CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer: Ironwood Trading Company, LLC and Ironwood Associates, LLC
Address: 900 Fifth Avenue, Suite 201, San Rafael, CA 94901

Project Name(*): aina-nalu
Address: 660 Wainee Street, Lahaina, Maui, Hawaii 96761

Registration No. 5552 (Conversion)

Effective date: **January 13, 2006**
Expiration date: **February 13, 2007**
As to Apts: See page 2

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.

___ **FINAL: (white)** The developer has legally created a condominium and has filed complete information with the Commission.

- [ ] No prior reports have been issued.
- [ ] This report supersedes all prior public reports.
- [ ] This report must be read together with _____

_X_ **SECOND SUPPLEMENTARY: (pink)** This report updates information contained in the:

- [ ] Preliminary Public Report dated: _____
- [X] Final Public Report dated: January 10, 2005
- [X] Supplementary Public Report dated: May 12, 2005

And

- [X] 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.

FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104

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. **SUBSTITUTION OF DEVELOPER ENTITY.** Ironwood Trading Company, LLC, a Virginia limited liability company ("Developer"), is the successor-in-interest to Ironwood Associates, LLC, an affiliate of the Developer, as to the eighty-eight (88) Hotel Apartments covered by the Supplementary Public Report bearing the effective date of May 12, 2005. Developer has now acquired the remaining one-hundred one (101) Hotel Apartments in the Project from Ironwood Associates, LLC, which apartments are listed below, and therefore, now owns all Apartments in the Project as set forth in Exhibit "E" attached hereto. Ironwood Associates, LLC, continues to own the Front Lobby Commercial Apartment and joins in the Public Report as a co-developer due to such ownership. Accordingly, this Public Report is to reflect the Developer as to the developer of record for all Hotel Apartments in the Project and Ironwood Associates, LLC, as the developer of the Front Lobby Commercial Apartment.

Apartment Number
G-101
G-102
G-103
G-104
G-105
G-106
G-107
G-108
G-109
G-110
G-201
G-202
G-203
G-204
G-205
G-206
G-207
G-208
G-209
G-210
H-101

Apartment Number
H-102
H-103
H-104
H-105
H-106
H-107
H-108
H-109
H-110
H-201
H-202
H-203
H-204
H-205
H-206
H-207
H-208
H-209
H-210
I-101
I-102

Apartment Number
I-103
I-104
I-105
I-106
I-107
I-108
I-109
I-110
I-201
I-202
I-203
I-204
I-205
I-206
I-207
I-208
I-209
I-210
J-101
J-102
J-103

Apartment Number
J-104
J-105
J-106
J-107
J-108
J-109
J-110
J-201
J-202
J-203
J-204
J-205
J-206
J-207
J-208
J-209
J-210
K-101
K-102
K-103
K-104

Apartment Number
K-105
K-106
K-107
K-108
K-109
K-110
K-201
K-202
K-203
K-204
K-205
K-206
K-207
K-208
K-209
K-210
Cottage Unit

2. The Declaration has been further amended by that certain Second Amendment to Amended and Restated Declaration of Condominium Property Regime aina-nalu dated September 15, 2005, recorded at the Bureau of Conveyances of the State of Hawaii as Document No. 2005-192220. Such Amendment clarifies that common element areas such as walkways and deck areas, shall not be used by owners for storage of furniture and other items of personal property. In particular, Owners of Apartments in Building E shall take care to leave such common element areas clear of any items of personal property or they shall be removed at the Owner's expense by the Association.

Special Notes

A. The Project was originally converted to condominium status in 1980 by that certain Declaration of Horizontal Property Regime dated June 27, 1980, recorded at the Bureau of Conveyances of the State of Hawaii in Book 14820 at Page 401. No prior public reports have been issued for the Project. The Developer has changed the name of the Project from the "Maui Islander" to "aina-nalu".

B. Purchasers are advised that in the process of purchasing the leased fee interest in all apartments in the Project, Developer was made aware of certain breaks in the chain of title relative to certain portions of the land underlying the Project. Kamehameha Schools, which sold the leased fee interests in the apartments to the Developer, acquired a portion of the land underlying the Project by that certain Exchange Deed dated April 6, 1956, by Pioneer Mill Company, Limited, a Hawaii corporation ("***Pioneer Mill***"), recorded in the Bureau of Conveyances of the Stat of Hawaii in Book 3121 at Page 313 (the "***1956 Deed***"). Security Title Corporation, a Hawaii corporation ("***Security Title***"), appears to have completed or partially completed a title report of the Land on or around 1979 and found certain breaks in the chain of title for that portion of the land that Kamehameha Schools acquired from Pioneer Mill. Security Title may not have completed a thorough search of the chain of title during its 1979 search and neither Seller nor Security Title has been able to find the title report or the underlying title documents. There may be additional breaks and there is no assurance that the parcels of land or kuleanas comprising a portion of the Land that are not listed below do not have breaks in the chain of title. In addition, there is no assurance that the alleged breaks are actual breaks in the chain of title or that the breaks in the chain of title were resolved since 1979 in a manner favorable or unfavorable to Kamehameha Schools. A summary of the characteristics of the chain of title to each of eleven parcels comprising portions of the Land based on a title report that was apparently prepared by Security Title in 1979 is set forth below.

1. L.C. Aw. 2538, RP. 1697, to Umiumi, Apana 1. (P2-1).

   In 1862, Umiumi, the original awardee, conveyed to Mu, who conveyed to Kapukui, who conveyed in 1879 to Kaniu. There is no record of Kaniu's subsequent conveyance, death, or probate. The parcel was among those enumerated in a Trust Deed given by Pioneer Mill to Bank of Hawaii on October 1, 1902 (L. 244, p. 1). [*Although not discussed in the original summary of Security Title's report, Apana 2 is not listed in the 1956 Deed.*]

2. L.C. Aw. 7225, R.P. 1750 to Umiumi. (P2-3).

   There is no record of any conveyance of the property by Umiumi. In 1863, Wahineiki, claiming to be one of his heirs, conveyed the property to Z.Y. (or J.Y.) Maipinepine. Wahineiki may have been Umiumi's widow, and the beneficiary of an informal partition, since other lands belonging to Umiumi were leased by other individuals claiming under him. In 1911, Lahaina Agricultural Co., Ltd., Pioneer Mill's predecessor, acquired title from John M. Bright. From other records, it appears the "M" stood for Maipinepine.

   It is possible that Wahineiki was not the sole heir of Umiumi. Bright's source of title is speculative.

3 & 4. L.C. Aw. 6729, Apana 1 of mahele 1 and Apana 1 of mahele 2 to Kamauoha. (P3-1, P3-2).

   The name Kamauoha is very common, and no certain probate or death records have been found. There were several early disputes involving Kamauoha's properties, but none as to this one. In 1865, Naluai who from other records is known to be an heir of Kamauoha, mortgaged the premises to Lahaina Sugar Co., and in 1868 he sold it to James Campbell and Henry Turton, predecessors of Pioneer Mill.

   Naluai was probably the undisputed beneficiary of an informal partition of Kamauoha's estate. If that event is assumed, title is unbroken since 1865.

5. L.C. Aw. 1001, R.P. 8225, to Keaweluaole, Apana 1. (P4-2).

   Keaweluaole was survived by his widow Peahi and six children. The beneficiary under his will was Peahi who conveyed to J.Y. Maipinepine in 1860. John (M(aipinepine) Bright conveyed to Lahaina Agricultural in 1911. The parcel would be subject only to the above- described infirmity of John M. Bright's succession to the interest of J.Y. Maipinepine except that in 1897 a woman claiming to be the daughter of Keaweluaole conveyed the property to Rebecca Taylor, who conveyed to Pioneer Mill. This late appearing chain may suggest some dispute as to Peahi's title as widow. If the daughter's title was valid, her five siblings may have a claim too.

6. L.C. Aw. 9812-C,, R.P. 1779 to Keaweluaole, portion of Apana 1. (P4-1).

This is a miniscule remnant of the award. Pioneer Mill had a co-tenancy interest in the whole. At some unknown time, Wainee Street cut across the northwestern portion, leaving this remnant on the northern side of the road. Theoretically, it remains a co-tenancy with the owners of property on the opposite side of the street, or is vested in the Government as a remnant arising out of eminent domain.

7. L.C. Aw. 2871, R.P. 1679 to Kaneoalii. (P5).

Awarded to Kaneoalii, this parcel was conveyed by his distributees to Antoney Silver, a name known to have been used by Antone Silva. The petition for probate of Silva's estate shows him survived by four daughters, a son and a widow. No decree of distribution has been located. In 1909, Mary Sylva conveyed the property to her four daughters who later conveyed to predecessors of Pioneer Mill.

The chain raises a question as to whether Antoney Silver and Antone Silva were the same individual. Other records indicate they were, but the name "Antone Silva" is too common for Security Title to be certain. A second question is whether Mary Sylva was Antone Silva's widow and devisee. Other records and her subsequent conveyance to the four daughters suggest she was. If not, Silva's son may have acquired an interest not later conveyed to Pioneer Mill or its predecessors.

8. L.C. Aw. 3761 B to Kaluaopele. (P6).

There are no conveyances by Kaluaopele and no probate of his estate. In January 15, 1915, the Territory of Hawaii issued R.P. 8300 to Kaluaopele on the application of Mrs. James E. Roberts. It was not customary at the time to require anything more of an applicant than the cost of the patent. On September 13, 1915, D. Kaopuiki conveyed the property to Lahaina Agricultural. There is nothing to establish D. Kaopuiki's interest, nothing to support Mrs. Robert's claim, and her line cannot be traced beyond 1915.

9 & 10. L.C. Aw. 7157, R.P. 2734 to Kanekuapuu, Apanas 1 and 2. (P10).

There are no conveyances or public records of any sort as to these parcels, except that they were included among the properties mortgaged by Pioneer Mill to the Bank of Hawaii in 1902 and subsequently conveyed in 1956 to the Bishop Estate. Other apanas of the award passed through Mu and Kahue to John Enos.

11. L.C.Aw. 493, R.P. 2733 to Kalakakoa Apana 2. (P11).

Paupau, the distributee and sole heir of the awardee, Kalakakoa conveyed the property to Mu in 1866. Mu purchased several other Lahaina area properties and died without issue survived by his widow. Antone Silva (referred to above) is known to have purchased a good deal of property too, and Mary Sylva, believed to be his widow, conveyed the property to her four daughters who in turn conveyed to predecessors of Pioneer Mill. The infirmities of the Silva-Sylva chain are detailed above. This parcel suffers from the further defect that there is no record of any conveyance out of Mu or into the Silva-Sylva line. However, when Mu's properties were formally partitioned between his widow and another, this parcel was not included, suggesting that by an unrecorded deed he conveyed it during his lifetime to the acquisitive Antone Silva.

As noted above, the parcels of land or kuleanas comprising a portion of the land underlying the Project that are not listed above may not have been searched to determine whether there are breaks in the chain of title.

In light of the foregoing, in purchasing the leased fee interest in the apartments from Kamehameha Schools, the Developer obtained title insurance from Island Title Corporation ("Title Company"), as agent for First American Title Company, insuring that the Developer has good and marketable fee simple title to all of the apartments in the Project. The Developer has, in turn, obtained a commitment from the Title Company that it will issue title policies to purchasers of apartments in the Project and to their mortgagees, if any, to insure purchasers and their lenders that they will have good and marketable fee simple title to apartments that they purchase. Nonetheless purchasers are encouraged to make any inquiries relative to the status of title as to the apartment that they will be purchasing with representatives of the Title Company to assure themselves that they will be receiving the title insurance coverage they require.

C. **MAIN SWITCH AND TELECOMMUNICATION STATION.** The main switch and telecommunication station for the property will be replaced by 2006. This will be on a lease basis and will be a responsibility of the Association of Apartment Owners. The wiring from the switch to each building's individual telecommunication panels will require ongoing preventative maintenance by professionals. Each apartment will be wired during renovation for "CAT 5". Individual owner's will be responsible for selecting their preference for telephone and high speed computing technology through Verizon or Oceanic Cable.

D. **POOL RENOVATION.** For all pool view apartments, there will be construction for a period of time and there will be disturbances. Every effort will be made to mitigate the noise and dust. The new pool, as of February 1, 2005, is under final review for a county Special Management Area permit and following approval will be submitted for county construction approvals. It is anticipated construction will commence at the end of 2005 and will be completed in six (6) months. If a buyer anticipates that this will be a problem, it is advisable to purchase in another area of the Project.

E. **BLANKET LIENS.** The Apartments are subject to the liens of those mortgages more particularly described on page 15 of this Report. The Apartments are no longer subject to those Mortgage liens described at page 15 of the Final Public Report bearing effective date January 10, 2005 a Supplementary Public Report bearing effective date May 12, 2005.

F. **HOTEL ZONED PROPERTY.** The property underlying the Project is zoned "H-1" by the County of Maui and, therefore, the Apartments may be used for hotel and transient vacation rental purposes as well as any other use permitted by Maui County zoning ordinances and regulations

G. **ESCROW AGREEMENT.** The Developer, by instrument dated February 8, 2005, has joined into that certain Escrow Agreement dated November 22, 2004, entered into between Island Title Corporation and Ironwood Associates, LLC. Developer has obtained an updated title report dated April 15, 2005 reflecting its acquisition of all in the Project and the recordation of the mortgage liens listed on page 15 of this Report that encumber such Apartments.

H. **EXHIBIT H.** Exhibit H of this Report has been revised to reflect the blanket liens affecting the 88 apartments in the Project owned by the Developer identified as items 13-18 thereon. All previous blanket liens affecting such Apartments have been released of record and no longer affect such Apartments.

I. **CONSTRUCTION NOTE.** Buyers are advised that the electrical panelboards servicing Apartments A-101 through A-110, inclusive, A-201 through A-210, inclusive, B-101 through B-110, inclusive, B-201 through B-210, inclusive, C-101 through C-110, inclusive, C-201 through C-210, inclusive, D-101 through D-110, inclusive, D-201 through D-210, inclusive, E-101, E-102,. E-201, E-202, F-101, F-102, F-201 and F-202 are made with aluminum busses in compliance with Maui County Building Code requirements. The electrical engineer for the Project, Albert Chong of Albert Chong Associates Inc., has recommended the use of copper busses as, in his experience, copper busses are more reliable than aluminum busses. Accordingly, the electrical panelboards servicing the remaining 101 Apartments in the Project will be installed using copper busses instead of aluminum busses.

J. Each prospective purchaser is advised of the following matters pertaining to the aina-nalu condominium project:

1. **POOL SAFETY.** There is no lifeguard on duty at the pool within the Project. Accordingly, Purchaser's safety as well as the safety of Purchaser's children, tenants and guests are Purchaser's own responsibility while using the pool. Children must be accompanied by an adult while using the pool and there is no diving permitted. Purchaser is directed to the House Rules for more information regarding the use of the pool. All pool users swim at their own risk and agree to indemnify and hold harmless Developer from any liability due to such usage.

2. **SECURITY.** There is no on-site security provided for the Project.

3. **INTER-UNIT NOISE.** There will at times be some degree of inter-unit noise. Any excessive noise should be reported to the Project's management company.

4. **EXTERNAL SOURCES OF NOISE.** Honoapiilani Highway and other apartment complexes neighbor the Project. Accordingly, there may be noise emanating from the highway and other adjacent roads, as well as from such other properties over which the Developer has no control. Specifically, noise from equipment, vehicles such as refuse trucks and other sources may emanate from such properties such that they are audible within the Project.

5. **APPLIANCES.** All appliance warranty registration and claims are to be handled by Purchaser directly with the manufacturer. The Developer has no liability for such warranties nor the servicing or replacement of any appliance in the Apartments of the Project.

6. **WIRING AND ELECTRICITY.** All wiring and electrical work on the Apartments and the Project performed during renovations are being done with appropriate permits and under the supervision of a licensed electrical engineer and contractor. Any future electrical work to Apartments or the Project must be performed by a licensed electrician.

7. **PLUMBING.** All plumbing repairs and renovation work to the Project were done with appropriate permits and under the supervision of a licensed plumber. The Developer can offer no assurances as to the expected life of any piping that was not replaced. Water pressure may vary per Unit.

8. **DUST.** Dust from lots adjacent to the Project may become airborne due to future construction activities or other activities on such lots or due to the wind, and may at times, enter the Project and Apartments within the Project.

9. **PARKING.** All parking stalls in the Project, with the exception of parking stalls 259 and 260 that are appurtenant to the Cottage Unit as limited common elements, are appurtenant to the Front Lobby Apartment that is owned by Developer. Each apartment owner of record will be permitted to use one (1) parking stall while occupying his/her unit in the Project at no charge which parking shall be administered and operated by the managing agent for the Project. All other persons occupying units in the Project will be deemed to be guests and will be permitted to use parking stalls within the Project for a fee as determined by the Developer or the managing agent in their sole discretion.

10. **HAZARDOUS WASTE AND TOXIC SUBSTANCES DISCLOSURE.** The laminate floor tiles in Apartments were tested and were confirmed to contain asbestos. The Developer has retained a company certified to remove and abate asbestos, which company has conducted such work to abate and remove such asbestos in accordance with applicable law. Developer has made no independent investigation, however, as to other hazardous substances in the Apartments or in, under or around the Project, including, but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials" or "toxic substances" under, or for the purposes of, hazardous materials laws. In light of the age of the Project, there may be other hazardous substances in the Apartments or in, under or around the Project. Because of the possible presence of such substances, Purchasers should have their respective Apartments inspected to determine the extent (if any) of such contamination and any necessary remedial action. Developer will not correct any defects in the Apartment or in the Project or anything installed or contained therein and Purchaser shall expressly release Developer from any liability if any hazardous materials are discovered.

11. **EXTERIOR PAINT; LEAD CONTAINING PAINT.** The Developer has done extensive exterior siding and paint work on all buildings in the Project and has caulked the exterior ceiling areas as needed in the common areas of the Project, all with non-leaded paints. These are areas that will require repair or refurbishment in the future and the expenses associated with such repairs, when they occur, will be a common expense of the Project. Notwithstanding such paint work, all Purchasers are hereby notified that the Project may nonetheless present exposure to lead from lead-based or lead-containing paint that may place young children at risk of developing lead poisoning given the age of the Project. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women.

12. **LANAIS.** Lanai areas should be maintained in a manner consistent with the House Rules. Specifically, no umbrellas or plants are permitted in lanai areas.

13. **AIR-CONDITIONERS.** All Apartments in the Project currently have air-conditioning units installed. In accordance with the House Rules, if any owner desires to install any further air-conditioning units in his or her Apartment and such air-conditioning unit will be visible from the exterior of an Apartment, the prior approval of the Board of Directors must be obtained.

14. **TERMITES.** The Purchaser is advised that the State approved Termite Inspection Report ("TIR") addresses only visible evidence of active termite infestation and visible damage in accessible areas. It does not address infestation or damage occurring in inaccessible areas of the Project or apartments. The Developer will disclose any prior or current termite infestation of which Developer is aware, but Purchaser should obtain its own TIR in accordance with Purchaser's Purchase Agreement.

15. **MOLD.** Developer makes no representation whatsoever regarding the existence of mold within the Project. Purchaser acknowledges that Developer cannot guaranty that mold, mildew, fungus and other types of bacterial growths will not recur. Tropical climates with warm temperatures, high humidity and frequent precipitation are generally conducive to the propagation of mold, mildew, fungus and other types of bacterial growths. Though the buildings of the Project, deck surfaces and other improvements that are a part of the Project may be cleaned to satisfactory appearance, Purchaser acknowledges that Developer cannot guaranty mold, mildew, fungus and other types of bacterial growths can be eliminated. Purchaser should be aware that, as with all properties, the

buildings may have hidden, enclosed and unreachable areas where growths can occur and cannot be detected or completely removed, and that there may in the future be mold and mildew growth in the Project if the Association and occupants of the Apartments do not properly maintain the Project. If Purchaser, any member of Purchaser's family, or any person who will inhabit the Apartment has respiratory, skin or other health ailments or conditions that can be affected by mold, mildew, fungus or other types of bacterial growths, they should seek professional advice before completing this purchase. It is agreed that Developer does not undertake to provide counsel as to the effect that any mold, mildew, fungus and other type of bacterial growths in the Project may have relating to the health, welfare and continued enjoyment of the Apartment and the Project by Purchaser or any particular individual.

16. **CONCRETE WALKWAYS.** Due to the existing landscaping, tree roots may cause future damage to paved walkways of the Project. The expense incurred for any future repair of damages to the concrete walkways, if they occur, will be a common expense of the Project.

17. **THIRD-PARTY REPORTS.** Developer makes no warranty or representation whatsoever that Developer has provided all studies, reports, tests or other written investigations that may pertain to the condition of the Apartments and the other areas of the Building, Land or the Project. To the extent that Developer may have hired or commissioned any study, test or other investigation of the condition, useful life, legal compliance or any other matter relating to the Apartments, the Land, the Project, or any furnishings, fixtures, appliances or other consumer products or anything else installed, attached, affixed or otherwise contained in the Apartments, the Land or the Project, and to the extent Developer may make the results of any such study, test or investigation available to Purchaser in connection with the offer or sale of the Project, Developer disclaims and makes no warranty or promise regarding the accuracy, reliability or value of any statement or opinion expressed by such third-party. PURCHASER IS ADVISED THAT PURCHASER'S USE OR CONSIDERATION OF ANY SUCH INFORMATION IN CONNECTION WITH THE OFFER OR SALE OF THE APARTMENT SHALL BE AT PURCHASER'S SOLE RISK.

18. **ROOFS.** Purchaser is advised that all roofing work was conducted by a licensed roofing company and all warrantees will be transferred to the Association, if any.

19. **NO RENTAL SERVICE REPRESENTATIONS.** NEITHER DEVELOPER NOR ANY SALESPERSON, OR OTHER PERSON AFFILIATED WITH OR IN ANY WAY RELATED TO DEVELOPER HAS TALKED TO PURCHASER AT ALL ABOUT ANY RENTAL INCOME OR RENTAL, MANAGEMENT OR SALES SERVICES FOR PURCHASER'S APARTMENT. IF PURCHASER WANTS TO RENT OR SELL THE APARTMENT, HOW PURCHASER DOES IT WILL BE UP TO PURCHASER. PURCHASER ALSO AGREES THAT NEITHER DEVELOPER NOR ANY SALESPERSON OR OTHER PERSON AFFILIATED WITH OR IN ANY WAY RELATED TO DEVELOPER HAS TALKED TO PURCHASER AT ALL ABOUT INCOME FROM THE APARTMENT OR ANY OTHER ECONOMIC BENEFIT TO BE DERIVED FROM THE PURCHASE OR OWNERSHIP OF THE APARTMENT OR ABOUT THE TAX EFFECTS OF BUYING THE APARTMENT. PURCHASER IS ADVISED TO CONTACT HIS OR HER OWN ADVISERS ON ALL SUCH MATTERS.

20. **SECURITIES AND DISCLOSURE LAWS OR REGULATIONS.** PURCHASER AGREES THAT DEVELOPER MAY, AS A REQUIREMENT FOR CLOSING, REQUIRE PURCHASER, ANY SALESPERSON, OR ANYONE ELSE CONNECTED WITH THE OFFER TO SELL AND THE SALE OF THE APARTMENT, TO SIGN AND DELIVER TO DEVELOPER ADDITIONAL DOCUMENTS, INCLUDING, WITHOUT LIMITATION, WAIVERS, AFFIDAVITS OR OTHER DOCUMENTS AS MAY BE REQUIRED BY DEVELOPER FROM TIME TO TIME, TO SATISFY DEVELOPER THAT THE OFFER TO SELL AND THE SALE OF THE APARTMENT IS NOT IN VIOLATION OF ANY FEDERAL OR STATE SECURITIES LAWS OR REGULATIONS.

PURCHASER AGREES THAT IF DEVELOPER DETERMINES IN ITS SOLE DISCRETION THAT THERE HAS BEEN A VIOLATION OR AN ALLEGED VIOLATION OF ANY FEDERAL OR STATE SECURITIES LAWS OR REGULATIONS (WHETHER BY PURCHASER, DEVELOPER OR ANY THIRD PARTIES), DEVELOPER'S INJURY CAUSED BY SUCH VIOLATION OR ALLEGED VIOLATION WILL BE UNCERTAIN AS TO NATURE AND AMOUNT AND WILL BE DIFFICULT AND EXPENSIVE TO DETERMINE. BECAUSE OF THIS, PURCHASER AGREES THAT DEVELOPER MAY OBTAIN AN INJUNCTION (IN OTHER WORDS, A COURT ORDER) FROM A COURT PROHIBITING ANY ACTS BY PURCHASER WHICH GIVE RISE TO SUCH VIOLATION. DEVELOPER MAY ALSO TAKE ADVANTAGE OF ANY OF DEVELOPER'S RIGHTS DESCRIBED IN SECTION 15 OF THE PURCHASE AGREEMENT. ALL OF DEVELOPER'S COSTS, INCLUDING REASONABLE ATTORNEYS' FEES, INCURRED BECAUSE OF PURCHASER'S ACTIONS IN VIOLATION OF ANY FEDERAL OR SECURITIES LAWS OR REGULATIONS, WILL BE PAID BY PURCHASER.

PURCHASER ALSO AGREES THAT IF PURCHASER CLAIMS THERE HAS BEEN ANY VIOLATION OF ANY FEDERAL OR STATE SECURITIES OR DISCLOSURE LAWS OR REGULATIONS (INCLUDING THE CONDOMINIUM PROPERTY ACT) CONNECTED WITH THE OFFER OR SALE OF THE APARTMENT, THE INJURY CAUSED BY SUCH VIOLATION WILL BE

DIFFICULT AND EXPENSIVE TO DETERMINE. BECAUSE OF THIS, PURCHASER AGREES THAT PURCHASER'S ONLY REMEDIES WILL BE (1) TO SUE FOR SPECIFIC PERFORMANCE, WITH A FULL WAIVER OF ANY DAMAGES, OR (2) TO SUE FOR A REFUND OF THE TOTAL PURCHASE PRICE AND CLOSING COSTS ACTUALLY PAID, PLUS INTEREST AT THE RATE OF EIGHT PERCENT (8%) PER YEAR FROM THE FINAL CLOSING DATE UNTIL THE DATE OF REPAYMENT. IF PURCHASER ELECTS TO SUE FOR A REFUND AND ESTABLISHES DEVELOPER'S LIABILITY UNDER THIS PARAGRAPH, SUCH REFUND WITH INTEREST AS PROVIDED HEREIN WILL BE LIQUIDATED DAMAGES AND NOT A PENALTY; DEVELOPER AND PURCHASER HEREBY AGREE (i) THAT ANY ACTUAL DAMAGES SUFFERED BY PURCHASER WOULD BE DIFFICULT AND IMPRACTICABLE TO DETERMINE, (ii) THAT THE AMOUNT OF THE REFUND IS NOT LESS THAN THE BEST ESTIMATES OF THE PARTIES OF PURCHASER'S ACTUAL DAMAGES; AND (iii) DEVELOPER HEREBY WAIVES ANY DEFENSE OR OBJECTION TO THE ENFORCEABILITY OF SUCH LIQUIDATED DAMAGES BY PURCHASER. FURTHER, THE PARTIES AGREE, STIPULATE AND ACKNOWLEDGE THAT ANY ADDITIONAL AMOUNTS PAID BY PURCHASER FOR THE APARTMENT (SUCH AS MAINTENANCE CHARGES AND OTHER COMMON EXPENSES INCLUDING LIMITED COMMON EXPENSES, REAL PROPERTY TAXES, MORTGAGE LOAN FEES AND INTEREST, AND THE START-UP FEE) ARE NOT MORE THAN THE REASONABLE VALUE OF USE OF THE APARTMENT FROM THE FINAL CLOSING DATE UNTIL THE DATE OF REPAYMENT.

Purchaser agrees that the terms of this Section 20 will continue after the closing and will apply to Purchaser as well as to anyone claiming by, through or under Purchaser or the Apartment, notwithstanding anything contained herein to the contrary.

21. **FLOOD ZONE**. Purchaser is advised that the Project is situated in an area designated by the County of Maui as being within a flood zone.

22. **RAINFALL**. Purchaser is advised that the Project contains drainage areas designed to remove rain water from building areas. During extremely heavy rainfall, seven (7) first floor units have experienced water intrusion in the past. These areas have been identified and drainage areas have been expanded to remedy the problem. Developer cannot, however, warrant or guarantee that water intrusion into apartments will not occur in the future due to rainfall.

23. **REMODEL**. Areas remodeled are limited to inside the Apartments and building roofs. All purchasers should be aware and conduct their inspections accordingly. Purchasers' inspectors should review the Due Diligence Report in conjunction with the physical inspection. Furthermore, Developer has not made, does not make, and specifically disclaims any and all representations, warranties, promises, covenants, agreements of any kind or character whatsoever whether express or implied-past, present, or future with respect to the physical condition of property, income to be derived from property, suitability of property for any and all activities, as well as any current or future change in the zoning, including (Lahaina Historical District).

24. **LAHAINA HISTORICAL DISTRICT**. Purchaser is advised that the Project is situated within the boundaries of the Lahaina Historical District. Accordingly, any exterior alterations to the buildings in the Project must comply with the requirements of such district.

25. **RAIN GUTTERS**. The buildings in the Project do not have rain gutters installed. Should the Association desire to install rain gutters in the future, it will be a common expense of the Project.

26. **FIRE SYSTEM**. It may be necessary for the Association to eventually upgrade the fire system to comply with changing County fire code requirements. Such upgrades will be common expenses of the Project.

27. **AS-IS PURCHASE**. Purchaser acknowledges that the Apartments are being sold in "as-is" condition. Developer makes no express warranties with respect to the Apartment. DEVELOPER DISCLAIMS ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE, ANY IMPLIED WARRANTY OF WORKMANSHIP AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE APARTMENT, THE PROPERTY, THE COMMON ELEMENTS OR THE PROJECT. Purchaser acknowledges that Developer has made no warranties, express or implied, with respect to the Property, its quality or grade, or any common element or anything installed therein, its quality or grade. In particular Developer disclaims any and all responsibility or liability for any malfunctions, construction or design defects, including, without limitation, any latent or hidden defects which time may reveal or any other problems which Purchaser may encounter with respect to the Apartment or the Project. Purchaser acknowledges Developer's disclaimers and expressly waives any rights, claims or actions against Developer arising out of or connected with any defects with respect to the Property.

28. **COMMON EXPENSES**. The common expenses of Apartments in the Project shall be allocated in accordance with the common interest appurtenant to each Apartment.

29. **SPECIAL MANAGEMENT AREA.** The Project is located within a Special Management Area on the Island of Maui and therefore, will require County approval for subsequent improvements to the Project.

K. The Developer has agreed to pay the actual expenses of the Project until such time as it provides the Real Estate Commission and the owners with an amended disclosure abstract, not less than thirty (30) days prior to the date that owners must commence paying their budgeted maintenance fees.

L. The Developer shall have the right to utilize the leased PBX system and the television cable installations of the Project to provide services to the Apartments and to retain any revenues derived therefrom.

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General Information On Condominiums

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

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

If you are a typical condominium 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: Ironwood Trading Company, LLC and Ironwood Associates, LLC — Phone 415-257-8540
Name* (Business)
900 Fifth Street, Suite 201
Business Address
San Rafael, CA 94901

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

See Section V, Paragraph C hereof, at page 20

Real Estate Broker*: Whalers Realty Inc., dba Whalers Realty Management Co. — Phone: 808-661-8777
Name (Business)
2435 Kaanapali Parkway, Suite A3
Business Address
Kaanapali, Maui, Hawaii 96761

Escrow: Island Title Corporation — Phone: 808-531-0261
Name (Business)
1132 Bishop Street, Suite 400
Business Address
Honolulu, Hawaii 96813

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

Condominium Managing Agent*: Outrigger Hotels Hawaii, dba Outrigger Hotels & Resort — Phone: 808-921-6600
Name (Business)
2375 Kuhio Avenue
Business Address
Honolulu, Hawaii 96815

Attorney for Developer: Imanaka Kudo & Fujimoto, LLLC — Phone: 808-521-9500
Name (Business)
745 Fort Street, 17th Floor
Business Address
Honolulu, Hawaii 96813
Attn: Mitchell A. Imanaka, Esq.

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

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

[ ] Proposed

[X] Recorded -Bureau of Conveyances: Document No _____
Book 14820 Page 401

[ ] Filed - Land Court: Document No._____

Said Declaration was amended by that certain Amended and Restated Declaration of Condominium Property Regime of aina-nalu dated November 10, 2004, recorded at said Bureau as Document No. 2004-252004.

Said Declaration was further amended by that certain First Amendment to Amended and Restated Declaration of Condominium Property Regime of aina-nalu dated January 10, 2005, recorded at said Bureau as Document No. 2005-005243.

Said Declaration was further amended by that certain Second Amendment to Amended and Restated Declaration of Condominium Property Regime of aina-nalu dated September 21, 2005, recorded at said Bureau as Document No. 2005-192220

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

The Condominium Map for this condominium project is:

[ ] Proposed

[X] Recorded - Bureau of Conveyances Condo Map No. 739

[ ] Filed - Land Court Condo Map No. _____

Said Condominium Map was further amended by that certain Amended and Restated Declaration of Condominium Property Regime of aina-nalu dated November 10, 2004, recorded at said Bureau as Document No. 2004-252004

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

[X] Recorded -Bureau of Conveyances: Document No. _____
Book 14820 Page 422

[ ] Filed - Land Court: Document No._____

The Bylaws referred to above have been amended by that certain Amended and Restated Bylaws of the Association of Apartment Owners of aina-nalu dated November 10, 2004, recorded at said Bureau as Document No. 2004-252005.

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 requirement 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	---	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 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 Sub-leasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

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

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

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

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

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

For Sub-leaseholds:

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

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

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

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

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

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

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

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

[ ] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

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

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

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

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

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

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

B. **Underlying Land:**

Address: 660 Wainee Street
Lahaina, Maui, Hawaii 96761

Tax Map Key (TMK): (2) 4-6-11:8

[ ] Address [ ] TMK is expected to change because Not Applicable

Land Area: 8.628 [ ] square feet [X] acre(s) Zoning: H-1

Fee Owner: Ironwood Trading Company, LLC and Ironwood Associates, LLC (see page 2)
Name
2416 Polk Street
Address
San Rafael, CA 94109

Lessor: N/A
Name

Address

C. **Buildings and Other Improvements:**

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

2. Number of Buildings: See Exhibit "B" Floors Per Building Varies, See Exhibit "B"

[X] Exhibit B contains further explanations.

3. Principal Construction Material:

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

[X] Other: Steel and Glass

4. Uses Permitted by Zoning:

		No. of Apts.	Use Permitted By Zoning	
[ ]	Residential		[ ]Yes	[ ]No
[X]	Commercial	1	[X]Yes	[ ]No
[ ]	Mix Res/Comm		[ ]Yes	[ ]No
[X]	Hotel	189	[X]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 are permitted as set forth in the House Rules, however, certified seeing eye dogs, signal dogs and service dogs for physically impaired persons are permitted.

[ ] Number of Occupants:

[X] Other: (1) No outdoor umbrellas are permitted on lanais for safety reasons. (2) No air conditioning unit or system that is visible from the exterior of an Apartment may be installed without the Owner first obtaining the approval of the Board.

[ ] There are no special restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 16 Trash Chutes: 0

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

Total Number of Apartments: 190

***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 "C"

Permitted Alterations to Apartments:

see Exhibit "D"

Apartments Designated for Owner-Occupants Only: Not Applicable
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: 359

	Regular		Compact		Tandem		
	Covered	Open	Covered	Open	Covered	Open	TOTAL
Assigned (for each unit)*	____	____	____	____	____	____	____
Guest	____	____	____	____	____	____	____
Unassigned	342	____	____	____	____	____	342
Extra for Purchase	____	____	____	____	____	____	____
Other: Handicapped	17	____	____	____	____	____	17
Total Covered & Open:	359		0		0		359*

*All parking in the Project with the exception of Parking Stalls 259 and 260, are assigned to the Front Lobby Commercial Apartment that is owned by the Developer. Each apartment owner of record will be provided with the non-exclusive use of at least one parking stall while occupying such Owner's unit in the Project at no charge. All other persons occupying units in the Project will be deemed to be guests and will be permitted to use parking stalls within the Project for a fee as determined by the Developer or the managing agent in their sole discretion.

[ ] Commercial parking garage permitted in condominium project.

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

8. Recreational and Other Common Facilities:

[ ] There are no recreational or common facilities.

[X] Swimming pool (2) [ ] Storage Area [ ] Recreation Area

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

[X] Other: Picnic/BBQ area (3)

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

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

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

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations (For conversions of residential apartments in existence for at least five years):

According to that certain Due Diligence Report dated June 17, 2004 prepared by Ushijima Architects as to architectural due diligence, Cedric Chong & Associates, Inc., as to electrical due diligence and Mechanical Enterprises, Inc., as to mechanical due diligence, the structural components, and mechanical and electrical installations of the Project appear to be functioning properly and are in satisfactory to good condition, consistent with their age. Neither the architect nor the Developer makes any representations as to the expected useful life of such structural components, and mechanical and electrical installations. The Due Diligence Report is attached hereto as Exhibit "M".

11. Conformance to Present Zoning Code

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

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

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

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

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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

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

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

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

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

[X] described in Exhibit F.

[ ] 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*. Note: The limited common elements shall be the sole responsibility of the owner(s) of the apartments to which such limited common element are appurtenant.

[ ] 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 E.

[ ] as follows:

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

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 December 29, 2005 and issued by Island Title Corporation.

Blanket Liens:

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

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

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

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

Type of Lien	Effect on Buyer's Interest and Deposit if Developer Defaults Or Lien is Foreclosed **Prior to Conveyance**

Ironwood Trading Company, LLC's interest in all Hotel Apartments is subject to that certain (a) Mortgage dated December 29, 2005 in favor of Bank of Hawaii, a Hawaii corporation, recorded at the Bureau of Conveyances for the State of Hawaii as Document No. 2005-265203, and related collateral assignment instruments; (b) Mortgage dated December 29, 2005 in favor of Trustees of the Estate of Bernice Pauahi Bishop, recorded at said Bureau as Document No. 2005-265206, and (c) Mortgage dated December 29, 2005 in favor of Bay West Kailua Bay, LLC, a Virginia limited liability company, recorded at said Bureau as Document No. 2005-265208. Ironwood Associates, LLC's interest in the Front Lobby Commercial Apartment is subject to items (a) and (c) above, and is is also subject to that certain Mortgage dated December 14, 2004 in favor of Trustees of the Estate of Bernice Pauahi Bishop, recorded at said Bureau as Document No. 2004-252009 (all such mortgages being collectively referred to hereafter as "Mortgages"). See Exhibit "H" hereto for more particular descriptions of said Mortgages and related liens. Said Mortgages shall be partially released (as well as any other mortgage liens that may be placed on the property by the Developer and/or Ironwood Associates, LLC), as to the particular apartment being conveyed, prior to the transfer of title to apartment buyers. In the event of Developer's default, buyer's interests may be terminated by the lenders; however, buyers will receive a refund of deposits.

F. **Construction Warranties:**

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

1. Building and Other Improvements:

None

2. Appliances:

Developer will attempt to assign any manufacturer's warranties covering appliances and furnishings to buyers at closing. There are no Developer's warranties with regard to appliances and furnishings.

Note (as to 1 and 2 above): Except as provided above, Developer disclaims any implied warranty of habitability, any implied warranty of merchantability, any implied warranty of fitness for a particular purpose or use, any implied warranty of workmanship and any other express or implied warranties, with respect to the apartments, the project, the common elements thereof, or as to any appliances and furnishings contained within the apartments or the project.

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

This is a conversion project and therefore, the structures containing the apartments in the Project are already in existence. The Developer is conducting certain renovation work to apartments, which work is expected to be completed by August of 2006.

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

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

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

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

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

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

Exhibit ___I___ 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 and Apartments)

[X] Gas (_X_ Common Elements Only___ Common Elements and Apartments)

[X] Water [X] Sewer [X] Television Cable

[X] Other: ____Telephone_____

V. MISCELLANEOUS

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

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

[ ] Notice to Owner Occupants

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

[X] Escrow Agreement dated November 22, 2004 (Joinder of Developer dated February 8, 2005).

Exhibit K contains a summary of the pertinent provisions of the escrow agreement.

[X] Other: Apartment Deed. Exhibit L contains a summary of the pertinent provisions of the apartment deed.

B. **Buyer's Right to Cancel Sales Contract:**

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

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

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

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

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

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

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

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

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

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

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

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

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

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. 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. 5552 filed with the Real Estate Commission on December 16, 2004.

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

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

C. **Additional Information Not Covered Above**

1. Members of Developer:

The names and addresses of the members of Ironwood Trading Company, LLC are as follows:

a. Member: Waldman Management Group, Inc. 900 Fifth Street, Suite 201
(Dan Waldman, President; Edward Pierce, Vice President) San Rafael, CA 94901

b. Manager: Bay West Lahaina, LLC 900 Fifth Street, Suite 201
San Rafael, CA 94901

Manager: Bay West Investment Company, LLC 900 Fifth Street, Suite 201
San Rafael, CA 94901

Authorized Signatories: Jonathan McManus, Jerry Lynch, Craig Vallely

The names and addresses of the members of Ironwood Associates, LLC are as follows:

a. Bay West Investment Company, LLC 900 Fifth Street, Suite 201
San Rafael, CA 94901

Authorized Signatories: Jonathan McManus, Jerry Lynch, Craig Vallely

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.

IRONWOOD TRADING COMPANY, LLC,
a Virginia limited liability company

By Bay West Lahaina, LLC
a Virginia limited liability company
Its Manager

By Bay West Investment Company, LLC,
a California limited liability company
Its Manager

By _____
Jonathan McManus
Its Authorized Signatory

IRONWOOD ASSOCIATES, LLC
a Virginia limited liability company

By Bay West Investment Company, LLC
a California limited liability company
Its Manager

By _____
Jonathan McManus
Its Authorized Signatory

9.29.05
Date

Distribution:

Department of Finance, County of Maui
Planning Department; County of Maui

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"

RIGHTS RESERVED BY DEVELOPER

Among other rights, the Developer will have the following reserved rights with respect to the Project which are more particularly set forth in the Declaration.

A. **RESERVED RIGHT TO GRANT EASEMENTS.** This right is set forth at Paragraph XX. of the Condominium Declaration, as amended. The Developer will have, among other things, the right until December 31, 2025, to grant easements over the common elements of the Condominium.

B. **RESERVED RIGHT TO SUBDIVIDE AND CONSOLIDATE APARTMENTS.** This right is set forth at Paragraph XXI. of the Condominium Declaration, as amended. The Developer will have, among other things, the right until December 31, 2025, to change the floor plan of any Apartment which it owns so long as the common interest appurtenant to the Apartment does not change; subdivide any Apartment which it owns at any time to create two (2) or more Apartments so long as the total common interest appurtenant to the newly-created Apartments are equal to the common interest appurtenant to the original Apartment; convert the status of certain portions of an existing Apartment to common element status to facilitate the subdivision so long as the total common interest appurtenant to the newly-created Apartment(s) equal the common interest appurtenant to the original Apartment; and consolidate two (2) or more Apartments which it owns and convert any area between Apartments to Apartment status.

C. **RESERVED RIGHT TO MODIFY PROJECT TO COMPLY WITH LAW.** This right is set forth at Paragraph XXII. of the Condominium Declaration, as amended. The Developer will have the right until December 31, 2025 to accomplish all modifications to Apartments and common elements in the Condominium to ensure full compliance by the Condominium, and the Condominium Association with laws which apply to the Condominium, including the Fair Housing Act, as amended, 42 U.S.C. §§3601 et seq., including all rules and regulations adopted under it, and the Americans With Disabilities Act, as amended, 42 U.S.C. §§ 12101 et seq., including all rules and regulations adopted under it.

D. **RESERVED RIGHT TO REDESIGNATE LIMITED COMMON ELEMENTS AS APPURTENANT TO OTHER APARTMENTS.** This right is set forth at Paragraph XXIII. of the Condominium Declaration, as amended. The Developer will have, among other things, the right until December 31, 2025, to change or amend the Condominium Declaration to designate all or a portion of certain limited common elements appurtenant to an Apartment owned by the Developer, as appurtenances to another Apartment or Apartments owned by the Developer.

E. **RESERVED RIGHT TO RECHARACTERIZE LIMITED COMMON ELEMENTS.** This right is set forth at Paragraph XXIV. of the Condominium Declaration, as amended. The Developer will have the right until December 31, 2025, to amend the Condominium Declaration to recharacterize certain limited common elements as may be appurtenant to an apartment owned by the Developer as being common elements of the Project.

F. **RECALCULATION OF COMMON INTERESTS.** It may be necessary to recalculate the common interests appurtenant to the Apartments in the Condominium upon the exercise of certain of Developer's reserved rights set forth above. The method by which the common interests will be recalculated are set forth in Paragraph XXV. of the Condominium Declaration, as amended.

G. **RESERVED RIGHT TO CONDUCT SALES ACTIVITIES.** This right is set forth in Paragraph XXVI. of the Condominium Declaration. The Developer will have the right until December 31, 2025 to conduct extensive sales activities at the Project and from any Apartment owned by Developer.

H. **ASSIGNMENT OF RESERVED RIGHTS.** Pursuant to Paragraph XXVII. of the Condominium Declaration, as amended, the rights reserved by the Developer are fully assignable.

Each and every party acquiring an interest in the Project, by such acquisition, consents to Developer's exercise of its reserved rights and to the execution, delivery and recording (if necessary) of any and all documents necessary to effect these rights, including any amendment or amendments of the Declaration and the Condominium Map; agrees to execute, deliver and record such documents and instruments and do such other things as may be necessary or convenient to effect the same; and appoints the Developer and its assigns such party's attorney-in-fact with full power of substitution to execute, deliver and record such documents and instruments and do such other things on his behalf, which grant of such power, being coupled with an interest is irrevocable for the term of these reserved rights, and shall not be affected by the disability of such party or parties.

EXHIBIT "B"

SCHEDULE AND DESCRIPTION OF BUILDINGS

The Project is comprised of thirteen (13) two-story buildings designated as Buildings A through M, all of which are constructed primarily of concrete, steel, wood and glass.

Buildings A, B, C, D, G, H, I, J & K contain twenty (20) Apartments each, Buildings E & F contain four (4) Apartments each, Building L contains one (1) Apartment and Building M contains one (1) Apartment.

EXHIBIT "C"

BOUNDARIES OF EACH APARTMENT

Other than the Cottage Unit (Building L) which is measured from the exterior of all perimeter walls thereof, the Apartments in the Project consist of spaces within the perimeter and party walls, floors and ceilings of each of the other 189 Apartments of the Project. The respective Apartments other than the Cottage Unit (Building L) 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, wires, 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 located within such apartment which are utilized for or serve more than one apartment and any mechanical, electrical and air conditioning equipment originally installed and located within such apartment utilized for or serving 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, shutters (if any), panels, doors and door frames along its perimeter; any mechanical, electrical and air conditioning equipment originally installed and located within such apartment utilized for or serving only such apartment; and all of the fixtures and appliances originally installed therein.

EXHIBIT "D"

PERMITTED ALTERATIONS TO APARTMENTS

A. **GENERAL PROVISIONS.** Except as otherwise expressly provided in the Condominium Declaration to the contrary, restoration or replacement of the Project or any portion thereof or construction of any additional improvement or structural alteration or addition to any improvement, different in any material respect from the Condominium Map of the Project, shall be undertaken by the Association or any Owner only pursuant to an amendment of the Condominium Declaration in accordance with Article XIII thereof, duly executed pursuant to the provisions thereof, accompanied by the written consent of the holders of all mortgage liens affecting any of the Apartments involved, and in accordance with complete plans and specifications therefor first approved in writing by the Board. Promptly upon completion of such restoration, replacement or construction, the Association or Owner, as the case shall be, shall duly record such amendment, together with a complete set of floor plans of the Project as so altered, certified as built by a registered architect or professional engineer.

B. **ADDITIONS OR ALTERATIONS SOLELY WITHIN AN APARTMENT OR LIMITED COMMON ELEMENT.** Notwithstanding any other provision in the Condominium Declaration to the contrary, each Owner of an Apartment shall have the right at any time and from time to time at such Owner's sole cost and expense, and without the necessity of the consent or joinder of any other Owner, to make any of the following alterations solely within the Apartment or Limited Common Element which such Owner controls: to install, maintain, remove and rearrange partitions (including the party wall between two Apartments owned by the same Owner) and other structures from time to time within such Apartment or Limited Common Element, to finish, alter or substitute any plumbing, electrical or other fixtures attached to the ceilings, floors and walls as shall be appropriate for the utilization of such Apartment or Limited Common Element by such Owner or the tenants or lessees thereof, and to tile, finish, re-carpet, and do or cause to be done such work on the floors of any Apartment or Limited Common Element; provided, however, that nothing contained in Article XII, Section B of the Declaration, shall jeopardize the soundness or safety of any part of the Project, reduce the value thereof, materially adversely affect any other Apartment or Limited Common Element, materially alter the uniform external appearance of the Project, materially affect or impair any easement or rights of any of the other Apartment Owners or materially interfere with or deprive any non-consenting Owner of the use or enjoyment of any part of the Common Elements subject, however, to the exclusive use of the Limited Common Elements. Further, nothing in Article XII, Section B of the Declaration, shall prohibit the Board from effecting such changes within an Apartment or Limited Common Element, or to require the same, in order that the buildings of the Property may continue to comply with applicable law, including any fire code requirements.

C. **APARTMENT OWNERS TO EXECUTE AMENDMENT DOCUMENTS IN CERTAIN CASES.** In the event that any change or alteration of an Apartment pursuant to and in compliance with Article XII, Section B, of the Condominium Declaration, as amended, shall alter the depiction of the particular Apartment on the Condominium Map or the description thereof in the Declaration, then the Owner of such Apartment shall amend the Condominium Declaration and/or the Condominium Map to set forth such approved change or alteration, which amendment(s) may be executed by the Owner of the affected Apartment or Apartments and by no other party, and such shall become effective upon the recordation thereof at the Bureau of Conveyances for the State of Hawaii. The provisions of Article XIII of the Condominium Declaration notwithstanding, such amendment shall not require the consent or joinder of the Owner of any other Apartment or any other person or entity, other than any mortgagee of such Apartment or Apartments which are changed or altered. Every Owner and all holders of liens affecting any of the Apartments of the Project and each and every other party acquiring an interest in the Project or any part thereof, by acquiring such Apartment, lien or other interest, consents to and agrees that he shall, if required by law or by any such Owner who shall have changed or altered an Apartment as aforesaid, join in, consent to, execute, deliver and record all instruments and documents necessary or desirable to effect the amendment of the Condominium Declaration and/or the Condominium Map; and appoints such Owner and his assigns his attorney-in-fact with full power of substitution to execute, deliver and record such documents and to do such things on his behalf, which grant of such power, being coupled with an interest, is irrevocable and shall not be affected by the disability of any such party.

EXHIBIT "E"

Building, Apartment Numbers, Apartment Types, Number of Bedrooms and Bathrooms, Approximate Net Square Footage (including Lanai Area), Percentage of Common Interest, Parking Stalls

Building	Apartment Number*	Apartment Type	Bedrooms/ Bathrooms	Approximate Net Square Footage, including Lanais**	Percentage of Common Interest ***	Parking Stall(s)****
A	A-101	AR	2/2	846	0.581463%	None
A	A-102	A	2/2	846	0.581463%	None
A	A-103	CR	2/2	832	0.571841%	None
A	A-104	C	2/2	832	0.571841%	None
A	A-105	F	1/1	515	0.353964%	None
A	A-106	FR	1/1	515	0.353964%	None
A	A-107	C	2/2	832	0.571841%	None
A	A-108	CR	2/2	832	0.571841%	None
A	A-109	A	2/2	846	0.581463%	None
A	A-110	AR	2/2	846	0.581463%	None
A	A-201	BR	2/2	846	0.581463%	None
A	A-202	B	2/2	846	0.581463%	None
A	A-203	DR	2/2	832	0.571841%	None
A	A-204	D	2/2	832	0.571841%	None
A	A-205	F	1/1	515	0.353964%	None
A	A-206	FR	1/1	515	0.353964%	None
A	A-207	D	2/2	832	0.571841%	None
A	A-208	DR	2/2	832	0.571841%	None
A	A-209	B	2/2	846	0.581463%	None
A	A-210	BR	2/2	846	0.581463%	None
B	B-101	AR	2/2	846	0.581463%	None
B	B-102	A	2/2	846	0.581463%	None
B	B-103	CR	2/2	832	0.571841%	None
B	B-104	C	2/2	832	0.571841%	None
B	B-105	G	0/1	252	0.173202%	None
B	B-106	GR	0/1	252	0.173202%	None
B	B-107	AR	2/2	846	0.581463%	None
B	B-108	A	2/2	846	0.581463%	None
B	B-109	A	2/2	846	0.581463%	None
B	B-110	AR	2/2	846	0.581463%	None
B	B-201	BR	2/2	846	0.581463%	None
B	B-202	B	2/2	846	0.581463%	None
B	B-203	CR	2/2	832	0.571841%	None
B	B-204	C	2/2	832	0.571841%	None
B	B-205	G	0/1	252	0.173202%	None
B	B-206	GR	0/1	252	0.173202%	None
B	B-207	BR	2/2	846	0.581463%	None
B	B-208	B	2/2	846	0.581463%	None
B	B-209	B	2/2	846	0.581463%	None
B	B-210	BR	2/2	846	0.581463%	None
C	C-101	AR	2/2	846	0.581463%	None
C	C-102	A	2/2	846	0.581463%	None

Building	Apartment Number*	Apartment Type	Bedrooms/ Bathrooms	Approximate Net Square Footage, including Lanais**	Percentage of Common Interest ***	Parking Stall(s)****
C	C-103	CR	2/2	832	0.571841%	None
C	C-104	C	2/2	832	0.571841%	None
C	C-105	F	1/1	515	0.353964%	None
C	C-106	FR	1/1	515	0.353964%	None
C	C-107	C	2/2	832	0.571841%	None
C	C-108	CR	2/2	832	0.571841%	None
C	C-109	A	2/2	846	0.581463%	None
C	C-110	AR	2/2	846	0.581463%	None
C	C-201	BR	2/2	846	0.581463%	None
C	C-202	B	2/2	846	0.581463%	None
C	C-203	DR	2/2	832	0.571841%	None
C	C-204	D	2/2	832	0.571841%	None
C	C-205	F	1/1	515	0.353964%	None
C	C-206	FR	1/1	515	0.353964%	None
C	C-207	D	2/2	832	0.571841%	None
C	C-208	DR	2/2	832	0.571841%	None
C	C-209	B	2/2	846	0.581463%	None
C	C-210	BR	2/2	846	0.581463%	None
D	D-101	AR	2/2	846	0.581463%	None
D	D-102	A	2/2	846	0.581463%	None
D	D-103	CR	2/2	832	0.571841%	None
D	D-104	C	2/2	832	0.571841%	None
D	D-105	F	1/1	515	0.353964%	None
D	D-106	FR	1/1	515	0.353964%	None
D	D-107	C	2/2	832	0.571841%	None
D	D-108	CR	2/2	832	0.571841%	None
D	D-109	A	2/2	846	0.581463%	None
D	D-110	AR	2/2	846	0.581463%	None
D	D-201	BR	2/2	846	0.581463%	None
D	D-202	B	2/2	846	0.581463%	None
D	D-203	DR	2/2	832	0.571841%	None
D	D-204	D	2/2	832	0.571841%	None
D	D-205	F	1/1	515	0.353964%	None
D	D-206	FR	1/1	515	0.353964%	None
D	D-207	D	2/2	832	0.571841%	None
D	D-208	DR	2/2	832	0.571841%	None
D	D-209	B	2/2	846	0.581463%	None
D	D-210	BR	2/2	846	0.581463%	None
E	E-101	G	0/1	252	0.173202%	None
E	E-102	C	2/2	832	0.571841%	None
E	E-201	G	0/1	252	0.173202%	None
E	E-202	D	2/2	832	0.571841%	None
F	F-101	G	0/1	252	0.173202%	None
F	F-102	C	2/2	832	0.571841%	None
F	F-201	G	0/1	252	0.173202%	None
F	F-202	D	2/2	832	0.571841%	None
G	G-101	AR	2/2	846	0.581463%	None

Building	Apartment Number*	Apartment Type	Bedrooms/ Bathrooms	Approximate Net Square Footage, including Lanais**	Percentage of Common Interest ***	Parking Stall(s)****
G	G-102	A	2/2	846	0.581463%	None
G	G-103	CR	2/2	832	0.571841%	None
G	G-104	C	2/2	832	0.571841%	None
G	G-105	F	1/1	515	0.353964%	None
G	G-106	FR	1/1	515	0.353964%	None
G	G-107	C	2/2	832	0.571841%	None
G	G-108	CR	2/2	832	0.571841%	None
G	G-109	A	2/2	846	0.581463%	None
G	G-110	AR	2/2	846	0.581463%	None
G	G-201	BR	2/2	846	0.581463%	None
G	G-202	B	2/2	846	0.581463%	None
G	G-203	DR	2/2	832	0.571841%	None
G	G-204	D	2/2	832	0.571841%	None
G	G-205	F	1/1	515	0.353964%	None
G	G-206	FR	1/1	515	0.353964%	None
G	G-207	D	2/2	832	0.571841%	None
G	G-208	DR	2/2	832	0.571841%	None
G	G-209	B	2/2	846	0.581463%	None
G	G-210	BR	2/2	846	0.581463%	None
H	H-101	E	2/1	772	0.530602%	None
H	H-102	ER	2/1	772	0.530602%	None
H	H-103	E	2/1	772	0.530602%	None
H	H-104	ER	2/1	772	0.530602%	None
H	H-105	E	2/1	772	0.530602%	None
H	H-106	ER	2/1	772	0.530602%	None
H	H-107	E	2/1	772	0.530602%	None
H	H-108	ER	2/1	772	0.530602%	None
H	H-109	E	2/1	772	0.530602%	None
H	H-110	ER	2/1	772	0.530602%	None
H	H-201	E	2/1	772	0.530602%	None
H	H-202	ER	2/1	772	0.530602%	None
H	H-203	E	2/1	772	0.530602%	None
H	H-204	ER	2/1	772	0.530602%	None
H	H-205	E	2/1	772	0.530602%	None
H	H-206	ER	2/1	772	0.530602%	None
H	H-207	E	2/1	772	0.530602%	None
H	H-208	ER	2/1	772	0.530602%	None
H	H-209	E	2/1	772	0.530602%	None
H	H-210	ER	2/1	772	0.530602%	None
I	I-101	AR	2/2	846	0.581463%	None
I	I-102	A	2/2	846	0.581463%	None
I	I-103	CR	2/2	832	0.571841%	None
I	I-104	C	2/2	832	0.571841%	None
I	I-105	F	1/1	515	0.353964%	None
I	I-106	FR	1/1	515	0.353964%	None
I	I-107	C	2/2	832	0.571841%	None
I	I-108	CR	2/2	832	0.571841%	None

Building	Apartment Number*	Apartment Type	Bedrooms/ Bathrooms	Approximate Net Square Footage, including Lanais**	Percentage of Common Interest ***	Parking Stall(s)****
I	I-109	A	2/2	846	0.581463%	None
I	I-110	AR	2/2	846	0.581463%	None
I	I-201	BR	2/2	846	0.581463%	None
I	I-202	B	2/2	846	0.581463%	None
I	I-203	DR	2/2	832	0.571841%	None
I	I-204	D	2/2	832	0.571841%	None
I	I-205	F	1/1	515	0.353964%	None
I	I-206	FR	1/1	515	0.353964%	None
I	I-207	D	2/2	832	0.571841%	None
I	I-208	DR	2/2	832	0.571841%	None
I	I-209	B	2/2	846	0.581463%	None
I	I-210	BR	2/2	846	0.581463%	None
J	J-101	AR	2/2	846	0.581463%	None
J	J-102	A	2/2	846	0.581463%	None
J	J-103	CR	2/2	832	0.571841%	None
J	J-104	C	2/2	832	0.571841%	None
J	J-105	F	1/1	515	0.353964%	None
J	J-106	FR	1/1	515	0.353964%	None
J	J-107	C	2/2	832	0.571841%	None
J	J-108	CR	2/2	832	0.571841%	None
J	J-109	A	2/2	846	0.581463%	None
J	J-110	AR	2/2	846	0.581463%	None
J	J-201	BR	2/2	846	0.581463%	None
J	J-202	B	2/2	846	0.581463%	None
J	J-203	DR	2/2	832	0.571841%	None
J	J-204	D	2/2	832	0.571841%	None
J	J-205	F	1/1	515	0.353964%	None
J	J-206	FR	1/1	515	0.353964%	None
J	J-207	D	2/2	832	0.571841%	None
J	J-208	DR	2/2	832	0.571841%	None
J	J-209	B	2/2	846	0.581463%	None
J	J-210	BR	2/2	846	0.581463%	None
K	K-101	AR	2/2	846	0.581463%	None
K	K-102	A	2/2	846	0.581463%	None
K	K-103	CR	2/2	832	0.571841%	None
K	K-104	C	2/2	832	0.571841%	None
K	K-105	F	1/1	515	0.353964%	None
K	K-106	FR	1/1	515	0.353964%	None
K	K-107	C	2/2	832	0.571841%	None
K	K-108	CR	2/2	832	0.571841%	None
K	K-109	A	2/2	846	0.581463%	None
K	K-110	AR	2/2	846	0.581463%	None
K	K-201	BR	2/2	846	0.581463%	None
K	K-202	B	2/2	846	0.581463%	None
K	K-203	DR	2/2	832	0.571841%	None
K	K-204	D	2/2	832	0.571841%	None
K	K-205	F	1/1	515	0.353964%	None

Building	Apartment Number*	Apartment Type	Bedrooms/ Bathrooms	Approximate Net Square Footage, including Lanais**	Percentage of Common Interest ***	Parking Stall(s)****
K	K-206	FR	1/1	515	0.353964%	None
K	K-207	D	2/2	832	0.571841%	None
K	K-208	DR	2/2	832	0.571841%	None
K	K-209	B	2/2	846	0.581463%	None
K	K-210	BR	2/2	846	0.581463%	None
L	Cottage Unit	H	3/3	2308	1.586309%	259, 260
M	Front Lobby	Commercial	N/A	535	0.367735%	None
				145495	100.0000000%	

APARTMENT NUMBER*

The Apartment number identifies the location of the Apartment, as follows: The letter identifies the Building in which that Apartment is located; the first digit identifies the Floor on which that Apartment is located (i.e. First or Second Floor). The next two digits identify that Apartment's relative location in each Building. Building L contains only one (1) apartment.

APPROXIMATE NET SQUARE FOOTAGE**

The areas of the Apartments are approximations only and, with the exception of the Cottage Unit, include any lanai area(s) appurtenant to such Apartment as shown on the Condominium Map.

COMMON INTEREST***

The common interest attributable to each apartment was calculated by dividing the approximate net square footage of each individual apartment by the total net square footage of all apartments within the Project. In order to permit the common interest for all apartments to equal exactly one hundred percent (100%), the common interest attributable to the Front Lobby Apartment was increased by .000025%.

PARKING STALLS****

There are 359 parking stalls in the Project. Except as otherwise assigned above, each of the Parking Stalls in the Project are assigned to the Front Lobby Commercial Apartment as Limited Common Elements. Each Apartment owner of record will be permitted to use one (1) parking stall while occupying his/her Apartment in the Project at no charge. All other persons occupying Apartments in the Project will be deemed guests and will be permitted to use parking stalls within the Project for a fee as determined by the Developer or the condominium managing agent in their sole discretion.

EXHIBIT "F"

COMMON ELEMENTS

A. **COMMON ELEMENTS.** One freehold estate is hereby designated in all remaining portions of the Project, herein called the "Common Elements," including specifically but not limited to:

1. The Land in fee simple and any appurtenances thereto;

2. With the exception of the Cottage Unit (Building L), all perimeter or party walls and the undecorated or unfinished surfaces thereof, any load-bearing walls, chase walls and columns, and the undecorated or unfinished surfaces thereof, all structural components such as foundations, concrete sidewalks and curbs, unfinished floor slabs, columns, girders, beams, supports, halls, corridors, open walkways, exterior stairs and stairways, main walls, roofs and unfinished ceilings, and all other portions of the Buildings, excluding the Apartments;

3. With the exception of the Cottage Unit (Building L), all perimeter doors, door frames, door-lock mechanisms, windows, window frames and the undecorated or unfinished interior surfaces thereof; whether at the perimeter of a Building Structure or at the perimeter of an Apartment;

4. All yards, grounds and landscaping, planters, fences, and all refuse facilities and trash enclosures within the Project;

5. All roads, driveways, parking stalls and parking areas, access lanes, paved areas, ramps, loading areas and walkways within the Project;

6. The swimming pools, deck areas, and all other amenities and improvements in the pool areas and like facilities;

7. All cables, conduits, ducts, sewer lines, electrical equipment, wiring, pipes, catch basins 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, sewer, storm water, refuse, cable television and television signal distribution;

8. All unimproved areas, maintenance, laundry and exterior storage areas and other similar areas which are not part of an Apartment, and the equipment and other fixtures located therein;

9. All other apparatus and installations existing for common use, such as tanks, pumps, motors, fans, compressors, ducts, shafts, vents, water heating and distribution equipment, fire suppression equipment and other such installations and apparatus;

10. All fire escape areas;

11. All flood lights and other similar lighting devices attached to the exterior of the buildings within the Project and all other exterior and landscape lighting; and

12. All other parts of the Project necessary or convenient to its existence, maintenance and safe operation, or normally in common use.

EXHIBIT "G"

LIMITED COMMON ELEMENTS

Certain parts of the Common Elements, herein called the "Limited Common Elements," are hereby designated, 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 as set forth in the Condominium Declaration. The costs and expenses of every description pertaining to the Limited Common Elements, including, but not limited to, the costs of maintenance, repair, replacement, improvement or additions to the Limited Common Elements, shall be charged to the Owner of the Apartment to which the Limited Common Element shall be appurtenant, and if there is more than one Apartment to which the Limited Common Element shall be appurtenant, then in proportion to the Common Interest appurtenant to each of the respective Apartments, unless a different method is adopted pursuant to the Condominium Declaration. Each Apartment in the Project other than the Front Lobby Commercial Apartment shall have appurtenant to it as a Limited Common Element, the mailbox assigned to each Apartment bearing the same numerical designation as such Apartment, if any. The Front Lobby Commercial Apartment shall have appurtenant thereto as Limited Common Elements, the Building Structure of Building M, all areas within Building M identified on the Condominium Map as Limited Common Element areas, all areas in the other buildings of the Project designated as Limited Common Element Areas, and all parking stalls assigned to such Apartment as set forth in Exhibit "B" to the Declaration. Apartment L shall have appurtenant thereto as Limited Common Elements, the lanai area and garden area adjacent to such Apartment as shown on the Condominium Map and the parking stalls assigned to such Apartment set forth in Exhibit "B" to the Declaration.

EXHIBIT "H"

ENCUMBRANCES AGAINST TITLE

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

2. Rights to Native Tenants as reserved under Royal Patent Nos. 1600, 1876 and 4475.

3. Indemnification Agreement dated December 26, 1978, by and between Maui Islander, a general partnership, "Developer" and the State of Hawaii, recorded at said Bureau in Book 13370 at Page 703.

4. Grant of Easement dated January 9, 1980, in favor of Maui Electric Company, Limited, a Hawaii corporation, and Hawaiian Telephone Company, also a Hawaii corporation, recorded at said Bureau in Book 14457 at Page 641; granting an easement for utility purposes over, under, across and through a portion of the land herein described.

5. Covenants, conditions, restrictions, reservations, agreements, obligations, easements and other provisions set forth in the Declaration of Horizontal Property Regime dated June 27, 1980, recorded at said Bureau in Book 14820 at Page 401, to which reference is hereby made, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c) or Section 515-6, Hawaii Revised Statutes.

   Condominium Map No. 739, as amended, and the By-Laws attached thereto, to which reference is hereby made.

   Amended and Restated Declaration of Condominium Property Regime of aina-nalu dated November 10, 2004, recorded at said Bureau as Document No. 2004-252004.

   First Amendment to Amended and Restated Declaration of Condominium Property Regime of aina-nalu dated January 10, 2005, recorded at said Bureau as Document No. 2005-005243.

   Second Amendment to Amended and Restated Declaration of Condominium Property Regime of aina-nalu dated September 21, 2005, recorded at said Bureau as Document No. 2005-192220.

   Amended and Restated Bylaws of the Association of Apartment Owners of aina-nalu dated November 10, 2004, recorded at said Bureau as Document No. 2004-252005.

6. Section IVg Agreement for West Maui Areas dated September 9, 1980, by and between the County of Maui, Department of Water Supply, and Maui Islander, recorded at said Bureau in Book 15014 at Page 165.

7. Section IVg Agreement for West Maui Areas dated April 8, 1981, by and between the County of Maui, Department of Water Supply, and Maui Islander, recorded at said Bureau in Book 15491 at Page 514.

8. No access permitted into Honoapiilani Highway, as shown on the map prepared by Ronald M. Fukumoto, Registered Professional Land Surveyor, Certificate No. 5451, dated November 6, 1987, as contained in that certain instrument dated September 29, 1988, recorded at said Bureau in Book 22452 at Page 593.

9. Unilateral Agreement and Declaration for Conditional Zoning dated August 1, 1997, by and between the Trustees of the Estate of Bernice Pauahi Bishop, Owner, and James E. Tweedt, husband of Audrey B. Tweedt, recorded at said Bureau as Document No. 97-117468.

10. Mortgage, Security Agreement and Fixture Filing dated December 29, 2005, made by and between

Ironwood Trading Company, LLC and Ironwood Associates, LLC, as Mortgagor, and Bank of Hawaii, as Mortgagee, recorded at said Bureau as Document No. 2005-265203.

11. Assignment of Rents dated December 29, 2005, made by and between Ironwood Trading Company, LLC and Ironwood Associates, LLC, as Assignor and Bank of Hawaii, as Assignee, recorded at said Bureau as Document No. 2005-265204.

12. Assignment of Sales Contracts and Sales Proceeds dated December 29, 2005, made by and between Ironwood Trading Company, LLC and Ironwood Associates, LLC, as Assignor, and Bank of Hawaii, as Assignee, recorded at said Bureau as Document No. 2005-265205.

13. Purchase Money Mortgage, Security Agreement and Financing Statement dated December 29, 2005, made by and between Ironwood Trading Company, LLC, as Mortgagor, and Trustees of the Estate of Bernice Pauahi Bishop, as Mortgagee, recorded at said Bureau as Document No. 2005-265206. [Excludes the Front Lobby Commercial Apartment]

14. Third Mortgage, Security Agreement and Financing Statement dated December 29, 2005, made by and between Ironwood Trading Company, LLC and Ironwood Associates, LLC, as Mortgagor, and Bay West Kailua Bay, LLC, as Mortgagee, recorded at said Bureau as Document No. 2005-265208.

15. Security Assignment of Note and Mortgage dated December 29, 2005, made by Bank of Hawaii, as Assignee, recorded at said Bureau as Document No. 2005-265209.

16. Subordination and Stand-Aside Agreement dated December 29, 2005, made by and between Bay West Kailua Bay, LLC, as Subordinate Lender, and Bank of Hawaii, recorded at said Bureau as Document No. 2005-265210.

AS TO FRONT LOBBY COMMERCIAL APARTMENT ONLY:

1. Purchase Money Mortgage, Security Agreement and Financing Statement dated December 14, 2004, made by and between Ironwood Associates, LLC, as Mortgagor, and Trustees of the Estate of Bernice Pauahi Bishop, as Mortgagee, recorded at said Bureau as Document No. 2004-252009.

2. Subordination of Mortgage, recorded at said Bureau as Document No. 2005-265207 on December 29, 2005.

EXHIBIT "I"

MAINTENANCE FEE SCHEDULE

Estimate of Maintenance Fee Disbursements:

	Monthly Fee x 12 months =	Yearly Total
Utilities and Services		
Air Conditioning	N/A	$0
Electricity		
[xx] common elements only	$2,100	$25,200
[ ] common elements and apartments		
Elevator	$0	$0
Gas		
[ ] common elements only	$6,000	$72,000
[xx] common elements and apartments		
Refuse Collection	$1,650	$19,800
Telephone	$215	$2,580
Water & Sewer	$9,000	$108,000
Maintenance, Repairs and Supplies		
Building	$5,899	$70,788
Grounds	$1,000	$12,000
Management		
Management Fee	$2,835	$34,020
Payroll & Payroll Taxes	$33,477	$401,719
Office Expenses	$8,880	$106,556
Insurance	$8,083	$97,000
Reserves (*)	$6,666	$79,992
Taxes & Government Assessments	$0	$0
Audit Fees	$500	$6,000
Other	$0	$0
TOTAL	$86,305	$1,035,655

I Irene Masterson, as agent for/ and/or employed by Ironwood Associates, the condominium managing agent/developer for the Association of Apartment Owners of the Ainanalu Condominium Project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Signature

11/3/04
Date

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

Pursuant to section 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 [ ]
ESTIMATE OF INITIAL MAINENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees

Apartment	Monthly Fee x 12 months =	Yearly Total
A- 101	$481.48	$5,777.76
A- 102	$481.48	$5,777.76
A- 103	$473.51	$5,682.12
A- 104	$473.51	$5,682.12
A- 105	$293.10	$3,517.20
A- 106	$293.10	$3,517.20
A- 107	$473.51	$5,682.12
A- 108	$473.51	$5,682.12
A- 109	$481.48	$5,777.76
A- 110	$481.48	$5,777.76
A- 201	$481.48	$5,777.76
A- 202	$481.48	$5,777.76
A- 203	$473.51	$5,682.12
A- 204	$473.51	$5,682.12
A- 205	$293.10	$3,517.20
A- 206	$293.10	$3,517.20
A- 207	$473.51	$5,682.12
A- 208	$473.51	$5,682.12
A- 209	$481.48	$5,777.76
A- 210	$481.48	$5,777.76

	Common Interest
A- 101	0.581463%
A- 102	0.581463%
A- 103	0.571841%
A- 104	0.571841%
A- 105	0.353964%
A- 106	0.353964%
A- 107	0.571841%
A- 108	0.571841%
A- 109	0.581463%
A- 110	0.581463%
A- 201	0.581463%
A- 202	0.581463%
A- 203	0.571841%
A- 204	0.571841%
A- 205	0.353964%
A- 206	0.353964%
A- 207	0.571841%
A- 208	0.571841%
A- 209	0.581463%
A- 210	0.581463%

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

EXHIBIT [ ]
ESTIMATE OF INITIAL MAINENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees

Apartment	Monthly Fee x 12 months =	Yearly Total
B- 101	$481.48	$5,777.76
B- 102	$481.48	$5,777.76
B- 103	$473.51	$5,682.12
B- 104	$473.51	$5,682.12
B- 105	$143.42	$1,721.04
B- 106	$143.42	$1,721.04
B- 107	$481.48	$5,777.76
B- 108	$481.48	$5,777.76
B- 109	$481.48	$5,777.76
B- 110	$481.48	$5,777.76
B- 201	$481.48	$5,777.76
B- 202	$481.48	$5,777.76
B- 203	$473.51	$5,682.12
B- 204	$473.51	$5,682.12
B- 205	$143.42	$1,721.04
B- 206	$143.42	$1,721.04
B- 207	$481.48	$5,777.76
B- 208	$481.48	$5,777.76
B- 209	$481.48	$5,777.76
B- 210	$481.48	$5,777.76

	Common Interest
B- 101	0.581463%
B- 102	0.581463%
B- 103	0.571841%
B- 104	0.571841%
B- 105	0.173202%
B- 106	0.173202%
B- 107	0.581463%
B- 108	0.581463%
B- 109	0.581463%
B- 110	0.581463%
B- 201	0.581463%
B- 202	0.581463%
B- 203	0.571841%
B- 204	0.571841%
B- 205	0.173202%
B- 206	0.173202%
B- 207	0.581463%
B- 208	0.581463%
B- 209	0.581463%
B- 210	0.581463%

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

EXHIBIT [ ]
ESTIMATE OF INITIAL MAINENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees

Apartment	Monthly Fee x 12 months =	Yearly Total
C- 101	$481.48	$5,777.76
C- 102	$481.48	$5,777.76
C- 103	$473.51	$5,682.12
C- 104	$473.51	$5,682.12
C- 105	$293.10	$3,517.20
C- 106	$293.10	$3,517.20
C- 107	$473.51	$5,682.12
C- 108	$473.51	$5,682.12
C- 109	$481.48	$5,777.76
C- 110	$481.48	$5,777.76
C- 201	$481.48	$5,777.76
C- 202	$481.48	$5,777.76
C- 203	$473.51	$5,682.12
C- 204	$473.51	$5,682.12
C- 205	$293.10	$3,517.20
C- 206	$293.10	$3,517.20
C- 207	$473.51	$5,682.12
C- 208	$473.51	$5,682.12
C- 209	$481.48	$5,777.76
C- 210	$481.48	$5,777.76

	Common Interest
C- 101	0.581463%
C- 102	0.581463%
C- 103	0.571841%
C- 104	0.571841%
C- 105	0.353964%
C- 106	0.353964%
C- 107	0.571841%
C- 108	0.571841%
C- 109	0.581463%
C- 110	0.581463%
C- 201	0.581463%
C- 202	0.581463%
C- 203	0.571841%
C- 204	0.571841%
C- 205	0.353964%
C- 206	0.353964%
C- 207	0.571841%
C- 208	0.571841%
C- 209	0.581463%
C- 210	0.581463%

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

EXHIBIT [ ]
ESTIMATE OF INITIAL MAINENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees

Apartment	Monthly Fee x 12 months =	Yearly Total
D- 101	$481.48	$5,777.76
D- 102	$481.48	$5,777.76
D- 103	$473.51	$5,682.12
D- 104	$473.51	$5,682.12
D- 105	$293.10	$3,517.20
D- 106	$293.10	$3,517.20
D- 107	$473.51	$5,682.12
D- 108	$473.51	$5,682.12
D- 109	$481.48	$5,777.76
D- 110	$481.48	$5,777.76
D- 201	$481.48	$5,777.76
D- 202	$481.48	$5,777.76
D- 203	$473.51	$5,682.12
D- 204	$473.51	$5,682.12
D- 205	$293.10	$3,517.20
D- 206	$293.10	$3,517.20
D- 207	$473.51	$5,682.12
D- 208	$473.51	$5,682.12
D- 209	$481.48	$5,777.76
D- 210	$481.48	$5,777.76

	Common Interest
D- 101	0.581463%
D- 102	0.581463%
D- 103	0.571841%
D- 104	0.571841%
D- 105	0.353964%
D- 106	0.353964%
D- 107	0.571841%
D- 108	0.571841%
D- 109	0.581463%
D- 110	0.581463%
D- 201	0.581463%
D- 202	0.581463%
D- 203	0.571841%
D- 204	0.571841%
D- 205	0.353964%
D- 206	0.353964%
D- 207	0.571841%
D- 208	0.571841%
D- 209	0.581463%
D- 210	0.581463%

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

EXHIBIT [ ]
ESTIMATE OF INITIAL MAINENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees

Apartment	Monthly Fee x 12 months =	Yearly Total
E- 101	$143.42	$1,721.04
E- 102	$473.51	$5,682.12
E- 201	$143.42	$1,721.04
E- 202	$473.51	$5,682.12
F- 101	$143.42	$1,721.04
F- 102	$473.51	$5,682.12
F- 201	$143.42	$1,721.04
F- 202	$473.51	$5,682.12

	Common Interest
E- 101	0.173202%
E- 102	0.571841%
E- 201	0.173202%
E- 202	0.571841%
F- 101	0.173202%
F- 102	0.571841%
F- 201	0.173202%
F- 202	0.571841%

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

EXHIBIT [ ]
ESTIMATE OF INITIAL MAINENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees

Apartment	Monthly Fee x 12 months =	Yearly Total
G- 101	$481.48	$5,777.76
G- 102	$481.48	$5,777.76
G- 103	$473.51	$5,682.12
G- 104	$473.51	$5,682.12
G- 105	$293.10	$3,517.20
G- 106	$293.10	$3,517.20
G- 107	$473.51	$5,682.12
G- 108	$473.51	$5,682.12
G- 109	$481.48	$5,777.76
G- 110	$481.48	$5,777.76
G- 201	$481.48	$5,777.76
G- 202	$481.48	$5,777.76
G- 203	$473.51	$5,682.12
G- 204	$473.51	$5,682.12
G- 205	$293.10	$3,517.20
G- 206	$293.10	$3,517.20
G- 207	$473.51	$5,682.12
G- 208	$473.51	$5,682.12
G- 209	$481.48	$5,777.76
G- 210	$481.48	$5,777.76

	Common Interest
G- 101	0.581463%
G- 102	0.581463%
G- 103	0.571841%
G- 104	0.571841%
G- 105	0.353964%
G- 106	0.353964%
G- 107	0.571841%
G- 108	0.571841%
G- 109	0.581463%
G- 110	0.581463%
G- 201	0.581463%
G- 202	0.581463%
G- 203	0.571841%
G- 204	0.571841%
G- 205	0.353964%
G- 206	0.353964%
G- 207	0.571841%
G- 208	0.571841%
G- 209	0.581463%
G- 210	0.581463%

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

EXHIBIT [ ]
ESTIMATE OF INITIAL MAINENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees

Apartment	Monthly Fee x 12 months =	Yearly Total
H- 101	$439.36	$5,272.32
H- 102	$439.36	$5,272.32
H- 103	$439.36	$5,272.32
H- 104	$439.36	$5,272.32
H- 105	$439.36	$5,272.32
H- 106	$439.36	$5,272.32
H- 107	$439.36	$5,272.32
H- 108	$439.36	$5,272.32
H- 109	$439.36	$5,272.32
H- 110	$439.36	$5,272.32
H- 201	$439.36	$5,272.32
H- 202	$439.36	$5,272.32
H- 203	$439.36	$5,272.32
H- 204	$439.36	$5,272.32
H- 205	$439.36	$5,272.32
H- 206	$439.36	$5,272.32
H- 207	$439.36	$5,272.32
H- 208	$439.36	$5,272.32
H- 209	$439.36	$5,272.32
H- 210	$439.36	$5,272.32

	Common Interest
H- 101	0.530602%
H- 102	0.530602%
H- 103	0.530602%
H- 104	0.530602%
H- 105	0.530602%
H- 106	0.530602%
H- 107	0.530602%
H- 108	0.530602%
H- 109	0.530602%
H- 110	0.530602%
H- 201	0.530602%
H- 202	0.530602%
H- 203	0.530602%
H- 204	0.530602%
H- 205	0.530602%
H- 206	0.530602%
H- 207	0.530602%
H- 208	0.530602%
H- 209	0.530602%
H- 210	0.530602%

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

EXHIBIT [ ]
ESTIMATE OF INITIAL MAINENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees

Apartment	Monthly Fee x 12 months =	Yearly Total
I- 101	$481.48	$5,777.76
I- 102	$481.48	$5,777.76
I- 103	$473.51	$5,682.12
I- 104	$473.51	$5,682.12
I- 105	$293.10	$3,517.20
I- 106	$293.10	$3,517.20
I- 107	$473.51	$5,682.12
I- 108	$473.51	$5,682.12
I- 109	$481.48	$5,777.76
I- 110	$481.48	$5,777.76
I- 201	$481.48	$5,777.76
I- 202	$481.48	$5,777.76
I- 203	$473.51	$5,682.12
I- 204	$473.51	$5,682.12
I- 205	$293.10	$3,517.20
I- 206	$293.10	$3,517.20
I- 207	$473.51	$5,682.12
I- 208	$473.51	$5,682.12
I- 209	$481.48	$5,777.76
I- 210	$481.48	$5,777.76

	Common Interest
I- 101	0.581463%
I- 102	0.581463%
I- 103	0.571841%
I- 104	0.571841%
I- 105	0.353964%
I- 106	0.353964%
I- 107	0.571841%
I- 108	0.571841%
I- 109	0.581463%
I- 110	0.581463%
I- 201	0.581463%
I- 202	0.581463%
I- 203	0.571841%
I- 204	0.571841%
I- 205	0.353964%
I- 206	0.353964%
I- 207	0.571841%
I- 208	0.571841%
I- 209	0.581463%
I- 210	0.581463%

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

EXHIBIT [ ]
ESTIMATE OF INITIAL MAINENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees

Apartment	Monthly Fee x 12 months =	Yearly Total
J- 101	$481.48	$5,777.76
J- 102	$481.48	$5,777.76
J- 103	$473.51	$5,682.12
J- 104	$473.51	$5,682.12
J- 105	$293.10	$3,517.20
J- 106	$293.10	$3,517.20
J- 107	$473.51	$5,682.12
J- 108	$473.51	$5,682.12
J- 109	$481.48	$5,777.76
J- 110	$481.48	$5,777.76
J- 201	$481.48	$5,777.76
J- 202	$481.48	$5,777.76
J- 203	$473.51	$5,682.12
J- 204	$473.51	$5,682.12
J- 205	$293.10	$3,517.20
J- 206	$293.10	$3,517.20
J- 207	$473.51	$5,682.12
J- 208	$473.51	$5,682.12
J- 209	$481.48	$5,777.76
J- 210	$481.48	$5,777.76

	Common Interest
J- 101	0.581463%
J- 102	0.581463%
J- 103	0.571841%
J- 104	0.571841%
J- 105	0.353964%
J- 106	0.353964%
J- 107	0.571841%
J- 108	0.571841%
J- 109	0.581463%
J- 110	0.581463%
J- 201	0.581463%
J- 202	0.581463%
J- 203	0.571841%
J- 204	0.571841%
J- 205	0.353964%
J- 206	0.353964%
J- 207	0.571841%
J- 208	0.571841%
J- 209	0.581463%
J- 210	0.581463%

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

EXHIBIT [ ]
ESTIMATE OF INITIAL MAINENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees

Apartment	Monthly Fee x 12 months =	Yearly Total
K- 101	$481.48	$5,777.76
K- 102	$481.48	$5,777.76
K- 103	$473.51	$5,682.12
K- 104	$473.51	$5,682.12
K- 105	$293.10	$3,517.20
K- 106	$293.10	$3,517.20
K- 107	$473.51	$5,682.12
K- 108	$473.51	$5,682.12
K- 109	$481.48	$5,777.76
K- 110	$481.48	$5,777.76
K- 201	$481.48	$5,777.76
K- 202	$481.48	$5,777.76
K- 203	$473.51	$5,682.12
K- 204	$473.51	$5,682.12
K- 205	$293.10	$3,517.20
K- 206	$293.10	$3,517.20
K- 207	$473.51	$5,682.12
K- 208	$473.51	$5,682.12
K- 209	$481.48	$5,777.76
K- 210	$481.48	$5,777.76
L- Cottage Unit	$1,313.54	$15,762.48
M- Front Lobby	$304.50	$3,654.00

	Common Interest
K- 101	0.581463%
K- 102	0.581463%
K- 103	0.571841%
K- 104	0.571841%
K- 105	0.353964%
K- 106	0.353964%
K- 107	0.571841%
K- 108	0.571841%
K- 109	0.581463%
K- 110	0.581463%
K- 201	0.581463%
K- 202	0.581463%
K- 203	0.571841%
K- 204	0.571841%
K- 205	0.353964%
K- 206	0.353964%
K- 207	0.571841%
K- 208	0.571841%
K- 209	0.581463%
K- 210	0.581463%
L- Cottage Unit	1.586309%
M- Front Lobby	0.367735%

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

EXHIBIT "J"

SUMMARY OF PURCHASE AGREEMENT

The specimen aina-nalu Purchase Agreement ("Agreement") contains among others, the following terms and conditions (which may be modified or otherwise limited by provisions which are not summarized hereinbelow):

1. The Seller (Developer) has engaged Island Title Corporation ("Escrow") to handle Purchaser's funds and to close the transaction in accordance with the terms of the Agreement. All payments to be made under the Agreement shall be paid by Purchaser to Escrow pursuant to the Escrow Agreement.

2. The Purchaser specifically acknowledges and agrees that the Condominium Declaration contains reservations of certain rights in favor of Seller, the Association and other owners and contains certain other provisions to which the Purchaser consents.

3. The "Closing Date" shall be the date upon which Seller certifies to the Purchaser in writing that the Apartment is ready for occupancy. All payments shall be due and payable in full on the Closing Date, and, if not paid on said date due to Purchaser's failure to act in a diligent manner in order for said payment to be made on said date, then such nonpayment shall result in a default under the Agreement. If Purchaser, after the delivery by Seller of a copy of the Final Public Report for the Project, either personally or by registered or certified mail with return receipt requested, shall fail to execute an acknowledgement of receipt and waiver of Purchaser's right to cancel the Agreement (or shall fail to give his written approval or acceptance to any material change to the Project as requested by Seller pursuant to the provisions of Hawaii Revised Statutes Section 514A-63, as amended) within thirty (30) days of such receipt, Seller may at its option: (i) cancel the Agreement upon ten (10) days' written notice to Purchaser of such cancellation and upon such cancellation Seller shall cause Escrow to refund to Purchaser all payments previously made by Purchaser without interest; or (ii) elect (by its failure to give said written notice of cancellation) to treat such failure as a deemed acceptance ("Deemed Acceptance") of such Public Report and as a waiver of the right to cancel the Agreement (or as a Deemed Acceptance of such material change, as the case may be). In the event that Purchaser shall close the purchase of the Apartment within the thirty-day period (and prior to the time the Purchaser shall have executed a waiver of the right to cancel or approve of material change), such closing shall also constitute a Deemed Acceptance of the Final Public Report and/or material change.

4. The Purchase Price does not include closing costs which include among other things, the escrow fee, cost of a preliminary title report, cost of preparation of the Apartment Deed, real property tax and other prorations, all acknowledgment fees, conveyance taxes, title insurance, if requested by Purchaser, cost of any lender's title insurance, appraisal fees, costs for drafting of any notes and mortgages, all recording costs or fees, loan fees, credit report costs and all other applicable mortgage costs. Purchaser shall pay a start-up fee and the first two (2) months' maintenance fee in advance.

5. Purchaser agrees that it will not assign the Agreement to anyone. Seller may, without any consent of Purchaser, freely assign Seller's interests therein.

6. Purchaser shall not be entitled to possession of the Apartment as the owner thereof until Purchaser has completed all required payments and has executed all documents relating to the purchase, and Purchaser has performed the remaining terms and conditions of the Agreement which are to be performed as of the Closing.

7. Notices to either party may be delivered personally or mailed.

8. The Purchaser acknowledges that Purchaser has entered into the Agreement without any reference or representation by Seller or any sales person that the Seller, or any managing agent of the Project or anyone else affiliated with the Seller will provide, directly or indirectly, any services relating to the rental or sale or management of the Apartment purchased.

9. The laws of the State of Hawaii shall govern all matters with respect to the Agreement.

10. Purchaser has examined and approved the estimate of monthly maintenance charges for the Property as shown in the Public Report. Purchaser is aware that such amounts are only estimates and may change for reasons beyond the control of Seller, and Purchaser hereby specifically accepts and approves any such changes.

11. PURCHASER ACKNOWLEDGES THAT ALTHOUGH SELLER HAS UNDERTAKEN CERTAIN RENOVATIONS TO THE APARTMENTS AND COMMON ELEMENTS OF THE PROJECT, SELLER IS NOT THE ORIGINAL DEVELOPER OF THE PROJECT AND WAS NOT INVOLVED IN (AND IS NOT RESPONSIBLE FOR) THE ORIGINAL PLANNING OR CONSTRUCTION OF THE PROJECT. PURCHASER FURTHER ACKNOWLEDGES THAT THE PROJECT WAS SUBSTANTIALLY COMPLETED IN THE LATE 1970s AND HAS BEEN USED OVER THE YEARS PRIMARILY FOR HOTEL PURPOSES. PURCHASER UNDERSTANDS AND AGREES THAT THE APARTMENT IS BEING SOLD **"AS IS, WHERE IS" WITH ALL FAULTS** AND THAT SELLER DISCLAIMS AND MAKES NO WARRANTIES OR PROMISES OF ANY KIND, EXPRESS OR IMPLIED, ABOUT THE APARTMENT, THE LAND UNDERLYING THE PROJECT (THE "LAND") OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT), OR ABOUT ANY FURNISHINGS, FIXTURES, APPLIANCES OR OTHER CONSUMER PRODUCTS, MECHANICAL SYSTEMS, PLUMBING SYSTEMS, ELECTRICAL SYSTEMS, COOLING OR HEATING SYSTEMS OR ANYTHING ELSE INSTALLED, ATTACHED, AFFIXED OR OTHERWISE CONTAINED IN THE APARTMENT, THE LAND OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT), INCLUDING ANY WARRANTIES OR PROMISES OF "HABITABILITY", "MERCHANTABILITY", "WORKMANSHIP" OR "FITNESS FOR A PARTICULAR USE OR PURPOSE".

* * * * *

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE PURCHASE AGREEMENT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF PURCHASER'S RIGHTS AND OBLIGATIONS UNDER THE PURCHASE AGREEMENT, PURCHASER MUST REFER TO THE PURCHASE AGREEMENT TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE PURCHASE AGREEMENT, THE PURCHASE AGREEMENT WILL CONTROL.

EXHIBIT "K"

SUMMARY OF ESCROW AGREEMENT

The aina-nalu Escrow Agreement dated November 22, 2004 (joined in by Ironwood Trading Company, LLC by instrument dated February 7, 2005), contains among others, the following terms and conditions (which may be modified or otherwise limited by provisions which are not summarized hereinbelow):

A. When Seller (Developer) shall enter into a purchase agreement for the conveyance of an apartment or other interest in the Project ("Purchase Agreement"), it shall require the payments of deposits due thereunder to be promptly made to Escrow, and shall deliver an executed copy of the Purchase Agreement to Escrow together with the names and addresses of the Purchasers. Seller shall also promptly pay over to Escrow all monies (including checks) received by Seller from or on behalf of the Purchasers.

B. Escrow shall receive, deposit and hold in separate escrow accounts and disburse as set forth in the Agreement: (a) all payments received by it under Purchase Agreements, (b) such sums received by it under the Agreement from or for the account of Seller, and (c) all sums received by it from any other source with respect to the Project. All funds and instruments received from Purchasers or prospective Purchasers shall be held by Escrow in accordance with the provisions contained in Chapter 514A of the Hawaii Revised Statutes. All monies received by Escrow hereunder shall be deposited, within a reasonable time of the receipt by Escrow and in reasonably convenient and practical sums, in a trust fund with a bank, savings and loan or trust company authorized to do business in the State of Hawaii under an escrow arrangement, and shall be held in immediately available funds in accordance with the terms the Agreement.

C. Each Purchaser shall be entitled to a return of his or her funds, without interest, and Escrow shall pay such funds to such Purchaser, promptly after request for return by the Purchaser if one of the following has occurred:

(1) Escrow receives a written request from Seller to return to the Purchaser the funds of the Purchaser then being held by Escrow;

(2) Seller notifies Escrow in writing of Seller's exercise of the option to rescind the Purchase Agreement pursuant to any right of rescission stated therein or otherwise available to Seller; or

(3) The conditions providing for a refund under Section 514A-62 or under Section 514A-63 of the Hawaii Revised Statutes (as amended on the date upon which the Purchase Agreement becomes binding and effective) have been met, and written notice thereof has been provided to Seller.

Upon the return of said funds to the Purchaser as aforesaid, Escrow shall return to Seller such Purchaser's Purchase Agreement and any conveyancing documents theretofore delivered to Escrow pursuant to such Purchase Agreement; and thereupon the Purchaser shall no longer be obligated under the Purchase Agreement. Other documents delivered to Escrow relating to the sale of the apartment identified in such Purchase Agreement will be returned to the person from whom or entity from which they were received.

Upon the cancellation of any Purchase Agreement as specified above, Escrow shall be entitled to a fee commensurate with the amount of work performed, but in no event more than $150.00.

D. If the Purchaser fails to make any payment on or before the due date thereof or if the Purchaser does or fails to do any act which would constitute an event of default under the Purchase Agreement, Seller shall promptly give to such Purchaser and to Escrow, written notice of default. If Purchaser has failed to cure the default after the delivery of notice by Escrow and such default continues after the expiration of any grace period, Escrow shall so advise Seller. If Seller shall thereafter certify in writing to Escrow that Seller has elected to terminate the Purchase Agreement in accordance with the terms thereof and has notified the Purchaser. Seller shall thereafter treat all funds of the Purchaser paid under such Purchase Agreement, less Escrow's cancellation fee, as funds of Seller and

not of the Purchaser. Thereafter, such funds shall be held free of the escrow established by the Agreement and shall be held by Escrow for the account of Seller. Upon written request by Seller, Escrow shall pay such funds to Seller or order and shall return to Seller the Purchase Agreement of such Purchaser and any other documents theretofore delivered to Escrow in connection with the purchase of the apartment specified in such Purchase Agreement shall be returned to the person from whom or entity from which such documents were received.

* * * * *

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE ESCROW AGREEMENT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE ESCROW AGREEMENT, PURCHASER MUST REFER TO THE ESCROW AGREEMENT TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE ESCROW AGREEMENT, THE ESCROW AGREEMENT WILL CONTROL.

EXHIBIT "L"

SUMMARY OF DEED FORM

The specimen aina-nalu Apartment Deed, Encumbrances and Reservations of Rights ("Deed" or "Apartment Deed") contains among others, the following provisions (which may be modified or otherwise limited by provisions which are not summarized hereinbelow):

A. The premises conveyed comprises a portion of the aina-nalu Condominium Property Regime situate at Lahaina, County of Maui, State of Hawaii.

B. The Grantor (Developer) is the lawful owner of the fee simple interest in the real property and the rights to be transferred to the Purchaser; that the same are free and clear of and from all encumbrances except as identified in the Deed and except for the lien of real property taxes not yet by law required to be paid; that the Grantor has good right and title to sell and convey said real property in the manner set forth in the Deed; and the Grantor will WARRANT AND DEFEND the same unto the Purchaser forever against the lawful claims and demands of all persons, except as mentioned in the Deed.

C. Purchaser agrees and consents to the exercise by Grantor of any of its reserved rights set forth in the Condominium Declaration, and Purchaser agrees to sign such documents and do such things as may be required to permit Grantor to exercise those reserved rights, including signing, delivery and recording of all documents which may be necessary, and Purchaser appoints Grantor as Purchaser's "attorney-in-fact" which means that Grantor can act for Purchaser or on Purchaser's behalf, with "full power of substitution," which means that someone else may take Grantor's place to sign, deliver and record all documents and to do all things on Purchaser's behalf, which grant of authority, being coupled with an interest, which means that the Grantor has an interest beyond just in the power Purchaser is giving, cannot be revoked by Purchaser for the term of the reserved rights, and will not be affected by Purchaser's disability.

D. Purchaser agrees, for the benefit of all other owners of the other apartments in the Project, to at all times observe, perform, comply with and abide by all of the covenants, agreements, obligations, conditions and other provisions set forth in the Condominium Declaration, the Bylaws and the House Rules as any of the same exist or may hereafter be amended in accordance with law and does accept and approve of the Declaration, Bylaws and House Rules.

E. Purchaser acknowledges that the Apartments are being sold in "as-is" condition. Grantor makes no express warranties with respect to the Apartment. GRANTOR DISCLAIMS ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE, ANY IMPLIED WARRANTY OF WORKMANSHIP AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE APARTMENT, THE PROPERTY, THE COMMON ELEMENTS OR THE PROJECT. Purchaser acknowledges that Grantor has made no warranties, express or implied, with respect to the Property, its quality or grade, or any common element or anything installed therein, its quality or grade. In particular Grantor disclaims any and all responsibility or liability for any malfunctions, construction or design defects, including, without limitation, any latent or hidden defects which time may reveal or any other problems which Purchaser may encounter with respect to the Apartment or the Project. Purchaser acknowledges Grantor's disclaimers and expressly waives any rights, claims or actions against Grantor arising out of or connected with any defects with respect to the Property.

* * * * *

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE APARTMENT DEED. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE APARTMENT DEED, PURCHASER MUST REFER TO THE APARTMENT DEED TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE APARTMENT DEED, THE APARTMENT DEED WILL CONTROL.

ARCHITECTURAL DUE DILIGENCE

for

IRONWOOD ASSOCIATES, LLC

Ushijima Architects, Inc.
1110 University Avenue, Suite 311
Honolulu, Hawaii 96826

USHIJIMA
ARCHITECTS
INC.

DESCRIPTION OF EXISTING CONDITIONS

EXISTING PROPERTY

Property is located at 660 Wainee Street Lahaina, Maui, Tax Map Key # 4 – 6 – 011 : 008, which consists of a 8.6 acre lot with on-grade parking and 8 – 40 unit two-storey buildings, 1 – 38 unit two-storey building, 2 – 6 unit two-storey buildings, 1 – converted two-storey maintenance building, and 1 – single storey check-in/administration building. Improvements were constructed in the late 1970's. All parking stalls are on-grade and uncovered. Majority of the site is paved in asphalt with landscaping improvements and irrigation. A loading area is located at the mauka corner of the site adjacent to the converted maintenance building. Also on-site in the northwest quad is a common area laundry room housing 7 coin operated washers and 10 coin operated stack dryers. Also within this quad is a boiler room for the buildings within its proximity. The northeast quad also has a boiler room for the buildings within its proximity and an existing laundry room that has been converted into a storage/maintenance room. All of these rooms previously mentioned are secured. Mauka of the northwest quad is a single lighted tennis court. A swimming pool is located mauka of the check-in/administration building between the two quads. The perimeter of the site is bordered by a combination of fencing and landscaping separating the amenities on-site from adjacent neighbors. The entire site seems to have night lighting provided.

EXISTING BUILDINGS

Thirteen buildings exist on site as previously described. Eight of the thirteen buildings comprise 2 quads situated in a "pinwheel" type configuration with laundry facilities and boiler rooms located in the center. A ninth building is located south of the northeast quad. Building names for the northwest quad are "Hula", "Koa", "Maile", and "Ginger". Each of these four buildings accommodate 40 units except for "Koa" which accommodates 38 units. Building names for the northeast quad are "Ebi", "Fern", "Banyan", and "Coconut" with the ninth building named "Aloha". All five of these buildings accommodate 40 units each. Mauka of the northwest quad is "Jade", a 6 – unit building. Makai of this quad is "Luau", a 6 – unit building. Mauka of the northeast quad is "Dolphin", a 6 – unit building converted to a maintenance building. Each of the buildings is a two-storey walkup with no elevator. The nine major buildings are double loaded with concrete walkways on the ground floor and open spaced decking walkways on

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Fax: 808 • 947 • 4579

the upper floor. Each floor accommodates 20 units except for "Koa" which accommodates 19 units per floor. "Jade", "Luau", and "Dolphin" are single loaded each accommodating three units per floor. The upper floor of "Jade" has been converted to a single managers unit. All buildings, including the check-in/administration building, are slab-on-grade and wood framed. Exterior finishes comprise of painted lap type diagonal siding, painted wood railings, and painted concrete tile roofs. Majority of the windows are aluminum framed jalousie type. "Ebi" and "Coconut" buildings have fixed aluminum windows on both floors while "Fern" has fixed aluminum windows on the upper floor and jalousie windows on the ground floor. Roof configuration is predominantly "shed" type with two planes each sloping in opposite directions. The major nine buildings having this type of roof configuration have had clerestory type jalousie windows boarded off.

EXISTING UNITS

All buildings comprise a total of 370 units of which 360 are active units. Ten rooms are used for offices, storage rooms, and management housing. Unit mix comprise of one-bedroom units and studio (hotel) type units. Majority of the units are connecting thereby having the possibility of becoming two-bedroom units. In each of the one-bedroom units, a kitchen is provided with the original range/oven, a newly furnished refrigerator/freezer, a stainless steel sink, and plastic laminate cabinetry. Some of the studio (hotel) type units are furnished with small kitchenettes, while others have reach-in closets in lieu of a kitchenette. Kitchenettes are furnished with small under-counter refrigerators, and stainless steel sinks. No cooking equipment is provided in these kitchenettes. All bathrooms for both the one-bedroom units and studio (hotel) type units are provided with a standard type water closet, drop-in sink, cast iron tub/shower with ceramic tile surround, and a plastic laminate base cabinet. Main living areas and bedrooms in all units are fully carpeted while wet areas such as kitchens and bathrooms have sheet vinyl flooring. Interior walls are slightly textured over gypsum board on wood studs. Ceilings have a spray-on "popcorn" type finish. A main waterline runs through each ground floor unit and the ceiling below has been cut out with an access ceiling provided for ease of maintenance should a leak occur. Upper floor ceilings are finished the same except are vaulted following the slope of the exterior roof. All units and bedrooms are provided with window type air conditioning units and ceiling fans. Interior doors are either 2'-6" wide or 2'-0" wide hollow core doors with a standard height of 6'-8". Front entry doors are 3'-0" wide solid core doors. Minor variations occur with regards to reverse and mirrored units and window locations only.

USHIJIMA
ARCHITECTS
INC.

RECOMMENDATIONS TO EXISTING CONDITIONS

EXISTING PROPERTY

Existing asphalt paving is worn and slightly cracking with a few minor potholes and no major improvements are necessary at this time, but should be re-surfaced and sealed within the next one or two years. All existing parking stall markings are in poor condition and should be re-striped. The coin operated laundry area located in the northwest quad is in good condition and depending upon future renovation goals, the northeast quad laundry room should be converted back as such. Landscaping throughout the site needs proper maintenance and all irrigation lines should be checked to insure proper working order. Site amenities such as the swimming pool and tennis court seem in good condition relative to its age. It is highly recommended that an independent handicapped survey be done for compliance with the Americans with Disabilities Act Accessible Guidelines (ADAAG).

EXISTING BUILDINGS

The existing buildings on site are structurally in good condition relative to its years, however, all buildings along with their components, such as railings, flashing, trims, etc. should be repainted. Existing concrete roofing material is in poor condition, but should be replaced as soon as possible. Visible roof sagging on the majority of buildings are evident. Because no destructive investigation was included in this survey, upon re-roofing of each building, a visual field investigation should be done by a qualified individual and a licensed structural engineer. Roof sheathing may need to be installed along with rafters. No visual damage due to termite infestation is evident, however, termite droppings were noticed at two locations where the wood siding abuts the concrete walkways. The concrete walkways seem in fair condition although there exists minor cracking and no immediate remediation work is required. Flooding of ground floor units at the Ebi and Banyan buildings have been brought up by maintenance personnel and should be addressed. Upper floor decking of all buildings should be replaced and sealed properly and are in poor condition including some of the pickets of the guardrails. An independent survey should be done to address replacement of these pickets. Fixed windows should be changed to comply with egress, ventilation, and lighting requirements of the current Uniform Building Code adopted by the Maui City & County. The Project was constructed in the late 1970's and although, at that time, environmental regulations and enforcement related to asbestos and lead containing materials were strictly regulated, there may be some materials used that are environmentally hazardous. It is highly recommended that an environmental

1110 University Ave. • Suite 311
Honolulu • Hawaii • 96826
Ph: 808 • 946 • 9544
Fax: 808 • 947 • 4579

survey for hazardous materials (phase 1 report) be done on all buildings and their components along with an independent handicapped survey for compliance with the Americans with Disabilities Act Accessible Guidelines (ADAAG).

EXISTING TYPICAL UNIT

Painting of existing units are in good condition relative to its years and no immediate interior painting need be done at this time. Existing carpet and sheet vinyl flooring are in adequate condition and no immediate replacement is necessary. Existing cabinetry and casework are in fair condition. Re-painting, re-flooring, and replacement of cabinetry and appliances should be dependent upon future renovation goals of the property so that a design theme is consistent throughout. Jalousie windows also seem in good working order and no improvements are necessary except for the replacement of fixed windows as previously mentioned. Smoke detectors should be installed in each bedroom and in all kitchens. All ground floor ceilings where access ceiling panels occur should be replaced with rated gypsum board and finish to match existing. The Project was constructed in the late 1970's and although, at that time, environmental regulations and enforcement related to asbestos and lead containing materials were strictly regulated, there may be some materials used that are environmentally hazardous. It is highly recommended that an environmental survey for hazardous materials (phase 1 report) be done on all buildings and their components along with an independent handicapped survey for compliance with the Americans with Disabilities Act Accessible Guidelines (ADAAG).

U S H I J I M A
A R C H I T E C T S
I N C .

SUMMARY OF PROPERTY

In general, the existing site and buildings appears in fair to good condition consistent with its age. Refer to the following mechanical and electrical sections for existing conditions and recommendations relating to components of the buildings. It is assumed that prior to any improvements, all necessary building permits were obtained and design of the building complied with all codes and ordinances of the time consistent with life safety, structural, mechanical, and electrical systems. As previously mentioned, because of the date of improvements to the site, an environmental assessment should be made relating to any asbestos or lead containing materials. Recommendations of the environmental report should be followed and implemented. Also, it is our understanding that this property must comply with ADAAG section 9.0 ACCESSIBLE TRANSIENT LODGING. An ADAAG survey should be done and recommendations of the report should be followed and implemented. This report is based on visual field investigation of the property, existing buildings on-site, and entrance into a limited amount of units only and does not warrant any other additional deficiencies that may have been overlooked because of limited field observation. No destructive or comprehensive testing and investigation was done.

1110 University Ave. • Suite 311
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Fax: 808 • 947 • 4579

ELECTRICAL DUE DILIGENCE

for

IRONWOOD ASSOCIATES, LLC

Cedric Chong & Associates, Inc.
828 Fort Street Mall, Suite 500
Honolulu, Hawaii 96813

MAUI ISLANDER

Electrical Due Diligence

I. EXISTING ELECTRICAL AND SIGNAL SYSTEMS

A. General

The Maui Islander was built approximately twenty-five years ago as a condominium apartment complex. Presently, it is used as a hotel. The complex includes nine 2-story multi-unit buildings, three smaller two stories with two three bedroom units. Each of the multi-unit buildings are made up of two 24 feet by 170 feet long buildings with a 12 feet wide by 170 feet walkway and planting strip. One of the three smaller buildings are used by maintenance and housekeeping.

As a hotel there are approximately 370 guest units composed of 1 bedroom and 1 bath, 1 bedroom and 1 bath with kitchenette, family suite with bedroom and full kitchen.

A building originally designed as a recreation building is used for hotel lobby and front offices.

On the site there are parking lots, located around the building, a tennis court, three picnic/BBQ areas and a swimming pool.

Some of the guest rooms were renovated in 2002. New luminaires and ceiling fans were installed then.

B. Electric Services

1. Electric services are provided by Maui Electric Company (MECO) at 12.47 Kilovolts from a pole on Dickenson Street and a pole on Wainee Street. From each pole two 3" ducts are installed to five pad-mount transformers.

2. The transformers supplies buildings as follows:

Transformer No.	Buildings Supplied
1	A11 (HULA), D12 (JADE), House No. 2 (Boiler Rm)
2	D9 (LUAU), A8 (MAILE), B10 (KOA)
3	House No. 2 (Reception), A5 (ALOHA), A4 (BANYAN)
4	A1 (EBI), A3 (COCONUT), D2 (DOLPHIN)
5	A7 (GINGER), C6 (FERN)

3. Service voltage is 120/208 volts, 3 phase, 4 wire. On each of the nine 2-story buildings, the service equipment is a distribution panel with a 3 pole 600 ampere fusible main switch and four 3 pole 200 or 150 ampere circuit breakers. Each of the 3 pole 200 ampere circuit breakers supply a 200 ampere meter bank assembly. The meter banks contain 4, 5, 6 or 10 meter sockets, depending on the number of living units in the building. Feeders from the distribution panel to each meter bank varies depending on the number of units connected. Service equipment for Building D9 (Luau) consists of two meter sockets and 2P100 ampere circuit breakers.

4. Service equipment for Buildings D2 (Dolphin) and D12 (Jade) include four meter sockets and four pole 90 ampere circuit breakers. Service for Buildings D2, D9 and D17 consist of a 2½ inch conduit with 4-250 MCM cables.

5. Non-metallic sheathed type SER aluminum cables are run from the meter banks to the panelboards in the living units. Size of the cables varies depending on the size of the living units.

6. The panelboards are manufactured by Sylvania which are not manufacturing them anymore. Replacement circuit breakers are scarce and difficult to obtain.

7. Underground feeders from the pad-mount transformers to the service equipment consist of underground conduits with type THW cables with aluminum conductors.

C. Interior Electrical Wiring

Wiring in units consists of two and three conductor non-metallic sheathed cables. Wire sizes are No. 14 for lights and No. 12 for receptacles. Wires for range circuits are 3 conductor No. 8 and wires for clothes washer/dryers are No. 10. Duplex receptacles are 3 wires 15 amperes, 125 volts with ground. Receptacles in kitchens within 6 feet of sinks are not ground fault protected. Similarly, receptacles at bath/lavatories are not ground fault protected.

Receptacles are provided for window air conditioners.

Many of the smoke detector/alarm units are battery operated. Smoke detector/alarms should be 115 volt powered with battery backup.

D. Lighting System

The lighting fixtures in various locations are as follows:

1. Lobbies - Fluorescent with T8 lamps and track mounted light fixtures.

2. Maintenance, Laundry Rooms, Offices and Equipment Rooms - Plastic enclosed fluorescent luminaires utilizing T8 lamps.

3. Guest Rooms - Ceiling mount incandescent light fixtures supplemented with table lamps.

4. Guest Baths - Fluorescent or incandescent lights above mirror at the lavatory.

5. Guest Corridors - Frosted glass globe incandescent luminaires.

6. Parking Areas - Glass globe incandescent fixtures are 5 feet high poles.

7. Outdoor Stairs - Wall mount frosted glass globe luminaires and bollards on top of wood pools.

8. Exterior Area Lighting - Incandescent floodlights mounted on building wall.

9. Exterior Stairs - Wall mount incandescent floodlights.

10. Emergency Battery lights are installed in the center of the buildings and above stairs.

11. Some incandescent are replaced with self-ballasted fluorescent lamps.

E. Fire Alarm System

Fire alarm systems are manufactured by Notifier. The systems includes pull stations and bells. There are no visual signals. The pull stations are mounted 56 inches above grade, and the bells are mounted 82" above ground. Pull stations and bells are located at the ends and the middle of the buildings.

There is an annunciator panel in the Reception Building.

F. Telephone System

The telephone system is provided by Verizon Hawaii from a utility pole on Wainee Street. The telephone wiring is routed around the property to building via cables in underground ducts to telephone cabinets mounted on the exterior of the buildings. Each of the nine longer buildings are serviced by a 25 pair telephone cable in a 1¼ underground conduit.

G. Cable TV System

Cable television system is served by Time Warner Cable. Cable television cables are installed in ¾ inch underground conduits. All guest rooms have CATV outlets. CATV cabinets are mounted on the outside of each building.

II. EVALUATION OF EXISTING INSTALLATIONS AND RECOMMENDATIONS

A. General

Existing primary underground system is in good condition and is maintained by MECO.

B. Electric Service

Existing service equipment for the nine longer buildings consist of a fused 600 ampere main switch and four 3 pole feeder circuit breakers. The feeder circuit breakers supply power to meter banks. Each service equipment housed in a wooden enclosure which is too short.

The fusible switch requires maintenance when the fuses blow. The meter banks are in poor condition and should be replaced because of deterioration. Because of their poor condition, the main distribution panels on Building A4 (Banyan) and Building C6 (Fern) were replaced with distribution panels equipped with a 3P600 ampere main breaker and four 3P225 ampere feed circuit breakers.

Underground cables to each building from the transformers are aluminum conductors. These cables should be meggered. The cables should be tested with infrared to check if there are any high resistance heating due to loose connections.

C. Interior Electrical Wiring

1. Existing aluminum service cables to unit panelboards are twenty-five years old and should be replaced because of their age and difficulty to replace circuit breakers.

2. Existing panelboards recessed in walls are obsolete and must be replaced since circuit breakers are difficult if not impossible to obtain. Because replacement circuit breakers are difficult to obtain, there are existing 2 pole circuit breakers used to supply two branch circuits instead of two one pole circuit breakers. By using 2 pole circuit breakers, when one pole trips, both poles trip thereby interrupting two circuits.

3. As a hotel, the circuits are connected to the nearest panels thereby violating the boundaries of a unit. With the new apartment layout being divided differently, all circuits should be new to assure longevity and connection to the correct panel within an apartment.

4. All receptacles within 6 feet of the kitchen sink and receptacles in the Baths must be ground fault interrupter type.

5. Smoke detector alarms does not meet local laws and must be replaced with smoke detector alarms with 125 volt power connection and battery backup.

6. New National Electrical Code requires that circuit breakers supplying bedroom outlets be arc fault interrupter type.

D. Lighting Systems

1. Existing light fixtures inside are generally in good condition. However, with the assistance of an interior designer, new luminaires are recommended.

2. Exterior lights in corridor and stairs should be fluorescent types to save energy. Emergency light fixtures with battery power is recommended in corridors and at stairs.

3. Lighting in parking areas are inadequate. The entire lighting system should be replaced with pole mounted metal halide luminaires.

4. Fluorescent lighting is installed in Maintenance, Laundry Rooms, Offices, and equipment rooms and are satisfactory.

5. Tennis Court lights consist of two poles with incandescent floodlights. Lighting level is very low and lighting does not cover the court well. An underground conduit for a receptacle on one of the tennis court light poles is not buried sufficiently.

E. Fire Alarm System

Fire alarm systems are obsolete and do not have visual signals. Mounting height of manual pull stations are not ADA compliant. The existing system should be replaced with a new system with new manual pull stations, audio visual signals, smoke detectors, heat detectors, tamper and flow switch connections.

Exposed polyvinyl chloride plastic conduits on the outside of the buildings do not have sufficient number of straps thereby resulting in a sag on the conduits.

F. Telephone System Evaluation

Existing underground telephone system includes small service conduits to each building. To accommodate telephone and data, the existing 1¼ inch service conduits are too small. Likewise, 12" x 18" x 6" telephone cabinets are too small. The entire telephone distribution system and telephone cabinets should be upgraded. To accommodate telephone and data for each apartment, at least 2 pairs of telephone cables are recommended.

New telephone cables will be required from the telephone cabinets and the new telephone outlets.

G. Cable Television System

Cable television system is maintained by Time Warner Cable. Service cables and TV cabinets are in good condition. New coaxial cables will be required to new television outlets from the existing TV cabinets.

MECHANICAL DUE DILIGENCE

for

IRONWOOD ASSOCIATES, LLC

Mechanical Enterprises, Inc.
1314 S. King Street, #411
Honolulu, Hawaii 96814

1.0 GENERAL

This report assesses the condition of the existing mechanical systems for the Ohana Maui Islander Hotel. The report is based on our review of the existing drawings, and our limited field investigation conducted on September 2, 2003. The limited field investigation consists of field observations on one typical unit type's "A", "B", "C", "D", "E" and "F". Unit types "A" and "B" are studios, and Unit Types "C", "D", "E", and "F" are one bedroom suites with a full kitchen.

The existing mechanical systems serving the Maui Islander Hotel consist of ventilation systems, air conditioning systems, plumbing systems, and fire sprinkler systems. A Description of each mechanical system is provided in the following paragraphs along with an evaluation and recommendation based on the existing conditions. A mechanical cost estimate is provided at the end of the report to summarize the associated mechanical cost based on the evaluations and recommendations.

2.0 VENTILATION SYSTEM

A. General Description:

1. The existing guest room's toilets for Unit Types "A", "C", "D", "E", and "F" were originally naturally ventilated with window jalousies, and the Unit Type "B" was originally ventilated by an exhaust fan. A renovation project in 2002 for the Coconut, Ebi, and 2nd floor Fern Buildings only, the window jalousies were removed and exhaust fans were installed in the toilet. The remaining buildings are still naturally ventilated except for the Unit Type "B" that is originally mechanically ventilated.

   The existing guest room's kitchen for Unit Types "C", "D", "E", and "F" consist of a range hood that is ducted to the exterior with a wall cap or a grille on the exterior wall. The Unit Types "A" & "B" do not have a range hood or a stove.

2. Exhaust Fans:

   The existing exhaust fan serving the toilets in Building Coconut, Ebi and 2nd floor Fern for the Unit Type "A", "C", "D", "E" and "F" is a Broan wall mounted exhaust fan interlocked with the light switch. Neither nameplate, nor as-built information is available for this fan.

   The existing exhaust fan serving the toilets for the Unit Type "B" is ceiling cabinet type exhaust fan interlocked with the light switch. Neither nameplate, nor as-built information is available for these fans.

3. Range Hoods:

There is an existing range hood above the stove for each Unit Type "C", "D", "E", and "F". The range hood manufacturers vary throughout the different unit types. The majority appears to be manufactured by Broan.

B. System Evaluation and Recommendations:

1. All of the existing exhaust fans observed are in satisfactory condition and operational. The existing fans do not need to be replaced but the back draft damper blades, wall caps, and exterior grilles on the exterior wall should be cleaned from the dirt and dust accumulated over the years of operation.

2. The majority of the existing range hoods observed appear to be the original equipment and was in fair to poor conditions. The corners of the range hoods are rusting and the paint is fading. It appears that some range hoods may have been replaced throughout the years. Due to the conditions observed of the existing range hoods, included in the mechanical estimate is the range hood replacement cost for all of the existing range hoods.

3.0 AIR CONDITIONING SYSTEMS

A. General Description:

1. Unit Types "A" and "B" are cooled by one window air conditioning unit. The Unit Types "C", "D", "E" and "F" are cooled by one window air conditioning unit in the living room and one window air conditioning unit in the bedroom.

2. Air Conditioning Units:

The original air conditioning units serving all the units were either Carrier or Daikin models rated at 10,000 BTUH. Over the years, the existing window air conditioning units are being replaced when the unit becomes inoperable. In 1997, Outrigger Hotel purchased and replaced about 150 window air conditioners to replace existing units.

The window air conditioning units serving the studios are Panasonic model CW-C101MU packaged window air conditioning units rated at 10,000 BTU/h. The AC units have no remote shut-off switch and all controls are on the unit. The existing condensate drainpipe is a PVC line on the exterior wall that drains into the planter.

The one-bedroom units have one AC unit in the bedroom and one AC unit in the living room. The window air conditioning unit serving the living room is

a Panasonic model CW-C101MU packaged air conditioning units rated at 10,000 BTU/h. The window air conditioning units serving the bedrooms are Panasonic model CW-XC122VU packaged air conditioning units rated at 11,500 BTU/h. Neither unit has a remote shut-off switch and all controls are on the unit. The existing condensate drainpipe is a PVC line on the exterior wall that drains into the planter

B. System Evaluation and Recommendations:

1. None of the typical units observed had the original Carrier or Daikin window air conditioning units. There may be approximately100 window air conditioners that may still need to be replaced. Included in the mechanical cost estimate is to replace 100 window air conditioners.

2. All of the existing Panasonic window air conditioning units observed are in fair to good condition. These units do not need to be replaced.

4.0 PLUMBING SYSTEMS

A. General Description:

1. Cold Water Distribution System:

The domestic cold water distribution system is supplied throughout the buildings in the floor joist between the first and second floor. There are branch lines tapping off the main line serving the plumbing fixtures in the toilet and kitchen. It appears that each unit does not have an individual shut off valve to isolate each unit independently. The existing water line is copper.

2. Hot Water Distribution System:

There are two boilers that provide domestic hot water for the entire property. One is located in at the West end of Hula Building and the other is located on the South West end of Coconut Building. The boiler on the West end of Hula Building is a Raypack model C1060MWHT, rated at 975,000 BTU/h input, 18.66 gpm at 100 degree F rise. The boiler on the South West end of Hula Building is a Raypack model C1467MWHT, rated at 1,050,000 BTU/h input, 18.90 gpm at 100 degree F rise. There is a hot water circulating pump for each boiler. The nameplate information for the circulating pumps was painted and no information was available on the existing drawings. The gas flue for the two boilers is ducted up through the roof with a roof cap.

The domestic hot water and hot water return lines are also supplied throughout the building in the floor joist between the first and second floor.

The branch lines also tap off the main line to serve the plumbing fixtures. The hot water lines do not have individual shut off valve to isolate each unit. The hot water lines are copper without insulation throughout the entire property.

3. Sanitary Drainage and Vent System:

The building's sanitary system is concealed within the plumbing walls and below grade and could not be observed. Also, the existing drawing available does not show the existing sanitary piping system. In the maintenance building there was a plumbing wall that was partially exposed and it appears that the sanitary piping used for the property is ABS piping.

Based on field observations, it appears that there is a sanitary riser that serves the second and first floor plumbing fixtures that are stacked above each other. There appears to be a cleanout in the sidewalk where each sanitary riser exits the building. There appears to be a vent line that penetrates through the roof for each sanitary riser.

4. Plumbing Fixtures:

Each unit consists of one tank-type water closet, one counter top lavatory, one tub/shower, and a sink. There was a renovation project completed in 2002 that replaced the plumbing fixtures for about 60 units.

The majority of water closets observed appear to be the original installation. The original water closet is a Colten, two-piece tank type water closet. The renovated toilets appear to have a low flow tank-type water closet manufactured by Toto.

The majority of lavatories observed appear to be the original installation. The original lavatory is a counter top lavatory with a two-handle faucet manufactured by Price Pfister. The renovated toilets appear to have a countertop lavatory with a single lever faucet by Kohler.

The tub/shower observed appear to be the original installation. The original tub/shower is cast-iron tub with three handle shower valve, and various shower heads that appear to be replaced at various times. The shower valve assembly could not be identified and the showerheads were Sunbeam, Niagra, and other various showerheads.

There are two different sizes of kitchen sinks observed for the studio unit and the one bedroom units. The kitchen sinks observed appears to be the original installation. The original sinks are single compartment stainless steel countertop with two handle faucet by Price Pfister and a 1/3 HP disposer. The disposer varied from an In-sinkerator and a Maintenance Warehouse disposer.

5. Guest Laundry:

   There is one guest laundry area on the North end of Maile Building. There are 7 coin operated washers and 10 gas clothes dryers.

6. Gas System:

   There is a gas meter located outside of the boiler rooms for each boiler. Gas is provided for the Raypack boilers and the gas dryers for the guest laundry.

B. Historical Information:

Most of the plumbing fixtures appear to be the original installation except for the 60 rooms that were renovated in 2002. The majority of the plumbing fixtures are operational but does show signs of wear, discoloration and rusting.

There is an ongoing problem with the existing domestic hot water and hot water return line that leaks and causes damages to the ceiling. All of the ground floor ceilings consist of a lay-in ceiling tile where the existing cold and hot water main distribution line exists. According to the hotel maintenance personnel, the existing copper line used for the project was Type "M" copper tubing. Although allowed by code, it has a thinner wall than the standard Type "L" that is used for above ground domestic water piping.

C. System Evaluation and Recommendation:

1. Evaluation and recommendation of the existing domestic water piping are as follows:

   The cold water distribution lines observed in the ceiling are in fair to satisfactory condition but appear to be copper Type "M". Since the hot water main distribution system is recommended to be replaced, the existing cold water distribution should also be replaced with the Type "L" copper piping. The distribution system should also be routed such that a shut off valve for each branch line to each unit should be provided to allow each unit the capability of shutting off their water supply rather than shutting off the main building valves on the exterior valve box. A cost for the replacement of the cold water distribution system and the addition of shut off valves is included in the mechanical estimate.

2. Evaluation and recommendation of the existing hot water distribution system are as follows:

   Both boilers are in satisfactory condition and do not need to be replaced. The existing hot water circulating pumps are also in satisfactory condition and do

not need to be replaced.

The existing hot water and hot water return main distribution line in the ceilings should be replaced. The distribution system should also be routed such that a shut off valve for each branch line to each unit should be provided to allow each unit the capability of shutting off their water supply rather than shutting off the main building valves on the exterior valve box. When the hot water distribution lines are replaced the lines should be insulated with a minimum one inch fiberglass insulation. A cost for the replacement of the hot water main distribution system, hot water return piping, new insulation on the piping and the addition of shut off valves is included in the mechanical estimate.

3. Evaluation and recommendation of the existing sanitary piping are as follows:

   The existing sanitary and vent lines in the plumbing walls are inaccessible, and it is not possible to determine the existing condition of these lines. The sanitary and vent lines appear to be adequately sized and there are no reported back-ups or indications of leaks in the system.

4. Evaluation and recommendation of the existing plumbing fixtures are as follows:

   General Recommendations: The existing water closets, lavatories, tub/showers, and sinks are not ultra low water conserving type fixtures. These fixtures should be replaced with new low flow fixtures.

   The existing water closets are round bowl type and recommend providing new elongated bowl type. A cost to replace all the water closets is included in the mechanical cost estimate.

   The existing countertop lavatories are in satisfactory condition and can be reused for the new countertop, but the faucet should be replaced with a new single lever type faucet. The p-trap, pop-up drain, supply stops, and escutcheons should also be replaced. A cost to replace the faucet and miscellaneous accessories is included in the mechanical cost estimate.

   The existing tubs are in satisfactory condition and can be reused but it should be refinished. The existing shower valve assembly including the water piping, shower head, and escutcheon should be replaced with a new low flow shower head and a single lever, pressure balanced anti-scalding shower valve. The shower valve replacement will require the tub surround to be replaced. A cost to refinish the tub and replace the shower valve assembly is included in the mechanical cost estimate.

Laundry Area:

The coin operated washers and dryers are in satisfactory condition and do not need to be replaced.

5. Evaluation and recommendation of the addition of washer/dryer to each unit are as follows:

   The addition of a washer/dryer to each unit will require modifications to the existing plumbing within the wall to access the drain and water lines. The location of the new washer/dryer is recommended to be near an existing lavatory or sink to minimize the wall openings required to modify the plumbing lines. The existing waste and water lines should be adequate to add the new washing machine. A cost to modify the existing plumbing and provide a new washer/dryer is included in the mechanical cost estimate.

5.0 FIRE PROTECTION

A. General Description:

1. There is a 2 ½" fire sprinkler riser located at each building with a fire sprinkler main located under the walkway and upright fire sprinkler heads serving the walkway only. Each riser assembly consists of a shut off valve with a chain and lock on the valve and a flow switch that is connected to the fire alarm system. The fire sprinkler main is galvanized steel painted to match the building. The upright fire sprinkler heads appear to be the original sprinkler heads.

2. The remainder of the building is not protected with the fire sprinkler system only the exterior walkways.

3. There is an existing 2 ½" wet stand pipe system located outside of the storage rooms for the Coconut and Hula Building that is inoperable. According to the hotel maintenance personnel, the Maui County Fire Department does not allow wet stand pipes to be used on properties and was disconnected. The hotel maintenance is in the process of painting over the sign that identifies the Hose Cabinet.

4. There are existing wall mounted fire extinguishers cabinets with 2A:10B:C, 5 pound capacity fire extinguishers located throughout the property.

B. System Evaluation and Recommendations:

In the areas with fire sprinkler system provided, the fire sprinkler coverage appeared to be in compliance with code requirement. However, in accordance with NFPA 13, if a property is provided with an automatic fire sprinkler system, the entire building should be covered by the fire sprinkler system. The authority having jurisdiction may have allowed a variance from the code requirement and provided protection to the walkways only. The requirement for a fire sprinkler system in the walkway area only was researched in the Uniform Building Code but any references to the requirement of a sprinkler system could not be found. Since the fire sprinkler system is permitted as part of the original building construction, it should be left alone without any modifications. The fire sprinkler system should be maintained in accordance with NFPA 25.

All of the fire sprinkler heads inspected are in satisfactory condition and none of the fire sprinkler heads observed needs to be replaced. The fire sprinkler heads will need to be replaced after 50 years of service.

The fire extinguishing cabinet and extinguishers appear to be in satisfactory conditions and inspected on a regular basis by a Fire Sprinkler Contractor. None of the fire extinguishing cabinet or extinguishers needs to be replaced.

ALAN M. ARAKAWA
Mayor

MICHAEL W. FOLEY
Director

WAYNE A. BOTEILHO
Deputy Director

COUNTY OF MAUI
DEPARTMENT OF PLANNING

July 9, 2004

Mr. Richard T. Asato, Jr.
Imanaka, Kudo, and Fujimoto
745 Fort Street Mall, 17th floor
Honolulu, HI 96813

RE: ZONING VERIFICATION FOR THE MAUI ISLANDER HOTEL LOCATED AT 660 WAINEE STREET, LAHAINA, MAUI, HAWAII; TMK: (2) 4-6-011:008

Dear Mr. Asato:

We apologize for our late response to your letter of March 9, 2004, and any inconvenience this may have caused.

The subject property is located in the H-1 Hotel District. To the best of our knowledge, the subject project is in compliance with all applicable Special Management Area (SMA) and zoning codes, rules, and regulations relative to uses, density, parking, setbacks, and height requirements. You may view these standards on the County website at www.co.maui.hi.us.

In addition, we have no pending or outstanding zoning violations on file.

Should you have any questions, please contact Trisha Kapua'ala, Staff Planner, at 270-7253.

Sincerely,

MICHAEL W. FOLEY
Planning Director

250 SOUTH HIGH STREET, WAILUKU, MAUI, HAWAII 96793
PLANNING DIVISION (808) 270-7735; ZONING DIVISION (808) 270-7253; FACSIMILE (808) 270-7634