

Spinnaker Place Townhomes, Increment 4

AMENDED DISCLOSURE ABSTRACT

Date: February 25, 2008

Name and Address of Project: Spinnaker Place Townhomes, Increment 4
Off Keone'ula Boulevard and Kapolei Parkway
Ewa Beach, Hawaii

Developer: Spinnaker Place Development, LLC
91-1001 Kaimalie Street, Suite 205
Ewa Beach, Hawaii 96706
Phone No.: (808) 689-7772

Real Estate Broker: Haseko Realty, Inc.
91-1001 Kaimalie Street, Suite 205
Ewa Beach, Hawaii 96706
Phone No.: (808) 689-7772

Managing Agent: Certified Management, Inc.
3179 Koapaka Street, 2nd Floor
Honolulu, Hawaii 96819
Phone No.: (808) 836-0911

Monthly Common Expenses and Monthly Estimated Costs for Each Apartment: Exhibit "1" attached hereto sets out the estimated monthly common expenses and estimated costs for the year ending December 31, 2007. Exhibit "2" attached hereto sets out estimated monthly common expenses and estimated costs for the year ending December 31, 2008.

AMENDMENT: This Amended Disclosure Abstract supersedes and replaces in its entirety: (1) the Disclosure Abstract dated November 21, 2005, which was attached as Exhibit "K" to the Final Public Report for the Project (Report No. 5848, Effective Date: December 5, 2005); and (2) the Amended Disclosure Abstract dated March 27, 2007, which was attached as Exhibit "K" to the Supplementary Public Report for this Project (Effective Date: August 6, 2007). This Amended Disclosure Abstract amends the Disclosure Abstract by revising the monthly common expenses and costs for the year ending December 31, 2008 as described in Exhibit "2."

DESCRIPTION OF LIMITED WARRANTIES: The Developer provides a limited warranty for the individual apartments and common elements under the Reservation Agreement and Sales Contract ("Agreement"), a specimen of which has been submitted with this registration. The following is a brief summary of the Developer's limited warranty (capitalized terms have the same meaning set forth in the Agreement):

The Apartment and the related Common Elements will be covered under a transferable ten (10) year HOME BUILDER'S LIMITED WARRANTY (the "Limited Warranty"). The Limited Warranty provides coverage for construction defects that occur during the Warranty Period and includes provisions limiting the responsibility and conditions under which it is valid or applicable. The Limited Warranty gives the Purchaser specific legal rights. Seller's obligations under the

Limited Warranty are expressly conditioned on prompt notification by Purchaser of any construction defects as set forth in the Limited Warranty. In addition, the Limited Warranty does not cover certain construction defects that result, either directly or indirectly from certain excluded causes or occurrences as set forth in the Limited Warranty. None of Seller's employees, salesmen or other agents are authorized to make any warranty other than the Limited Warranty, nor can they extend or in any way alter the Limited Warranty.

- (a) Acknowledgment and Receipt. Purchaser will receive a sample of the Limited Warranty (PWC Form No. 117) and agrees to read the sample Limited Warranty in its entirety prior to the Closing Date. Purchaser's failure to read the sample Limited Warranty and to obtain any needed assistance in understanding the Limited Warranty shall not in any way change either the Purchaser's or the Seller's rights, duties and obligations under the Limited Warranty. Prior to Closing, Purchaser shall deliver to Escrow a fully executed document entitled "Warranty Acknowledgement of Receipt and Agreement to Read."
- (b) Warranty Period. The term of the Limited Warranty is ten (10) years from the Closing Date. The resale of the Apartment by Purchaser will not extend the ten-year term. Notwithstanding the above, however, the Warranty Period for Common Elements of a building or structure commences on the date title for the first Apartment in the structure or building is transferred to the first homeowner. The exact dates for the commencement and expiration of the Warranty Period for the Apartment will be described in the "Limited Warranty Validation Form" to be mailed to Purchaser by the independent third-party warranty administrator following Closing.
- (c) Coverage Limits. The coverage limits of the Limited Warranty generally are the actual repair costs not to exceed (i) the original sales price of the Apartment, in the case of individual owner claims and the aggregate sales price of the Apartments in a multi-unit residential structure/building, but not to exceed a certain aggregate sum, for claims involving Common Elements contained within a specific multi-unit structure/residential building containing Apartments. Specific terms of the warranty coverage are included in the "Limited Warranty Validation Form" and the Limited Warranty.
- (d) Binding Arbitration. The Limited Warranty requires that all disputes between Seller and Purchaser concerning the Limited Warranty, sale or construction of the Apartment be resolved by binding arbitration pursuant to provisions under the Limited Warranty. The Purchaser gives up any rights to have the dispute resolved by a court of law or jury trial.
- (e) Customer Care Program. In addition to the Limited Warranty, during the first twelve (12) month period following the Closing of the apartment, Seller will initiate and provide to Purchaser at no additional charge a customer care program (the "Program") for defects in materials and workmanship that would otherwise not be deemed to be a "construction defect" under the Limited Warranty. Terms of the Program, which include performance standards the Seller will follow for use during the first year and certain exclusions of the Program, are set forth in the homeowner manual that will be provided to Purchaser upon the Closing of the sale of the apartment. Notwithstanding anything contained herein to the contrary, the Program is extended only to the original purchaser of the apartment and shall terminate upon the sale of the apartment by that purchaser.
- (f) Manufacturers' Warranties. Seller will assign and pass through to the Purchaser any manufacturer's warranties covering any appliances and other consumer products for their unexpired terms, to the extent such warranties exist and to the extent that Seller has the right and power to make such an assignment. Purchaser shall follow the procedure set forth in the manufacturer's warranty if any defects should appear in that

item, and any service request should be made directly to the service representative for the manufacturer. Appliances or consumer products are excluded from the Limited Warranty, unless they constitute a construction defect. Seller makes no representation or warranty with respect to the energy consumption of, or efficiency of, any appliance, equipment, or consumer product, or with respect to energy or utility costs.

- (g) Limitations of Warranty and Seller Liability. Except for the Limited Warranty, Seller makes no other warranties, express or implied, and SELLER EXPRESSLY 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, OR THE PROJECT. EXCEPT FOR THE OBLIGATIONS OF SELLER SPECIFICALLY SET FORTH IN THE LIMITED WARRANTY, SELLER SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER LEGAL THEORY (REGARDLESS OF WHETHER SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES).
- (h) Claim Procedure. If any defect appears which Purchaser believes should be covered by this Limited Warranty, Purchaser shall give Seller written notice describing the defect in detail at the following address: Spinnaker Place Development, LLC, 91-1001 Kaimalie Street, Suite 205, Ewa Beach, Hawaii 96706, Attn: Customer Service. Seller will not reimburse Purchaser for any repair or other action taken by Purchaser without Seller's prior written consent.

THE FOREGOING IS A SUMMARY OF SOME OF THE PERTINENT PROVISIONS OF THE LIMITED WARRANTY FOR THE CONVENIENCE OF THE PURCHASER AND IS NOT INTENDED TO BE AN EXHAUSTIVE LIST OF ALL OF THE TERMS OF THE LIMITED WARRANTY. THE FULL TEXT OF THE ORIGINAL DOCUMENT SHOULD BE EXAMINED AND CONTROLS OVER THE ABOVE SUMMARY.

SPINNAKER PLACE DEVELOPMENT, LLC

By HASEKO HOMES, INC.
a Hawaii corporation
Its Manager

By 
Name: *Tsutomu Sogawa*
Title: *Executive Vice President*

EXHIBIT "2"

SPINNAKER PLACE TOWNHOMES, INCREMENT 4
(14 UNITS)
2008 ANNUAL BUDGET

ESTIMATE OF MAINTENANCE DISBURSEMENTS (a)	MONTHLY (\$)	ANNUAL (\$)
Utilities		
Common Electricity	\$ 68.39	\$ 820.68
Water	\$ 363.22	\$ 4,358.64
Sewer	\$ 529.14	\$ 6,349.68
Building and Grounds Maintenance		
Building	\$ 32.24	\$ 386.88
Grounds (Landscaping)	\$ 617.11	\$ 7,405.32
Pest Control	\$ 102.47	\$ 1,229.64
Amenities (Recreation Area)	\$ 73.68	\$ 884.16
Trash Removal	\$ 547.20	\$ 6,566.40
Custodial	\$ 4.61	\$ 55.32
Management		
Management Fees	\$ 344.61	\$ 4,135.32
Administrative Expenses	\$ 63.78	\$ 765.36
Education Expenses	\$ 5.76	\$ 69.12
Insurance	\$ 857.13	\$ 10,285.56
Legal & Professional	\$ 4.61	\$ 55.32
Taxes/Government Assessments	\$ 2.35	\$ 28.20
Audit Fees	\$ 3.96	\$ 47.52
Reserves	\$ 280.86	\$ 3,370.32
Totals	\$ 3,901.12	\$ 46,813.44

- (a) All budgeted expenses have been calculated by allocating a portion of the overall proposed expenses in accordance with the ratio of the number of units in Increment 4 (i.e., 14 units) to the total number of proposed units (i.e., 304 units). In the event of a deficit in the actual expenses and the amount actually collected, such deficit shall be subsidized by the Developer until all units within the Spinnaker Place Townhomes project have been sold.

SPINNAKER PLACE TOWNHOMES, INCREMENT 4

ESTIMATED MAINTENANCE FEES PER UNIT

APT. NO.	NET LIVING AREA (sq. ft.) (a)	COMMON INTEREST (%)	MONTHLY MAINT. FEE (\$) (Per Budget p. 1)	MONTHLY MASTER ASSN. FEE (\$) (Per Budget p.4)	TOTAL MONTHLY FEES (\$)	TOTAL ANNUAL FEES (\$)
401	1005	7.1428	278.65	27.00	305.65	3,667.80
402	1196	7.1429	278.65	27.00	305.65	3,667.80
403	1130	7.1428	278.65	27.00	305.65	3,667.80
404	1130	7.1428	278.65	27.00	305.65	3,667.80
405	1196	7.1429	278.65	27.00	305.65	3,667.80
406	1001	7.1428	278.65	27.00	305.65	3,667.80
5301	1183	7.1429	278.65	27.00	305.65	3,667.80
5302	1105	7.1428	278.65	27.00	305.65	3,667.80
5303	1105	7.1428	278.65	27.00	305.65	3,667.80
5304	1183	7.1429	278.65	27.00	305.65	3,667.80
5401	1135	7.1429	278.65	27.00	305.65	3,667.80
5402	1135	7.1429	278.65	27.00	305.65	3,667.80
5403	1135	7.1429	278.65	27.00	305.65	3,667.80
5404	1135	7.1429	278.65	27.00	305.65	3,667.80

(a) The net living area of the apartment, excluding the garage, the lanai, the front or rear yards, and the entry area.

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

Ocean Pointe Residential Community Association
Annual Budget - Year 2008
 (Based on 2,441 Units)

<u>Budget Item</u>	<u>Amount</u>
a. Maintenance - Grounds ¹	398,772.00
b. Utilities (Water)	112,200.00
c. Utilities (Electricity)	3,900.00
d. Insurance	29,340.00
e. Management Services ²	100,008.00
f. Admin Supplies & Services	30,160.00
g. Legal & Audit	3,072.00
h. Miscellaneous Administrative Expenses	180.00
i. Security	84,000.00
j. Reserve Contribution	<u>29,138.00</u>
k. Total Estimated Annual Costs	790,770.00
l. Total Estimated Monthly Costs	65,897.50
m. Total Costs Per Unit Per Month ³	27.00
n. Net Assessments Per Unit Per Month ⁴	<u>\$27.00</u>

¹ Maintenance - Grounds cover maintenance of the "Area of Common Responsibility" as that term is defined in the Declaration of Covenants, Conditions, and Restrictions for Ocean Pointe (Residential) dated September 15, 1998 as supplemented and amended (the "Master Declaration"). The estimated maintenance costs shown in this line item do not cover any areas that may be subsequently annexed to the Master Declaration in the future. The estimated maintenance costs shown in line item a. include estimates for all labor, equipment, and other materials (not including water which is covered by line item b.) that are necessary to maintain the above-described areas.

² Management Services reflect the fees that Certified Management, Inc. will be paid for the coming fiscal year for management services and design review services.

³ The total cost per unit per month was calculated by taking the total estimated annual costs (line item k.) and dividing that number by 2,441 and further dividing that number by 12. The resulting sum is then rounded to the nearest dollar.

⁴ The Net Assessment Per Unit Per Month represents the net monthly assessment estimated amount to be collected from members on a per unit basis for the coming fiscal year.