

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer KC RAINBOW II, LLC
Address 19770 Stevens Creek Boulevard, Cupertino, California 95014

Project Name (*): MOANA VISTA
Address: 1015 Kapiolani Boulevard, Honolulu, Hawaii 96814

Registration No. 5964
Effective date: April 28, 2006
Expiration date: May 28, 2007

Preparation of this Report:

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

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

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

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

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

Type of Report:

- X PRELIMINARY: (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report.
FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
SUPPLEMENTARY: (pink) This report updates information contained in the:
And [] Supersedes all prior public reports

(*) 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 Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

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General Information On Condominiums

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

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

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: KC Rainbow II, LLC Phone: (808) 597-1088
Name* (Business)
19770 Stevens Creek Boulevard
Business Address
Cupertino, California 96814

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):

The members of KC Rainbow II, LLC, are Evershine X, a California limited partnership, and KCR Development, Inc., a Delaware corporation. KCR Development, Inc., is the manager of KC Rainbow II, LLC. Shiu Leung Chan is the President of KCR Development, Inc.

Real Estate Broker*: KC Realty, LLC Phone: (808) 597-1068
Name (Business)
1015 Kapiolani Boulevard
Business Address
Honolulu, Hawaii 96814

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 521-0211
Name (Business)
235 Queen Street
Business Address
Honolulu, Hawaii 96813

General Contractor*: TO BE DETERMINED Phone: ()
Name (Business)
Business Address

Condominium Managing Agent*: Hawaiiana Management Company, Ltd. [Proposed: Not yet under contract] Phone: (808) 593-9100
Name (Business)
711 Kapiolani Boulevard, Ste. 700
Business Address
Honolulu, Hawaii 96813

Attorney for Developer: Brooks Tom Porter & Quitiquit, LLP Phone: (808) 526-3011
Name (Business)
841 Bishop Street , Suite 2125
Business Address
Honolulu, Hawaii 96813
Attn: Edward R. Brooks & Jeffrey D. Watts

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

**II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS**

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

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

The Declaration for this condominium is:

Proposed

Recorded - Bureau of Conveyances: Document No. _____

Book _____ Page _____

Filed - Land Court: Document No. _____

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

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

The Condominium Map for this condominium project is:

Proposed

Recorded - Bureau of Conveyances Condo Map No. _____

Filed - Land Court Condo Map No. _____

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

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

The Bylaws for this condominium are:

Proposed

Recorded - Bureau of Conveyances: Document No. _____

Book _____ Page _____

Filed - Land Court: Document No. _____

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

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

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

E. Changes to Condominium Documents

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

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

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	75%
Bylaws	65%	65%
House Rules	_____	Majority of Board

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

2. Developer:

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

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

Under section 23 of the Declaration, the Developer has reserved the right to amend the Declaration and the Condominium Map to reflect the consolidation of the Project's land, the resubdivision of the resulting parcel, and the withdrawal of a portion of the Project's land from the Project. These reservations are disclosed in Exhibit G attached hereto. Notwithstanding the lease, sale or conveyance of any of the Apartments, the Developer may amend the Declaration and the Condominium Map to file the "as-built" verified statement required by Section 514A-12 of the Act. For so long as the Developer retains any interest in an Apartment in the Project, the Developer shall have the right (but not the obligation) to amend the Declaration and the Bylaws (and the Condominium Map, if appropriate) without the consent or joinder of any Apartment Owner, lienholder or other person or entity, for the purpose of meeting any requirement imposed by (i) any applicable law, (ii) the Real Estate Commission of the State of Hawaii, (iii) any title insurance company issuing a title insurance policy on the Project or any of the Apartments, (iv) any institutional lender lending funds on the security of the Project or any of the Apartments, or (v) any other governmental or quasi-governmental agency including, without limitation, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the U.S. Department of Housing and Urban Development or the Veterans Administration; provided, however, that no amendment which would change the common interest appurtenant to an Apartment or substantially change the design, location or size of an Apartment shall be made without the consent of all persons having an interest in such Apartment. Prior to the election of the first Board of Directors, the Developer may amend the Rules and Regulations in any manner without the joinder, consent or approval of any other party.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

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

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

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

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

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

For Subleaseholds:

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

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

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a 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: 1015 Kapiolani Boulevard
Honolulu, Hawaii 96814

Tax Map Keys (TMK): (1) 2-3-003-072, -088
and -102

Address TMK is expected to change because _____

Land Area: approx. 90,221* square feet acre(s) Zoning: The Project is within the Kakaako

*The project is subject to setbacks for future road widening purposes. In section 23 of the Declaration the Developer reserves the right to consolidate, resubdivide and withdraw a portion of the project's land for road widening. If a portion of the Land is withdrawn pursuant to the Developer's reserved rights, the Declaration (and other documents, if necessary) will be amended to reflect the new land area. See page 20 and Exhibit "G" of this public report for further disclosures about the possible consolidation, resubdivision and withdrawal.

Community Development District and is under the jurisdiction of the Hawaii Community Development Authority ("HCDA"). The Project is classified "MUZ-C" (mixed use – commercial & residential) under the HCDA's Mauka Area Rules.

Fee Owner: SEE EXHIBIT F-3
 Name _____
 Address _____

Lessor: n/a
 Name _____
 Address _____

C. Buildings and Other Improvements:

1. New Building(s) Conversion of Existing Building(s) Both New Building(s) and Conversion
 2. Number of Buildings: 1 (residential tower on top of mixed use pedestal) Floors Per Building : 46 (5 in pedestal and 41 in residential tower)
 Exhibit _____ contains further explanations.

3. Principal Construction Material:
 Concrete Hollow Tile Wood
 Other steel, aluminum, glass and allied building materials

4. Uses Permitted by Zoning:

	<u>No. of Apts.</u>	<u>Use Permitted By Zoning</u>	
<input checked="" type="checkbox"/> Residential	<u>492</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Commercial	<u>5</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Industrial	<u>4</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Agricultural	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Other (Parking)	<u>18</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Other (Storage)	<u>8</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Other (Non-residential general use)	<u>8</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

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

5. Special Use Restrictions:

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

Pets: Dogs, cats and other generally recognized household pets permitted in Residential Apartments in reasonable numbers, with prior approval of the Board. See Rules and Regulations.

Number of Occupants: _____

Other: Residential Apartments shall be used only for residential purposes. Parking Apartments shall be used only for parking motor vehicles. Storage Apartments shall be used only for storage purposes. The Commercial and Industrial Apartments shall be used only for "commercial" and "industrial" purposes, respectively, as defined in the Mauka Area Rules. The PS Apartments shall be used only for purposes permitted by applicable zoning and all other governmental plans and rules applicable to the Project. See Section 10.1 of the Bylaws.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 4 Stairways: 3 Trash Chutes: 1

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Lanai Area (sf)</u>	
PLEASE SEE EXHIBIT "A"					
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Total Number of Apartments: 535 (492 residential, 18 parking, 8 storage, 5 commercial, 4 industrial and 8 general purpose non-residential) SEE EXHIBIT "A"

***For the residential apartments, Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls. The Net Floor Area of the parking apartments is measured from the marked boundaries of the apartments as shown on the Condominium Map and as described in sections 3.3 and 3.7 of the Declaration. The Net Floor Area of the storage apartments, the commercial apartments, the industrial apartments and the general purpose non-residential apartments is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.**

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

Boundaries of Each Apartment: SEE EXHIBIT "B"

Permitted Alterations to Apartments: SEE EXHIBIT "C"

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

7. Parking Stalls:

Total Parking Stalls: 793

	<u>Regular</u>		<u>Compact</u>		<u>Handicap</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned *	229	--	397	--	10	--	120	12	768
Guest	--	--	6	--	--	--	--	--	6
Unassigned	1	--	--	--	--	--	--	--	1
Extra for Purchase**	13	--	5	--	--	--	--	--	18
Other	--	--	--	--	--	--	--	--	--
Total Covered & Open	243		408		10		132		793

*Each residential apartment will have the exclusive use of at least 1 parking stall. The commercial apartments and the industrial apartments will share, on a first-come, first-served basis, the use of 18 limited common element stalls assigned to all of the commercial and industrial apartments as a group. Buyers are encouraged to find out which stall(s) will be available for their use.

**Each of the 18 extra stalls for purchase is a Parking Apartment.

Commercial parking garage permitted in condominium project.

Exhibit "A" contains additional information on parking stalls (and Parking Apartments) for this condominium project.

8. Recreational and Other Common Facilities (for use of owners of Residential Apartments only)

There are no recreational or common facilities.

Swimming pool Storage Area Recreation Area

Laundry Area Tennis Court Trash Chute/Enclosure(s)

Other: Fitness center; kitchenette, outdoor showers, restrooms, pavilion.

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

There are no violations. Violations will not be cured.

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

N/A

11. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

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

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

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

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

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

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

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

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

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

described in Exhibit "D".

as follows:

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

There are no limited common elements in this project.

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

described in Exhibit "E".

as follows:

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

described in Exhibit "A".

as follows:

- E. Encumbrances Against Title**: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit "F-1" describes the encumbrances against the title contained in the title reports dated February 15, 2006 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

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

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

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

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

<u>Type of Lien*</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
<p>*NOTE: As of the effective date of this public report, there are no blanket liens affecting title to any part of the Project. However, prior to issuance of a final public report for the Project, the Developer may obtain a construction loan and secure the loan by placing a blanket mortgage on the entire Project. This would be a blanket lien that may affect title to the individual apartments.</p>	<p>If the Developer places a blanket mortgage on the Project, the Buyer's interest under a sales contract will be subordinate to the interest of the mortgagee under such mortgage. This means, among other things, that if the Developer defaults under the mortgage, the mortgagee may take over the Project, cancel the sales contracts and refund deposits remaining in escrow, less escrow cancellation fees, and Buyer shall have no further interest in the Project.</p>

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:

The developer intends to require the general contractor to provide a one-year warranty, commencing upon the date of "Substantial Completion", or such other date as the architect specifies in the Certificate of Substantial Completion the architect delivers to the contractor and the Developer for the work that is under warranty. The developer anticipates that the contractor will warrant that (a) the materials and equipment furnished for construction of the project will be of first class quality and new, unless the construction contract requires or permits that the materials and equipment be otherwise; and (b) the construction and services required by the construction contract (including all labor, materials and equipment to be provided by the general contractor) will be free from defects, except for defects inherent in the quality of the construction and services required or permitted by the construction contract. Without incurring any legal liability, the developer will agree to cooperate with the buyer to try to have the general contractor perform all of the general contractor's warranties. (See section F.7 of the Sales Contract.)

2. Appliances:

Appliance warranty information is not yet available because appliances have not yet been purchased. However, the developer intends to transfer to the buyer, without warranty, any manufacturer's or dealer's warranties that are transferable and cover appliances sold with the apartments.

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

The Developer estimates that construction of the Project will commence on or about November, 2006, and will be completed on or about March, 2009.

H. Project Phases:

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

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

IV. CONDOMINIUM MANAGEMENT

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

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

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

- not affiliated with the Developer the Developer or the Developer's affiliate
 self-managed by the Association of Apartment Owners other _____

B. Estimate of Initial Maintenance Fees:

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

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

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

C. Utility Charges for Apartments:

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

- None
- Electricity (Common Elements only Common Elements & Apartments)
- Gas (Common Elements only Common Elements & Apartments)
- Water (Common Elements only Common Elements & Apartments)
- Sewer (Common Elements only Common Elements & Apartments)
- Television Cable
- Telephone (Common Elements only Common Elements & Apartments)
- Other: refuse collection

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

[] Notice to Owner Occupants

[X] Specimen Sales Contract

Exhibit "I" contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated February 21, 2006

Exhibit "I" contains a summary of the pertinent provisions of the escrow agreement.

[] Other _____

B. Buyer's Right to Cancel Sales Contract:

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

Preliminary Report: Sales made by 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 part of Registration No. 5964 filed with the Real Estate Commission on March 28, 2006.

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- YELLOW paper stock WHITE paper stock PINK paper stock

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

1. **HUD Registration.** The Developer plans to submit an application to the U.S. Department of Housing and Urban Development, Office of Interstate Land Sales Registration (“HUD”), to register the Project under the federal Interstate Land Sales Full Disclosure Act. When the Project is finally registered with HUD, all purchasers of apartments will receive, in addition to all current condominium public reports for the Project issued under Chapter 514A, HRS, a separate property report that is required by HUD. **NOTWITHSTANDING THAT HUD REGISTRATION OF THE PROJECT MAY NOT BE COMPLETE AT THE TIME THE BUYER RECEIVES THIS PRELIMINARY PUBLIC REPORT, THE DEVELOPER WILL NOT BE REQUIRED TO ISSUE (AND WILL NOT ISSUE) A SUPPLEMENTARY PUBLIC REPORT ON THE PROJECT TO REFLECT FINAL HUD REGISTRATION, AND THIS PRELIMINARY PUBLIC REPORT WILL REMAIN IN FULL FORCE AND EFFECT UNTIL IT IS SUPERSEDED BY A SUBSEQUENT PUBLIC REPORT.**

2. **Joint Development; Special Assessments.** The Project will be developed jointly with other land adjacent to the Project, as more particularly disclosed in sections 17.1, 17.2 and 17.3 of the Declaration. Also, the Project will be subject to certain governmental assessments from time to time, together with other properties in the vicinity of the Project. In particular, each prospective buyer should note the following:

(a) **Development Agreement and Assessments.** The Project is located within the Kakaako Community Development District and is subject to the jurisdiction of the Hawaii Community Development Authority (“HCDA”). The Project will be developed subject to and in accordance with the terms of various permits and agreements by and/or between the Developer and HCDA, including (but not limited to) a development agreement to be recorded in the Land Court and in the Bureau (the “Development Agreement”). The Development Agreement will require (among other things) that the Project shall participate (together with other properties) in the HCDA District-Wide Improvement Program for the Kakaako District, and that the Project shall be subject to assessments for the Project’s pro rata share of the cost of improvements which may, in the future, be necessarily undertaken in the vicinity of the Project under HCDA or other government agency improvement programs. The Project will be assessed under the same methods and in the same manner as other properties in the area. Each buyer, by acquiring an apartment in the Project, shall be required to acknowledge and agree that the Association shall have the right and the obligation to assess the individual apartment owners, according to the common interests appurtenant to their apartments, for all costs and expenses that may from time to time be assessed against the Project in accordance with the terms of the Development Agreement.

(b) **Planned Development Permit; Mauka Area Rules.** The development and use of the Project are subject to the terms of the HCDA’s Mauka Area Rules for the Kakaako Community Development District (the “Mauka Area Rules”). As a condition to the development of the Project, the Developer will obtain a planned development permit (the “Planned Development Permit”), governing various aspects of the development of the Project, such as compliance with or exemptions from certain development limitations and/or restrictions contained in the Mauka Area Rules. By acquiring an interest in an apartment, each buyer shall acknowledge and agree that the Developer has reserved the right in the Declaration, without the joinder or consent of any other person or entity, to sign such documents or instruments, enter into such agreements and do all things that may be necessary to obtain such permits and/or agreements as may be required by the HCDA, the Development Agreement, the Planned Development Permit and/or the Mauka Area Rules, and to comply with all applicable permits, laws, rules, ordinances and other governmental requirements that pertain to the Project.

(c) **Joint Development with Adjacent Land; PS Apartments and PS Structure.** The Project will be developed pursuant to various agreements by and between the Developer and the owner of parcels of land adjacent to and in the immediate vicinity of the Project, identified by Tax Map Key Nos. (1) 2-3-03-75, -85 and -86 (the “Adjacent Land”), which agreements will be approved by HCDA and reflected in the Development Agreement. Among the conditions of the various agreements between the Developer and the owner of the Adjacent Land (the “Adjacent Land Owner”) is that the Project shall include the PS Apartments more particularly described in the Declaration and shown on the Condominium Map, and that the PS Apartments shall be directly accessible from a structure on the Adjacent Land constructed concurrently with the Project (the “PS Structure”) and shall not be directly accessible from within the Project. It is the intent of the Developer that, although the PS Apartments will be part of the Project and contained within the Project’s building, the PS Apartments shall be physically integrated with the PS Structure, and their ownership, use and operation shall have a negligible effect on the ownership, use and operation of the rest of the Project.

(d) **Construction Effects.** The future development of and construction of improvements on the Adjacent Land in accordance with the Development Agreement and/or the Planned Development Permit and applicable zoning may cause noise, dust, vibrations, traffic congestion and/or other inconveniences or nuisances related to such development and construction (the "Construction Effects"). By signing and accepting an apartment deed for an apartment, each buyer will be required to accept the Construction Effects and waive any claims or rights of action or suits against the Developer or the Developer's successors and assigns arising from any impairment of the buyer's use and enjoyment of the apartment or the Project, or from any inconvenience, property damage or personal injury arising directly or indirectly from the Construction Effects.

3. **Consolidation, Re-Subdivision.** The Project's Land is subject to certain set backs for possible future road widening purposes. Accordingly, the Developer may be required at some time in the future to consolidate some or all of the individual lots comprising the Project's land and resubdivide the Land and withdraw from the Project the portion that is required for road widening. To enable the Developer to comply with possible road widening requirements and to facilitate the process of consolidation and resubdivision, the Developer reserved various rights in the Declaration, including the right to withdraw from the Project certain portions of the Project's original Land. Some of these reserved rights are more particularly described below and in Exhibit "G" attached to this Public Report.

4. **Withdrawal Rights.** To enable the Developer to comply with possible future road widening requirements, the Developer has reserved various rights under section 23 of the Declaration, including (but not limited to) the right, for itself, its successors in interest and assigns, to do all things necessary or convenient (i) to consolidate and resubdivide the Project's land, and (ii) to cause such consolidation and resubdivision to be properly approved, recognized and documented by and in the Land Court, the Bureau, the City and County of Honolulu and any other governmental or quasi-governmental authority, agency, department or office having jurisdiction over the Project and/or the Land, and (iii) to remove, delete and withdraw from the Project and the effect of the Declaration and the Act those portions of the Project's original land that will be required for road widening purposes, and (iv) to amend the Declaration, the Bylaws, the Condominium Map and any and all other documents pertaining to the Project to the extent necessary to reflect such consolidation, resubdivision and withdrawal, all without the joinder or consent of any other party, including any apartment owner, apartment purchaser, mortgagee (except the Developer's construction lender, if any), lienholder, or any other person or entity whatsoever. By purchasing an apartment in the Project, each buyer will give the Developer a power of attorney to do certain things and to sign certain documents in connection with the exercise of the Developer's reserved rights under the Declaration. **THE EXERCISE OF THE DEVELOPER'S RIGHTS UNDER SECTION 23 OF THE DECLARATION WILL NOT REQUIRE THE DEVELOPER TO ISSUE A SUPPLEMENTARY PUBLIC REPORT ON THE PROJECT. EACH BUYER IS HEREBY PUT ON NOTICE THAT THE DEVELOPER MAY EXERCISE ITS RIGHTS UNDER SECTION 23 OF THE DECLARATION WHILE THIS PUBLIC REPORT REMAINS IN EFFECT AND THE EXERCISE OF SUCH RIGHTS WILL NOT BE OR BE DEEMED TO BE A MATERIAL CHANGE TO THE PROJECT THAT REQUIRES THE ISSUANCE OF A SUPPLEMENTARY PUBLIC REPORT.**

5. **Repurchase Option.** Under section 24 of the Declaration, the Developer reserves the right to repurchase an apartment under certain circumstances for a period of ten (10) years from the date of recordation of the deed conveying the apartment to the owner, provided that the owner of the apartment to be repurchased has complained to the Developer about the physical condition and/or design of the apartment or the Project or any matter in connection with the apartment or the Project and the Developer, after a good faith and diligent effort, is unable to rectify the complaint to the owner's satisfaction within a reasonable period of time. Section 24 of the Declaration contains specific terms for determining the repurchase price and specific mortgagee protection provisions, all of which are also more fully described and disclosed in Exhibit "J" attached to this Public Report.

6. **Mold.** Climatic conditions in Hawaii are conducive to the growth of mold and other types of potentially irritating or harmful growths (collectively "Mold"). By acquiring an apartment in the Project, each buyer will acknowledge and understand that Mold can be irritating or harmful to the respiratory tract of certain individuals and can cause deterioration of property. By acquiring an apartment in the Project, each buyer will thereby assume the risk that Mold may be present from time to time in the apartment or elsewhere at the Project and the buyer will be required to waive any rights, claims or actions the buyer may have or acquire against the Developer as a result of or in any way related to Mold in the apartment or elsewhere at the Project, and the buyer will further be required to agree to indemnify and hold harmless the Developer, the Developer's partners and members, and all of their respective officers, directors, employees, agents, successors and assigns from any and all loss (including but not limited to economic loss), cost, expense, harm, injury or damage to person or property that the buyer or any of the buyer's family members, assigns, tenants, lessees, servants, guests, invitees, licensees, agents, employees, or any other person who may use or occupy the apartment or the Project by, through, or under the buyer may suffer as a result of the presence of Mold in the apartment or anywhere else at the Project.

7. **Post-Tension Concrete.** As disclosed in section 25 of the Declaration, the concrete components of the apartments and the Project's building will be built using a post-tension concrete system (the "System"). The System involves placing steel cables under high tension in the concrete slab foundation located beneath each apartment. By accepting title to an apartment, each buyer will thereby acknowledge and accept that one of the effects of using a post-tension concrete method of construction is that concrete surfaces may experience non-structural, cosmetic cracking that may be visible to owners and require cosmetic repairs. Each buyer is hereby put on notice that attempts to alter or pierce an apartment's foundation slab could damage the integrity of the System and/or cause serious injury or damage to persons and property. By acquiring title to an apartment, each buyer will thereby covenant and agree to and with the Developer (i) not to cut into or otherwise tamper with the apartment's concrete slab foundation, (ii) not to knowingly permit or allow any other person to cut into to tamper with the apartment's concrete slab foundation, (iii) to disclose to any tenant, lessee or subsequent purchaser of the apartment the existence of the System and the terms of section 25 of the Declaration, and (iv) to indemnify and hold harmless the Developer for any damage or injury resulting from or arising in connection with the alteration of the Apartment's concrete slab foundation by the owner or any employee, agent, family member, contractor or other person acting under the authority of the owner.

8. **Reserved Housing.** The Mauka Area Rules require that the Developer reserve up to 20% of the apartments in the Project for purchase or rental by persons who meet certain eligibility requirements as determined by the HCDA. The requirements include (but are not limited to) residency requirements, occupancy requirements and income and asset limits. In particular, to qualify to rent a reserved housing apartment, the tenant's "adjusted household income" (as defined in the Mauka Area Rules) shall not exceed one hundred percent of "median income" (also as defined in the Mauka Area Rules). To qualify for the purchase of a reserved housing apartment, the buyer's "adjusted household income" shall not exceed one hundred forty percent of "median income". In addition, title to reserved housing apartments that are sold shall be subject to certain HCDA buy-back rights and shared equity provisions, and the Deeds to such apartments shall include these and other special terms, restrictions and conditions. The Developer plans to meet the reserved housing requirement by offering the designated reserved housing apartments for rental under the terms and conditions specified by HCDA. However, the Developer also reserves the right to offer these apartments for purchase by those who meet HCDA's eligibility requirements. **BUYERS WHO WISH TO PURCHASE A RESERVED HOUSING APARTMENT SHOULD CONSULT WITH THE DEVELOPER TO DETERMINE IF RESERVED HOUSING APARTMENTS ARE BEING OFFERED FOR SALE AND TO DETERMINE APPLICABLE ELIGIBILITY REQUIREMENTS AND OWNERSHIP RESTRICTIONS FOR RESERVED HOUSING APARTMENTS BEFORE SIGNING A SALES CONTRACT.**

- 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.

KC RAINBOW II, LLC, a Hawaii limited liability company
Printed Name of Developer

By KCR Development, Inc.
a Delaware corporation
Its Manager

By: 
Duly Authorized Signatory*

2-21-06
Date

Shiu Leung Chan, President
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

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

DESCRIPTION OF APARTMENTS

The Project contains Residential Apartments and five different types of non-residential Apartments, designated herein as Parking Apartments, Storage Apartments, Commercial Apartments, Industrial Apartments and PS Apartments. The different types of Apartments are more particularly described as follows:

RESIDENTIAL APARTMENTS:

The Project contains four hundred ninety-two (492) Residential Apartments. The Residential Apartments are divided into eighteen (18) different types, designated herein and on the Condominium Map as Types A, AR, B, BR, C, CR, D, DR, E, ER, F, FR, PA, PAR, PE, PER, PF, PFR. The different types of Residential Apartments are described below. The Residential Apartments are located on floors numbered 6 through 12 and 15 through 48. There are no floors numbered 13 and 14.

Types A and AR Apartments: The Project contains thirty-eight (38) Type A Apartments and thirty-eight (38) Type AR Apartments. Each Type A and AR Apartment includes two (2) bedrooms, two (2) bathrooms, a kitchen/dining area, and a living room. The approximate net living area of each Type A and Type AR Apartment is as shown below.

Types B and BR Apartments: The Project contains forty-one (41) Type B Apartments and forty-one (41) Type BR Apartments. Each Type B and BR Apartment includes two (2) bedrooms, two (2) bathrooms, a kitchen/dining area, and a living room. The approximate net living area of each Type B and BR Apartment is as shown below.

Types C and CR Apartments: The Project contains forty-one (41) Type C Apartments and forty-one (41) Type CR Apartments. Each Type C and CR Apartment includes two (2) bedrooms, two (2) bathrooms, a kitchen/dining area, and a living room. The approximate net living area of each Type C and CR Apartment is as shown below.

Types D and DR Apartments: The Project contains forty-one (41) Type D Apartments and forty-one (41) Type DR Apartments. Each Type D and DR Apartment includes two (2) bedrooms, two (2) bathrooms, a kitchen, a living/dining room, and a den. The approximate net living area of each Type D and DR Apartment is as shown below.

Types E and ER Apartments: The Project contains thirty-eight (38) Type E Apartments and thirty-eight (38) Type ER Apartments. Each Type E and ER Apartment includes two (2) bedrooms, two (2) bathrooms, a kitchen, a living/dining room and a den. The approximate net living area of each Type E and ER Apartment is as shown below.

Types F and FR Apartments: The Project contains thirty-eight (38) Type F Apartments and thirty-eight (38) Type FR Apartments. Each Type F and FR Apartment includes two (2)

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bedrooms, two (2) bathrooms, a kitchen, a living/dining room and a den. The approximate net living area of each Type F and FR Apartment is as shown below.

Types PA and PAR Apartments: The Project contains three (3) Type PA Apartments and three (3) Type PAR Apartments. Each Type PA and PAR Apartment includes two (2) bedrooms, two (2) bathrooms, a kitchen/dining area, and a living room. The approximate net living area of each Type PA and Type PAR Apartment is as shown below.

Types PE and PER Apartments: The Project contains three (3) Type PE Apartments and three (3) Type PER Apartments. Each Type PE and PER Apartment includes two (2) bedrooms, two (2) bathrooms, a kitchen, a living/dining room and a den. The approximate net living area of each Type PE and PER Apartment is as shown below.

Types PF and PFR Apartments: The Project contains three (3) Type PF Apartments and three (3) Type PFR Apartments. Each Type PF and PFR Apartment includes two (2) bedrooms, two (2) bathrooms, a kitchen, a living/dining room and a den. The approximate net living area of each Type PF and PFR Apartment is as shown below.

PARKING APARTMENTS:

The Project contains eighteen (18) Parking Apartments. Each Parking Apartment is a covered parking stall. The Parking Apartments are of two (2) sizes: “compact” and “regular.” The numbers of regular sized Parking Apartments are preceded herein and on the Condominium Map by “PA” and the numbers of compact Parking Apartments are preceded by “PAC”. Notwithstanding differences in the sizes of the Parking Apartments, all Parking Apartments have the same common interest. The Parking Apartments are located on floors numbered 1 through 5.

STORAGE APARTMENTS:

The Project contains eight (8) Storage Apartments. Each Storage Apartment is an enclosed space with a door. The Storage Apartments vary in size from approximately 112 square feet to approximately 186 square feet. For purposes of assigning common interests, the Storage Apartments are deemed to be of two types: those with net floor areas of 150 square feet or less, and those with net floor areas of 151 square feet or more. The numbers of the Storage Apartments are preceded herein and on the Condominium Map by “SA”. The Storage Apartments are located on floors numbered 1 and 2.

COMMERCIAL APARTMENTS:

The Project contains five (5) Commercial Apartments. Each Commercial Apartment is an unimproved enclosed space with a door. Two of the Commercial Apartments also have windows. The Commercial Apartments vary in size from approximately 370 square feet to approximately 1,437 square feet and are designated herein and on the Condominium Map by “Comm” followed by a number. The Commercial Apartments are located on floor number 1.

INDUSTRIAL APARTMENTS:

The Project contains four (4) Industrial Apartments. Each Industrial Apartment is an unimproved enclosed space with a door. The Industrial Apartments vary in size from approximately 397 square feet to approximately 619 square feet and are designated herein and on the Condominium Map by “Ind” followed by a number. The Industrial Apartments are located on floor number 1.

PS APARTMENTS:

The Project contains eight (8) PS Apartments. Each PS Apartment is an unimproved enclosed space that opens onto an adjacent structure described in section 17 of this Declaration as the “PS Structure”. There is no access to the PS Apartments from anywhere in the Project’s Building. The PS Apartments are intended to be (and can only be) used exclusively in conjunction with the use of the PS Structure. The PS Apartments vary in size from approximately 2,087 square feet to approximately 2,316 square feet and are designated herein and on the Condominium Map by “PS” followed by a number. The PS Apartments are located on floors numbered 1 through 4.

The numbers, types, approximate areas, parking stall assignments and common interests of the Apartments are as set forth in the chart that begins on the next page.

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RESIDENTIAL APARTMENTS:

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
601	A	701	C5056	0.1607%
602	B	744	5057	0.1706%
603	C	800	5058	0.1834%
604	D	979	T5170,T5171U	0.2245%
605	E	902	T5172,T5173U	0.2068%
606	F	1,030	T5174,T5175U	0.2362%
607	FR	1,030	T5176,T5177U	0.2362%
608	ER	902	T5178,T5179U	0.2068%
609	DR	979	T5180,T5181U	0.2245%
610	CR	800	C5055	0.1834%
611	BR	744	C5054	0.1706%
612	AR	701	C5053	0.1607%
701	A	701	5059	0.1607%
702	B	744	5060	0.1706%
703	C	800	5061	0.1834%
704	D	979	T5182,T5183U	0.2245%
705	E	902	T5184,T5185U	0.2068%
706	F	1,030	T5186,T5187U	0.2362%
707	FR	1,030	T5168,T5169U	0.2362%
708	ER	902	T5166,T5167U	0.2068%
709	DR	979	T5164,T5165U	0.2245%
710	CR	800	C5052	0.1834%
711	BR	744	C5051	0.1706%
712	AR	701	C5050	0.1607%
801	A	701	5062	0.1607%
802	B	744	5063	0.1706%
803	C	800	5064	0.1834%
804	D	979	T5162,T5163	0.2245%
805	E	902	T5160,T5161	0.2068%
806	F	1,030	T5158,T5159	0.2362%
807	FR	1,030	T5156,T5157	0.2362%
808	ER	902	T5154,T5155	0.2068%
809	DR	979	T5152,T5153	0.2245%
810	CR	800	C5047	0.1834%
811	BR	744	C5048	0.1706%
812	AR	701	C5049	0.1607%
902	A	701	C5068	0.1607%
902	B	744	C5069	0.1706%
903	C	800	C5070	0.1834%

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RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
904	D	979	T5150,T5151	0.2245%
905	E	902	T5148,T5149	0.2068%
906	F	1,030	T5146,T5147	0.2362%
907	FR	1,030	T4174,T4175	0.2362%
908	ER	902	T4172,T4173	0.2068%
909	DR	979	T4170,T4171	0.2245%
910	CR	800	C5043	0.1834%
911	BR	744	C5042	0.1706%
912	AR	701	C5041	0.1607%
1001	A	701	5065	0.1607%
1002	B	744	5066	0.1706%
1003	C	800	5067	0.1834%
1004	D	979	T5144,T5145	0.2245%
1005	E	902	T4184,T4185	0.2068%
1006	F	1,030	T4182,T4183	0.2362%
1007	FR	1,030	T4180,T4181	0.2362%
1008	ER	902	T4178,T4179	0.2068%
1009	DR	979	T4176,T4177	0.2245%
1010	CR	800	C5046	0.1834%
1011	BR	744	C5045	0.1706%
1012	AR	701	C5044	0.1607%
1101	A	701	C5071	0.1607%
1102	B	744	C5072	0.1706%
1103	C	800	C5073	0.1834%
1104	D	979	T4168,T4169	0.2245%
1105	E	902	T3184,T3185	0.2068%
1106	F	1,030	T3182,T3183	0.2362%
1107	FR	1,030	T3180,T3181	0.2362%
1108	ER	902	T3178,T3179	0.2068%
1109	DR	979	T3176,T3177	0.2245%
1110	CR	800	C5074	0.1834%
1111	BR	744	C5075	0.1706%
1112	AR	701	C5040	0.1607%
1201	A	701	C5039	0.1607%
1202	B	744	C5038	0.1706%

EXHIBIT "A"

RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
1203	C	800	C5037	0.1834%
1204	D	979	T3174,T3175	0.2245%
1205	E	902	T3172,T3173	0.2068%
1206	F	1,030	T3170,T3171	0.2362%
1207	FR	1,030	T3168,T3169	0.2362%
1208	ER	902	T4166,T4167	0.2068%
1209	DR	979	T4164,T4165	0.2245%
1210	CR	800	C5036	0.1834%
1211	BR	744	C5035	0.1706%
1212	AR	701	C5001	0.1607%
1501	A	701	C5002	0.1607%
1502	B	744	C5003	0.1706%
1503	C	800	C5004	0.1834%
1504	D	979	T4162,T4163	0.2245%
1505	E	902	T4160,T4161	0.2068%
1506	F	1,030	T4158,T4159	0.2362%
1507	FR	1,030	T4156,T4157	0.2362%
1508	ER	902	T4154,T4155	0.2068%
1509	DR	979	T4152,T4153	0.2245%
1510	CR	800	C5097	0.1834%
1511	BR	744	C5098	0.1706%
1512	AR	701	C5099	0.1607%
1601	A	701	C5091	0.1607%
1602	B	744	C5092	0.1706%
1603	C	800	C5093	0.1834%
1604	D	979	T4150,T4151	0.2245%
1605	E	902	T4148,T4149	0.2068%
1606	F	1,030	T4146,T4147	0.2362%
1607	FR	1,030	T4144,T4145	0.2362%
1608	ER	902	T4142,T4143	0.2068%
1609	DR	979	T3166,T3167	0.2245%
1610	CR	800	C5100	0.1834%
1611	BR	744	C5101	0.1706%
1612	AR	701	C5102	0.1607%
1701	A	701	C5094	0.1607%

EXHIBIT "A"

RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
1702	B	744	C5095	0.1706%
1703	C	800	C5096	0.1834%
1704	D	979	T3164,T3165	0.2245%
1705	E	902	5128,5129	0.2068%
1706	F	1,030	5130,5131	0.2362%
1707	FR	1,030	5132,5133	0.2362%
1708	ER	902	5134,5135	0.2068%
1709	DR	979	5136,5137	0.2245%
1710	CR	800	C5030	0.1834%
1711	BR	744	C5031	0.1706%
1712	AR	701	C5032	0.1607%
1801	A	701	5142	0.1607%
1802	B	744	5143	0.1706%
1803	C	800	C5005	0.1834%
1804	D	979	5138,5139	0.2245%
1805	E	902	5140,5141	0.2068%
1806	F	1,030	C5006,C5007	0.2362%
1807	FR	1,030	C5008,C5009	0.2362%
1808	ER	902	5010,5011	0.2068%
1809	DR	979	5012,5013	0.2245%
1810	CR	800	C5033	0.1834%
1811	BR	744	C5034	0.1706%
1812	AR	701	5127	0.1607%
1901	A	701	C5121	0.1607%
1902	B	744	C5122	0.1706%
1903	C	800	C5123	0.1834%
1904	D	979	C5119,C5120	0.2245%
1905	E	902	C5117,C5118	0.2068%
1906	F	1,030	C5115,C5116	0.2362%
1907	FR	1,030	C5113,C5114	0.2362%
1908	ER	902	C5111,C5112	0.2068%
1909	DR	979	C5109,C5110	0.2245%
1910	CR	800	C5124	0.1834%
1911	BR	744	C5125	0.1706%
1912	AR	701	C5126	0.1607%

EXHIBIT "A"

RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
2001	A	701	C5103	0.1607%
2002	B	744	C5104	0.1706%
2003	C	800	C5105	0.1834%
2004	D	979	C5076,C5077	0.2245%
2005	E	902	C5078,C5079	0.2068%
2006	F	1,030	C5080,C5081	0.2362%
2007	FR	1,030	C5082,C5083	0.2362%
2008	ER	902	C5084,C5085	0.2068%
2009	DR	979	C5086,C5087	0.2245%
2010	CR	800	C5108	0.1834%
2011	BR	744	C5107	0.1706%
2012	AR	701	C5106	0.1607%
2101	A	701	C5090	0.1607%
2102	B	744	5014	0.1706%
2103	C	800	5015	0.1834%
2104	D	979	C5088,C5089	0.2245%
2105	E	902	5016,5017	0.2068%
2106	F	1,030	5018,5019	0.2362%
2107	FR	1,030	5020,5021	0.2362%
2108	ER	902	5022,5023	0.2068%
2109	DR	979	5024,5025	0.2245%
2110	CR	800	5026	0.1834%
2111	BR	744	5027	0.1706%
2112	AR	701	5028	0.1607%
2201	A	701	C4004	0.1607%
2202	B	744	C4005	0.1706%
2203	C	800	C4006	0.1834%
2204	D	979	C4053,C4054	0.2245%
2205	E	902	C4051,C4052	0.2068%
2206	F	1,030	4056,4057	0.2362%
2207	FR	1,030	4058,4059	0.2362%
2208	ER	902	4060,4061	0.2068%
2209	DR	979	4062,4063	0.2245%
2210	CR	800	C4007	0.1834%
2211	BR	744	C4008	0.1706%
2212	AR	701	5029	0.1607%
2301	A	701	C4066	0.1607%

EXHIBIT "A"

RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
2302	B	744	C4067	0.1706%
2303	C	800	C4068	0.1834%
2304	D	979	4064,4065	0.2245%
2305	E	902	C4071,C4072	0.2068%
2306	F	1,030	C4073,C4074	0.2362%
2307	FR	1,030	C4049,C4050	0.2362%
2308	ER	902	C4044,C4045	0.2068%
2309	DR	979	C4042,C4043	0.2245%
2310	CR	800	C4069	0.1834%
2311	BR	744	C4070	0.1706%
2312	AR	701	C4009	0.1607%
2401	A	701	4126	0.1607%
2402	B	744	4127	0.1706%
2403	C	800	4128	0.1834%
2404	D	979	C4123,C4124	0.2245%
2405	E	902	C4121,C4122	0.2068%
2406	F	1,030	C4119,C4120	0.2362%
2407	FR	1,030	C4117,C4118	0.2362%
2408	ER	902	C4115,C4116	0.2068%
2409	DR	979	C4113,C4114	0.2245%
2410	CR	800	4129	0.1834%
2411	BR	744	4130	0.1706%
2412	AR	701	C4075	0.1607%
2501	A	701	C4095	0.1607%
2502	B	744	C4096	0.1706%
2503	C	800	C4097	0.1834%
2504	D	979	C4093,C4094	0.2245%
2505	E	902	C4091,C4092	0.2068%
2506	F	1,030	C4089,C4090	0.2362%
2507	FR	1,030	C4087,C4088	0.2362%
2508	ER	902	C4085,C4086	0.2068%
2509	DR	979	C4083,C4084	0.2245%
2510	CR	800	C4098	0.1834%
2511	BR	744	C4099	0.1706%
2512	AR	701	C4100	0.1607%

RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
2601	A	701	3022	0.1607%
2602	B	744	3023	0.1706%
2603	C	800	C4001	0.1834%
2604	D	979	H3020,3021	0.2245%
2605	E	902	3024,3025	0.2068%
2606	F	1,030	3026,3027	0.2362%
2607	FR	1,030	C3028,C3029	0.2362%
2608	ER	902	C3030,C3031	0.2068%
2609	DR	979	C3032,C3033	0.2245%
2610	CR	800	C4002	0.1834%
2611	BR	744	H3018	0.1706%
2612	AR	701	H3019	0.1607%
2701	A	701	C2033	0.1607%
2702	B	744	C2032	0.1706%
2703	C	800	C2031	0.1834%
2704	D	979	2119,2120	0.2245%
2705	E	902	2121,2122	0.2068%
2706	F	1,030	2123,2124	0.2362%
2707	FR	1,030	2125,2126	0.2362%
2708	ER	902	2090,2091	0.2068%
2709	DR	979	2092,2093	0.2245%
2710	CR	800	C3034	0.1834%
2711	BR	744	C3036	0.1706%
2712	AR	701	C2034	0.1607%
2801	A	701	C2029	0.1607%
2802	B	744	C2030	0.1706%
2803	C	800	2036	0.1834%
2804	D	979	2040,2041	0.2245%
2805	E	902	2042,2043	0.2068%
2806	F	1,030	2044,2045	0.2362%
2807	FR	1,030	C2046,C2047	0.2362%
2808	ER	902	C2048,C2049	0.2068%
2809	DR	979	C2050,C2051	0.2245%
2810	CR	800	2037	0.1834%
2811	BR	744	2038	0.1706%

RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
2812	AR	701	2039	0.1607%
2901	A	701	2118	0.1607%
2902	B	744	2117	0.1706%
2903	C	800	2116	0.1834%
2904	D	979	C2024,C2025	0.2245%
2905	E	902	C2022,C2023	0.2068%
2906	F	1,030	C2020C2021	0.2362%
2907	FR	1,030	2112,2113	0.2362%
2908	ER	902	2110,2111	0.2068%
2909	DR	979	2108,2109	0.2245%
2910	CR	800	2115	0.1834%
2911	BR	744	2114	0.1706%
2912	AR	701	2127	0.1607%
3001	A	701	2094	0.1607%
3002	B	744	C2079	0.1706%
3003	C	800	C2080	0.1834%
3004	D	979	C2077,C2078	0.2245%
3005	E	902	2095,2096	0.2068%
3006	F	1,030	2097,2098	0.2362%
3007	FR	1,030	2099,2100	0.2362%
3008	ER	902	2101,2102	0.2068%
3009	DR	979	2106,2107	0.2245%
3010	CR	800	2103	0.1834%
3011	BR	744	2105	0.1706%
3012	AR	701	2104	0.1607%
3101	A	701	C2058	0.1607%
3102	B	744	C2059	0.1706%
3103	C	800	C3047	0.1834%
3104	D	979	C2081,C2082	0.2245%
3105	E	902	C2083,C2084	0.2068%
3106	F	1,030	C2085,C2086	0.2362%
3107	FR	1,030	C2087,C2088	0.2362%
3108	ER	902	C2052,C2053	0.2068%
3109	DR	979	C2054,C2055	0.2245%
3110	CR	800	C3048	0.1834%

RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
3111	BR	744	C2076	0.1706%
3112	AR	701	C2075	0.1607%
3201	A	701	C2013	0.1607%
3202	B	744	C2014	0.1706%
3203	C	800	C3003	0.1834%
3204	D	979	2003,2004	0.2245%
3205	E	902	2005,2006	0.2068%
3206	F	1,030	2007,C2008	0.2362%
3207	FR	1,030	C2009,C2010	0.2362%
3208	ER	902	C2011,C2012	0.2068%
3209	DR	979	C2056,C2057	0.2245%
3210	CR	800	C3046	0.1834%
3211	BR	744	2001	0.1706%
3212	AR	701	2002	0.1607%
3301	A	701	C2019	0.1607%
3302	B	744	C1011	0.1706%
3303	C	800	C3001	0.1834%
3304	D	979	1012,1013	0.2245%
3305	E	902	1014,1015	0.2068%
3306	F	1,030	C1016,C1017	0.2362%
3307	FR	1,030	C1018,C1019	0.2362%
3308	ER	902	C1020,C1021	0.2068%
3309	DR	979	C2017,C2018	0.2245%
3310	CR	800	C3002	0.1834%
3311	BR	744	C2015	0.1706%
3312	AR	701	C2016	0.1607%
3401	A	701	C2070	0.1607%
3402	B	744	C2026	0.1706%
3403	C	800	C2073	0.1834%
3404	D	979	1076,1077	0.2245%
3405	E	902	1031,1032	0.2068%
3406	F	1,030	1029,1030	0.2362%
3407	FR	1,030	1027,1028	0.2362%
3408	ER	902	1025,1026	0.2068%
3409	DR	979	1023,1024	0.2245%

RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
3410	CR	800	C2074	0.1834%
3411	BR	744	C2027	0.1706%
3412	AR	701	C2028	0.1607%
3501	A	701	C3081	0.1607%
3502	B	744	C3080	0.1706%
3503	C	800	C4003	0.1834%
3504	D	979	C3082,C3083	0.2245%
3505	E	902	C3084,C3085	0.2068%
3506	F	1,030	3010,3011	0.2362%
3507	FR	1,030	3012,3013	0.2362%
3508	ER	902	3014,3015	0.2068%
3509	DR	979	3016,H3017	0.2245%
3510	CR	800	C4046	0.1834%
3511	BR	744	C3078	0.1706%
3512	AR	701	C3079	0.1607%
3601	A	701	C3004	0.1607%
3602	B	744	C3005	0.1706%
3603	C	800	C3006	0.1834%
3604	D	979	C3053,C3054	0.2245%
3605	E	902	C3051,C3052	0.2068%
3606	F	1,030	C3049,C3050	0.2362%
3607	FR	1,030	3056,3057	0.2362%
3608	ER	902	3058,3059	0.2068%
3609	DR	979	3060,3061	0.2245%
3610	CR	800	C3007	0.1834%
3611	BR	744	C3008	0.1706%
3612	AR	701	C3009	0.1607%
3701	A	701	3126	0.1607%
3702	B	744	3127	0.1706%
3703	C	800	3128	0.1834%
3704	D	979	3132,3133	0.2245%
3705	E	902	3134,3135	0.2068%
3706	F	1,030	3136,3137	0.2362%
3707	FR	1,030	3138,3139	0.2362%
3708	ER	902	C3095,C3096	0.2068%
3709	DR	979	C3097,C3098	0.2245%

RESIDENTIAL APARTMENTS (continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
3710	CR	800	3129	0.1834%
3711	BR	744	3130	0.1706%
3712	AR	701	3131	0.1607%
3801	A	701	C3093	0.1607%
3802	B	744	C3092	0.1706%
3803	C	800	C3091	0.1834%
3804	D	979	C3037,C3038	0.2245%
3805	E	902	C3039,C3040	0.2068%
3806	F	1,030	C3041,C3042	0.2362%
3807	FR	1,030	C3043,C3044	0.2362%
3808	ER	902	C3099,C3100	0.2068%
3809	DR	979	C3101,C3102	0.2245%
3810	CR	800	C3094	0.1834%
3811	BR	744	3140	0.1706%
3812	AR	701	3141	0.1607%
3901	A	701	C3124	0.1607%
3902	B	744	3062	0.1706%
3903	C	800	3063	0.1834%
3904	D	979	3064,3065	0.2245%
3905	E	902	C3066,C3067	0.2068%
3906	F	1,030	C4076,C4077	0.2362%
3907	FR	1,030	C4078,C4079	0.2362%
3908	ER	902	C4080,C4081	0.2068%
3909	DR	979	C3068,C3069	0.2245%
3910	CR	800	C3122	0.1834%
3911	BR	744	C3123	0.1706%
3912	AR	701	C3045	0.1607%
4001	A	701	4133	0.1607%
4002	B	744	4134	0.1706%
4003	C	800	4135	0.1834%
4004	D	979	C4101,C4102	0.2245%
4005	E	902	C4103,C4104	0.2068%
4006	F	1,030	C4105,C4106	0.2362%
4007	FR	1,030	C4107,C4108	0.2362%
4008	ER	902	C4109,C4110	0.2068%

EXHIBIT "A"

RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
4009	DR	979	C4111,C4112	0.2245%
4010	CR	800	4131	0.1834%
4011	BR	744	4132	0.1706%
4012	AR	701	C4082	0.1607%
4101	A	701	4139	0.1607%
4102	B	744	4140	0.1706%
4103	C	800	4141	0.1834%
4104	D	979	C4040,C4041	0.2245%
4105	E	902	C4038,C4039	0.2068%
4106	F	1,030	C4036,C4037	0.2362%
4107	FR	1,030	C4034,C4035	0.2362%
4108	ER	902	C4032,C4033	0.2068%
4109	DR	979	C4030,C4031	0.2245%
4110	CR	800	4136	0.1834%
4111	BR	744	4137	0.1706%
4112	AR	701	4138	0.1607%
4201	A	701	4010	0.1607%
4202	B	744	4011	0.1706%
4203	C	800	4012	0.1834%
4204	D	979	4016,H4017	0.2245%
4205	E	902	H4020,4021	0.2068%
4206	F	1,030	C4028,C4029	0.2362%
4207	FR	1,030	4022,4023	0.2362%
4208	ER	902	4024,4025	0.2068%
4209	DR	979	4026,4027	0.2245%
4210	CR	800	4013	0.1834%
4211	BR	744	4014	0.1706%
4212	AR	701	4015	0.1607%
4301	A	701	C3086	0.1607%
4302	B	744	H4018	0.1706%
4303	C	800	C3087	0.1834%
4304	D	979	C3088,C3089	0.2245%
4305	E	902	C3104,C3105	0.2068%
4306	F	1,030	C3106,C3107	0.2362%
4307	FR	1,030	C3108,C3109	0.2362%

RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
4308	ER	902	C3110,C3111	0.2068%
4309	DR	979	C3112,C3113	0.2245%
4310	CR	800	C3114	0.1834%
4311	BR	744	H4019	0.1706%
4312	AR	701	C3090	0.1607%
4401	A	701	C3116	0.1607%
4402	B	744	C3117	0.1706%
4403	C	800	C4047	0.1834%
4404	D	979	C3118,C3119	0.2245%
4405	E	902	C3120,C3121	0.2068%
4406	F	1,030	C3070,C3071	0.2362%
4407	FR	1,030	C3072,C3073	0.2362%
4408	ER	902	C3074,C3075	0.2068%
4409	DR	979	C3076,C3077	0.2245%
4410	CR	800	C4048	0.1834%
4411	BR	744	C3115	0.1706%
4412	AR	701	C3103	0.1607%
4501	A	701	C2064	0.1607%
4502	B	744	C2065	0.1706%
4503	C	800	C2066	0.1834%
4504	D	979	1088,1089	0.2245%
4505	E	902	1086,1087	0.2068%
4506	F	1,030	1084,1085	0.2362%
4507	FR	1,030	1082,1083	0.2362%
4508	ER	902	1080,1081	0.2068%
4509	DR	979	1078,1079	0.2245%
4510	CR	800	C2067	0.1834%
4511	BR	744	C2068	0.1706%
4512	AR	701	C2069	0.1607%
4601	PA	852	C2060	0.1953%
4602	B	744	C2061	0.1706%
4603	C	800	C2071	0.1834%
4604	D	979	C1065,C1066	0.2245%
4605	PE	996	C1067,C1068	0.2284%
4606	PF	1,125	C1069,C1070	0.2579%

RESIDENTIAL APARTMENTS (Continued):

Apartment Number	Apartment Type	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
4607	PFR	1,125	C1071,C1072	0.2579%
4608	PER	996	C1073,C1074	0.2284%
4609	DR	979	1090,C1061	0.2245%
4610	CR	800	C2072	0.1834%
4611	BR	744	C2062	0.1706%
4612	PAR	852	C2063	0.1953%
4701	PA	852	T3154,T3155	0.1953%
4702	B	744	T3156,T3157	0.1706%
4703	C	800	T3158,T3159	0.1834%
4704	D	979	C1053,C1054	0.2245%
4705	PE	996	C1055,C1056	0.2284%
4706	PF	1,125	C1057,C1058	0.2579%
4707	PFR	1,125	C1033,C1034	0.2579%
4708	PER	996	C1045,C1046	0.2284%
4709	DR	979	C1063,C1064	0.2245%
4710	CR	800	T3160,T3161	0.1834%
4711	BR	744	T3162,T3163	0.1706%
4712	PAR	852	T3142,T3143	0.1953%
4801	PA	852	C1060,1091	0.1953%
4802	B	744	T3144,T3145	0.1706%
4803	C	800	T3146,T3147	0.1834%
4804	D	979	C1009,C1010	0.2245%
4805	PE	996	C1043,C1044	0.2284%
4806	PF	1,125	C1041,C1042	0.2579%
4807	PFR	1,125	C1039,C1040	0.2579%
4808	PER	996	C1037,C1038	0.2284%
4809	D	979	C1035,C1036	0.2245%
4810	CR	800	T3148,T3149	0.1834%
4811	BR	744	T3150,T3151	0.1706%
4812	PAR	852	T3152,T3153	0.1953%

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PARKING APARTMENTS:

Parking Apartment Number	**Approx. Apt. Area in Square Feet	Common Interest
PA 1002	148	0.0167%
PA 1003	148	0.0167%
PA 1004	148	0.0167%
PA 1005	148	0.0167%
PA 1006	148	0.0167%
PA 1007	148	0.0167%
PA 1008	148	0.0167%
PA 1022	148	0.0167%
PA C1059	120	0.0167%
PA C1062	120	0.0167%
PA C1075	120	0.0167%
PA 2035	148	0.0167%
PA C2089	120	0.0167%
PA C3035	120	0.0167%
PA 3055	148	0.0167%
PA 3125	148	0.0167%
PA 4055	148	0.0167%
PA 4125	148	0.0167%

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STORAGE APARTMENTS:

Storage Apartment Number	**Approx. Apt. Area in Square Feet	Common Interest
SA 1	186	0.0200%
SA 2	142	0.0100%
SA 3	160	0.0200%
SA 4	152	0.0200%
SA 5	112	0.0100%
SA 6	149	0.0100%
SA 216	112	0.0100%
SA 217	112	0.0100%

COMMERCIAL APARTMENTS:

Apartment Number	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
Comm 1	370	Shared (see below)	0.0848%
Comm 2	1,330	Shared (see below)	0.3049%
Comm 3	1,298	Shared (see below)	0.2976%
Comm 4	1,437	Shared (see below)	0.3290%
Comm 5	1,304	Shared (see below)	0.2990%

INDUSTRIAL APARTMENTS:

Apartment Number	**Approx. Apt. Area in Square Feet	Assigned Parking Stalls	Common Interest
Ind 1	399	Shared (see below)	0.0915%
Ind 2	619	Shared (see below)	0.1419%
Ind 3	618	Shared (see below)	0.1417%
Ind 4	397	Shared (see below)	0.0910%

PS APARTMENTS:

Apartment Number	**Approx. Apt. Area in Square Feet	Common Interest
PS 1	2,087	0.0474%
PS 2	2,316	0.0526%
PS 3	2,087	0.0474%
PS 4	2,316	0.0526%
PS 5	2,087	0.0474%
PS 6	2,316	0.0526%
PS 7	2,087	0.0475%
PS 8	2,316	0.0527%

EXHIBIT "A"

****APARTMENT AREAS**

The areas for the Residential Apartments reported above are “net living areas” measured in accordance with section 3.2 of the Declaration. The areas for the Parking Apartments reported above are “net floor areas” measured in accordance with section 3.3 of the Declaration. The areas for the Storage Apartments, the Commercial Apartments, the Industrial Apartments and the PS Apartments reported above are “net floor areas” measured in accordance with section 3.4 of the Declaration.

COMMON INTERESTS

A baseline common interest for each Apartment was determined by dividing the Apartment’s approximate net living or floor area by the approximate aggregate net living and floor area of all of the Apartments, and converting the resulting fraction into a percentage. Adjustments were then made to reflect an equitable distribution of common interests and common expenses based on the projected common element maintenance costs each type of Apartment can be expected to generate. For purposes of computing common interests, all Parking Apartments were considered to have the same approximate net floor area and were assigned a common interest of 0.0167%. Also, for purposes of computing common interests, the Storage Apartments were placed into two categories depending on their net floor areas. All Storage Apartments with net floor areas of 150 square feet or less were assigned a common interest of 0.0100%, and all Storage Apartments with net floor areas of more than 150 square feet were assigned a common interest of 0.0200%. The PS Apartments were assigned an aggregate common interest of 0.4002% to reflect their minimal projected impact on Project expenses. The common interest for each PS Apartment was then determined by dividing the net floor area of each PS Apartment by the aggregate net floor area of all of the PS Apartments and converting the resulting fraction into a percentage, and then multiplying the resulting percentage for each PS Apartment by the aggregate 0.4002% assigned to the PS Apartments as a group.

The aggregate common interest appurtenant to all of the Residential Apartments equals **97.4078%**. The aggregate common interest appurtenant to all of the Parking Apartments equals **0.3006%**. The aggregate common interest appurtenant to all of the Storage Apartments equals **0.1100%**. The aggregate common interest appurtenant to all of the Commercial Apartments equals **1.3153%**. The aggregate common interest appurtenant to all of the Industrial Apartments equals **0.4661%**. The aggregate common interest appurtenant to all of the PS Apartments equals **0.4002%**. The aggregate common interest appurtenant to all of the Apartments equals **100%**.

PARKING APARTMENTS

All Parking Apartments are covered. Parking Apartments whose numbers are preceded by “C” are compact stalls. All other Parking Apartments are regular sized.

EXHIBIT “A”

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**LIMITED COMMON ELEMENT
PARKING STALLS**

Most assigned limited common element parking stalls are covered. Assigned parking stalls whose numbers are followed by “U” are partially uncovered.

Assigned parking stalls whose numbers are preceded by “C” are compact stalls, assigned parking stalls whose numbers are preceded by “T” are tandem stalls and assigned parking stalls whose numbers are preceded by “H” are handicap stalls. All other assigned parking stalls are regular sized.

Apartment Owners may transfer assigned limited common element parking stalls pursuant to the Declaration, provided that each Residential Apartment shall always have at least one (1) parking stall as an appurtenant limited common element. Under certain circumstances described in section 9.2 of the Declaration, the Owner of an Apartment to which a handicap parking stall is assigned may be required to transfer such stall to another Apartment in exchange for a non-handicap stall.

The Commercial Apartments and the Industrial Apartments, as a group, are assigned and share the following limited common element parking stalls:

1092, 1093, 1094, 1095, 1096, 1097, 1098, 1099, 1100, 1101,
1102, 1103, 1104, H1105, H1106, 1107, 1108, and 1109

These stalls are available for use by the owners, tenants and business invitees of each of the Commercial and Industrial Apartments on a first-come, first-served basis; provided, however, that the Owner of a Commercial or Industrial Apartment may limit the number of stalls available at any given time to such Owner’s tenants by so providing in the lease or rental agreement demising all or any portion of such Owner’s Commercial or Industrial Apartment.

GUEST PARKING; LOADING STALLS; MANAGER’S STALL

In addition to the assigned limited common element parking stalls, the Project contains six (6) covered street-level guest parking stalls, numbered C1047, C1048, C1049, C1050, C1051 and C1052. *These stalls are available for use only by the visitors, guests and invitees of the Residential Apartments.* The Project also contains three (3) loading stalls on Level 1A of the Building, numbered L1001, L1002 and L1003, and one common element stall numbered 1001 on Level 1A, reserved for the exclusive use of the Project’s manager or managing agent.

BOUNDARIES OF APARTMENTS

Each Residential Apartment shall be deemed to include: (i) all the walls and partitions which are not load-bearing within its perimeter walls, (ii) the interior decorated or finished surfaces of all walls, floors and ceilings, including floor coverings, (iii) any doors and door frames, windows or panels along the perimeters, window frames, and (iv) all fixtures originally installed therein. The Residential Apartments shall not be deemed to include: (a) the undecorated or unfinished surfaces of the perimeter walls, the interior load-bearing walls, or the party walls, (b) the undecorated or unfinished surfaces of the floors and ceilings surrounding each Residential Apartment, and (c) any pipes, shafts, wires, conduits or other utility or service lines running through such Apartment that are utilized for or serve more than one Apartment, the same being deemed common elements as provided in the Declaration.

Each Parking Apartment shall be deemed to include a rectangular floor surface area of approximately 148 square feet (for regular sized Parking Apartments) or approximately 120 square feet (for compact sized Parking Apartments) as shown on Exhibit "A" attached to this Public Report and on Exhibit "C" attached to the Declaration, bounded on the ends and sides by marked parallel lines (or, in some cases, by a wall or other permanent monument boundary), as shown on the Condominium Map. Each Parking Apartment shall include the airspace enclosed by imaginary vertical planes extending upward from each of the floor surface boundary lines (or other permanent monument boundaries) to a height of eight (8) feet, or to one inch below the surface of the ceiling immediately above the Parking Apartment, whichever is lower. The Parking Apartments shall not be deemed to include the underlying slab except for its surface, nor any part of the ceiling immediately above said Parking Apartments, nor any pipes, conduits, wires, or other mechanical installations penetrating the Parking Apartments' air space.

Each Storage Apartment shall be deemed to include: (i) all the walls and partitions which are not load-bearing within its perimeter walls, (ii) the interior decorated or finished surfaces of all walls, floors and ceilings, (iii) any doors and door frames in the perimeter walls, and (iv) all fixtures originally installed therein. The Storage Apartments shall not be deemed to include: (a) the undecorated or unfinished surfaces of the perimeter walls, the interior load-bearing walls, or the party walls, (b) the undecorated or unfinished surfaces of the floors and ceilings surrounding each Storage Apartment, and (c) any pipes, shafts, wires, conduits or other utility or services lines running through such Storage Apartment that are utilized for or serve more than one Apartment, the same being deemed common elements as provided in the Declaration.

Each PS Apartment shall be deemed to include: (i) all the walls and partitions which are not load-bearing within its perimeter walls, (ii) the interior decorated or finished surfaces of all walls, floors and ceilings, (iii) any doors and door frames in the perimeter walls, and (iv) all fixtures originally installed therein. The PS Apartments shall not be deemed to include: (a) the undecorated or unfinished surfaces of the perimeter walls, the interior load-bearing walls, or the party walls, (b) the undecorated or unfinished surfaces of the floors and ceilings surrounding each PS Apartment, and (c) any pipes, shafts, wires, conduits or other utility or services lines running through such PS Apartment that are utilized for or serve more than one Apartment, the same being deemed common elements as provided in the Declaration.

EXHIBIT "B"

Each Commercial Apartment shall be deemed to include: (i) all the walls and partitions which are not load-bearing within its perimeter walls, (ii) the interior decorated or finished surfaces of all walls, floors and ceilings, (iii) any doors and door frames in the perimeter walls, and (iv) all fixtures originally installed therein. The Commercial Apartments shall not be deemed to include: (a) the undecorated or unfinished surfaces of the perimeter walls, the interior load-bearing walls or the party walls, (b) the undecorated or unfinished surfaces of the floors and ceilings surrounding each Commercial Apartment, and (c) any pipes, shafts, wires, conduits or other utility or services lines running through such Commercial Apartment that are utilized for or serve more than one Apartment, the same being deemed common elements as provided in the Declaration.

Each Industrial Apartment shall be deemed to include: (i) all the walls and partitions which are not load-bearing within its perimeter walls, (ii) the interior decorated or finished surfaces of all walls, floors and ceilings, (iii) any doors and door frames in the perimeter walls, and (iv) all fixtures originally installed therein. The Industrial Apartments shall not be deemed to include: (a) the undecorated or unfinished surfaces of the perimeter walls, the interior load-bearing walls or the party walls, (b) the undecorated or unfinished surfaces of the floors and ceilings surrounding each Industrial Apartment, and (c) any pipes, shafts, wires, conduits or other utility or services lines running through such Industrial Apartment that are utilized for or serve more than one Apartment, the same being deemed common elements as provided in the Declaration.

Should the descriptions and divisions set forth in the Declaration conflict with the depictions and divisions shown on the Condominium Map, the Condominium Map shall control. The Condominium Map, however, is intended to show only the layout, location, Apartment numbers and dimensions of the Apartments and elevations of the buildings and is not intended and shall not be deemed to contain or make any other representation or warranty.

The approximate areas of the Residential Apartments set forth in Exhibit "A" attached to this Public Report are "net living areas" based on measurements taken from the interior surfaces of all perimeter walls, except that no reduction is made to account for interior walls, ducts, vents, shafts, and the like located within the perimeter walls. The areas of the Residential Apartments set forth in Exhibit "A" are not exact but are approximations based on the floor plans of each type of Residential Apartment. The measurements of the Residential Apartments set forth in Exhibit "A" may not follow the designation of the limits of the Residential Apartments (the legally designated areas of the Residential Apartments) set forth above and in the Declaration, and the net living areas set forth in Exhibit "A" may be greater than the floor areas of the Residential Apartments as so designated and described above and in the Declaration.

The approximate areas of the Parking Apartments set forth in Exhibit "A" attached to this Public Report are "net floor areas" based on measurements taken from the floor surface boundaries of the Parking Apartments as described above and in paragraph 3.7 of the Declaration.

The approximate areas of the Storage Apartments, the PS Apartments, the Commercial Apartments and the Industrial Apartments set forth in Exhibit "A" attached to this Public Report are "net floor areas" based on measurements taken from the interior surfaces of all perimeter walls, except that no reduction is made to account for interior walls, ducts, vents, shafts, and the like located within the perimeter walls. The areas of the Storage Apartments, the PS Apartments, the Commercial Apartments and the Industrial Apartments set forth in Exhibit "A" are not exact but are approximations based on the floor plans of each such Apartment. The measurements of the Storage Apartments, the PS Apartments, the Commercial Apartments and the Industrial Apartments set forth in Exhibit "A" may not follow the designation of the limits of the respective Apartments (the legally designated areas of such Apartments) set forth below and the net floor areas set forth in Exhibit "A" may be greater than the floor areas of the Storage Apartments, the PS Apartments, the Commercial Apartments and the Industrial Apartments as so designated and described below. The interiors of the Storage Apartments, the PS Apartments, the Commercial Apartments and the Industrial Apartments may be configured differently than shown on the Condominium Map and the aggregate floor areas of the various spaces comprising the Storage Apartments, the PS Apartments, the Commercial Apartments and the Industrial Apartments as so configured may be less than the net floor areas of the Storage Apartments, the PS Apartments, the Commercial Apartments and the Industrial Apartments set forth in Exhibit "A".

PERMITTED ALTERATIONS

The development and use of the Project are subject to the terms of the Hawaii Community Development Authority's Mauka Area Rules for the Kakaako Community Development District (the "Mauka Area Rules"). Accordingly, no alterations or additions to any Apartment or limited common element may be made that is prohibited by the Mauka Area Rules or by any special permits or agreements to which the development and/or use of the Project is subject.

Subject to the provisions of the Declaration, Chapter 514A of the Hawaii Revised Statutes (the "Act"), the Mauka Area Rules and applicable zoning, and except as otherwise provided in the Bylaws, no Owner of an Apartment shall, without the prior written approval of the Board of Directors of the Association (the "Board") and, make any structural alterations in or additions to his Apartment or make any alterations in or additions to the exterior of his Apartment (including painting, installing or altering awnings, jalousies and screens) or to the common elements.

Except as otherwise provided in the Declaration, the Bylaws or the Mauka Area Rules, an Owner may make non-structural alterations and additions solely within his Apartment, or solely within a limited common element appurtenant to and for the exclusive use of his Apartment, at the Owner's sole cost and expense, provided that such alterations or additions do not affect any other Apartment or other common elements or change the exterior or appearance of the Project, and provided, further, that any building permit required for such alterations or additions is first duly obtained and filed with the Board and the proposed alteration or addition will not adversely affect the Project's insurance rating or premiums.

No Apartment Owner shall, without the prior written approval of the Board, install any wiring for electrical or telephone installations, television antenna, machines or air-conditioning units, or other equipment, fixtures, appliances or appurtenances whatsoever on the exterior of the Building or protruding through the walls, windows or roofs thereof.

The Residential Apartments have been designed with ample window area to provide access to the views surrounding the Project. Hawaii enjoys a tropical climate with an abundance of sunshine year round, and the effect of the sun on the environment inside of the Apartments will depend, in part, on the season, the time of the day and which direction an Apartment faces. The Project's building systems have been designed to provide reasonable comfort year round, no matter where an Apartment is located. Nevertheless, at certain times, drapes, curtains or other acceptable interior window coverings may be needed to provide maximum comfort from the effects of direct sunlight on the Apartments and also to reduce energy consumption. Window coverings are not provided with the Apartments and the Apartment Owners are strongly encouraged to purchase and install their own window coverings. To maintain a uniform and attractive exterior appearance for the Project, Owner-installed window coverings must include a backing of an off-white color and must be of a type and general appearance approved by the Board. Owners may not, without the prior written approval of the Board, apply any substance,

EXHIBIT "C"

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material or process to the exterior or interior surfaces of the Apartment's windows that may alter the exterior color, appearance or reflectivity of the windows.

To minimize ambient noise at the Project, and for the comfort and enjoyment of all Owners, an Apartment Owner who wishes to change the floor covering on any floor areas within the Apartment must first provide written evidence to the Board that the new floor covering will have underlying sound absorbent material capable of mitigating sound transmission with a minimum Impact Isolation Class rating of IIC-50 or such other rating as the Board shall have determined is required to prevent unreasonable sound transmission through the type of flooring that will be installed. The Board shall have the right to require that any new floor covering installed without the Board's prior written approval shall be removed at the Apartment Owner's expense.

The Owner of any two or more adjacent Apartments separated by a common element wall may alter or remove all or portions of such wall if the structural integrity of the Building is not thereby affected and if the finish of the remaining common element(s) is restored to a condition substantially comparable to that of the common element prior to such alterations. Such alteration shall require only the written approval of the Board, including the Board's approval of the Owner's plans for such alteration, together with the approval of the holders of first mortgages on all Apartments affected by such alteration, and the approval of the appropriate agencies of the State of Hawaii and/or the City and County of Honolulu if such agencies so require. The Board's approval may be conditioned upon the Board having first received a certified written statement of a registered Hawaii architect or engineer that the proposed alterations shall not adversely affect the structural integrity of any part of the Project or jeopardize the soundness or safety of the Project in any way. Such alteration may be undertaken without an amendment to the Bylaws or to the Declaration or the filing of a complete set of floor plans of the Project as so altered. If, in the reasonable judgment of the Board, the alterations or additions are substantial in nature, the Board may require that the Owner of the Apartments affected provide evidence satisfactory to the Board of sufficient financing to complete such alterations or additions or, in lieu thereof, require that the Owner obtain a performance and lien payment bond, naming as obligees the Board, the Association and all Apartment Owners and their mortgagees of record, as their interests may appear, for a penal sum of not less than one hundred percent (100%) of the estimated cost of such construction. Prior to the termination of the common ownership of any such adjacent Apartments, the Owner of such Apartments shall be obligated to restore the intervening wall between the Apartments to substantially the same condition in which the wall existed prior to its alteration or removal.

Notwithstanding anything to the contrary contained in the Bylaws, the Declaration or the Rules and Regulations, Owners with disabilities shall be permitted to make reasonable modifications to their Apartments and/or common elements, at their expense (including the cost of obtaining any bonds required by the Declaration, the Bylaws or the Act), if such modifications are necessary to enable them to use and enjoy their Apartments and/or the common elements, as the case may be, provided that any Owner with a disability desiring to make such modifications shall make such request, in writing, to the Board of Directors. That request shall set forth, with specificity and in detail, the nature of the request and the reason that the requesting party needs

to make such modifications. The Board of Directors shall not unreasonably withhold or delay their consent to such request, and any such request shall be deemed to be granted if not denied in writing, within forty-five (45) days of the Board's receipt thereof, or within forty-five (45) days of the Board's receipt of additional information reasonably required in order to consider such request, whichever shall last occur.

Article VIII of the Bylaws contains additional information regarding alterations to the Apartments, the common elements and the limited common elements.

COMMON ELEMENTS

The common elements consist of all portions of the Project other than the Apartments, including specifically, but not limited to:

- (a) The land of the Project (the "Land"), in fee simple, and any easements appurtenant thereto;
- (b) The limited common elements described in paragraph 5 of the Declaration;
- (c) All foundations, columns, girders, beams, supports, perimeter walls, load-bearing walls, roofs, stairs and stairways, elevator cars, shafts, doors and related equipment, pumps, ducts, pipes, wires, conduits, or other utility or service lines located outside of the Apartments and that are utilized for or serve more than one Apartment, and generally all equipment, apparatus, installations and personal property existing for common use in any part of the Building or located on the Land;
- (d) All pipes, wires, ducts, conduits or other utility or service lines running through an Apartment that are utilized by or serve more than one Apartment;
- (e) All recreational facilities and other amenities of the Project, including, but not limited to, the outdoor plaza area on the ground level, the swimming pool, recreation area, pavilions, kitchenette, restrooms, outdoor showers, fitness area and all other amenities located on the sixth level recreation deck, all as more particularly shown on the Condominium Map;
- (f) All lobbies, elevators, driveways and other common ways, all covered and uncovered parking and loading spaces (excluding, however, the Parking Apartments), all storage areas not located within an Apartment (excluding, however, the Storage Apartments and the PS Apartments), all landscaping, courtyards, fences, gates, retaining walls, mailboxes, trash areas, utility and maintenance rooms and facilities, accessory equipment areas, including electrical and mechanical rooms or facilities located on the Land or within the Building and serving more than one Apartment;
- (g) All other improvements on the Land that are not part of any Apartment.

LIMITED COMMON ELEMENTS

The limited common elements set aside and reserved for the exclusive use of the Apartments to which they are assigned are as follows:

(a) Each Apartment shall have appurtenant thereto as limited common elements all pipes, wires, ducts, conduits or other utility or service lines located within or running through the Apartment and utilized by or serving only that Apartment.

(b) Each Residential Apartment shall have appurtenant thereto as a limited common element the parking stall(s) designated as appurtenant to the Apartment on Exhibit "A" attached to this Public Report and on Exhibit "C" attached to the Declaration.

(c) As shown on the Condominium Map, some assigned limited common element parking stalls have adjacent thereto enclosed storage closets that are accessible only from within the parking stall to which the storage closet is adjacent. Each such storage closet shall be a limited common element appurtenant to and for the exclusive use of the Apartment to which the adjacent limited common element parking stall is assigned. No limited common element storage closet may be assigned to any apartment other than the apartment to which the adjacent limited common element parking stall is assigned.

(d) The Commercial Apartments and the Industrial Apartments, as a group, shall have appurtenant thereto as limited common elements the parking stalls designated on Exhibit "A" attached to this Public Report and on Exhibit "C" attached to the Declaration as assigned to the Commercial Apartments and the Industrial Apartments, for use by the Owners, tenants, business invitees and guests of the Commercial Apartments and the Industrial Apartments on a first come, first served basis.

(e) Each Residential Apartment shall have appurtenant thereto as a limited common element the mailbox designated with the Apartment's number and located in the ground floor mail area of the Building.

(f) The Residential Apartments, as a group, shall have appurtenant thereto as limited common elements all recreational amenities and facilities located on the sixth level recreation deck of the Building, including (but not limited to) the swimming pool, pavilions, kitchenette, showers, restrooms, fitness area and all amenities located thereon.

(g) The Residential Apartments, as a group, shall have appurtenant thereto as limited common elements all parts of the Building's tower that are not part of any Apartment, from (and including) the sixth floor through (and including) the roof of the Building's tower..

(h) The Residential Apartments, the Commercial Apartments and the Industrial Apartments, as a group, shall have appurtenant thereto as a limited common element the ground level outdoor plaza area and all amenities located thereon or therein.

EXHIBIT "E"

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(i) Except as otherwise provided in section (j) below, the PS Apartments shall have no appurtenant limited common elements and shall have no right to use any of the Project's common elements except those common elements that are necessary for the structural support, integrity, safety, reasonable use and operation of the PS Apartments.

(j) Any common element of the Project that is not expressly described herein and in the Declaration as a limited common element but that is rationally related to a single Apartment shall be deemed a limited common element appurtenant to and for the exclusive use of that Apartment, it being the intent of section 5 of the Declaration to apportion rights to use and obligations to repair and maintain all common elements as equitably as reasonably possible among the various Apartments.

ENCUMBRANCES AGAINST TITLE

Two Preliminary Reports (one covering TMK No. (1) 2-3-003-072 and the other covering TMK Nos. (1) 2-3-003-088 and -102) both dated **February 15, 2006**, issued by Title Guaranty of Hawaii, Inc., disclose that the land of the Project is subject to the following encumbrances (the ITEMS, PARCEL and LOT numbers shown below pertain to the various parcels comprising the Project's land, more particularly described in the Declaration and in Exhibit "F-2" attached to this Public Report):

I. --AS TO ITEM I-- (TMK No. (1) 2-3-003-072):

1. -AS TO PARCELS SECOND (LOT 1-A), THIRD (LOT 2) AND FOURTH (LOT 1-B):-

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

2. -AS TO PARCEL FIRST (LOTS B AND C):-

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

INSTRUMENT : EXCHANGE DEED

DATED : July 26, 1946

FILED : Land Court Document No. 86975

The foregoing includes, but is not limited to, matters relating to the following:

"Reserving, however, an easement for road purposes over and across said Lot C in favor of the Grantee, its successors and assigns, and the owner or owners from time to time, of Lot A of said Land Court Application."

3. -AS TO PARCEL FOURTH (LOT 1-B):-

(A) License in favor of the BOARD OF WATER SUPPLY OF THE CITY AND COUNTY OF HONOLULU, dated July 6, 1931, recorded in Liber 1109 at Page 480; granting an easement to lay, operate, maintain, repair and remove an underground water pipe line or pipe lines across a strip of land 5 feet in width.

(B) Rights of others who may have easement or access rights in the land described in ITEM I.

(C) This parcel lies within Waimanu Street, although the same has never been conveyed to or condemned by the City and County of Honolulu.

EXHIBIT "F-1"

Page 1 of 6

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

INSTRUMENT : WARRANTY DEED
DATED : February 26, 2001
FILED : Land Court Document No. 2685414
RECORDED : Document No. 2001-025528

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

INSTRUMENT : ENTRY PERMIT
DATED : October 15, 2001
FILED : Land Court Document No. 2750147
RECORDED : Document No. 2001-174224
PARTIES : HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company, KAPIOLANI D.C., INC., a Hawaii corporation, and HAWAIIAN ELECTRIC COMPANY, INC., a Hawaii corporation

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

INSTRUMENT : AGREEMENT
DATED : October 15, 2001
FILED : Land Court Document No. 2750166
RECORDED : Document No. 2001-174260
PARTIES : HAWAII COMMUNITY DEVELOPMENT AUTHORITY, a public corporation of the State of Hawaii, "HCDA", and HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company, "HDC"
RE : joint development

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

INSTRUMENT : ENCROACHMENT & ACCESS AGREEMENT
DATED : August 28, 2001
FILED : Land Court Document No. 2761965
RECORDED : Document No. 2001-197588

EXHIBIT "F-1"

PARTIES : ASSET HOLDING, INC., a Hawaii corporation,
KAPIOLANI LOTS 75/85/86, LLC, a Hawaii limited
liability company, and HONOLULU DESIGN CENTER,
LLC, a Hawaii limited liability company

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

INSTRUMENT : DECLARATION OF TRANSFER OF USES

DATED : January 27, 2006

FILED : Land Court Document No. 3384035

RECORDED : Document No. 2006-017389

II. --AS TO ITEM II-- (TMK No. (1) 2-3-003-088):

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

INSTRUMENT : AGREEMENT

DATED : July 19, 1943

FILED : Land Court Document No. 70018

PARTIES : WILLIAM H. MULLIN and MARGARETHE F.
MULLIN and HATTIE KULAMANU WARD, LUCY
KAIKA WARD and VICTORIA KATHLEEN WARD

RE : building within setback area along Waimanu Street for
future road widening

2. SETBACK (8 feet wide)

PURPOSE : road

SHOWN : on Map 20, filed with Land Court Application No. 670

3. DESIGNATION OF EASEMENT "6"

PURPOSE : sanitary sewer

SHOWN : on Map 20, as set forth by Land Court Order No. 24810,
filed October 19, 1965

4. An easement in favor of the CITY AND COUNTY OF HONOLULU for sewer purposes over said Easement "6" acquired by AMENDED FINAL ORDER OF CONDEMNATION dated July 19, 1968, filed in the Circuit Court of the First

EXHIBIT "F-1"

Circuit, State of Hawaii, Civil No. 6484, filed as Land Court Document No. 449940.

5. SETBACK (15 feet wide)

PURPOSE : building
SHOWN : on survey map prepared by James R. Thompson, Land Surveyor, with Walter P. Thompson, Inc., dated February 3, 1999

6. Encroachments or any other matters as shown on survey map prepared by James R. Thompson, Land Surveyor, with Walter P. Thompson, Inc., dated February 3, 1999.

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

INSTRUMENT : AGREEMENT

DATED : October 25, 2001
FILED : Land Court Document No. 2750166
RECORDED : Document No. 2001-174260
PARTIES : HAWAII COMMUNITY DEVELOPMENT AUTHORITY, a public corporation of the State of Hawaii, "HCDA", and HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company, "HDC"
RE : joint development

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

INSTRUMENT : SEWER EASEMENT AGREEMENT

DATED : January 9, 2001
FILED : Land Court Document No. 2769936
PARTIES : HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company, and the CITY AND COUNTY OF HONOLULU
RE : development over Easement "6" for sanitary sewer purposes

9. DESIGNATION OF EASEMENT "12"

PURPOSE : water meter

EXHIBIT "F-1"

SHOWN : on Map 43, as set forth by Land Court Order No. 144899,
filed February 15, 2002

III. --AS TO ITEM III-- (TMK No. (1) 2-3-003-102):

1. SETBACK (8 feet wide)

PURPOSE : road
SHOWN : on Map 20, filed with Land Court Application No. 670

2. SETBACK (15 feet wide)

PURPOSE : building
SHOWN : on survey map prepared by James R. Thompson, Land
Surveyor, with Walter P. Thompson, Inc., dated February
3, 1999

3. Encroachments or any other matters as shown on survey map prepared by James
R. Thompson, Land Surveyor, with Walter P. Thompson, Inc., dated February 3,
1999.

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

INSTRUMENT : AGREEMENT

DATED : October 25, 2001

FILED : Land Court Document No. 2750166

RECORDED : Document No. 2001-174260

PARTIES : HAWAII COMMUNITY DEVELOPMENT
AUTHORITY, a public corporation of the State of
Hawaii, "HCDA", and HONOLULU DESIGN CENTER,
LLC, a Hawaii limited liability company, "HDC"

RE : joint development

IV. --AS TO ITEMS I, II AND III-- (TMK Nos. (1) 2-3-003-072, -088 and -102):

Real Property taxes as may be due and owing. Refer to the City and County of Honolulu
Director of Finances for further information.

EXHIBIT "F-1"

Page 5 of 6

NOTE:

PRIOR TO CONVEYANCE OF AN APARTMENT TO A BUYER, THE DEVELOPER MAY OBTAIN CONSTRUCTION FINANCING FOR THE PROJECT AND GIVE A BLANKET MORTGAGE ON THE PROJECT'S LAND AS SECURITY. SECTION III.E ON PAGE 15 OF THE PUBLIC REPORT TO WHICH THIS EXHIBIT IS ATTACHED EXPLAINS MORE ABOUT A POSSIBLE BLANKET MORTGAGE ON THE LAND.

THE LAND

NOTE: PLEASE SEE EXHIBIT “F-3” FOR AN EXPLANATION OF THE DEVELOPER’S PENDING ACQUISITION OF THE FOLLOWING LANDS.

ITEM I (TMK No. (1) 2-3-003-072):

-PARCEL FIRST:-

All of those certain parcels of land situate on Waimanu Street at Honolulu, City and County of Honolulu, State of Hawaii, described as follows:

LOTS B, area 2,917 square feet, more or less, and
C, area 1,260 square feet, more or less,

as shown on Map 2, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1400 of Kodak Hawaii, Limited.

Being the land(s) described in Transfer Certificate of Title No. 587,264 issued to HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company.

-PARCEL SECOND:-

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Number 1807, Land Commission Award Number 3169, Apana 1 to Koalele) situate, lying and being at Kewalo, Honolulu, City and County of Honolulu, State of Hawaii, being LOT 1-A, being a portion of Lot 1, and thus bounded and described as per survey dated December 27, 2001, to-wit:

Beginning at the south corner of this parcel of land, being also the southwest corner of Lot 2 and on the northeast side of Waimanu Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station “PUNCHBOWL” being 5,835.78 feet south and 709.62 feet west and running by azimuths measured clockwise from true South:

1. 141° 56' 170.56 feet along the new northeast side of Waimanu Street;
2. 209° 45' 116.00 feet along Lot 435 (Map 20) of Land Court Application 670;
3. 302° 28' 177.73 feet along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;

EXHIBIT “F-2”

4. 32° 28' 57.14 feet along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
5. 110° 30' 59.73 feet along Lot 2 along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
6. 4° 20' 100.00 feet along Lot 2 along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
7. 33° 00' 15.00 feet along Lot 2 along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele to the point of beginning and containing an area of 21,888 square feet, more or less.

-PARCEL THIRD:-

All of that certain parcel of land (portion of the land described in and covered by Royal Patent No. 1807, Land Commission Award No. 3169, Apana 1 to Koalele) situate, lying and being at Kewalo, Honolulu, City and County of Honolulu, State of Hawaii, being LOT 2, and thus bounded and described as per survey dated April 5, 1989, to-wit:

Beginning at the northwest corner of this parcel of land, on the north side of Waimanu Street and at the south corner of Lot 1, being a portion of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 5,835.78 feet south and 709.62 feet west and thence running by azimuths measured clockwise from true South:

1. 213° 00' 15.00 feet along Lot 1, being a portion of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
2. 184° 20' 100.00 feet along Lot 1, being a portion of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
3. 290° 30' 59.73 feet along Lot 1, being a portion of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
4. 32° 28' 27.33 feet along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
5. 300° 34' 35.94 feet along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
6. 9° 08' 81.32 feet along Lot B of Land Court Application 1400 as shown on Map 2;

EXHIBIT "F-2"

7. 52° 46' 40.35 feet along Lot B of Land Court Application 1400 as shown on Map 2;
8. 141° 52' 69.50 feet along the North side of Waimanu Street to the point of beginning and containing an area of 9,289 square feet, more or less.

-PARCEL FOURTH:-

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Number 1807, Land Commission Award Number 3169, Apana 1 to Koalele) situate, lying and being at Kewalo, City and County of Honolulu, State of Hawaii, being LOT 1-B, and thus bounded and described as per survey dated December 27, 2001, to-wit:

Beginning at the southeast corner of this parcel of land being also the southwest corner of Lot 2 and on the Northeast side of Waimanu Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 5,835.78 feet south and 709.62 feet west, and running by azimuths measured clockwise from true South:

1. 33° 00' 15.00 feet along the present northeast side of Waimanu Street;
2. 140° 27' 20" 167.93 feet along same;
3. 209° 45' 20.00 feet along same;
4. 321° 56' 170.56 feet along the new northeast side of Waimanu Street to the point of beginning and containing an area of 2,781 square feet, more or less.

BEING THE PREMISES ACQUIRED BY LIMITED WARRANTY DEED

GRANTOR : HDC PROPERTIES, LLC, a Nevada limited liability company
 GRANTEE : HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company
 DATED : January 6, 2001
 FILED : Land Court Document No. 2723586
 RECORDED : Document No. 2001-112944

ITEM II (TMK No. (1) 2-3-003-088):

All of that certain parcel of land situate at Kewalo, Honolulu, City and County of Honolulu, State of Hawaii, described as follows:

LOT 435, area 41,681 square feet, more or less, as shown on Map 20, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 670 of Victoria Ward.

Being the land(s) described in Transfer Certificate of Title No. 784,646 issued to EVERSHINE X, a California limited partnership.

BEING THE PREMISES ACQUIRED BY LIMITED WARRANTY DEED

GRANTOR : HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company

GRANTEE : EVERSHINE X, a California limited partnership

DATED : December 16, 2005

FILED : Land Court Document No. 3368579

ITEM III (TMK No. (1) 2-3-003-102):

All of that certain parcel of land situate at Kewalo, Honolulu, City and County of Honolulu, State of Hawaii, described as follows:

LOT 443, area 10,405 square feet, more or less, as shown on Map 25, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 670 of Victoria Ward.

Being the land(s) described in Transfer Certificate of Title No. 784,646 issued to EVERSHINE X, a California limited partnership.

BEING THE PREMISES ACQUIRED BY LIMITED WARRANTY DEED

GRANTOR : HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company

GRANTEE : EVERSHINE X, a California limited partnership

DATED : December 16, 2005

FILED : Land Court Document No. 3368579

CURRENT FEE OWNERS OF THE LAND; INTENT TO TRANSFER

The lands described in Exhibit "F-2" of this Public Report as "**ITEM I**" (TMK No. (1) 2-3-003-072) are currently owned in fee simple by Honolulu Design Center, LLC, a Hawaii limited liability company, whose address is 8060 Double R Boulevard, Suite 400, Reno, Nevada 89521 ("HDC").

The lands described in Exhibit "F-2" of this Public Report as "**ITEM II**" (TMK No. (1) 2-3-003-072) and "**ITEM III**" (TMK No. (1) 2-3-003-102) are currently owned in fee simple by Evershine X, a California limited partnership, whose address is 19770 Stevens Creek Boulevard, Cupertino, California 95014 ("Evershine X").

By unrecorded option agreement dated August 16, 2005, by and between HDC and Evershine X, a short form of which is dated December 16, 2005, recorded in the Land Court as Document No. 3368582, and also recorded in the Bureau as Document No. 2005-257670 (the "Option Agreement"), Evershine X acquired the right, in the nature of an option, to purchase from HDC the lands described in Exhibit "F-2" as "ITEM I". Evershine X's right to purchase the ITEM I lands shall continue until February 28, 2008, unless the Option Agreement is sooner terminated according to its terms. A copy of the recorded short form of the Option Agreement is attached to and made a part of this Exhibit "F-3".

Prior to recordation of the Declaration and issuance of a final public report for the Project, Evershine X intends to acquire fee simple title to the ITEM I lands and to transfer fee simple title to the ITEM I lands, the ITEM II lands and the ITEM III lands to the Developer, as evidenced by that certain Statement of Intention to Transfer Real Property letter dated February 14, 2006, signed by Evershine X and submitted to the Real Estate Commission as part of the application for this preliminary public report. A copy of the Statement of Intention to Transfer Real Property letter is attached to and made a part of this Exhibit "F-3".

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

EXHIBIT "F-3"

Page 1 of 16

SHORT FORM OPTION AGREEMENT

DOUBLE SYSTEM



L-550 STATE OF HAWAII
OFFICE OF ASSISTANT REGISTRAR
RECORDED
DEC 16, 2005 02:00 PM
Doc No(s) 3368582
on Cert(s) 784,648



R-1097 STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED
DEC 16, 2005 02:00 PM
Doc No(s) 2005-257670



/s/ CARL T. WATANABE
ASSISTANT REGISTRAR

20 8/8 29 R1097



/s/ CARL T. WATANABE
REGISTRAR OF CONVEYANCES

20 8/8 29 L550

AFTER RECORDATION () MAIL TO (X) PICKUP BY:

CHUN, KERR, DODD, BEAMAN & WONG (DSW)
745 Fort Street, 9th Floor
Honolulu, Hawaii 96813
Telephone: (808) 528-8200

T6: 200551031-5

Total No. of Pages: 11

TITLE OF DOCUMENT:

SHORT FORM OPTION AGREEMENT

PARTIES TO DOCUMENT:

FIRST PARTY: HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company

SECOND PARTY: EVERSINE X, A California Limited Partnership

TAX MAP KEY: (Oahu) (1) 2-3-003-072

SHORT FORM OPTION AGREEMENT

This Short Form Option Agreement, made as of DECEMBER 16, 2005, by and between the HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company ("HDC"), whose address is 8060 Double R Boulevard, Suite 400, Reno, Nevada 89521, and EVERSHINE X, A California Limited Partnership ("ESX"), whose address is 19770 Stevens Creek Boulevard, Cupertino, California 95014;

WITNESSETH:

That HDC and ESX entered into that certain unrecorded option agreement dated August 16, 2005 (the "Option Agreement"), wherein HDC granted to ESX the option to acquire that certain real property described in Exhibit A attached hereto and incorporated herein by this reference.

Pursuant to the terms of the Option Agreement, ESX's option to acquire the above referenced property and expires on February 28, 2008, unless the Option Agreement is sooner terminated pursuant to the terms thereof.

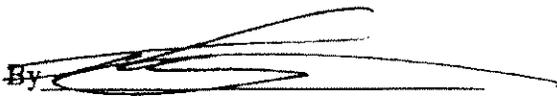
This instrument is executed for the purpose of giving notice of the existence of the Option Agreement including but not limited to the following provision found in Section 3.b. of the Option Agreement: "HDC warrants that with respect to actions to be undertaken by HDC on the Property following the date of this Agreement, HDC shall comply with all laws, ordinances and rules relating to the use, storage, disposal and remediation of hazardous materials." Reference is made to the Option Agreement, as the same may be amended from time to time, for the full description of the rights and duties of HDC and ESX, and this instrument shall in no way amend or modify the terms and conditions of, or the interpretation of the rights and duties of HDC and ESX under the Option Agreement.

The parties hereto agree that this instrument may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same agreement, binding all of the parties hereto, notwithstanding all of the parties are not signatory to the original or same counterparts. For all purposes, including, without limitation, recordation, filing and delivery of this instrument, duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

IN WITNESS WHEREOF, the parties hereto have executed this instrument
as of the date first above written.

HDC:

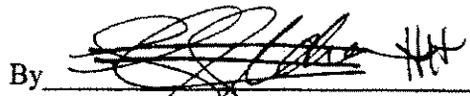
HONOLULU DESIGN CENTER, LLC,
a Hawaii limited liability company

By 
Thomas Sorensen
Its Manager

ESX:

EVERSHINE X,
a California limited partnership

By ESX Development, Inc.
Its Manager

By 
Shiu Leung Chan
Its President

IN WITNESS WHEREOF, the parties hereto have executed this instrument
as of the date first above written.

HDC:

HONOLULU DESIGN CENTER, LLC,
a Hawaii limited liability company

By _____
Thomas Sorensen
Its Manager

ESX:

EVERSHINE X,
A California Limited Partnership

By Everbright I, LLC
a California limited liability company
Its General Partner

By *Annie M. H. Chan* 12/9/05
Annie M. H. Chan
Its Manager

STATE OF HAWAII

)

SS.

)

CITY & COUNTY OF HONOLULU

)

On this 9th day of November, 2005, before me personally appeared Thomas Sorensen, to me satisfactorily proven, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Carolyn P. Okano

Notary Public, State of Hawaii

Name: **CAROLYN P. OKANO**

My Commission Expires: MAY 09 2008

CS

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

On this _____ day of _____, 2005, before me personally appeared THOMAS SORENSEN, to me satisfactorily proven, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Print Name: _____
Notary Public for above-noted State and County

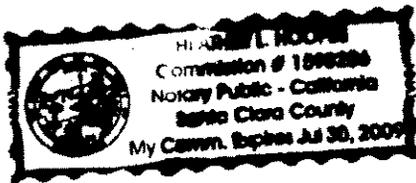
My Commission expires: _____

STATE OF California)
) SS.
COUNTY OF Santa Clara)

On this 9th day of December, 2005, before me personally appeared ANNIE M. H. CHAN, to me satisfactorily proven, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Heather L. Hoopes
Print Name: Heather L. Hoopes
Notary Public for above-noted State and County

My Commission expires: July 30, 2009



THE CURRENT TCT NO. _____

Doc 3368581
CTI 784,648
DEC 16 2005 02:00 PM

EXHIBIT A
(Parcel 72)

-FIRST:-

All of those certain parcels of land situate on Waimanu Street at Honolulu, City and County of Honolulu, State of Hawaii, described as follows:

LOTS B, area 2,917 square feet, more or less, and
C, area 1,260 square feet, more or less,

as shown on Map 2, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1400 of Kodak Hawaii, Limited.

Being the land(s) described in Transfer Certificate of Title No. 587,264 issued to HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company.

-SECOND:-

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Number 1807, Land Commission Award Number 3169, Apana 1 to Koalele) situate, lying and being at Kewalo, Honolulu, City and County of Honolulu, State of Hawaii, being LOT 1-A, being a portion of Lot 1, and thus bounded and described as per survey of Wilfred Y. K. Chin, Licensed Professional Land Surveyor, with Controlpoint Surveying, Inc., dated December 27, 2001, to-wit:

Beginning at the south corner of this parcel of land, being also the southwest corner of Lot 2 and on the northeast side of Waimanu Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCBOWL" being 5,835.78 feet south and 709.62 feet west and running by azimuths measured clockwise from true South:

- | | | |
|----|----------|---|
| 1. | 141° 56' | 170.56 feet along the new northeast side of Waimanu Street; |
| 2. | 209° 45' | 116.00 feet along Lot 435 (Map 20) of Land Court Application 670; |

- | | | | |
|----|----------|--------|--|
| 3. | 302° 28' | 177.73 | feet along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele; |
| 4. | 32° 28' | 57.14 | feet along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele; |
| 5. | 110° 30' | 59.73 | feet along Lot 2 along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele; |
| 6. | 4° 20' | 100.00 | feet along Lot 2 along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele; |
| 7. | 33° 00' | 15.00 | feet along Lot 2 along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele to the point of beginning and containing an area of 21,888 square feet, more or less. |

-THIRD:-

All of that certain parcel of land (portion of the land described in and covered by Royal Patent No. 1807, Land Commission Award No. 3169, Apana 1 to Koalele) situate, lying and being at Kewalo, Honolulu, City and County of Honolulu, State of Hawaii, being LOT 2, and thus bounded and described as per survey of Russell Figueiroa, Registered Professional Land Surveyor, dated April 5, 1989, to-wit:

Beginning at the northwest corner of this parcel of land, on the north side of Waimanu Street and at the south corner of Lot 1, being a portion of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 5,835.78 feet south and 709.62 feet west and thence running by azimuths measured clockwise from true South:

1.	213	00'	15.00	feet along Lot 1, being a portion of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
2.	184	20'	100.00	feet along Lot 1, being a portion of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
3.	290	30'	59.73	feet along Lot 1, being a portion of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
4.	32	28'	27.33	feet along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
5.	300	34'	35.94	feet along the remainder of R. P. 1807, L. C. Aw. 3169, Ap. 1 to Koalele;
6.	9	08'	81.32	feet along Lot B of Land Court Application 1400 as shown on Map 2;
7.	52	46'	40.35	feet along Lot B of Land Court Application 1400 as shown on Map 2;
8.	141	52'	69.50	feet along the North side of Waimanu Street to the point of beginning and containing an area of 9,289 square feet, more or less.

BEING THE PREMISES ACQUIRED BY LIMITED WARRANTY DEED

GRANTOR : HDC PROPERTIES, LLC, a Nevada limited liability company

GRANTEE : HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company

DATED : June 6, 2001

FILED : Land Court Document No. 2723586

RECORDED : Document No. 2001-112944

SUBJECT, HOWEVER, to the following:

(A) IMPROVEMENT ASSESSMENT: (HAWAII COMMUNITY DEVELOPMENT
AUTHORITY, STATE OF HAWAII) - Information pending

DISTRICT NO. 0004 LOT NO. 48

(B) IMPROVEMENT ASSESSMENT: (HAWAII COMMUNITY DEVELOPMENT
AUTHORITY, STATE OF HAWAII) - Information pending

DISTRICT NO. 0004 LOT NO. 49

(C) IMPROVEMENT ASSESSMENT: (HAWAII COMMUNITY DEVELOPMENT
AUTHORITY, STATE OF HAWAII) - Information pending

DISTRICT NO. 0004 LOT NO. 50

(D) -AS TO PARCELS SECOND AND THIRD:-

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

(E) -AS TO PARCEL FIRST:-

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

INSTRUMENT : EXCHANGE DEED

DATED : July 26, 1946

FILED : Land Court Document No. 86975

The foregoing includes, but is not limited to, matters relating
to the following:

"Reserving, however, an easement for road purposes over an across
said Lot C in favor of the Grantee, its successors and assigns,
and the owner or owners from time to time, of Lot A of said Land
Court Application."

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

INSTRUMENT : ENTRY PERMIT

DATED : October 15, 2001
FILED : Land Court Document No. 2750147
RECORDED : Document No. 2001-174224
PARTIES : HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company, KAPIOLANI D.C., INC., a Hawaii corporation, and HAWAIIAN ELECTRIC COMPANY, INC., a Hawaii corporation

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

INSTRUMENT : AGREEMENT

DATED : October 25, 2001
FILED : Land Court Document No. 2750166
RECORDED : Document No. 2001-174260
PARTIES : HAWAII COMMUNITY DEVELOPMENT AUTHORITY, a public corporation of the State of Hawaii, "HCDA", and HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company, "HDC"
RE : joint development

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

INSTRUMENT : ENCROACHMENT & ACCESS AGREEMENT

DATED : August 28, 2001
FILED : Land Court Document No. 2761965
RECORDED : Document No. 2001-197588
PARTIES : ASSET HOLDING, INC., a Hawaii corporation, KAPIOLANI LOTS 75/85/86, LLC, a Hawaii limited liability company, and HONOLULU DESIGN CENTER, LLC, a Hawaii limited liability company

**STATEMENT OF INTENTION TO TRANSFER
REAL PROPERTY**

Evershine X
19770 Stevens Creek Boulevard
Cupertino, CA 95014
Telephone (404) 343-1088 Facsimile (408) 863-7333

February 14, 2006

State of Hawaii, Real Estate Branch
Professional & Vocational Licensing Division
Dept. of Commerce & Consumer Affairs
335 Merchant Street, Room 333
Honolulu, Hawaii 96813

Re: Statement of Intention to Transfer Real Property
Property Description: TMK Nos. (1) 2-3-10-72, 88 & 102
1015 Kapiolani Boulevard, Honolulu, Hawaii
Name of Transferor: Evershine X, a California limited
partnership
Name of Transferee: KC Rainbow II, LLC, a Hawaii limited
liability company

To Whom It May Concern:

This letter is to confirm that Evershine X, a California limited partnership ("Transferor"), which is the fee owner of the above described parcels 88 & 102 and has an option to purchase the above described parcel 72 ("Property"), is in negotiations with KC Rainbow II, LLC, a Hawaii limited liability company ("Transferee"), to transfer fee title to the Property to Transferee.

In connection with the foregoing, Transferor hereby consents to:

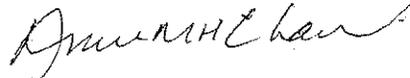
- (1) the Transferee's submission of an application for (and subsequent issuance of) a preliminary condominium public report for a proposed residential project to be developed on the property and to be known as "Moana Vista", and
- (2) the Transferee's submission of any and all applications for development rights and/or other entitlements concerning the Property,

prior to the actual transfer to Transferee of title to the Property, provided, however, that no conditions which either bind the Property, any of the owners of the Property or any prospective purchasers of interests in the Property shall be imposed by the issuance of such preliminary condominium public report or with respect to such application for development rights or other entitlements until fee title to the Property shall, in fact, have been fully vested in the Transferee in accordance with applicable law.

If you have any questions or if I can provide you with any further documentation concerning these matters, please contact me.

Very Truly Yours,
Evershine X,
a California limited partnership

By: Everbright I, LLC
a California limited liability company
Its: General Partner



By: Annie M.H. Chan, Manager

Cc: Wayne Okubo, The Evershine Group
Allen Leong, KC Rainbow II, LLC
Edward R. Brooks, Esq. & Jeffrey D. Watts, Esq.
Brooks Tom Porter & Quitiquit, LLP
Garth E. Pickett, Esq., Hopkins & Carley, A Law Corporation

DEVELOPER'S RESERVED WITHDRAWAL RIGHTS

Section 23 of the Declaration provides as follows:

23. Consolidation and Resubdivision; Withdrawal of Land; Reservations.

23.1 **Generally.** The Project's Land is subject to certain set backs for possible future road widening purposes. Accordingly, the Developer may be required at some time in the future to consolidate some or all of the individual lots comprising the Project's land and resubdivide the Land and withdraw from the Project the portion that is required for road widening. The Project's current Land contains an area of approximately 90,221 square feet. In the event that the Project's land is consolidated and resubdivided and a portion is withdrawn from the Project for road widening purposes, the Project's Land will contain an area of approximately _____ square feet, more or less.

23.2 **Developer's Reserved Rights.** To facilitate the process of consolidation and resubdivision and to enable the Developer to comply with any road widening requirements that may be imposed upon the Project at any time, the Developer hereby reserves the right (but without obligation), for itself, its successors in interest and assigns to do all things necessary or convenient (i) to cause the consolidation and resubdivision of the Land, and (ii) to cause such consolidation and resubdivision to be properly approved, recognized and documented by and in the Land Court, the Bureau, the City and County of Honolulu and any other governmental or quasi-governmental authority, agency, department or office having jurisdiction over the Project and/or the Land, and (iii) to remove, delete and withdraw from the Project and the effect of this Declaration and the Act those portions of the Project's current Land that will be required for road widening purposes, and (iv) to amend this Declaration, the Bylaws, the Condominium Map and any and all other documents pertaining to the Project to the extent necessary to reflect such consolidation, resubdivision and withdrawal, all without the joinder or consent of any other party, including any Apartment Owner, Apartment purchaser, mortgagee (other than the holder of any blanket mortgage covering the Land prior to consolidation and resubdivision or at the time of withdrawal), lienholder, or any other person or entity whatsoever. Those portions of the Project's current Land that may be withdrawn from the Project in accordance with this section 23 are sometimes hereinafter called the "Withdrawn Property."

23.3 **Effect of Withdrawal.** Upon withdrawal, removal and deletion of the Withdrawn Property as set forth in this section 23, and with no further action required, no Apartment Owner, mortgagee, lien holder, Apartment purchaser or any other person (other than the Developer and the holder of any blanket mortgage covering the Withdrawn Property) who may have an interest in the Project or any Apartment shall have any legal or equitable interest in the Withdrawn Property (it being the intent hereof that, upon such removal and deletion, fee simple title to the Withdrawn Property and any interests appurtenant thereto will vest solely in the Developer or in the Developer's designee, which may be the City and County of Honolulu if the Withdrawn Property is dedicated as part of a public roadway). If deemed necessary to effect the intent of this section 23, each Apartment Owner, mortgagee, lien holder and any other person who may have an interest in the Project or any Apartment shall, if requested by the Developer,

unconditionally quitclaim and/or release its interest (if any) in the Withdrawn Property to the Developer or to the Developer's designee.

23.4 **Power of Attorney.** The Developer shall have the absolute right, notwithstanding the lease, sale or conveyance of any Apartment, and without being required to obtain the consent or joinder of any Apartment Owner, lien holder or other persons, to effect the consolidation and resubdivision of the Project's current Land, to withdraw, remove and delete from the Project those portions of the Land that are or may be required for road widening purposes, and to execute, record and/or file the herein described application(s), amendments, quitclaims, releases and any and all other instruments necessary or appropriate for the purpose of effecting the changes contemplated hereby. Any such action shall be deemed taken by the Developer as the true and lawful attorney-in-fact of the respective Apartment Owners and lien holders. Each and every person acquiring an interest in any Apartment, the Project or the Land covered by this Declaration, by such acquisition, consents to such changes and to the recordation of such documents as may be necessary to effect the same; agrees to execute such documents and do such other things as may be necessary or convenient to effect the same; and appoints the Developer his, her or its attorney-in-fact with full power of substitution to execute such documents and do such other things on his, her or its behalf, which grant of such power, being coupled with an interest, is irrevocable and shall not be affected by the disability of any such person.

23.5 **Successors and Assigns.** The rights of the Developer under this section 23 shall extend to the Developer and to any party who expressly acquires the interest and rights of the Developer under this Declaration.

23.6 **Amendment of this Section 23.** Notwithstanding any provision herein to the contrary, this section 23 may not be amended without the written consent and joinder of the Developer for so long as the Developer retains an ownership interest in any Apartment in the Project.

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS
FOR
MOANA VISTA

Estimate of Initial Maintenance Fees:

<u>Apartment Type</u>	<u>Monthly Fee</u> x 12 Months	<u>=Yearly Total</u>
A/AR	\$349.41	\$4,192.92
B/BR	\$370.93	\$4,451.16
C/CR	\$398.76	\$4,785.12
D/DR	\$488.12	\$5,857.44
E/ER	\$449.64	\$5,395.68
F/FR	\$513.56	\$6,162.72
PA/PAR	\$424.63	\$5,095.56
PE/PER	\$496.60	\$5,959.20
PF/PFR	\$560.74	\$6,728.88
Comm 1	\$184.38	\$2,212.56
Comm 2	\$662.93	\$7,955.16
Comm 3	\$647.06	\$7,764.72
Comm 4	\$715.33	\$8,583.96
Comm 5	\$650.11	\$7,801.32
Ind 1	\$198.95	\$2,387.40
Ind 2	\$308.53	\$3,702.36
Ind 3	\$308.09	\$3,697.08
Ind 4	\$197.86	\$2,374.32
PS 1	\$103.11	\$1,237.32
PS 2	\$114.42	\$1,373.04
PS 3	\$103.11	\$1,237.32
PS 4	\$114.42	\$1,373.04
PS 5	\$103.11	\$1,237.32
PS 6	\$114.42	\$1,373.04
PS 7	\$103.12	\$1,237.44
PS 8	\$114.43	\$1,373.16
Parking	\$36.31	\$435.72
Storage (150 sf or less)	\$21.74	\$260.88
Storage (151 sf or more)	\$43.49	\$521.88

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

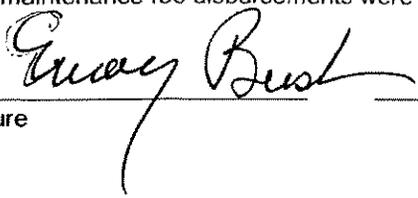
EXHIBIT "H"

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Utilities and Services	Monthly	Annually
Electricity	\$42,000	\$504,000
TV Cable	\$18,675	\$224,100
Water	\$3,960	\$47,520
Sewer	\$11,520	\$138,240
Gas	\$360	\$4,320
Telephone	\$1,110	\$13,320
Contract Services		
Air Conditioning	\$499	\$5,988
Window Cleaning	\$4,000	\$48,000
Elevator	\$5,000	\$60,000
Pest Control	\$192	\$2,304
Generator	\$420	\$5,040
Refuse	\$2,520	\$30,240
Swing Stage	\$480	\$5,760
Fire Systems	\$300	\$3,600
Mechanical Systems	\$750	\$9,000
Backflow Test	\$240	\$2,880
Purchasing Hui	\$360	\$4,320
Maintenance, Repairs, Supplies		
Air Conditioning	\$1,440	\$17,280
Cleaning Supplies	\$960	\$11,520
Elevator Inspection	\$360	\$4,320
Grounds	\$1,200	\$14,400
Electrical/Lighting	\$1,800	\$21,600
Plumbing	\$240	\$2,880
Pool and Spa	\$600	\$7,200
Paint	\$600	\$7,200
Security Equipment	\$1,200	\$14,400
Fire Systems	\$360	\$4,320
Building Repairs	\$1,200	\$14,400
Misc Repairs & Purchases	\$480	\$5,760
Tools	\$240	\$2,880
Building Maint.- Other	\$1,200	\$14,400
Amenities	\$540	\$6,480
Payroll and Benefits		
P/R Manager	\$5,500	\$66,000
P/R Maintenance & Janitorial	\$21,000	\$252,000
P/R Security	\$16,000	\$192,000
P/R Office	\$3,500	\$42,000
Workers Comp	\$3,200	\$38,400
TDI	\$200	\$2,400
Health Care	\$6,500	\$78,000
Payroll Taxes	\$4,200	\$50,400
Payroll Prep	\$250	\$3,000
Manger Housing Expense	\$3,000	\$36,000
401K Expense	\$600	\$7,200
Professional Services		
M.A. Admin Supplies & Services	\$1,200	\$14,400
AOAO Admin Expenses	\$1,200	\$14,400
Education	\$400	\$4,800
Management Services	\$7,687	\$92,244
Audit	\$167	\$2,004
Legal Fees	\$1,000	\$12,000
Consulting Fees	\$400	\$4,800

Newsletter Exp	\$100	\$1,200
Other Expenses		
Insurance	\$16,667	\$200,004
Uninsured Exp	\$2,000	\$24,000
Miscellaneous Expense	\$100	\$1,200
State General Excise Tax	\$300	\$3,600
Reserves	\$17,450	\$209,400
TOTAL	\$217,427	\$2,609,124

I, Emory Bush, as agent for/and/or employed by Hawaiiana Management Company, the condominium managing agent for Moana Vista 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.


3-7/09/06
 Signature Date

Pursuant to 514A-83.6 HRS, a new association created after January 1, 1993, need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting. The Developer has not conducted a reserve study for the Project. The Budget amount for Reserves is an estimate only.

SUMMARY OF SALES CONTRACT AND ESCROW AGREEMENT

The Sales Contract provides for the sale of a condominium apartment (the “Apartment”) by the Developer to a Buyer. The Escrow Agreement provides how the funds paid by the Buyer under the Sales Contract to Escrow are to be held and released. Both the Sales Contract and Escrow Agreement contain many important provisions which are not set out here and should be carefully reviewed by every prospective Buyer.

The Sales Contract provides for the number, amount and timing of payments the Buyer is to make to Escrow. The Escrow Agreement provides that Escrow is to collect these payments and hold them in accounts with banks or savings institutions that are federally insured. The Sales Contract and Escrow Agreement provide who gets to keep interest that may be earned on the funds with Escrow. If the Sales Contract is signed before the Real Estate Commission has issued an effective date for a Final Public Report and before certain other things have happened (as described in the Sales Contract), the Sales Contract shall not be binding on the Buyer or the Seller, and either of them may cancel it at any time before it becomes binding. After the Sales Contract becomes binding, it may be cancelled by the Developer if, among other reasons, the Buyer is obtaining financing and fails to obtain a lender commitment within a certain time period specified in the Sales Contract, or if the Buyer is a cash buyer and fails to furnish satisfactory evidence of ability to pay within other time periods. In certain cases, the Buyer may be responsible for cancellation fees.

The Sales Contract provides that if the Sales Contract has become binding between Buyer and Seller in accordance with Section F.1 thereof, Escrow may disburse to Seller all or portions of Buyer’s funds deposited with Escrow (i) prior to closing and completion of construction of Buyer’s Apartment to pay construction costs of the building(s) and other improvements of the Project, and (ii) after closing but prior to completion of construction of Buyer’s Apartment to pay construction and other costs (including architectural, engineering, finance and legal fees and other incidental expenses of the Project), in accordance with and subject to the requirements of the Act and the Escrow Agreement. The Sales Contract provides that no interest will be earned or paid on Buyer’s funds that are used to pay construction costs in accordance with the Sales Contract and the Escrow Agreement and the condominium law.

The Escrow Agreement provides for the closing or settlement of the sale. Escrow collects all payments and other amounts owed under the Sales Contract, including closing costs which are shared between the Developer and the Buyer as set forth in the Sales Contract.

If the Buyer defaults under the Sales Contract after the “Effective Date” (as defined in the Sales Contract), the Buyer may lose all of the Buyer’s deposits with Escrow up to 15% of the Purchase Price under the Sales Contract, or Buyer may be liable to Seller for the amount of damages Seller incurs due to Buyer’s default, whichever is greater. Seller, at its option, may pursue an action against Buyer for specific performance and may pursue other legal or equitable remedies as well.

EXHIBIT “I”

Page 1 of 3

If the Seller defaults under the Sales Contract, the Buyer shall, as its sole remedy, have the right to cancel and terminate the Sales Contract. If the Buyer cancels and terminates the Sales Contract because of the Seller's default, the Seller shall repay to the Buyer all sums the Buyer has paid to the Seller or to Escrow under the Sales Contract, and the parties shall thereafter be released from all liabilities and obligations thereunder.

The Sales Contract states estimated dates for commencement and completion of construction of the Project. The Sales Contract provides that if construction of the building's foundation has not been completed within twelve (12) months after the estimated construction commencement date, the Seller may, at the Seller's option, terminate the obligations of both Seller and Buyer under the Sales Contract and refund to Buyer all sums Buyer has paid to Seller or escrow, and in that event Seller and Buyer shall both be relieved and released of all further liability under the Sales Contract.

The Sales Contract confirms that the Buyer has had the opportunity to read and approve certain important legal documents for the Project, including the Declaration, Bylaws, and Rules and Regulations. The Sales Contract also provides that the rights of any construction lender with a mortgage against the Project will be superior to the rights of the Buyer under the Sales Contract.

The Sales Contract provides that prior to the date that the Sales Contract becomes binding on Buyer and Seller, Seller has the right to change the Project and to modify the Project's documents in any way, including (but not limited to) the right to change the purchase price under the Sales Contract or terminate the Project. The Seller also has the right to change the Project and the Project's documents in certain ways after the Sales Contract becomes binding, provided that such changes do not increase the purchase price of the Buyer's apartment or increase the Buyer's share of common expenses without the Buyer's consent, or reduce the Seller's obligations relating to unsold apartments, or result in a substantial physical change of the Buyer's apartment or the building in which the apartment is located.

The Sales Contract discloses that the Seller (as "Developer") has reserved various rights as more particularly described on pages 20, 20-a and 20-b of this Public Report. The Sales Contract also includes Seller disclosures and Buyer acknowledgments of various conditions pertaining to the Project and the sale of the Apartment, including that the Project is being developed subject to certain State of Hawaii governmental conditions and restrictions, that Hawaii's climate is conducive to the growth of mold, and that the Seller reserves the right to repurchase the Buyer's Apartment for a period of ten years under certain conditions.

The Sales Contract limits the Buyer's right to assign the Sales Contract and provides that the Seller may require a consent fee for any transfer. The Sales Contract also prohibits the Buyer from re-selling or re-offering the Apartment for sale prior to Buyer's acquisition of title to the Apartment.

The Sales Contract provides for "pre-closing." "Pre-closing" means that Escrow may set a time for the Buyer to sign all of the documents Escrow asks the Buyer to sign, including the

Apartment Deed and other closing documents, and the Buyer will pay the Buyer's share of the closing costs, as estimated by Escrow, even though the Buyer's Apartment may not be ready for occupancy. Buyer's share of closing costs include one-half of Escrow's fee, all recording fees, real property taxes and other prorations, Buyer's notary fees, title report and title insurance fees, conveyance tax, and fees charged by a lender if the Buyer is financing the purchase of his Apartment with a loan. Buyer will also be required to pay, at closing, up to two months estimated maintenance fees and an additional non-refundable, non-transferable "start-up fee," in an amount equal to two months estimated maintenance fees. The "start-up fee" shall become the Seller's property at closing but shall be used only for the limited and specific purposes set forth in the Sales Contract. Escrow then handles the closing, the transfer of title in accordance with the Escrow Agreement. The Apartment must be conveyed to the Buyer free and clear of any blanket liens, such as mortgages covering more than one apartment.

By signing the Sales Contract, the Buyer acknowledges that sales and construction activity at the Project by the Developer may continue after closing of the Buyer's purchase.

The Escrow Agreement provides certain protections to Escrow in the event of a dispute between the Buyer and the Developer. These protections include the right to file an "interpleader" and the right to recover certain fees and costs. In an interpleader action the escrow deposit is given to the court to decide what action to take. The Escrow Agreement sets out escrow fees, escrow cancellation fees and the fees for certain policies of title insurance.

THIS SUMMARY IS NOT COMPLETE AND WILL NOT CONTROL IN THE EVENT OF ANY CONFLICT WITH A PROVISION IN THE SALES CONTRACT OR THE ESCROW AGREEMENT. PROSPECTIVE BUYERS ARE CAUTIONED AND ENCOURAGED TO READ CAREFULLY THE SALES CONTRACT AND ESCROW AGREEMENT.

DEVELOPER'S RESERVED REPURCHASE RIGHTS

Section 24 of the Declaration provides as follows:

24. **Declarant's Repurchase Rights.** The Developer hereby reserves the right to repurchase an Apartment from an Apartment Owner for a period of ten (10) years from the date of recordation of the Deed conveying the Apartment to the Owner, provided, however, that the Developer may exercise this right *if and only if* the Owner of the Apartment shall have made a complaint to the Developer about the physical condition and/or design of the Apartment or the Project and the Developer, after a good faith and diligent effort, shall be unable to rectify the matters complained about to the Apartment Owner's satisfaction within a reasonable period of time, as determined by the Developer in its sole discretion. The exercise of the Developer's repurchase rights shall be subject to the following terms and conditions:

24.1 **Notice.** Developer shall give the Apartment Owner and the Owner's mortgagee (if any) written notice of the Developer's election to exercise its right to repurchase the Owner's Apartment.

24.2 **Closing.** The closing of the purchase shall be no earlier than six (6) months nor later than nine (9) months from the date of delivery of Developer's written notice of its election to exercise its repurchase right. Closing costs shall be apportioned between the Apartment Owner and the Developer in accordance with customary practice in the State of Hawaii.

24.3 **Purchase Price.** The purchase price for the Apartment shall be a price equal to the aggregate of (i) the price (the "Price") at which the Apartment Owner purchased the Apartment, (ii) the cost of any improvements added by the Owner to the Apartment, and (iii) five percent (5%) per annum simple interest on the portion of the Price the Owner paid in cash from time to time for the Apartment, computed from the date such amount was paid until the date that title to the Apartment is transferred to the Developer. The purchase price for the Apartment shall be paid in cash at closing.

24.4 **Appliances and Fixtures.** All appliances and fixtures originally sold with the Apartment (or their replacements) shall remain in the Apartment at the date of closing and shall be part of the property purchased by the Developer.

24.5 **Successors and Assigns.** Except as otherwise provided herein, the Developer's repurchase rights shall be binding upon each and every Apartment Owner and such Owner's heirs, personal representatives, successors and assigns. The Developer's repurchase rights shall automatically transfer to and inure to the benefit of any person or entity who expressly acquires all of the rights and interests of the Developer under this Declaration.

24.6 **Mortgagee Protection.** The Developer's right to repurchase an Apartment shall be subordinate to the interest of any mortgagee of record of the Apartment. The Developer shall not exercise its right to repurchase an Apartment if prior to or within sixty (60)

days of giving notice to the Apartment Owner and the Owner's mortgagee of the Developer's intent to exercise its repurchase right, the mortgagee has commenced a foreclosure action against the Apartment. Notwithstanding the formula for calculating the purchase price set forth in subsection 24.3 above, if the Apartment to be repurchased is subject to a purchase money mortgage, the purchase price shall, at a minimum, be sufficient to enable the Apartment Owner to repay such purchase money mortgage at closing. The Developer's right to repurchase an Apartment shall be automatically extinguished upon any transfer of title to the Apartment to a mortgage holder or other party pursuant to a mortgage foreclosure, foreclosure under power of sale, or a conveyance in lieu of foreclosure after a foreclosure action is commenced, or when a mortgage is assigned to a federal housing agency. A mortgagee under a mortgage covering any interest in an Apartment prior to commencing mortgage foreclosure proceedings may notify the Developer in writing of (i) any default of the mortgagor under the mortgage within ninety (90) days after the occurrence of such default, and (ii) any intention of the mortgagee to foreclose the mortgage; provided that the mortgagee's failure to provide such written notice to the Developer shall not affect the mortgagee's rights under the mortgage.