] Number of Occupants: See Exhibit C

[x] Other: See Exhibit C

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 5 Stairways: 4 Trash Chutes: 1

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
See Exhibit "D"					

Total Apartments: 254

***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 "D"

Permitted Alterations to Apartments:

See Exhibit "E"

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

7. Parking Stalls:

Total Parking Stalls: 448 physically located on the project (for further information see Exhibit "F")

	Regular[1]		Compact		Tandem		TOTAL
	Covered	Open	Covered	Open	Covered	Open	
Assigned (for each unit)	215	45	134	29			423
Guest	14		11				25
Unassigned							
Extra for Purchase[2]							
Other:							
Total:	229	45	145	29			
Total Covered & Open	274		174		0		448

Each apartment will have the exclusive use of at least 1 parking stall(s), subject to the common parking plan. See Exhibit F.
Buyers are encouraged to find out which stall(s) will be available for their use.

[x] Commercial parking garage permitted in condominium project.

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

8. Recreational and Other Common Facilities:

[ ] There are no recreational or common facilities.

[ ] Swimming pool* [ ] Storage Area [x] Recreation Area (Building)

[ ] Laundry Area [ ] Tennis Court [x] 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)

*To Developer's knowledge

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

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[1] Stalls designated as handicapped stalls are counted as regular stalls herein.

[2] The extra stalls for purchase are included in the stalls assigned to Apartment 103.

11. Conformance to Present Zoning Code:

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

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

See Exhibit "A"

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

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

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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

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

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

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

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

[x] described in Exhibit "G"

[ ] as follows:

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

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

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

[x] described in Exhibit "G"*

[ ] as follows:

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

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

[x] described in Exhibit "G", Exhibit "D" and Exhibit "N"

[ ] 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 "H" describes the encumbrances against the title contained in the title report dated March 16, 2005, 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 Developer's Lender(s)	The buyer's interest under a sales contract will be subject to the interest of the mortgagee under the mortgage. Exhibit "H" describes a mortgage and other security documents held by a mortgage lender. This means, among other things, that if the developer defaults under the mortgage, the lender may take over the project or cancel the sales contract and refund deposits remaining in escrow less escrow cancellation fees. Before an interest in an apartment is conveyed to a buyer, the apartment must be free from existing blanket mortgages. The lender must also release any other liens or security interests it holds from the apartment.

F. **Construction Warranties**:

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

1. Building and Other Improvements:

   See Exhibit "I"

2. Appliances:

   See Exhibit "I"

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

Construction began in July 2004.

The estimated completion date of the Project is December 2005.

H. **Project Phases:**

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

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

IV. CONDOMINIUM MANAGEMENT

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

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

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

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

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

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

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

Exhibit "J" contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. **Utility Charges for Apartments:**

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

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

[ ] Gas (_____Common Elements only _____Common Elements & Apartments)

[x] Water [x] Sewer [ ] Television Cable

[x] Other Telephone (Common Elements Only and not Resident Manager's Apartment) and Refuse Collection from the trash chute which is a common element.

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:

[x] Notice to Owner Occupants

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

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

[x] Other Project information package to be distributed to prospective owner-occupants.

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 monies 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 monies 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 _____

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. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules, Chapter 16-107 are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov
Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs
Website to access rules: www.hawaii.gov/dcca/har

This Public Report is part of Registration No. 5206 filed with the Real Estate Commission on October 3, 2003.

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

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

C. **Additional Information Not Covered Above:**

1. A portion of the Project is located within the Chinatown Special Design District ("CSDD") designated in accordance with county land use ordinance.

2. The Developer or its lender obtained certain reports on the property including an environmental site assessment, property inspection report, asbestos and lead paint assessment, and barrier identification study under the Americans with Disabilities Act. The reports are available for inspection at the sales office but contain disclaimers that prohibit anyone other than the developer or in some cases its lender from relying on the reports. They are therefore provided for informational purposes only. No representation is made as to their accuracy.

3. See Exhibit "M" for additional reserved rights of the Developer.

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.

DOWNTOWN AFFORDABLES LLC, a Hawaii limited liability company
Printed Name of Developer

By Marshall Realty, Inc., Its Member

By: _____ March 24, 2005
Duly Authorized Signatory* Date

Marshall Hung, President of Marshall Realty, Inc.
Printed Name & Title of Person Signing Above

By Ken Matsuura LLC, Its Member

By: _____ March 24, 2005
Duly Authorized Signatory* Date

Kenneth T. Matsuura, Member of Ken Matsuura LLC
Printed Name & Title of Person Signing Above

By 428 LLC, Its Member

By: _____ March 24, 2005
Duly Authorized Signatory* Date

Vito Galati, Member of 428 LLC
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 Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.

DEVELOPER'S RIGHTS TO AMEND THE CONDOMINIUM DOCUMENTS

1. Paragraph 21 of the Declaration, states in part:

"[A]t any time prior to the issuance of an effective date for the Final Public Report by the Real Estate Commission of the State of Hawaii, Declarant may amend this Declaration and the Bylaws in any manner and provided, further, that no amendment of the Declaration, the Bylaws, the House Rules or Condominium Map shall, without Declarant's prior written consent, limit, affect or impair the reserved rights of Declarant under this Declaration; provided further, however, that the written consent of eligible holders of first mortgages (as defined below) on apartments to which at least fifty-one percent (51%) of the common interests appurtenant to apartments subject to mortgages held by such eligible holders shall be required to materially amend any provision herein, or to add any material provisions hereto, which establish, provide for, govern or regulate any of the following in a manner materially different than provided herein: (a) voting; (b) assessments, assessment liens or subordination of such liens; (c) reserves for maintenance, repair and replacement of the common elements; (d) insurance or fidelity bonds; (e) reallocation of interests in or the right to use of the common elements and limited common elements; (f) responsibility for maintenance and repair of the several portions of the Project; (g) expansion or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project not otherwise provided for herein; (h) boundaries of any apartment; (i) the interests in the common elements or limited common elements; (j) convertibility of apartments into common elements or of common elements into apartments; (k) leasing of apartments; (1) imposition of any right of first refusal or similar restriction on the right of an apartment owner to sell, transfer or otherwise convey such apartment owner's apartment not otherwise provided for herein; (m) a decision to end professional management and adopt self-management; (n) restoration or repair of the Project in a manner other than that specified herein; and (o) any provisions that expressly benefit mortgage holders, insurers or guarantors. An "eligible holder of first mortgage" is defined in this paragraph 21 as a first mortgagee which has made a written request to the Association for timely written notice of proposed amendments to the condominium documents. Notwithstanding the foregoing and notwithstanding the sale and conveyance of any of the apartments, this Declaration (including the Bylaws and, when applicable, the Condominium Map) may be amended by Declarant (a) by filing the verified statement of a registered architect or professional engineer (with plans, if applicable) required by Section 514A-12 of the Act, certifying that the final plans theretofore recorded, or being recorded simultaneously with such statement, fully and accurately depict the layout, location, apartment numbers and dimensions of the apartments as built; or (b) to effect any change or amendment required by an administrative agency of any county, state or federal government or by any territory, possession, or foreign country or other foreign jurisdiction or a mortgagee of the fee or leasehold interests in the Land as a condition to governmental approvals, marketing the Project or making a loan to finance the construction and/or the sales of the Project."

2. Paragraph 10.f of the Declaration, provides:

"City and County of Honolulu ordinances and regulations ("**City Park Ordinance**") require that a portion of the Project land be maintained as a private park. Accordingly, a portion of the common element land area shown as "Private Park" on the Condominium Map, shall be developed and thereafter maintained at all times as a private park in accordance with the applicable provisions of the City Park Ordinance. Declarant reserves the right to amend the Private Park area on the Condominium Map as may be required by the City officials having jurisdiction thereof. As required by the City Park Ordinance, Declarant has recorded against title to the Property, a Declaration of Restrictive Covenants (Private Park) dated September 15, 2004, recorded in the Land Court as Document No. 3185960."

3. Paragraph 21.A of the Declaration, provides:

"Special Rights Reserved to the Declarant and/or the Association.

"a. Right to Subdivide, Withdraw and Dedicate Corner Rounding Lot to City. A portion of the Land is described in the Land Court records (and in Exhibit "A" attached hereto) as Lot 2-C-1 of Land Court Application 325. The City and County of Honolulu ("**City**") requires that an approximately 267 square foot portion (the "**Corner Rounding Lot**") of Lot 2-C-1 at the corner of North King Street and Iwilei Road as shown on the map attached hereto as Exhibit A-1, be subdivided, dedicated and conveyed to the City for corner rounding purposes. To accomplish this purpose, Declarant hereby reserves the right (but without obligation) (i) for itself, its successors in interest and assigns and (ii) for the Association (which right shall accrue to the Association upon the occurrence of an event that divests from the Declarant, its successors in interest and assigns, all remaining ownership interests in the Project) to do all things necessary or convenient, without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee, lienholder, or any other person or entity whatsoever, to: (A) complete the subdivision of Lot 2-C-1 into the Corner Rounding Lot and the remainder of Lot 2-C-1, and to cause such subdivision to be properly approved, recognized and documented by and in the Land Court; (B) withdraw the Corner Rounding Lot from the condominium property regime established by this Declaration; and (C) dedicate and convey the Corner Rounding Lot to the City. Such right shall include (but shall not be limited to) the right to execute and record an amendment to this Declaration (and, if necessary or appropriate, the Bylaws and the Condominium Map) to reflect the withdrawal of the Corner Rounding Lot from the condominium property regime and the effect of this Declaration, and to execute and deliver to the City a conveyance instrument, in form and content acceptable to the City, transferring title to the Corner Rounding Lot to the City or its designee, and to do all such other things as may be necessary or convenient to achieve such purpose.

"b. Rights Relating to Sewer Easement(s). Existing sewer lines are located on the Land at the approximate locations labeled "Easement S-1", "Easement S-2" and "Easement S-3" on the map attached hereto as Exhibit A-1. The City requires that sewer easements over the

existing sewer lines be designated and granted to the City. The process to grant such easements may require several actions by Declarant, including (but not limited to) submitting (or cooperating in the submission) to the City of a subdivision application to designate the sewer easements; application to the Land Court of various petitions, grants and/or other documents to designate the sewer easements; and to grant a sewer easement or easements to the City. To accomplish these purposes, Declarant hereby reserves the right (but without obligation) (i) for itself, its successors in interest and assigns and (ii) for the Association (which right shall accrue to the Association upon the occurrence of an event that divests from Declarant, its successors in interest and assigns, all remaining ownership interests in the Project) to do all things necessary or convenient, together with the City, the Land Court and/or such other persons, entities or agencies whose cooperation may be required, to designate and grant the sewer easements, without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee, lienholder, or any other person or entity whatsoever.

"c. Rights Relating to Pedestrian Access Easement. Declarant obtained from the City Department of Planning and Permitting, a Variance dated December 8, 2004 (the "**Sidewalk Variance**"), a copy of which is attached hereto as Exhibit "D", pursuant to which Declarant will install certain sidewalk improvements along the portion of the Property fronting North King Street, as well as onto North King Street which is owned by the City. The location of such sidewalk is approximately shown on the Condominium Map and also on Exhibit A-1 attached hereto at the approximate location labeled "Easement P". Declarant will also install a sprinkler system and landscaping between the edge of such sidewalk and the North King Street curb as approximately shown on the Condominium Map. All such improvements and the Project shall be subject to the terms and conditions of the Sidewalk Variance. Among other things, the Sidewalk Variance requires that a pedestrian easement in favor of the City be established for the public to access through the Property. The process to grant such easements may require several actions by Declarant, including (but not limited to) submitting to the City a subdivision application to designate the pedestrian easement; application to the Land Court of various petitions, grants and/or other documents to designate the pedestrian easement; and to grant a pedestrian easement to the City. To accomplish these purposes, Declarant hereby reserves the right (but without obligation) (i) for itself, its successors in interest and assigns and (ii) for the Association (which right shall accrue to the Association upon the occurrence of an event that divests from Declarant, its successors in interest and assigns, all remaining ownership interests in the Project) to do all things necessary or convenient, together with the City, the Land Court and/or such other persons, entities or agencies whose cooperation may be required, to designate and grant the pedestrian easement, without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee, lienholder, or any other person or entity whatsoever. As required by the Sidewalk Variance, the apartment owners, through the Association, shall be responsible for the maintenance and repair of the sidewalk and the landscaping in the City property ("**City Sidewalk Areas**"), in accordance with the terms and conditions of the Sidewalk Variance.

"d. Rights Relating to Variance for Fence and Lampposts. On March 10, 2005, Declarant's attorneys submitted an application to the City Department of Planning and Permitting, for a variance (the "**Fence Variance**"), from Land Use Ordinance (**"LUO"**) Section 21-3.120-2(b) ("Business mixed use district uses and development standards") and Table 21-3.4 ("Resort, Business and Business Mixed Use Districts Development Standards") to permit a perimeter boundary fence and lampposts to encroach into the 10-foot required yards. Declarant reserves the right (but without obligation) (i) for itself, its successors in interest and assigns and (ii) for the Association (which right shall accrue to the Association upon the occurrence of an event that divests from Declarant, its successors in interest and assigns, all remaining ownership interests in the Project) to do all things necessary or convenient, together with the City, the Land Court and/or such other persons, entities or agencies whose cooperation may be required, to continue to seek and obtain and thereafter comply with any conditions of any such Fence Variance that may be granted, and if such application should be denied, then to relocate the boundary fence and lampposts out of the 10-foot required yards, all without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee, lienholder, or any other person or entity whatsoever.

"e. Amendment of Documents; Authority of Board. Each of the rights reserved in this section 21.A includes the right to execute and cause to be recorded in the Land Court any and all legal documents and other instruments required by law to accomplish the tasks for which such rights are reserved, including (but not limited to) one or more amendments to this Declaration, the Bylaws and/or the Condominium Map as may be necessary to reflect changes to the Project or the Land caused by or otherwise related to the exercise of the rights reserved in this section 21.A. Any such instrument or amendment need only be signed by the person or entity that is entitled under the foregoing subsections to exercise such rights, without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee, lienholder, or any other person or entity whatsoever. In the event that the Association is entitled to exercise and does exercise such rights, all actions required to be taken in connection therewith shall be taken by the Board on behalf and in the name of the Association in accordance with a resolution to so act approved by a majority of the Board but without requiring any further approval by the members of the Association, and any and all instruments thereby required, including (but not limited to) any amendments of this Declaration, the Bylaws and/or the Condominium Map, shall be signed by such officer or officers of the Board as are authorized to sign such instruments by said resolution.

"f. Special Power of Attorney. To the extent that the joinder or consent of the Owner of any Apartment shall be required to effect any of the changes contemplated by, caused by or arising in connection with the exercise of the rights reserved in this section 21.A, such joinder or consent may be executed and given by the party exercising such rights as the attorney-in-fact for, and in the name and stead and on behalf of, such Apartment Owner. Each Apartment Owner, by acquiring or accepting such Apartment, shall be required to (i) appoint the Developer and/or the Association (or both) as such Owner's special attorney-in-fact as aforesaid for the limited purpose of accomplishing the purposes of this section 21.A, such appointment being coupled

with an interest and being irrevocable, and (ii) agree that such Owner shall, promptly upon the Developer's or the Association's request and for no further consideration, execute, acknowledge and deliver to the Developer or the Association such instruments as the Developer or the Association may require to fulfill the intent and purpose of this section 21.A."

4. Paragraph 16.a of the Sales Contract provides:

"(1) At any time prior to the conveyance of all of the apartments in the Project to persons other than Seller or any mortgagee of Seller, Seller reserves the right to modify the Project Documents as may be required by law, the Real Estate Commission, a title insurance company, an institutional mortgagee or any governmental agency and Buyer authorizes Seller to make and specifically approves all changes to said documents and the Project.

"(2) Seller reserves the right to amend or change the common interest appurtenant to, the limited common interest assigned to, the configuration of, the number of rooms of, the size of or the location of any apartment in the Project for which an apartment deed has not been recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii (the "Recording Office").

"(3) Seller reserves the right to require alterations of the Project (and to modify any of such Project Documents accordingly) to change the configuration of, to alter the number of rooms of, to decrease or increase the size of, or to change the location of any other apartment and/or parking area, and to make other minor changes in Buyer's Apartment, any of the other apartments, or the common elements.

"(4) Buyer acknowledges that the Project architect in his sole discretion may (i) make any changes he deems appropriate in the common elements of the Project (including without limitation the lobbies, the Project landscaping, the parking areas, whether such changes relate to financial or aesthetic considerations) and (ii) may increase or decrease the thickness of any foundation, wall, column or floor slab within or outside the Apartment resulting in the room dimensions becoming smaller or larger than those shown on the Condominium Map, or resulting in a building height or elevation different from those shown on the Condominium Map or stated in the Declaration. The Project architect may make changes necessary to correct any design errors or other shortcomings; and the Project architect may vary the type of window glass and install different types of glass throughout the Project to achieve the best combination of energy savings and aesthetics. Buyer hereby authorizes and specifically approves any such changes.

"(5) Seller reserves the right to deviate from the plans and specifications for the Project and to substitute materials of equal utility and service, without Buyer's consent or approval, subject, however, to the above provisions. Seller may increase or decrease the number of parking stalls.

"(6) Buyer hereby irrevocably appoints Seller Buyer's attorney-in-fact, coupled with an interest, to execute any documents reasonably necessary or convenient to implement the

foregoing provisions and any requirements which may be imposed by any governmental agency in connection with the Project.

"(7) Notwithstanding subparagraphs E.16.a(l), (2), (3) or (4) above, any such modification shall be subject to Buyer's right to rescind pursuant to paragraph E.17 herein and to Section 514A-63 of the Act."

DESCRIPTION OF BUILDINGS

1. a. Generally. The Project consists of two (2) buildings: a twenty-three (23) story residential tower (the "Residential Tower") containing two hundred fifty-one (251) residential apartments, and a seven (7) level parking structure (the "Parking Structure") containing a total of four hundred forty-eight (448) parking stalls and three (3) commercial apartments. The Residential Tower and the Parking Structure will be constructed primarily of reinforced concrete, masonry, glass, steel, aluminum and appropriate trim.

b. Residential Tower. The Residential Tower shall contain twenty-three (23) floors and a total of two hundred fifty-one (251) apartments. Ninety-one (91) of the apartments shall have two bedrooms and two bathrooms, forty-four (44) shall have two bedrooms and one bathroom, two (2) shall have one bedroom, one bathroom and one storage room, and one hundred fourteen (114) shall have one bedroom and one bathroom.

The first floor of the Residential Tower, designated as the Ground Floor on the Condominium Map, shall have a total of nine (9) apartments [three (3) two bedroom and two bathroom residential apartments; two (2) one bedroom, one bathroom and one storage room apartments; and four (4) one bedroom and one bathroom residential apartments], a gallery, a fire control room, a janitorial room, an enclosed lobby, a mailroom, a corridor, three (3) water heater closets, a mechanical room, an electrical room, an elevator lobby, three (3) elevator stops, two (2) stairways, and a trash collection room. Floors 2 through 23 shall each have a total of eleven (11) residential apartments [four (4) two bedroom and two bathroom apartments, two (2) two bedroom and one bathroom apartments, and five (5) one bedroom and one bathroom apartment], a corridor, an electrical room, three (3) water heater closets, an elevator lobby, three (3) elevator stops, a trash chute room, and two (2) stairways. The roof level includes a stairway and an elevator machinery room. The Residential Tower will not have a basement.

c. Parking Structure. The Parking Structure shall contain seven (7) floors, three (3) commercial apartments and a total of four hundred forty-eight (448) parking stalls [two hundred sixty-four (264) regular stalls, one hundred seventy-seven (177) compact stalls, and seven (7) handicapped stalls, six (6) of which shall be used as standard stalls until such time as an apartment owner presents proof of need for a handicapped stall and a stall is designated and marked accordingly, and one (1) of which on the ground level shall be designated and marked as a visitor handicapped stall] and eleven (11) bicycle storage areas. The Parking Structure shall contain seven (7) levels connected by sloping floors rising from the ground level to the seventh level as shown on the Condominium Map.

The first level of the Parking Structure, designated as the ground level on the Condominium Map, shall have three (3) commercial apartments, sixty-four (64) parking stalls [thirty-six (36) regular stalls, twenty-seven (27) compact stalls and one (1) handicapped stall], one (1) bicycle storage area, one (1) refuse area, three (3) storage areas, two (2) stairways, an elevator lobby, two (2) elevator stops, one (1) recreation room (with two adjoining toilet rooms),

a corridor, a security office, and a management office and worker's lounge. Level 2 of the Parking Structure shall have seventy-four (74) parking stalls [forty-four (44) regular stalls, twenty-nine (29) compact stalls, and one (1) handicapped stall], two (2) bicycle storage areas, two (2) stairways, an elevator lobby, and two (2) elevator stops. Levels 3 through 6 of the Parking Structure shall each have seventy-four (74) parking stalls [forty-four (44) regular stalls, twenty-nine (29) compact stalls, and one (1) handicapped stall], two (2) bicycle storage areas, two (2) stairways, an elevator lobby, and two (2) elevator stops. Level 6 of the Parking Structure shall have fourteen (14) parking stalls [nine (9) regular stalls, four (4) compact stalls, one (1) handicapped stall], one (1) stairwell, an elevator lobby and two (2) elevator stops. Stalls numbered 615 through 674 on the sixth level of the Parking Structure, and 701 through 714 on the seventh level of the Parking Structure, as shown on the Condominium Map, shall be uncovered stalls.

SPECIAL USE RESTRICTIONS

1. Number of Occupants. Except for any violation of occupancy limits imposed by any law or regulation, there will be not be minimum or maximum occupancy limits for the apartments in the Project. However, the maintenance fee for each two bedroom residential apartment and one bedroom residential apartment have been calculated based upon the assumption that a two bedroom apartment would be occupied by not more than five (5) persons and a one bedroom apartment would be occupied by not more than three (3) persons. For this reason, in the event a two bedroom apartment shall be occupied by more than five (5) persons or a one bedroom apartment shall be occupied by more than three (3) persons, the Association, through the Managing Agent, may charge an excess occupancy charge for such apartment by that amount which represents the increased expenses to the Project resulting from such additional occupants, which amount shall be calculated as follows:

> For a one bedroom apartment, the excess occupancy charge shall be the maintenance fee normally charged for a one bedroom apartment with one to three occupants, times the fraction in which the numerator is the number of occupants in the apartment minus three and the denominator is three.
>
> For a two bedroom apartment, the excess occupancy charge shall be the maintenance fee normally charged for a two bedroom apartment with one to five occupants, times the fraction in which the numerator is the number of occupants in the apartment minus five and the denominator is five.
>
> (For example, if the maintenance fee is $100 per month for Unit X, a one bedroom apartment, and there are four occupants in Unit X, the excess occupancy charge to Unit X will be $33.33 per month.)

These provisions are a part of the House Rules for the project and may be amended as necessary by the Board of Directors of the Association.

APARTMENT DESCRIPTION

1. Description of Apartments. There are hereby established in the Project a total of two hundred fifty-four (254) apartments, as shown on the Condominium Map. Each apartment is designated as a separate freehold estate. Each apartment consists of the spaces within the perimeter walls, floors and ceilings of the respective apartments as shown on the Condominium Map.

Each apartment is designated on the Condominium Map by an apartment number consisting of either a three or four digit number. Each apartment as so designated and identified by an apartment number is located in the Project as shown on the Condominium Map.

Each type 01, 02, 10 and 11 apartment shall have two bedrooms, two bathrooms (one bathroom with a shower, and one bathroom with a bathtub), a living room, a kitchen and a lanai.

Each type 03 and 09 apartment (except Apartment 103 and 109) shall have two bedrooms, one bathroom, a living room, a kitchen and a lanai.

Apartment 103 and 109 shall each have one bedroom, one bathroom, a storage room, a living room, a kitchen and a lanai.

Each type 04, 05, 06, 07 and 08 apartment shall have one bedroom, one bathroom, a living room, a kitchen and a lanai.

Each commercial apartment has one room and one toilet room.

Each apartment will have the number of rooms (exclusive of lanais), approximate net living floor area in square feet (exclusive of lanais), and approximate net lanai floor area in square feet, as set forth below.

The approximate net living floor areas set forth below are based on measurements taken from the undercoated or unfinished interior surface of all perimeter walls or, in the case of the commercial apartments, from imaginary vertical planes, as shown on the Condominium Map, except that no reduction has been made to account for interior walls, ducts, vents, shafts and the like located within the perimeter walls and/or vertical planes. All approximate net lanai floor areas set forth below are based on measurements taken from the inner surfaces of all perimeter walls and boundaries of the lanai areas. All floor areas set forth below are not exact but are approximations based on the floor plans of each type of apartment. All floor areas set forth below have also been rounded to the lowest full square foot where the approximation of such floor areas exceed a square foot by any fraction of a square foot. For these reasons, the measurements of the floor areas set forth below may not follow the designation of the limits of the apartments (the legally designated areas of the apartments) set forth below, and the floor

areas set forth below may be different from the actual floor areas of the apartments as constructed.

Each commercial apartment will be sold initially as unfinished and unfurnished loft space and without a boundary wall between the commercial apartments. The purchaser(s) of the commercial apartments will be responsible for constructing the boundary wall between the commercial apartments at the locations shown on the Condominium Map.

Each residential apartment will have immediate access to the walkways, corridors, stairways and/or elevators of the Residential Tower which lead to the lobby areas and other common areas of the Project. Each commercial apartment will have immediate access to the common areas of the Project.

Notwithstanding the floor areas set forth below and the manner in which such floor areas have been measured, the respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls or partitions, the foundations, columns, girders, beams, floor slabs, supports, roofs, and ceilings located within or at the perimeter of or surrounding such apartment, any pipes, vents, shafts, ducts, conduits or other utility or service lines or enclosed spaces for wiring, pipes, air exhaust or air conditioning running through or otherwise 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 all of the walls and partitions which are not load-bearing and which are within its perimeter walls, the inner decorated or finished surfaces of all walls, floors, roofs and ceilings, all glass windows, window frames, louvers (if any), shutters (if any), panels, doors and door frames along its perimeter, the lanais shown on the Condominium Map to the inner decorated or finished surfaces of the exterior perimeter walls of such lanais and to the exterior edge of the exterior railings or other boundaries of such lanais, and all of the fixtures and appliances (if any) originally installed therein.

*c = compact stalls

APARTMENT DESCRIPTION

RESIDENTIAL TOWER

FLOOR 1

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
102	2 BR/2 Bath	6	739	53	792	.00440	231, 249c
103	1 BR/ 1 storage/ 1 Bath	5	614	47	661	.00358	125, 126, 127, 128, 129, 142c, 143c, 144c, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156c, 157c, 158c, 159c, 160c, 161c, 162c, 163c, 164c, 201, 202, 203, 204, 205, 206, 207c, 208c, 209c, 210c, 212, 213c, 214, 215, 216c, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 237c, 238c, 239c, 240c, 241c, 242c, 243c, 244c, 245c, 246c, 247c, 248c, 273, 274c
105	1 BR/1 Bath	4	549	35	584	.00354	264c
106	1 BR/1 Bath	4	516	33	549	.00353	537c
107	1 BR/1 Bath	4	549	35	584	.00354	265c
108	1 BR/1 Bath	4	507	44	551	.00353	538c
109	1 BR/1 Bath/ 1 storage	5	614	47	661	.00358	266c

*c = compact stalls

110	2 BR/2 Bath	6	739	53	792	.00440	267c, 626
111	2 BR/2 Bath	6	739	53	792	.00440	268c, 627

FLOOR 2

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
201	2 BR/2 Bath	6	742	50	792	.00440	617, 712
202	2 BR/2 Bath	6	742	50	792	.00440	618, 713c
203	2 BR/1 Bath	5	686	47	733	.00408	619
204	1 BR/1 Bath	4	516	33	549	.00353	510c
205	1 BR/1 Bath	4	549	35	584	.00354	620
206	1 BR/1 Bath	4	516	33	549	.00353	513c
207	1 BR/1 Bath	4	549	35	584	.00354	621
208	1 BR/1 Bath	4	507	44	551	.00353	516c
209	2 BR/1 Bath	5	686	47	733	.00408	622
210	2 BR/2 Bath	6	742	50	792	.00440	623, 714
211	2 BR/2 Bath	6	742	50	792	.00440	624, 625

FLOOR 3

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
301	2 BR/2 Bath	6	742	50	792	.00440	603, 708c
302	2 BR/2 Bath	6	742	50	792	.00440	604, 709c
303	2 BR/1 Bath	5	686	47	733	.00408	605
304	1 BR/1 Bath	4	516	33	549	.00353	507c
305	1 BR/1 Bath	4	549	35	584	.00354	606
306	1 BR/1 Bath	4	516	33	549	.00353	508c
307	1 BR/1 Bath	4	549	35	584	.00354	611
308	1 BR/1 Bath	4	507	44	551	.00353	509c
309	2 BR/1 Bath	5	686	47	733	.00408	612
310	2 BR/2 Bath	6	742	50	792	.00440	614, 710c
311	2 BR/2 Bath	6	742	50	792	.00440	615, 711

*c = compact stalls

FLOOR 4

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
401	2 BR/2 Bath	6	742	50	792	.00440	560, 704
402	2 BR/2 Bath	6	742	50	792	.00440	561, 705
403	2 BR/1 Bath	5	686	47	733	.00408	562
404	1 BR/1 Bath	4	516	33	549	.00353	472c
405	1 BR/1 Bath	4	549	35	584	.00354	563
406	1 BR/1 Bath	4	516	33	549	.00353	473c
407	1 BR/1 Bath	4	549	35	584	.00354	564
408	1 BR/1 Bath	4	507	44	551	.00353	474c
409	2 BR/1 Bath	5	686	47	733	.00408	565
410	2 BR/2 Bath	6	742	50	792	.00440	601, 706
411	2 BR/2 Bath	6	742	50	792	.00440	602, 707c

FLOOR 5

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
501	2 BR/2 Bath	6	742	50	792	.00440	552, 674c
502	2 BR/2 Bath	6	742	50	792	.00440	553, 701
503	2 BR/1 Bath	5	686	47	733	.00408	554
504	1 BR/1 Bath	4	516	33	549	.00353	469c
505	1 BR/1 Bath	4	549	35	584	.00354	555c
506	1 BR/1 Bath	4	516	33	549	.00353	470c
507	1 BR/1 Bath	4	549	35	584	.00354	556
508	1 BR/1 Bath	4	507	44	551	.00353	471c
509	2 BR/1 Bath	5	686	47	733	.00408	557
510	2 BR/2 Bath	6	742	50	792	.00440	558, 702
511	2 BR/2 Bath	6	742	50	792	.00440	559, 703

*c = compact stalls

FLOOR 6

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
601	2 BR/2 Bath	6	742	50	792	.00440	531, 670c
602	2 BR/2 Bath	6	742	50	792	.00440	532, 671c
603	2 BR/1 Bath	5	686	47	733	.00408	533
604	1 BR/1 Bath	4	516	33	549	.00353	466c
605	1 BR/1 Bath	4	549	35	584	.00354	534
606	1 BR/1 Bath	4	516	33	549	.00353	467c
607	1 BR/1 Bath	4	549	35	584	.00354	535
608	1 BR/1 Bath	4	507	44	551	.00353	468c
609	2 BR/1 Bath	5	686	47	733	.00408	536
610	2 BR/2 Bath	6	742	50	792	.00440	550, 672c
611	2 BR/2 Bath	6	742	50	792	.00440	551, 673c

FLOOR 7

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
701	2 BR/2 Bath	6	742	50	792	.00440	523, 666c
702	2 BR/2 Bath	6	742	50	792	.00440	524, 667c
703	2 BR/1 Bath	5	686	47	733	.00408	525
704	1 BR/1 Bath	4	516	33	549	.00353	447c
705	1 BR/1 Bath	4	549	35	584	.00354	526
706	1 BR/1 Bath	4	516	33	549	.00353	448c
707	1 BR/1 Bath	4	549	35	584	.00354	527
708	1 BR/1 Bath	4	507	44	551	.00353	449c
709	2 BR/1 Bath	5	686	47	733	.00408	528
710	2 BR/2 Bath	6	742	50	792	.00440	529, 668c
711	2 BR/2 Bath	6	742	50	792	.00440	530, 669c

*c = compact stalls

FLOOR 8

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
801	2 BR/2 Bath	6	742	50	792	.00440	514, 662
802	2 BR/2 Bath	6	742	50	792	.00440	515, 663
803	2 BR/1 Bath	5	686	47	733	.00408	517
804	1 BR/1 Bath	4	516	33	549	.00353	444c
805	1 BR/1 Bath	4	549	35	584	.00354	518
806	1 BR/1 Bath	4	516	33	549	.00353	445c
807	1 BR/1 Bath	4	549	35	584	.00354	519
808	1 BR/1 Bath	4	507	44	551	.00353	446c
809	2 BR/1 Bath	5	686	47	733	.00408	520
810	2 BR/2 Bath	6	742	50	792	.00440	521, 664
811	2 BR/2 Bath	6	742	50	792	.00440	522, 665

FLOOR 9

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
901	2 BR/2 Bath	6	742	50	792	.00440	501, 658
902	2 BR/2 Bath	6	742	50	792	.00440	502, 659
903	2 BR/1 Bath	5	686	47	733	.00408	503
904	1 BR/1 Bath	4	516	33	549	.00353	441c
905	1 BR/1 Bath	4	549	35	584	.00354	504
906	1 BR/1 Bath	4	516	33	549	.00353	442c
907	1 BR/1 Bath	4	549	35	584	.00354	505
908	1 BR/1 Bath	4	507	44	551	.00353	443c
909	2 BR/1 Bath	5	686	47	733	.00408	506
910	2 BR/2 Bath	6	742	50	792	.00440	511, 660
911	2 BR/2 Bath	6	742	50	792	.00440	512, 661

*c = compact stalls

FLOOR 10

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
1001	2 BR/2 Bath	6	742	50	792	.00440	458, 654
1002	2 BR/2 Bath	6	742	50	792	.00440	459, 655c
1003	2 BR/1 Bath	5	686	47	733	.00408	460
1004	1 BR/1 Bath	4	516	33	549	.00353	438c
1005	1 BR/1 Bath	4	549	35	584	.00354	461
1006	1 BR/1 Bath	4	516	33	549	.00353	439c
1007	1 BR/1 Bath	4	549	35	584	.00354	462
1008	1 BR/1 Bath	4	507	44	551	.00353	440c
1009	2 BR/1 Bath	5	686	47	733	.00408	463
1010	2 BR/2 Bath	6	742	50	792	.00440	464, 656
1011	2 BR/2 Bath	6	742	50	792	.00440	465, 657

FLOOR 11

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
1101	2 BR/2 Bath	6	742	50	792	.00440	450, 650
1102	2 BR/2 Bath	6	742	50	792	.00440	451, 651
1103	2 BR/1 Bath	5	686	47	733	.00408	452
1104	1 BR/1 Bath	4	516	33	549	.00353	413c
1105	1 BR/1 Bath	4	549	35	584	.00354	453
1106	1 BR/1 Bath	4	516	33	549	.00353	416c
1107	1 BR/1 Bath	4	549	35	584	.00354	454
1108	1 BR/1 Bath	4	507	44	551	.00353	437c
1109	2 BR/1 Bath	5	686	47	733	.00408	455c
1110	2 BR/2 Bath	6	742	50	792	.00440	456, 652
1111	2 BR/2 Bath	6	742	50	792	.00440	457, 653

*c = compact stalls

FLOOR 12

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
1201	2 BR/2 Bath	6	742	50	792	.00440	429, 646c
1202	2 BR/2 Bath	6	742	50	792	.00440	430,647c
1203	2 BR/1 Bath	5	686	47	733	.00408	431
1204	1 BR/1 Bath	4	516	33	549	.00353	408c
1205	1 BR/1 Bath	4	549	35	584	.00354	432
1206	1 BR/1 Bath	4	516	33	549	.00353	409c
1207	1 BR/1 Bath	4	549	35	584	.00354	433
1208	1 BR/1 Bath	4	507	44	551	.00353	410c
1209	2 BR/1 Bath	5	686	47	733	.00408	434
1210	2 BR/2 Bath	6	742	50	792	.00440	435, 648c
1211	2 BR/2 Bath	6	742	50	792	.00440	436, 649c

FLOOR 14

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
1401	2 BR/2 Bath	6	742	50	792	.00440	421, 642c
1402	2 BR/2 Bath	6	742	50	792	.00440	422, 643c
1403	2 BR/1 Bath	5	686	47	733	.00408	423
1404	1 BR/1 Bath	4	516	33	549	.00353	373c
1405	1 BR/1 Bath	4	549	35	584	.00354	424
1406	1 BR/1 Bath	4	516	33	549	.00353	374c
1407	1 BR/1 Bath	4	549	35	584	.00354	425
1408	1 BR/1 Bath	4	507	44	551	.00353	407c
1409	2 BR/1 Bath	5	686	47	733	.00408	426
1410	2 BR/2 Bath	6	742	50	792	.00440	427, 644c
1411	2 BR/2 Bath	6	742	50	792	.00440	428, 645c

*c = compact stalls

FLOOR 15

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
1501	2 BR/2 Bath	6	742	50	792	.00440	411, 638c
1502	2 BR/2 Bath	6	742	50	792	.00440	412, 639c
1503	2 BR/1 Bath	5	686	47	733	.00408	414
1504	1 BR/1 Bath	4	516	33	549	.00353	370c
1505	1 BR/1 Bath	4	549	35	584	.00354	415
1506	1 BR/1 Bath	4	516	33	549	.00353	371c
1507	1 BR/1 Bath	4	549	35	584	.00354	417
1508	1 BR/1 Bath	4	507	44	551	.00353	372c
1509	2 BR/1 Bath	5	686	47	733	.00408	418
1510	2 BR/2 Bath	6	742	50	792	.00440	419, 640c
1511	2 BR/2 Bath	6	742	50	792	.00440	420, 641c

FLOOR 16

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
1601	2 BR/2 Bath	6	742	50	792	.00440	364, 634
1602	2 BR/2 Bath	6	742	50	792	.00440	365, 635
1603	2 BR/1 Bath	5	686	47	733	.00408	401
1604	1 BR/1 Bath	4	516	33	549	.00353	367c
1605	1 BR/1 Bath	4	549	35	584	.00354	402
1606	1 BR/1 Bath	4	516	33	549	.00353	368c
1607	1 BR/1 Bath	4	549	35	584	.00354	403
1608	1 BR/1 Bath	4	507	44	551	.00353	369c
1609	2 BR/1 Bath	5	686	47	733	.00408	404
1610	2 BR/2 Bath	6	742	50	792	.00440	405, 636
1611	2 BR/2 Bath	6	742	50	792	.00440	406, 637c

*c = compact stalls

FLOOR 17

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
1701	2 BR/2 Bath	6	742	50	792	.00440	356, 630
1702	2 BR/2 Bath	6	742	50	792	.00440	357, 631
1703	2 BR/1 Bath	5	686	47	733	.00408	358
1704	1 BR/1 Bath	4	516	33	549	.00353	348c
1705	1 BR/1 Bath	4	549	35	584	.00354	359
1706	1 BR/1 Bath	4	516	33	549	.00353	349c
1707	1 BR/1 Bath	4	549	35	584	.00354	360
1708	1 BR/1 Bath	4	507	44	551	.00353	366c
1709	2 BR/1 Bath	5	686	47	733	.00408	361
1710	2 BR/2 Bath	6	742	50	792	.00440	362, 632
1711	2 BR/2 Bath	6	742	50	792	.00440	363, 633

FLOOR 18

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
1801	2 BR/2 Bath	6	742	50	792	.00440	335, 613c
1802	2 BR/2 Bath	6	742	50	792	.00440	336, 616c
1803	2 BR/1 Bath	5	686	47	733	.00408	350
1804	1 BR/1 Bath	4	516	33	549	.00353	345c
1805	1 BR/1 Bath	4	549	35	584	.00354	351
1806	1 BR/1 Bath	4	516	33	549	.00353	346c
1807	1 BR/1 Bath	4	549	35	584	.00354	352
1808	1 BR/1 Bath	4	507	44	551	.00353	347c
1809	2 BR/1 Bath	5	686	47	733	.00408	353
1810	2 BR/2 Bath	6	742	50	792	.00440	354, 628
1811	2 BR/2 Bath	6	742	50	792	.00440	355c, 629

*c = compact stalls

FLOOR 19

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
1901	2 BR/2 Bath	6	742	50	792	.00440	327, 607c
1902	2 BR/2 Bath	6	742	50	792	.00440	328, 608c
1903	2 BR/1 Bath	5	686	47	733	.00408	329
1904	1 BR/1 Bath	4	516	33	549	.00353	342c
1905	1 BR/1 Bath	4	549	35	584	.00354	330
1906	1 BR/1 Bath	4	516	33	549	.00353	343c
1907	1 BR/1 Bath	4	549	35	584	.00354	331
1908	1 BR/1 Bath	4	507	44	551	.00353	344c
1909	2 BR/1 Bath	5	686	47	733	.00408	332
1910	2 BR/2 Bath	6	742	50	792	.00440	333, 609c
1911	2 BR/2 Bath	6	742	50	792	.00440	334, 610c

FLOOR 20

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
2001	2 BR/2 Bath	6	742	50	792	.00440	319, 571c
2002	2 BR/2 Bath	6	742	50	792	.00440	320, 572c
2003	2 BR/1 Bath	5	686	47	733	.00408	321
2004	1 BR/1 Bath	4	516	33	549	.00353	339c
2005	1 BR/1 Bath	4	549	35	584	.00354	322
2006	1 BR/1 Bath	4	516	33	549	.00353	340c
2007	1 BR/1 Bath	4	549	35	584	.00354	323
2008	1 BR/1 Bath	4	507	44	551	.00353	341c
2009	2 BR/1 Bath	5	686	47	733	.00408	324
2010	2 BR/2 Bath	6	742	50	792	.00440	325, 573c
2011	2 BR/2 Bath	6	742	50	792	.00440	326, 574c

*c = compact stalls

FLOOR 21

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
2101	2 BR/2 Bath	6	742	50	792	.00440	305, 567c
2102	2 BR/2 Bath	6	742	50	792	.00440	306, 568c
2103	2 BR/1 Bath	5	686	47	733	.00408	311
2104	1 BR/1 Bath	4	516	33	549	.00353	316c
2105	1 BR/1 Bath	4	549	35	584	.00354	312
2106	1 BR/1 Bath	4	516	33	549	.00353	337c
2107	1 BR/1 Bath	4	549	35	584	.00354	314
2108	1 BR/1 Bath	4	507	44	551	.00353	338c
2109	2 BR/1 Bath	5	686	47	733	.00408	315
2110	2 BR/2 Bath	6	742	50	792	.00440	317, 569c
2111	2 BR/2 Bath	6	742	50	792	.00440	318, 570c

FLOOR 22

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
2201	2 BR/2 Bath	6	742	50	792	.00440	260, 547c
2202	2 BR/2 Bath	6	742	50	792	.00440	261, 548c
2203	2 BR/1 Bath	5	686	47	733	.00408	262
2204	1 BR/1 Bath	4	516	33	549	.00353	309c
2205	1 BR/1 Bath	4	549	35	584	.00354	263
2206	1 BR/1 Bath	4	516	33	549	.00353	310c
2207	1 BR/1 Bath	4	549	35	584	.00354	301
2208	1 BR/1 Bath	4	507	44	551	.00353	313c
2209	2 BR/1 Bath	5	686	47	733	.00408	302
2210	2 BR/2 Bath	6	742	50	792	.00440	303, 549c
2211	2 BR/2 Bath	6	742	50	792	.00440	304, 566c

*c = compact stalls

FLOOR 23

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
2301	2 BR/2 Bath	6	742	50	792	.00440	252, 543c
2302	2 BR/2 Bath	6	742	50	792	.00440	253, 544c
2303	2 BR/1 Bath	5	686	47	733	.00408	254
2304	1 BR/1 Bath	4	516	33	549	.00353	272c
2305	1 BR/1 Bath	4	549	35	584	.00354	255
2306	1 BR/1 Bath	4	516	33	549	.00353	307c
2307	1 BR/1 Bath	4	549	35	584	.00354	256
2308	1 BR/1 Bath	4	507	44	551	.00353	308c
2309	2 BR/1 Bath	5	686	47	733	.00408	257
2310	2 BR/2 Bath	6	742	50	792	.00440	258, 545c
2311	2 BR/2 Bath	6	742	50	792	.00440	259, 546c

FLOOR 24

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
2401	2 BR/2 Bath	6	742	50	792	.00440	211, 539c
2402	2 BR/2 Bath	6	742	50	792	.00440	232, 540c
2403	2 BR/1 Bath	5	686	47	733	.00408	233
2404	1 BR/1 Bath	4	516	33	549	.00353	269c
2405	1 BR/1 Bath	4	549	35	584	.00354	234
2406	1 BR/1 Bath	4	516	33	549	.00353	270c
2407	1 BR/1 Bath	4	549	35	584	.00354	235
2408	1 BR/1 Bath	4	507	44	551	.00353	271c
2409	2 BR/1 Bath	5	686	47	733	.00408	236
2410	2 BR/2 Bath	6	742	50	792	.00440	250, 541c
2411	2 BR/2 Bath	6	742	50	792	.00440	251, 542c

*c = compact stalls

PARKING STRUCTURE

GROUND LEVEL

Apt. No.	Unit Type	No. of Rooms	Approx. Net Living Floor Area in Sq. Ft.	Approx. Net Lanai Floor Area in Sq. Ft.	Approx. Net Total Floor Area in Sq. Ft.	Common Interest	Designated Parking Stall(s)*
1000	Commercial	2	831	0	831	.00272	130, 131, 145
2000	Commercial	2	1,599	0	1,599	.00522	101, 102, 103, 104c, 105c, 106c, 107
3000	Commercial	2	632	0	632	.00210	108c, 109

*c = compact stalls

PERMITTED ALTERATIONS TO APARTMENTS

1. Paragraph 19 of the Declaration states as follows:

"a. General. Except as otherwise provided in this Declaration or the Act or as otherwise required by law, neither the Association nor any apartment owner shall perform any of the following acts except pursuant to plans and specifications therefor approved in writing by the Board of Directors or the Declarant:

"(1) repairing, replacing or rebuilding any apartment or any of the common and limited common elements in a manner different in any material respect from the Condominium Map;

"(2) engaging in any alterations which will affect the structural integrity of any apartment or the common and limited common elements;

"(3) constructing on the common and limited common elements any new building or structure; or

"(4) enclosing any lanai, balcony, patio or parking stall.

"Upon the completion of any such work, there shall be filed with the Board a final "as built" set of the plans and specifications for such work, and if any such work should constitute a material alteration to the Project as shown on the Condominium Map (as determined by the Board), the Association or apartment owner, as the case may be, shall file an amendment to this Declaration describing such alteration and amending the Condominium Map to show such alteration, together with a certificate signed by a registered architect and engineer, certifying that the plans showing such alterations accurately reflect such alterations, as built. Such amendment shall be signed by the Association or the apartment owner, as the case may be, and approved by the Board of Directors or the Declarant, and no consent or joinder of any other apartment owner or person shall be required. Except as otherwise provided in this Declaration, the Bylaws and the House Rules, each apartment owner shall be free, with the consent of all mortgagees of record of any interest in such apartment owner's apartment, to make such alterations and improvements within such apartment owner's apartment or within or on the limited common elements appurtenant thereto, without the consent or joinder of the Board of Directors, the Association, any apartment owner, the Declarant or any other person.

"b. Certain Work Prohibited. Notwithstanding anything to the contrary in this Declaration, no apartment owner (1) shall do any work which could jeopardize the soundness or safety of the Project, reduce the value thereof, impair any easement or hereditament; (2) shall add any material structure or excavate any basement or cellar, (3) shall enclose any lanai, balcony or patio, or (4) shall rebuild, repair or restore the Project in the event of substantial or total destruction of the Project, without in every such case obtaining the prior consent of seventy-

five percent (75%) of the apartment owners, together with the prior written consent of all mortgagees of record and apartment owners whose apartments or limited common elements appurtenant thereto are directly affected; provided that nonmaterial structural additions to the common elements, including "solar energy devices" as defined in Section 514A-89 of the Act, or additions to or alterations of an apartment made within such apartment or within a limited common element appurtenant to and for the exclusive use of the apartment, shall require approval only by the Board of Directors and such percentage, number, or group of apartment owners or other parties as may be required by this Declaration or the Bylaws. As used in this subparagraph, "nonmaterial structural additions to the common elements" means a structural addition to the common elements which does not jeopardize the soundness of safety of the Project, reduce the value thereof, impair any easement or hereditament, detract from the appearance of the Project, interfere with or deprive any nonconsenting apartment owner of the use or enjoyment of any part of the Project or directly affect any nonconsenting apartment owner. Notwithstanding anything in this Declaration to the contrary, no alterations or changes of any nature under any circumstances shall be made to the structural elements of the Residential Tower or Parking Structure, including, without limitation, roofs, floors, supporting walls, foundations, columns, girders, floor slabs, supports, perimeter, party or load bearing walls and partitions without first obtaining the certification from a licensed structural engineer reasonably acceptable to the Association that the plans for such alterations or changes will not in any way diminish the present structural integrity of the Residential Tower, the Parking Structure and the elements therein. Notwithstanding anything in this Declaration to the contrary, no storage or alterations or changes of any nature under any circumstances, including any lanai enclosures, shall be made that would violate the fire sprinkler requirements of the Building Code.

"c. Connection between Apartments.

"(1) The owner of any two or more adjacent apartments separated by a common element which is a wall may, with the consent of all mortgagees of record of any interest in such owner's apartments, alter any portion of the intervening wall, if the structural integrity of the common elements or any other apartment in the Project will not thereby be adversely affected and if the finish of the common element then remaining is placed in a condition substantially comparable to that of the common element prior to such alterations. In addition, the owner of any two or more adjacent commercial apartments separated by a common element which is a wall may, with the consent of all mortgagees of record of any interest in such owner's apartments, remove all or any portion of the intervening wall (and, if the owner so desires, install a door within the opening created by such removal) if the structural integrity of the common elements or any other apartment in the Project will not thereby be adversely affected and if the finish of the common element then remaining is placed in a condition substantially comparable to that of the common element prior to such alterations. As used above, "adjacent apartments" does not include apartments which are located above and beneath one another on different floors.

"(2) Prior to commencing any such alteration or removal, the apartment owner shall provide to the Board (A) a certification in form and consent reasonably satisfactory to the Board signed by an architect or engineer duly registered in the State of Hawaii, that such alteration or removal will not adversely affect the structural integrity of the common elements or any other apartment in the Project, (B) satisfactory evidence that all governmental approvals required for such alteration or removal have been duly obtained, and (C) if the cost of such alteration or removal, as reasonably determined by the Board of Directors, shall exceed the sum of $25,000.00, the Board of Directors may require that the owner provide evidence satisfactory to the Board of Directors of sufficient financing to complete such alteration or removal or, in lieu thereof, require that the owner obtain a performance and lien payment bond, naming as obligees the Declarant and the Board of Directors and the Association and collectively all apartment owners and their respective mortgagees of record, as their interests may appear, for a penal sum of not less than one hundred percent (100%) of the estimated cost of such alteration or removal. Such alteration or removal may be undertaken without the necessity of an amendment to this Declaration or the Condominium Map and, except as otherwise provided in this paragraph 19, without the consent or joinder of the Association, the Board, the Declarant or any other person.

"(3) If any intervening wall between adjacent apartments shall have been altered pursuant to the foregoing provisions, then prior to the termination of the common ownership of such adjacent apartments, the owner of such apartments shall restore such intervening wall to substantially the same condition in which the same existed prior to such alteration or removal unless the purchaser of such apartments shall agree in writing to forego such restoration.

"(4) Notwithstanding any alteration or additions permitted under this subparagraph 19.c, such shall not affect the common interest or limited common interest allocable to any apartment."

"d. Removal of Certain Trees Prohibited. Except as otherwise provided in this Declaration or the Act or as otherwise required by law, neither the Association nor any apartment owner shall remove any of the seven (7) large trees (the "Designated Trees") on the Project shown on the Condominium Map, without in every such case: (a) replacing the same with the same type of tree that is mature and has a tree trunk that is at least twelve (12) inches in diameter (a "Comparable Tree"), in which case such replacement Comparable Tree shall become a Designated Tree; and (b) obtaining the prior consent of seventy-five percent (75%) of the apartment owners, together with the prior written consent of all mortgagees of record. Notwithstanding the foregoing, the Association, acting through the Board, may remove a Designated Tree and replace it with a Comparable Tree without such consent if the Designated Tree is a hazard to the public safety or welfare, or if a Designated Tree is dead, diseased or otherwise irretrievably damaged. The Association may also remove a Designated Tree and replace the same with a different tree if the Association obtains the prior consent of seventy-five percent (75%) of the apartment owners, together with the prior written consent of all mortgagees of record. Upon any such permitted removal without replacement by a Comparable Tree, the

Association or apartment owner, as the case may be, shall file an amendment to this Declaration describing such removal or replacement and amending the Condominium Map to show such removal or replacement. Such amendment shall be signed by the Association or the apartment owner, as the case may be, and approved by the Board of Directors or Declarant, and no consent or joinder of any other apartment owner or person shall be required."

"e. Floor Covering and Sound Transmission. All residential apartment owners must minimize the transmission of footsteps and other floor sounds into neighboring units below. Any owner or occupant of a residential apartment (except the apartments on the first floor) who wishes to change the floor covering on any floor areas that customarily have carpeting with cushion padding, must first: (1) provide written evidence that the new floor covering shall have sound absorbent material and will not exceed the maximum decibel level to be established as described in the House Rules, and (2) obtain the Board's prior written approval of such floor covering change. The Board shall have the right to require that any new floor covering installed without the Board's prior written approval shall be removed at the owner's expense."

"f. Installation of Equipment on Rooftop of Commercial Apartments. The commercial apartment designated as Apartment 1000, Apartment 2000 and Apartment 3000 shall have the right to install through and/or on the roof immediately above such commercial apartment, any vent, air conditioner or other equipment accessory or related to the use of such commercial apartment, if the structural integrity of the roof or other common elements or any other apartment in the Project will not thereby be adversely affected. Prior to commencing any such installation, the apartment owner shall provide to the Board (a) a certification in form and consent reasonably satisfactory to the Board signed by an architect or engineer duly registered in the State of Hawaii, that such installation will not adversely affect the structural integrity of the common elements or any other apartment in the Project, (b) satisfactory evidence that all governmental approvals required for such installation have been duly obtained, and (C) if the cost of such installation, as reasonably determined by the Board of Directors, shall exceed the sum of $25,000.00, the Board of Directors may require that the owner provide installation or, in lieu thereof, require that the owner obtain a performance and lien payment bond, naming as obligees Declarant and the Board of Directors and the Association and collectively all apartment owners and their respective mortgagees of record, as their interests may appear, for a penal sum of not less than one hundred percent (100%) of the estimated cost of such installation. Such installation may be undertaken without the necessity of an amendment to this Declaration or the Condominium Map and, except as otherwise provided in this paragraph 19, without the consent or joinder of the Association, the Board, Declarant or any other person."

PARKING INFORMATION

(a) There are four hundred forty-eight (448) parking stalls physically located within the Parking Structure of the Project, as described in the Declaration and at Section C.7. of the Public Report. Twenty-five (25) stalls on the ground level of the Parking Structure are designated for visitor parking. The Declarant has established a common parking plan in the House Rules for the benefit of the Association and the individual residential apartment owners. The parking plan may be disbanded by the Association by a vote of seventy-five percent (75%) of the residential apartment owners.

(b) Paragraph 28 of the Declaration states as follows:

"Use of Parking Stalls. To the extent allowed by law, the use of the parking stalls which are appurtenant to each of the apartments will be governed by the provisions of the House Rules. The Declarant has established a common parking plan in the House Rules for the benefit of the Association and the individual residential apartment owners. The parking plan may be disbanded by the Association by a vote of seventy-five percent (75%) of the residential apartment owners. Each commercial apartment shall have the reserved use of the parking stalls that are limited common elements appurtenant to such commercial apartment. The visitor parking stalls may be used by the visitors of the residential apartment owners and occupants, and visitors and customers of the commercial apartment owners and occupants, subject to the provisions of the House Rules. The areas designated for bicycle and moped parking on the Condominium Map shall be controlled by the Managing Agent, subject to the provisions of the House Rules."

(c) Paragraph IV.H of the House Rules states as follows:

"H. To the extent allowed by law, the use of each parking stall or stalls appurtenant to each residential apartment as limited common elements (except for those parking stalls appurtenant to Apartment 103 as limited common elements) shall be governed by the rules set forth in this Section IV.H. Such use of the parking stalls is instituted for the convenience of individual residential apartment owners (except for the owner of Apartment 103 who shall not participate in the system established in this paragraph IV.H) and the Association of Apartment Owners as a whole. The use of the parking stalls in the Parking Pool (as hereinafter defined) shall be in accordance with the following rules:

"1. All parking stalls appurtenant to all residential apartments (except for those appurtenant to Apartment 103) shall be placed in and used as a part of a parking pool system (the "Parking Pool") which shall be operated by the Association. Each residential apartment shall have the right to use at least one parking stall in the Parking Pool for every parking stall that is a limited common element appurtenant to that apartment (the "Entitled Amount of Parking Stalls").

"2. An access card to the Parking Pool stalls shall be issued by the Association to each residential apartment owner who shall be a member of the Parking Pool. The residential apartment owner shall be issued one access card for each Entitled Amount of Parking Stall appurtenant to such owner's apartment. The Board and/or Managing Agent shall adopt procedures governing the issuance and use of such access cards including, without limitation, charges for the issuance or reissuance of such cards.

"3. Parking in the Parking Pool area shall be on an unassigned basis. Parking Pool participants shall be allowed to park in any parking stall that is part of the Parking Pool, up to the Entitled Amount of Parking Stalls, regardless of the actual ownership of the parking stall.

"4. The Association, through the Board and the Managing Agent, reserves the right to require that motor vehicles that are parked in the Parking Pool and used infrequently be moved to other stalls in the Parking Pool area.

"5. Compact motor vehicles and motorcycles may only be parked in stalls designated as compact stalls. Larger vehicles may only be parked in regular stalls. The Board, in its sole discretion, shall determine what constitutes a compact motor vehicle. Violation of this section IV.H.5 shall result in a one dollar ($1.00) per day fine.

"6. All motor vehicle owners in the Parking Pool who will not use or move their motor vehicles for a period of one week or more must have the permission of the Board or the Managing Agent to do so. The Board or the Managing Agent may elect, at its sole discretion, to have the vehicle moved to another stall in the Parking Pool area.

"7. Subject to these House Rules, the Bylaws of the Association and the Declaration, and the prior written consent of the Board, an apartment owner, or such owner's designated agent, may assign such owner's right to use a parking stall in the Parking Pool, on the condition that the person or persons assigned such right shall abide by these House Rules, and the owner or designated agent as applicable shall assume the responsibility for the user's conduct. An apartment owner or such owner's designated agent must notify the Managing Agent of the identity of the assignee together with such assignee's vehicle description, and length of anticipated use and such other information as the Managing Agent shall reasonably request. Only occupants of the Project shall be permitted to use the parking stalls in the Parking structure and parking access cards. As used herein "occupants" shall mean persons who reside or work in the Project on a regular basis.

"8. The Parking Pool system shall be designed so that parking stalls will be available for use at all times desired by the residents of the apartments in the Project to the extent of the residents' Entitled Amount of Parking Stalls. To the extent parking stalls in the Parking Pool are not being used by residents of the apartments in the Project, the Association shall institute a program (the "Third Party Day Rental Program") to permit rental of such unused stalls to third parties on a monthly basis (no daily basis) at market rates (initially, $65 per month), for a twelve (12) hour period during the hours of 5:00 a.m. to 7:00 p.m. In addition, to the extent uncovered parking stalls in the Parking Pool on the top floors of the Parking structure are not being used by residents of the apartments in the Project, the Association shall institute a program (the "Resident Night Rental Program") to permit rental of such unused stalls to residents of the Project on a monthly basis at market rents (initially, $50 per month), during the hours of 7:00 p.m. to 7:00 a.m. All income from the rental parking operations shall accrue to the Association to reduce maintenance fees. The Managing Agent shall use its best judgment to determine the quantity of parking stalls available for rental and such quantity shall be reviewed by the Board on a monthly basis to confirm that adequate parking is available for use at all times desired by the residents of the apartments in the Project to the extent of the residents' Entitled Amount of Parking Stalls. The Managing Agent is to be paid a 8% service charge on all parking rentals that are rented to non-residents under the Third Party Day Rental Program and to residents under the Resident Night Rental Program. Such charge shall be included in every monthly rental agreement.

"9. In the event that the Parking Pool system is discontinued, as provided in the Declaration, each owner will thereafter take possession of the individual parking stall assigned and conveyed with such owner's residential apartment. Said stall shall he used as a limited common element appurtenant to the designated residential apartment, reserved for its exclusive use in a manner not inconsistent with these House Rules, the Bylaws of the Association, the Declaration, or any other rules established by the Association of Apartment Owners from time to time.

(d) Paragraph IV.I of the House Rules states as follows:

Each commercial apartment shall have the reserved use of the parking stalls that are limited common elements appurtenant to such commercial apartment, subject to these House Rules. The Association will issue to the commercial apartment owners one access card to the Parking Structure for each parking stall appurtenant to the owner's apartment."

COMMON ELEMENTS, LIMITED COMMON ELEMENTS, COMMON INTEREST

1. Paragraphs 5, 6 and 7 of the Declaration states as follows:

"5. Common Elements. One freehold estate is hereby designated in all common elements of the Project, which include all portions of the Project other than the apartments (except as herein specifically included), and all other common elements mentioned in the Act which are actually included in the Project, including specifically, without limitation:

a. The Land in fee simple.

b. All foundations, columns, girders, beams, floor slabs, supports, perimeter, party and load-bearing walls and partitions (excluding the finishes thereon within an apartment), and roofs.

c. All lobby areas, stairways, walkways, corridors, ramps, loading areas and platforms, fences, elevator lobby areas, entrances, entryways and exits of the Project, all maintenance rooms, elevator machine rooms, mechanical rooms, electrical rooms, trash rooms, recreation rooms, mail rooms, management rooms, security rooms and common toilet facilities.

d. All yards, grounds, paths, walkways, walkway railings, landscaping, refuse facilities, and gardens.

e. All driveways and driveway ramps, loading and service areas, parking stalls and parking areas (both in the Parking Structure and on the surrounding grounds), and the Parking Structure (except the commercial apartments).

f. All ducts, vents, shafts, sewer lines, sewage treatment equipment and facilities (if any), electrical transformers, emergency generators, electrical equipment, pipes, 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, water, gas (if any), cable television (if any), air conditioning, sewer, refuse, telephone, and radio and television signal distribution.

g. Any and all apparatus and installations existing for common use, such as elevators, tanks, pumps, motors, fans, compressors and, in general, all other parts of the Property necessary or convenient to its existence, maintenance and safety, or normally in common use.

h. All mechanical, electrical and air conditioning equipment originally installed and located within any pump room, mechanical room, fire control room, transformer room or electrical room or located elsewhere in the Project (whether or not utilized for or serving only one apartment).

i. The limited common elements described below."

"6. Limited Common Elements. Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

a. Each of the parking stalls designated on Exhibit C 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 C subject to the right of the apartment owners to transfer parking stalls from one apartment to another as set forth in Section 9.b below or as provided in the Act. Each apartment shall always have at least one (1) parking stall appurtenant to it. The use of the parking stalls shall be governed by the provisions of paragraph 28 of this Declaration.

b. The common elements of the Project which are rationally related to less than all of said apartments shall be limited to the use of such apartments.

c. Apartments numbered 102, 110 and 111 on the ground floor, and each apartment with an apartment number containing the last two digits 01, 02, 03, 09, 10, and 11 on floors 2 through 23 as shown on the Condominium Map, shall have appurtenant thereto and reserved for its exclusive use a sixty (60) gallon water heater within a closet or closets located off the common corridors as shown on the Condominium Map; provided, however, that access to such water heater shall be subject to such rules established by the Association of Apartment Owners of 215 North King St (hereinafter referred to as the "Association") from time to time. Apartment numbered 108 on the ground floor, and each apartment with an apartment number containing the last two digits 08 on floors 2 through 23 as shown on the Condominium Map, shall have appurtenant thereto and reserved for its exclusive use a forty (40) gallon water heater within a closet or closets located off the common corridors as shown on the Condominium Map; provided, however, that access to such water heater shall be subject to such rules established by the Association from time to time.

d. The mailbox corresponding to the apartment number of each apartment, such mailbox being located in the mailroom of the Residential Tower, as shown on the Condominium Map.

e. The commercial apartments designated as Apartment 1000, Apartment 2000 and Apartment 3000 shall have appurtenant thereto and reserved for their exclusive use the electrical and telecommunication underground conduits from the commercial apartments to the electrical room on the first floor of the Residential Tower.

f. Each commercial apartment designated as Apartment 1000, Apartment 2000 and Apartment 3000 shall have appurtenant thereto and reserved for its exclusive use the patio area (including sidewalks) immediately fronting such commercial apartment as shown on the Condominium Map. Declarant has reserved the right to grant a non-exclusive easement to the City and County of Honolulu for public pedestrian access purposes over and across the

sidewalks, and upon such grant, such sidewalks shall be subject to such public pedestrian access rights.

g. If any commercial apartment designated as Apartment 1000, Apartment 2000 and Apartment 3000 shall install through and/or on the roof immediately above such commercial apartment, any vent, air conditioner or other equipment accessory or related to the use of such commercial apartment, then such equipment and portion of the roof so used shall become appurtenant to and reserved for the exclusive use of such commercial apartment. If the commercial apartment designated as Apartment 1000, shall install through and/or on the roof immediately above its limited common element storage area on the ground floor of the Parking Building, any vent, air conditioner or other equipment accessory or related to the use of such commercial apartment, then such equipment and portion of the roof so used shall become appurtenant to and reserved for the exclusive use of such commercial apartment.

h. The commercial apartments designated as Apartment 1000, Apartment 2000 and Apartment 3000 shall have appurtenant thereto and reserved for their exclusive use the refuse area on the ground floor of the Parking Structure as shown on the Condominium Map.

i. The commercial apartment designated as Apartment 1000 shall have appurtenant thereto and reserved for their exclusive use the storage area adjacent to Apartment 1000 on the ground floor of the Parking Structure as shown on the Condominium Map.

j. The commercial apartment designated as Apartment 2000 shall have appurtenant thereto and reserved for its exclusive use the storage area designated for its use behind the refuse area on the ground floor of the Parking Structure as shown on the Condominium Map.

k. The commercial apartment designated as Apartment 3000 shall have appurtenant thereto and reserved for its exclusive use the storage area designated for its use behind the refuse area on the ground floor of the Parking Structure as shown on the Condominium Map.

l. The commercial apartments designated as Apartment 1000, Apartment 2000 and Apartment 3000 shall have appurtenant thereto and reserved for their exclusive use the ground sign on the ground level of the Project fronting the commercial apartments.

"7. Percentage of Undivided Interest. Each apartment shall have appurtenant thereto an undivided interest in the common elements of the Project as shown in Exhibit C hereto (hereinafter referred to as the "common interest") and the same percentage share in all common profits and expenses of the common elements of the Project and, except as herein expressly provided for, the same percentage interest for all other purposes, including, without limitation, voting."

Exhibit "H"

I. It is anticipated that the following shall be encumbrances against title at the time of conveyance to apartment owners:

1. -As to Lots 2-B, area 5,872 square feet, and 2-D, area 144 square feet, as shown on Map 3; and Lot 2-C-1, area 37,156 square feet, and 2-C-2, area 167 square feet, as shown on Map 4, which maps are filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 325 of Oahu Railway and Land Company): GRANT TO CITY AND COUNTY OF HONOLULU DATED June 6, 1928, filed as Land Court Document No. 15885, granting an easement for building, constructing, laying, maintaining and operating an underground sewer or sewers with an appurtenant manhole extending to the surface of the ground on and across Lot 2-C-2.

2. Notice of Pendency of Action, Law No. 20196, dated September 2, 1949, filed as Land Court Document No. 112472, in favor of the State of Hawaii, to acquire any abutter's rights of access appurtenant to Lots 2-D, 2-C-1 and 2-C-2.

3. RESTRICTION OF ACCESS RIGHTS SHOWN on Map 5, as set forth by Land Court Order No. 11848, filed March 18, 1953, affecting Lots 2-A, 2-B and 2-D.

4. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain AGREEMENT FOR ISSUANCE OF CONDITIONAL USE PERMIT UNDER SECTION 4.40-17 OF THE LAND USE ORDINANCE (LUO) DATED November 11, 1986, filed as Land Court Document No. 1491153, by GAMLON CORPORATION

5. The reservations and exceptions created by or referred to in the Warranty Deed dated June 30, 2004, recorded as Land Court Document No. 3130488.

6. Condominium Map No. 1658, recorded in said Office, as amended.

7. The benefits and the burdens of the restrictions, covenants, agreements, obligations, conditions, easements and other provisions, and any and all easements appurtenant to or encumbrances on said apartment, and said common elements, as created by, referred to or set forth in the aforesaid Declaration of Condominium Property Regime and the Bylaws of the Association of Apartment Owners of 215 North King St dated August 5, 2004, recorded in said Office as Document Nos. 3147602, and 3147603, respectively, as amended, and in all rules and regulations which from time to time may be duly promulgated pursuant to said Declaration and Bylaws, which conditions are and shall constitute covenants running with the land and equitable servitude to the extent provided by law and set forth in said instruments.

8. Any and all easements encumbering the apartment herein mentioned, and/or the common interest appurtenant thereto, as created by or mentioned in said Declaration, and/or in said Bylaws, and/or as delineated on said Condominium Map.

9. Declaration of Restrictive Covenants for Private Park dated September 15, 2004, recorded as Land Court Document No. 3185960.

10. Designation and grant of sewer easement as contemplated by Section 21.A.b of the Declaration.

11. Designation and grant of pedestrian access easement as contemplated by Section 21.A.c of the Declaration.

12. Restriction of Access Rights onto King Street and Iwilei Road affecting Lots 2-C-1.

II. The encumbrances against title appearing in the title report dated March 16, 2005, prepared by Title Guaranty of Hawaii are as follows:

1. For Real Property Taxes that may be due and owning reference is made to the Office of the Tax Assessor, City & County of Honolulu.

2. -As to Lots 2-B, area 5,872 square feet, and 2-D, area 144 square feet, as shown on Map 3; and Lot 2-C-1, area 37,156 square feet, and 2-C-2, area 167 square feet, as shown on Map 4, which maps are filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 325 of Oahu Railway and Land Company): GRANT TO CITY AND COUNTY OF HONOLULU DATED June 6, 1928, file as Land Court Document No. 15885, granting an easement for building, constructing, laying, maintaining and operating an underground sewer or sewers with an appurtenant manhole extending to the surface of the ground on and across Lot 2-C-2.

3. Notice of Pendency of Action, Law No. 20196, dated September 2, 1949, filed as Land Court Document No. 112472, in favor of the State of Hawaii, to acquire any abutter's rights of access appurtenant to Lots 2-D, 2-C-1 and 2-C-2.

4. RESTRICTION OF ACCESS RIGHTS SHOWN on Map 5, as set forth by Land Court Order No. 11848, filed March 18, 1953, affecting Lots 2-A, 2-B and 2-D.

5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain AGREEMENT FOR ISSUANCE OF CONDITIONAL USE PERMIT UNDER SECTION 4.40-17 OF THE LAND USE ORDINANCE (LUO) DATED November 11, 1986, filed as Land Court Document No. 1491153, by GAMLON CORPORATION

6. Mortgage, Security Agreement and Fixture Filing by Downtown Affordables LLC, as Mortgagor, to Central Pacific Bank, as Mortgagee, dated June 25, 2004, recorded as Land Court Document No. 3130489.

7. Assignment of Lessor's Interest in Leases by Downtown Affordables LLC, as Assignor, to Central Pacific Bank, as Assignee, dated June 25, 2004, recorded as Document No. 2004-133709.

8. Financing Statement between Downtown Affordables LLC, as Debtor, and Central Pacific Bank, as Secured Party, dated June 30, 2004, recorded as Document No. 2004-133710.

9. Condominium Map No. 1658, as amended, recorded in said Office.

10. The benefits and the burdens of the restrictions, covenants, agreements, obligations, conditions, easements and other provisions, and any and all easements appurtenant to or encumbrances on said apartment, and said common elements, as created by, referred to or set forth in the aforesaid Declaration of Condominium Property Regime and the Bylaws of the Association of Apartment Owners of 215 North King St dated August 5, 2004, recorded in said Office as Document Nos. 3147602, and 3147603, respectively, as amended, and in all rules and regulations which from time to time may be duly promulgated pursuant to said Declaration and Bylaws, which conditions are and shall constitute covenants running with the land and equitable servitude to the extent provided by law and set forth in said instruments.

11. Declaration of Restrictive Covenants for Private Park dated September 15, 2004, recorded as Land Court Document No. 3185960.

12. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land.

CONSTRUCTION WARRANTIES AND WAIVERS

1. Paragraph 20 of the Sales Contract and Deposit Receipt states as follows:

"Covenants and Warranties of Seller and Buyer. Seller and Buyer covenant and agree to the following:

"a. The execution, delivery and recordation of Buyer's Apartment Deed shall constitute the assignment by Seller to Buyer of any and all warranties given to Seller by the contractors for the Project, if any, including, without limitation, any warranty of materials and workmanship against faulty or deficient materials and installation. Seller's general contractor shall give a warranty against construction defects for a one (1) year period from the date of substantial completion. The benefit of such warranties, if any, shall accrue to Buyer on closing without further instruments or documents.

"b. BUYER ACKNOWLEDGES THAT SELLER HAS MADE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY OR WORKMANLIKE CONSTRUCTION WITH RESPECT TO THE APARTMENT, THE PROPERTY, ANY COMMON ELEMENT, LIMITED COMMON ELEMENT, OR ANYTHING INSTALLED THEREIN.

"c. The Condominium Map for the Project which has been or will be recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and the Real Estate Commission is intended only to show the layout, location, apartment numbers and dimensions of the apartments, approximate elevations of the Project and parking plans and any other detail which is specifically required to be shown under Section 514A-12 of the Act. Buyer acknowledges that the Condominium Map, consisting of the floor plans and elevations, is not intended to be and does not constitute any representation or warranty by Seller to construct or install any other improvements, amenities or facilities as may be depicted thereon. In no event shall the building plans and specifications or any artist's renderings or models constitute a representation or warranty by Seller.

"d. Buyer has examined and approved the estimate of monthly maintenance charges and assessments for the Apartment as shown in the Public Report for the Project. Seller makes no promise or warranty about the accuracy of those amounts. Buyer understands that those amounts are only estimates and may change for many reasons. Buyer accepts and approves any changes in such estimate made by Seller or the Managing Agent.

"e. **Waiver of Certain Construction and Design Claims**. Buyer acknowledges that the insurance coverage costs and premiums for the construction of new high-rise, residential condominium projects have skyrocketed throughout the nation over the last five years due to the quantity of lawsuits after development completion; many architects have not

been able to obtain project insurance for residential high-rise projects in Hawaii since 2001; and many construction companies are not able to obtain insurance for residential high-rise construction at present. Buyer further acknowledges that in order to not further raise the purchase price of apartments in the Project, Seller requires the following waiver of claims, which is a requirement of Seller's architect, contractor and other construction and design consultants. Without such waiver, Seller would not sell the Apartment to Buyer. Buyer's signing the receipt for the Final Condominium Public Report and/or Buyer's purchase of the Apartment shall be deemed Buyer's acceptance and reaffirmation of such waiver, which shall be included in the Declaration and shall be a covenant that runs with title to the Apartment and binding on Buyer and Buyer's heirs, personal representatives, successors and assigns. In consideration of the foregoing, Buyer, for Buyer and each of Buyer's lessee, mortgagee, lien holder, heirs, personal representatives, successors, assigns, or other person with an interest in the Project, and on behalf of the Association (collectively, "Buyer's Parties"), hereby waives any liabilities, obligations, right, claim or action, of every kind or nature, character or description, known or unknown, suspected, or unsuspected (collectively, a "Claim"), which such person may have or acquire against Seller and its agents, employees, architects, contractors, licensees, successors and assigns (individually and/or collectively, "Seller's Parties") for:

> "(i) any loss, injury or damage to person or property, including court costs and attorneys' fees (singularly and/or collectively, "Damages") relating to or resulting from the construction of the Project in excess of $5 million, in the aggregate with all other Claims or Damages of any other apartment owner, association or other person; and
>
> "(ii) any Damages in excess of the greater of the applicable Single Maximum Design Damages or Total Maximum Design Damages, in the aggregate with all other Claims or Damages of any other apartment owner, association or other person, relating to or resulting from the work of any architect and/or other design consultant of the Project. As used herein "Single Maximum Design Damages" shall mean Damages equal to the fees of the architect(s) and/or other design consultant(s) whose work is the subject of the Claim, and "Total Maximum Design Damages" shall mean Damages equal to $600,000.

"Furthermore, without limiting in any way, the foregoing provision, Buyer for Buyer and Buyer's Parties: (a) hereby understands, acknowledges and agrees that the Residential Tower and Parking Structure will be constructed primarily of reinforced concrete and masonry on underground concrete piles, and that concrete cracks must be expected because of concrete shrinkage; and (b) hereby waives any liabilities, obligations, right, claim or action, of every kind or nature, character or description, known or unknown, suspected, or unsuspected, which such person may have or acquire against Seller's Parties for any Damages relating to or resulting from such concrete cracks to the extent such concrete cracks do not pose structural concerns.

"However, the waiver in this Section 20.e shall not extend to any Damages on account of Seller's Parties' conduct which is determined by a final judgment or other final adjudication by a court having jurisdiction in the matter to have been knowingly fraudulent, deliberately dishonest or a result of willful misconduct."

2. Paragraph 26 of the Sales Contract and Deposit Receipt states as follows:

"Notice of Contractor's Right to Resolve Alleged Construction Defects Before a Claimant may Commence Litigation Against the Contractor.

> CHAPTER 672E* OF THE HAWAII REVISED STATUTES, AS AMENDED, CONTAINS IMPORTANT REQUIREMENTS AN OWNER MUST FOLLOW BEFORE AN OWNER MAY FILE A LAWSUIT OR OTHER ACTION FOR DEFECTIVE CONSTRUCTION AGAINST THE CONTRACTOR WHO DESIGNED, REPAIRED, OR CONSTRUCTED THE OWNER'S HOME OR FACILITY. NINETY DAYS BEFORE AN OWNER FILES A LAWSUIT OR OTHER ACTION, THE OWNER MUST SERVE ON THE CONTRACTOR A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS THE OWNER ALLEGES ARE DEFECTIVE. UNDER THE LAW, A CONTRACTOR HAS THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR AND/OR PAY FOR THE DEFECTS. AN OWNER IS NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY A CONTRACTOR. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THE LAW, AND FAILURE TO FOLLOW THEM MAY NEGATIVELY AFFECT AN OWNER'S ABILITY TO FILE A LAWSUIT OR OTHER ACTION. IN THE EVENT OF ANY CONFLICTS BETWEEN THE PROVISIONS OF SAID CHAPTER 672E* AND THE PROVISIONS OF THIS AGREEMENT, THE PROVISIONS OF CHAPTER 672E* SHALL CONTROL.
>
> *Tentative statutory designation for Act 119, Session Laws of Hawaii 2004

3. Paragraph 30 of the Declaration states as follows:

"30. Waiver of Certain Construction and Design Claims. Each apartment owner, lessee, mortgagee, lien holder or other person with an interest in the Project, on their own behalf and on behalf of the Association, hereby waives any liabilities, obligations, right, claim or action, of every kind or nature, character or description, known or unknown, suspected, or unsuspected (collectively, a "Claim"), which such person may have or acquire against Declarant and its agents, employees, architects, contractors, licensees, successors and assigns (individually and/or collectively, "Declarant Parties") for:

> "(a) any loss, injury or damage to person or property, including court costs and attorneys' fees (singularly and/or collectively, "Damages") relating to or resulting from the construction of the Project in excess of $5 million, in the aggregate with

all other Claims or Damages of any other apartment owner, association or other person; and

"(ii) any Damages in excess of the greater of the applicable Single Maximum Design Damages or Total Maximum Design Damages, in the aggregate with all other Claims or Damages of any other apartment owner, association or other person, relating to or resulting from the work of any architect and/or other design consultant of the Project. As used herein "Single Maximum Design Damages" shall mean Damages equal to the fees of the architect(s) and/or other design consultant(s) whose work is the subject of the Claim, and "Total Maximum Design Damages" shall mean Damages equal to $600,000.

"Furthermore, without limiting in any way, the foregoing provision, each apartment owner, lessee, mortgagee, lien holder or other person with an interest in the Project: (a) hereby understands, acknowledges and agrees that the Residential Tower and Parking Structure will be constructed primarily of reinforced concrete and masonry on underground concrete piles, and that concrete cracks must be expected because of concrete shrinkage; and (b) hereby waives any liabilities, obligations, right, claim or action, of every kind or nature, character or description, known or unknown, suspected, or unsuspected, which such person may have or acquire against Declarant Parties for any Damages relating to or resulting from such concrete cracks to the extent such concrete cracks do not pose structural concerns. However, this waiver shall not extend to any Damages on account of Declarant Parties' conduct which is determined by a final judgment or other final adjudication by a court having jurisdiction in the matter to have been knowingly fraudulent, deliberately dishonest or a result of willful misconduct."

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees		Monthly Fee x 12 Months =	Yearly Total
Apartment			
2 Bedroom/2 Bath	91 units	$179.24/month/unit	$195,730.08
2 Bedroom/1 Bath	44 units	$166.21/month/unit	$87,758.88
1 Bedroom/1 Bath on Makai Side	46 units	$144.22/month/unit	$79,609.44
1 Bedroom/1 Bath on Mauka Side	68 units	$143.81/month/unit	$117,348.96
1 Bedroom/1 storage/1 Bath	2 units	$145.84/month/unit	$3,500.16
Commercial Apartment 1000	1 unit	$110.82/month/unit	$1,329.84
Commercial Apartment 2000	1 unit	$212.66/month/unit	$2,551.92
Commercial Apartment 3000	1 unit	$ 85.56/month/unit	$1,026.72
		TOTAL:	$488,856.00

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

Estimate of Initial Maintenance Fees	Monthly Fee x 12 Months =	Yearly Total
Utilities and Services		
Air Conditioning	N/A	N/A
Electricity		
[X] Common elements only	7,000	84,000
[ ] Common elements and apartments		
Elevator	1,250	15,000
Gas	N/A	N/A
Refuse Collection	1,650	19,800
Telephone	380	4,560
Water and Sewer	6,400	76,800
Maintenance, Repairs and Supplies		
Building	1,980	23,760
Grounds	100	1,200
Management		
Management Fee	2,760	33,120
Parking Rental Fee	1,200	14,400
Payroll and Payroll Taxes	17,400	208,800
Office Expenses	550	6,600
Insurance	7,563	90,744
Reserves(*)	5,000	60,000
Taxes	2,810	33,720
Audit Fees	215	2,580
Other – Cable TV	N/A	N/A
Sub-Total:	56,257	675,084
Less – Parking Income	(15,000)	(180,000)
Interest and Late Fees	(520)	(6,240)
TOTAL	40,738	488,856

I, Richard T. Yamasaki, as agent and employed by National Ind-Comm LLC, the condominium managing agent or the developer, for the condominium project 215 NORTH KING ST, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

(*) Mandatory reserves in effect January 1, 1993. Date: Sept. 3, 2004

SUMMARY OF THE PERTINENT PROVISIONS OF THE SALES CONTRACT

A specimen Sales Contract and Deposit Receipt (the "Contract") has been submitted to the Real Estate Commission. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ THE CONTRACT IN FULL, since this summary is NOT A COMPLETE DESCRIPTION of its provisions. The Contract, among other things, covers in more detail the following items:

1. If at the time of execution of this Contract by Buyer and Seller, an effective date for a Contingent Final Public Report or Final Public Report for the Project has not been issued by the Real Estate Commission, this Contract shall not be legally binding upon either Buyer or Seller. In such event, this Contract shall constitute only a "reservation," and not a binding contract and Seller shall have no obligation to sell and Buyer shall have no obligation to buy the Apartment described above. UNTIL THE EFFECTIVE DATE FOR THE CONTINGENT FINAL PUBLIC REPORT OR FINAL PUBLIC REPORT, THE CONTRACT CONSTITUTES A RESERVATION AND IT MAY BE TERMINATED AT ANY TIME, WITH OR WITHOUT CAUSE, AT THE OPTION OF EITHER PARTY, BY WRITTEN NOTICE OF SUCH TERMINATION TO THE OTHER PARTY.

2. Buyer agrees to deliver to Seller or, at Seller's option, directly to Buyer's mortgagee prior to or no later than five (5) business days after the date of Seller's notice to Buyer of Seller's acceptance of this Contract, (a) a financial statement certified by Buyer to be true and accurate as of the date of such delivery, in form and content sufficient to fully disclose Buyer's financial circumstances as of the date of delivery, including, without limitation, the identification and the reasonably accurate valuation of any assets as of the date of delivery, (b) a completed loan application to one or more lending institutions, if Buyer requires financing, and (c) any other information required by Seller.

3. Any breach of the covenants and warranties contained herein shall constitute a default hereunder by Buyer entitling Seller to retain all sums paid hereunder as liquidated damages as provided therein.

4. In addition to such other remedies which may be available to Seller by law or pursuant to this Contract, Seller may impose a late charge of one percent (1%) per month on the amount of any such payment which is not paid in the manner specified above. Such late charge shall accrue commencing on the date the payment is due and payable as provided herein.

5. Buyer shall, prior to or within five (5) business days from the date of execution of the Contract, apply for mortgage financing.

6. Seller, in its sole discretion, may elect to cancel the Contract if (a) Buyer's application or eligibility for a mortgage loan is rejected by a mortgage lender or mortgage lenders, or Buyer's loan approval or mortgage commitment is not approved within the fifty (50)

calendar day period; (b) Buyer fails to supply any proposed mortgage lender with full financial information or fails to supply Seller with the required Cash Evidence; (c) Buyer, after having had a loan approval or mortgage commitment disapproved by Seller, is thereafter unable to have such approval or commitment modified or revised to the satisfaction of Seller within thirty (30) business days thereafter; (d) Seller, in its sole discretion, after reviewing the written Cash Evidence submitted to Seller or Buyer's mortgagee, as the case may be, by Buyer, determines that Seller is not satisfied as to Buyer's ability to make the cash deposit payments; or (e) Seller is unable to make seventy percent (70%) of the apartments in the Project available to purchase by Owner-Occupant Purchasers as is required by Seller's lender and Buyer does not intend to be an Owner-Occupant of the Apartment. This right to terminate of Seller shall exist only while the Contract is a reservation and shall end upon issuance of an effective date for a Contingent Final Public Report or Final Public Report for the Project.

7. Buyer shall pay for all closing costs, including, without limitation, the cost of drafting the Apartment Deed and the cost of the acknowledgments thereof; recording fees; the State of Hawaii conveyance tax (note: in connection with the conveyance tax, Seller and Buyer do hereby appoint the Escrow Agent as their agent for the purpose of filing the affidavit in respect thereto); the escrow fees; the cost of obtaining financing or a financing commitment for any portion of the purchase price and all expenses incident thereto; the expense of credit reports; preparation of all of Buyer's mortgage documents (which costs shall be paid directly to Buyer's mortgagee and shall in no event be reimbursed by Seller); any costs incurred for Buyer's title insurance; any costs and fees otherwise require to be paid by Buyer in this Agreement, including maintenance fees and start-up fees; and any cost incurred by Buyer or Seller as a result of Buyer's requesting changes in a document after Buyer has been given notice by the Escrow Agent that such document will be prepared. Buyer shall also pay for any attorneys' fees and costs incurred by Seller in connection with any failure by Buyer to timely pre-close and close as set forth herein and otherwise perform all obligations of Buyer as set forth herein;

8. The estimated project completion date and the final closing and closing dates are as described in the Contract.

9. Buyer may be required to prepay maintenance fees, real property taxes, and a non-refundable Project start-up fee as more particularly described in the Contract.

10. Buyer's right to inspect the project documents, inspect the Apartment and have delivery of possession are as more particularly described in the Contract.

11. Buyer specifically acknowledges and accepts certain enumerated conditions regarding on-going marketing of the project stated in the Contract as well as any inconvenience or annoyance which Buyer may experience as a result of such conditions, and expressly waives any rights, claims or action which Buyer might otherwise have against Seller or third parties as a result of such circumstances.

12. After the Effective Date of the Contingent Final Public Report or Final Public Report, Buyer shall have the right to rescind the Contract only if there is a material change in the Project which directly, substantially and adversely affects the use or value of (a) Buyer's Apartment or appurtenant limited common elements, or (b) amenities of the Project available for Buyer's use. Waiver of such right is governed more specifically by the terms of the Contract.

13. Buyer specifically acknowledges and agrees that the Declaration of Condominium Property Regime for 215 North King St contains reservations of certain rights and certain other provisions under which Buyer consents to certain actions by Seller and others, as more particularly described in the Contract and the Declaration.

14. Seller shall have certain rights and remedies against Buyer in the event Buyer fails to perform any of the conditions of the contract, including failure to comply with the pre-closing and closing requirements, as more particularly described in the contract, including the right to retain Buyer's deposit and the right to other actual and liquidated damages.

15. The execution, delivery and recordation of Buyer's Apartment Deed shall constitute the assignment by Seller to Buyer of any and all warranties given to Seller by the contractors for the Project, if any, including, without limitation, any warranty of materials and workmanship against faulty or deficient materials and installation. The benefit of such warranties, if any, shall accrue to Buyer on closing without further instruments or documents. BUYER ACKNOWLEDGES THAT SELLER HAS MADE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY OR WORKMANLIKE CONSTRUCTION WITH RESPECT TO THE APARTMENT, THE PROPERTY, ANY COMMON ELEMENT, LIMITED COMMON ELEMENT, OR ANYTHING INSTALLED THEREIN.

16. Buyer hereby intentionally waives, relinquishes and subordinates the priority or superiority of any interest under the Contract in favor of the liens or charges upon the Project of the construction lender's mortgage loan.

17. Buyer may not assign Buyer's rights hereunder without Seller's prior written consent, which consent may be withheld by any reason whatsoever in its sole discretion.

ALL BUYERS SHOULD READ THE SALES CONTRACT IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE SALES CONTRACT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE SALES CONTRACT, AND DOES NOT ALTER OR AMEND THE SALES CONTRACT IN ANY MANNER. IF ANY PROVISIONS OF THIS SUMMARY CONTRADICT THE PROVISIONS CONTAINED IN THE SALES CONTRACT IN ANY WAY, THE PROVISION OF THE SALES CONTRACT SHALL OVERRIDE THE PROVISIONS OF THIS SUMMARY.

SUMMARY OF THE PERTINENT PROVISIONS OF THE ESCROW AGREEMENT

A copy of the Escrow Agreement between the Seller and Title Guaranty Escrow Services, Inc. ("Escrow") has been submitted to the Real Estate Commission. The Escrow Agreement, among other things, covers in more detail the following items:

1. Seller shall deliver an executed copy of such Sales Contract to Escrow. Each Sales Contract shall be accompanied by the initial deposit required thereunder and the Owner-Occupant affidavit in the form approved by the Real Estate Commission.

2. Seller shall pay Escrow monies received from Purchasers under Sales Contracts covering apartments in the Project. Escrow shall receive and hold in escrow and disburse funds as set forth in detail in the Escrow Agreement. Escrow shall deposit all funds so received in an account at a federally insured bank, savings and loan association or other financial institution that pays interest on deposits. Except for specific circumstances stated in the Escrow Agreement, any interest earned on funds deposited in escrow under this Agreement shall accrue to the credit of Seller.

3. No disbursements of funds held in escrow shall be made unless and until the following conditions have been fulfilled: (a) The Real Estate Commission shall have issued an effective date for a Final Report on the Project; provided, however, to the extent any Sales Contracts are entered into and a Purchaser's funds are obtained prior to the issuance of an effective date for a Final Public Report by the Real Estate Commission, no disbursements shall be made from such Purchaser's funds until (i) an effective date for such Final Public Report shall have been issued; and (ii) the Purchaser has been given a copy of said Final Public Report, has had an opportunity to read the Report, has acknowledged receipt of same and has waived Purchaser's right to cancel on the Real Estate Commission's form of "Receipt for Public Report(s) and Notice of Right to Cancel" or the Purchaser is deemed to have done these things under Section 514A-62, Hawaii Revised Statutes; and (iii) the Seller has notified Escrow in writing that, since the things described in (i) and (ii) above have happened, the Purchaser and the Seller may not cancel or rescind the Sales Contract; and in the same written notice, the Seller has notified Escrow that, either the time in which the Seller and the Purchaser could cancel or rescind the Sales Contract has passed, or that the Seller and the Purchaser have agreed that they will not cancel or rescind the Sales Contract (Technically, under the Condominium Law, the Sales Contract must "become binding" and the requirements of Sections 514A-40, 514A-39.5 and 514A-63, Hawaii Revised Statutes, must have been met.); (b) Seller shall have given Escrow a written waiver of any option reserved in any Sales Contract to cancel such Sales Contract; and (c) Seller shall have delivered to Escrow a certificate from Seller's architect stating that the Project is in compliance with the Federal Fair Housing Amendments Act of 1988, as amended.

4. Subject to certain provisions of the Escrow Agreement, upon the written request of Seller, Escrow shall make disbursements from the escrow fund to pay for construction costs and to pay for architectural, engineering, finance, and legal fees and other incidental expenses of

the Project. The balance of all escrow funds shall be paid to Seller, on order, after the lapse of forty-five (45) days from the filing of the Affidavit of Publication of Notice of Completion as provided for under Section 507-43, Hawaii Revised Statutes, as amended; provided, however, that if any notice of a mechanic's or materialmen's lien has been filed against any of the property included within the Project, or suit thereon is filed, Escrow shall retain a sum equivalent to one and one-half (1-1/2) times the amount of every such claim for disposition thereof to satisfy and release every such claim, and upon every such release the balance shall be disposed of in accordance with Seller's instructions.

5. A Purchaser shall be entitled to a return of funds and Escrow shall pay such funds to such Purchaser, without interest, if any one of the following has occurred: (a) Seller and the Purchaser shall have requested Escrow in writing to return to the Purchaser the funds of the Purchaser held hereunder by Escrow; or (b) Seller shall have notified Escrow of Seller's exercise of the option to cancel or rescind the Sales Contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Seller where such option or request of cancellation or rescission is not based upon a default by the Purchaser under the Sales Contract; or (c) With respect to a Purchaser whose funds were obtained prior to the issuance of an effective date for the Final Report, the Purchaser has exercised such Purchaser's right to cancel the contract pursuant to Section 514A-62, Hawaii Revised Statutes, as amended; or (d) The Purchaser has exercised such Purchaser's right to rescind the contract pursuant to Section 514A-3, Hawaii Revised Statutes, as amended.

A Purchaser shall be entitled to a return of funds and Escrow shall pay such funds to such Purchaser, without interests pursuant to chapter 514A, Part VI, Hawaii Revised Statutes, if Seller or the Purchaser shall so request in writing and the prospective Purchaser has not obtained adequate financing, or a commitment for adequate financing, by a date which is no earlier than fifty (50) calendar days after Seller's execution and acceptance of the Sales Contract.

6. Escrow shall give each Purchaser entitled to a return of funds notice thereof by registered, certified or regular mail, postage prepaid addressed to such Purchaser at the Purchaser's address shown on the Sales Contract or any address later made known in writing to Escrow by such Purchaser. If such Purchaser shall not have claimed such refund within sixty (60) days, Escrow shall deposit such funds into a special account in a bank or other depository selected by Escrow, in the name of Seller, as trustee for the benefit of such Purchaser. After notifying the Purchaser of all such facts at the Purchaser's address as described herein and delivering all partially executed conveyance documents to Seller, Escrow shall thereupon be released from any further duties or liability hereunder with respect to such funds and such Purchaser.

7. Except for the Sales Contracts and any note and mortgage that is to be closed by the mortgagee thereof, Escrow shall promptly and diligently arrange for and supervise the execution of all documents related to the Project and shall promptly, and diligently close the

transactions and perform such services as are necessary or proper therefor, in the manner established in the Escrow Agreement.

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.

ADDITIONAL RESERVED RIGHTS OF DEVELOPER

1. Paragraph 8 of the Declaration states in part as follows:

"f. Declarant shall have the right to conduct extensive sales activities on the Project, including, without limitation, the use of model apartments, sales and management offices, and extensive sales displays and activities until the earlier of seven (7) years from the date of recordation of this Amended Declaration or the closing of the sale of the last unsold apartment in the Project.

"g. Declarant, its agents, employees, contractors, licensees, successors and assigns shall have an easement over, under and upon the Project as may be reasonably necessary for the completion of improvements to and correction of defects in the Project for a period of ten (10) years from the date of recordation of this Amended Declaration.

"h. For a period of ten (10) years from the date of recordation of this Amended Declaration, Declarant, its agents, employees, contractors, licensees, successors and assigns shall have an easement over, under and upon the Project or any portion thereof, to create and cause noise, dust and other nuisances created by and resulting from any work connected with or incidental to the development, construction and sale of any apartment or other improvements in the Project, and each apartment owner, lessee, mortgagee, lien holder or other person with an interest in the Project waives any right, claim or action which such person may have or acquire against Declarant, its agents, employees, contractors, licensees, successors and assigns as a result of such activity or activities.

"i. For a period of ten (10) years from the date of recordation of this Amended Declaration, the Declarant shall have, incidental to the development and construction of the Project, the right to designate and grant easements, exclusive or nonexclusive, for electrical, gas, telephone, cable television, communications and other utility purposes, and easements for sanitary sewer, drainage and drainline, waterline, and flowage purposes over, under, across, along, upon and through the Property, and together also with the rights of reasonable access thereto in connection with the exercise of said easement rights; provided however, that such easement rights must be exercised in such manner as to not reasonably interfere with the use of the Property by the apartment owners and those claiming by, through or under the apartment owners, in connection with the installation, maintenance or repair of any facilities pursuant to any of said easements of the Property shall be promptly restored by and at the expense of the person owning and exercising such easement rights to substantially the same condition as was the Property immediately prior to the exercise thereof. Each and every party acquiring an interest in the Project, by such acquisition, consents to such granting and/or realignment of easements and/or rights of way as provided in this paragraph and to the recordation of any and all documents necessary to effect the same, including any amendment or amendments of this Declaration; agrees to execute such documents and instruments and do such other things as may be necessary or convenient to effect the same; and appoints Declarant, its successors and assigns

as such party's attorney-in-fact with full power of substitution to execute such documents and instruments and to do such things on such party's behalf, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be affected by the disability of such party or parties."

2. Paragraph 23 of the Declaration, provides:

"Declarant reserves the right to retain or acquire the ownership of any number of apartments in the Project. Declarant shall be entitled to make such use of the apartments retained or acquired as Declarant, in its sole discretion, sees fit; provided that Declarant shall comply with all rules and regulations established for the governance of the Project."

3. Paragraph 24 of the Declaration states as follows:

"Declarant's Repurchase Option. Declarant shall have the right to repurchase an apartment from an apartment owner for a period of ten (10) years from the date this Amended Declaration is recorded upon the following terms and conditions, if and only if an apartment owner shall have made a complaint to Declarant about the physical condition and/or design of such apartment owner's apartment or the Project or any matter in connection with the apartment or the Project and Declarant after a good faith and diligent effort shall be unable to rectify the complaint to such apartment owner's satisfaction within a reasonable period of time, as determined by Declarant in the exercise of its sole discretion. The exercise of said option shall be upon:

"a. Option Notice. Declarant shall give such apartment owner written notice of Declarant's exercise of its option to repurchase such apartment owner's apartment.

"b. Option Closing. The closing of the purchase shall be no earlier than six (6) months nor later than nine (9) months from the date of delivery of Declarant's written notice of its exercise of the option. The closing costs shall be apportioned between such apartment owner and Declarant in accordance with customary practice in the State of Hawaii.

"c. Option Purchase Price. The purchase price for the apartment shall be a price equal to the aggregate of (i) the price (the "Price") at which the apartment owner purchased the apartment which is proposed to be transferred, (ii) the cost of any improvements added by the apartment owner to the apartment proposed to be transferred, and (iii) five percent (5%) per annum simple interest on the portion of the Price paid in cash from time to time by the apartment owner for the apartment proposed to be transferred from the date so paid until the date such apartment is sold to Declarant. The purchase price shall be paid in cash at the closing.

"d. Purchase of Appliances. All appliances originally sold with the apartment (or their replacements) shall remain in the apartment at the date of closing and shall be a part of the property purchased by Declarant as evidenced by the standard conditions of the form of

residential deposit receipt, offer and acceptance used by the Honolulu Board of Realtors or similar group at the time of exercise of the option.

"e. Option Binding on Successors and Assigns. This right to repurchase given by each apartment owner shall be binding upon each and every apartment owner, such apartment owner's heirs, personal representatives, successors and assigns (including, without limitation, any subsequent owners of the apartment), and shall be an encumbrance upon the apartment.

"f. Assignment of Option. Declarant's right to repurchase may be assigned by Declarant without the prior written consent of any apartment owner or any other person; provided, however, that upon the exercise of the right of repurchase granted hereunder, the person exercising such right shall provide to the apartment owner and apartment owner's mortgagee a copy of the assignment instrument by which such person acquired the right to repurchase hereunder.

"g. Mortgagee Protection. The Declarant's right to repurchase an apartment granted by this paragraph 24 shall be subordinate to the interest of any mortgagee of record. Declarant shall not exercise its right to purchase an apartment under any option granted under this paragraph 24 if within sixty (60) days of giving notice to an apartment owner and such owner's mortgage lender of Declarant's intent to exercise such option, the mortgage lender cures or commences a foreclosure action against the apartment. The restrictions prescribed in this paragraph 24 shall be automatically extinguished upon any transfers of title to a mortgage holder or other party pursuant to a mortgage foreclosure, foreclosure under power of sale, or a conveyance in lieu of foreclosure after a foreclosure action is commenced; or when a mortgage is assigned to a federal housing agency. Any provision herein to the contrary notwithstanding, a mortgagee under a mortgage covering any interest in the apartment prior to commencing mortgage foreclosure proceedings, may notify Declarant in writing of (i) any default of the mortgage under the mortgage within ninety (90) days after the occurrence of the default, and (ii) any intention of the mortgagee to foreclose the mortgage; provided that the mortgagee's failure to provide such written notice to Declarant shall not affect such holder's rights under the mortgage."

4. Paragraph 18 of the Sales Contract states in part as follows:

"a. Seller, its agents and Seller's mortgage lender have reserved the right and easement to conduct extensive activities on or from the Project, including the common elements, in connection with the sale or leasing of the Apartments in the Project, including the use of model apartments, sales, leasing and management offices, parking stalls and extensive sales and leasing displays and other activities. These rights and easements may exist until all of the apartments in the Project are sold or leased.

"b. Seller has reserved the right to grant rights-of-way and other easements over, under, across, or through the common elements for any reasonable purpose; provided, however, that such right is subject to, and may not be exercised in any manner which is inconsistent with,

in derogation of or which would limit, abrogate or interfere with, the exclusive use of any limited common elements or any rights or easements reserved in favor of any owner.

"c. Seller has reserved an easement over and upon any portion of the Project, including the common elements and any Apartment, as may be reasonably necessary for the completion of any improvements to and correction of defects and other punch-list items in the common elements or any apartment in the Project.

"d. In the event Buyer disputes the terms of this Agreement or refuses to perform any of Buyer's obligations hereunder prior to Final Closing, Seller shall have the right, but not the obligation, to cancel this Agreement in which event Seller shall refund, without interest, Buyer's deposit and any other funds advanced by Buyer under this Agreement. This right is without limitation to Seller's right to declare a default on the part of Buyer pursuant to the paragraph E.22 hereof.

"e. Seller shall have the right to repurchase the Apartment from Buyer upon the terms and conditions as set forth in the Declaration. This right shall include the right to exercise this option to repurchase if and only if Buyer shall have made a complaint to Seller about the physical condition of Buyer's apartment or the Project or any matter in connection with the apartment or the Project and Seller shall be unable to rectify the complaint to Buyer's satisfaction within a reasonable period of time, as determined by Seller in the exercise of its sole and absolute discretion."

5. Buyers shall acknowledge the following conditions in paragraph 16 of the Sales Contract:

"a. Seller's Right to Make Changes.

(1) At any time prior to the conveyance of all of the apartments in the Project to persons other than Seller or any mortgagee of Seller, Seller reserves the right to modify the Project Documents as may be required by law, the Real Estate Commission, a title insurance company, an institutional mortgagee or any governmental agency and Buyer authorizes Seller to make and specifically approves all changes to said documents and the Project.

(2) Seller reserves the right to amend or change the common interest appurtenant to, the limited common interest assigned to, the configuration of, the number of rooms of, the size of or the location of any apartment in the Project for which an apartment deed has not been recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii (the "Recording Office").

(3) Seller reserves the right to require alterations of the Project (and to modify any of such Project Documents accordingly) to change the configuration of, to alter the number of rooms of, to decrease or increase the size of, or to change the location of any other apartment and/or parking area, and to make other minor changes in Buyer's Apartment, any of the other apartments, or the common elements.

(4) Buyer acknowledges that the Project architect in its sole discretion may (i) make any changes it deems appropriate in the common elements of the Project (including without limitation the lobbies, the Project landscaping, the parking areas, whether such changes relate to financial or aesthetic considerations) and (ii) may increase or decrease the thickness of any foundation, wall, column or floor slab within or outside the Apartment resulting in the room dimensions becoming smaller or larger than those shown on the Condominium Map, or resulting in a building height or elevation different from those shown on the Condominium Map or stated in the Declaration. The Project architect may make changes necessary to correct any design errors or other shortcomings; and the Project architect may vary the type of window glass and install different types of glass throughout the Project to achieve the best combination of energy savings and aesthetics. Buyer hereby authorizes and specifically approves any such changes.

(5) Seller reserves the right to deviate from the plans and specifications for the Project and to substitute materials of equal utility and service, without Buyer's consent or approval, subject, however, to the above provisions. Seller may increase or decrease the number of parking stalls.

(6) Buyer hereby irrevocably appoints Seller Buyer's attorney-in-fact, coupled with an interest, to execute any documents reasonably necessary or convenient to implement the foregoing provisions and any requirements which may be imposed by any governmental agency in connection with the Project.

(7) Notwithstanding subparagraphs E.16.a(l), (2), (3) or (4) above, any such modification shall be subject to Buyer's right to rescind pursuant to paragraph E.17 herein and to Section 514A-63 of the Act.

"b. The Declaration and the Condominium Map as the Only Description of the Apartment and Project. Buyer acknowledges that this sale of the Apartment may be a "pre-sale", i.e., a sale of a condominium apartment in a project which is yet to be built and which has not been completed. Buyer expressly agrees that the description of the Apartment, as contained in the Declaration and the Public Report(s), is intended to be the sufficient and the definitive description, as against any other map, artist's rendering or other descriptive document. The Apartment, therefore, is being purchased with reliance solely on the description contained herein, in the Declaration and Public Report(s) and on the Condominium Map (without regard to any other portions of the plans and specification of the Project), as hereinafter set forth. Buyer acknowledges that the version of the Condominium Map on file at the Real Estate Commission at the time of the issuance of a Preliminary Public Report, if applicable, may be a preliminary version and that the final version of the Condominium Map will be filed with the Real Estate Commission and recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii prior to the issuance of the Final Public Report. Buyer agrees to accept modifications in the specifications and design both before and after the Effective Date as long as the overall value of the Property is maintained. Buyer is aware that in the course of construction, changes will be made to plans and specifications, and acknowledges Seller's rights to make such changes

both before and after the Effective Date, in Seller's discretion, subject only to any right to cancellation and refund as may be provided in paragraph E.17 of this Agreement and by Section 514A-63.

"c. Conditions Acknowledged by Buyer. Buyer specifically acknowledges and accepts the following conditions, as well as any inconvenience or annoyance which Buyer may experience as a result of such conditions, and expressly waives any rights, claims or action which Buyer might otherwise have against Seller or third parties as a result of such circumstances:

(1) Other apartments in the Project (including apartments similar or comparable to Buyer's Apartment) may be sold by Seller to other buyers upon terms and conditions different from or more favorable than the terms and conditions offered to Buyer. Buyer agrees to release Seller from any claim arising therefrom and waives any right to require any change in any of the terms and conditions of this Agreement on account thereof.

(2) The Project is to be provided with a professionally designed security system which is intended to discourage access to the Project by unauthorized persons without undue inconvenience to authorized residents and guests. Despite the foregoing, Buyer understands that neither the Association nor Seller shall in any way be considered insurers or guarantors of safety or security within the Project, and neither the Association nor Seller shall be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

(3) It is possible that construction of the residential apartments in the Project may be completed before completion of portions of the common elements. Notwithstanding that construction of certain common elements may not be completed, Buyer understands and agrees that Buyer may be required to close on Buyer's purchase of the Apartment if the other conditions of purchase are met."

6. Manager's Apartment. Declarant will own Apartment 103 on the ground floor and lease the Apartment to the Association for use as the resident manager's apartment pursuant to a standard rental agreement for five (5) years at a rent of $850 per month, which rental will be a common expense of the Association. Thereafter, the lease will be a month to month rental.

National Ind-Comm, LLC
1165 Bethel Street, 2nd Floor
Honolulu, Hawaii 96813
(808) 539-9777 Office / (808) 521-2714 Fax

July 29, 2004

Re: 215 North King Street (the "Project")

Gentlemen:

The common interest for 215 North King Street was calculated using the following factors: (a) the history and experience of similar projects; (b) number and type of apartments; and (c) square footage of each apartment and total square footage of all apartments.

The common interest of an apartment is calculated by dividing the square footage of the apartment by the total square footage of all apartments then adjusting this result with consideration given to occupancy and corresponding burdens on utilities and common expenses.

The projected initial monthly budget for the Project is $40,738.00. The maintenance fee for an apartment is determined by multiplying the total maintenance budget for the Project by the common interest of the apartment. There are eight types of apartments in the Project. The monthly maintenance fee for each type of apartment is as follows: $179.24 for a 2-bedroom/2-bath (01, 02, 010, 011, 102, 110, 111), $166.21 for a 2-bedroom/1-bath (03,09), $145.84 for a 1-bedroom/1-bath/storage (103, 109), $144.22 for a 1-bedroom/1-bath on the Makai side (05, 07, 105, 107), $143.81 for a 1-bedroom/1-bath on the Mauka side (04, 06, 08, 106, 108), $110.82 for commercial Apartment 1000, $212.66 for commercial Apartment 2000, and $85.56 for commercial Apartment 3000.

Very truly yours,