

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer MC REAL ESTATE GROUP, LLC
Address 1120 Koko Head Avenue, Suite 101, Honolulu, HI 96813

Project Name(*): 19, 23, 25 & 26 KAENA LANE
Address: 19, 23, 25 & 26 Kaena Lane, Honolulu, HI 96817

Registration No. 5489 Effective date: November 12, 2004
Expiration date: December 12, 2005

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 by the Real Estate Commission nor any other government agency. Neither the Commission or any other government agency has judged or approved the merits or value, if any, of the project or of purchasing of 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 any 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: The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.

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

SUPPLEMENTARY: This report updates information contained in the:
[] Preliminary Public Report dated:
[] Final Public Report dated:
[] Supplementary Public Report dated:

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

(*) Exactly as named in the Declaration

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report
as Exhibit "F"

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.

Changes made are as follows:

SPECIAL ATTENTION

This is a CONDOMINIUM PROJECT, **not** a subdivision. The land area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and is **not** a legally subdivided lot. The dotted lines on the Condominium Map bounding the designated number of square feet in each limited common element land area are for illustrative purposes only and should not be construed to be the property lines of legally subdivided lots.

This public report does not constitute approval of the Project by the Real Estate Commission, or any other government agency, nor does it ensure that all applicable County codes, ordinances, and subdivision requirements have necessarily been complied with.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

TABLE OF CONTENTS

	page
Preparation of this Report	1
Expiration Date of Reports	1
Type of Report	1
Disclosure Abstract	2
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Operation of the Condominium Project	4
I. PERSONS CONNECTED WITH THE PROJECT	5
Developer Attorney for Developer General Contractor	
Real Estate Broker Escrow Company Condominium Managing Agent	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	6
B. Condominium Map (File Plan)	6
C. Bylaws	6
D. House Rule	7
E. Changes to Condominium Documents	7
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	8
B. Underlying Land	9
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	13
E. Encumbrances Against Title	14
F. Construction Warranties	15
G. Status of Construction	16
H. Project Phases	16
IV. CONDOMINIUM MANAGEMENT	
A. Management of the Common Elements	17
B. Estimate of Initial Maintenance Fees	17
C. Utility Charges for Apartments	17
V. MISCELLANEOUS	
A. Sales Documents Filed with the Real Estate Commission	18
B. Buyer's Right to Cancel Sales Contract	18
C. Additional Information	20
D. Signature of Developer	21
EXHIBIT A: Common Elements	
EXHIBIT B: Encumbrances Against Title	
EXHIBIT C: Estimate of Maintenance Fees and Disbursement	
EXHIBIT D: Summary of Sales Contract	
EXHIBIT E: Summary of Escrow Agreement	
EXHIBIT F: Disclosure Abstract	
EXHIBIT G: Declaration of Restrictive Covenants/Amendment to Declaration of Restrictive Covenants	

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 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 or 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: MC REAL ESTATE GROUP, LLC Phone: (808) 739-2291
Name (Business)
1120 Koko Head Avenue, Suite 101
Business Address
Honolulu, HI 96816

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

WENDY W. LEE
716 Alewa Dr., Honolulu, HI 96817

ZHONG KUN LI
2914 E. 16th Street, Oakland, CA 94601

TAT LING CHAN
1608 Union Street #C, Alameda, CA 94501

NELSON S. S. LEE
2929 Ala Ilima Street, Honolulu, HI 96818

Real Estate
Broker: WENDY W. LEE dba LOYAL REALTY Phone: (808) 739-2291
Name (Business)
1120 Koko Head Avenue, Suite 101
Business Address
Honolulu, Hawaii 96816

Escrow: FIRST HAWAII TITLE CORPORATION Phone: (808) 734-8777
Name (Business)
4211 Waiialae Ave, Suite 203
Business Address
Honolulu, Hawaii 96816

General
Contractor: MAN LEE CONSTRUCTION, INC. Phone: (808) 739-2291
Name (Business)
1120 Koko Head Avenue, Suite 101
Business Address
Honolulu, Hawaii 96816

Condominium
Managing
Agent: Self Managed by the Association of Apartment Owners Phone: (808) 739-2291
Name (Business)
Business Address

Attorney for
Developer: LESTER G. L. WONG Phone: (808) 526-3033
Name (Business)
1088 Bishop Street, Suite 904
Business Address
Honolulu, Hawaii 96813

*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. 2004-201325
Book _____ Page _____
 Filed - Land Court: Document No. _____

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

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

The Condominium Map for this condominium project is:

Proposed
 Recorded - Bureau of Conveyances Condo Map No. 3845
 Filed - Land Court Condo Map No. _____

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

N/A

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

The Bylaws for this condominium are:

Proposed
 Recorded - Bureau of Conveyances: Document No. 2004-201326
Book _____ Page _____
 Filed - Land Court: Document No. _____

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

First Amendment to the By-Laws of the Association of Apartment Owners of 19, 23, 25 & 26 Kaena Lane dated October 18, 2004:

Document No: 2004-214785

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

The House Rules for this condominium are:

Proposed Adopted 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:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>100%</u>
Bylaws	65%	<u>65%</u>
House Rules	—	<u>Unanimous Approval of Board of Directors</u>

*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.

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

The Declarant reserves the right to grant to any public or governmental authority rights of ways and other easements, which are for the sole benefit of the Project, or which do not materially interfere with the use nor materially impair the value of any unit over, across, under and through the common elements and limited common elements for lines and other transmission facilities and appurtenances for electricity, gas, telephone, water, sewer, drainage, and other public services and utilities, and rights to enter for the purpose of installing, repairing, altering, and removing such lines and facilities and of trimming any trees in the way thereof; PROVIDED, that the Association, through the Board of Directors, with the consent or agreement of any holder of any then existing easements affected thereby, is authorized to grant, convey, transfer, cancel, relocate, or deal with any and all such public services and utilities easements now or hereafter located on or affecting the Project.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- 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

For Sub-leaseholds:

- Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 Canceled Foreclosed
- As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or 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 improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

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

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

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

[] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

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

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

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

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

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

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

B. Underlying Land:

Address: 19, 23, 25 & 26 Kaena Lane Tax Map Key: (1)1-7-009-41
Honolulu, Hawaii 96817

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

Land Area: 11,078 [X] square feet [] acre(s) Zoning: R-5

Fee Owners: MC REAL ESTATE GROUP, LLC
 1120 Koko Head Avenue, Suite 101
 Honolulu, HI 96816

Sublessor: N/A
 Name _____
 Address _____

C. Buildings and Other Improvements:

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

2. Number of Buildings: 4 Floors Per Building Unit#19=2; Unit #23 =2; Unit 25=2; Unit 26=2

Exhibit _____ contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other _____

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Permitted By Zoning</u>	
<input checked="" type="checkbox"/> Residential	<u>4</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Commercial	___	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	___	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Hotel	___	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Timeshare	___	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Ohana	___	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Industrial	___	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Agricultural	___	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Recreational	___	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Other	___	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?

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:

Pets: No livestock or poultry shall be allowed or kept, except for such animals that are customarily kept as pets.

Number of Occupants: _____

Other: _____

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: Unit #19: 2; Unit #23:2; Unit 25:2; Unit 26:2 Trash Chutes: 0

<u>Apt.</u> <u>Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net</u> <u>Living Area (sf)*</u>	<u>Net</u> <u>Other Area(sf)</u>	<u>Identify</u>
<u>Unit #19</u>	<u>1</u>	<u>3/3</u>	<u>2,014.84</u>	<u>402.75</u>	<u>Garage</u>
<u>Unit #23</u>	<u>1</u>	<u>3/3</u>	<u>1,998.24</u>	<u>814.38</u>	<u>Garage</u>
<u>Unit #25</u>	<u>1</u>	<u>3/3</u>	<u>1,613.78</u>	<u>814.38</u>	<u>Garage</u>
<u>Unit #26</u>	<u>1</u>	<u>3/2</u>	<u>1,072.35</u>	<u>607.10</u>	<u>Garage</u>

Total Apartments: 4

*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 the those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment:

1. All perimeter walls, floors, foundations and roof of each building.
2. All pipes, wires, conduits, or other utility and services lines in such building, outside such building, if the same are not utilized for more than one apartment.
3. The garage appurtenant to the respective apartment.

Permitted Alterations to Apartments:

Apartment owner, may renovate, remodel, make additions to, remove or restore the unit.

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 attached 11a). Developer has not elected to provide the information in a published announcement or advertisement.

7. Parking Stalls:

Total Parking Stalls: 11

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Unit #19:2		0					2
Unit #23:3		0					3
Unit #25:3		0					3
Assigned Unit #26:3		0					3
Guest							
Unassigned							
Extra for Purchase							
Other:							
Total Covered & Open	<u>11</u>			<u>0</u>		<u>0</u>	<u>11</u>

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

- Commercial parking garage permitted in condominium project.
- Exhibit _____ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

- There are no recreational or common facilities.
- Swimming pool Storage Area Recreation Area
- Laundry Area Tennis Court Trash Chute
- Other: _____

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

- There are no violations. Violations will not be cured.
- Violations and cost to cure are listed below. Violations will be cured by _____

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

(For conversions of residential apartments in existence for at least five years):

N/A

11. Conformance to Present Zoning Code

- a. No variances to zoning code have been granted.
 Variance(s) to zoning code was/were granted as follows:

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.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u> X </u>	<u> </u>	<u> </u>
Structures	<u> X </u>	<u> </u>	<u> </u>
Lot	<u> X </u>	<u> </u>	<u> </u>

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:

described in Exhibit A.

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.

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

described in Exhibit _____.

as follows:

The portion of the land area beneath and adjacent to each unit as shown on the site plan of the Condominium Map. Said land areas 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:

described in Exhibit _____.

as follows:

<u>Apt. No.</u>	<u>% Common Interest</u>
19	25%
23	25%
25	25%
26	25%

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 B describes the encumbrances against the title contained in the title report dated September 14, 2004 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

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

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
---------------------	---

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:

Unit #19: The standard one year contractor's warranty on materials and workmanship. The one year begins when unit is sold.

Unit #23: The standard one year contractor's warranty on materials and workmanship. The one year begins when unit is sold.

Unit #25: The standard one year contractor's warranty on materials and workmanship. The one year begins when unit is sold.

Unit #26: The standard one year contractor's warranty on materials and workmanship. The one year begins when unit is sold.

2. Appliances: The appliances will have warranties as provided by the appliance manufacturer.

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

Construction for Units #19, 23, 25 & 26 completed: September 2004

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):

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

- Notice to Owner Occupants
- Specimen Sales Contract
Exhibit D contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated September 30, 2004
Exhibit E contains a summary of the pertinent provisions of the escrow agreement.
- Other _____

B. Buyer's Right to Cancel Sales Contract:

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

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

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

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

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

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

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

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

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

- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime.
- C) Bylaws of the Association of Apartment Owners.
- D) House Rules.
- E) Condominium Map
- 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 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 a part of Registration No. 5489 filed with the Real Estate Commission on October 11, 2004 .

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

yellow paper stock

white paper stock

pink paper stock

C. Additional Information Not Covered Above

Pursuant to sections 16-99-3(g) and 16-99-11(d), Hawaii Administrative Rules (“HAR”), prospective purchasers are hereby advised that the Developer is MC REAL ESTATE GROUP, LLC, a Hawaii limited liability company. WENDY W. LEE is its manager. Also, WENDY W. LEE, dba Loyalty Realty, RB16882, is a current and active Hawaii licensed real estate broker.

Pursuant to Section 16-99-11(c) HAR "9", no licensee shall be allowed to advertise 'For Sale by Owner', 'For Rent by Owner', 'For Lease by Owner', 'For Exchange by Owner'."

GENERAL CONTRACTOR: MAN LEE CONSTRUCTION, INC. is a Hawaii licensed contractor (BC-19642), contractor of this project.

- 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.

MC REAL ESTATE GROUP, LLC

Printed Name of Developer

By:


Duly Authorized Signatory*

September 30, 2004
Date

WENDY W. LEE, Its Manager

Printed Name & title of person signing above

Distribution:

Department of Finance, City and County of Honolulu
Planning Department, City and County of Honolulu

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

EXHIBIT A

DESCRIPTION OF COMMON ELEMENTS

1. The land in fee simple as described in the Declaration of Condominium Property Regime.
2. All ducts, sewer lines, electrical equipment, pipes, wiring, and other central and appurtenant transmission facilities and installations which serve the apartments for services such as power, light, water, gas, refuse, telephone, radio, and television signal distribution.
3. Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance or safety, and normally in common use.

EXHIBIT "B"

1. Real property taxes - DELINQUENT

Lot A is covered by Tax Key (1) 1-7-009-041 and (1) 1-7-009-042

2. Reservation in favor of the State Hawaii of all mineral and metallic mines.

3. -AS TO FIRST:-

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

INSTRUMENT: DECLARATION OF RESTRICTIVE COVENANT

DATED : --- (acknowledged March 22, 2004)

RECORDED : as Document No. 2004-059229

4. -AS TO SECOND:-

(A) Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archeological study would disclose.

-Note:- A current survey, with metes and bounds description, should be made of said premises.

(B) Rights of others who may own undivided interest(s), or have easement or access rights, in said parcel.

5. Any unrecorded leases and matters arising from or affecting the same.

6. Any lien (or claim of lien) for service, labor or material arising from an improvement or work related to the land described herein.

7. Covenants, agreements, obligations, conditions, easements, and other provisions as contained in the Declaration of Condominium Property Regime of "19, 23, 25 & 26 KAENA LANE" dated September 24, recorded September 30, 2004 in the Bureau of Conveyances, State of Hawaii, as Document No. 2004-201325, but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.

8. AS TO AN UNDIVIDED TWENTY-FIVE PERCENT (25%) INTEREST ONLY of the By-Laws of the Association of Apartment Owners of "19, 23, 25 & 26 KAENA LANE" dated September 24, recorded September 30, 2004 in the Bureau of Conveyances, State of Hawaii, as Document No. 2004-201326.

9. Condominium Map 3845.

EXHIBIT C

**ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months</u>	<u>Yearly Total</u>
19	\$ 0 x 12 =	\$0
23	\$ 0 x 12 =	\$0
25	\$ 0 x 12 =	\$0
26	\$ 0 x 12 =	\$0

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months

Yearly Total

Utilities and Services

- Air Conditioning
- Electricity
 - common elements only
 - common elements and apartments
- Elevator
- Gas
- Refuse Collection
- Telephone
- Water and Sewer

Maintenance, Repairs and Supplies

- Building
- Grounds

Management

- Management Fee
- Payroll and Payroll Taxes
- Office Expenses

Insurance

\$0

Reserves(*)

Taxes and Government Assessments

Audit Fees

Other

TOTAL

\$0

I, WENDY W. LEE, manager of MCREAL ESTATE GROUP, LLC, a Hawaii limited liability company, developer for the condominium project 19, 23, 25 & 26 KAENA LANE, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



 WENDY W. LEE, Manager

Date: 9-30-04

(*) Mandatory reserves assessment and collection is effect beginning 1994 budget year. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves", the Developer has conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserves rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

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

EXHIBIT D

SUMMARY OF SALES CONTRACT

The sales contract contains the price, description and location of the apartment and other terms and conditions under which a buyer will agree to buy an apartment in the Project. Among other things, the sales contract provides:

1. A section for financing to be filled in and agreed to by the parties which will set forth how the buyer will pay the purchase price.
2. That a buyer's deposits will be held in escrow until the sales contract is closed or canceled.
3. That the buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.
4. What will happen if there is a default under the sales contract by Seller or Buyer. If Buyer defaults, Seller may cancel the contract or bring legal action to force sale, obtain money damages or retain Buyer's deposit. If Seller defaults, Buyer can bring an action to force the sale.

The sales contract contains various other provisions which the buyer should become acquainted with.

EXHIBIT E

SUMMARY OF ESCROW AGREEMENT

The escrow agreement sets up an arrangement under which the deposits a Buyer makes under a sales contract will be held by a neutral party ("Escrow"). Under the escrow agreement these things will or may happen:

- (a) Escrow will collect payments due pursuant to the sales contract.
- (b) Escrow will deposit all monies received pursuant to the sales contract in a special account with a financial institution.
- (c) Escrow will let Buyers know when payments are due.
- (d) Escrow will disburse Buyer's funds only after the following have happened:
 - 1. The Real Estate Commission has issued a final public report;
 - 2. Buyer has received a copy of the final report and given Seller a Receipt;
 - 3. 2 working days after Seller has notified Escrow that it has received the receipt;
 - 4. Seller has notified Escrow in writing that ll requirements of §§ 514A-39 and -63, HRS, have been satisfied;
 - 5. Seller notifies Escrow that the sales contract has become binding and that Seller's and Buyer's rights of cancellation have lapsed or become void.
- (e) Escrow will refund Buyer's funds if Seller tells Escrow in writing that a refund should be made in accordance with the sales contract. No refund will be made a Buyer's request unless Escrow receives written approval from the Seller.
- (f) Escrow will refund owner/occupant Buyer's deposits, if Seller and Buyer request a refund in writing, and (1) Seller does not offer Buyer a sales contract; or (2) Buyer fails to obtain financing within the prescribed time; or (3) Buyer asks to cancel because of hardship circumstances; or (4) Buyer does not plan to occupy the apartment.
- (g) If Buyer defaults Seller will notify Escrow of such default. Escrow will notify Buyer by registered mail that Seller has canceled sales contract because of Buyer's default. After 10 days following Buyer's receipt of cancellation notice, Escrow will treat Buyer's funds (less escrow cancellation fee) as Seller.

- (h) A Buyer's funds will be refunded without interest, less a cancellation fee if Buyer cancels the sales contract and either the seller requests that Buyer's funds be returned prior to issuance of the final public report, or Buyer's funds were obtained prior to issuance of the final public report and Buyer decides to cancel their reservation prior to receipt of the final public report.
- (i) The escrow agreement says what will happen to a Buyer's funds upon default under the sales contract.
- (j) Escrow will arrange for and supervise the signing of all necessary documents.
- (k) The escrow agreement sets forth Escrow's responsibilities in the event of any disputes.

The escrow agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.

EXHIBIT F

DISCLOSURE ABSTRACT

1. a. **PROJECT:** 19, 23, 25 & 26 KAENA LANE
19, 23, 25 & 26 Kaena Lane
Honolulu, HI 96817
- b. **DEVELOPER:** MC REAL ESTATE GROUP, LLC
1120 Koko Head Ave., Suite 101
Honolulu, HI 96816
- c. **MANAGING AGENT:** None. Project will be self-managed.
- d. **REAL ESTATE BROKER:** WENDY W. LEE dba LOYAL REALTY
1120 Koko Head Ave., Suite 101
Honolulu, HI 96813

2. **Estimated Maintenance Fee Assessments and Disbursements**

Maintenance Fees: The routine maintenance and repair of each apartment unit, including all utility charges, is the sole responsibility of each owner.

Individual Insurance: Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the Project's improvements. It is contemplated that each apartment owner will purchase and maintain his own homeowner's insurance policy which will include fire and liability coverage, and name the Association as an additional insured. As such, the premiums on said policies will be the individual responsibility of each apartment owner rather than a common expense of the Association. The premiums for said fire insurance will vary depending upon the insurance company and the coverage. Developer's best estimate regarding the cost of said coverage is approximately \$500.00 to \$2,000.00 per year per unit. If it is necessary for the Association to have its own public liability coverage (which could occur), this will become a common expense of the Association shared by the apartment owners.

3. **Description of All Warranties Covering the Apartments and Common Elements.**

NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO ANY APARTMENTS.

Standard one year contractor's warranty which begins upon sale of unit.

4. Use of Apartments. The 19, 23, 25 & 26 KAENA LANE condominium project will consist of four (4) apartments which will be used for residential purposes by the owners, their tenants, servants, guests and invitees and for no other purpose.

5. Structural Components and Mechanical and Electrical Installations.

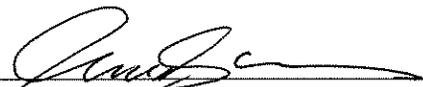
It is the Developer's opinion that all structural components and mechanical and electrical installations material to the use and enjoyment of the apartments appear to be sound and in satisfactory working condition. However, NO REPRESENTATIONS OF ANY KIND ARE MADE AS TO THE EXPECTED USEFUL LIFE, IF ANY, OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS MATERIAL TO THE USE AND ENJOYMENT OF ANY OF THE APARTMENTS.

6. Code Violations. To the best of the knowledge, information and belief of the undersigned, there are no outstanding notices of uncured violations of the building code or municipal regulations of the City and County of Honolulu.

7. Sale of Apartments. The developers and owners intend to offer Units 19, 23, 25 and 26 for sale to the public.

DATE: September 30, 2004

MC REAL ESTATE GROUP, LLC
A Hawaii limited liability company

By 
WENDY W. LEE, Its Manager



R-856 STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED
MAR 23, 2004 02:00 PM
Doc No(s) 2004-059229



/s/ CARL T. WATANABE
REGISTRAR OF CONVEYANCES

20 1/2 22

LAND COURT SYSTEM

REGULAR SYSTEM

Return By Mail () Pickup ()
To: MC Real Estate Group, LLC
1120 Koko Head Avenue, #101
Honolulu, HI 96816

DECLARATION OF RESTRICTIVE COVENANT

This Declaration made by Wendy W. Lee, manager of MC Real Estate Group, LLC, in fee simple of that certain parcel of land at 19, 23, 25 and 26 Kaena Lane, also known as Lots A of Rock Tract (File Plan 100) and being also portions of Deed: Hazel Kalama to J. T. Waterhouse, Land Commission Award 1163 to Kacao, Land Commission Award 1726 to Keliiahaiolo, Lot 4 of C. Kanaina lots and R. P. 4452, Ap. 4 to Hazel Kalama, identified by Tax Map Key 1-7-009-041 & 042, and more particularly described in Exhibit "A" attached hereto and made a part hereof.

WHEREAS, by DEED date October 22, 2003, recorded in the Bureau of Conveyance (Regular System) of the State of Hawaii in Document/Instrument No. 2003-231655, and No. 2003-231656 became the sole owner of said property and is hereinafter called the "Declarant."

WHEREAS, pursuant to the Land Use Ordinance of the City and County of Honolulu, in an A-1 Low-Density Apartment District on a zoning lot of 11,078 square feet three single family detached dwellings may only be erected and maintained on said premises.

NOW, THEREFORE, the undersigned MC Real Estate Group, LLC hereby covenants and agrees to subject said premises described in Exhibits "A" to the covenants as follow:

- 1. That each approved structure shall only be placed in one-family detached dwelling use, and that no portion of the approved structure shall be converted into a separate dwelling or lodging

- units, as those terms are defined in the Land Use Ordinance of the City and County of Honolulu, Ordinance No. 99-12, as amended.
- 2. That this Declaration of Restrictive Covenant shall run with the land and shall bind, inure to the benefit of, and constitute notice to the respective successors, grantees, assignees, mortgagees, lienors, and any other person who claims in interest in such property, of the parties hereto.
- 3. That Declarant will file a certified recorded copy of this covenant with the Department of Planning and Permitting of the City and County of Honolulu, as a condition precedent to the issuance of the Building Permit.
- 4. That this Declaration of Restrictive Covenant shall not terminate, extinguish nor cancel without the express approval of the Director of Planning and Permitting of the City and County of Honolulu, State of Hawaii.
- 5. That failure to maintain the development in accordance with this Restrictive Covenant shall constitute grounds of City and County of Honolulu to revoke or suspend any building permits issued hereunder.
- 6. That the City of County of Honolulu, State of Hawaii, shall have the right to enforce this Restrictive Covenant and the conditions contained herein by appropriate action at law or suited in equity against Declarant and any persons claiming an interest in such property.

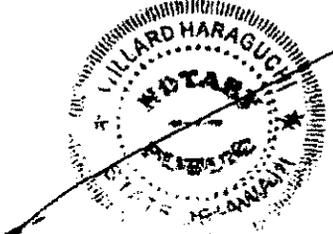
IN WITNESS WHEREOF, the undersigned hereunto sets his/hcr hand on this _____ day of _____, 20____.

Declarant: MC Real Estate Group, LLC.

[Signature]
By: it's Manager: Wendy W. Lee

STATE OF HAWAII)
) SS:
CITY AND COUNTY OF HONOLULU)

On this 22nd day of sept, 2004 before me personally appeared WENDY W. LEE known to me to be the _____ Declarant hereunder, described in and who executed the foregoing instrument, and acknowledged that he/she executed the same as his/hcr free act and deed and as the act and deed of Declarant.



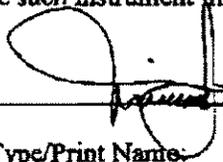
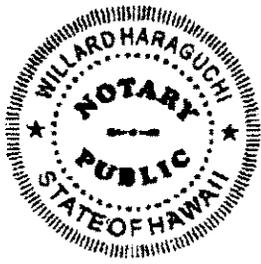
[Signature]

Notary Public

My commission expires:
Willard Haraguchi
Expiration Date: September 23, 2005

STATE OF HAWAII)
) SS:
 CITY AND COUNTY OF HONOLULU)

On this 22nd day of March, 2004, personally appeared Wendy W. Lee, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable, in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Type/Print Name: _____
 Notary Public
 State of Hawaii Willard Haraguchi
 Expiration Date: September 23, 2005
 My commission expires: _____

Exhibit "A"

Being all of Lots 7, 9, 10 and 11 of Rock Tract (File Plan 100) and being also portions of Deed: Hazel Kalama to J. T. Waterhouse, Land Commission Award 1163 to Kaoao, Land Commission Award 1726 to Kelihaiole, Lot 4 of C. Kanaina Lots and R. P. 4452, Ap. 4 to Hazel Kalama.

Situate at Nuuanu, Honolulu, Oahu, Hawaii

Beginning at the Southeast corner of this parcel of land, being also the North corner of Lot 5 of Rock Tract (File Plan 100) and on the Southwest side of Kaena Lane, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 2,091.82 feet North and 2,102.50 feet West and running by azimuths measured clockwise from true South:

- 1. 47° 29' 77.30 feet along Lot 5 of Rock Tract (F. P. 100);
- 2. 139° 46' 68.72 feet along remainder of Deed: Hazel Kalama to J. T. Waterhouse;
- 3. 158° 48' 47.70 feet along remainders of Deed: Hazel Kalama to J. T. Waterhouse and L. C. Aw. 1163 to Kaoao;
- 4. 232° 26' 121.72 feet along remainders of L. C. Aw. 1163 to Kaoao, L. C. Aw. 1726 to Kelihaiole and Lot 4 of C. Kanaina Lots;
- 5. 317° 29' 49.64 feet along the Southwest side of a 5-foot Lane;
- 6. 47° 29' 84.00 feet along the Northwest side of 5-foot Lane and along the Northwest end of Kaena Lane;
- 7. 317° 29' 13.00 feet along the Southwest side of Kaena Lane;
- 8. 227° 29' 10.00 feet along same;

9. Thence along same, on a curve to the right with a radius of 10.00 feet, the chord azimuth being:

272° 29'

14.14 feet;

10. 317° 29'

30 feet along the Southwest side of Kana Lane to the point of beginning and containing an area of 11,078 square feet.

End of Exhibit "A"

76/06
0



R-1090 STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED
JUN 28, 2004 08:02 AM
Doc No(s) 2004-130942



/s/ CARL T. WATANABE
REGISTRAR OF CONVEYANCES

20 1/1 Z2

Y

LAND COURT SYSTEM

REGULAR SYSTEM

RETURN BY: MAIL () PICKUP ()
To: MC Real Estate Group, LLC
1120 Koko Head Ave., Suite 101
Honolulu, HI 96816

Tax Map Key No.: (1) 1-7-009-41 & 42

AMENDMENT TO
DECLARATION OF RESTRICTIVE COVENANT

WHEREAS, the Declaration of Restrictive Covenant dated March 22, 2004 was filed in the Bureau of Conveyances of the State of Hawaii on March 23, 2004, as Document No. 2004-059229.

WHEREAS, an amendment to the Declaration of Restrictive Covenant is needed to reflect correction to the number of dwellings may only be erected and maintained on said premises.

WHEREAS, the party to said Declaration of Restrictive Covenant has agreed to correct said Declaration and Exhibit "A";

NOW, THEREFORE, in consideration of the premises, the Declarant hereby amends the said Declaration of Restrictive Covenant as follows:

1. Paragraph 3 of the Declaration is amended by changing the three single family detached dwellings to four single family detached dwellings.

In all other respects, except as hereby amended, the Declaration is hereby ratified and confirmed.

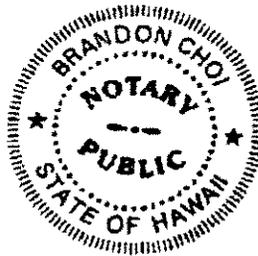
IN WITNESS WHEREOF, the Declarant has executed this instrument this _____ day of _____, 2004.

Declarant: MC Real Estate Group, LLC

[Signature]
By: It's Manager: Wendy W. Lee

STATE OF HAWAII)
CITY AND COUNTY OF HONOLULU) SS:

On this 25th day of June, 2004, personally appeared Wendy W. Lee, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the forgoing instrument as the free act and deed of such person, and if applicable, in the capacity shown, having been duly authorized to executed such instrument in such capacity.



[Signature]

Type/Print Name: _____
Notary Public, State of Hawaii

Brandon Choi
Expiration Date: June 10, 2005

9. Thence along same, on a curve to the right with a radius of 10.00 feet, the chord azimuth being:

272° 29'

14.14 feet;

10. 317° 29'

30 feet along the Southwest side of Kana Lane to the point of beginning and containing an area of 11,078 square feet.

End of Exhibit "A"

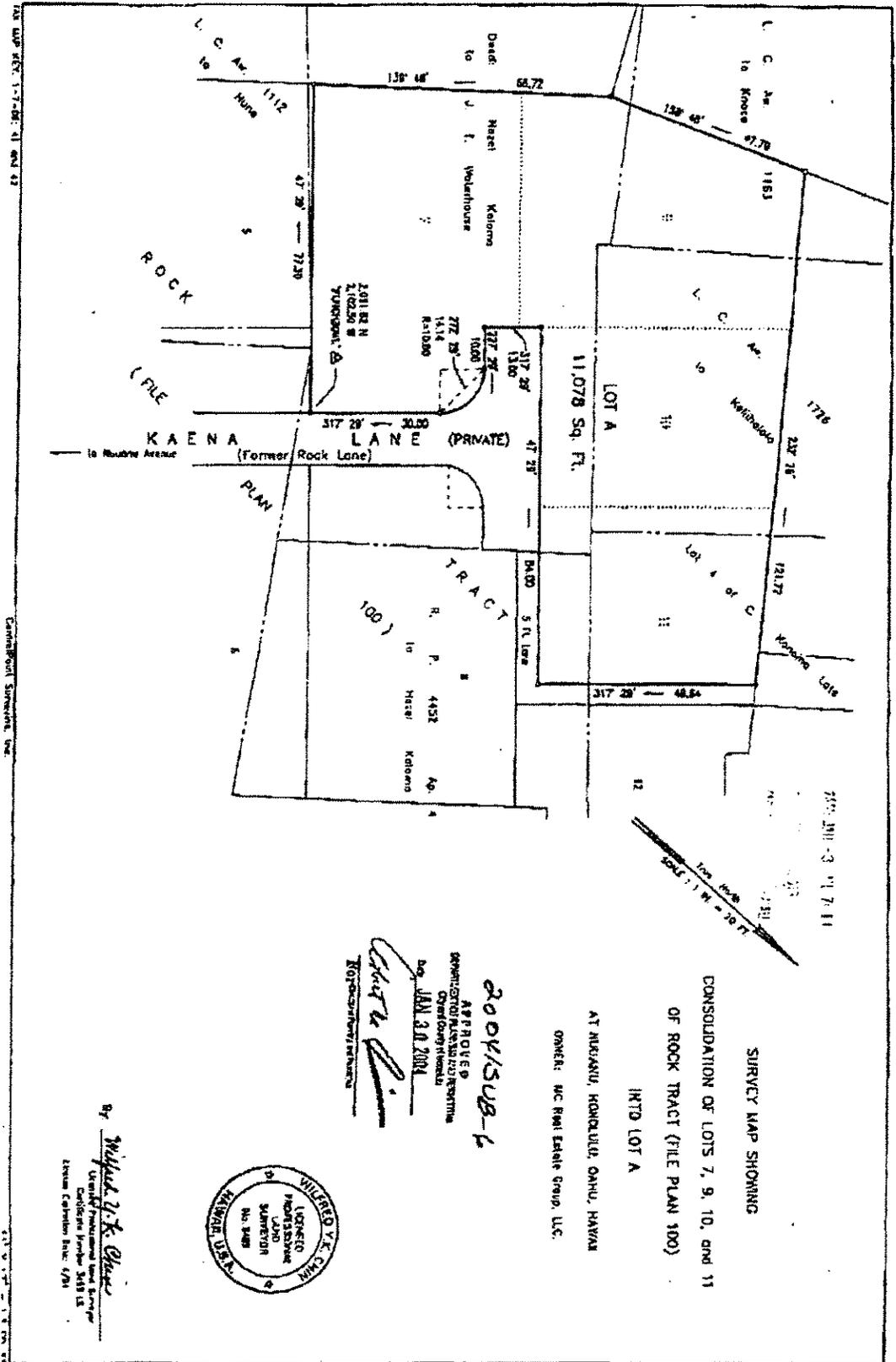
Exhibit "A"

Being all of Lots 7, 9, 10 and 11 of Rock Tract (File Plan 100) and being also portions of Deed: Hazel Kalama to J. T. Waterhouse, Land Commission Award 1163 to Kaoao, Land Commission Award 1726 to Keliiahaiolo, Lot 4 of C. Kanaina Lots and R. P. 4452, Ap. 4 to Hazel Kalama.

Situate at Nuuanu, Honolulu, Oahu, Hawaii

Beginning at the Southeast corner of this parcel of land, being also the North corner of Lot 5 of Rock Tract (File Plan 100) and on the Southwest side of Kaena Lane, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 2,091.82 feet North and 2,102.50 feet West and running by azimuths measured clockwise from true South:

- | | | |
|----|----------|---|
| 1. | 47° 29' | 77.30 feet along Lot 5 of Rock Tract (F. P. 100); |
| 2. | 139° 46' | 68.72 feet along remainder of Deed: Hazel Kalama to J. T. Waterhouse; |
| 3. | 158° 48' | 47.70 feet along remainders of Deed: Hazel Kalama to J. T. Waterhouse and L. C. Aw. 1163 to Kaoao; |
| 4. | 232° 26' | 121.72 feet along remainders of L. C. Aw. 1163 to Kaoao, L. C. Aw. 1726 to Keliiahaiolo and Lot 4 of C. Kanaina Lots; |
| 5. | 317° 29' | 49.64 feet along the Southwest side of a 5-foot Lane; |
| 6. | 47° 29' | 84.00 feet along the Northwest side of 5-foot Lane and along the Northwest end of Kaena Lane; |
| 7. | 317° 29' | 13.00 feet along the Southwest side of Kaena Lane; |
| 8. | 227° 29' | 10.00 feet along same; |



SURVEY MAP SHOWING
 CONSOLIDATION OF LOTS 7, 9, 10, and 11
 OF ROCK TRACT (FILE PLAN 100)
 INTO LOT A

AT HONOLULU, HAWAII, OAHU, HAWAII
 OWNER: MC REAL ESTATE GROUP, LLC.

2004/5/28-1
 APP ROU 159
 DEPARTMENT OF LAND AND NATURAL RESOURCES
 Office of Geomatics
 May 28, 2004
 KOPRO-COMPLIANCE REVIEW



By: *Wilfred T. Cain*
 Licensed Professional Surveyor
 Certificate Number 2485
 Exam. Expiration Date: 7/31